

# RENTAL AFFORDABILITY SNAPSHOT 2018

## TASMANIA





### **More information**

Email: [SARC@anglicare-tas.org.au](mailto:SARC@anglicare-tas.org.au)

Media contact: Meg Webb 0427 911 719

SARC website – [www.socialactionresearchcentre.org.au](http://www.socialactionresearchcentre.org.au)

SARC Facebook – [www.facebook.com/SocialActionResearchCentre](https://www.facebook.com/SocialActionResearchCentre)

©SARC, Anglicare Tasmania, 2018

### **Acknowledgements**

Author: Michelle Wisbey, SARC, Anglicare Tasmania

Assistance with data preparation and proofing: Selina Claxton, SARC, Anglicare Tasmania

Graphic design: Kelly Eijdenberg

Advice on low income households' experiences: Belinda Jones, Anglicare; Colony 47; Tenants Union

# Contents

- 1 What is the Rental Affordability Snapshot?
- 2     Low-income household types used in the Snapshot
- 2 Tasmania's housing context
- 4 Summary of 2018 findings
- 4     What happened in 2018?
- 5     Summary: the most vulnerable households
- 5     Summary: notable changes year on year
- 6     Summary: notable results in Tasmania's three regions
- 8 Findings at a glance table
- 9 Policy implications
- 11 Recommendations
- 14 Findings in detail
- 14     Affordable properties for low-income households spending up to 30% of income
- 16     Properties available for low-income households spending up to 49% of income
- 18 Findings by cohorts
- 18     Young people
- 19     Single adults
- 21     Single parents
- 23     Couples with children
- 25     Older people
- 27 Findings by region
- 27     South
- 29     North
- 31     North West
- 33     Metropolitan and regional comparison
- 34 What are the findings telling us?
- 37 References

## What is the Rental Affordability Snapshot?

The Rental Affordability Snapshot is an annual study into how affordable Tasmania's private rental market is for people living on a low income.






On the weekend of 24-25 March 2018, Anglicare Tasmania's Social Action and Research Centre collected information on every private rental property advertised as available to rent across Tasmania. This included houses, units, and rooms in sharehouses. The information was gathered online from realestate.com, Gumtree and flatmates.com.au and from classifieds in Tasmania's three major newspapers – *The Mercury*, *The Examiner* and *The Advocate*.

The advertised rental properties were assessed to determine how many were affordable for 14 representative low-income household types, including households receiving government income support payments and households on a minimum wage.

For the purposes of the Rental Affordability Snapshot, a property is considered affordable if the rent is less than 30% of the household income (Yates 2007). To be deemed appropriate, it must also have the right number of bedrooms for the needs of that household (AIHW 2017).

In recognition of the reality that many people on low incomes must push themselves into rental stress to secure a property – i.e. spend more than 30% of their income on rent – in this Snapshot we also assess how many advertised properties are available for households if they spend up to 49% of weekly income on rent.

## Low-income household types used in the Snapshot

Cohort	Household type	Payment type
 <b>Young people</b>	Single (aged over 18)	Youth Allowance
	Single (in a share house)	Youth Allowance
 <b>Single adults</b>	Single	Newstart Allowance
	Single (aged over 21)	Disability Support Pension
	Single	Minimum wage
 <b>Single parents</b>	Single, one child (aged over 8)	Newstart Allowance
	Single, one child (aged less than 5)	Parenting Payment (single)
	Single, two children (one aged less than 5, one aged less than 10)	Parenting Payment (single)
	Single, two children (one aged less than 5, one aged less than 10)	Minimum wage + Family Tax Benefit A and B
 <b>Couples with children</b>	Couple, two children (one aged less than 5, one aged less than 10)	Newstart Allowance (both adults)
	Couple, two children (one aged less than 5, one aged less than 10)	Minimum wage + Parenting Payment (partnered) + Family Tax Benefit A and B
	Couple, two children (one aged less than 5, one aged less than 10)	Minimum wage + Family Tax Benefit A
 <b>Older people</b>	Single	Age Pension
	Couple (no children)	Age Pension

## Tasmania's housing context

In March 2018, the median rental price for a house in Hobart was \$420 per week, up 15% in one year (an average of \$55 extra per week) (Frost 2018). Even with rental prices increasing, rental vacancy rates sat at 0.6% in March 2018 (SQM Research 2018), and demand for purchasing residential properties in Hobart was double that of anywhere else in Australia (Conisbee 2018). The latest national Rental Affordability Index found that Greater Hobart was the second least affordable capital city in Australia in 2017, with the average household spending 28% of its income on rent (SGS Economic and Planning 2017).

While the state's housing market and cost of living pressures surge, Tasmanian wages continue to be the lowest in the nation (ABS 2018a). If wage growth continuously fails to keep up with property prices and living costs, Tasmanians will continue to be locked out of their own housing market.

This growth in rental and property demand comes as 3512 applications are sat on Tasmania's Housing Register in March 2018 (DHHS 2018a) and it is taking an average of 63 weeks to house priority applicants (DHHS 2018a), up from 21 weeks in 2014 (DHHS 2014). In the social housing sector, in the five years to 2016-17 the Tasmanian government's net recurrent expenditure has dropped by \$43.9 million (Productivity Commission 2018).

As housing becomes increasingly unaffordable, the release of the 2016 Census data on housing and homelessness showed there were an estimated 1622 Tasmanians homeless on census night. This was an increase of 6% since 2011, although the Australian Bureau of Statistics said this was likely an under-representation given the difficulty of recording accurate data for this group. The same data showed that 38% of Tasmania's homeless population was under the age of 25 (ABS 2018b).

Tasmania's tourism boom has seen an explosion in the short stay accommodation market. A record-high 1.26 million tourists visited the state in 2017 (Tourism Tasmania 2018), bringing with them an unprecedented demand for accommodation. To keep up with this demand, Tasmania's shared accommodation market has responded with a jump in Airbnb property listings from 2874 to 4459 in the 12 months to February 2018. Three-quarters of listings on Airbnb in Tasmania are for an entire property (Inside Airbnb 2018) – a total of 3400 homes, many of which were lost from the private rental market. Of the total properties advertised on Airbnb, 61% were located in the state's South, 25% in the North, and 14% in the North West.

In both the rental and purchasing property markets, real estate agents have reported an increase in potential consumers bidding for properties as the competition for housing increases, labelling the current case of demand outstripping supply as "bedlam" (Whiting 2018). This competition is often driving low-income Tasmanians to make difficult choices: whether to take on rent which is unaffordable and unlikely to be sustainable, moving out of Tasmania's population centres to areas with cheaper rents but less employment, transport or services, or becoming homeless and facing the costs this has to personal, social and economic wellbeing.

Frontline housing staff have also reported a significant increase in the number of people accessing services who were traditionally able to secure their own housing, but are being forced to seek help as the cost of living becomes increasingly unaffordable.

# Summary of 2018 findings

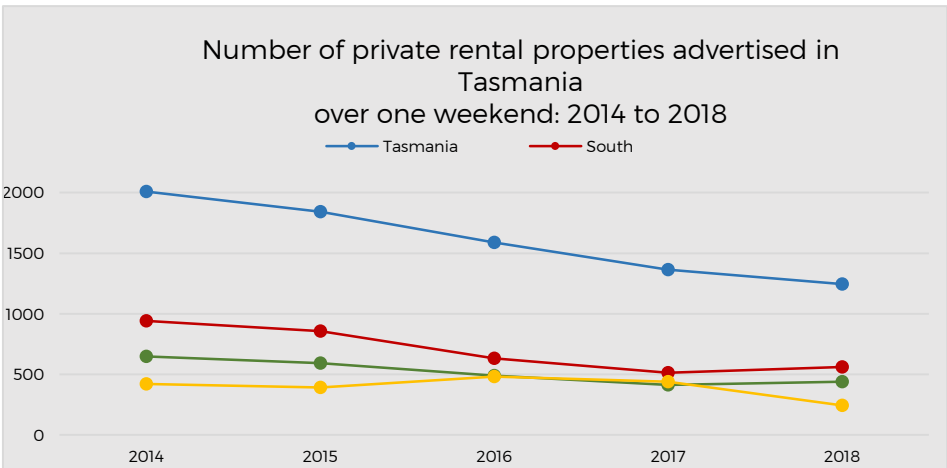
## What happened in 2018?

