

## Snapshot: Anglicare NSW South, West & ACT – South East NSW

### Introduction

The population of this region (the Capital Region of NSW) is approximately 220,000 and 3.6% have an Aboriginal or Torres Strait Islander background, many of whom live in the South Coast area. While the South Coast's fastest growing demographic is people aged 55 and over, the Southern Tablelands is growing fastest in the 15-24yo age group. Major regional hubs in this area include Goulburn, Batemans Bay, Bega, Yass and Queanbeyan.

The Capital Region has overall low unemployment at 5.2% and 12.1% for young people. This masks pockets of higher youth unemployment in coastal areas. This area also has a lower rate of labour force participation (61.1% compared to 66%) perhaps related to the slightly older median age of this population.<sup>1</sup>

Housing prices are cheaper in the Capital Region than those in metropolitan centres, but not by much considering the greater distance from economic hubs. The median weekly rent for a 2-bedroom house in the Capital Region is around \$280-\$300 per week.

Despite the lower accommodation prices in this area, 656 people were considered homeless on Census Night 2016. This is an increase from the 528 counted in 2011. This means about one in 300 people in the Capital Region were homeless on Census night. A further 593 people were considered to be marginally housed, in crowded accommodation, other improvised accommodation or caravan parks, meaning that about 1 in 150 people was homeless or insecurely housed on Census Night 2016.<sup>2</sup>

8.8% of the Capital Region population who were renting accommodation were paying more than 30% of the household income for rent, putting them in an unaffordable situation. This is a lower rate than Australia overall (11.5%) reflecting the lower cost of accommodation in regional areas. The median household income is \$1228 in the Capital Region, compared to \$1438 nationally, and 13.1% of households take home more than \$3000 weekly income compared to 16% nationally. 23.4% of households in the Capital Region have a weekly income less than \$650, compared to 20% nationally.<sup>3</sup>

Anglicare NSW South, NSW West & ACT provides support to low-income households in South-Eastern NSW through

- Housing services and homelessness support in the South Coast, Goulburn and Yass regions
- Emergency relief assistance
- Youth and family support services
- Disability support services
- Out-of-Home Care programs and related support services

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<sup>1</sup> Data from Labour Market Information Portal as at February 2019 <http://lmip.gov.au/>

<sup>2</sup> Homelessness data from Estimating Homelessness, 2016, ABS 2049.0. LGA and SA2 tables.

<sup>3</sup> From Riverina SA4 and Murray SA4, 2016 Census.

- Cassie's Place and Cassie's Nest, specialised trauma counselling services for children

## Findings

On the 23<sup>rd</sup> March 2019, 458 private rentals were advertised for rent in Capital Region NSW. Private rentals and shared houses were surveyed from online sources including realestate.com.au, allhomes.com.au, and gumtree.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 that:

- 53 individual properties were suitable for at least one household type living on income support payments without placing them in housing stress
- 189 individual properties were suitable for at least one household type living on minimum wage without placing them in housing stress.

While there were a reasonable number of affordable options for some low-wage household types, households reliant on income support had very few rentals to choose from. There were noticeably fewer options for both income supported and minimum wage households this year compared to 2018.

### Young people and jobseekers

There were no affordable and appropriate options for any single person reliant on Youth Allowance or Newstart Allowance, even in shared accommodation.

### Families receiving income support

A very small proportion of properties in South-Eastern NSW was affordable to couple or single parent families receiving income support. There was nowhere affordable to a single parent family whose income was Newstart Allowance and Family Tax Benefit.

### Older people, and people with disabilities

A handful of properties were found for people living on the Aged or Disability Pension, many of which were in shared housing which in many cases would be complex or not appropriate for people eligible for these payments. Additionally, some of these were in small regional towns which may have lacked the support, health or public transport infrastructure needed by elderly people or those with disabilities.

### Low-waged households

A small proportion of properties was affordable to families with one or two minimum wage incomes, with 7% affordable to single parents with a minimum wage income and 36% affordable to a family with two minimum wage incomes. However, the condition, location, and proximity to jobs and essential services of the cheaper options are likely to have been quite variable.

