chapter

1

WHAT CAUSES HOMELESSNESS?

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Introduction

One of the most fundamental questions a student of homelessness can ask is: what causes it? Understanding this can help frame our thoughts and focus on addressing it, whether that be via program design, funding decisions, advocacy, or research. Most people who devote a lot of attention to homelessness likely have a 'gut feeling' or intuition as to what causes it, but many have neither the time nor patience to properly break down the various components. The present chapter seeks to do just that, providing an overview of three main types of causes: structural causes; individual-level risk factors; and systems failures. Drawing on academic research, it also shines the light on factors that lead to chronic (i.e., long-term) homelessness, a topic that receives a considerable amount of policy attention.

Factors unique to homelessness amongst Indigenous peoples, women, youth and other groups merit their own distinct discussions, which is why this e-book will have specific chapters dedicated solely to these other groups.

The main causal categories

To understand what causes homelessness, it is important to ask the following three questions:

1. What factors make the rate of per-capita homelessness higher in one community than in another?
2. In any given community, which individual-level characteristics make some persons more vulnerable to homelessness than others?
3. What dysfunctional activities do various governmental and non-governmental agencies partake in that create even more homelessness?

Understanding the first question helps us understand what measures are required to reduce homelessness over the long term. We call such factors *structural causes* of homelessness.

Knowing more about the second question helps funders, policy-makers and managers determine how to allocate resources, plan programming, and target prevention initiatives. We call such factors *individual-level risk factors*.

Appreciating the third question can help funders, policy-makers and managers redesign systems such that less homelessness is created. We call such factors *systems failures*.

This chapter will now discuss each broad category in more detail.

The most fundamental structural cause of homelessness is a lack of alignment between how much it costs to rent housing and how much low-income households can afford to pay for rent.

Structural causes

The most fundamental structural cause of homelessness is a lack of alignment between how much it costs to rent housing and how much low-income households can afford to pay for rent.[1] In a perfect world, landlords would have an array of units available to rent for different amounts of money. For high-income households, there would be elegant housing units, and for lower-income households, there would be more modest units at affordable rents (perhaps worth 30% or less of each household's monthly income).

1 Other structural causes include systemic racism, colonialism, homophobia, and transphobia. These important factors will be discussed in more detail in future chapters of the present volume.

But in reality, the situation in most communities is as follows:

1. High-income households often own their units.
2. Other high-income households (perhaps households not sure how long they want to live in the community in question) rent units for relatively large sums of money, though typically for less than 30% of their monthly incomes.
3. Some lower-income households manage to rent units for less than 30% of their monthly income.
4. But many lower-income households are not able to find adequate and suitable units that they can afford (i.e., at rent levels below 30% of their monthly income).

The housing market simply does not cater well to low-income households.

The scenario discussed in Point #4 is a major reason we discuss affordable housing challenges and homelessness so much these days. The housing market simply does not cater well to low-income households. Some of these households manage, but many are not faring well. Some are living in very small units, often with too many persons sharing bedrooms. Others are living in units requiring major repairs. Still others may be in good housing, but are doing so in unsustainable ways, for example, by paying so much in rent that they have insufficient money left for other basic needs, or by living far away from places of employment or community services. A relatively small percentage of these households is fortunate enough to live in social housing, that is, housing owned and operated by public or non-profit entities where the rent is kept at below 30% of household income.

This all raises the following question: *why* does our housing market not offer housing for all levels of household income? The precise answer to this question depends on how one views the world. Here are some explanations offered by some practitioners, researchers and advocates:

- Rules and regulations make it too difficult for private developers to create rental housing in the first place (and this limits supply).
- Government does an inadequate job of regulating rent levels, and they ought to put more regulations in place to keep landlords from raising rent levels too quickly (especially during times of strong economic growth).
- Government does an inadequate job of preserving what little low-cost rental housing already exists.[2]
- Most governments do not invest enough in social housing, and most jurisdictions have lengthy waitlists for the limited amount of social housing that does exist.

2 Pomeroy, S. (2020, May). *Why Canada needs a non-market rental acquisition strategy*. Retrieved from https://www.focus-consult.com/

- There is simply too much poverty; if there were less poverty, fewer households would struggle to pay rent.
- Government-funded income assistance programs are inadequate, especially social assistance (colloquially known as 'welfare').[3] If financial assistance for those with little or no labour market attachment were more robust, many housing challenges would be resolved.

All of the above points have a certain degree of merit. To what extent is each responsible for a lack of affordable housing? This depends largely on context, for example, which geographical area is being considered and at what point in history. Also, different people emphasize different factors, and one can often predict which factors will be stressed based on the respective political orientation of the individual in question (i.e., those on the left of the political spectrum tend to emphasize different factors than those on the right of the political spectrum).

