

# Research Report Round-up



May 29, 2013

A research report summary

## Title and Link to Report

[The real cost of homelessness: Can we save money by doing the right thing?](#)

## Author(s)

Stephen Gaetz, the Homeless Hub

## Year

2012

## Location

Toronto

## What this report is about

Relying on emergency programs to help the homeless is expensive. This report, developed by the Homeless Hub, tries to answer the following questions: Do the current expenditures to provide emergency services to homeless individuals make sense? What is the best way to deal with homelessness in Canada? Could we actually save money by housing people and preventing them from becoming homeless in the first place, rather than letting them continue to use emergency shelters and day programs?

The report outlines a number of findings about the cost of homelessness:

- The average monthly costs of housing people while they are homeless are \$1,932 for a shelter bed, \$4,333 for provincial jail, or \$10,900 for a hospital bed. Compare this with the average monthly cost to the City of Toronto for rent supplements (\$701) or social housing (\$199.92).
- The annual cost of hospitalization is \$524 for a housed person and \$2,495 for a homeless person.
- Homeless patient admissions cost \$2,559 more than housed patient admissions”, due in large part to the lengthier stay required by homeless people.
- Homeless psychiatric patients cost \$1,058 more per admission than housed patients, even after adjusting for length of stay.
- People who are homeless are much more likely to be arrested and in jail

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## What this report is about (cont.)

- Without adequate discharge planning and supports, people in prison are more likely to become homeless when they leave prison.
- People who are housed when they leave prison are less likely to reoffend, and this results in considerable savings to the criminal justice system.
- By providing supports to someone who would otherwise become homeless the life-time savings to the system is estimated to be \$350,000 per person.
- Providing supports to someone who would otherwise become homeless saves the system an estimated \$9,390 per year and \$350,000 over the person's lifetime.

## How can this report be used

This report provides valuable information on the effects of homelessness and the benefits of providing housing to these individuals.

## Population addressed

People at risk of homelessness or who are homeless

## Type of study

Survey

## Key words

Mental health, addiction, housing, homeless, poverty

## Contact person/source

Organization: The Homeless Hub  
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## Language

[English](#)