There were 1245 properties advertised for rent in Tasmania on the weekend of 24-25 March 2018.

This is a 9% drop from the Snapshot weekend in 2017, and a 38% drop in overall numbers from 2014.

The 2018 Rental Affordability Snapshot's most notable findings were:

- Rental options for young people receiving Youth Allowance have remained dire, with no affordable private rental properties for this cohort in the entire state – the same trend that has been recorded for the past five years.
- Southern Tasmania's affordable private rental options went from bad to worse, with affordability in and around the state's capital at such a low point that more than half of the low income household types measured had no affordable rental options available on the Snapshot weekend.
- The traditionally more affordable North West region demonstrated an overall drop of 45% from the previous year in advertised properties on the Snapshot weekend, down from 438 properties in 2017 to 243 in 2018.



## **Summary: the most vulnerable households**

### **Young people receiving Youth Allowance**

This cohort continues to have no private rental properties advertised anywhere in the state that could be deemed affordable, including rooms in a sharehouse. This follows the five-year trend of housing inaccessibility for this cohort as they continuously prove to be the most vulnerable household in Tasmania. Anglicare Australia's 2018 Rental Affordability Snapshot found that across the entire nation, there were just two individual properties that could be deemed affordable for young people receiving Youth Allowance.

### **Single parents reliant on government income support**

Single parent households on income support payments have very few affordable private rental options available to them. For example, a single parent with one child aged less than five, reliant on government income support, would find just 5% of properties state-wide were affordable, none of them situated in the South. For a single parent with a child eight or older, and therefore on a lower Newstart payment, the number of affordable rentals was just 1%, or 13 properties, 12 of which were in the North West.

### **Single adults receiving government income support**

Single adults on income support had almost no affordable housing options on the Snapshot weekend in 2018. The situation remains particularly dire for single adults on a Newstart Allowance, for whom just one property, located in the North of the state, was affordable. A single person reliant on a Disability Support Pension had only 2% of properties affordable to rent, which equated to 30 properties state-wide, only one of which was in the South.

## **Summary: notable changes year on year**

### **North West advertised property numbers dramatically lower**

On the 2018 Snapshot weekend, the North West region showed a dramatic drop in advertised private rental properties compared to the previous year. The number of advertised rental properties in the region decreased by 45%, down from 438 in 2017 to 243 in 2018.



While the number of advertised properties were substantially lower, the North West remained the most affordable region of the state for a majority of the low-income household types.

Compared to 2017, there were increases in the proportion of advertised properties in the North West deemed affordable for 5 of the 14 low-income household types. However, these higher proportions in 2018 actually represent significantly lower numbers of properties compared to 2017 due to the large reduction in total properties advertised this year.

### **Options for minimum wage earners decreased**

Although of all the low-income household types examined in the Snapshot, those earning a minimum wage continued to have the most affordable rental options available to them, the number of homes deemed affordable for these households decreased in number in 2018. For example, in 2017 a single adult on minimum wage had 279 affordable advertised properties state-wide on the Snapshot weekend; this was down 23% to 214 properties state-wide on the 2018 Snapshot weekend.

The rental options for those living on a minimum wage in the state's South remained particularly sparse, with numbers of affordable properties dropping significantly. For example, for a single parent with two children earning a minimum wage and receiving Family Tax Benefit A and B, only 2%, or 11 advertised properties, in southern Tasmania were affordable to rent. This compares to five years ago in 2014, when 6%, or 53 advertised properties, were affordable for this household type.

### **Summary: notable results in Tasmania's three regions**

#### **South**

On the Snapshot weekend, there were 562 properties advertised to rent in Tasmania's south. This was a 40% drop from 2014, but, interestingly, a 10% increase on 2017. Even with the greater number of properties advertised for rent, the affordability of the southern region decreased compared to last year, with 8 of the 14 low-income household types having no affordable options amongst those 562 advertised properties.

#### **North**

There were 440 rental properties advertised in the North of Tasmania on the Snapshot weekend, a 6% increase on 2017, but a

drop of 32% since 2014. Despite this increase in advertised properties since last year, there was no significant change in affordable housing options for those living on government support payments. Housing affordability in the region remains severely lacking, especially for single people living on a Newstart Allowance, who had just one advertised property affordable to rent. Households relying on a minimum wage as their main income source saw a drop in affordable advertised properties in the region – an average drop of 5 percentage points overall since 2017.






### **North West**

Despite a sharp decline in the number of properties advertised in the state's North West, down from 438 to 243 in one year, it remains the most affordable region for those on low incomes. Even with this relative affordability, young people on Youth Allowances and single people on a Newstart Allowance still had no affordable rental options amongst the advertised properties.

*“People just can’t find property – they have references, they’ve been working, they’ve got no bad credit history, but they simply can’t find a house”*

Anglicare housing services worker

## Findings at a glance table

Cohort	Household type	Payment type	Up to 30% of household income spent on rent (2018)			Up to 49% of household income spent on rent (2018)		
			Percentage affordable and appropriate	Number affordable and appropriate	By region	Percentage of properties	Number of properties	By region
 Young people	Single (aged over 18)	Youth Allowance	0	0	South: 0 North: 0 North West: 0	4	51	South: 14 North: 23 North West: 14
	Single (in a share house)	Youth Allowance	0	0	South: 0 North: 0 North West: 0	4	46	South: 11 North: 23 North West: 12
 Single adults	Single	Newstart Allowance	0	1	South: 0 North: 1 North West: 0	13	159	South: 54 North: 51 North West: 54
	Single (aged over 21)	Disability Support Pension	2	30	South: 1 North: 5 North West: 24	21	267	South: 23 North: 115 North West: 129
	Single	Minimum wage	17	214	South: 78 North: 66 North West: 70	53	659	South: 214 North: 241 North West: 204
 Single parents	Single, one child (aged over 8)	Newstart Allowance	1	13	South: 0 North: 1 North West: 12	16	196	South: 5 North: 84 North West: 107
	Single, one child (aged less than 5)	Parenting Payment (single)	5	60	South: 0 North: 17 North West: 43	29	355	South: 35 North: 157 North West: 163
	Single, two children (one aged less than 5, one aged less than 10)	Parenting Payment (single)	3	42	South: 0 North: 8 North West: 34	23	287	South: 29 North: 121 North West: 137
	Single, two children (one aged less than 5, one aged less than 10)	Minimum wage + FTB A and B	13	168	South: 11 North: 55 North West: 102	35	437	South: 121 North: 170 North West: 146
 Couples with children	Couple, two children (one aged less than 5, one aged less than 10)	Newstart Allowance (both adults)	6	72	South: 0 North: 26 North West: 46	28	347	South: 60 North: 143 North West: 144
	Couple, two children (one aged less than 5, one aged less than 10)	Minimum wage + Parenting Payment (partnered) + FTB A and B	18	228	South: 15 North: 93 North West: 120	38	479	South: 150 North: 183 North West: 146
	Couple, two children (one aged less than 5, one aged less than 10)	Minimum wage + Family Tax Benefit A	32	398	South: 92 North: 161 North West: 145	43	538	South: 190 North: 201 North West: 147
 Older people	Single	Age Pension	9	108	South: 42 North: 33 North West: 33	39	485	South: 177 North: 162 North West: 146
	Couple (no children)	Age Pension	14	169	South: 13 North: 72 North West: 84	49	610	South: 117 North: 274 North West: 219

## Policy implications

Affordable homes are becoming further out of reach for households on low incomes. Rental prices continue to rise, short stay accommodation is taking homes from the private rental market, the supply of social and public housing is not keeping up with need, the supply of affordable homes in the private sector is not keeping up with demand, and incomes (both government support payments and wages) are not keeping up with the rising costs of living.