<b>On the Snapshot weekend, these are the number of unique properties affordable and appropriate for:</b>	
Households on income support payments (#1-10)	Households on minimum wage (#11-14)
53	189

*Table 1: Rental Affordability, Capital Region, by household type and percentage*

Household Type	Payment Type	# Affordable & Appropriate	% Affordable & Appropriate
Couple, two children (one aged less than 5, one aged less than 10)	Newstart Allowance (both adults)	10	2%
Single, two children (one aged less than 5, one aged less than 10)	Parenting Payment Single	5	1%
Couple, no children	Age Pension	46	10%
Single, one child (aged less than 5)	Parenting Payment Single	10	2%
Single, one child (aged over 8)	Newstart Allowance	0	0%
Single	Age Pension	9	2%
Single aged over 21	Disability Support Pension	6	1%
Single	Newstart Allowance	0	0%
Single aged over 18	Youth Allowance	0	0%
Single in share house	Youth Allowance	0	0%
Couple, two children (one aged less than 5, one aged less than 10)	Minimum Wage + FTB A	165	36%
Single, two children (one aged less than 5, one aged less than 10)	Minimum Wage + FTB A & B	31	7%
Single	Minimum Wage	27	6%
Couple, two children (one aged less than 5, one aged less than 10)	Minimum Wage + Parenting payment (partnered) + FTB A&B	63	14%
<b>Total No of Properties</b>		<b>458</b>	

## Discussion

There is considerable diversity within the Capital Region in terms of industry and socio-economic disadvantage. While the major affordability issues in Canberra and Queanbeyan continue to have an effect on the broader Capital Region as people seek cheaper housing outside the capital, the coastal towns experience different seasonal pressures. As the ACT report found, a total absence of affordable accommodation for several household types including single parent households and low-income lone person households means that low-income and even low-waged households can only find affordable accommodation in towns outside the ACT.

As a provider of out-of-home care services to young people without family support, Anglicare is particularly concerned about the impact on young people of the expensive private rental market. More options need to be provided for young people leaving foster, kinship or residential care to transition to independence in a safe, affordable environment well-linked to support services and opportunities for education, training and employment.

Affecting young people but also any individuals looking to rent in this market, single income households continue to struggle, with no affordable options for young people supported by Youth Allowance or jobseekers supported by Newstart. Six properties (1%) were affordable to the slightly higher Disability Support Pension and nine properties (2%) considered affordable to those receiving Age Pension as shared housing was included as appropriate for this household type. In reality, many share houses may not be an appropriate environment for an older person, or they may not be considered a good fit by existing housemates particularly if there are other applicants – the informal shared housing market is very dependent on the particular characteristics of residents and applicants. Local services note that affordable options for older people are frequently under-serviced and inaccessible to public transport and support systems, compromising their ability to age in place at their home.

Anglicare's experience as a long-term provider of homelessness services in Goulburn, Yass and Eurobodalla areas is that need for services has increased, with clients experiencing more complex issues. It is of particular concern that no change has been observed over the several years that Anglicare has been reporting on the Rental Affordability Snapshot.

In a context where there is a very limited supply of affordably priced housing, competition between prospective tenants is high. As a result, landlords can pick and choose the tenant they prefer, leaving single parent families, Centrelink-supported households, Indigenous households, young people and people with disabilities facing repeated rejections, owing to discriminatory perceptions about these groups being less desirable tenants.

Households whose incomes are derived from Centrelink benefits are often unable to move to regions where housing is more affordable. Those required to look for work as part of their Centrelink obligations risk losing their benefits for up to 6 months if they move to a town with significantly worse unemployment, even if they do so in search of affordable housing. The higher unemployment rates and housing costs of towns close to the ACT means households in this situation could be trapped in an unaffordable area.

