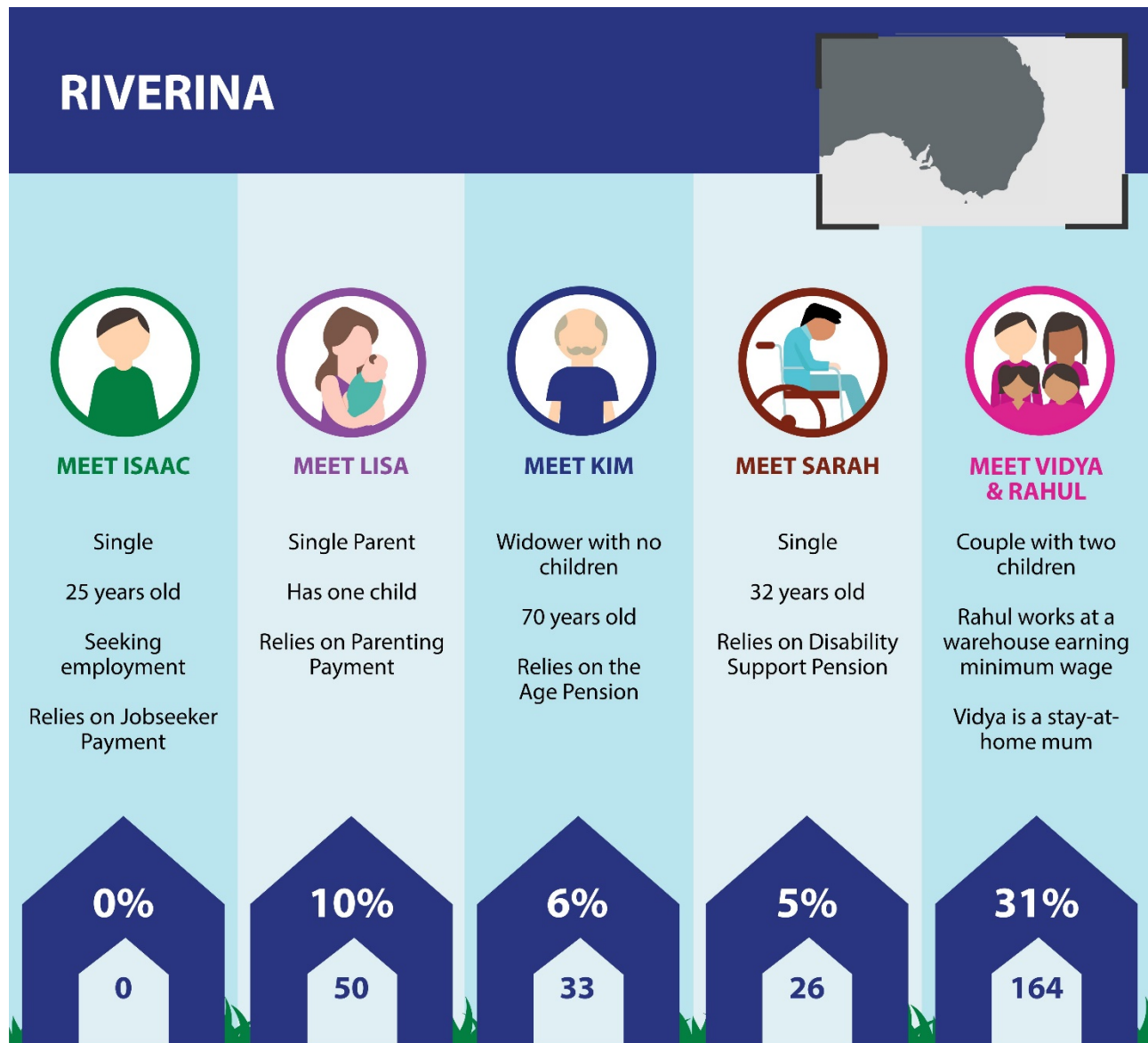


Rental Affordability Snapshot 2020

Anglicare NSW South, NSW West & ACT

Affordability in the Riverina Murray regions of New South Wales

Figure 1: Rental affordability in the Riverina Murray for selected household types, by number and percentage



Our footprint in housing and crisis support

Anglicare NSW South, NSW West & ACT supports people on low incomes living in rural communities, regional hubs and coastal towns ranging from the south coast to the western plains and the national capital. The people whom we serve, and many of the communities in which they live, are subject to socioeconomic shifts, drought and demographic changes. Across our catchment area are many small rural and regional communities where support services are very limited.

