

Rental Affordability Snapshot 2020: Anglicare Victoria – Victorian rental market

Introduction

Anglicare Victoria's 2020 Rental Affordability Snapshot (RAS) was conducted as part of the national Snapshot undertaken by Anglicare Australia. The RAS is an advocacy and media tool developed by Anglicare Australia to initiate conversations around housing issues for lower income households and to lobby for policy changes on rental affordability at the national and local levels.

The Victorian Rental Affordability Snapshot 2020 covered 31 Local Government Areas (LGAs) from across metropolitan Melbourne, as well as 48 LGAs from the regional and coastal areas of Victoria.

The aim of the Snapshot is to calculate the proportion of advertised rental properties that are both affordable and appropriate for different household types on the minimum wage, or on a Commonwealth income support payment or pension. These individuals and families make up much of Anglicare Victoria's client base within our family support programs, family violence services, alcohol-and-other-drug treatment programs, out-of-home-care services, and other program areas. These are some of our society's most vulnerable people.

Method

To be determined suitable, dwellings must satisfy tests of both affordability and appropriateness for a range of low income household groups. Household groups comprise single people and family groups living on different levels of Commonwealth income support and/or the minimum wage.

How was affordability defined?

The RAS defines an affordable rental as one which costs less than 30% of the household's total income. The 30% benchmark is commonly used as an indicator of housing stress amongst low income households. If the household is paying more than 30% of its income in rent, then it is in "housing stress" and the housing is deemed unaffordable. Commonwealth Rental Assistance (CRA) was included as income for the purposes of this calculation.

How was appropriateness defined?

Appropriateness was defined according to the number of bedrooms required for each household type. Specifically:

- A room in a share house or a bedsit was considered only suitable for a single person and not for couples or those receiving the Disability Support Pensioners. Aged Pensioners were included.
- A 1-2 bedroom property was considered suitable for a single person or couple and
- a 2-3 bedroom property was considered suitable for parents with children, depending on the number of children in each family

Methodology

On Saturday, 21 March 2020, realestate.com.au provided a data dump of all rental listings for the 79 LGAs captured in the Victorian Snapshot. Two regional LGAs – Queenscliff and Warrnambool did not have any listings on the day. Data from the 77 LGAs was cleaned to remove duplicates, conditional accommodation, serviced apartments, commercial properties including car spaces, warehouses, office spaces and sheds.

Findings

The 2020 Rental Affordability Snapshot contains two sets of findings: it shows the number of affordable and suitable homes for rent for people on low income on the weekend of 21 March 2020. It then uses the same Snapshot rental property listings to provide an analysis of what would change to affordability for low income households in Victoria if the current temporary increases to some government income payments, coming into effect at the end of April 2020, were made permanent.

On the Snapshot weekend of 21 March 2020, after data cleaning, there were a total of 19,435 private rentals advertised in Victoria. While a property can be affordable and appropriate for more than one household type, any individual property can only be rented out by one household type at any time.

Accordingly, we found that:

- 421 individual Victorian properties (2% of the total available) were suitable for at least one household type living on income support payments without placing them in housing stress.
- 5,522 individual Victorian properties (28% of the total available) were suitable for at least one household type living on minimum wage without placing them in housing stress

These figures indicate that the proportion of suitable rental housing remains exactly the same and rental affordability has not shown any change from RAS 2019 for Victoria.

On the Snapshot weekend, these are the number of unique properties affordable and appropriate for:	
Households on income support payments (#1-10)	Households on minimum wage (#11-14)
421	5,522

Table 1: Rental Affordability, Victoria, 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 (both adults)	87	0%
2	Single, two children (one aged less than 5, one aged less than 10)	Parenting Payment Single	40	0%
3	Couple, no children	Age Pension	382	2%
4	Single, one child (aged less than 5)	Parenting Payment Single	41	0%
5	Single, one child (aged over 8)	Jobseeker Payment	3	0%
6	Single	Age Pension	41	0%
7	Single aged over 21	Disability Support Pension	41	0%
8	Single	Jobseeker Payment	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	5367	28%
12	Single, two children (one aged less than 5, one aged less than 10)	Minimum Wage + FTB A & B	514	3%
13	Single	Minimum Wage	171	1%
14	Couple, two children (one aged less than 5, one aged less than 10)	Minimum Wage + Parenting payment (partnered) + FTB A&B	1003	5%
	Total No of Properties	19,435		

As in previous years, single people (with and without children) on any income support or pension continue to be the most disadvantaged group. The pattern extends to single people on minimum wage, who across 77 Victorian LGAs have access to only 171 (1%) rental properties that are affordable and appropriate.

