2019 Rental Affordability Snapshot: Adelaide Metropolitan Region

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Introduction

The AnglicareSA Rental Affordability Snapshot was undertaken in conjunction with The Australian Alliance for Social Enterprise at the University of South Australia. The snapshot surveyed rental properties available in the Adelaide area on Saturday 23 March 2019. The survey used rental listings on realestate.com.au.

Properties were assessed for affordability and appropriateness for a number of different household types and incomes. This survey defined an affordable rental as one which took up less than 30% of the household's income. The 30% benchmark is commonly used as an indicator of 'housing stress' among low income households.

We assessed how many properties would be affordable for each of the household types listed in the findings section of this report. The only income sources taken into account were the household's main income support payment or minimum wage and Family Tax Benefit. Other allowances the household might receive (e.g. Mobility Allowance, electricity supplements) were not included. Commonwealth rent assistance was included as income for the purpose of calculations.

Data were disaggregated to separate listings of appropriate and affordable properties. Appropriateness for properties was assessed on the basis of the number of the bedrooms in relation to the number of occupants. For a property to be considered suitable, it was required to be affordable and appropriate.

Findings

On the weekend of 23 March, 2,710 properties were advertised for rent in and around Adelaide. Of these, we found that:

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

- 1089 individual properties were suitable for at least one household type living on minimum wage without placing them in housing stress.

Table 1: Rental Affordability, Adelaide, 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)	45	2%
2	Single, two children (one aged less than 5, one aged less than 10)	Parenting Payment Single	18	1%
3	Couple, no children	Age Pension	72	3%
4	Single, one child (aged less than 5)	Parenting Payment Single	10	0%
5	Single, one child (aged over 8)	Newstart Allowance	0	0%
6	Single	Age Pension	12	0%
7	Single aged over 21	Disability Support Pension	12	0%
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)	1,074	40%
12	Single, two children (one aged less than 5, one aged less than 10)	Minimum Wage + FTB A & B	181	7%
13	Single	Minimum Wage	24	1%
14	Couple, two children (one aged less than 5, one aged less than 10)	Minimum Wage + Parenting payment (partnered) + FTB A & B	374	14%
	Total No of Properties	2,710		

Table 1 demonstrates that, on the day of the snapshot, 92 appropriate and affordable houses were available for rent by households on income support payment. This was equivalent to 3.4% of the rental market. 1089 appropriate and affordable houses were available to rent in the aggregate for households on a minimum wage. This was equivalent to 40.2% of the rental market.

Appropriate and affordable rental accommodation was in extremely short supply for households on income support as a whole category, but the property availability figures were lower than the aggregate figure of 3.4% for each household type analysed. Disaggregating the figures for household type, 2% of properties were available at the time of the snapshot for couples on Newstart allowance with two children, and 3% of properties

were available for couples on the Age Pension with no children. 1% of properties were available for a single parent on Parenting Payment with two children.

Similarly, disaggregated figures for households on the minimum wage reveal 1% of the rental market being available as affordable and appropriate housing for a single person on the minimum wage at the time of the snapshot.

Figures were more favourable for families with two children receiving the minimum wage (with between 7% and 40% of houses being affordable and appropriate, depending on family category). At the other end of the availability spectrum, 0% of houses (and in four out of seven categories, zero actual properties) were affordable and appropriate for single people on the Age Pension, Disability Support Pension, Newstart Allowance or Youth Allowance, and also for a single parent on Parenting Payment with one child under five years of age.

This survey does not take into account suitability of properties in regard to physical accessibility, nor does it account for suitability of neighbourhood or region. An additional stressor which is not addressed in this snapshot is that of bond payments, which can be up to six weeks' rent in the South Australian context.

Policy Implications

Over the ten years of the Anglicare Rental Affordability Snapshot, AnglicareSA has shown repeatedly that housing unaffordability is at crisis levels for people living on low incomes across the Adelaide area. Action must be taken with a coordinated, systemic and broad approach to addressing housing affordability, growing the supply of social housing, and reforming the current tax system to support lower cost housing.

Conclusion

This snapshot assessed the degree of access to the housing rental market for 14 household types on 23 March 2019, when housing was assessed against criteria for affordability and appropriateness. All disaggregated household types reliant on income support payment had access to less than 3.4% of the rental market, with seven household types having access to 0% of the rental market at the time that the snapshot was taken.