Housing costs in many parts of regional NSW are one of the greatest stressors on family budgets. Anglicare seeks to address this by providing crucial emergency support for people at risk of homelessness through offering access to emergency housing, homelessness support and food relief, as well as case management support. We provide financial counselling and support to people in financial stress, many as a consequence of issues such as unemployment, health problems including mental illness, disability, and family violence. Anglicare strives to provide additional wraparound support to help people move beyond day-to-day survival towards long-term independence and sustainable living.

Anglicare NSW South, NSW West & ACT supports low income households in the Riverina Murray in a variety of ways:

- Ashmont Community Resource Centre, including a Survive to Thrive Hub located in Wagga Wagga, supporting families with young children
- No Interest Loans Scheme
- Community based emergency relief programs
- Child and family support programs
- Out-of-home care and associated non-placement support services
- Youth support services for young people at risk, e.g. mentoring and Starting Fresh
- Homelessness and housing supports for Young people

The Riverina Murray is situated along the Victorian and Australian Capital Territory borders. It is one of Australia's main food producing regions and natural resources underpin the diverse regional economy. The regional cities of Albury, Griffith and Wagga Wagga, together with the regional centres of Deniliquin, Leeton and Tumut, provide services to smaller, rural ...

This year's Snapshot

Each year Anglicare surveys the private rental market to see if people on low incomes can afford to rent a home without putting themselves in financial stress and hardship. We do this by taking a Snapshot of properties listed for rent on realestate.com.au and gumtree.com.au on one weekend each year. We test whether each property is affordable and appropriate for 14 types of households on low incomes. We determine a suitable rental to be one which cost less than 30

percent of a household’s income, a commonly used benchmark for affordability¹; and one that has an appropriate number of bedrooms. We are unable to assess appropriateness for particular mobility needs and the quality of the rental property.

This Snapshot covers the Riverina Murray region in New South Wales¹. Over the last months many families have been affected by severe drought conditions and the unprecedented bushfires of last summer. At current they are all experiencing the effects of the measures put in place across our nation to limit the spread of COVID-19 – including record job losses and redundancies.

This year’s Snapshot contains two sets of findings: it shows the number of affordable and appropriate homes for rent for people on low income on the weekend of 21 March 2020. It then uses the same rental property listings to provide an analysis of what would change to affordability for low income households in Riverina Murray if the temporary Coronavirus Supplement increases to some government income payments, coming into effect at the end of April 2020, were made permanent.

On 20 March 2020 the Newstart Allowance, the main income support payment for recipients aged between 22 years to Age Pension qualification age who have capacity to work, changed name to the JobSeeker Payment. We primarily use the term Jobseeker Payment throughout this report.

Who can afford a home in the private rental market?

On the Snapshot weekend of 21 March Anglicare found 523 private rentals advertised in the Riverina Murray regions. 343 rentals (66 per cent) were affordable and appropriate for at least one household type on Minimum Wage, whilst only 144 rentals (28 per cent) were affordable and appropriate for at least one household type on income support payment. The table below shows how many properties were affordable and appropriate for our assessed 14 household types.

Table 1: Rental Affordability in Riverina Murray region, analysed by household type and percentage

#	Household Type	Payment Type	Number Affordable & Appropriate	Percentage Affordable & Appropriate
1	Couple, two children (one aged less than 5, one aged less than 10)	Jobseeker Payment (formerly Newstart) (both adults)	39	7%

¹ LGAs within our catchment area include Albury, Balranald, Berrigan, Bland, Blayney, Carrathool, Cobar, Conargo, Coolamon, Cootamundra, Corowa Shire, Greater Hume Shire, Griffith, Gundagai, Harden, Jerilderie, Leeton, Lockhart, Murray, Murrumbidgee, Tumbarumba, Tumut Shire, Wakool and Wentworth.