Even in a community with very good availability of affordable housing, some homelessness is still inevitable.

An important caveat is also in order. Even in a community with very good availability of affordable housing, some homelessness is still inevitable. That is because some individuals are unable to maintain housing for any length of time, even when they are provided with affordable housing with well-funded professional staff support.[4]

Individual-level risk factors

Whether a community has a little homelessness or a lot of homelessness, it can often be predicted which types of persons become homeless. The characteristics that increase the vulnerability of some persons to homelessness are known as individual-level risk factors. If officials can understand these, they can: a) target prevention programs specifically at such individuals (to minimize the likelihood of them becoming homeless or to shorten their experiences of homelessness); and b) design programs uniquely tailored to such individuals that can help them after they become homeless.

Table 1 presents some of the individual risk factors that have been known to increase the likelihood of a person becoming homeless. The odds ratios presented here refer to how many times more likely a person with such a characteristic or history is to experience homelessness than somebody without the characteristic or history in question (based on the cited study).

3 Falvo, N. (2020). Lifting singles out of deep poverty: The case for increasing social assistance benefits. *IRPP Insight 33*. Montreal: Institute for Research on Public Policy.
4 Goering, P., Veldhuizen, S., Watson, A., Adair, C., Kopp, B., Latimer, E., & Aubry, T. (2014). National at home/chez soi final report. *Calgary, AB: Mental Health Commission of Canada, 48*.

Table 1

Risk Factors that Increase Likelihood of a Person Becoming Homeless

Factors	**Odds ratio**
History in foster care	3.7
Having previously attempted suicide	3.6
History of running away	3.3
History of criminal behaviour	3.0
Physically abused as a child	2.9
Having experienced unemployment	2.6
Having been emotionally abused as a child	2.4
Non-heterosexual identity	2.3
Substance use challenge	2.3
Victim of violence	2.2
Having moved a lot	2.1
Psychotic disorder	2.1
Veteran	2.0
Being single	2.0

Source. Nilsson, S. F., Nordentoft, M., & Hjorthøj, C. (2019). Individual-level predictors for becoming homeless and exiting homelessness: A systematic review and meta-analysis. Journal of Urban Health, 96(5), 741-750.

From Table 1, it would appear sensible for homelessness officials to consider doing the following:

- Prioritize the design of prevention programs for: people who have been in foster care (or who have run away from home); persons who have previously attempted suicide; and persons who have been incarcerated.
- Engage with officials in other sectors that support these subpopulations (e.g., child protection, health, corrections).
- Hire staff with both an interest and background in working with these subpopulations.
- Organize training for staff to better understand the unique needs of these subpopulations.

- Prioritize specialized types of housing support, such as social work support, for these same groups—support that would both help them get rehoused quickly and help them sustain their housing.

Finally, it is important to underline the fact that persons with such risk factors should not be blamed for having them. For example, children do not choose to be in foster care; rather, they are there for reasons beyond their own control. And in many cases, a lack of housing affordability itself is a reason for some of these risk factors.[5] Similarly, poverty could influence mental health, which could in turn bring on a suicide attempt.

Program officials in the homelessness sector often pay particularly strong attention to persons experiencing homelessness for long periods of time. One reason for this stems from a humanitarian concern—persons who experience long-term homelessness endure long bouts of difficulty; they may even die without housing. Another reason—and likely the major reason for heightened interest—stems from concern over resources. If a relatively small number of individuals is using a lot of bed space and staff resources, program officials often figure it would be efficient to the support system as a whole to target interventions directly to those individuals (in other words, in order to get them out of emergency shelters). Not only can this save shelter resources, but it can also lead to savings in other areas. For example, persons residing in shelters tend to use health and justice resources more than if they were appropriately housed.[6]

Program officials in the homelessness sector often pay particularly strong attention to persons experiencing homelessness for long periods of time.

With the above in mind, it is useful to reflect on findings of one study that looks at past experiences (i.e., individual-level risk factors) of persons experiencing long-term homelessness.[7] For the study in question, researchers interviewed 300 persons experiencing homelessness in Calgary, Alberta—specifically, persons who had experienced at least six consecutive months of absolute homelessness. Most study participants were residing at one of two emergency shelters when they were interviewed.

Findings from the study include the following:

- Research participants had suffered childhood trauma at a rate five times higher than the general population.

5 See Chau, S., Fitzpatrick, A., Hulchanski, J. D., Leslie, B., & Schatia, D. (2009). Chapter 1.3: One in Five…Housing as a factor in the admission of children to care. In J. D. Hulchanski, P. Campsie, S. Chau, S. Hwang, & E. Paradis (Eds.), *Finding home: Policy options for addressing homelessness in Canada.* Cities Centre, University of Toronto.

