

Report

**Anglicare Australia
Rental Affordability Snapshot**

April 2012

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Anglicare Australia

Anglicare Australia is a network of 43 independent organisations that are linked to the Anglican Church and are joined by values of service, innovation, leadership and the faith that every individual has intrinsic value. Our services are delivered to one in forty Australians, in partnership with them, the communities in which they live, and other like-minded organisations in those areas. In all, over 17,771 staff and 17,908 volunteers work with over 480,000 vulnerable Australians every year delivering diverse services, in every region of Australia.

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#rentalsnapshot

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Executive Summary

The *Anglicare Australia Rental Affordability Snapshot* (the Snapshot) is an annual project surveying the affordability of rental properties for people living on a low income in Australia.

Developed by the Social Action Research Centre at Anglicare Tasmania in 2007, the Snapshot was designed to highlight the lived experience of looking for housing whilst on a low income. This is the third year that the *Anglicare Australia Rental Affordability Snapshot* has been undertaken at the national level.

For the purposes of this project, an affordable rental is one which took up less than 30% of the household's income, a commonly used benchmark of affordability. The Snapshot was undertaken on Saturday 14 April 2012. In each locality, Anglicare Australia network members audited local newspapers and real estate websites (nominally realestate.com.au unless otherwise stated) for rental accommodation. Nationally, over 65,000 properties were surveyed (n=65,350). Predefined tests of affordability and appropriateness were applied resulting in the number of advertised properties on a given day which were adequate for households living on a low income. For a dwelling to be determined as suitable it must satisfy tests of both affordability and appropriateness.

Over 65,000 properties were audited across 15 localities on the Snapshot weekend. As with 2011, the 2012 results are stark for anyone living on a low income included in which is federal income support and the minimum wage. High level figures are given below for our capital cities however it can not be overstated that housing affordability is as much a regional issue as it is an urban one.

▫ ***Single people living on NewStart, Youth Allowance and Austudy***

Perhaps the most concerning finding: there were *no* options for this group in the majority of locations and where options did exist they were few.

Adelaide (0%), Brisbane (0%), Canberra (0%), Darwin (0%), Melbourne (0%), Perth (0%), Sydney (<1%) Tasmania (0.3%).

▫ ***Single people on Disability and the Aged Pension***

This group did not fare much better with minimal options present, the majority of which were for single rooms in share housing.

Adelaide (0%), Brisbane (1%), Canberra (0.7%), Darwin (0%), Perth (0.2%), Sydney (<1%) Tasmania (8%).

▫ ***Single people on the minimum wage***

In many localities the minimum wage proved not to give an advantage when seeking rental accommodation.

Adelaide (2%), Brisbane (4%), Canberra (6.5%), Darwin (1%), Melbourne (0%), Perth (0.7%), Sydney (<1%) Tasmania (18%).

▫ ***Single Parents on NewStart***

Across the board, astoundingly low options for safe and secure housing dramatically impacts on searching for employment.

Adelaide (0%), Brisbane (0%), Canberra (0%), Darwin (0%), Melbourne (2.1%), Perth (0%), Sydney (<1%) Tasmania (2%).

▫ ***Couples on the Aged Pension***

Trends indicating a shift in household composition toward couple households is especially worrying for couples on an aged pension as current stocks are not reflective of this composition.

Adelaide (2%), Brisbane (5%), Canberra (0%), Darwin (1%), Perth (0.8%), Sydney (<1%) Tasmania (20%).

▫ ***Couples with two children on NewStart***

Families on any payments would struggle to secure suitable accommodation on the weekend of the snapshot with significantly reduced options.

Adelaide (2%), Brisbane (0%), Canberra (0%), Darwin (0%), Melbourne (0%), Perth (0.03%), Sydney (<1%) Tasmania (5%).

▫ ***Couples with two children on the minimum wage***

The results show that this household has the greatest chance in the survey groups of securing affordable and appropriate rental housing, however even those options are limited:

Adelaide (46%), Brisbane (30%), Canberra (1.2%), Darwin (2%), Melbourne (34.7%), Perth (24.4%), Sydney (11%) Tasmania (38%).

Housing (un)affordability is truly a national issue and truly wicked - to use a well-used phrase. This snapshot focuses on those of the Australian population who earn the least income – Commonwealth benefit recipients and minimum wage earners. Estimates put this group at nearly three million households (42.1%) in Australia which includes almost seven million people¹ who were likely to be in or at risk of housing stress.

From public and community housing through subsidised housing and renting right through to home ownership and investment properties, the ongoing lack of affordability in Australia's housing market is threatening to splinter the good economic standing that Australia boasts of in the international community. Housing affordability is a wellbeing issue; it is a societal issue; it is a productivity issue; it is an infrastructure issue; and it is a regional issue. No matter which lens you choose to use as your method of scrutinising the future of Australia's development: housing is pervasive.

¹ Australian Bureau of Statistics. 2011. General Social Survey: Summary results. Cat No. 4159.0. ABS: Canberra accessed 26 April 2012, [http://www.ausstats.abs.gov.au/ausstats/subscriber.nsf/0/D0B6CB77DE0BF677CA25791A00824C41/\\$File/41590_2010.pdf](http://www.ausstats.abs.gov.au/ausstats/subscriber.nsf/0/D0B6CB77DE0BF677CA25791A00824C41/$File/41590_2010.pdf)

Along with income, affordable housing is one of the few issues that genuinely crosses all sectors and population groups within Australia. It is an issue, though affecting all Australians, which affects our most vulnerable and disadvantaged disproportionately. As it is an issue without border or particular origin, so it must be a battery of interventions that might overcome it.

Policy initiatives need to be comprehensive and include areas where Government has previously been hesitant to tread: Income adequacy, Commonwealth Rent Assistance and the level of Government benefits are areas which impact greatly on an individuals' capacity to pay for appropriate accommodation; systemic barriers such as taxation and program funding both inhibit housing affordability and could be used as effective policy levers to broaden access to housing; Cultural barriers like stigma and discrimination need to be addressed to overcome blocks to private rental markets; and infrastructure needs to be developed through such interventions as continued investment from existing programs such as NRAS and from wealthy superannuation funds as is currently underway in South Africa.

Housing affordability is an issue facing all Australians. It hits hardest people living on low incomes such as Government pensions and allowances and even the minimum wage. The *Anglicare Australia Rental Affordability Snapshot* has shown that across Australia, people on low incomes are potentially living in housing stress, spending more than 30% of their income on housing costs.

Housing affordability is truly a national issue and is deserving of being a truly ***national priority***. The Federal Government must lead the action with comprehensive strategies matching the length and breadth of this national issue.

Introduction

The *Anglicare Australia Rental Affordability Snapshot* (the Snapshot) is an annual project surveying the affordability of rental properties for people living on a low income in Australia.

Developed by the Social Action Research Centre at Anglicare Tasmania in 2007, the Snapshot was designed to highlight the lived experience of looking for housing whilst on a low income. This is the third year that the *Anglicare Australia Rental Affordability Snapshot* has been undertaken at the national level.

The National Housing Supply Council (the Council), in its latest *State of Supply* report (2011) noted that the greatest shortfalls in housing sub-markets are in affordable purchase and rentals for households living on low to moderate incomes with particular shortages in subsidised rentals for households living on low incomes.² Supply has not met demand over the last ten years or so and the Council has current projections of a shortfall in supply of 186,000 dwellings.³ As such, it continues to be people at the 'other' end of the social gradient – those with the least to live on – who feel the greatest effects of the housing pinch. They have the smallest buffer against crisis and this snapshot goes some way to highlighting the day to day experience of trying to find a safe and secure house in which to live.

Government spending since the Global Financial Crisis on housing is at record highs however, given the commitment of returning the budget to surplus and its associated constraints it is not expected for this kind of spending to continue.

Methodology

For the purposes of this project, an affordable rental is one which took up less than 30% of the household's income, a commonly used benchmark of affordability. Household incomes are derived from the maximum rate of Centrelink pensions and allowances combined with the Commonwealth Rent Assistance (CRA) and Family Tax Benefits (FTB) where applicable. This year, for the first time, the minimum wage was also included among the household types, similarly with the CRA and FTB included in income where appropriate. The total resulting income was used to establish a maximum affordable weekly rent based on the 30% rule.

A Note on Commonwealth Rental Assistance:

CRA has both a minimum (cut-in) point and a maximum (cut-out) point for each household type. Where the advertised weekly rent falls between the cut-in and cut-out points, the proportion of CRA is calculated as a proportion of the amount paid in rent. Where the weekly rent falls above the cut-out point, the maximum rate is applied irrespective of how far above the cut-out point the weekly rent happens to be. Given higher rents the CRA becomes less effective as a means of affordability.

² National Housing Supply Council, 2011, *State of Supply Report 2011*, National Housing Supply Council, Australian Government, viewed 23 March, 2012, http://www.nhsc.org.au/state_of_supply/2011_ssr_rpt/docs/nhsc-state-of-supply-report-2011.pdf

³ Ibid.

The Snapshot was undertaken on Saturday 14 April 2012. In each locality, Anglicare Australia network members audited local newspapers and real estate websites (nominally realestate.com.au unless otherwise stated) for rental accommodation. Nationally, over 65,000 properties were surveyed (n=65,350). Predefined tests of affordability and appropriateness were applied resulting in the number of advertised properties on a given day which were adequate for households living on a low income. For a dwelling to be determined as suitable it must satisfy tests of both affordability and appropriateness. Assumptions underlying the tests of affordability and appropriateness may be found at Appendix 1.

Is 30% Enough?

The commonly used benchmark of housing affordability is the '30% ratio'. That is, it is determined that when housing costs are greater than 30% of disposable income and that household's income is in the bottom 40% of the income distribution, the household is deemed to be in 'housing stress'.⁴ There are weaknesses with the 30% of income housing stress measure such as what constitutes housing costs and how to account for household income. Though these concerns are inherent in any measure of affordability⁵ Anglicare Australia has developed safeguards, where possible, to minimise the distortions created from inconsistent treatment of these concepts.

When a household income is upwards of \$150,000, 30% of that income might be enough to obtain a reasonably pleasant place to live without placing the household under any kind of stress. However, when the household income is at or below the minimum wage, options are scarce and a reasonable place to live often comes at a much higher than advertised price.

The Ratio method, such as has been used in the *Anglicare Australia Rental Affordability Snapshot*, is a broad brush approach to affordability not taking into account the nuances of individual households. Though focussing on the lived experience of searching for suitable housing, the snapshot does not seek to understand the individual experiences of households. The strength of the Ratio method is that it provides an indicator at a particular point in time (a snapshot) of unaffordability, and over longer periods, of the extent to which affordability shifts.

The Australian Housing and Urban Research Institute – from its National Research Venture 3 into housing affordability – found that the ratio method was a reasonable indicator of housing stress and was useful in identifying "households likely to be at risk of problems associated with a lack of affordable housing".⁶ The Council of Australian Governments also uses the ratio method in the current National Affordable Housing Agreement as its measure of affordability.⁷

⁴ Harding, A., Phillips, B., & Kelly, S *Trends in Housing Stress*, NATSEM, Paper Presented at the National Summit on Housing Affordability, Canberra 2004

⁵ Henman, P & Jones, A, 2010, *Exploring the use of residual measures of housing affordability in Australia: methodologies and concepts*. Australian Housing and Urban Research Institute: Melbourne.

⁶ AHURI, 2010, *National Research Venture 3 into housing affordability*, AHURI Final Report No. 105

⁷ COAG Reform Council (2011) *National Affordable Housing Agreement: Performance report for 2009–10*, COAG Reform Council, Sydney.

Findings

Detailed findings for each locality can be found in the section *Locality Snapshots*. What follows is an overarching description of the common findings across jurisdictions for people living on low incomes.

Single Income Households

Suitable housing options for single income households are extremely limited. In most jurisdictions, for singles on NewStart, Youth Allowance and in some instances Parenting Payment there were ***absolutely no suitable properties***. Of the 15 broader jurisdictions surveyed only four returned results for affordable and appropriate rental properties for NewStart and Youth Allowance recipients and even these were minimal (Riverina 6%, Sydney (n=<10), Adelaide 6%, Tasmania 0.3%).

In major urban centres, there were little to no options for singles living on an Aged or Disability Support Pension and only marginally higher were properties suitable for those living on the minimum wage. In Sydney, not even one per cent of available properties were both affordable and appropriate. Results were similar for Brisbane (<2%), Darwin (1%), Tasmania (8%), Adelaide (2%), Perth (<1%) and Canberra (6%).

There were few affordable and appropriate properties for single parents across all jurisdictions. In Geelong, only 2 of the 464 properties surveyed were suitable for a single parent living on a pension. For a minimum wage earner 8 per cent of those properties (n=33) were likewise suitable. In Perth, a single parent is largely unable to find any suitable properties with no properties affordable and appropriate for someone living on a pension and only 0.5 per cent (n=16) for a single parent earning a minimum wage. In Melbourne, there were very few suitable options for single income households (2%) and no options if the individual received income support. This pattern was replicated across the board across all jurisdictions with both household income types (ie income support and minimum wage) having few options for rental accommodation despite the setting: urban or regional (the highest rate of suitable properties was in the Riverina and Tasmania both with 2% and 16% of those properties surveyed suitable for pensioners and minimum wage earners).

Double Income Households

A common finding across jurisdictions was that a property may be considered affordable for a household with a dual income, such as a couple on the aged pension or a couple with children however the major hurdle for these household types is finding a property which is appropriate for their family structure.

In Perth, the only affordable properties for couples on an aged pension were for share housing. In Brisbane, 60 per cent of the advertised rentals were affordable however taking into account appropriateness that figure drops to 30 per cent for a family of four living on a minimum wage. This is because a large portion of those advertised rentals are for share housing or limited bedrooms. In either case, it is unlikely for a couple on an aged pension to be accepted into this type of living arrangement (not mentioning whether this would be supported on a societal level) and it is

inappropriate for a family to have to live in share housing.

The distinction between Parenting Payments, NewStart and the minimum wage are starkly different between single and double income households. A couple with two children living on the minimum wage seemingly fare better in terms of the available properties which are suitable for their circumstances than do their Commonwealth benefit counterparts. That is not to say however that dual-minimum wage households have considerable choice in housing, only that there is greater choice available than for those on a single minimum wage or income support. In Melbourne, just over one third of properties were suitable for a family of four (34.7%), Tasmania (38%), Darwin (2%), Brisbane (30%), Sydney (3%), Canberra (1.2%), Perth (24.4%), Adelaide (46%).