#	Household Type	Payment Type	Number Affordable & Appropriate	Percentage Affordable & Appropriate
2	Single, two children (one aged less than 5, one aged less than 10)	Parenting Payment Single	27	5%
3	Couple, no children	Age Pension	125	24%
4	Single, one child (aged less than 5)	Parenting Payment Single	50	10%
5	Single, one child (aged over 8)	Jobseeker Payment (formerly Newstart)	14	3%
6	Single	Age Pension	33	6%
7	Single aged over 21	Disability Support Pension	26	5%
8	Single	Jobseeker Payment (formerly Newstart)	0	0%
9	Single aged over 18	Youth Allowance	0	0%
10	Single in share house	Youth Allowance	0	0%
11	Couple, two children (one aged less than 5, one aged less than 10)	Minimum Wage + FTB A (both adults)	262	50%
12	Single, two children (one aged less than 5, one aged less than 10)	Minimum Wage + FTB A & B	122	23%
13	Single	Minimum Wage	88	17%
14	Couple, two children (one aged less than 5, one aged less than 10)	Minimum Wage + Parenting payment (partnered) + FTB A & B	164	31%
Total No of Properties		523		

As with previous years' Rental Affordability Snapshots most people on income support payments would have a very hard time finding affordable and appropriate private rentals. For an organisation that works hard to support families to stay together and assist highly marginalised and at-risk young people stay connected to school, society and the workforce, our findings continue to be grim reading.

A single mum or dad with one child on Jobseeker Payment (formerly Newstart) can afford to pay \$151 in weekly rent before entering into financial stress. For this family there are 14 affordable and appropriate rental homes across the whole of Riverina Murray region on the Snapshot weekend. That is three per cent of all listings. Further, only 39 properties – or seven percent of

listings – are affordable and appropriate for a family with two children and both parents on the Jobseeker Payment. The condition, location, and proximity to essential services of the lower priced options vary.

When women and their children leave home due to domestic violence and you're on Newstart, you can't afford to get into the rental market.

Jasmine Woodland, Senior Coordinator Ashmont Community Resource Centre in Anglicare Riverina

For the Snapshot weekend, not a single property – not even a room in a share house – was affordable for a young person on Jobseeker or Youth Allowance. This has been the case for as long as Anglicare NSW South, NSW West and ACT has been running the Snapshot. Paying anything more than \$90 and \$72 in weekly rent respectively, would cause these young people financial hardship. The cheapest rent on the Snapshot weekend was a small unit in Junee for \$110.

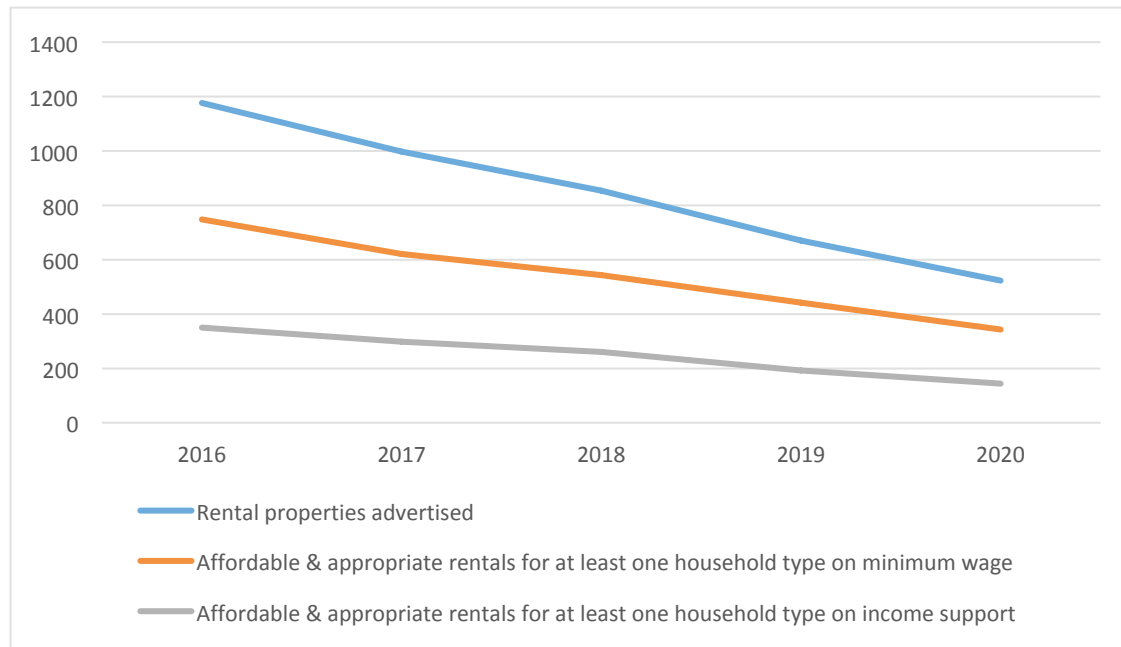
There are limited options for single people working for Minimum Wage – 17 percent of all properties. Better off is a family where both parents receive Minimum Wage and Family Tax Benefit A with half of all rentals affordable and appropriate to them on the Snapshot weekend.