6 See for example: Jadidzadeh, A., Falvo, N., & Dutton, D. J. (2020). Cost savings of Housing First in a non-experimental setting. *Canadian Public Policy,* 46(1), 23-36.

7 Milaney, K., Williams, N., & Dutton, D. (2018). Falling through the Cracks: How the Community-Based Approach Has Failed Calgary's Chronically Homeless. *The School of Public Policy Publications, 11.*

- Those traumas included neglect, parents with addiction issues, domestic violence, and abuse.
- The most common adverse childhood experience was having a parent with a substance use challenge.
- Roughly half had experienced childhood abuse.
- Approximately 50% of female participants and 20% of male participants reported being a victim of childhood sexual assault.
- 42% of respondents had been foster children.

These findings are highly consistent with the odds ratios presented in Table 1 earlier in the chapter.

Systems failures

Here we refer to publicly-funded systems working together in ways that are poorly-designed, poorly-implemented, or both. These 'systems failures' have the unintended consequence of exacerbating homelessness. One example of a systems failure is a correctional facility discharging persons directly into homelessness without working proactively with local homelessness officials to create a 'soft landing.' Unfortunately, this practice can be quite prevalent.[8] There are 'bright lights' to learn from in this respect, however. There is a non-profit agency in Canada, for example, that works with inmates before they are discharged. This work includes helping prepare soon-to-be-released inmates with housing searches and housing-subsidy applications. But even with that important local initiative, such assistance is only available for inmates with a serious mental health diagnosis; further, the program has insufficient funding to assist all eligible clients.[9]

Another example pertains to youth leaving child welfare. Youth in a child welfare system typically live either in group homes or with foster families. As they get older, they leave the child welfare system, and various types of social supports are often offered to the youth as they 'age out of care.' The youth will often be encouraged to engage in education; they may also be provided with assistance in securing both income assistance and housing. But even with these supports, they can be quite vulnerable to homelessness. While the child welfare system offered structure, suddenly the youth must fend for themselves on a low income. Housing secured by such youth is often shared (the youth might rent a room in a house with complete strangers). They might struggle in their dealings with both housemates and a landlord. Perhaps not surprisingly, one recent study has found that youth who are permitted to stay longer in foster care are less likely to end up homeless.[10]

8 Falvo, N. (2021). *Innovation in homelessness system planning: A scan of 13 Canadian cities.* Report commissioned by Calgary Homeless Foundation.
9 Falvo, N. (2019). *Looking back to move forward: An assessment of progress on the 2014-2019 St. John's Community Plan to End Homelessness.* St. John's: End Homelessness St. John's. Retrieved from End Homelessness St. John's website: https://wecanendit.com/
10 Kelly, P. (2020). Risk and protective factors contributing to homelessness among foster care youth: An analysis of the National Youth in Transition Database. *Children and Youth Services Review, 108*, 104589.

Methodological considerations

A few considerations are now in order.

Some causal factors are hard to quantify.

First, all of the above types of causes are related; they may also intersect with each other over time.[11] For example, a lack of affordable housing may result in a youth being taken into the care of child protection services. Once in care, that youth may be more likely to engage in problematic substance use. That same youth may enter the corrections system as a result of this substance use. When discharged from the corrections system, a lack of affordable housing may make it very difficult for that same youth to become independent.

Second, some causal factors are hard to quantify. For example, it is not easy for researchers to measure 'systems failures' in a statistical model. The same can be said for systemic racism, colonialism, homophobia, and transphobia, and that is one of these reasons these very important factors will be discussed in separate chapters.

11 Piat, M., Polvere, L., Kirst, M., Voronka, J., Zabkiewicz, D., Plante, M. C., Isaak, C., Nolin, D., Nelson, G., & Goering, P. (2015). Pathways into homelessness: Understanding how both individual and structural factors contribute to and sustain homelessness in Canada. *Urban Studies, 52(13),* 2366-2382.

Conclusion

Structural causes of homelessness determine whether a community has a little homelessness or a lot of homelessness.

Structural causes of homelessness determine whether a community has a little homelessness or a lot of homelessness. The major structural cause is a lack of alignment between the availability of low-cost housing and incomes at the low end of the earnings spectrum. This is both simple and complicated. It is simple, in the sense that most of us are aware of the existence of this misalignment and the need to rectify it. But it is complicated for at least three reasons: 1) there is disagreement on what factors are most to blame for the misalignment; 2) there is disagreement on what precise policy levers should be used to rectify it; and 3) there is tension and debate over how such policy changes should be financed. This includes debate over which order of government, or which ministry or department within a government, should finance programs to address the problem.

Individual-level risk factors make some individuals more vulnerable to homelessness than others. Understanding them can help us with program and policy design. These too are both simple and complicated. They are simple insofar as most people have little difficulty believing that they are associated with more homelessness. And they are complicated due to disagreement over how many limited resources to target to each higher-risk group (or even whether to target at all) and which order of government should finance the needed interventions.