Discussion

Housing (un)affordability is truly a national issue and truly wicked - to use a well-used phrase. This snapshot focuses on those of the Australian population who earn the least income – Commonwealth benefit recipients and minimum wage earners. Estimates put this group at nearly three million households (42.1%) in Australia which includes almost seven million people⁸ who were likely to be in or at risk of housing stress.

The nature of the method of this survey disallows comparisons between states and territories to make claims that particular jurisdictions fare worse than others. Each jurisdiction has variability in the conditions present thereby making any particular comparisons across borders unreliable. For example, the mining boom occurring within particular states may account for some of the deficit while in other states conditions particular to that area - for example, natural disaster - might contribute to the lack of affordable housing. What these findings indicate is that people living on low incomes right across the country are faced with extreme conditions whilst searching for affordable housing.

From public and community housing through subsidised housing and renting right through to home ownership and investment properties, the ongoing lack of affordability in Australia's housing market is threatening to splinter the good economic standing that Australia boasts of in the international community. Housing affordability is a wellbeing issue; it is a societal issue; it is a productivity issue; it is an infrastructure issue; and it is a regional issue. No matter which lens you choose to use as your method of scrutinising the future of Australia's development: housing is pervasive.

Safe and adequate housing forms the bedrock of an individual's capacity to develop as a person and a citizen. It allows them to contribute to society in a meaningful way which just isn't possible when household finances are stretched so thin, paying a utility bill so that children don't go cold and putting food on their plates as parents themselves go hungry; leaves very little at the end of the day for study, training or searching for employment. This is a reality for people who are experiencing housing stress. When allocating a meagre budget to weekly expenses - let alone saving up for dental appointments or even just to have savings in the bank, such as society as a

⁸ Australian Bureau of Statistics. 2011. General Social Survey: Summary results. Cat No. 4159.0. ABS: Canberra accessed 26 April 2012, [http://www.ausstats.abs.gov.au/ausstats/subscriber.nsf/0/D0B6CB77DE0BF677CA25791A00824C41/\\$File/41590_2010.pdf](http://www.ausstats.abs.gov.au/ausstats/subscriber.nsf/0/D0B6CB77DE0BF677CA25791A00824C41/$File/41590_2010.pdf)

whole thinks every person should have⁹ - occupies every waking moment; education, training and employment seem unobtainable.

There is a higher prevalence of anxiety disorders among those on government benefits than in society generally.¹⁰ Research from Professor Peter Butterworth¹¹ shows that undertaking employment that has no meaning to the individual or society generally can be far worse for people experiencing these conditions than not working at all. Consider then preliminary findings from the Australian Services Union Howe Inquiry into insecure work which is finding that people in insecure work (generally with low skill sets and incomes) are trapped in a continual cycle of moving between employment and unemployment in a series of unrelated jobs without much hope of moving from the periphery of the employment market to the core. Effectively, this means that the cycle of disadvantage perpetuated by low employment is exacerbated by the disproportionate drain housing stress has on capacity to ameliorate disadvantaged circumstances.

One of the major budget measures for the Australian Government in the 2011-2012 Budget was that of *Australia's Future Workforce*.¹² This budget measure ranged across portfolios with the express intention of supporting individuals, especially those who were long-term unemployed, back into the workforce. At a time of near full employment, the only way to increase productivity is to ensure that those who are *seemingly* not contributing, contribute. The target population of this policy instrument is those on unemployment allowances and particular pensions, namely parenting and disability support. Again, these are the very same people who are unable to find adequate housing and without it, forcing them into a round-robin of employment and unemployment is only going to generate higher expenditure on welfare supports in the long run.

As mentioned in the introduction the National Housing Supply Council has projected a shortfall in physical dwellings currently of 186,000 but this is to blow out to 640,000 by 2030.¹³ The physical infrastructure to house Australia's population does not exist and, like jugglers, Australia manages by making sure that all the balls stay in the air, through transitions and shifts and a constant state of flux in the property market. The balls, however, are about to come crashing down. The Snapshot has shown that there were absolutely no properties available on the day of the survey for people on NewStart or Youth Allowance. With only marginally more available for other government benefits and the minimum wage the numbers of people who are requiring an affordable home is pushing upwards. However, as house prices fluctuate but remain relatively high, those kept out of the purchasing market are exerting a downward pressure in the rental market with people living on low incomes being pushed out the bottom.

The Australian Government has set record highs for expenditure on housing infrastructure with the measures introduced under the National Affordable Housing Agreement. One of the most notable of these is the National Rental Affordability Scheme (NRAS). This scheme has spent millions of dollars making private rentals affordable to low income households. The issue here however is the

⁹ Saunders, P., Naidoo, Y. & Griffiths, M., 2007, *Towards new indicators of Disadvantage: Deprivation and social exclusion in Australia*. Social Policy Research Centre: Sydney.

¹⁰ Butterworth, P., Burgess, Philip M., Whiteford H. (2010), Examining welfare receipt and mental disorders after a decade of reform and prosperity: analysis of the 2007 National Survey of Mental Health and Wellbeing, *Australian and New Zealand Journal of Psychiatry* 2012, Early Online, 1-9.

¹¹ Ibid

¹² Department of Treasury, 2011, *2011-2012 Budget Paper No 2*, Australian Government: Canberra.

¹³ National Housing Supply Council, 2011, *State of Supply Report 2011*, National Housing Supply Council, Australian Government, viewed 23 March, 2012, http://www.nhsc.org.au/state_of_supply/2011_ssr_rpt/docs/nhsc-state-of-supply-report-2011.pdf.

conceptualisation of “low income”. For example, key NRAS eligibility criteria includes essential service workers such as police and childcare workers which in and of itself is a positive. However if people with professional qualifications or highly skilled jobs are in need of affordable housing it shows that those on extremely low incomes such as people on NewStart, a parenting payment or even the minimum wage have so much farther to go to be able to live sustainably and safely in a home of their choosing.

Similar outcomes are experienced nationwide. Housing affordability is not just an issue for our cities but for our regional areas as well. With a patchwork economy causing our regional areas to develop at varying speeds and with the realisation that the boom time is not benefitting all jurisdictions at the same rate as proposed it might; the consequences are coming to the fore in the form of a housing crisis. In the Snapshot reports the distortion of mining areas can be seen quite clearly. In Western Australia, in Central Queensland, in New South Wales, the effects of mining are evident. Families cannot afford to live in these locations let alone single people unable to find work or elderly people. The very people that help make a community a community are no longer able to survive in the areas they once called home.

Not all housing issues are tied to income. Other societal and systemic factors exist which impact on an individuals’ ability to secure and sustain a rental tenancy. However, this snapshot has deliberately focussed on the link between income and housing affordability as these two elements form the basis of inclusion in our modern society. As the Rental Snapshot has shown, housing in Australia is not affordable for the most disadvantaged and vulnerable in our communities and for this reason housing unaffordability in Australia must be addressed.

Policy Goals

As discussed, along with income, affordable housing is one of the few issues that genuinely crosses all sectors and population groups within Australia. It is an issue, though affecting all Australians, which affects our most vulnerable and disadvantaged disproportionately. Like the Global Financial Crisis, this is an issue that will take genuine intervention from governments, business and society as a whole. Action for change must be lead and as such it is the Federal Government that must make a genuine commitment to intervention.

As it is an issue without border or particular origin, so it must be a battery of interventions that might overcome it. And rather than tinkering with the edges, policy interventions must address housing inequality forcefully and without hesitation. Such measures might include:

Income Adequacy

Commonwealth Rental Assistance – As house prices continue to rise the CRA becomes less effective as a means of improving affordability. Research from RMIT and the Tenants Union of Victoria has found that between 1995 and 2009, median weekly rental prices in all capital cities rose by 41%. At the same time, the maximum rates of CRA remained steady in real terms, meaning this assistance now covers a smaller proportion of rent in 2009 (between 17% and 24%) when compared with

1995.¹⁴ As a result, it has been suggested to, in the first instance, increase the rate of the CRA to more accurately reflect the cost of housing in Australia and secondly, to develop an instrument which responds to geographic pressures such as mining.

Adequacy of Benefits – Economists, advocates, social commentators, Australian society in general¹⁵ and the international community¹⁶ have all commented on the inadequacy of Australia’s transfer payments. The Government’s position on income support is clear, that the level of income support is in itself an incentive to return to work. However, this position is outdated; to better support people back into the workforce, it must be ensured that the essentials – shelter, food, warmth – are secure.

Systemic Barriers

Taxation – The Henry Review - *Australia’s Future Tax System* - called for the review of the treatment given to such tax incentives as negative gearing. Anglicare Australia has also been on record with a proposal to shift the way negative gearing and other tax treatments operate to ensure that a social element is required for claiming. For example, negative gearing may only be claimed on properties in which the tenant is a low-income earner.

Funding to support tenancy management – The cycle of homelessness and therefore contributing to the negative effects of housing affordability is tenancy sustainability. Where tenancies fail and the occupant is forced back into the cycle of homelessness, often this might have been averted through supported tenancy management. Several Anglicare member’s and other agencies have indicated that increased funding to allow workers greater capacity to work with tenants would considerably reduce the event of failed tenancies.

Cultural Barriers

Stigma and discrimination – many people on low incomes, particularly in cases of long-term unemployment have little or no rental history to speak of that is acceptable to many property managers and landlords. Individuals and families whose income summary statement is printed on a Centrelink letterhead are at an immediate disadvantage due to the stigma which exists in the private rental market. By making housing affordability a national priority and by committing to such initiatives as re-orienting negative gearing, investing in low-income housing and increasing basic income support payments, a message is being sent from the highest level that people who live on low-incomes deserve a home as much as any other Australian.

¹⁴ Colic-Peisker, V., Ong, R., and McMurray, C. (2009) *Falling behind: The growing gap between rent and rent assistance 1995-2009*, RMIT University and the Tenants Union of Victoria: Melbourne accessed http://www.tuv.org.au/articles/files/housing_statistics/Falling_Behind_CRA.pdf

¹⁵ Anglicare Australia, 2011, Support for Fair Welfare, Media Release http://www.anglicare.asn.au/site/medrel_4.php

¹⁶ Organisation for Economic Cooperation and Development. (2008), *Growing Unequal? : Income Distribution and Poverty in OECD Countries* in Catholic Social Services Australia, Anglicare Australia, UnitingCare Australia & the Salvation Army. 2011. *What if employers say no?*, Canberra.

Infrastructure

Continued spending – Government spending on building new dwellings is at record highs. The NRAS and other initiatives such as the Housing Affordability Fund, have been successful in bringing thousands of properties on line and yet it has not been sufficient. The Government has committed to returning the budget to surplus in the forthcoming budget and with that it is unlikely to see any spending like that over the last five years, despite projections of significant short falls.

Superannuation – There is a substantial amount of wealth residing in the Australian superannuation sector. In South Africa they have begun to use some of that wealth to invest in new housing infrastructure. The South African Government Employees Pension Fund (GEPF) is the largest pension Fund in Africa with US\$145B in assets under management. The Fund is the most powerful investor in the South African economy. It's the most powerful investor in the South African economy and takes a very serious role in responsible investment and nation building.

Appropriate structures – The Housing Supply Council has reported growth in single and couple households with no children.¹⁷ As highlighted in the findings, a large proportion of the dwellings advertised were for single rooms in share houses. The Council suggests as a measure to keep pace with demand and the household trends in Australia new developments ought to cater for this household type.

Conclusion

Housing affordability is an issue facing all Australians. It hits hardest people living on low incomes such as Government pensions and allowances and even the minimum wage. The *Anglicare Australia Rental Affordability Snapshot* has shown that across Australia, people on low incomes are potentially living in housing stress, spending more than 30% of their income on housing costs. On a low income, 30% is significant and as such has far reaching consequences in terms of an individuals' ability to escape the cycle of disadvantage; for a family's ability to survive and develop strong senses of self in order to navigate society and carve out for themselves a stronger existence. Housing affordability has consequences for us as a nation in terms of continuing to grow our economy and be the economic envy of the world; it has consequences for our industries and the way our population settles across the country.

Housing affordability is truly a national issue and is deserving of being a truly ***national priority***. The Federal Government must lead the action with comprehensive strategies matching the length and breadth of this national issue.

¹⁷ National Housing Supply Council, 2011, *State of Supply Report 2011*, National Housing Supply Council, Australian Government, viewed 23 March, 2012, http://www.nhsc.org.au/state_of_supply/2011_ssr_rpt/docs/nhsc-state-of-supply-report-2011.pdf

Snapshot: Anglicare ACT, Canberra and Queanbeyan

Introduction

The ACT and Queanbeyan area is unique in that it is almost totally urban and suburban, with very few regional or rural areas. About 40% of the Canberra workforce is employed in the public sector, which contributes to Canberrans on average having a larger amount of disposable income than the Australian population more generally. However, this, in combination with an insufficient supply of housing, has also resulted in upward pressures on rental prices. In addition to this, Queanbeyan, which was previously the solution to affordable housing for Canberra workers, now has rental prices approaching the unaffordability of Canberra housing as well. Persons employed in lower paid industries or reliant on Centrelink benefits have next to no options in this market.

Anglicare Canberra & Goulburn supports low income households in Canberra through a variety of ways, including supporting young people in independent living programs, aged persons through various community based aged care programs; and partnering with community based food assistance programs.

Findings

The only household types with any rental options which were both affordable and appropriate were: Couple, no children, on Age Pension; Single, on Age Pension; Single, on Disability Support Pension; Couple, two children, with two Minimum Wage incomes and Family Tax Benefit A; and Single on a Minimum Wage income. However, it is important to note that, with the exception of the Couple with two waged incomes; all of these options were for a single room in shared accommodation.