Changes to affordability if the Coronavirus Supplement increases are retained

This Rental Affordability Snapshot was taken just days before the Australian Government announced a temporary, 6 month 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 (formerly Newstart), Youth Allowance, and Parenting Payments from 27 April 2020¹, in addition to their normal payments.

There was a marked difference in the proportion of properties that were affordable and appropriate for households on income support with the new Corona virus supplement. Rental affordability increases considerably in both metropolitan Melbourne and regional Victoria with the additional income support.

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

On the Snapshot weekend, if the Coronavirus Supplement incomes were permanent, these are the number of unique properties affordable and appropriate for:	
Households on income support payments (#1-10)	Households on minimum wage (#11-14)
3,033	5,522

Table 2: Rental Affordability, Victoria, 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)	2554	13%
2	Single, two children (one aged less than 5, one aged less than 10)	Parenting Payment Single	300	2%
3	Couple, no children	Age Pension	452	2%
4	Single, one child (aged less than 5)	Parenting Payment Single	325	2%
5	Single, one child (aged over 8)	Jobseeker Payment	175	1%
6	Single	Age Pension	61	0%
7	Single aged over 21	Disability Support Pension	61	0%
8	Single	Jobseeker Payment	94	0%
9	Single aged over 18	Youth Allowance	61	0%
10	Single in share house	Youth Allowance	35	0%
11	Couple, two children (one aged less than 5, one aged less than 10)	Minimum Wage + FTB A	5367	28%
12	Single, two children (one aged less than 5, one aged less than 10)	Minimum Wage + FTB A & B	514	3%
13	Single	Minimum Wage	171	1%
14	Couple, two children (one aged less than 5, one aged less than 10)	Minimum Wage + Parenting payment (partnered) + FTB A&B	3487	18%
	Total No of Properties	19,435		

There is a clear increase in the number of properties accessible to households on income support and lower income couples with children.

Table 3 presents a comparison of how each type of household would fare in terms of rental affordability with the additional income support from the Coronavirus supplement.

Table 3: Change in the number and proportion of affordable and appropriate houses with the Corona virus income supplement in Victoria

	Household Type	Payment Type	Number Affordable & Appropriate	Percentage Affordable & Appropriate	With Coronavirus Supplement	
					Number Affordable & Appropriate	Percentage Affordable & Appropriate
1	Couple, two children (one aged less than 5, one aged less than 10)	Jobseeker Payment (both adults)	87	0%	2554	13%
2	Single, two children (one aged less than 5, one aged less than 10)	Parenting Payment Single	40	0%	300	2%
3	Couple, no children	Age Pension	382	2%	452	2%
4	Single, one child (aged less than 5)	Parenting Payment Single	41	0%	325	2%
5	Single, one child (aged over 8)	Jobseeker Payment	3	0%	175	1%
6	Single	Age Pension	41	0%	61	0%
7	Single aged over 21	Disability Support Pension	41	0%	61	0%
8	Single	Jobseeker Payment	0	0%	94	0%
9	Single aged over 18	Youth Allowance	0	0%	61	0%
10	Single in share house	Youth Allowance	0	0%	35	0%
11	Couple, two children (one aged less than 5, one aged less than 10)	Minimum Wage + FTB A	5367	28%	5367	28%
12	Single, two children (one aged less than 5, one aged less than 10)	Minimum Wage + FTB A & B	514	3%	514	3%
13	Single	Minimum Wage	171	1%	171	1%
14	Couple, two children (one aged less than 5, one aged less than 10)	Minimum Wage + Parenting payment (partnered) + FTB A&B	1003	5%	3487	18%
	Total No of Properties	19,435				

Most household types on income support have a much greater access to housing with the supplement. Couples with children, single parent households, and singles benefit considerably with the additional support. The number of properties accessible to couples with children, on minimum wage and parenting payment increases by more than 3 times with the additional

supplement, though we note that many minimum wage jobs have been lost recently due to the economic impacts of social distancing and other restrictions implemented to slow the spread of COVID19.

Regional Victoria and Metropolitan Melbourne

Regional Victoria

As in the previous years, regional Victoria continues to be more affordable than Metropolitan Melbourne for households on income support and on minimum wage.