In simple terms, Tasmania needs more houses. And while there is no standalone solution to fix this housing situation, it must be made a matter of priority for both State and Federal governments, and will require a considerably greater investment and bolder policy approaches to take the steps necessary to ensure every Tasmanian has a safe and affordable roof over their head.

Federal, state and local government policy approaches need to be steered more actively in the direction of increasing affordable housing that is appropriate for a broad range of households and needs. Alongside increasing supply, governments can also look to address the tax policy settings that are driving housing unaffordability and privileging houses as mechanisms of wealth generation rather than homes and a basic human right for all Australians.

In 2015, the Tasmanian Government released its *2015-2025 Affordable Housing Strategy*, which stated that Tasmania needed “an average of 2392 new dwellings a year to meet its long-term supply needs through to 2031”, and that 27% of these new builds needed to be low-priced, affordable homes (DHHS 2015). But according to the March 2018 Quarterly Housing Report, just 249 new affordable homes had been made available (DHHS 2018b) three years into a ten-year plan, with small progress on targets that are already out of date in reflecting the magnitude of the need now being experienced in this state.

This comes at the same time as the State Government is pushing for increased population growth, aiming to increase Tasmania’s population to 650,000 by 2050 (Department of State Growth 2015), a target which will bring with it an even greater need for housing.

The recent increased visibility in the media of the housing situation, in the south of the state in particular, has prompted the

State Government to introduce a range of 'crisis measures'. These include a pilot program to incentivise landlords to house low-income tenants, the identification of government land suitable to be released for residential development, and funding to secure a range of caravan and motel accommodation options for a six-month period. We welcome these measures, but our attention must not be diverted from a commitment to genuine and substantial medium- and long-term solutions.

It is unacceptable that the number of homeless Tasmanians has swelled to more than 1600 on any given night. With 38% of the state's homeless population under the age of 25, additional and targeted investments need to be made into secure and affordable housing specifically designed for young people. This is especially important during the period of vulnerability as they transition from the family home or out-of-home care and into independent living.

The 2018 Rental Affordability Snapshot findings point to a need for:

- Urgent increases in investment into additional affordable private and social housing stock, tenancy opportunities, and homelessness services.
- A review of and significant increase in government support payments for low-income Australians.
- Changes to Tasmania's planning scheme to ensure targets are in place for the inclusion of affordable properties in all new housing developments.
- The abolition of stamp duty and its replacement with a broad-based land tax.
- Changes to negative gearing and the capital gains discounts that drive up prices and prioritise the creation of wealth over the creation of affordable homes.
- Improvements to tenancy laws to ensure tenants have greater security of tenure.

**“We’ve got a lot of people who don’t need support who are really quite independent, they just can’t find property.”**

Anglicare housing services worker

## Recommendations

- 1. That the Tasmanian government urgently increase investment into additional affordable private and social housing stock and tenancy opportunities.**

While the Tasmanian Government's *2015-2025 Affordable Housing Strategy* (DHHS 2015) makes a strong start in addressing housing challenges, significant funding needs to be urgently dedicated to create and open a range of different affordable housing options, including one-, two- and three-bedroom properties. Supply is simply not keeping up with demand and there is a mismatch between the available property types and households in need, both in the social and private housing sectors.

- 2. That the Tasmanian government legislate changes to Tasmania's planning scheme to ensure targets are in place for the inclusion of affordable properties in all new housing developments.**

New legislation needs to be put into place within Tasmania's planning scheme to ensure a percentage of all new developments and redevelopments include the building of affordable housing options. This rate of new, affordable builds needs to be a long-term, needs-based, planned process, particularly in growth areas such as Hobart and Launceston.

- 3. That the Tasmanian government establish added incentives to encourage landlords to embrace low-income tenants and measures to transition more low-income households into home ownership.**

Anglicare Tasmania was pleased to see the Tasmanian Government implement a new pilot program to encourage landlords to make their homes available to low income tenants (Jaensch 2018); however, this 12-month initiative needs to be extended to ensure those tenants who benefit from the program are not forced to leave the property or subjected to rent increases when the program ends. Advances also need to be made in the development of policies to encourage renters to transfer into home ownership, including those living in social housing.

**4. That the Tasmanian government abolish stamp duty and replace it over time with a broad-based land tax.**

Stamp duty is an inflationary cost that is currently making it more difficult for homeowners or first-home buyers to access the housing market. The additional costs of stamp duty make changing properties increasingly difficult for those who are changing jobs, downsizing or rightsizing. This is currently discouraging homeowners from moving to more appropriate housing and therefore opening up properties on the market. A more progressive, broad-based land tax would generate the same revenue as traditional stamp duties but bring with it more certainty for homeowners and governments.

**5. That the Tasmanian government consider changes to tenancy laws that provide tenants with greater security of tenure.**

Changes need to be made to Tasmania's *Residential Tenancy Act* to create a more liveable and stable home environment for tenants. There needs to be an end to no-cause evictions, pets to be allowed by default into rental properties, and rental prices should have fixed percentage increases over a 12-month period to make renting fairer for tenants.

**6. That the State and Federal governments urgently increase investment into homelessness services.**

Both state and federal governments need to invest in strategies that address the key drivers of homelessness, including poverty, cultural exclusion, domestic violence and mental illness. However, it is now that case that housing unaffordability is a significant driver of people seeking assistance for homelessness. So as other measures are brought into play to address the lack of affordable housing, an expansion of the homelessness support services is also an urgent priority.

**7. That the Federal government review the level of income support payments for Australians to ensure they are adequate to meet the current cost of living demands.**

Government incomes need to more accurately keep pace with rising cost of living pressures. As a starting point, Commonwealth Rent Assistance payments need to be restructured to start once a person or household is paying 10% or more of their income in the private rental market.

**8. That the Federal government change tax settings that provide negative gearing and capital gains discounts.**

These policies are currently driving up housing prices and prioritising the creation of wealth over the creation of affordable homes. Over the history of Australia's taxation system, a property has transitioned from being a home to being a commodity that higher income earners are using to increase their wealth. This is a culture that needs to be reversed through the nation's broader taxation systems.

**“It’s difficult enough day-to-day when you’re on a low income but when you’re trying to organise all that from the car with children, it’s virtually impossible.”**

Anglicare housing worker



## Findings in detail

### Affordable properties for low-income households spending up to 30% of income on rent






Young people remain the most vulnerable in Tasmania's rental market, with those on Youth Allowance having no affordable housing options available to them. This is the same result as 2017 and follows the concerning trend young Tasmanians have experienced for the past five years.

Rental options for adults living on a Newstart Allowance continue to be few and far between, with the number of affordable homes similar to the low rates of 2017. For a couple on Newstart with two children, just 6% of properties state-wide could be considered affordable. For a single person on Newstart, there was just one affordable rental option, similar to the five-year trend for this cohort.

Parents reliant on government income payments, both singles and couples, are continuing to face very limited affordable rental options state-wide, with the South offering no affordable advertised properties to these families on the Snapshot weekend. An average of 3% of properties state-wide were affordable for these households.

Of the low-income households examined in the Snapshot, those earning a minimum wage as their main source of income have traditionally had the greatest rental options available to them, and while this continued to be the case in 2018, each of the Snapshot's four minimum wage household types saw an average drop of 5 percentage points in the proportion of affordable properties when compared to 2017.