The number and percentage of affordable and appropriate properties for each household type examined are given below:

Household type	Payment Type	Number of properties	Percent of available properties
Couple, two children (one aged less than 5, one aged less than 10)	Newstart Allowance (both adults)	0	0%
Single, two children (one aged less than 5, one aged less than 10)	Parenting Payment Single	0	0%
Couple, no children	Age Pension	0	0%
Single, one child (aged less than 5)	Parenting Payment Single	0	0%
Single	Age Pension	11	0.68%
Single aged over 21	Disability Support Pension	11	0.68%
Single	Newstart Allowance	0	0%
Single aged over 18	Youth Allowance	0	0%
Single in share house	Youth Allowance	0	0%
Couple, two children (one aged less than 5, one aged less than 10)	Minimum Wage + FTB A	20	1.23%

Single, two children (one aged less than 5, one aged less than 10)	Minimum Wage + FTB A & B	0	0.00%
Single	Minimum Wage	106	6.54%

Discussion

Sadly, these findings were largely as Anglicare expected for the Canberra region. Many studies have shown that there is virtually no affordable rental housing available in Canberra for persons on a low income. This data supports the previous findings of Anglicare Rental Affordability Snapshots.

However this year we have investigated the situation for minimum wage earners in greater depth. We are particularly disturbed to discover that absolutely no affordable housing was available for single parents on the minimum wage in Canberra, Queanbeyan or the Yass Valley.

The 20 properties available to a family with two minimum wage incomes are the only whole houses or flats found; every other property found was in fact a single room in a shared property. In many of the above cases, this type of property would not be appropriate or feasible. For example, a person with a disability may have special requirements for their house, or have difficulty sharing with other people they don't know. Similarly, an older person is likely to have difficulty finding an appropriate group of people with whom to share a house. These figures indicate that a significant number of low income families are living in unaffordable housing, placing pressure on government and community housing programs and on the family's finances and ability to participate in society. It also creates situations of overcrowding in rental situations where large number of individuals are cramped in often unsafe and unsanitary premises.

An added factor is that figures do not indicate the level of competition for any affordable option. Rental applicants may find themselves "up against" 20-50 other applicants for a room in a house. It is well known that a landlord is more likely to choose a wage earner rather than a Centrelink beneficiary when given the choice.

Policy Implications

Canberra/Queanbeyan has one of the least affordable private rental markets for all low income groups.

It was particularly concerning that we could not find any affordable rentals for single parents on the minimum wage. These families are further disadvantaged by the cost of childcare to enable the parent to work, creating a serious risk of poverty and social exclusion for both the parent and their child(ren). The recent Targeted Assistance Review has highlighted the need for a range of measures to assist low income earners to access concessions to reduce their expenditure. eg. support for school costs, increase in subsidised community transport, options for debts and fines to be paid off in instalments. This financial support will enable this group to afford a slightly higher rent, however they will still struggle in the rental market.

Another option is for the ACT government to continue to promote and fund community housing options to enable low income earners to access properties at reduced market rent.

Anglicare was unable to find any affordable housing for singles on Newstart anywhere across the broader region including the Southern Tablelands, and the South Coast. The ACT was no exception. This suggests that the Newstart for singles needs to be adjusted to reflect the reality of the housing market.

The national campaign by ACOSS for the Newstart Allowance to be increased to match the level of other pensions needs to be supported by all community and government agencies.

Another serious issue in Canberra is the lack of accommodation available for people and couples dependent on the Age Pension. As noted above, the only affordable options for these families are

single rooms in share houses, which in most cases would be inappropriate. Again, this issue creates a significant risk of poverty and social exclusion, also linked to increased illness and lowered quality of life in older people.

Again the ongoing development of community housing options for elderly people where they are able to pay 75% of market rent needs to continue with community, government and business investment. The government can support this option by ensuring that new building developments have a certain proportion of community housing incorporated into them.

Conclusion

The private rental market in Canberra and Queanbeyan is extremely unaffordable for persons on a low income such as minimum wage or government benefits. This is placing significant pressure on government housing programs, as well as contributing to financial stress and social exclusion in families unable to access subsidised housing. In particular, aged pensioners, single parents, disability pensioners, unemployed people and families, and students have no appropriate and affordable housing.

Snapshot: Anglicare South Coast and Snowy

Introduction

The population of the South Coast, from Bateman's Bay down to Eden, is distributed between 'inner regional' areas (36%) and 'outer regional' areas (64%). It has no major cities and very little population in areas considered to be remote. 51% of its population has a post secondary qualification and its fastest growing demographic is persons aged 55 and above. In 2010 its unemployment rate was 8.6% (compared to 5.5% nationally) and more than 1 in 7 of its residents receives the Age Pension. 3.8% of the residents in this area are of an Indigenous background, compared to 2.5% nationally. The average wage and salary income in 2009 was \$34 190, compared to \$46 599 nationally. (ABS National Regional Profiles 2006-2010)

Anglicare Canberra & Goulburn supports low income households in the South Coast through a variety of ways including supporting aged persons through various aged care programs and partnering with community based emergency relief programs.

Findings

There were minimal private rental housing options for all groups studied, and no options found for single parents on Parenting Payment, singles on Newstart, or single students on Youth Allowance.

Out of a total of 972 properties considered, the number and percentage of affordable and appropriate properties for each household type examined are given below:

Household type	Payment Type	Number of properties	Percent of available properties
Couple, two children (one aged less than 5, one aged less than 10)	Newstart Allowance (both adults)	1	0.10%
Single, two children (one aged less than 5, one aged less than 10)	Parenting Payment Single	0	0.00%
Couple, no children	Age Pension	22	2.26%
Single, one child (aged less than 5)	Parenting Payment Single	0	0.00%
Single	Age Pension	6	0.62%
Single aged over 21	Disability Support Pension	6	0.62%
Single	Newstart Allowance	0	0.00%
Single aged over 18	Youth Allowance	0	0.00%
Single in share house	Youth Allowance	0	0.00%
Couple, two children (one aged less than 5, one aged less than 10)	Minimum Wage + FTB A	45	4.63%
Single, two children (one aged less than 5, one aged less than 10)	Minimum Wage + FTB A & B	8	0.82%
Single	Minimum Wage	18	1.85%

Discussion

These findings show that the South Coast region has one of the worst levels of rental unaffordability in NSW – meaning that there are very few housing options in the private rental market for those on low incomes, and these are only available to a limited set of the low-income group. Most affordable properties for households requiring only a single room are in fact shared accommodation – in many cases inappropriate to the household itself. Only 0.8% of properties were affordable and appropriate to a single minimum waged parent with two children, and no properties were available to single parent families on government support. Singles and couples on the aged pension had extremely limited options; nothing but shared accommodation for singles and 8 non-shared properties in total for couples. Similarly single Disability Support Pension recipients were limited to shared accommodation. Youth Allowance recipients and Newstart recipients could access no affordable accommodation in the private rental market, even in shared accommodation.

Policy Implications

An area of particular concern is the extremely curtailed ability of single working parents to rent affordably anywhere in this region. These families are further disadvantaged by the cost of childcare to enable the parent to work, creating a serious risk of poverty and social exclusion for both the parent and his or her children. The few properties that were available tended to be in small coastal towns with limited opportunities for employment and likely to be away from family support.

Anglicare was unable to find any affordable housing for singles on Newstart anywhere across the broader region including the ACT, Southern Tablelands, and the Riverina. The South Coast was no exception. This suggests that the Newstart for singles needs to be adjusted to reflect the reality of the housing market.

Another serious issue is the lack of accommodation available for people and couples dependent on the Age Pension. As noted above, the only affordable options for single people on this pension are single rooms in share houses, which in nearly every case would be inappropriate. Of the 22 properties found affordable to couples on Age Pension, only 8 were not in shared accommodation. Again, this issue creates a significant risk of poverty and social exclusion, also linked to increased illness and lowered quality of life in older people. Some of the available properties were in isolated areas, creating a further risk for older people.

Conclusion

The private rental market in the South Coast has very few options for persons on a low income such as minimum wage or government benefits. This is placing significant pressure on government housing programs, as well as contributing to financial stress and social exclusion in families unable to access subsidised housing. In particular, aged pensioners, single parents, disability pensioners, unemployed people and families, and students have virtually no access to appropriate and affordable housing.

Snapshot: Anglicare NSW Southern Tablelands, Southern Tablelands

Introduction

The population of the Southern Tablelands, approximately 75 000, is distributed between 'inner regional' areas (90%) and 'outer regional' areas (10%). Its major regional centres are Goulburn and Yass. 49% of its population has a post secondary qualification and its fastest growing demographic is persons aged between 15 and 24. In 2010 its unemployment rate was 5.3% (compared to 5.5% nationally) and 11% of its residents receive the Age Pension. 2.2% of the residents in this area are of an Indigenous background, compared to 2.5% nationally. The average wage and salary income in 2009 was \$41 176, compared to \$46 599 nationally. (ABS National Regional Profiles 2006-2010)

Anglicare Canberra & Goulburn supports low income households in the Southern Tablelands through a variety of ways including supporting aged persons through various aged care programs and partnering with community based emergency relief programs.

Findings

There were minimal private rental housing options for all groups studied, and no options found for single parents on Parenting Payment, singles on Newstart, or single students on Youth Allowance.

Out of a total of 197 properties, the number and percentage of affordable and appropriate properties for each household type examined are given below:

Household type	Payment Type	Number of properties	Percent of available properties
Couple, two children (one aged less than 5, one aged less than 10)	Newstart Allowance (both adults)	2	1.02%
Single, two children (one aged less than 5, one aged less than 10)	Parenting Payment Single	0	0.00%
Couple, no children	Age Pension	11	5.58%
Single, one child (aged less than 5)	Parenting Payment Single	0	0.00%
Single	Age Pension	5	2.54%
Single aged over 21	Disability Support Pension	5	2.54%
Single	Newstart Allowance	0	0.00%
Single aged over 18	Youth Allowance	0	0.00%
Single in share house	Youth Allowance	0	0.00%
Couple, two children (one aged less than 5, one aged less than 10)	Minimum Wage + FTB A	15	7.61%
Single, two children (one aged less than 5, one aged less than 10)	Minimum Wage + FTB A & B	4	2.03%
Single	Minimum Wage	8	4.06%

Discussion

These findings show that the Southern Tablelands region has one of the worst levels of rental unaffordability in NSW – meaning that there are very few housing options in the private rental market for those on low incomes, and these are only available to a limited set of the low-income group. Most affordable properties for households requiring only a single room are in fact shared accommodation – in many cases inappropriate to the household itself. Only 2% of properties were affordable and appropriate to a single minimum waged parent with two children, and no properties were available to single parent families on government support. Singles and couples on the aged pension had extremely limited options; nothing but shared accommodation for singles and only one non-shared property in total for couples. Similarly single Disability Support Pension recipients were limited to shared accommodation. Youth Allowance recipients and Newstart recipients could access no affordable accommodation in the private rental market, even in shared accommodation.

Policy Implications

An area of particular concern is the extremely curtailed ability of single working parents to rent affordably anywhere in this region. These families are further disadvantaged by the cost of childcare to enable the parent to work, creating a serious risk of poverty and social exclusion for both the parent and his or her children. The few properties that were available tended to be in small regional towns with limited opportunities for employment and likely to be away from family support.

Anglicare was unable to find any affordable housing for singles on Newstart anywhere across the broader region including the ACT, South Coast and the Riverina. The Southern Tablelands was no exception. This suggests that the Newstart for singles needs to be adjusted to reflect the reality of the housing market.

Another serious issue is the lack of accommodation available for people and couples dependent on the Age Pension. As noted above, the only affordable options for single people on this pension are single rooms in share houses, which in nearly every case would be inappropriate. Of the 11 properties found affordable to couples on Age Pension, only 1 was not in shared accommodation. Again, this issue creates a significant risk of poverty and social exclusion, also linked to increased illness and lowered quality of life in older people. Some of the available properties were in isolated areas, creating a further risk for older people.

Conclusion

The private rental market in the Southern Tablelands has very few options for persons on a low income such as minimum wage or government benefits. This is placing significant pressure on government housing programs, as well as contributing to financial stress and social exclusion in families unable to access subsidised housing. In particular, aged pensioners, single parents, disability pensioners, unemployed people and families, and students have virtually no access to appropriate and affordable housing.

Snapshot: Anglicare North Coast, Clarence Valley NSW

Introduction

The Lower Clarence is a rural area, with a low socio-economic profile. It has a significant elderly population, as well as having a higher than national average aboriginal population. The transport infrastructure is poorly developed, and there is a lack of affordable housing, especially for single people. Anglicare North Coast has several initiatives to support the local population, through financial counselling, community housing and accommodation support for those who are homeless or at risk of homelessness. Clients of financial counselling and the accommodation support service are case managed and supported to resolve their issues.

(information from the 2001/2006 Census Clarence Valley Council review

http://soe0910.clarence.nsw.gov.au/cmst/cvc006/printer_friendly.asp?id=2414&cat=7)

Findings

We found that, as front line work has suggested, that there is no accommodation for single people unless they are on higher rates of benefits, such as the Age Pension or the Disability Support Pension.

Out of the 192 houses counted in the Woombah/Iluka/Maclean/Yamba/Grafton/Wooli area,

- Only 31 were both affordable and appropriate to people claiming benefits (16%).
- None were affordable to single people on Newstart or Youth Allowance/Austudy.
- The group best served in the snapshot, and on benefits, were couples claiming Age Pension, with no children. There were 16 properties considered affordable and appropriate (8.3%)
- There were only 6 properties considered affordable and appropriate for a family of 4 on Newstart (3%), with single parent families (1 child) accessing 4 houses (2%) and single parent families (2 children) accessing 3 houses (1.5%)
- Overwhelming, a family of 4 on the minimum wage had the best access out of all the groups to accommodation, being considered eligible for 129 properties out of the 192 surveyed (67%)
- Being on a minimum wage was a great advantage if single. A single parent with 2 children would be considered for 25 properties (13%) and a single in a share house could access 12 properties (6.2%)

Discussion

The Clarence Valley has a low socio-economic status, with a significantly higher than average rate of unemployment (9.9% v 5.5% nationally according to the 2006 Census). Although the majority of available rental properties are deemed to be affordable for those on minimum wages, there is not really sufficient employment in this area for these housing opportunities to be realised. In other words, the supply of affordable housing does not match the client group who are in need of it.

This picture of affordability and appropriateness is further complicated by the recognition of a very poor public transport system, meaning that people need to budget for additional expenses to run and maintain a car, pay for community transport, taxis or other means of transportation. Lack of transportation often leads to social isolation and an inability to access services. In our experience, elderly people generally prefer to be housed in the 3 main population centres of Yamba, Maclean and Grafton in order to access medical services and transport to medical services further afield.