Data for regional Victoria captures large regional hubs such as Greater Geelong, Ballarat, Gippsland, Bendigo, Mildura, and the smaller regional/rural locations. In total, 48 regional and rural LGAs were included in the 2019 snapshot.

In **regional Victoria** a total of 3,263 rental properties were listed. Of this:

- 270 individual properties (**8%** of the total available) were suitable for at least one household type living on income support payments without placing them in housing stress.
- 1,992 individual properties (**61%** of the total available) were suitable for at least one household type living on minimum wage without placing them in housing stress.

There were very few affordable and appropriate houses for most households on income support. Singles on income support fared the worst with between 0% and 1% of properties categorised as both affordable and appropriate. Couples on Age Pension had the highest access with 7% of listed rentals classified as affordable and appropriate.

Households on minimum wage fared better than households on income support. Families where both partners were on the minimum wage had the greatest access to suitable housing with 58% of the listed properties considered affordable and appropriate.

However, there is a marked increase in the number and proportion of properties affordable to households on income support with the Coronavirus supplement.

With the supplement, most household types on income support gain access to a larger number of properties. Couples with young children, single parent households, and singles benefit considerably with the additional support. The number of properties accessible to couples with children, on minimum wage and parenting payment increases by more than 3 times with the additional supplement.

Table 3 presents a comparison of the change in rental housing affordability for different household types with the Coronavirus supplement in regional Victoria.

Table 3: Change in the number and proportion of affordable and appropriate houses with the Corona virus income supplement for Regional Victoria

	Household Type	Payment Type			With Coronavirus Supplement	
			Number Affordable & Appropriate	Percentage Affordable & Appropriate	Number Affordable & Appropriate	Percentage Affordable & Appropriate
1	Couple, two children (one aged less than 5, one aged less than 10)	Jobseeker Payment (both adults)	83	3%	1,242	38%
2	Single, two children (one aged less than 5, one aged less than 10)	Parenting Payment Single	38	1%	282	9%
3	Couple, no children	Age Pension	233	7%	282	9%
4	Single, one child (aged less than 5)	Parenting Payment Single	39	1%	301	9%
5	Single, one child (aged over 8)	Jobseeker Payment	2	0%	167	5%
6	Single	Age Pension	27	1%	39	1%
7	Single aged over 21	Disability Support Pension	27	1%	39	1%
8	Single	Jobseeker Payment	0	0%	63	2%
9	Single aged over 18	Youth Allowance	0	0%	39	1%
10	Single in share house	Youth Allowance	0	0%	22	1%
11	Couple, two children (one aged less than 5, one aged less than 10)	Minimum Wage + FTB A	1,898	58%	1,898	58%
12	Single, two children (one aged less than 5, one aged less than 10)	Minimum Wage + FTB A & B	464	14%	464	14%
13	Single	Minimum Wage	109	3%	109	3%
14	Couple, two children (one aged less than 5, one aged less than 10)	Minimum Wage + Parenting payment (partnered) + FTB A&B	736	23%	1,463	45%
	Total No of Properties	3,263				

Metropolitan Melbourne

Data for Metropolitan Melbourne captures listings from 31 LGAs including Melbourne CBD.

In **metropolitan Melbourne** a total of 16,172 rental properties were listed. Of this:

- 151 individual properties (**0.9%** of the total available) were suitable for at least one household type living on income support payments without placing them in housing stress.
- 3,530 individual properties (**22%** of the total available) were suitable for at least one household type living on minimum wage without placing them in housing stress.

Reflecting the same trend of previous years, households on income support and singles continue to be locked out of the market in Metropolitan Melbourne. There is a similar pattern for individuals and families on the minimum wage. Singles on the minimum wage, and families where only one partner is earning the minimum wage will struggle to find appropriate and affordable private rental accommodation.

Singles on the minimum wage, and families where only one partner is earning the minimum wage will struggle to find appropriate and affordable private rental accommodation in Metropolitan Melbourne.

As in regional Victoria, there is considerable increase in affordability with the Coronavirus supplement for most of the households on income support.

Table 4 presents a comparison of the change in rental housing affordability for different household types with the Coronavirus supplement in Metropolitan Melbourne.