Southern Tasmania continues its worrying trend of significantly limited rental options for each of the 14 low-income household types. Of the 10 household types living on government income payments, only two had affordable options advertised in the southern region. These two low-income household types were a single person on the Age Pension and a couple on the Age Pension, and the affordable properties were very limited.

Cohort	Household type	Payment type	Percentage affordable and appropriate	Number affordable and appropriate	By region
 <b>Young people</b>	Single (aged over 18)	Youth Allowance	0	0	South: 0 North: 0 North West: 0
	Single (in a share house)	Youth Allowance	0	0	South: 0 North: 0 North West: 0
 <b>Single adults</b>	Single	Newstart Allowance	0	1	South: 0 North: 1 North West: 0
	Single (aged over 21)	Disability Support Pension	2	30	South: 1 North: 5 North West: 24
	Single	Minimum wage	17	214	South: 78 North: 66 North West: 70
 <b>Single parents</b>	Single, one child (aged over 8)	Newstart Allowance	1	13	South: 0 North: 1 North West: 12
	Single, one child (aged less than 5)	Parenting Payment Single	5	60	South: 0 North: 17 North West: 43
	Single, two children (one aged less than 5, one aged less than 10)	Parenting Payment Single	3	42	South: 0 North: 8 North West: 34
	Single, two children (one aged less than 5, one aged less than 10)	Minimum wage + FTB A and B	13	168	South: 11 North: 55 North West: 102
 <b>Couples with children</b>	Couple, two children (one aged less than 5, one aged less than 10)	Newstart Allowance (both adults)	6	72	South: 0 North: 26 North West: 46:
	Couple, two children (one aged less than 5, one aged less than 10)	Minimum wage + Parenting Payment (partnered) + FTB A and B	18	228	South: 15 North: 93 North West: 120
	Couple, two children (one aged less than 5, one aged less than 10)	Minimum wage + Family Tax Benefit A	32	398	South: 92 North: 161 North West: 145
 <b>Older people</b>	Single	Age Pension	9	108	South: 42 North: 33 North West: 33:
	Couple (no children)	Age Pension	14	169	South: 13 North: 72 North West: 84

**Table 1: Proportion of advertised private rental properties available when spending up to 30% of household income on rent in Tasmania: 24-25 March, 2018**

## Properties available for low-income households spending up to 49% of income on rent






When a low-income household spends more than 30% of its income on rent, it is deemed to be in 'rental stress', and when that rises to 50% or more of income spent on rent, the household is in 'extreme rental stress'

Even when spending up to 49% of income on rent, suitable rental options were severely limited for the Snapshot's low-income households, and continue to decrease year on year.

A single young person on Youth Allowance living independently or in a sharehouse remains in the most concerning situation, with still only 4% of properties across the state being suitable for both these cohorts when going into rental stress. This is a drop from 9% and 7% respectively 12 months ago. These properties were scattered across Tasmania's three regions, but the South continued to have the fewest options with just 2% of advertised properties available for these young people, even spending up to 49% of their income on rent.

Tasmania's South remained largely unaffordable for most cohorts, even when pushed into rental stress, and saw the largest drop in affordability across the board. Four of the low-income household types had less than 5% of southern advertised properties available to them even spending up to half their income on rent – single parents with one child on Newstart Allowance (1%), a single person on a Disability Support Pension (4%), and both cohorts of young people on Youth Allowance (2%).

Those living on a minimum wage saw the greatest increase in potential properties when spending up to 49% of their income on rent. Across Tasmania, a single person living on a minimum wage could consider 53% of advertised properties, rather than the 17% which would be considered affordable for them (i.e. spending up to 30% of their income). Similar trends were seen in each of Tasmania's three regions.

Cohort	Household type	Payment type	Percentage of properties	Number of properties	By region
 <b>Young people</b>	Single (aged over 18)	Youth Allowance	4	51	South: 14 North: 23 North West: 14
	Single (in a share house)	Youth Allowance	4	46	South: 11 North: 23 North West: 12
 <b>Single adults</b>	Single	Newstart Allowance	13	159	South: 54 North: 51 North West: 54
	Single (aged over 21)	Disability Support Pension	21	267	South: 23 North: 115 North West: 129
	Single	Minimum wage	53	659	South: 214 North: 241 North West: 204
 <b>Single parents</b>	Single, one child (aged over 8)	Newstart Allowance	16	196	South: 5 North: 84 North West: 107
	Single, one child (aged less than 5)	Parenting Payment Single	29	355	South: 35 North: 157 North West: 163
	Single, two children (one aged less than 5, one aged less than 10)	Parenting Payment Single	23	287	South: 29 North: 121 North West: 137
	Single, two children (one aged less than 5, one aged less than 10)	Minimum wage + FTB A and B	35	437	South: 121 North: 170 North West: 146
 <b>Couples with children</b>	Couple, two children (one aged less than 5, one aged less than 10)	Newstart Allowance (both adults)	28	347	South: 60 North: 143 North West: 144
	Couple, two children (one aged less than 5, one aged less than 10)	Minimum wage + Parenting Payment (partnered) + FTB A and B	38	479	South: 150 North: 183 North West: 146
	Couple, two children (one aged less than 5, one aged less than 10)	Minimum wage + Family Tax Benefit A	43	538	South: 190 North: 201 North West: 147
 <b>Older people</b>	Single	Age Pension	39	485	South: 177 North: 162 North West: 146
	Couple (no children)	Age Pension	49	610	South: 117 North: 274 North West: 219

**Table 2: Proportion of advertised private rental properties available when spending up to 49% of household income on rent in Tasmania: 24-25 March, 2018**


## Findings by cohorts

### Young people

For the third year in a row, the Snapshot shows young people on Youth Allowance have no affordable housing options in the entire state of Tasmania.

Even when putting themselves into rental stress, the 2018 Snapshot shows only 4% of properties were available to both household types reliant on Youth Allowance. This was down from 9% and 7% for the two Youth Allowance household types in 2017.

When entering into rental stress in 2018, northern Tasmania offered more potential properties to young people living on Youth Allowance, with half of the very limited amount of properties state-wide being in this region (23 houses for each Youth Allowance cohort).

Cohort	Household type	Payment type	Up to 30% of household income spent on rent (2018)			Up to 49% of household income spent on rent (2018)		
			Percentage affordable and appropriate	Number affordable and appropriate	By region	Percentage of properties	Number of properties	By region
 Young people	Single (aged over 18)	Youth Allowance	0	0	South: 0 North: 0 North West: 0	4	51	South: 14 North: 23 North West: 14
	Single (in a share house)	Youth Allowance	0	0	South: 0 North: 0 North West: 0	4	46	South: 11 North: 23 North West: 12

**Table 3: Proportion of advertised private rental properties affordable for young people in Tasmania: 24-25 March, 2018**

**“Young people are really just at such a disadvantage – they’ve often got no credit rating, they’re on a low income and they’ve been stereotyped.”**

Anglicare Housing services worker

## Single adults

Single people living on a Disability Support Pension or Newstart Allowance had very few affordable rental options in the 2018 Snapshot, particularly in the southern and northern regions of the state.

Single adults reliant on a Newstart Allowance have endured a long period of limited rental options, with five-year trend data showing the highest number of available properties peaked at eight in 2014. Across Tasmania in the 2018 Snapshot, there was one single rental property affordable for a single adult on a Newstart Allowance, located in the north of the state. When putting themselves into rental stress, this cohort was able to consider 13% of properties in Tasmania, 3 percentage points less than in 2017. These 159 properties were evenly split between the state's three regions.