Appropriate, affordable housing is not always as readily available in these locations as it is in some of the more isolated rural parts of the region.

Young, single people are doubly affected in all of this, with few employment opportunities and virtually no appropriate housing stock. They also face discrimination because of their youth and lack of rental history. As a result, they will migrate to more urban areas, or will become hidden homeless, moving from household to household as a couch surfer or boarder with no tenure.

Aborigines also face unspoken discrimination in the private rental market and, even if they meet affordability criteria, may find it harder to access the private rental market.

Also, there appears to be reluctance within the established, older community to move from their particular area, even to access affordable housing. People have often preferred to remain in an insecure situation than to consider moving from Maclean/Yamba to Grafton and vice versa.

Policy Implications

We clearly need an increased supply of secure, affordable housing. Such housing needs to be targeted at those on government benefits, in particular single people.

Conclusion

People on government benefits are clearly those most adversely affected by the current high cost of rental properties. Even more vulnerable within this group are single people and those who experience discrimination due to factors such as racial backgrounds and poor rental history. The snapshot has highlighted very clearly the lack of suitable affordable rental properties in the Clarence Valley.

Snapshot: Anglicare Riverina, Riverina

Introduction

The population of the Riverina/Murrumbidgee area, approximately 157 000, is distributed between 'inner regional' areas (56%), 'outer regional' areas (42%), and 'remote' areas (2%). Its major regional centres are Wagga Wagga and Griffith. 46% of its population has a post secondary qualification and its fastest growing demographic is persons aged between 15 and 24 and persons over 55. In 2010 its unemployment rate was 4.9% (compared to 5.5% nationally) and 10% of its residents receive the Age Pension. 4.2% of the residents in this area are of an Indigenous background, compared to 2.5% nationally. The average wage and salary income in 2009 was \$38 907, compared to \$46 599 nationally (ABS National Regional Profiles 2006-2010). Anglicare Canberra & Goulburn supports low income households in the Riverina through a variety of ways including supporting aged persons through various aged care programs and partnering with community based emergency relief programs.

Findings

There were some private rental housing options for most groups studied, but few options found for single parents on Parenting Payment, and virtually no options for singles on Newstart, or single students on Youth Allowance.

Out of a total of 585 properties, the number and percentage of affordable and appropriate properties for each household type examined are given below:

Household type	Payment Type	Number of properties	Percent of available properties
Couple, two children (one aged less than 5, one aged less than 10)	Newstart Allowance (both adults)	32	5.47%
Single, two children (one aged less than 5, one aged less than 10)	Parenting Payment Single	14	2.39%
Couple, no children	Age Pension	136	23.25%
Single, one child (aged less than 5)	Parenting Payment Single	40	6.84%
Single	Age Pension	47	8.03%
Single aged over 21	Disability Support Pension	47	8.03%
Single	Newstart Allowance	1	0.17%
Single aged over 18	Youth Allowance	0	0.00%
Single in share house	Youth Allowance	0	0.00%
Couple, two children (one aged less than 5, one aged less than 10)	Minimum Wage + FTB A	255	43.59%
Single, two children (one aged less than 5, one aged less than 10)	Minimum Wage + FTB A & B	95	16.24%
Single	Minimum Wage	115	19.66%

Discussion

While not as serious as other areas in NSW, the Riverina still has a problematic level of housing unaffordability – meaning that there are few housing options in the private rental market for those on low incomes, and there remain some groups with no affordable housing options, even in shared accommodation. Many affordable properties for households requiring only a single room are in fact shared accommodation – in many cases inappropriate to the household itself. For example, while singles and couples on the aged pension had more options here than in other areas of NSW, only 8% of properties found were affordable to single aged pensioners, and about half of these were actually shared houses. A single minimum waged parent with two children had more options in this region than in other areas in NSW, but remains limited to 16% of the total market. Up to 6.9% of properties were appropriate and affordable to single parent, one child families on government support, but this dropped off to only 2.4% affordable if the family had two children. Similarly, single Disability Support Pension recipients had few options that were not in shared accommodation. With the exception of one shared property in Griffith, Youth Allowance recipients and Newstart recipients could access no affordable accommodation in the private rental market, even in shared accommodation.

Policy Implications

Anglicare was unable to find any affordable housing for singles on Newstart anywhere across the broader region including the Southern Tablelands, South Coast and the ACT. The Riverina was no exception. This suggests that the Newstart for singles needs to be adjusted to reflect the reality of the housing market.

The lack of affordable housing for aged pensioners in nearby regions including the ACT, South Coast and Southern Tablelands, combined with the ageing of Australia's population more generally, means that there is likely to be an increase in demand for aged care and health related services in the Riverina.

Conclusion

The private rental market in the Riverina has some limited options for persons on a low income such as minimum wage or government benefits. However, there remain effectively no options for persons living on Newstart or Youth Allowance. This is placing significant pressure on government housing programs, as well as contributing to financial stress and social exclusion in families unable to access subsidised housing. In particular, aged pensioners, single parents, disability pensioners, unemployed people and families, and students have limited access to appropriate and affordable housing.

Snapshot: ANGLICARE Sydney – Greater Sydney and the Illawarra

Introduction

On 13-14 April 2012, ANGLICARE Sydney conducted a rental affordability 'snapshot' of the Greater Sydney and Illawarra regions, as part of a national project coordinated by Anglicare Australia. This report focuses on the affordability of private rental properties for households receiving income support payments (government benefits) as their only source of income and for households receiving the minimum wage. People on income support comprise a large proportion of ANGLICARE Sydney's own clients, the majority of whom are either renting in the private rental market or public housing sector.

At the time of the 2006 Census, there were approximately 1.42 million households in Greater Sydney and 145,500 households in the Illawarra. Of this number, 30 percent of Sydney's households and 25 percent of the Illawarra's households were renting their properties. More than two-thirds of households in Sydney and the Illawarra were couple or family households. The proportion of single person households was marginally higher in the Illawarra (23 percent) than in Sydney (22 percent). The major difference between households in Sydney and the Illawarra was in relation to income, with the average Sydney household earning more per week than the national average, while households in the Illawarra had average weekly earnings below the national average.

Findings – Greater Sydney

Households on Income Support: Of the 10,385 properties available for private rental in Greater Sydney on the snapshot weekend, only 25 properties were identified that were both affordable and appropriate, without placing households receiving income support payments into rental stress. Only 10 and 13 affordable properties respectively could be found for couple families receiving Newstart and couples receiving the Aged Pension. Even fewer affordable properties could be found for single parents with two children and for single people receiving the Aged Pension, Disability Support Pension or the Newstart Allowance. Unfortunately, there were no affordable and appropriate properties identified for single parents with one child and recipients of Youth Allowance and Austudy.

Households on the Minimum Wage: As expected, the number of suitable properties for households earning the Minimum Wage was considerably greater. Couple families earning the Minimum Wage were able to afford 940 properties with at least 3-bedrooms and 1,413 properties with at least 2-bedrooms. Single parents were only able to afford a fraction of the same number of properties (n=97), while single people earning the minimum wage fared relatively poorly (n=44).

Findings – Illawarra

Households on Income Support: Of the 1,063 properties available for private rental in the Illawarra on the snapshot weekend, only 48 properties were identified that were both affordable and appropriate for households receiving income support. More than half of these properties (n=28) were affordable and appropriate only for couples receiving the Aged Pension. Couple families with two children recorded the next highest number of affordable properties (n=18). Few such properties could be found for single parents with one child (n=2) and single persons receiving the Aged or Disability Support Pension (n=2). There were no affordable and appropriate properties for households receiving the Newstart Allowance, Youth Allowance or Austudy.

Households on the Minimum Wage: Couple families earning the Minimum Wage were able to afford 339 properties with at least 3-bedrooms and 261 properties with 2-bedrooms. Single parents

also enjoyed a relatively high level of housing choice, with 115 affordable properties at their disposal. These results were not replicated for single persons earning the Minimum Wage, for whom just 21 properties were affordable and appropriate.

Discussion

Nine out of fifteen statistical areas in Greater Sydney failed to record any affordable and appropriate rental properties for households receiving income support payments, irrespective of the household type selected. Only 1 out of the 25 affordable and appropriate properties was located within 5 – 20km of the Sydney CBD. Nearly half of all the affordable and appropriate rental properties in Greater Sydney were located in the Central Coast Statistical Area (n=12), about two hours away from the Sydney CBD. The results of the Rental Affordability Snapshot have shattered the perception of the Illawarra as an affordable dormitory area within two hours travel of the Sydney CBD.

Policy Implications

A range of policy solutions are needed to ease the rental affordability crisis in Sydney and the Illawarra. These include increases in the supply of social housing, raising the rate of Commonwealth Rental Assistance and increases to the Newstart Allowance and Parenting Payment Single, innovative approaches to home loan schemes, and new models of supported housing. In NSW, two areas of policy which require review are the Metropolitan Plan for Sydney 2036 and Housing NSW's Rentstart scheme.

Draft Metropolitan Plan for Sydney 2036: Released in December 2010, the draft plan anticipates an increased demand in Sydney for smaller and more affordable homes, with an additional 770,000 homes required by 2036. Under the plan, 80 percent of these new homes will be located within walking distance of centres with good public transport services, meaning that medium density housing will become the norm in many centres. However, the plan does not direct Local Government Areas to set targets for the construction of affordable and social housing. Furthermore, the Metropolitan Plan's approach of "setting affordable housing targets for state urban renewal projects on a case by case basis" is unlikely to address affordable housing shortages in Greater Sydney and the Illawarra, as it does not guarantee there will be a "one for one" replenishment of social and affordable housing stock. As an example, some of the current Public-Private Partnerships, such as One Minto and Airds-Bradbury, do not have a "one for one" replenishment policy, either within the redeveloped estate or through the construction of new dwellings elsewhere. It is imperative that the Metropolitan Plan recognises the importance of protecting and increasing the supply of social and affordable housing stock, through a "one for one" replenishment policy.

Rentstart scheme: This scheme is managed by Housing NSW and previously offered four different types of financial assistance to eligible clients to establish or maintain a tenancy on the private market: four weeks of rental bond, two weeks of advance rent, access to temporary accommodation, and the payment of rental arrears. Rentstart has recently been modified by Housing NSW to cover three weeks of the rental bond deposit and just one week of advanced rent. Furthermore from May 2012, Rentstart will be provided as a loan payment only. ANGLICARE Sydney is concerned that by changing Rentstart into a loans program, already vulnerable tenants will need to spend more of their income on rent, placing them at risk of housing insecurity. ANGLICARE Sydney urges the NSW Government to restore RentStart to its original levels of assistance, and to suspend loan repayments for new private rental tenants for the first six months of their tenancy.

Conclusion

Overall the results indicate that most private rental housing is largely unaffordable for people living on income support in the Greater Sydney and Illawarra regions, without entering into rental stress. Just 0.2 percent of Greater Sydney's private rental dwellings were affordable and appropriate for households relying on income support as their sole source of income. Despite a net increase of nearly 1,000 rental dwellings since the same time last year, the percentage of suitable properties has fallen even further from 0.8 percent, or 72 properties, in 2011. The Illawarra also has a severe rental affordability crisis, with just 4.5 percent of properties being affordable and appropriate for such households. While an additional 300 dwellings were available compared to the same period last year, the number of suitable properties has remained static.

Snapshot: Anglicare Western NSW

Introduction

In an effort to describe the challenges experienced by low-income households in accessing appropriate housing, Anglicare Western New South Wales has chosen to look at four regional communities (Bathurst, Broken Hill, Mudgee and Orange). Three of these communities are currently suffering from an acute crisis in private sector rental affordability. This mini report provides details about the effects of this crisis of affordability on local residents.

Methodology

Anglicare Western New South Wales has conducted a review of private properties advertised for rent on April 14th 2012 on realestate.com.au. This website compiles offers from a variety of estate agents and provides a broadly comprehensive picture of the rental market in these locations.

The local newspapers for these localities were also purchased on Saturday the 14th of April 2012. However, very few rentals were advertised through this medium. The few rentals that did appear in the newspapers tended to be fairly atypical (i.e. a room in someone's house, as opposed to a self-contained unit) and did not include a price range. For this reason, these rentals were excluded from the study.

For the purpose of this study, an affordable rental is one which takes up less than 30% of the household's income. The appropriateness of the properties for various household types was appraised on the basis of the number of bedrooms in the property. For a property to be considered suitable, it had to be both affordable and appropriate.

Findings

Three of the communities studied (Broken Hill, Mudgee and Orange) are affected by the ebbs and flows of mining activity, which tends to have very direct repercussions on the market for private rentals.

Whenever new mining operations are located close to town, the rents will go up to accommodate miners. This puts pressure on local residents who do not work in mining and whose income might not be sufficient to access housing in the private rental sector.

Many young families do choose to live in unaffordable homes for the sake of their children. They find that the high cost of housing accentuates the financial hardship they experience by leaving too little in the family's budget for other necessities. These households will often attempt to "do without" many of the things that make for an adequate quality of life, such as appropriate heating or sports lessons for school-aged children.

Being financially overextended because of high housing costs places these households at risk of not being able to sustain their tenancy if something unforeseen happens and it increases the household's overall precariousness. The households often cannot handle changing circumstances such as redundancy, a rise in the rent, or even the car breaking down.

On the other hand, some young families may choose to remain in inadequate accommodation. This may take the form of overcrowding (e.g. living with grandparents) or living permanently in a caravan park. This can result in instances of social isolation as the families feel unable to invite friends and to accept invitations for fear of not being able to return them.

In Mudgee, where the pressure on real estate brought about by new mining activity is particularly intense, there are reports that even the renting of a caravan has become prohibitively expensive. Again there is a need to think about the housing arrangements of people who might want to live near Mudgee but are currently priced out of the rental market. Their current housing situation might currently be somewhat substandard.

Finally, it should be pointed out that unduly high housing costs affects employers in some sectors of the economy who find themselves unable to attract employees. This has the potential to paralyse key sectors of the local economy.

Policy Implications

In general terms, policy levers should be designed to encourage a speedy catching up of the rental market whenever new economic activity enters an area. Where new economic activity arrives at once (as is the case with mining), decision makers should remain mindful of the effects on low income households.