Particularly affecting the South Coast but increasingly also the Snowy Mountains areas, a large number of properties for rent are only available for short-term holiday rentals, which distort the housing supply issues faced by the area. While there may be a large number of houses, many are not available to long-term tenants, leaving a shortage for permanent residents of the area and resulting in higher prices. The increase in use of AirBnB and similar services is compounding this problem, with reports of landlords forcing long-term tenants in holiday areas onto 11-month leases so that they can get the much greater income from holiday renting in peak period. In some ways this mimics the situation in major cities, where efforts to increase housing supply are undermined by investment properties being left unoccupied for long periods of time.

### Policy implications

Although waged households have access to affordable housing in this region, a number of vulnerable household types would experience considerable difficulty in finding appropriate, affordable housing within reach of needed services and transport links to the community. In order for our region to be inclusive of all its residents, policies which continue to promote the increase of rental prices need to be modified and incentives to provide lower cost, appropriate accommodation for low income families and individuals must be provided.

### Messages for the NSW Government

There is a need to increase supply of housing across NSW, both in total and with regard to the NSW Government's social housing portfolio. Ever-increasing private rental costs put pressure on social housing, meaning that in some regions the expected waiting time for housing exceeds 10 years.

South-East NSW's population is older overall, yet there are few options in the private rental market for people reliant on the Age Pension, particularly single people. The assumption underlying the Age Pension, that an older family has purchased and paid off the home in which they live and so do not have ongoing rental costs, can no longer be relied upon and this trend is increasing as housing becomes more unaffordable for many. Not only do older people require affordable accommodation, but it needs to be safe and appropriate to their needs and well-linked to community and health resources. Older people living alone may need to live in particular areas to receive family support or provide it, for example to a partner in an aged care facility or providing care to grandchildren, and their ability to drive may be limited. Supply of social housing appropriate for older people needs to be increased across regional NSW.

Anglicare continues to advocate for young people leaving out-of-home care across NSW by supporting the Home Stretch campaign to extend the out-of-home care to age 21. Anglicare is a major provider of services for young people in statutory care in Central West NSW and is extremely concerned about young people leaving care and moving into independence. Many young people leaving out-of-home care are dealing with extremely complex personal, legal and family issues and the severe financial strain of unaffordable housing compounds their stress and isolation. Statistics show that 35% of care leavers experience homelessness in the first year after leaving care.<sup>4</sup> A combination of better wraparound support, extended

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<sup>4</sup> <http://thehomestretch.org.au/learnmore/>

care options, and increased financial resources is needed to prevent the additional trauma of homelessness for our most vulnerable young people. The Premier's Youth Initiative is an important component of supporting young people's transition to independence; however, providing options for young people to stay in care until age 21 would mean they have the same opportunities as most Australian young people to undertake further study or training without jeopardising their housing or trying to survive on inadequate government payments.

The close interaction between the ACT and surrounding NSW means that governments must work in partnership to provide infrastructure for those who travel between the two. Public transport links, particularly between Queanbeyan and Canberra but also between Goulburn and Canberra, are vital and must be continually supported and made affordable for low-income commuters.

#### Social Housing wait times in the Capital Region

- Goulburn: 5-10 years, depending on property type required
- Yass: 2-10 years, depending on property type required
- Bateman's Bay: 5-10 years, depending on property type required
- Moruya: 2-10 years, depending on property type required
- Queanbeyan: 2-10 years, depending on property type required.

#### Messages for the Federal Government

At the Federal Government level, it is important that current tax concessions including Negative Gearing and Capital Gains Tax exemptions are examined to ensure they are supporting equity in the housing market and not creating an unfair advantage for any group of taxpayers. Income inequality is also driving housing stress for households reliant on government benefits, which have not kept pace with the increases in the cost of living, particularly with regard to housing. Both of these issues are discussed in greater detail in the overarching National report.

#### Conclusion

The private rental market in South-East NSW has few options for people on a low income such as minimum wage or government benefits. This is placing significant pressure on government housing programs, as well as contributing to financial stress and social exclusion for families unable to access subsidised housing. In particular, single aged pensioners, single parents, disability pensioners, unemployed people and families, and students have virtually no access to appropriate and affordable housing. In providing services to the community, Anglicare sees this undermine the independence of young people leaving out-of-home care, people with disability, and families struggling to provide a better future for their children.