It is worth noticing that affordability and appropriateness would be influenced by the housing stock available in the region. In the Riverina Murray the majority of homes have three or more bedrooms, ranging between just over 82 percent in Albury, Griffith, Hay and Murray River to 89 percent in Junee. Yet only 35 percent of households across the region are family households. The majority of households in Riverina Murray are lone person or couple households, yet only three per cent of dwellings are studio or one bedroomⁱⁱ.

A crisis for many

While the Snapshot every year gives a single set of data on one particular date, it is possible to look across the years of Snapshots and discern a pattern. Our data shows a gradual decline in the availability of affordable and suitable houses for people on low income.

Figure 2: Number of private (affordable and appropriate) rentals on our Snapshot weekend in the Riverina Murray over the last five years

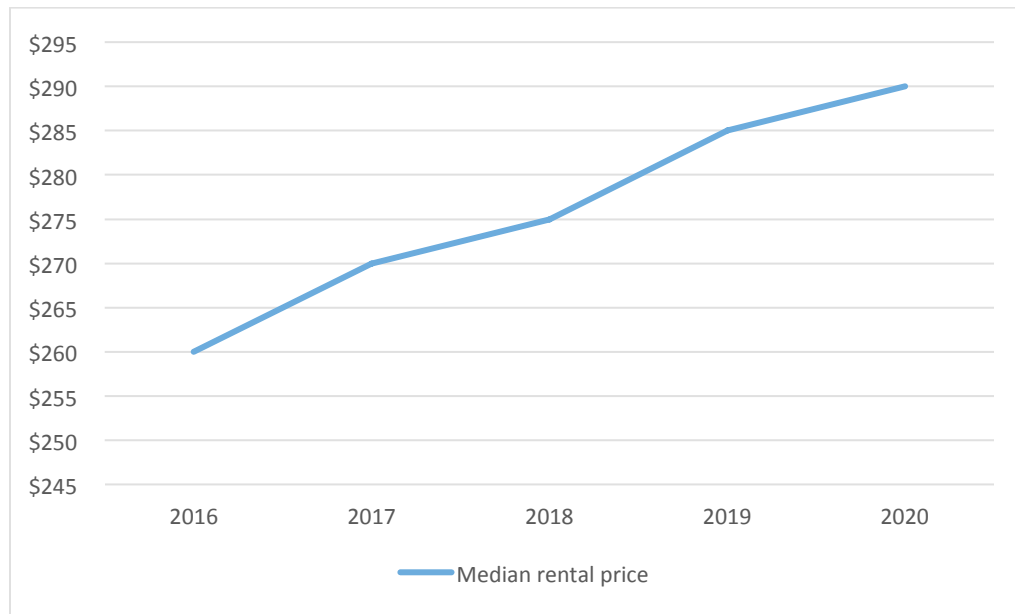


This is bad news for the low income households in the region (over 40 per cent in all LGAs) as many of them are renting. The region has seen a very strong increase in numbers of low income rental households in the last decadeⁱⁱⁱ.

Historically much of the Riverina Murray region has been more affordable for rental and purchase than the average for the rest of NSW. However, median rents and sales prices have increased between the last two Census 2011 and 2016. The proportion of affordable rental and purchase have declined for both very low and low income households in the majority of LGAs in the region and most LGAs have experienced a reduction in affordable private rental^{iv}.

Data from our Snapshots over the last five years also show a steady increase in rental prices, which is putting pressure on low income households to make ends meet.

Figure 3: Median rental price in the Riverina Murray on our Snapshot weekend over the last five years



It is obvious that the rental market in the Riverina Murray is not meeting the needs of low income households. As social housing is so scarce and waitlists are long, people have to rely on a rental market which is forcing them into severe hardship.

It's not just about housing affordability. It's about 'life affordability'. Families can't afford to put enough food on the table, buy a mobile phone or a nice outfit for a possible job interview.

Jasmine Woodland, Senior Coordinator Ashmont Community Resource Centre, Anglicare Riverina

What if Coronavirus Supplement increases were permanent?