Those living on the Disability Support Pension saw their rental options drop from 2017 levels, with just 2% of properties affordable to rent in the entire state. These decreasing options are consistent with trend data which shows the percentage rate fluctuating between 0% and 5% availability over five years. When spending up to 49% of household income on rent, this cohort was able to consider 21% of properties, a drop from 27% in 2017. The South continued to be unaffordable to those on a Disability Support Pension with just one property in the region affordable to rent in 2018. The affordability of rental properties for this cohort has seen a consistent downward trend from an already low starting point, with 2014 levels showing seven properties available in southern Tasmania.

Single adults living on a minimum wage continued to have the highest number of affordable rental options amongst the single adult cohort, with 17% of advertised properties on the Snapshot weekend affordable for them. The North West was the most affordable region for this household type, with 29% of advertised properties affordable in that region. When spending up to 49% of their income on rent, 53% of properties state-wide became available for a single person on minimum wage.

Cohort	Household type	Payment type	Up to 30% of household income spent on rent (2018)			Up to 49% of household income spent on rent (2018)		
			Percentage affordable and appropriate	Number affordable and appropriate	By region	Percentage of properties	Number of properties	By region
 <b>Single adults</b>	Single	Newstart Allowance	0	1	South: 0 North: 1 North West: 0	13	159	South: 54 North: 51 North West: 54
	Single (aged over 21)	Disability Support Pension	2	30	South: 1 North: 5 North West: 24	21	267	South: 23 North: 115 North West: 129
	Single	Minimum wage	17	214	South: 78 North: 66 North West: 70	53	659	South: 214 North: 241 North West: 204

**Table 4: Proportion of advertised private rental properties affordable for single adults in Tasmania: 24-25 March, 2018**

## Case Study: Alex

Alex is 47 years old and is currently living in men's shelter after completing a drug rehabilitation program.

He is able to stay in the shelter for the next six weeks, but when he has to move out, he will not be able to afford his own private rental home.

Staff are worried that the threat of homelessness could cause Alex to relapse and once again turn to drug use.

## Single parents

Single parents are continuing to do it tough in Tasmania, especially those on government income support payments, for whom an average of just 3% of properties were affordable.

A single parent on a Parenting Payment with one child aged less than five had the option of 60 affordable properties advertised state-wide, with more than two-thirds of these being in the North West and none in the South. This was less than half of the 128 homes affordable for this household type in 2014. If this family were to enter rental stress and pay up to half their income in rent, 29% or 355 advertised properties would be available, but still only 10% of these were located in the South.


A single parent household with one child aged over eight years old receives the Newstart income support payment rather than Parenting Payment, which is a drop of more than \$100 per week in income. For this low-income household type, in the 2018 Snapshot there were 13 affordable advertised properties state-wide – 1% of homes. Twelve of these properties were in the North West, one in the North, and none in the South. When entering into rental stress, this household could access 16% of properties, 7 percentage points less than in 2017.

Between the 2017 and 2018 Snapshot, the proportion of advertised properties affordable for a single parent with two children on a Parenting Payment dropped by 2 percentage points, down to 3% of properties – and in raw numbers, from 73 properties in 2017, down to 42 in 2018. Of these 42 affordable properties in 2018, eight were available in the North, 34 were located in the North West and there were no affordable properties for this cohort in the South. Over five years, the number of affordable advertised homes for this household type has decreased by 63%, down from 113 in 2014. Going into rental stress and spending up to 49% of income on rent allows this household type to consider 23% of advertised properties state-wide, or 287 homes, a drop of 6 percentage points from 2017.

Those single parent households earning a minimum wage and receiving Family Tax Benefits A and B had a greater number of affordable rental options. However, of the total advertised properties on the Snapshot weekend, there were still only 13% that were affordable, which amounted to 168 properties state-wide, a 31% drop from the 243 properties in 2017 and a 50% drop over five years. Of the 168 properties in 2018, 102 were in the North



West, 55 in the North and 11 in the South. If this cohort entered into rental stress, 35% of the advertised properties state-wide would be available, a drop of 7 percentage points since 2017.

Cohort	Household type	Payment type	Up to 30% of household income spent on rent (2018)			Up to 49% of household income spent on rent (2018)		
			Percentage affordable and appropriate	Number affordable and appropriate	By region	Percentage of properties	Number of properties	By region
 Single parents	Single, one child (aged over 8)	Newstart Allowance	1	13	South: 0 North: 1 North West: 12	16	196	South: 5 North: 84 North West: 107
	Single, one child (aged less than 5)	Parenting Payment Single	5	60	South: 0 North: 17 North West: 43	29	355	South: 35 North: 157 North West: 163
	Single, two children (one aged less than 5, one aged less than 10)	Parenting Payment Single	3	42	South: 0 North: 8 North West: 34	23	287	South: 29 North: 121 North West: 137
	Single, two children (one aged less than 5, one aged less than 10)	Minimum wage + FTB A and B	13	168	South: 11 North: 55 North West: 102	35	437	South: 121 North: 170 North West: 146

**Table 5: Proportion of advertised private rental properties affordable for single parents in Tasmania: 24-25 March, 2018**

## Case study: Ryan and Sam

Ryan, 41, was living in a community housing property with his 16-year-old son, Sam, who stays with him for half the week.

He has recently moved after safety issues with neighbours and home invasions left him fearing for his wellbeing. One incident became so heated that Ryan had to go to hospital.

For the past few months Ryan and Sam have been couch-surfing because Ryan is unable to afford a private rental. Not only is this unstable situation impacting Ryan's health, but it is also starting to affect the time he can spend with his son.

## Couples with children

The rental options for low income couples differed greatly in 2018 depending whether the household was solely dependent on a government support income payment or earning a minimum wage. Despite these differences, all of the household types in this cohort experienced a drop in the number of affordable properties available to them across Tasmania.

The proportion of affordable properties state-wide for couples with two children where both adults are on a Newstart Allowance was 6%, down from the almost-constant five-year figure of 8%. There were no affordable rental options for this cohort in the South, consistent with trend data which shows they have not reached above 2% in the South in five years. Options were only slightly increased in the North, with 6% of properties deemed affordable, 1 percentage point higher than in 2017. In the North West, the number of affordable properties for this household type was almost halved in one year, from 81 in 2017 to 46 in 2018.

For a household consisting of a couple with two children, earning a minimum wage and in receipt of a partnered Parenting Payment and Family Tax Benefits A and B, there were significantly fewer affordable advertised properties compared to the 2017 Snapshot. The proportion of affordable homes advertised state-wide for this household type dropped by 8 percentage points, from 26% in 2017 to 18% in 2018. The proportion of rental properties in southern Tasmania dropped from 9% to 3% in one year, from 48 properties down to 15. Similar trends were seen throughout the state, with both the North and North West seeing a drop in the number of affordable dwellings for this household type. When this cohort moves into rental stress, 38% of advertised properties become available, down from 45% in 2017.

Consistent with the past five years, a household consisting of a couple with two children earning a minimum wage and receiving Family Tax Benefit A had a greater proportion (32%) and higher number (398) of advertised properties available to them on the Snapshot weekend than nearly all other low-income household types. Having said that, and again consistent with the overall trend, the actual number of affordable advertised properties for this household type is significantly declining state-wide, with a drop of 25% from 533 properties in 2017 to 398 in 2018. In the southern rental market in particular there was a 10

percentage point drop in the proportion of affordable rentals for this household type, from 26% of homes affordable in 2017 down to 16% in 2018. Once again, the North West was the most affordable region for this household type, but even in that region, from 2017 to 2018 there was a 36% drop in the number of advertised properties affordable for this household type, from 228 properties to 145.