There is a need to encourage the design and realisation of small scale, purpose-built accommodation, located in appropriate environments, close to facilities and transport. The building industry will often criticize 'bureaucratic regulation' as an impediment to the building of new affordable dwelling units. On the other hand there is a need to continue to promote compliance and greater environmental sustainability. For this reason, a better dialogue between industry representatives and decision-makers should be encouraged where possible. This should result in a better supply of affordable housing options.

There is a need to take a close look at the "total experience" of those members of the community who are most vulnerable financially. The study shows that practically no private rented accommodation is affordable for a single individual in receipt of the Newstart allowance. For this reason it might be pertinent to rethink the level of this allowance in order to ensure an adequate quality of life and level of dignity for all members of the community.

Finally, it should be noted that the concept of affordability relates purely to housing expenditure and incomes, not housing standards. Substandard housing is an enduring issue in parts of regional and rural New South Wales.

Snapshot: Samaritans, Hunter/Great Lakes

Introduction

Samaritans is one of Australia's largest regional welfare organisations, operating on the east coast of NSW.

Every week, Samaritans provides support to 250 families experiencing disadvantage in our local community

The Samaritans Foundation was established in 1984 as the social welfare organisation of the Anglican Diocese of Newcastle which covers the Hunter, the Manning and the Central Coast regions of New South Wales.

The population of the Lower Hunter totalled 493,462 persons in 2006. The population of the Upper Hunter totalled 50,152 persons in 2006, with Singleton the most populous of the three LGA (21,940).

Overall, the structure of household relationships in the Hunter closely mirrors the State and the nation. Marriage was still the most common household relationship in the Region in 2006, with 39.9 per cent of Hunter residents in a registered marriage. Between 2001 and 2006 the proportion of partners in de facto marriages rose from 5.4 per cent to 6.7 per cent, the proportion of lone parents increased from 4.7 per cent to 5 per cent, and the proportion of people living alone rose from 9.6 per cent to 10.1 per cent.

Conversely, the proportions of dependent students (15-24 years) living at home, other related individuals living under the same roof, and group households in the Region were lower than in the State or nation.

In the decade between 1996 and 2006 the number of lone parent households in the Hunter rose by approximately 24 per cent, from 22,155 to 27,493. Between 1996 and 2006 the number of lone person households in the Hunter rose by more than 21 per cent, from 45,813 to 55,656.

Of family groups, the two largest groups were couples without children (39.2 per cent) and couples with dependent children (33.9 per cent). There has also been an increase in the proportion of one parent families in the Hunter, from 15.1 per cent in 1996 to 17.1 per cent in 2006, with the current proportion higher in the Hunter than in the State and nation.

Findings

On the 14th April there were a total of 1134 properties available for rent over the Hunter/Great Lakes Region. The breakdown per property count was

- Cessnock - 74 properties
- Gloucester/Stroud - 32 properties
- Great Lakes - 108 properties
- Lake Macquarie - 238 properties
- Maitland - 146 properties
- Newcastle - 288 properties
- Port Stephens - 169 properties
- Singleton - 17 properties
- Upper Hunter and Dungog Shire - 62 properties

Cessnock LGA = There were 31 affordable and appropriate properties for a couple with two children on a minimum wage, or 42% of the total properties available. Of these 2 were also affordable and appropriate for a single parent with two children (one aged less than 5, one aged less than 10) on a minimum wage.

Gloucester/Stroud LGA = There were 20 affordable and appropriate properties for a couple with two children on a minimum wage, or 63% of the total properties available. 5 of these properties were in Stroud, the remainder in Gloucester LGA. Of these total 20 properties 3 were also affordable and appropriate for a single, two children on a minimum wage (one property in Stroud).

There are 3 affordable and appropriate accommodation options for an aged couple on the pension (one of these options is \$7 inside the affordable range, a small rental increase would make it unaffordable) the remaining 2 properties are also affordable and appropriate for a single person on a minimum wage. All are within Gloucester LGA.

Great Lakes LGA = There were 55 affordable and appropriate properties for a couple with two children on a minimum wage, or 51% of the total properties available. Of these 6 were also affordable and appropriate for a single parent with two children (one aged less than 5, one aged less than 10) on a minimum wage.

For a couple, no children on the aged pension there were 11 properties for aged couple with 8 of these also being affordable and appropriate for a single person on a minimum wage. 2 of these properties were also deemed suitable for a single person on an aged pension or a single person on a disability support pension. The one property available for a single parent with one child on parenting payment also was in this pool of 11 properties.

Lake Macquarie LGA = There were 78 affordable and appropriate properties for a couple with two children on a minimum wage, or 33% of the total properties available.

For a couple, no children on the aged pension there were 12 properties for aged couple that were seen to be appropriate in terms of affordability and room configuration. Of those 12 properties, 5 properties that were potentially appropriate for an aged couple as 7 were based in share accommodation (predominantly advertised as student accommodation and therefore no actually appropriate). Out of this pool of 12 properties, 9 were also the only ones appropriate and affordable for a single person on a minimum wage.

Out of the above 12 properties, 2 were also seen as affordability and appropriate (room configuration) for a single aged person or a single person aged over 21 on the disability support pension. Both of these were in shared accommodation in Cooranbong.

Maitland LGA = There were 52 affordable and appropriate properties for a couple with two children on a minimum wage, or 36% of the total properties available.

For a couple, no children on the aged pension there were 2 properties for aged couple with 1 of these also being affordable and appropriate for a single person on a minimum wage.

Newcastle LGA = There were 38 affordable and appropriate properties for a couple with two children on a minimum wage, or 13% of the total properties available.

For a couple, no children on the aged pension there were 43 properties for aged couple that were seen to be appropriate in terms of affordability and room configuration. Of those 43 properties, 39 were based in share accommodation (predominantly advertised as student accommodation and therefore no actually appropriate) one was a caravan in someone's yard. This leaves 3 properties that were potentially appropriate for an aged couple. These same 43 properties (minus 1) were also the only ones appropriate and affordable for a single person on a minimum wage.

Out of the above 43 properties, 14 were also seen as affordability and appropriate (room configuration) for a single aged person or a single person aged over 21 on the disability support pension. Out of these 14 properties one was a unit/flat the rest were shared accommodation.

Due to the university and as we saw above there is a lot of shared accommodation available in the Newcastle LGA aimed at students. Despite this there were only 2 properties for a single person over 18 on youth allowance, 1 property for a single person on Newstart, and 1 for a single person on youth allowance in a shared house.

Port Stephens LGA = There were 67 affordable and appropriate properties for a couple with two children on a minimum wage, or 40% of the total properties available. Out of the above properties, 5 were also those that were affordability and appropriate for a single aged parent with two children (one aged less than 5, one aged less than 10). Although some of these properties are in isolated communities with limited transport and services.

For a couple, no children on the aged pension there was 1 property for aged couple that appeared to be a two storey unit block.

Singleton LGA = There were 3 affordable and appropriate properties for a couple with two children on a minimum wage, or 76% of the total properties available. All of these properties are at the high end of affordability range and with a small rental increase would soon become unaffordable.

Upper Hunter and Dungog Shire LGA = For a couple with two children (one aged under 5, one aged under 10) on a minimum wage there were 22 properties that were affordable and appropriate. 12 of these properties were in Muswellbrook, 2 in Denman, 1 in Scone, 1 in Murrundi and 6 in Dungog LGA. Of this same pool of properties 6 were affordable for a single parent (one child aged under 5) on a minimum wage. 1 in Muswellbrook, 1 in Scone and 4 in Dungog.

For an aged couple there were only two affordable and appropriate properties both based in Dungog. One of these properties was also affordable and appropriate for a single parent (one child aged less than 5) on parenting payment and one for a single person on a minimum wage.

Despite the employment opportunities, the accommodation is spread out over a large region leading to high travel costs for employment and limited access to services.

Discussion

Many of the affordable and appropriate housing were located in areas of high disadvantage, in terms of transport, service available and employment. Much of the properties that were affordable and appropriate were for a two parent family with two children and yet unemployment rates across the region indicate that we have a limited of low paid unskilled work for this cohort.

Policy Implications

Single Parents with two children (one aged less than 5, one aged less than 10) on a parenting payment single is unable to find affordable and appropriate housing anywhere in the Hunter. Our emergency relief services are currently filled with this client group needing access to food due to their rental costs.

The majority of single parents accessing our services are renting, staying temporarily with friends or residing in emergency accommodation. This places the parent and the children in difficulties financially on a daily basis, causing much stress and anxiety, school difficulties and risk of homelessness is constant.

Of serious concern was the lack of affordable and appropriate accommodation for a single person aged over 21 on a disability pension. We offer many services to clients with a disability and often accommodation is a huge cost and concern for these clients and their families when considering independent living. To highlight this concern, out of the nine LGAs we looked at only three had any affordable and appropriate accommodation for this client group. When you drill down further into the detail of the properties many of these would also be unsuitable. For example out of 2 properties

that were seen as affordability and appropriate single person aged over 21 on the disability support pension they were in an isolated area of Lake Macquarie where there is limited transport and limited services and both of these were shared accommodation.

Young people in the Hunter are already remaining at home longer (where possible) due to the high rental costs. Unfortunately many of our client group have been unable to remain at home due to abuse and neglect. Our system is filled with young people ready to move on and be independent but they are unable to due to the lack of affordable housing right across the region. Only Newcastle LGA offers some affordable and appropriate housing for young people in the Hunter/Great Lakes area.

Conclusion

There were 440 affordable and appropriate housing across the Hunter/ Great Lakes area out of the total 1134 properties available for rent on the 14th April 2012. This means that less than 39% of the total rental is affordable and appropriate for any particular client group. Only 74 properties were affordable and or appropriate to any other group.

Snapshot: Anglicare NT, Northern Territory

Introduction

Anglicare NT recognises that unsafe, inadequate and expensive housing is a major challenge right across the Territory. People who struggle to find affordable housing often live in unsanitary and overcrowded conditions, which immensely diminish opportunities to meaningfully participate in their communities.

In view of this, Anglicare NT continues to advocate for improved housing and runs programs such as the Tenancy Support and Sustainability Program to help people at risk of eviction to retain their public housing tenancy, Youth Housing Program to assist young people aged 15 – 19, and transitional accommodation program to help adults and families experiencing homelessness to establish a stable housing environment.

Anglicare NT also employs strategies such as emergency relief, support services and case management to seek to help in this area.

Findings

A total of 497 rental properties were surveyed on 14th April for this year's Snapshot. 432 of the rental advertisements were taken from www.realestate.com.au, and 65 from the rental property pages of NT Times. Of these properties, none were affordable and appropriate (thereafter suitable) for people on Youth and NewStart Allowances, Parenting Payment and Disability Support Pension and only 20 were suitable for people on some benefits and minimum wages. Of those 20 properties:

- 6 properties (1%) were suitable for a couple living on the age pension;
- 9 properties (2%) were suitable for a couple with two children, both on minimum wages;
- 2 properties (0.4%) were suitable for a single parent with two children on minimum wage;
- 3 properties (1%) were suitable for a single person on minimum wage

Household type	Payment Type	Number of properties	Percent of available properties
Couple, two children (one aged less than 5, one aged less than 10)	Newstart Allowance (both adults)	0	0%
Single, two children (one aged less than 5, one aged less than 10)	Parenting Payment Single	0	0%
Couple, no children	Age Pension	6	1%
Single, one child (aged less than 5)	Parenting Payment Single	0	0%
Single	Age Pension	0	0%
Single aged over 21	Disability Support Pension	0	0%
Single	Newstart Allowance	0	0%
Single aged over 18	Youth Allowance	0	0%
Single in share house	Youth Allowance	0	0%
Couple, two children (one aged less than 5, one aged less than 10)	Minimum Wage + FTB A	9	2%
Single, two children (one aged less than 5, one aged less than 10)	Minimum Wage + FTB A & B	2	0.4%

Single	Minimum Wage	3	1%
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Discussion

On the day of data collection, only 4% (20) of surveyed rental properties were affordable and appropriate in the Northern Territory.

Shared accommodations are in general the most affordable rentals on the market ranging from \$150 to \$350 per week, and 15 of those were considered in this Snapshot. While most were affordable for families with children on NewStart Allowance (12), Parenting Payments (11), parent on single minimum wage (14) and parents both on minimum wages (15), they were not appropriate due to limited space (1 bedroom in a shared house).

Conversely, all the advertised shared accommodation would be appropriate for a single people on benefits or the minimum wage, but none were affordable for that household type.

The Snapshot findings clearly indicate a lack of affordable and appropriate housing for people on minimum incomes and benefits within the Northern Territory.

Policy Implications

The Snapshot reinforces the importance for policy interventions to address rising housing unaffordability in the Northern Territory. It is evident that people are required to pay much more than they can afford on housing costs which limits how else individuals and families might cater to their own needs and the needs of their loved ones. Interventions to counter the risks associated with housing stress might include increasing supply of affordable housing through extending programs such as the National Rental Affordable Schemes with the addition of specific targets for particular population groups such as indigenous young people here in the NT, increasing the rate of Commonwealth Rental Assistance and improving the adequacy of benefit payments.

The National Affordable Housing Agreement calls for all levels of government to act in regard to this issue with particular emphasis placed on housing for Indigenous people. The Northern Territory has the highest rates of youth homelessness in the country and without intervention, the housing crisis will contribute to disadvantaged young people further spiralling into ongoing poverty and deprivation, which will immensely diminish their life chances.

To overcome the challenges presented in the housing crisis and highlighted by this Snapshot, real action stemming from real commitment is required.

Conclusion

The Anglicare Australia Rental Affordability Snapshot shows that only 4% of rental properties are affordable to families with children on minimum wage(s), couple living on age pension without children and single person on minimum wage.

The picture of rental affordability in the Northern Territory may be grimmer when taking into account the potential lasting impacts it has on all young people but particularly indigenous young people here in the territory.

Snapshot: Anglicare Central Queensland, Rockhampton and Gladstone

Introduction

Rockhampton population is 111 500 people. Industries include cattle, pineapple and fruit growing, forestry, mining. Power generation, tourism, retail, manufacturing and construction. The region also has two large abattoirs and the Gracemere Saleyards (one of the largest livestock sales facilities in the country). To the North of Rockhampton is the Shoalwater Military training area. The region is experiencing growth as a result of the mining boom in the Bowen Basin and surrounds.