This year's Rental Affordability Snapshot was taken just days before the Australian Government announced a temporary, six months increase to some government income payments, in response to the Coronavirus pandemic. This 'Coronavirus Supplement' of an additional \$550 per fortnight will be paid to all new and existing recipients of the Jobseeker payment (formerly Newstart), Youth Allowance, and Parenting Payments from 27 April 2020^v, in addition to their normal payments.

These temporary increases allowed us to pose a hypothesis: what would the change in rental affordability be for households on income support, if the increase in payments via the Coronavirus Supplement was made permanent?

Table 2: Rental affordability in Riverina Murray, by household type and percentage with Coronavirus Supplement increases calculated as permanent increases to household incomes

#	Household Type	Payment Type	Number Affordable & Appropriate	Percentage Affordable & Appropriate
1	Couple, two children (one aged less than 5, one aged less than 10)	Jobseeker Payment (both adults)	209	40%
2	Single, two children (one aged less than 5, one aged less than 10)	Parenting Payment Single	90	17%
3	Couple, no children	Age Pension	136	26%
4	Single, one child (aged less than 5)	Parenting Payment Single	151	29%
5	Single, one child (aged over 8)	Jobseeker Payment (formerly Newstart)	103	20%
6	Single	Age Pension	38	7%
7	Single aged over 21	Disability Support Pension	31	6%
8	Single	Jobseeker Payment (formerly Newstart)	49	9%
9	Single aged over 18	Youth Allowance	38	7%
10	Single in share house	Youth Allowance	32	6%
11	Couple, two children (one aged less than 5, one aged less than 10)	Minimum Wage + FTB A (both adults)	262	50%
12	Single, two children (one aged less than 5, one aged less than 10)	Minimum Wage + FTB A & B	122	23%
13	Single	Minimum Wage	88	17%
14	Couple, two children (one aged less than 5, one aged less than 10)	Minimum Wage + Parenting payment (partnered) + FTB A & B	229	44%
Total No of Properties		523		

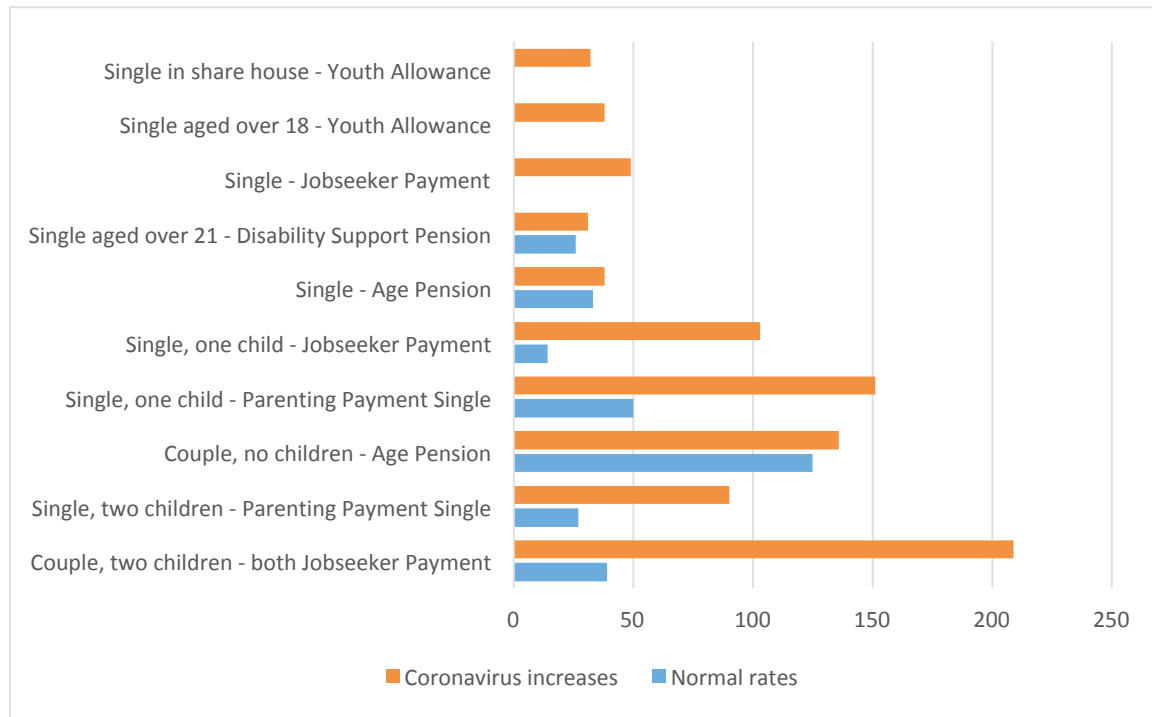
The new additional payments would provide needed relief for several low income households - in particular families with children. Whilst a single mum or dad with one child on Jobseeker Payment (formerly Newstart) could find 14 affordable and appropriate rental homes across the whole of Riverina Murray region on the Snapshot weekend, they can find 103 such rentals after the

