

Rental Affordability Snapshot

North West Tasmania

Introduction

On the weekend of 11-12 April 2015, Anglicare Tasmania collected information on all the properties advertised as available for rent across the state. This included houses, flats and rooms in share houses. The information was gathered from online real estate sites and from newspapers. We then assessed these properties on the basis of whether they were appropriate and affordable for people living on low incomes.

We worked out whether people who depend on Centrelink payments could afford to find suitable accommodation for themselves and their families. We also assessed the situation for people who are working and earning the minimum wage.

Findings

We identified 393 properties advertised for rent in the North West over the weekend of 11-12 April 2015, from 1842 across Tasmania.

Of these, only a small proportion were affordable for people who depend on Centrelink payments as their main source of income.

People on Newstart and Youth Allowance

- There was not a single rental property advertised in the whole region that was affordable for a young person aged over 18 who depends on Youth Allowance. Nor was there a property that would have been affordable for a single person who depends on Newstart Allowance.
- A family with two children where the parents were looking for work would have been able to afford only 10% of the advertised properties (41 properties).

Single parents on Parenting Payment Single

Only 8 properties, about 2% of the total, would have been suitable for a single parent with two young children and a sole parent with one child under five would have found only 14% suitable for their needs (55 properties).

Single parents whose youngest child is aged over 8

- Only 12 properties would have been suitable for a single parent whose child had turned eight and who therefore was no longer qualified for Parenting Payment, only for the lower Newstart Allowance.

People receiving the Age Pension

- 8% were affordable for a single person on the pension (31 properties)
- 28% were affordable for a pensioner couple (111).

People receiving Disability Support Pension

- Only 7% of properties (26) were affordable for a single person living on the Disability Support Pension. We were unable to assess any of these for their suitability as far as physical accessibility or access to transport or health and community services.

For people working full time and earning the minimum wage the situation was easier in some areas, but still very limited.

Minimum wage earners (in full-time work)

- Only 18.3% were affordable for a single minimum wage earner with no children (72 properties)
- 24% were affordable for a sole parent worker with 2 children (95 properties)
- 35% were affordable for families with two children where one parent was working full-time earning the minimum wage and the other caring for the children (135 properties)
- A couple with two young children where both parents were working full-time would have found 47% (185 properties) affordable.

Discussion

The results of this year's survey again demonstrate the difficult situation that Tasmanians living on low incomes find when looking for housing in the private rental market.

Every year, Anglicare Tasmania surveys advertised rental properties and assesses their suitability for people living on low incomes. The proportion of suitable properties available for each household type was less than found last year. There were few properties that would be affordable for people depending on government income support payments, and in some areas absolutely none. While the North West region had more properties suitable for families earning the minimum wage, a large proportion of these were in more isolated areas where the chances of finding employment were very low, and with very high transport costs to get to shops and to health and other services.

A number of the otherwise affordable properties were in shared accommodation, which is not suitable for everyone.

We noted that some properties had various stated restrictions – including that a property would not be let to a person with a child, that applicants need to be employed or that bonds from community service organisations would not be accepted.

The Rental Affordability Snapshot assesses suitability only in terms of the number of bedrooms. It cannot take into account whether the property is physically accessible, or otherwise of an adequate standard. Many lower priced rental properties are very expensive to heat or far from services, resulting in costs that can wipe out the benefits of lower rent.

Given the great demand for properties that are affordable, it is evident that many people must spend a disproportionate amount of their income on housing, putting sometimes dangerous pressure on other elements of their budget. The Snapshot also takes no account of related housing costs such as bond and rent in advance and the costs of moving.

Policy Implications

Anglicare Tasmania is particularly concerned about the situation for young people in need of housing and the results from this year's Rental Affordability Snapshot show that this group is specially disadvantaged. Affordable housing is essential for the many young people who must leave home to pursue study or seek apprenticeships and other employment.

Young people who have been living in out-of-home care are a group with particular needs for secure and affordable accommodation. We urge that there be better transition planning for young people leaving care, and that they each have a well thought-out Leaving Care Plan that includes ongoing supports. We believe that there should be capacity for support to be provided to young people leaving care until at least the age of 21.

We urge that there be improved availability of social housing for young people, and we would like to explore the institution of benchmarks or subsidies to ensure that all social and community housing projects provide a suitable proportion of accommodation specifically for young people.

Anglicare Tasmania continues to argue that income support payments should be raised to ensure that all people are able to lead full lives, in safe secure housing.

Conclusion

Anglicare has long advocated the importance of public housing and the need for community and social housing options to be structured so as to be truly affordable to people living on very low incomes.

Assistance with energy saving advice and modifications has proved to be an important service for many low-income households and helps to offset, albeit in a small way, high rental costs.

Anglicare also urges that benefits and pension rates be set at an adequate level.

Our survey this year again confirms that much more needs to be done to ensure that Tasmanians living on low incomes are able to lead dignified lives and not be forced into hardship in other areas of life in order to pay for their housing. |