The main household types are couples with children followed by couple households. The most common age group is the 25-54 year olds.

Gladstone population is 62 982 which is expected to grow by 2.4% per annum reaching 111 690 in 2031. This growth rate is equal fourth highest in Queensland local government areas. Much of this growth can be attributed to the major resource related projects being undertaken in the area which are likely to expand over the coming years. As the population continues to grow, housing demand and costs will remain high. Gladstone has the largest alumina refineries, Queensland largest multi commodity port and a number of other major industrial giants, including

- NRG Queensland biggest power station
- Boyne Smelter
- Rio Tinto
- Cement Australia
- Bounder Steel
- Australia Liquefied Natural Gas with a 450 klm pipeline stretching from the Surat and Bowen Basins to Curtis Island (off Gladstone)
- Santos
- Bechtel

The main household types are couples with children and couple households. Forecasts indicate that the proportion of single people and couple only households will increase by 2031 to represent more than 52.8% of the total household types compared to 49% in 2006. Conversely, the proportion of couple with children households is predicted to slightly decrease by 2031 but will still remain the dominant household type.

The most common age group is <15 years. The second largest age group is 35-44, followed closely by 45-54 and 25-34, predominantly working age.

Households on average have higher weekly income than other Queensland local government areas. Higher levels of home being purchased and lower levels of home ownership indicate that the population is expanding with a transient working population.

Housing prices and renting costs have been increasing significantly since 2001.

Housing Services offered by Anglicare Central Queensland in Rockhampton and Gladstone

- Community Rent Scheme
- Community Managed Studio Units (Rockhampton only)
- Long term community housing (Rockhampton only)
- Emergency and crisis housing (Rockhampton only)
- National Rental Affordability Scheme
- Queensland Aboriginal and Islander Diversionary Program (Rockhampton only)

Findings

- A total of 336 rental advertisements were assessed. 198 for Gladstone and 138 for Rockhampton
- No data was available from real estate.com for share accommodation
- None of the 336 rental properties advertised in Central Queensland was affordable to singles on Newstart, Austudy or Youth allowance
- Those on higher benefit incomes (such as an unemployed couple with 2 children) cannot afford Central Queensland rents
- Only 7 of the 336 advertised properties in Central Queensland (2%) were affordable to a couple with two dependent children on Newstart allowance. But none of these 7 properties were both affordable and appropriate for a family of four
- Even households with two minimum wage incomes appear to experience some rental stress in Central Queensland. Only one in three (35%) of the advertised rental properties were affordable to a Couple with two children, when both earned a minimum wage
- The most affordable rental properties were found in Rockhampton. Three quarters (76%) of properties advertised in Rockhampton were affordable to a family of four on two minimum wages.
- By comparison, rental properties in Gladstone are not generally affordable to those on low incomes. Only 6% of rental properties advertised in Gladstone on 14 April 2012 were affordable to a family of four on two minimum incomes. None of the 196 rental properties advertised in Gladstone were affordable to any of the other household types assessed in the 2012 Rental Affordability Survey
- This is a consequence of high rental prices in Central Qld, especially Gladstone. The 2012 Rental Affordability Survey found median advertised rents in Gladstone to be \$707 per week for houses/townhouses and \$536 for units/flats/apartments. These are nearly double Rockhampton rents, at \$375 per week for houses/townhouses and \$275 per week for units/flats/apartments. Gladstone median rents greatly exceeded Brisbane Inner City rents (at \$493 per week for houses/townhouses and \$340 per week for units/flats/apartments)

Discussion

These findings illustrate just how tight the rental property market is in Central Queensland. Changes in welfare payments alone will not redress this issue. Policies and incentives are needed to encourage an increase in affordable and appropriate rental stock or to encourage home ownership for low income earners and those on benefits.

Policy Implications

- Lower benefit recipients continue to be especially disadvantaged by the current Commonwealth Rental Allowance (CRA) arrangements. Presently, Youth Allowance and Austudy recipients do not become eligible for rental assistance until their rent exceeds 27% of their benefit allowance. This percentage nearly equals the generally acknowledged unaffordable rental threshold of 30% of income. By comparison, those on slightly higher benefits (disability or aged pensioners) become eligible for CRA rental assistance once their rent exceeds 14% of their income. CRA commences for unemployed singles once their rent exceeds 22% of income¹. It is recommended CRA payments be reviewed to redress these inequities and their contribution to low income housing and financial stress. Young people who must leave home for study or employment opportunities are under extreme rental stress.
- An increase in social housing stock to respond to the demands in the Central Queensland area

Snapshot: Anglicare Southern Queensland, Brisbane

Introduction

The area surveyed for the 2012 Anglicare Southern Queensland Snapshot takes in the five Brisbane City statistical divisions (Inner, North, South, East and West), as well as selected established commuter suburbs in the Ipswich and Moreton Bay South regions.¹⁸

The estimated resident population of this area was 1,788,168 persons, or 39 per cent of the state's population, at 30 June 2011.¹⁹ This included a population increase of almost 30,000 people in the year from 30 June 2010-11.

During the last census, household composition figures, averaged across the survey area, showed that over 71% of households were classified 'family households'.²⁰ Almost 45% of families were family couples with children, approximately 70% of whom had children under the age of 15 (comparable to the Australian average). Approximately 37% of households were couples with no children and just over 15% were single parent families.²¹

As might be expected, the more densely populated urban areas of Inner Brisbane, including the Inner North and South, had above-average numbers of households with 1-2 persons. The Redcliffe area also shared this characteristic. Outer regions of Brisbane, Caboolture, Ipswich and the Pine Rivers (Moreton Bay region) areas had above-average numbers of households with 3 or more people.²²

In the December quarter, areas such as South East Brisbane and North Brisbane had above-average unemployment (both at 5.5%) compared to the Australian average (5%), suggesting a higher preponderance of families receiving income support in those areas.²³

Anglicare Southern Queensland (formerly Spiritus) serves the population of the above area via a workforce of 2000 people across residential aged care, community care and a range of social services programs. We serve disadvantaged members of the community through social and community welfare activities including nursing care and domestic assistance in the home, physiotherapy to enable the return of mobility, emergency accommodation for victims of domestic violence, working with foster carers in the care of vulnerable children, providing a safe caring environment for frail elderly people, services for the homeless, skills training for young unemployed people and parental education and counseling.

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Findings

A total of 6,044 rental advertisements was assessed in the 2012 Rental Affordability Snapshot for Brisbane.

With rises in advertised Brisbane rents over the past 12 months (a trend confirmed by Residential Tenancy Authorities data²⁴), the overall percentage of affordable rental properties fell across every household type between 2012 and 2011.

¹⁸ As defined in the ABS Australian Statistical Geography Standard (ASGS 2011).

¹⁹ OESR Qld Regional Profile – Brisbane Statistical Division using LGAs 2011, generated 2 April 2012, p 2

²⁰ OESR Qld Regional Database – QRSIS Household composition by persons usually resident, generated 18 April 2012

²¹ OESR Qld Regional Database – QRSIS Family Composition, generated 18 April 2012

²² OESR Qld Regional Database – QRSIS Household composition by persons usually resident, generated 18 April 2012

²³ DEEWR, Labour Force Status by ABS Labour force region, December Quarter 2011

²⁴ RTA data for flats/units in the December quarters 2009-2011 reveals increases in median rents of between \$25 (1 bedrm) to \$45/week (3 bedrm) across Greater Brisbane.

- Using the criterion that a rental property is considered unaffordable if its rent is more than 30 percent of household income, none of these rental properties was affordable for singles on Newstart or Youth Allowance.
- Most affordable rental properties for a family of four are for rooms in share accommodation, which is rarely appropriate. Thus, only 11 properties were found to be both affordable and appropriate for a family of four on Newstart. This situation improved little for families with children on a single minimum wage, with only 136 of over 6,000 properties (2%) affordable and appropriate.

Number and Percentage of Affordable & Appropriate Properties by Household Type - 2012 GREATER BRISBANE

Household Type	Payment Type	Number Affordable	Percentage Affordable	Number Appropriate	Percentage Appropriate	Number Affordable & Appropriate	Percentage Affordable & Appropriate
Couple, two children (aged less than 5, aged less than 10)	Newstart Allowance (both adults)	417	7%	3667	61%	11	0%
Single, two children (aged less than 5, aged less than 10)	Parenting Payment Single	300	5%	3667	61%	3	0%
Couple, no children	Age Pension	300	5%	6044	100%	300	5%
Single, one child (aged less than 5)	Parenting Payment Single	185	3%	5170	86%	1	0%
Single	Age Pension	47	1%	6044	100%	47	1%
Single aged over 21	Disability Support Pension	47	1%	6044	100%	47	1%
Single	Newstart Allowance	0	0%	6044	100%	0	0%
Single aged over 18	Youth Allowance	0	0%	6044	100%	0	0%
Single in share house	Youth Allowance	0	0%	6044	100%	0	0%
Couple, two children (aged less than 5, aged less than 10)	Minimum Wage + FTB A	3601	60%	3667	61%	1796	30%
Single, two children (aged less than 5, aged less than 10)	Minimum Wage + FTB A & B	804	13%	3667	61%	136	2%
Single	Minimum Wage	245	4%	6044	100%	245	4%
Total No of Properties	6044						

Discussion

Few properties are both affordable and appropriate for families. For a couple with two dependent children on Newstart Allowance, for example, one in fifteen advertised rental properties (7%) were affordable, but less than 1% were also appropriate. As noted above, outer regions of Brisbane, Caboolture, Ipswich and the Pine Rivers (Moreton Bay) areas have above-average numbers of households with 3 or more people.²⁵ Large numbers of 3-4 bedroom homes appropriate for families exist in some of these areas (eg North Lakes), but are largely unaffordable.

Single people, particularly youth, also continue to suffer severe rental stress. The most affordable rental properties continued to be found in Brisbane's inner suburbs and Brisbane South areas. However, ongoing growth in luxury apartments in inner Brisbane may account for a marked increase in median weekly rent in these areas. For example, 2012 Snapshot data reveals median advertised rent for share accommodation in inner Brisbane rose 17% from the previous year, impacting on both students and those on benefits who access inner city welfare services.

Policy Implications

- Lower benefit recipients continue to be especially disadvantaged by the current Commonwealth Rental Allowance (CRA) arrangements. Presently, Youth Allowance and Austudy recipients do not become eligible for rental assistance until their rent exceeds 27% of their benefit allowance. This percentage nearly equals the generally acknowledged unaffordable rental threshold of 30% of income. By comparison, those on slightly higher benefits (disability or aged pensioners) become eligible for CRA rental assistance once their rent exceeds 14% of their income. CRA commences for unemployed singles once their rent exceeds 22% of income.²⁶ It is recommended CRA payments be reviewed to redress these inequities and their contribution to low income housing and financial stress. Young people who must leave home for study or employment opportunities are under extreme rental stress.
- It is unlikely that the disjuncture between affordability and appropriateness of housing stock for families will be resolved solely through increases in welfare payments. Policies and incentives are needed to encourage an increase in rental stock that meets both criteria for those on low incomes and on benefits.

Conclusion

It is clear that the Greater Brisbane rental market is extremely restricted for people on low incomes. Few properties are both affordable and appropriate for families on either benefits or a single minimum wage — rental stress does not begin to ease until there are two minimum wage earners in a family. The situation is equally grim for single people, particularly youth.

Addressing the issue of rental stress will require a multi-faceted approach that includes review of current CRA arrangements as well as broader consideration of market forces.

²⁵ OESR Qld Regional Database – QRSIS Household composition by persons usually resident, generated 18 April 2012

²⁶ <http://www.centrelink.gov.au/internet/internet.nsf/payments/index.htm#concessions>

Snapshot: Anglicare SA, Adelaide, South Australia

Introduction & methodology

The Anglicare SA Rental Affordability Snapshot surveyed available rental properties in South Australia on Saturday 14 April 2012. The survey used listings on www.realestate.com.au as its sample, based on breadth of coverage of the site and the fact that using a single source eliminated risks of duplication and inconsistency. Properties were assessed for affordability and appropriateness for a number of different household types and assumed income. This survey defined an affordable rental as one which took up less than 30% of the household's income. The 30% benchmark is commonly used as an indicator of "housing stress" among low income households.

We assessed how many properties would be affordable for each of the 12 household types listed in the findings section of this report. The only income sources taken into account were the household's main income support payment and Family Tax Benefit. Other allowances the household might receive (e.g. Mobility Allowance) were not included, and the assumption was made that where households received income from paid work, they received the minimum wage. Rent assistance was included as income for the purposes of calculations.

Data was disaggregated to separate listings of appropriate and affordable properties. Appropriateness of properties was assessed on the basis of the number of bedrooms. For a property to be considered suitable, it was required to be affordable and appropriate.

Findings

On the day of data collection, 3431 properties were identified via the website's search engine as being within the applicable locality. Of the 3431 properties, Table 1 below summarises which were affordable and appropriate:

Table 1: Number and Percentage of Affordable & Appropriate Properties by Household Type

Household Type	Payment Type	Number Affordable	Percentage Affordable	Number Appropriate	Percentage Appropriate	Number Affordable & Appropriate	Percentage Affordable & Appropriate
Couple, two children (one aged less than 5, one aged less than 10)	Newstart Allowance (both adults)	189	6%	1582	46%	53	2%
Single, two children (one aged less than 5, one aged less than 10)	Parenting Payment Single	80	2%	1582	46%	10	0%
Couple, no children	Age Pension	80	2%	2537	74%	80	2%
Single, one child (aged less than 5)	Parenting Payment Single	43	1%	2468	72%	2	0%
Single	Age Pension	9	0%	2537	74%	9	0%
Single aged over 21	Disability Support Pension	9	0%	2537	74%	9	0%
Single	Newstart Allowance	0	0%	2537	74%	0	0%
Single aged over 18	Youth Allowance	0	0%	2537	74%	0	0%
Single in share house	Youth Allowance	0	0%	2537	74%	0	0%
Couple, two children (one aged less than 5, one aged less than 10)	Minimum Wage + FTB A	2525	74%	1582	46%	1572	46%
Single, two children (one aged less than 5, one aged less than 10)	Minimum Wage + FTB A & B	641	19%	1582	46%	242	7%
Single	Minimum Wage	58	2%	2537	74%	58	2%
Total No of Properties	3431						

With the inclusion of minimum wage and Family Tax Benefit within the household incomes, significantly increased numbers of properties were classed as affordable. However, compared to 2011, there was a significant reduction in affordable housing for those households purely on Government benefits in 2012.