Coronavirus Supplement increase. That is 20 per cent of all listings, compared to previous three per cent. Further, now 209 properties – or 40 percent of listings – are affordable and appropriate for a family with two children and both parents on the Jobseeker Payment compared to previous seven per cent of rentals.

The \$550 increase would mean both better housing affordability and ‘life affordability’ for very low income families in the Riverina Murray. Of all age groups, children are the cohort most likely to be living in poverty. More than 1 in 6 children in NSW live below the poverty line^{vi}.

NCOSS has found that single parent households have the highest poverty rates in NSW. More than a quarter of single parent households are in significant economic disadvantage, experiencing rates of poverty across NSW of 27 per cent on average^{vii}. A permanent increase for single parents would be important to improving the wellbeing and participation of Aboriginal families, as Aboriginal children are much more likely to live with only one parent^{viii}.

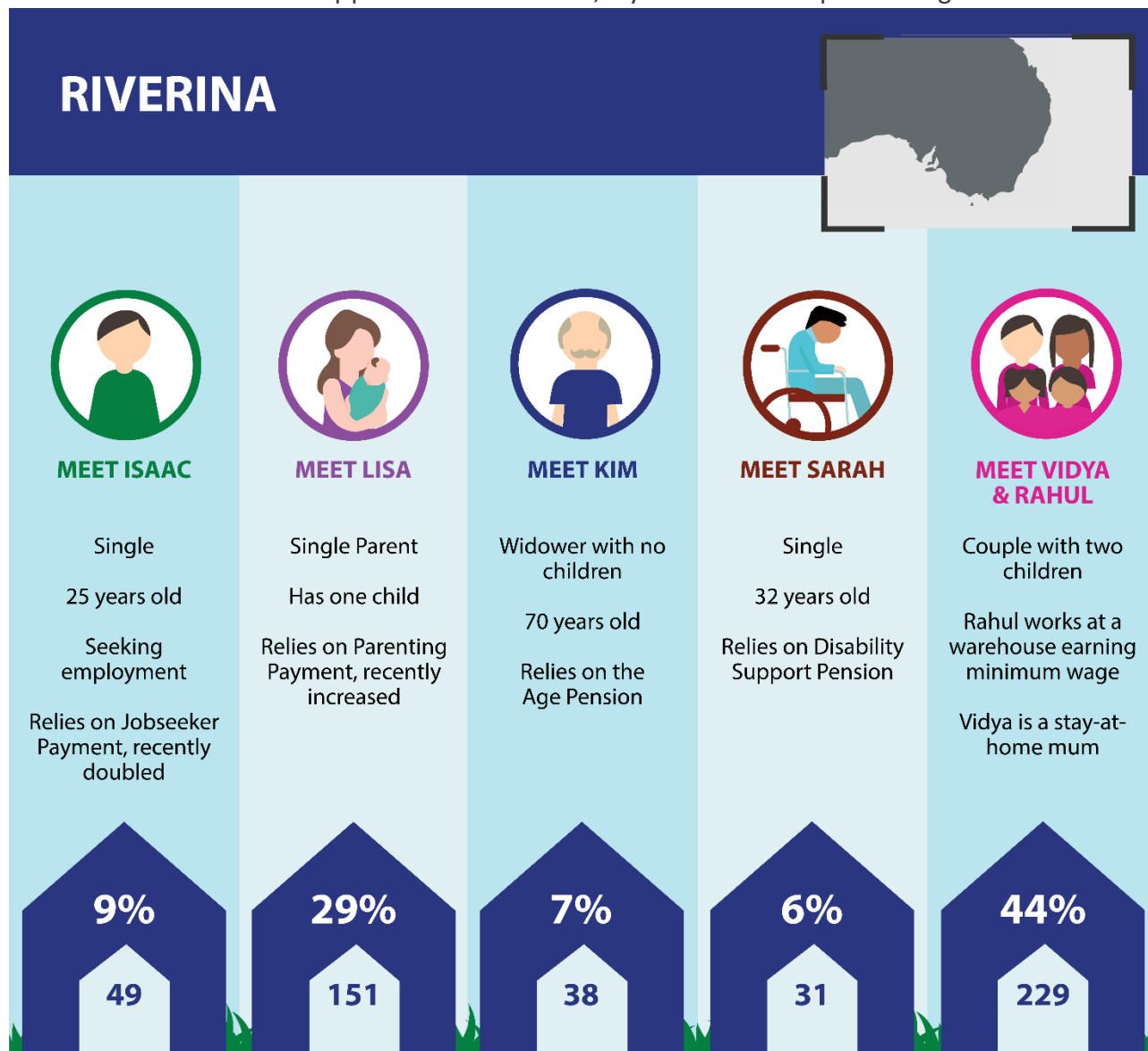
Figure 4: The number of affordable and suitable homes in the Riverina Murray for people on income support payments before and after the Coronavirus Supplement increases