Cohort	Household type	Payment type	Up to 30% of household income spent on rent (2018)			Up to 49% of household income spent on rent (2018)		
			Percentage affordable and appropriate	Number affordable and appropriate	By region	Percentage of properties	Number of properties	By region
 Couples with children	Couple, two children (one aged less than 5, one aged less than 10)	Newstart Allowance (both adults)	6	72	South: 0 North: 26 North West: 46	28	347	South: 60 North: 143 North West: 144
	Couple, two children (one aged less than 5, one aged less than 10)	Minimum wage + Parenting Payment (partnered) + FTB A and B	18	228	South: 15 North: 93 North West: 120	38	479	South: 150 North: 183 North West: 146
	Couple, two children (one aged less than 5, one aged less than 10)	Minimum wage + Family Tax Benefit A	32	398	South: 92 North: 161 North West: 145	43	538	South: 190 North: 201 North West: 147

**Table 6: Proportion of advertised private rental properties affordable for couples with children in Tasmania: 24-25 March, 2018**

”Just trying to live a normal life, getting the kids to school, getting ready for work, it’s very difficult to do that if you don’t have somewhere to sleep.”

Anglicare housing services worker


## Older people

Of all Snapshot low-income household types whose source of income is a government support payment, Tasmanians receiving an Age Pension, both individuals and couples, continue to have the highest number and proportion of advertised properties available and affordable for them, although both the number and the proportion has declined year on year.

Couples receiving an Age Pension had 14% of all advertised rental properties state-wide affordable to them in the 2018 Snapshot (169 properties). This was a 3 percentage point drop from 2017 and represents 29% fewer properties than 2017 and 58% fewer properties than at the 2014 Snapshot. Southern Tasmania continues to offer few rental options for this household type, with just 2% of properties affordable, increasing up to 21% when entering rental stress. The North and North West had a higher number of rental options for couples on the Age Pension, 72 and 84 properties respectively, which represents a similar number to 2017 in the North but a drop of 44% in the North West.

In both the 2014 and the 2018 Snapshot, 9% of the advertised properties state-wide were affordable for a single person on the Age Pension. However over those five years, the actual number of properties represented in this 9% has fallen from 185 in 2014 to 108 in 2018.

In 2018, the proportion of rental properties in Tasmania affordable for a single person on the Age Pension increased from 9% to 39% when entering into rental stress. Tasmania's North saw a 6 percentage point drop in affordable advertised homes for this household type between 2017 and 2018, with just 33 properties available in the region, a drop from 59 in 2017. Seven per cent of properties in the South were available to single Age Pensioners, in accordance with trend data that has fluctuated only slightly over five years.

Cohort	Household type	Payment type	Up to 30% of household income spent on rent (2018)			Up to 49% of household income spent on rent (2018)		
			Percentage affordable and appropriate	Number affordable and appropriate	By region	Percentage of properties	Number of properties	By region
 <b>Older people</b>	Single	Age Pension	9	108	South: 42 North: 33 North West: 33	39	485	South: 177 North: 162 North West: 146
	Couple (no children)	Age Pension	14	169	South: 13 North: 72 North West: 84	49	610	South: 117 North: 274 North West: 219

**Table 7: Proportion of advertised private rental properties affordable for older people in Tasmania: 24-25 March, 2018**

## Case study: Sonya

Early in 2018, 65-year-old Sonya and her two wheelchair-bound adult grandchildren were forced to move out of their caravan after the Hobart caravan park's fees were increased by \$40 per week and she could no longer pay rent. Sonya and her grandchildren were forced to move in with her nephew and his partner, along with their six children, resulting in a severely over-crowded home. Sonya has applied for more than 50 rental homes with no success. Sonya says that if she just had a home, everything else would fall into place.

## Findings by region

### South






Low-income families and individuals have been increasingly locked out of Tasmania's southern rental market, with the region entirely unaffordable for eight of the 14 low-income household types examined in the Snapshot.

In total, there were 562 properties advertised to rent in the South on the 2018 Snapshot weekend, a 40% drop since 2014. An average of 9% of properties were affordable to those earning a minimum wage in 2018, compared to 13% in 2017, respectively.

For young people on Youth Allowance and families on government income payments there were no affordable properties advertised to rent in the south on the Snapshot weekend, leaving these households no option but to extend themselves into rental stress or extreme rental stress to secure a home. Similarly, for a person on a Disability Support Pension there was one property in the southern region that could be considered affordable, again forcing vulnerable people into rental stress.

However, even when low-income households extend themselves into rental stress and pay more than 30% of their income on rent, there were still severe limits to the number of advertised properties they could consider in the southern region. Paying up to 49% of income on rent still only made 2% of properties in the south an option for a young person living on Youth Allowance, and for a single parent of one on Newstart Allowance and a single parent of one on Parenting Payment only 1 and 6% (5 and 35) of advertised properties could be considered.

Although compared to 2017 there was a 10% increase in the number of properties advertised in the South on the Snapshot weekend this year, significantly fewer were affordable, indicating that wages and government income payments are not keeping pace with increases in rental prices.

Cohort	Household type	Payment type	Up to 30% of household income spent on rent (2018)		Up to 49% of household income spent on rent (2018)	
			Percentage affordable and appropriate	Number affordable and appropriate	Percentage of properties	Number of properties
 <b>Young people</b>	Single (aged over 18)	Youth Allowance	0	0	2	14
	Single (in a share house)	Youth Allowance	0	0	2	11
 <b>Single adults</b>	Single	Newstart Allowance	0	0	10	54
	Single (aged over 21)	Disability Support Pension	0	1	4	23
	Single	Minimum wage	14	78	38	214
 <b>Single parents</b>	Single, one child (aged over 8)	Newstart Allowance	0	0	1	5
	Single, one child (aged less than 5)	Parenting Payment Single	0	0	6	35
	Single, two children (one aged less than 5, one aged less than 10)	Parenting Payment Single	0	0	5	29
	Single, two children (one aged less than 5, one aged less than 10)	Minimum wage + FTB A and B	2	11	22	121
 <b>Couples with children</b>	Couple, two children (one aged less than 5, one aged less than 10)	Newstart Allowance (both adults)	0	0	11	60
	Couple, two children (one aged less than 5, one aged less than 10)	Minimum wage + Parenting Payment (partnered) + FTB A and B	3	15	27	150
	Couple, two children (one aged less than 5, one aged less than 10)	Minimum wage + Family Tax Benefit A	16	92	34	190
 <b>Older people</b>	Single	Age Pension	7	42	31	177
	Couple (no children)	Age Pension	2	13	21	117

**Table 8: Proportion of advertised private rental properties affordable for low income households in Southern Tasmania: 24-25 March, 2018**

## North

The northern rental market remained relatively stable year-on-year for those on low incomes, with a severe lack of affordable housing still troubling the region. Despite a small increase in the number of available properties, the affordability of the region remained relatively unchanged for most of the cohorts.

Changes for households receiving government support payments shifted by no more than 1 percentage point on average, with four of the 10 cohorts having 0 per cent of available rentals suitable to them. This remained similar to 2017 results, showing there has been a lack of action over the past 12 months to address housing affordability in the region. Those single households living on the Age Pension were hit the hardest over 12 months as their property options decreased by 6 percentage points.






There continued to be no housing options available to those living on Youth Allowance and single people on a Newstart Allowance, the same numbers as were recorded five years ago.

Households living on a minimum wage suffered in the North in 2018, with each of the four household types experiencing an average drop of 5 percentage points in affordable housing over one year. Couples with two children earning a minimum wage and Family Tax Benefit A continued to have the most rental options available to them in the North – 37% in 2018. Single households earning a minimum wage saw their rental options drop from 85 properties in 2017 to 66 in 2018, a 6 percentage point decrease. Couples with two children earning a minimum wage, a partnered Parenting Payment, and Family Tax Benefit A and B also experienced a drop in rental options, from 110 available and affordable to rent in 2017 to 93 in 2018.