Policy Implications

Anglicare SA is currently working with SACOSS, which in turn is working with the broader COSS network, in support of raising the level of Newstart payment. This snapshot supports the validity of the needs expressed in that campaign, and the similar needs of a broader cohort of recipients of Government payments. The snapshot also reinforces the need for policy interventions to address rising housing unaffordability, whether through social housing or other available mechanisms.

Conclusion

The above data shows that there were a similar number of properties available for rent in South Australia on April 14 2012 as at the same time last year. However, for those individuals on Government benefits, suitable housing has become less accessible. Less than 2% of available housing across Adelaide on 14 April 2012 was both affordable and appropriate for most low income households on Government pensions and allowances, and the majority of household types had little or no affordable and appropriate accommodation available to them.

Snapshot: Anglicare Tasmania, Tasmania

Introduction

Anglicare Tasmania collected information on 2623 properties advertised as available for rent across Tasmania on the weekend of 14-15 April. This included share houses. This year we included internet-based real estate advertising in the survey and the survey increased substantially from 352 properties (2011).

Findings

Of the 2623 properties advertised, only a small percentage was affordable for people who depend on Centrelink payments as their main source of income.

People on New Start and Youth Allowance

- There was no rental property advertised which was affordable for a young person (aged over 18) who depends on Youth Allowance.
- There was one room in a share house advertised which was affordable for young people on Youth Allowance. This was in Queenstown, a remote mining town on Tasmania's west coast.
- Only 0.3% of the rental properties in the State which were affordable for a single person who depends on New Start Allowance (8 properties).
- Only 5% of the properties were affordable for a couple with 2 young children who are living on New Start Allowance (135 properties)

Single parents on Parenting Payment Single

- Only 3% of the properties were affordable for a single parent with one child (71 properties)
- Only 2% were affordable for a single parent with two young children (59 properties).

People on Age and Disability Pensions

- 8% were affordable for a single person on the pension (212 properties)
- 20% were affordable for a pensioner couple (521)

Minimum wage workers (in full-time work)

- 38% of the properties were affordable for a couple where both parents were working full-time with 2 young children (995 properties);
- 16% were affordable for a sole parent worker with 2 children (407 properties).
- 18% were affordable for a single minimum wage worker with no children (460 properties)

Discussion

The results of this survey have painted a grim picture of Tasmania's private rental market.

The survey, which analysed all the properties advertised for rent in Tasmania's three main newspapers and on two major real estate websites over the weekend of 14-15 April, was designed

to highlight what a Tasmanian living on a low income would confront on an average weekend if they were going through the classifieds looking for somewhere to live.

This year we found that across the whole state, only a small proportion of properties would be affordable and appropriate for the 31% of Tasmanian households who depend on Centrelink benefits as their main source of income. The affordable properties were often to be found on the fringes of the cities or in regional areas where there are few jobs and services.

As this survey focuses on issues of affordability, it is not designed to explore issues of housing supply. Therefore the findings of this survey duplicate themselves, and can in fact act to hide how difficult the housing market is. For example, the one property found to be affordable for a young Tasmanian on Youth Allowance (a room in a share house in Queenstown) also appears as an affordable property for a single person on New Start Allowance and again as an affordable property for a single pensioner). With such a small supply of properties, competition between tenants at the low end of the market is intense.

The survey also only looks at the issue of appropriateness of housing in terms of whether there are an appropriate number of bedrooms for each of the family groups. When other issues of appropriateness are examined (such as proximity to population centres and services) the picture of the housing market found in this survey worsens. The Tasmanian data was disaggregated to look at the difference between metropolitan Tasmania (the Greater Hobart area, Launceston, Burnie and Devonport) and rural and remote areas. This revealed that many of the properties which were affordable are to be found in rural areas up to 90+km from Hobart. These are areas facing many challenges, including depopulation, economic recession and high rates of unemployment.

The survey does also not look at appropriateness in terms of the standard of the housing available although the data collected provided glimpses of some of the issues tenants face. For example, a number of properties in beach communities 40 – 50km from metropolitan areas are now being offered for permanent rent. The use of internet-based real estate search engines provides photographs of properties. The photographs suggest that some of these properties, which offer 'affordable' rentals, are in reality 'shacks' and poor quality dwellings in areas with no access to infrastructure.

Policy Implications

▫ *Implications for young people*

Clearly the struggle to find housing is most difficult for young people and students. Anglicare Tasmania has been conducting this survey of rental properties annually since 2007. In this five year period we have not found one property available for rent which is affordable for a young person (over the age of 18) who is living on Youth Allowance. In that period we have found only 6 properties which are affordable for a single person on New Start Allowance. Other research by Anglicare has suggested that Tasmania has a particularly high rate of youth homelessness, with inadequate support for students experiencing, or at risk of, homelessness. At the same time Tasmania has a poor retention rate to year 12 and beyond.

▫ *Inadequacy of the private rental market as a response to the housing crisis.*

This survey suggests that there are fundamental problems with the private rental market as a response to the crisis in housing affordability. The problems highlighted by this survey are the lack of supply of affordable housing and the near absence of affordable housing near services or even population centres. The unpublished data also contains the many comments which landlords and real estate agents place to make clear what characteristics they are looking for in their tenants. These comments reveal that discrimination against tenants in the Tasmanian private rental market is rife and that young people, sick people and unemployed people are actively excluded from the market. While the newspapers carry warnings against placing advertisements which seek to discriminate against tenants, many advertisements carry messages such as 'would suit mature

person' or 'would suit an employed person'. Advertisements for rooms in share houses, the most potentially affordable form of accommodation are particularly clear about the characteristics they are seeking in their tenants.

Conclusion

The Australian and Tasmanian Governments have pursued a number of initiatives designed to increase the supply of affordable rental housing. Clearly more needs to be done, including investment in public housing which is the most affordable housing option for the people on the lowest incomes.

Snapshot: Anglicare Victoria, Melbourne

Introduction

Anglicare Victoria works across 22 service sites in greater Melbourne and nine sites in regional Victoria to support households by promoting social justice, strengthening local communities and providing quality innovative services to families in need. The agency provides placement and support, family services, community programs and parish partnerships and community development services to children, young people and families. As a provider of homeless services and crisis accommodation, Anglicare Victoria is witness to the ways in which inappropriate and unaffordable housing puts pressure on vulnerable families. By participating in the 2012 Rental Affordability Snapshot, Anglicare Victoria aims to: i) enhance its understanding of the accessibility and adequacy of current rental housing in Melbourne and regional Victoria for vulnerable Victorians, and ii) use these insights to influence policy and to continually improve its crisis and community services .

The Melbourne metropolitan region comprises 31 Local Government Areas (LGAs), all of which were assessed in Anglicare Victoria's 2012 Rental Affordability Snapshot. Greater Melbourne's estimated population at 30 June 2011 exceeded 4.1 million persons, comprising 1.2 million households (including 900,000 family households). Approximately one in four families in greater Melbourne were couples with child(ren) under 15. Around one in ten families were single parent families with child(ren) under 15 (see table below).

In addition to investigating rental affordability in the greater Melbourne area, Anglicare Victoria profiled two regional Victorian LGAs – the City of Ballarat and the City of Latrobe – in order to facilitate a metro/regional comparison. The agency has two service sites in the City of Latrobe and one in the City of Ballarat. Latrobe's estimated population at 30 June 2011 was 76,640 persons and Ballarat's population was 97,810 persons. Compared to metropolitan Melbourne, a smaller proportion (just under one-third) of families in Ballarat and Latrobe are couple families with child(ren) under 15 years of age. There are slightly higher proportions of one parent families with child(ren) under 15 in Ballarat and Latrobe compared to the greater Melbourne area. This information is illustrated in the table below.

Table 1. Family structure in Rental Affordability Snapshot regions

Region	No. of households	No. of families	No. couple families w/ child(ren) under 15	No. one parent families w/ child(ren) under 15
Greater Melbourne ²⁷	1, 283,279	938,480	365,642 (39.0%)	92,356 (9.8%)
City of Ballarat ²⁸	32,923	21,905	6,447 (29.4%)	2,452 (11.2%)
City of Latrobe ²⁹	27,071	18,270	5,373 (29.2%)	2,156 (11.7%)

²⁷ Australian Bureau of Statistics (2011) *National Regional Profile: Melbourne (Statistical Division)*. Retrieved from: <http://www.abs.gov.au/AUSSTATS/abs@nrf.nsf/Latestproducts/205Population/People12006-2010?opendocument&tabname=Summary&prodno=205&issue=2006-2010>

²⁸ Profile ID (2011) *City of Ballarat Community Profile*. Retrieved from: <http://profile.id.com.au/Default.aspx?id=210>

²⁹ Profile ID (2011) *City of Latrobe Community Profile*. Retrieved from: <http://profile.id.com.au/Default.aspx?id=294>

Findings

At the time of data collection (13 April 2012), 15,429 rental properties were listed as available online (at www.realestate.com.au) in metropolitan Melbourne (an increase from 14,211 around the same time in 2011). The number of available rental properties in the regional City of Latrobe this year (283) was similar to that counted in 2011 (275). There were 209 available rental properties in the City of Ballarat in 2012 (no data was collected for this area in 2011).

The Rental Affordability Snapshot of **greater Melbourne** found:

- There is **no** affordable and appropriate rental housing available for income support recipients in metropolitan Melbourne (single or couple households in receipt of Centrelink payments such as Newstart Allowance, Parenting Payment, Age Pension or Youth Allowance/Austudy/Abstudy).
- For single parents with two children under 15, being on a minimum wage was only a very small advantage. For this group, 317 properties in the greater Melbourne area (2.1%) were affordable and appropriate.
- For couple households with two children under 15, in which both parents were earning the minimum wage and receiving Family Tax Benefit A, just over one-third (34.7%) of properties were affordable and appropriate.
- Earning the minimum wage was of no housing benefit to individuals without children living in Melbourne; that is, compared to receiving income support. The percentage of affordable and appropriate housing for this group was also zero.

The Rental Affordability Snapshot of the **City of Ballarat** found:

- There is no affordable and appropriate rental housing available for income support recipients in the City of Ballarat.
- Being on a minimum wage was a greater advantage for residents of the City of Ballarat than for residents of greater Melbourne. The proportion of affordable and appropriate properties in the City of Ballarat was higher for: working individuals without children (6.7%); working single parents with two children under 15 (16.3%); and for working couple households with two children under 15 (58.9%).
- In Ballarat, the proportion of affordable and appropriate housing for couples and single parents earning the minimum wage and supporting two children is significantly larger than the proportion for greater Melbourne.³⁰

The Rental Affordability Snapshot of the **City of Latrobe** found:

- Latrobe LGA had affordable and appropriate housing for some income support recipients. here, 8.8 per cent of rental housing was affordable and appropriate for single parent households with two children receiving a Parenting Payment; 10.6 per cent of rental housing was affordable and suitable for single parents with one child receiving a Parenting Payment; and 19.8 per cent of rental housing was fitting for and within the means of couples with two children receiving Newstart Allowance. These proportions were all lower than those reported in the 2011 snapshot of Latrobe (15.3%, 10.9% and 29.5%, respectively).
- Of all regions studied, the proportions of affordable and available housing for a working couple with two children (61.8%), a working single parent with two children (38.2%) and a

³⁰ A difference of proportion calculation (z-test) was conducted to determine whether there was any statistically significant difference between regions. A confidence level of 99% was applied.

single individual without children earning the minimum wage (26.9%) was greatest in the City of Latrobe.

- In Latrobe, the proportions of affordable and appropriate housing for couples and single parents earning the minimum wage and supporting two children are significantly larger than the proportions for greater Melbourne and Ballarat. The proportion of appropriately priced and suitable housing for single working individuals without children in Latrobe is also significantly larger than for Ballarat.
- As in 2011, there was no affordable and appropriate housing in Latrobe for single individuals in receipt of Newstart or Youth Allowance/Austudy/Abstudy payments in 2012.

Discussion

Housing and families

Although the picture was more encouraging in Latrobe, the 2012 Rental Affordability snapshot shows the complete absence of affordable and appropriate housing for couple and sole parent families in receipt of income support living in greater Melbourne and the City of Ballarat. This points to the insufficiency of private renter assistance programs, such as the Commonwealth Rent Assistance, the Bond Loan Scheme and the National Rental Affordability Scheme, in enabling these families to secure reasonably priced and suitable housing.

Perhaps more striking is the finding that for single parent families residing in Melbourne, earning the minimum wage does not noticeably improve access to affordable housing options. This finding brings into question the beneficence of 'welfare to work' policies, that aim to move income support recipients into employment. The 2012 Rental Affordability snapshot describes a reality in which minimum wage employment does not improve housing affordability for single-parent households. Indeed, managing the dual demands of less secure employment conditions and variable earnings (most minimum wage workers are employed on a casual basis and receive pay loading to compensate for foregone leave and other entitlements³¹) as well as childrearing responsibilities may actually increase family stress.³²

The snapshot also demonstrates that family households across Victoria fare best in finding a home if they have two incomes to get by on. The proportion of affordable and appropriate housing was greatest for minimum wage-earning couples with two children across all regions – greater Melbourne, Ballarat and Latrobe. However, even couple families able to access more affordable and suitable housing are faced with the pressure of managing two working adults.

Metro versus regional areas: housing affordability and fit

Based on the regional case studies examined, rental housing in regional Victoria is more affordable and appropriate for more families than is rental housing in metropolitan Melbourne. This is significantly so for families earning the minimum wage.

The City of Latrobe stands out as an area of particular rental affordability and suitability. In 2012 (as in 2011) the Latrobe region was found to have more affordable housing for sole parent and couple families in receipt of income support payments, as well as for families and individuals earning the minimum wage, than Ballarat or greater Melbourne. However, while the prospect of

³¹ McGuinness, S., Freebairn, J. & Mavromaras, K. (2007). *Characteristics of Minimum Wage Employees*. Retrieved from: http://www.fairpay.gov.au/NR/rdonlyres/FB0E3488-F342-4FBE-BB22-8805777A37E7/0/AFPC_ResearchSeries_0207.pdf

³² See, for example: Grahame, T. & Marston, G. (2012). "Welfare-to-work Policies and the Experience of Employed Single Mothers on Income Support in Australia: Where are the Benefits?" *Australian Social Work* 65(1), 73-86.

finding affordable and appropriate housing may be better in regional areas, access to employment, healthcare and family services is notoriously difficult.