Making the Coronavirus Supplement permanent would also improve the high rates of poverty amongst unemployed people and young people living alone. A single person on Jobseeker Payment would afford a weekly rent of \$173 as opposed to \$90. This would mean that 49 rentals would be affordable and appropriate across the region – or nine per cent – compared to zero without the increase.

However, the fact that the rise is not bigger for a single person on Jobseeker Payment – or Youth Allowance – just shows how low these original allowances are when such big raises don't significantly improve the lot of many households.

Figure 5: Rental affordability in the Riverina Murray for selected household types after the Coronavirus Supplement increases, by number and percentage



The new calculations show that single people on Age Pension and Disability Support Pension are left behind. The affordability for these two household types are now at the same level as a single person on Youth Allowance. This is disturbing considering the special needs of older people and

people with a disability. 21 per cent of people with a disability lives in poverty compared to nearly 11 per cent of people without a disability^{ix}. Research has found that, to provide the same standard of living as households without disability, families receiving the disability support pension would need \$183 more per week on average^x. Currently a person on Disability Support Pension receives \$919.30 per fortnight.

Despite improvements, the results show that the private rental market, without major adjustment, just does not provide sufficient affordable and appropriate homes for people on low income. Our households are still ultimately competing against each other for the limited pool of affordable – and appropriate – rentals available in the market. As the population in Riverina Murray is ageing and the proportion of lone person households is increasing, the competition will be particularly felt for older residents and people who live alone as the region’s current housing stock is not matching their needs.

The biggest problem is that jobs and public transport are not here. You get used to things being this way and when essential services and support are not there, how are you going to pull yourself or your family out of it?

Jasmine Woodland, Senior Coordinator Ashmont Community Resource Centre, Anglicare Riverina

What should be done?

Together with the national Anglicare Australia Network, Anglicare NSW South, NSW West and ACT keeps advocating for significant changes to our nation’s policies, so that all Australians can afford a home and not be forced into poverty. This year’s Snapshot for the Riverina Murray shows us that we still have a long way to go to improve housing and living affordability for vulnerable people in our society. All level of governments, businesses and not-for profits need to work together to change this dire trajectory.

More affordable homes and social housing

As growing numbers of households find themselves locked out of home ownership and face difficulties securing affordable housing, Australia badly needs housing reform.

We need the NSW Government to invest in affordable homes and social housing across NSW that meet people’s needs. An increasing number of low income households are pushed in to severe hardship with the current rental prices, and we need to provide them with better cheaper alternatives. Australia’s affordable housing shortfall is massive. The Everybody’s Home campaign has shown NSW needs 316,700 new social and affordable rental homes by 2036 to meet the current shortfall and keep up with population growth^{xi}.

Australia, including the NSW, will suffer a protracted economic downturn as a result of this pandemic. The Federal Government has written to State and Territory governments, seeking projects as part of its economic stimulus package under the COVID-19 pandemic and asking for infrastructure to be prioritised. The current health crisis has shown us more than ever the importance of a home. No one should be without a home or be squeezed out of the market when there are no real alternatives – particularly not during a health emergency. Investing in affordable homes – including social housing – would be the most powerful way to tackle the rental crisis and boost our economy.