**“Much more than usual, we’re having people referred from the South to the North and North West because the market in southern Tasmania is completely unavailable; thinking things will be better up here but they’re not.”**

Anglicare housing services worker



Cohort	Household type	Payment type	Up to 30% of household income spent on rent (2018)		Up to 49% of household income spent on rent (2018)	
			Percentage affordable and appropriate	Number affordable and appropriate	Percentage of properties	Number of properties
 <b>Young people</b>	Single (aged over 18)	Youth Allowance	0	0	5	23
	Single (in a share house)	Youth Allowance	0	0	5	23
 <b>Single adults</b>	Single	Newstart Allowance	0	1	12	51
	Single (aged over 21)	Disability Support Pension	1	5	26	115
	Single	Minimum wage	15	66	55	241
 <b>Single parents</b>	Single, one child (aged over 8)	Newstart Allowance	0	1	19	84
	Single, one child (aged less than 5)	Parenting Payment Single	4	17	36	157
	Single, two children (one aged less than 5, one aged less than 10)	Parenting Payment Single	2	8	28	121
	Single, two children (one aged less than 5, one aged less than 10)	Minimum wage + FTB A and B	13	55	39	170
 <b>Couples with children</b>	Couple, two children (one aged less than 5, one aged less than 10)	Newstart Allowance (both adults)	6	26	33	143
	Couple, two children (one aged less than 5, one aged less than 10)	Minimum wage + Parenting Payment (partnered) + FTB A and B	21	93	42	183
	Couple, two children (one aged less than 5, one aged less than 10)	Minimum wage + Family Tax Benefit A	37	161	46	201
 <b>Older people</b>	Single	Age Pension	8	33	37	162
	Couple (no children)	Age Pension	16	72	62	274

**Table 9: Proportion of advertised private rental properties affordable for low income households in Northern Tasmania: 24-25 March, 2018**

## North West






Tasmania's North West demonstrated the most dramatic change in the 2018 Snapshot, with a 45% drop in advertised properties compared to the 2017 Snapshot weekend, down from 438 in 2017 to 243 in 2018. Despite this drop in the total pool of advertised properties, the North West remains the most affordable region of Tasmania for all the low-income cohorts measured.

Despite its comparative affordability, for a young person living on Youth Allowance and a single person living on a Newstart Allowance there were no affordable properties advertised to rent. This is a trend that has remained for more than five years, with the maximum percentage reaching just 2% since 2014. Even when putting themselves into rental stress, an average of 6% of properties were available to those single people aged over 18 on Youth Allowance, a drop from 12% in 2017. Options for those single adults on Newstart Allowance increased to 22% upon entering rental stress – the same percentage as in 2017 but almost half the number of properties.

Single parents on a Newstart Allowance were the next most at-risk cohort, with 5% of properties available to rent in the North West, a drop of 2 percentage points from 2014. Parents were able to rent 44% of properties if they were to enter rental stress, a drop from 49% in 2017.

Single parents on Parenting Payments and couples on a Newstart Allowance were able to afford an average of 17% of homes in the region – the same percentage of affordability as was recorded in 2017, however this represents only about half the number of properties given the decline in stock.

The four household types earning a minimum wage continued to see a combined average drop in the number of properties available to rent, a total of 38% since 2017. Those earning a minimum wage had overall more rental options than those on government incomes, especially couples with two children on a minimum wage and Family Tax Benefit A, with 60% of all properties affordable in 2018 in the North West.

Cohort	Household type	Payment type	Up to 30% of household income spent on rent (2018)		Up to 49% of household income spent on rent (2018)	
			Percentage affordable and appropriate	Number affordable and appropriate	Percentage of properties	Number of properties
 <b>Young people</b>	Single (aged over 18)	Youth Allowance	0	0	6	14
	Single (in a share house)	Youth Allowance	0	0	5	12
 <b>Single adults</b>	Single	Newstart Allowance	0	0	22	54
	Single (aged over 21)	Disability Support Pension	10	24	53	129
	Single	Minimum wage	29	70	84	204
 <b>Single parents</b>	Single, one child (aged over 8)	Newstart Allowance	5	12	44	107
	Single, one child (aged less than 5)	Parenting Payment Single	18	43	67	163
	Single, two children (one aged less than 5, one aged less than 10)	Parenting Payment Single	14	34	56	137
	Single, two children (one aged less than 5, one aged less than 10)	Minimum wage + FTB A and B	42	102	60	146
 <b>Couples with children</b>	Couple, two children (one aged less than 5, one aged less than 10)	Newstart Allowance (both adults)	19	46	59	144
	Couple, two children (one aged less than 5, one aged less than 10)	Minimum wage + Parenting Payment (partnered) + FTB A and B	49	120	60	146
	Couple, two children (one aged less than 5, one aged less than 10)	Minimum wage + Family Tax Benefit A	145	60	60	147
 <b>Older people</b>	Single	Age Pension	14	33	60	146
	Couple (no children)	Age Pension	35	84	90	219

**Table 10: Proportion of advertised private rental properties affordable for low income households in North West Tasmania: 24-25 March, 2018**

## Metropolitan and regional comparison

Housing located in Tasmania's regional areas proved to be the most affordable for Tasmanians living on low incomes in 2018. Although there were more houses advertised for rent in Tasmania's metropolitan areas, they were overall less affordable than those in regional areas.

Of the 1245 properties advertised on the Rental Affordability Snapshot weekend in 2018, three-quarters of them (938 homes) were located in metropolitan areas across Tasmania (Hobart, Launceston, Devonport and Burnie). There were only 307 homes located in regional and rural areas, but these properties were overall more affordable to every one of the 14 low income households measured. Of the advertised homes in metropolitan areas, an average of 6% of these were affordable to low income households, compared to 18% in regional areas.

Single parents on a Newstart Allowance were completely unable to afford to rent a home in metropolitan Tasmania, while they were able to afford 4% of advertised homes if they moved to a regional area – further away from public transport, services and employment opportunities.

Single parents and couples with children benefited the most from moving to a regional area, with an average 20 percentage point increase in the affordable properties available to them. If they were to move to a regional area, a couple with two children earning a minimum wage and Family Tax Benefit A was able to rent the highest percentage of properties in this year's Snapshot – 58%.

### **Case study: Elizabeth and Katie**

Elizabeth, 55, lives with her 18-year-old daughter, Katie. She is currently paying \$230 per week for their private rental property in Launceston, but now that Katie has turned 18 and is receiving her own government support income, Elizabeth has lost her Family Tax Benefit payments and is no longer able to afford rent.

They have been trying to find a cheaper property but there is nowhere available in their price range. The stress of the situation is having a big impact on Elizabeth and her mental health is beginning to suffer.

## What are the findings telling us?

In Tasmania, low vacancy rates and rising rents that outstrip increases in wages and government support payments have become the norm. This is leading to a normalised yet devastating situation where Tasmanian families and individuals on low incomes who need to find their home in the private rental market are forced to compete for an inadequate number of homes. If they are fortunate enough to secure a home in this competitive environment, they will almost inevitably be paying an unaffordable and unsustainable proportion of their income in rent, often greater than half.

In 2018, the Rental Affordability Snapshot found that for young Tasmanians, affordable housing was at critically low levels, offering no affordable private rental options for this cohort. Nationally on the Snapshot weekend, there were just two homes that were affordable for a young person on Youth Allowance. In a country of almost 10 million private dwellings (ABS 2018b), 67,365 of which were advertised on the private rental market on 24-25 March 2018, two were affordable for young people (Anglicare Australia 2018). In Tasmania, there were 8040 people receiving Youth Allowance in September 2017 (DSS 2018) and not one advertised property was affordable for them in the Snapshot without entering rental stress.