Table 4: Change in the number and proportion of affordable and appropriate houses with the Corona virus income supplement for Melbourne Metro LGAs

	Household Type	Payment Type	Number Affordable & Appropriate	Percentage Affordable & Appropriate	With Coronavirus Supplement	
					Number Affordable & Appropriate	Percentage Affordable & Appropriate
1	Couple, two children (one aged less than 5, one aged less than 10)	Jobseeker Payment (both adults)	4	0%	1312	8.%
2	Single, two children (one aged less than 5, one aged less than 10)	Parenting Payment Single	2	0%	18	0.0%
3	Couple, no children	Age Pension	149	1%	170	1%
4	Single, one child (aged less than 5)	Parenting Payment Single	2	0%	24	0%
5	Single, one child (aged over 8)	Jobseeker Payment	1	0%	8	0%
6	Single	Age Pension	14	0%	22	0%
7	Single aged over 21	Disability Support Pension	14	0%	22	0%
8	Single	Jobseeker Payment	0	0%	31	0%
9	Single aged over 18	Youth Allowance	0	0%	22	0%
10	Single in share house	Youth Allowance	0	0%	13	0%
11	Couple, two children (one aged less than 5, one aged less than 10)	Minimum Wage + FTB A	3,469	21%	3,469	21%
12	Single, two children (one aged less than 5, one aged less than 10)	Minimum Wage + FTB A & B	50	0%	50	0%
13	Single	Minimum Wage	62	0%	62	0%
14	Couple, two children (one aged less than 5, one aged less than 10)	Minimum Wage + Parenting payment (partnered) + FTB A&B	267	2%	2,024	13%
	Total No of Properties		16,172			

Coronavirus supplement and increased rental affordability

With the Coronavirus supplement income, access to rental housing increases for most household types on income support across regional Victoria and Metropolitan Melbourne. Table 5 summarises the change in terms of numbers and proportion of available houses for households on income support. The proportion of rental properties available for households on income support shows a manyfold increase with the additional income. Rental affordability for households on minimum wage are not impacted by the supplement and not included in this table.

Table 5: Change in rental housing affordability for households on income support

Area (No of properties)	Payment Type	Number Affordable & Appropriate	Percentage Affordable & Appropriate
Regional Victoria (3,263)	Income support	270	8.3
	Income support with Corona supplement	1,542	47.3
Melbourne Metro (16,172)	Income support	151	0.9
	Income support with Corona supplement	1,491	9.2
Total for Victoria (19,435)	Income support	421	2
	Income support with Corona supplement	3,033	15.6

With the Coronavirus supplement income, of the 3,263 properties listed in regional Victoria:

- 1,542 individual properties (**47.3%**) were suitable for at least one household type living on income support payments. This is an increase by 35% of the total available houses in regional Victoria.

In Metropolitan Melbourne, of the 16,172 properties listed:

- 1,491 individual properties (**9.2 %**) were suitable for at least one household type living on income support payments without placing them in housing stress. This is an increase by 8.3% of the total available houses in Metro Melbourne.

Most affordable LGAs in Regional Victoria and Metropolitan Melbourne

Tables 6 and 7 provide a list of the most affordable LGAs in regional, rural and coastal LGAs for households on minimum wage and on income support. The proportion of suitable listings was calculated based on the **unique number of properties that** were affordable and appropriate for individuals or families earning the minimum wage and on income support. A trend that continues this year from the previous years is the very low number of unique properties in the top regional and rural LGAs despite the high proportion of affordable and appropriate rentals. This means that

while low income earners may not be priced out of the rental market in these areas, they nevertheless are likely to be competing for a very scarce resource.

Table 6: Most affordable LGAs for households on minimum wage in regional Victoria

LGA	Proportion of unique, advertised properties affordable to at least one income group receiving minimum wage	Corresponding number of available properties
Buloke	100.0	12
Hindmarsh	100.0	5
Towong	100.0	1
West Wimmera	100.0	3
Colac-Otway	81.3	26
Yarriambiack	80.0	4
Alpine Shire	78.6	11
Latrobe	78.1	100
Moira	77.8	28
Swan Hill	77.8	7

Table 7: Most affordable LGAs for households on income support in regional Victoria

LGA	Proportion of unique, advertised properties affordable to at least one income group receiving income support or age pension	Corresponding number of available properties
Towong	100.0	1
West Wimmera	100.0	3
Hindmarsh	80.0	4
Loddon	75.0	3
Buloke	66.7	8
Swan Hill	66.7	6
Yarriambiack	60.0	3
Moira	33.3	12
Latrobe	31.3	40
Southern Grampians	25.0	4

With the Coronavirus supplement, there is increased affordability for most households on income support. Table 8 reflects this change and shows the most affordable LGAs for households on income support with the additional payment.