Individual-level risk factors make some individuals more vulnerable to homelessness than others.

Systems failures refer to poorly-designed or poorly-implemented publicly-funded systems that exacerbate homelessness.

Finally, *systems failures* refer to poorly-designed or poorly-implemented publicly-funded systems that exacerbate homelessness. Examples include correctional facilities discharging persons into homelessness with insufficient pre-planning, and child welfare systems that allow youth to 'age out' too early or with inadequate supports.

Further reading

Byrne, T., Munley, E. A., Fargo, J. D., Montgomery, A. E., & Culhane, D. P. (2013). New perspectives on community-level determinants of homelessness. *Journal of Urban Affairs, 35*(5), 607-625.

Giano, Z., Williams, A., Hankey, C., Merrill, R., Lisnic, R., & Herring, A. (2020). Forty years of research on predictors of homelessness. *Community Mental Health Journal, 56*(4), 692-709.

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Johnson, G., Scutella, R., Tseng, Y., & Wood, G. (2015). Entries and exits from homelessness: a dynamic analysis of the relationship between structural conditions and individual characteristics. *AHURI Final Report Series-Project: The interrelationship between structural factors and individual risk factors in explaining homelessness.* AHURI Final Report No. 248, 248, 1-67.

Kneebone, R. D., & Wilkins, M. (2016). Shrinking the need for homeless shelter spaces. *SPP Research Papers, 9*(21).

Kneebone, R., & Wilkins, M. (2021). Local Conditions and the Prevalence of Homelessness in Canada. *SPP Research Papers, 14*(28).

Milaney, K., Williams, N., & Dutton, D. (2018). Falling through the Cracks: How the Community-Based Approach has Failed Calgary's Chronically Homeless. *The School of Public Policy Publications, 11.*

Nilsson, S. F., Nordentoft, M., & Hjorthøj, C. (2019). Individual-level predictors for becoming homeless and exiting homelessness: A systematic review and meta-analysis. *Journal of Urban Health, 96*(5), 741-750.

Piat, M., Polvere, L., Kirst, M., Voronka, J., Zabkiewicz, D., Plante, M. C., Isaak, C., Nolin, D., Nelson, G., & Goering, P. (2015). Pathways into homelessness: Understanding how both individual and structural factors contribute to and sustain homelessness in Canada. *Urban Studies, 52*(13), 2366-2382.

About the author

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About this project

This is Chapter 1 of a sole-authored, open access interdisciplinary textbook intended to provide an introduction to homelessness for students, service providers, researchers and advocates. Focusing on the English-speaking countries of the OECD, it will discuss causes, solutions, challenges, successes, and innovations in the sector. It will serve as 'launching pad' for people new to the sector, as well as a refresher for experienced practitioners.

In addition to being open access, this book is different from other books in two key ways: 1) by focusing on all English-speaking countries of the OECD; and 2) by providing an overview of recent innovations in the sector—i.e., what's new, and what's working well?—making it useful to practitioners.

- The book's **intent** is primarily to serve as the main textbook for a university course designed for senior-level undergraduate as well as graduate students. It also serves as a resource for senior leadership in the homelessness sector.
- Book's **main themes**: contributing factors to homelessness; health conditions and health care challenges of persons experiencing homelessness; the unique needs of various subpopulations; staffing challenges in the sector; an in-depth examination of innovative practices; and solutions to homelessness.
- Book **objectives**: assist readers in understanding the fundamentals of homelessness; introduce them to both successes and ongoing challenges in the sector; and leave them feeling better-informed, able to make critical assessments, confident and empowered to take action within their own respective spheres of influence.

Table of contents (anticipated)

Target audience

- The book is intended primarily for course use, its primary audience being senior undergraduate students, graduate students and course instructors in English-speaking countries of the OECD. It can also be useful to senior leadership in the homelessness sector (e.g., board members, CEOs and staff).
- The book is intended for courses where homelessness is either the only focus or a major focus. For example, a course on housing and homelessness could benefit from this book. Standalone chapters could also be of great value in various disciplines.
- Some of these courses might be taught outside of the university setting—for example, by the UK-based Chartered Institute of Housing and by its counterparts in other countries, such as CIH Canada.
- The book can be used as either a primary or supplementary text.
- The book is intended to have international appeal, focusing on the English-speaking countries of the OECD: Australia, Canada, New Zealand, the United Kingdom, and the United States.
- Homelessness is widely researched and quickly evolving, as new approaches to both prevention and response are being developed. Much of the book's content will therefore be new even to experienced researchers and practitioners.

All material for this book is available free of charge at https://nickfalvo.com/. Newly-completed chapters will be uploaded throughout the year. The author can be reached at falvo.nicholas@gmail.com.