Investment in housing as the critical social infrastructure it is, must be a top inter-governmental priority over the coming three-five years. Projects that invest in housing as social infrastructure provide an excellent “double-sided impact platform” – meeting a critical economic need to stimulate economic recovery, whilst helping to meet critical unmet social need amongst the most vulnerable in our society.

The NSW Government needs to provide incentives for non-government investors to increase the supply of affordable housing that meet the needs of diverse tenant groups, e.g. older people needing to downsize or suddenly finding themselves single, persons with a disability, single parents with children or young person moving out of state care. Affordable and appropriate housing must be within reach of much needed services and transport links to the community as well as employment opportunities.

Better protection for renters

We also need better protection for renters. As such we welcome the six-month support package announced by the NSW Government for residential tenants and landlords facing financial stress including an interim moratorium on evictions.

However, the NSW Government needs to ensure that rent is waived, as simply deferring rent will create a future debt risk for many. Indeed, Anglicare believes there will be a significant cohort of the population who will simply not be able to repay a three to six months rental debt and that would see more Australians falling into homelessness.

There needs to be joint efforts between local governments, real-estate agents, landlords and support services to make sure that rentals are made available to those who really need it, such as single people with a disability and families of Aboriginal and Torres Strait Islander background.

Further, the likely severity of the recession will also increase the need for a safety net from the public and social sector.

A decent safety net

We also need permanent welfare increases for people out of work. This will be a long awaited measure to addressing poverty in Australia and child poverty in particular. The Federal

Government must ensure that payments accurately reflect not only housing cost, but also living expenses – for all vulnerable cohorts that need them.

The Coronavirus Supplement has shown that increases to only some vulnerable groups would leave others behind in the rental market. We need to support people to keep a roof over their heads and buy essential supplies – in a time of crisis as well as in ongoing hardship. People will be recovering from this current downturn for years. If the Coronavirus Supplement is removed in six months – and if those who are most vulnerable continue to be left out, such as people with a disability – people will be pushed even deeper into poverty and homelessness.

A better safety net also means the existence of community infrastructure that can support people who find themselves in crisis, whether it is due to natural disasters or unfortunate life circumstances.

Anglicare NSW South, NSW West and ACT is a provider of services for young people in statutory care in Albury and Wagga Wagga and witness daily the struggle young people experience when leaving care into independence. Many young people leaving out-of-home care are dealing with complex personal, legal and family issues and the severe financial strain of unaffordable housing compounds their stress and isolation. Statistics show that 35 percent of care leavers experience homelessness in the first year after leaving care^{xii}. A combination of better wraparound support, extended care options, affordable housing and increased financial resources is needed to prevent the additional trauma of homelessness for our most vulnerable young people.

Conclusion

Our Rental Affordability Snapshot once again shows that the Riverina Murray private rental market is not meeting the needs of people on the lowest incomes. We need urgent action from the Federal and State Government to address the region's lack of social housing, and to ensure people have enough money to have a home, and live a decent life.

To see the results across the nation, go to the Anglicare Australia's national report on www.anglicare-ras.com

References

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- ⁱ Yates, J (2007), Housing affordability and financial stress, National Research Venture 3: Housing affordability for lower income Australians, Australian Housing and Urban Research Institute.
- ⁱⁱ Families and Community Services NSW (17 Feb 2020 version), [Housing Market Snapshot - Riverina Murray region](#)
- ⁱⁱⁱ Ibid.
- ^{iv} Families and Community Services NSW (17 Feb 2020 version), [Housing Market Snapshot - Riverina Murray region](#)
- ^v The full list of government income payments temporarily increased via the Coronavirus Supplement is found here - <https://www.dss.gov.au/about-the-department/coronavirus-covid-19-information-and-support#cor>
- ^{vi} Vidyattama, Y., Tanton, R., and NSW Council of Social Service (NCOSS) (2019), [Mapping Significant Economic Disadvantage in New South Wales](#), NATSEM, Institute for Governance and Policy Analysis (IGPA), University of Canberra. Report commissioned by NCOSS.
- ^{vii} Ibid.
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- ^x Li, J., La. H.N., Brown, L., Miranti, R., & Vidyattama, Y., 2019. 'Inequalities In Standards of Living: Evidence for Improved Income Support for People with Disability', NATSEM, Institute for Governance and Policy Analysis (IGPA), University of Canberra. Report commissioned by the Australia Federation of Disability Organisations.
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