Table 8: Most affordable LGAs for households on income support in regional Victoria, with the Coronavirus supplement

LGA	Proportion of unique, advertised properties affordable to at least one income group receiving income support or age pension	Corresponding number of available properties
Buloke	100.0	12
Hindmarsh	100.0	5
Loddon	100.0	4
Swan Hill	100.0	9
Towong	100.0	1
West Wimmera	100.0	3
Yarriambiack	100.0	5
Moira	83.3	30
Latrobe	80.5	103
South Gippsland	78.9	15

Metropolitan Melbourne also reflects a similar change in accessibility to low income households to the rental market.

Table 9 provides a ranking of the most affordable LGAs in Metropolitan Melbourne for households on minimum wage and on income support.

Table 9: Most affordable LGAs for households on minimum wage in Metropolitan Melbourne

LGA	Proportion of unique, advertised properties affordable to at least one income group receiving minimum wage	Corresponding number of available properties
Melton	87.2	574
Cardinia	75.3	241
Casey	68.7	347
Whittlesea	68.6	437
Hume	58.6	139
Brimbank	57.4	802
Frankston	41.1	148
Yarra Ranges	35.4	29
Wyndham	33.9	19
Hobsons Bay	33.3	95

As in 2019, Melton and Cardinia continue to be the most affordable LGAs for households on minimum wage in 2020.

Table 10 provides the ranking of most affordable LGAs in Metropolitan Melbourne for households that rely on income support or pensions. The very low rate of affordability in the top ten for this group strongly indicates that people on income support do not have access to appropriate and affordable properties anywhere within the boundaries of Metropolitan Melbourne.

Table 10: Most affordable LGAs for households on income support in Metropolitan Melbourne

LGA	Proportion of unique, advertised properties affordable to at least one income group receiving income support or age pension	Corresponding number of available properties
Frankston	8.6	31
Banyule	5.9	28
Whitehorse	4.0	18
Monash	2.8	20
Greater Dandenong	2.7	11
Wyndham	1.8	1
Darebin	1.6	9
Yarra Ranges	1.2	1
Maribyrnong	1.2	4
Hume	0.8	2

As in regional Victoria, rental housing affordability has changed for households on income support with the Coronavirus supplement in Metropolitan Melbourne.

Table 11 reflects this increased affordability with a ranking of the most affordable LGAs for households on income support with the additional payment. The number of affordable and appropriate properties goes up substantially with the supplement.

Table 11: Most affordable LGAs for households on income support in Metropolitan Melbourne, with the Coronavirus supplement

LGA	Proportion of unique, advertised properties affordable to at least one income group receiving income support or age pension	Corresponding number of available properties
Melton	44.8	295
Cardinia	32.2	103
Casey	30.3	153
Frankston	26.9	97
Hume	25.3	60
Brimbank	23.8	333
Whittlesea	20.6	131
Hobsons Bay	16.8	48
Greater Dandenong	12.6	51
Mornington Peninsula	10.8	34

Discussion

The 2020 Snapshot figures indicate that rental affordability continues to evade the low income households in Victoria. Households on income support or pensions and many households on the minimum wage continue to be locked out of the private rental market.

In Victoria, under the substantive payment amounts in place prior to the introduction of the temporary Coronavirus supplement, appropriate rental properties are almost entirely unaffordable for most households on income support or pensions. There is a continuing disadvantage for singles, single parent households and couples with young children dependent on Jobseeker (formerly Newstart) or Parenting Payments. These individuals and families make up much of Anglicare Victoria's client base within our family support programs, family violence services, alcohol-and-other-drug treatment programs, out-of-home-care services, and other program areas. These are some of our society's most vulnerable people.

This year despite a small increase in the total number of rental properties on the market at the time of the snapshot, the proportion of affordable properties remains the same for all household types except single parent households. Single parent households show a slight increase in the proportions of houses available for them moving from 1% to 3% of total available housing. (See Appendix 1 for a comparison table).

Coronavirus Supplement income has a direct bearing on housing affordability

- The Coronavirus Supplement income of an additional \$550 per fortnight to all new and existing recipients of the Jobseeker (formerly Newstart), Youth Allowance, and Parenting Payments from 27 April 2020 has almost doubled the maximum amount of income available for these households.

