



Snapshot: Anglicare Sydney – Greater Sydney and the Illawarra

Introduction

Anglicare Sydney's Rental Affordability Snapshot covers Greater Sydney¹ and the Illawarra Region (including Shoalhaven and the Southern Highlands)². The aim of the snapshot is to highlight issues of affordability and appropriateness for people looking for rental accommodation on low incomes.

According to the 2016 Census, there were around 1.7 million households in Sydney (including Central Coast) and 170,000 in the Illawarra and surrounds – collectively accounting for about two-thirds (68%) of households in NSW. Almost a third of households in Sydney (32%) and one quarter of households in the Illawarra (25%) were renting their home.

In 2016, the median weekly household income in Greater Sydney was \$1,750 per week. This was higher than the median income of households in the Illawarra Statistical Area (\$1,352 per week), and in the Southern Highlands and Shoalhaven Statistical Area (\$1,091 per week). However, some aspects of household expenditure were also higher in Greater Sydney than in the Illawarra and surrounds, including rent and mortgage repayments.

Findings

On the Snapshot weekend, **17,417** private rentals were advertised for rent in Greater Sydney and the Illawarra. Private rentals were surveyed from realestate.com.au. While a property could 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. To this end, we found:

- **38** unique properties that were affordable and appropriate for people living on income support payments without placing them in housing stress. The majority of these properties were located in Greater Sydney (n=24 properties) with the remainder located the Illawarra Region (n=14).
- **836** unique properties that were affordable and appropriate for people living on the minimum wage without placing them in housing stress. Again, the majority of these properties were located in Greater Sydney (n=710), with the remainder in the Illawarra (n=126).

Among households receiving income support payments, couples on the Aged Pension had the largest number of affordable and appropriate properties available to them across Sydney and the Illawarra (n=34), followed by single people on the Aged Pension (n=6) and single people on the Disability Support Pension (n=2). No suitable properties were found for households living on the Newstart Allowance or Youth Allowance.

Results reveal that some Minimum Wage earners had a greater chance of obtaining housing without being under rental stress. Prospects were best for couple families where both partners earned the Minimum Wage (n=796), followed by single persons earning the Minimum Wage (n=40) and families

¹ Greater Sydney is here defined as the Sydney Greater Capital City Statistical Area (GCCSA).

² The Illawarra Region is here defined as the Illawarra Statistical Area Level 4 (SA4), plus the Southern Highlands and Shoalhaven SA4. The postcodes 2536, 2579 and 2622 were excluded as these are included in the Anglicare NSW South, NSW West and ACT section. Anglicare Sydney has also prepared an extended report focusing on this region, including the Central Coast of NSW. Central Coast data has been excluded from this summary as it is included in the Samaritans Foundation section. The full Anglicare Sydney report can be downloaded at www.anglicare.org.au



with two children where one partner was earning the Minimum Wage and the other partner was receiving the Parenting Payment (n=33).

Share accommodation is another important source of housing for single persons with low incomes. On the Snapshot weekend a sample of approximately 2,800 share properties in the Greater Sydney and Illawarra region advertised on the share accommodation website Flatmates.com.au was taken. It was found that only 2% of share-houses were affordable for single persons on the Aged Pension and no properties were affordable for single people on the Newstart Allowance or Youth Allowance. For single persons earning a Minimum Wage approximately 7% of share properties were affordable.³

An indicative search of the online classifieds website Gumtree (gumtree.com.au) for 'Flatshare/Houseshare' listings for the Sydney Region⁴ revealed that at face value, there were around 1,200 share-houses that were affordable for single people on the Minimum Wage. In the 'Wollongong' and 'South Coast' regions, there were less than 50 affordable options for single people on the Minimum Wage. No analysis of suitability was conducted on these share-houses. Even though share property listings were affordable for the single household types, many would not meet the appropriateness criteria in the Snapshot, as many would be conditional (seeking flatmates of a particular gender, working persons, students etc.).

³ In the Flatmates.com.au analysis, where possible, properties were excluded in which tenants were required to share a bedroom with others, or where a particular gender, race etc. was specified.

⁴ Gumtree regions used



On the Snapshot weekend, these were the number of unique properties affordable and appropriate for:	
Households on income support payments (#1-10)	Households on minimum wage (#11-14)
38	836

Table 1: Rental Affordability, Greater Sydney and the Illawarra, 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)	Newstart Allowance (both adults)	0	0%
2	Single, two children (one aged less than 5, one aged less than 10)	Parenting Payment Single	0	0%
3	Couple, no children	Age Pension	34	Less than 1%
4	Single, one child (aged less than 5)	Parenting Payment Single	0	0%
5	Single, one child (aged over 8)	Newstart Allowance	0	0%
6	Single	Age Pension	6	Less than 1%
7	Single aged over 21	Disability Support Pension	2	Less than 1%
8	Single	Newstart Allowance	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)	796	5%
12	Single, two children (one aged less than 5, one aged less than 10)	Minimum Wage + FTB A & B	2	Less than 1%
13	Single	Minimum Wage	40	Less than 1%
14	Couple, two children (one aged less than 5, one aged less than 10)	Minimum Wage + Parenting payment (partnered) + FTB A & B	33	Less than 1%
Total No. of Properties		17,417		



Discussion

Within Greater Sydney, most affordable and appropriate rental properties for households dependent upon income support payments were in the Outer Ring (n=22), at least 20km from the Sydney CBD. Of the remaining properties, 2 were in the Middle Ring (5-20km from CBD) and none were in the Inner Ring (within 5km of the CBD). However the suitable properties in the Middle Ring were only affordable and appropriate for households receiving the Aged Pension. Within the Illawarra Region, most affordable and appropriate properties were located in the Shoalhaven (n=9), with 5 properties in the Illawarra. This result confirms that rather than being a solution to Sydney's lack of suitable housing, the Illawarra also faces its own critical lack of affordable and appropriate housing.

For couples with two children, where both partners earn the minimum wage, the vast majority of affordable and appropriate rental properties were in the Outer Ring (n=644). Within Greater Sydney, only 27 suitable properties were identified in the Middle Ring and none in the Inner Ring. A further 125 suitable properties were available in the Illawarra Region. However, disturbingly, there were very few suitable properties across Greater Sydney and the Illawarra for a couple with children where only one of the partners was earning the minimum wage (n=33) or for a single parent earning the minimum wage (n=2). This shows that unaffordable rentals and, hence, situations of rental stress are the norm for any household where there is only one, minimum wage income.

Policy Implications

The issue of rental affordability facing thousands of Greater Sydney and Illawarra residents requires an urgent and long-term commitment to improve affordability from all levels of government, community and business sectors.

On a national level, housing affordability must be addressed by a Cabinet portfolio and with funding for the re-establishment of an independent housing specialist entity to gather and analyse data on housing supply and demand in Australia. All levels of government need to commit to long-term agreements such as the new National Housing and Homelessness Agreement (NHHA), with strategies and funding commitment for at least five years. The Federal Government needs to work with all levels of government to commit to a formal five-year plan with numerical targets to increase the supply of social and affordable housing. Recipients of Newstart and Commonwealth Rent Assistance desperately need increased income support to help prevent them entering rental stress in the Greater Sydney and Illawarra area.

On a state level, attention must continue to be directed to social housing. With almost 56,000 approved applicants for social housing waiting on the NSW Housing Register and many low income households in extreme rental stress in the private rental market, initiatives are underway to increase the supply of social housing, such as through the Social and Affordable Housing Fund.