An affordable and secure home is an essential foundation for the important progress that must happen at this time in a young person's life, as they move into independence and pursue further education or training to equip them to move into employment. The fact that we are failing as a state to ensure that young people have an opportunity to access this essential foundation risks derailing their progress and sending them on a trajectory of insecurity and uncertainty. This is not only to the detriment of their personal wellbeing, but is counter to the social and economic outcomes we hope to achieve for our state.

The reality for far too many young people who are not able to compete even for unaffordable rental properties is that they are left with a range of insecure and unsafe housing options – couch surfing, squatting, sleeping rough, finding shelter in unsafe conditions. Youth homelessness is rising, with people under the age of 25 accounting for 38% of those seeking assistance from homelessness services.

With advertised Tasmanian private rental property numbers down 38% since 2014, government support payments and the minimum wage are proving to be simply not enough to live on. Overwhelmingly, social service staff are reporting that Tasmanians are spending more than 50% of their income on rent just to secure a home, and sometimes more than 75% of income. When there is as little as \$100 left after paying rent each fortnight, very difficult choices must be made. For many Tasmanians this will mean going without essentials such as food, transport, healthcare, or utilities,

With such low vacancy rates, the level of competition for low- and medium-priced homes is very high, with those on the lowest incomes competing with others who are on much higher incomes with a better chance to be chosen as a tenant. Even when low-income tenants are able to secure housing, some are subjected to significant rental increases – in one example, a tenant’s rent was increased from \$175 per week to \$300. Anglicare frontline staff are increasingly helping low-income tenants who are choosing not to report maintenance or upkeep concerns to their landlords for fear of being told to leave once their lease ends.

Although the pricing of rentals in Tasmania's North West remained similar to previous years, the slashing of housing stock brings with it a concerning decline in affordable options. Anglicare Tasmania staff have reported seeing a dramatic increase in the number of families moving from the state’s South to the North and North West in hopes of finding a home, and in one case a couple was living in the North West and commuting to the South for employment. This migration caused by the extremity of the southern rental market is now being experienced as additional pressure the North and North West markets.

Over the past six months, Anglicare has witnessed a significant increase in demand for housing services in the North and North West of Tasmania, with the first three months of 2018 seeing 427 social housing applications in the North West compared to 300 that were received in the last six months of 2017. Private rental applications have also increased during the first quarter of this year, again more markedly in the North West. Homelessness assessments and referrals to Housing Connect in the North West are tracking to increase substantially in the first half of 2018.

In every government income support category, Tasmania has more than its national share of people reliant on support payments as their main source of income. For those who are able to secure work, the national minimum wage is currently sitting at \$694.90 per week (Fair Work Ombudsman 2018), but even with additional government income support payments this has proved to be barely enough to secure affordable housing in Tasmania. Seeing waged households, who have traditionally been able to manage their own housing needs, increasingly turn to support services for assistance demonstrates the urgency of current housing pressures.

### **Case study seven: Alison and Harry**

Harry is 10 years old and is based in Launceston. In the last year, he has moved schools four times and is currently sleeping in a tent in a squat.

Harry and his mum, Alison, have been homeless for almost a year after leaving their rental property due to violent neighbours. Since then, Alison and Harry have had two stays in shelters, but their emergency accommodation options have run out.

Alison is living on a Newstart Allowance and could not afford a two-bedroom rental as it took several months for her Family Tax Benefit payment to be processed. Even with both government incomes, she says she is still unable to afford a two-bedroom property for her and Harry.

When a rental property is affordable, Alison says there are sometimes 40 rental applications passed to the real estate agent and she cannot compete. She was interviewed for social housing, only to be told there was nothing available to her.

Because Harry has had to change schools so many times, it is impacting his education and his ability to maintain and make friends. In the squat, it was cold and it was hard to cook food, so Harry's physical health is also starting to suffer.

Once Alison and Harry can find a permanent home, Alison can then start addressing her own mental health issues, but until then, she worries for her and Harry's future.

## References

ABS see Australian Bureau of Statistics.

AIHW see Australian Institute of Health and Welfare.

Anglicare Australia 2018, *Rental Affordability Snapshot 2018*, Canberra.

Australian Bureau of Statistics 2018a, *Average weekly earnings, Australia, Nov 2017*, CAT No 6302.0, Canberra.

Australian Bureau of Statistics 2018b, *Census of population and housing: Estimating homelessness 2016*, Canberra.

Australian Institute of Health and Welfare (AIHW) 2017, *Housing assistance in Australia 2017*, viewed on 10 April 2018, <<https://www.aihw.gov.au/reports/housing-assistance/housing-assistance-in-australia-2017/contents/dwelling-and-household-size>>.

Conisbee, N 2018, *realestate.com.au Property Outlook – March 2018*, realestate.com.au.

Department of Health and Human Services (Tasmania) 2014, *Progress chart June 2014*, Tasmania.

— 2015, *Tasmania's affordable housing strategy 2015-2025*, Tasmanian Government.

— 2018a, *Human services dashboard*, Tasmania, viewed on 10 April 2018, <[http://www.dhhs.tas.gov.au/humanservicesstats/human\\_services\\_dashboard](http://www.dhhs.tas.gov.au/humanservicesstats/human_services_dashboard)>.

— 2018b, *Quarterly housing report Jan-Mar 2018*, Tasmanian Government.

Department of Social Services (Australia) 2018, *DSS demographics September 2017*, viewed on 10 April 2018, <<https://data.gov.au/dataset/dss-payment-demographic-data/resource/28d86295-2702-4b6a-801d-43f46c8a806c>>.

Department of State Growth 2015, *Population growth strategy*, Tasmanian Government.

DHHS see Department of Health and Human Services (Tasmania).

DSS see Department of Social Services (Australia).

Fair Work Ombudsman 2018, *Minimum wages*, Australian Government, viewed on 13 April, 2018, <<https://www.fairwork.gov.au/how-we-will-help/templates-and-guides/fact-sheets/minimum-workplace-entitlements/minimum-wages>>.

Frost, N 2018, *Renting a house in Hobart just \$10 cheaper than Melbourne: Domain Group Rental Report*, Domain, viewed 13 April, 2018, <<https://www.domain.com.au/news/renting-a-house-in-hobart-just-10-cheaper-than-melbourne-domain-group-rental-report-20180412-h0yfkj/>>.

Inside Airbnb 2018, viewed on 10 April 2018, <<http://insideairbnb.com/tasmania/>>.

Jaensch, R 2018, *Incentives to help boost affordable housing stock*, media release, Tasmania.

Productivity Commission 2018, *Report on Government Services 2018: Housing*, Canberra, viewed on 13 April, 2018, <<https://www.pc.gov.au/research/ongoing/report-on-government-services/2018/housing-and-homelessness/housing/rogs-2018-party-chapter18.pdf>>.

SGS Economics and Planning 2017, *Rental affordability index*, 2017.

SQM Research 2018, *Residential vacancy rates, city: Hobart*, viewed on 13 April, 2018, <[http://sqmresearch.com.au/graph\\_vacancy.php?region=tas%3A%3AHobart&type=c&t=1](http://sqmresearch.com.au/graph_vacancy.php?region=tas%3A%3AHobart&type=c&t=1)>.



Tourism Tasmania 2018, *Tasmanian tourism snapshot – Year ending December 2017*, Tasmania.

University of Tasmania 2016, *Transforming lives. Transforming cities. A partnership proposal to deliver an education-driven revitalisation of Northern Tasmania*, Tasmania.

UTAS see University of Tasmania.

Whiting, N 2018, 'It's bedlam': Tasmania's economic boom leads to housing shortage, ABC Tasmania, Hobart, viewed on 10 April 2018, <<http://www.abc.net.au/news/2018-02-08/tasmanias-popularity-leads-to-housing-shortage/9409460>>.

Yates, J 2007, *Housing affordability and financial stress, National Research Venture 3: Housing affordability for lower income Australians*, Australian Housing and Urban Research Institute, Sydney.