- Projections of affordability based on the increased income provides us the opportunity to clearly demonstrate that the current increase in the form of the Supplement would ensure better access to the rental market for all household types dependent on income support.

Households on income support payments

- Couples on Parenting Payments, and couples with children on minimum wage, with one partner on Parenting Payment, who have been traditionally pushed out of the rental market, will be able to afford a suitable home for their young families if the increase in income continues. This is of particular significance in the COVID19 economic context when many employees on minimum wages have either lost their jobs, or are required to work fewer hours. For instance, a couple with two children, one child aged less than 5 and one child aged less than 10, and both parents on Parenting Payments will have access to 2,467 more houses on the Victorian rental market. This is an increase from 0% to 13% of the total rental housing available. This change is seen in metropolitan and regional areas with accessibility for couple with two children households increasing from 0% to 8% in Melbourne Metropolitan LGAs and from 3% to 38% in regional LGAs.
- Young people on income support payments, especially Jobseeker Payment and Youth Allowance simply did not have access to any affordable and appropriate accommodation in the private rental market. While some of this cohort is likely to be living at home with parents or family while studying, there is a non-trivial proportion that will be experiencing significant adversity. Young people in the juvenile justice system, those leaving care, and those experiencing mental health and/or substance abuse difficulties are particularly at risk of homelessness if they do not have the income levels to access the market.

Affordable housing for women and children who have experienced family violence

- The unaffordability of appropriate housing for single parents on Jobseeker and Parenting Payments would imply that a considerable number of women with children who are leaving family violence situations are likely to experience significant housing stress. Without the income supplement, single parents with children whose primary source of income is the Parenting or Jobseeker Payments have access to **less than 0.1%** of the rental properties across Metropolitan Melbourne and regional Victoria. With the income supplement, affordability increases for these household types by up to 2% in the State and up to 8% in regional Victoria. Affordability in Metropolitan Melbourne is also higher with the supplement, but not by a considerable proportion.
- This raises serious concerns about the safety of women and children who have experienced family violence. Given that some of the most affordable LGAs in metropolitan Melbourne are characterised by relatively high levels of crime, child maltreatment and family violence, the 'choices' available to women and their children are limited. Moreover, regional and rural locations may not be as socially and economically disadvantaged, but may come with other problems linked with social isolation, and lack of access to appropriate supports.

Within Metropolitan Melbourne, appropriate rental properties are, in effect, entirely unaffordable for most households on income support payments or pensions. Families on the minimum wage retain slightly greater access to the private rental market, but even here less than 30% of available rentals are appropriate and affordable.

The picture is a little less dire for regional, rural and coastal areas of Victoria, where households on the minimum wage have greater access to affordable and appropriate private rental properties. Here again, we have to take note of the post COVID 19 economic context where many of the minimum wage jobs are gone, or have reduced hours. However, individuals and families on income support payments are largely locked out of this market also.

A narrative of continuing disadvantage

Anglicare Victoria has been involved in the Rental Affordability Snapshots since 2011. The picture of the rental market over the years point to the continued disadvantage faced by certain household types who have very limited access to affordable and suitable homes.

For example, Table 12 provides a percentage summary of the number of properties affordable and suitable for some of the low income household types in the last six years in Victoria. The very low, almost negligible proportion of housing available to these households is clear indicator of their continuing housing stress. The impact of the Coronavirus supplement on the housing affordability for these groups presents a strong case for policy change to provide these households with additional income support.

Table 12: Affordable and suitable rentals by payment type in Victoria since 2015

RAS Year	Households on Income support	Households on Minimum wage	Couple with two children on Newstart	Single people on Newstart	Couple on Age Pension
2015	3.1%	30.7%	1%	0%	2%
2016	4.9%	28.9%	0%	0%	1%
2017	3.5%	31.4%	1%	0%	3%
2018	3%	29.5%	1%	0%	3%
2019	1.7%	28.5%	0%	0%	2%
2020	2.2%	28.4%	0%	0%	2%
2020 with Coronavirus supplement	15.6%	28.4%	13%	0.5%	2%

Policy Implications

1. Make the current Coronavirus supplement as a permanent increase in the rate of Jobseeker Payment (formerly Newstart) and the Youth Allowance). This would open up access to the rental market for all households dependent on income support and will address youth homelessness and provide a safe home for survivors of domestic violence. Lack of access to basic, safe and appropriate housing is a logical precursor to homelessness. Measures of housing affordability, such as this study, should inform Government decision-making about the rates of these payments and pensions so that vulnerable people are not trapped in rental stress and other aspects of poverty.