Despite the demonstrated rental housing benefits of regional Victorian areas to many population groups, some groups are not catered to regardless of their metro or regional location. Single individuals in receipt of Newstart or Youth Allowance/Austudy/Abstudy payments are unable to find affordable and appropriate housing in either greater Melbourne or regional Victorian LGAs.

Policy Implications

Making work a better economic option for single parent families is a key policy implication of Anglicare Victoria's 2012 Rental Affordability Snapshot. Single parents number roughly one in ten (11.0%) among full time workers on the minimum wage, and almost one quarter (24.1%) among part-time workers on the minimum wage.³³ Single parents earning the minimum wage need more adequate financial and social support from government to better reflect the real financial cost of securing appropriate rental housing, as well as the cost of childcare. Although childcare is an issue for all parents, the cost of childcare for a sole parent earning the minimum wage may be overwhelming and a barrier to maintaining employment. Improving the affordability and availability of quality childcare services, encouraging leave for family responsibilities and promoting ongoing employment contracts for single parents are key focus areas. Without these supports, the time and effort single parents devote to balancing working for low wages with childrearing responsibilities can be easily undermined.

Conclusion

The 2012 Rental Affordability Snapshot highlights the dearth of affordable and appropriate housing for couple and sole parent families in receipt of income support. It also demonstrates that earning the minimum wage as a single parent does not vastly improve access to affordable and appropriate housing. This is particularly so in greater Melbourne, and points to the opportunity for further research into how families cope with homelessness or the imminent risk of homelessness.

In considering both metropolitan and regional contexts the snapshot was able to identify location as a factor contributing to significant differences in housing affordability and fit throughout Victoria. Compared to greater Melbourne, rental housing in regional Victoria is more affordable and appropriate for more families. However, some population groups are not provided for regardless of their geographic location. Making work a better economic option for single parent families is a key policy implication of the 2012 Rental Affordability Snapshot.

³³ McGuinness, S., Freebairn, J. & Mavromaras, K. (2007). *Characteristics of Minimum Wage Employees*. Retrieved from: http://www.fairpay.gov.au/NR/rdonlyres/FB0E3488-F342-4FBE-BB22-8805777A37E7/0/AFPC_ResearchSeries_0207.pdf

Snapshot: St Laurence Community Services, Barwon South West, Victoria

Introduction

The snapshot completed by St Laurence Community Services of the Geelong area in Victoria. The support services delivered by St Laurence include: housing for people on low incomes; Residential aged Care; Home based services to people who are ageing; retirement living; individual support programs for people with disabilities, community based services for people experiencing disadvantage and employment and training services.

Findings

Household type	Number affordable and appropriate	Percentage affordable and appropriate
Couple, two children	5	1%
Single with 2 children	2	0%
Couple no children (age pension)	22	5%
Single one child	2	0%
Single (pension)	3	0%
Single over 21 (disability pension)	3	0%
Single (Newstart)	0	0%
Single over 18 (youth allowance)	0	0%
Single in share house (youth allowance)	0	0%
Couple, two children (min. wage)	209	50%
Single, two children (min. wage)	33	8%
Single (min wage)	15	4%

Discussion

There was a slight increase to a total of 464 properties included in this year's snapshot up from 416 in 2011. Overall we found that there were only 6% of properties were affordable and appropriate in the snapshot this year a decrease of 11% from last year.

There are no affordable properties for Singles on Newstart or Youth Allowance.

Policy Implications

Geelong has one of the most disadvantaged communities in the state (Vinson, 2007) and as such housing is a linchpin to keeping people engaged in work and education. With the rising costs of rents across Geelong, these communities become further marginalised. Without safe and secure housing many people struggle to find employment and stay engaged with education.

Whilst there has been some investment in public housing and an increase in developments through housing associations such as Yarra Housing, Winteringham and Haven in Geelong they have the luxury of being able to pick and choose the tenants that they may wish to house, often leaving many of the more vulnerable and disadvantaged with no alternate housing options.

Media have recently stated in Geelong that rental houses are a great investment. This is fantastic for investors, but for those who are struggling to obtain housing it means rising rents and the continued widening of the gap between the have and have nots.

There needs to be interventions put in place to ensure that the most vulnerable are able to access safe and affordable housing.

Snapshot: Anglicare WA, Western Australia

Introduction

Anglicare WA works across Western Australia, predominantly in the greater metropolitan area of Perth, in the South West and Great Southern and in the North West (Pilbara and Kimberley). It provides services that assist people to build relationships, secure affordable housing, and manage financial stress.

On Saturday 14 April 2012, Anglicare WA ran a Rental Affordability Snapshot to survey available private rental properties. The survey examined online listings from realestate.com.au and print listing in The West Australian newspaper, and local newspapers in Bunbury, Albany, Karratha, Broome and Kununurra. Properties were assessed in terms of affordability and appropriateness for a number of different household types and assumed incomes. Affordable rental was defined as 30% or less of a family/individual's income. This is a commonly used indicator of housing stress for low income households. Appropriateness was assessed on the number of bedrooms in a property (eg a single parent with one child would need a two bedroom property).

For a property to be considered suitable it was required to meet the tests of both affordability and appropriateness.

Findings and Discussion

Data was collected on 3828 private rental listings. For the purposes of analysis the properties were grouped into three locations: (1) Greater Metropolitan Perth, including Mandurah, (2) South West and Great Southern (including Bunbury and Albany), and (3) the North West.

Perth

"In Perth, affordable private rentals are scarce for those on benefits or a single minimum wage"

Household Type	Payment Type	Number Affordable & Appropriate	Percentage Affordable & Appropriate	Comments
Couple, two children (one aged less than 5, one aged less than 10)	Newstart Allowance (both adults)	1	0.03%	
Single, two children (one aged less than 5, one aged less than 10)	Parenting Payment Single	0	0.00%	
Couple, no children	Age Pension	26	0.81%	share houses only
Single, one child (aged less than 5)	Parenting Payment Single	1	0.03%	
Single	Age Pension	7	0.22%	share houses only
Single aged over 21	Disability Support Pension	7	0.22%	share houses only
Single	Newstart Allowance	0	0.00%	
Single aged over 18	Youth Allowance	0	0.00%	
Single in share house	Youth Allowance	0	0.00%	
Couple, two children (one aged less than 5, one aged less than 10)	Minimum Wage (x2) + FTB A	782	24.36%	
Single, two children (one aged less than 5, one aged less than 10)	Minimum Wage + FTB A & B	16	0.50%	
Single	Minimum Wage	24	0.75%	
Total No of Properties	3210			

For single people on Newstart or the Youth Allowance no properties were affordable in Perth. Seven properties were affordable for singles on an aged pension or a disability support allowance and 26 for aged pension couples - with all these properties being in share accommodation which, while possible for living arrangements, are unlikely to be highly suitable or accessible in a competitive housing market.

Only two properties were affordable for families on benefits.

Families on a dual minimum wage had much more choice, with 25% of the market in Perth being affordable.

Singles and single minimum wage income families had significantly more limited options, with less than 1% of the market being affordable.

The average rental in Perth was \$565 per week, inclusive of share accommodation. For a single parent on a minimum wage, with two children, this rent would represent 66% of their weekly income.

Great Southern and South West

"In the south of WA, working families could find an affordable private rental, but its much tougher for those on pensions and benefits"

Household Type	Payment Type	Number Affordable & Appropriate	Percentage Affordable & Appropriate
Couple, two children (one aged less than 5, one aged less than 10)	Newstart Allowance (both adults)	11	2.71%
Single, two children (one aged less than 5, one aged less than 10)	Parenting Payment Single	2	0.49%
Couple, no children	Age Pension	13	3.20%
Single, one child (aged less than 5)	Parenting Payment Single	1	0.25%
Single	Age Pension	2	0.49%
Single aged over 21	Disability Support Pension	2	0.49%
Single	Newstart Allowance	0	0.00%
Single aged over 18	Youth Allowance	0	0.00%
Single in share house	Youth Allowance	0	0.00%
Couple, two children (one aged less than 5, one aged less than 10)	Minimum Wage (x2) + FTB A	256	63.05%
Single, two children (one aged less than 5, one aged less than 10)	Minimum Wage + FTB A & B	42	10.34%
Single	Minimum Wage	8	1.97%
Total No of Properties	406		

Overall the availability of suitable private rentals for people on pensions or benefits across the south of Western Australia was very low.

For single people on Newstart or the Youth Allowance no properties were affordable. Only two properties were suitable for singles on an aged pension or a disability support allowance.

Other household types on pensions or benefits would be competing for a small number of properties.

Families on a minimum wage had private rental options in the south of Western Australia. Ten percent of properties were affordable for a family with two children living on a single minimum wage. If both parents were working for a minimum wage more than 60% of properties were affordable.

The average rental across the regional was \$363 per week.

North West

"The North West has no affordable private rentals for low income earners, nor for those on benefits."

Household Type	Payment Type	Number Affordable & Appropriate	Percentage Affordable & Appropriate
Couple, two children (one aged less than 5, one aged less than 10)	Newstart Allowance (both adults)	0	0%
Single, two children (one aged less than 5, one aged less than 10)	Parenting Payment Single	0	0%
Couple, no children	Age Pension	0	0%
Single, one child (aged less than 5)	Parenting Payment Single	0	0%
Single	Age Pension	0	0%
Single aged over 21	Disability Support Pension	0	0%
Single	Newstart Allowance	0	0%
Single aged over 18	Youth Allowance	0	0%
Single in share house	Youth Allowance	0	0%
Couple, two children (one aged less than 5, one aged less than 10)	Minimum Wage + FTB A	0	0%
Single, two children (one aged less than 5, one aged less than 10)	Minimum Wage + FTB A & B	0	0%
Single	Minimum Wage	0	0%
Total No of Properties	199		

There were no suitable private rental properties for families and individuals on benefits or on a minimum wage. This was reflective of the overall housing situation in resource based communities in Western Australia.

The average rental being asked across the North West was \$1374 per week. The average rental in the town of Karratha was \$1602 per week.

The cheapest rental across the North West was a one bedroom unit in Broome, at a cost of \$420 per week. For a single person on a minimum wage this would represent 71% of their income and leave \$179 per week to pay for other living costs of food, utilities and transport.

Policy Implications

Private rental properties play an important role in the delivery of affordable and appropriate housing when seen as part of an overall housing continuum. A shortage of affordable rental properties puts more pressure on public housing, and in turn can drive up the level of homelessness in the community. As the cost of housing takes up more and more of families' incomes, the other costs of living such as food, utilities, transport, health and education become more difficult to meet. Family relationships are more easily and frequently strained when finances are stretched. As a community, we should be concerned about the deep and widespread implications of the escalating unaffordability of housing in Western Australia. Many of the consequences are hidden and cost a great deal to governments down the track, as they attempt to fix up poor educational outcomes for children and the breakdown of families and relationships. A home is critical to the well being of people and their life and employment opportunities.

Currently the private rental market is not delivering affordable housing to people on pensions, benefits or on a single minimum wage.

The level of income received by people on pensions and benefits is clearly inadequate to deliver housing within the accepted rate of affordability. In particular the benefits paid through Newstart and the Youth Allowance are inadequate.

The level of the Commonwealth Rental Assistance (CRA) supplement has not kept pace with the rising cost of rent in Western Australia. The CRA and should be immediately reviewed with consideration given to accounting for locational differences in private rental markets.

At a State level the investment in social and community housing has not kept up with demand for nearly two decades. While attention has been paid to the development of policy and strategy on affordable housing, there is a requirement for significant and sustained investment in putting affordable and appropriate houses on the ground to deal with current pressures and future demands.

In the North West the affordable housing situation is impacting on both business and the community. Business sectors that employ traditionally low to medium income workers, such as retail and hospitality and community services, would need to be paying higher wages or rental subsidies to attract staff.

Those out-of-employment families that currently have access to social housing can be reticent to take on employment for risk of losing their housing and having to find private sector housing at extraordinarily high rents. There needs to be a better system of assisting people to make a transition to employment without penalising them by the loss of housing.

Conclusion

The affordable housing situation in Western Australia is at a critical point. Multiple interventions are required at both State and Federal government levels to ease the pressure with the priorities being increases to the levels of benefits and income supplements, and the acceleration of social housing building programs.

Organisations like Anglicare WA will continue to provide the services required to assist families in housing, financial and relationship stress caused by the cost of having a roof over their heads. Secure funding is required for these services to be maintained.

Appendix: Assumptions of Affordability and Appropriateness

Assumptions used when calculating affordability and appropriateness:

The measure of **affordability** that we use is the 'housing stress' benchmark – i.e. if the household is paying more than 30% of its income in rent, then it is in 'housing stress' and the housing is deemed to be unaffordable.

We include rent assistance as income for the purposes of this calculation.

When going through the listings in the paper to assess whether they are affordable, we apply the following assumptions:

- Where rents are banded (e.g. the property is advertised as renting at \$200-\$220 per week), we use the highest rent in the band (e.g. \$220).
- Where rents are listed as 'from \$x' or 'offers above \$x' or '\$x negotiable', we use the figure given (\$x).
- Where rents are not stated in the ad, we assume that these properties would be too expensive.
- Where multiple properties are advertised in the same ad (e.g. 2 rooms available in the one share house), we count them as separate properties.
- The exception to the above rule is when it is not clear from the ad how many properties are available (e.g. an ad for 'seniors' units') – in these cases, we count them as one property.
- Where a property lists a condition of renting such as child minding or other 'employment' type activities, the property is not included.

In determining whether the property is **appropriate**, we apply the following assumptions:

- A room in a share house or a bedsit is suitable for a single person, a 1-2 bedroom property is suitable for a single person or couple, and a 2-3 bedroom property is suitable for parents with children.
- Share houses and bed-sits are not suitable for couples.
- Households with 2 children require a 3 bedroom property – we assume that it is not appropriate for the children to share a room.

In order for the property to be considered suitable for a household, it has to be affordable and appropriate.