2. State-funded out of home care should be available to young people up to 21 years of age. It is well-established that young people leaving the state care system, particularly residential care, experience a range of poor outcomes, including greater involvement in the criminal justice system, homelessness, unemployment and consequently, longer-term and more entrenched welfare dependence. These young people represent some of the most vulnerable and disadvantaged

members of our communities, yet have limited access to supports from the state post their 18th birthdays. Too many of these young people end up either homelessness or in the criminal justice system. Government funded housing options for these young people would result in demonstrably improved outcomes.

3. Greater government investment in targeted social and public housing. Given that individuals and families on low incomes have traditionally been locked out of the private rental market, such a sharp decline in listed properties raises serious concerns. As such, all levels of government need to consider alternative and creative solutions to the housing affordability crisis **for all segments of society**, not just first home buyers. This will necessitate greater engagement with community service organisations, the homelessness sector and the private sector. It will also necessitate a willingness to implement creative funding models, including social impact investment.

4. Ongoing work to ensure that parents and children leaving family violence have access to dedicated, safe and affordable housing.

We call upon Governments to build and make available more public housing and other affordable housing options for those people in our community who experience significant psychosocial problems and cannot afford or sustain access to appropriate housing.

Conclusion

In summary, the 10th annual Rental Affordability Snapshot continues to highlight that low income earners, particular those who rely on income support, are systematically excluded from the private rental market. Families where both partners are earning the minimum wage are slightly better off, but in general are locked out of large portions of the private rental market as well. The areas where rental properties are available and affordable within Metropolitan Melbourne are typically characterised by very high levels of social and economic disadvantage.

There continues to be regional versus urban divide, whereby low income earners have much greater access to appropriate and affordable housing in regional, rural and coastal areas of Victoria. Even so, the overall rental stock in these areas can be quite low resulting in potentially high competition for a scarce resource.

As a result, low income earners in Victoria continue to be faced with a range of unacceptable choices, including paying more than they can afford and/or living in demonstrably inappropriate housing for their needs.

The Rental Affordability Snapshot has been Anglicare Victoria's major avenue to gauge the enormous housing stress of low income households in Victoria and our most effective tool to advocate for rental housing policy reforms to support the most disadvantaged individuals and families. The scenario of increased income through the Coronavirus supplement and a corresponding increase in housing affordability for the low income households clearly presents a strong argument in support of our long term advocacy for housing reforms.

Appendix 1

Victorian Snapshot – 2020 compared to 2019 numbers

	Household Type	Payment Type	2019		2020	
			Number Affordable & Appropriate	Percentage Affordable & Appropriate	Number Affordable & Appropriate	Percentage Affordable & Appropriate
1	Couple, two children (one aged less than 5, one aged less than 10)	Jobseeker Payment (both adults)	56	0.4%	87	0%
2	Single, two children (one aged less than 5, one aged less than 10)	Parenting Payment Single	21	0.1%	40	0%
3	Couple, no children	Age Pension	243	2%	382	2%
4	Single, one child (aged less than 5)	Parenting Payment Single	39	0.3%	41	0%
5	Single, one child (aged over 8)	Jobseeker Payment	0	<0.1%	3	0%
6	Single	Age Pension	37	0.2%	41	0%
7	Single aged over 21	Disability Support Pension	34	0.2%	41	0%
8	Single	Jobseeker Payment	0	0%	0	0%
9	Single aged over 18	Youth Allowance	0	0%	0	0%
10	Single in share house	Youth Allowance	0	0%	0	0%
11	Couple, two children (one aged less than 5, one aged less than 10)	Minimum Wage + FTB A	4,375	28%	5367	28%
12	Single, two children (one aged less than 5, one aged less than 10)	Minimum Wage + FTB A & B	229	1%	514	3%
13	Single	Minimum Wage	123	1%	171	1%
14	Couple, two children (one aged less than 5, one aged less than 10)	Minimum Wage + Parenting payment (partnered) + FTB A&B	758	5%	1003	5%
	Total number of properties		15,750		19,435	

ⁱ 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>