



# **Snapshot: Anglicare Northern Inland – Tamworth, Armidale, Inverell and Moree NSW**

## **Introduction**

Anglicare provides social services in the New England North West region of NSW, covering Tamworth, Armidale, Inverell, Narrabri and Moree; and outreach services to surrounding towns such as Glen Innes, Boggabilla, Mungindi and Wee Waa.

Among the communities Anglicare serves, there are a number of people surviving on low incomes and facing high levels of unemployment. The services Anglicare provides assist people living with relationship stress, addiction, depression and mental health issues. Services include Families and Relationship Services; Family Law Counselling; Financial Counselling and Psychosocial Support Services for those with Mental Health issues.

Anglicare Northern Inland amalgamated into Anglicare Sydney on 1 July 2018.

## **Methodology**

Every year Anglicare Northern Inland tests if it is possible for people on low incomes to rent a home in the private market. We do this by taking a snapshot of the properties listed for rent on realestate.com.au on one weekend in March or April. We then assess whether each property is affordable and suitable for fourteen types of households on low incomes.

Those households are:

- single people receiving the Disability Support Pension, Youth Allowance, JobSeeker and the Age Pension, or earning minimum wage
- single parents receiving the Parenting Payment or earning the minimum wage
- couples without children on the Age Pension, and
- couples with children on JobSeeker, Parenting Payment, earning the minimum wage, or a combination of these income sources.

To test whether a listing is affordable, we calculate the income for our household types using government data. We use these figures to calculate the maximum affordable rent for each household type, and compare that against listed properties that are suitable for each household type. The Snapshot follows the internationally accepted benchmark that rent needs to be no more than 30 percent of a household budget to be affordable for people on low incomes.

## **Findings**

On the Snapshot weekend of 26 March 2021, 335 private rentals were advertised for rent in Northern Inland. 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:

- 94 (28 percent) individual properties were suitable for at least one household type living on income support payments without placing them in housing stress.
- 197 (58 percent) individual properties were suitable for at least one household type living on minimum wage without placing them in housing stress.



**On the Snapshot weekend, these are the number of unique properties affordable and appropriate for:**

Households on income support payments (#1-10)	Households on minimum wage (#11-14)
94	197

*Table 1: Rental Affordability, Northern Inland, by household type and percentage*

#	Household Type	Payment Type	Number Affordable & Appropriate	Percentage Affordable & Appropriate
1	Couple, two children (one aged less than 5, one aged less than 10)	Jobseeker Payment (both adults)	11	3%
2	Single, two children (one aged less than 5, one aged less than 10)	Parenting Payment Single	2	1%
3	Couple, no children	Age Pension	68	20%
4	Single, one child (aged less than 5)	Parenting Payment Single	19	6%
5	Single, one child (aged over 8)	Jobseeker Payment	7	2%
6	Single	Age Pension	39	12%
7	Single aged over 21	Disability Support Pension	20	6%
8	Single	Jobseeker Payment	0	0%
9	Single aged over 18	Youth Allowance	0	0%
10	Single in share house	Youth Allowance	0	0%
11	Couple, two children (one aged less than 5, one aged less than 10)	Minimum Wage + FTB A (both adults)	143	43%
12	Single, two children (one aged less than 5, one aged less than 10)	Minimum Wage + FTB A & B	31	9%
13	Single	Minimum Wage	55	16%
14	Couple, two children (one aged less than 5, one aged less than 10)	Minimum Wage + Parenting payment (partnered) + FTB A & B	69	21%
Total No of Properties		335		



## Discussion

In Northern Inland, as is the case across Australia, renters on low incomes are being left behind and forgotten in the narrative of economic recovery.

Rents are less affordable than ever, with fewer listings available compared with 2020 and those listings becoming less affordable across the board. Yet as our Snapshot was being taken, the support that had been given to renters at the height of the pandemic was falling away. In NSW, people in hardship had been given the right to defer their rental payments. They were also protected by eviction moratoriums to ensure they weren't punished for deferring payments. These arrangements expired on 26 March 2021, just as our Snapshot was being taken. Some renters have found themselves tens of thousands of dollars in rental arrears. If they can't afford to repay their landlords, they face the very real prospect of eviction. On top of it all, cuts to JobSeeker, Youth Allowance and other payments came into effect at the beginning of April. Governments should step up to assist landlords and tenants with the impact of these changes.

Put simply, renters on low incomes are facing the perfect storm. The private rental market continues to fail them, especially if they are out of work. The new rate of JobSeeker, which has been framed as an increase, has had no impact on affordability.

People on income support, especially those who are out of work, have few options. We found that there was not a single affordable rental for a single person on the JobSeeker payment, out of all of the listings in the region. This includes sharehouses. The dire shortage of affordable rentals will condemn people to make difficult decisions to keep a roof over their head. Some will be turning to Anglicare Northern Inland or other services in our region to make the rent.

Families out of work are also facing a dire situation. An out-of-work couple with two children can afford three percent of rentals. Single parents out of work face even tougher odds, with affordability at just two percent. This helps explain why the rate of JobSeeker is such a critical factor in child poverty – one in six children now lives in poverty, with those growing up in households that depend on JobSeeker at much greater risk.<sup>1</sup>

This year's results again show how brutal the rental market is for young people. A person on Youth Allowance cannot afford any rentals in the Northern Inland, including sharehouses. Youth Allowance is the lowest of all government payments, and year after year, we find young people are at the bottom of the affordability ladder.

People with disabilities face unique challenges in this market. Some will find that the rentals listed in this Snapshot don't meet their needs, and for many people, the Disability Support Pension is too low to allow them to rent a home that does. A person on the Disability Support Pension could afford six percent of rentals at the time of our Snapshot.

The most generous of government payments is the Age Pension. Yet a couple living on the Age Pension will find themselves locked out of 80 percent of rentals. Single retirees have it even worse, with just twelve percent of listings left to compete for.

All of this is a wake-up call. What this Snapshot shows is that finding an affordable home in the private rental market is complete fiction for people on low incomes. It is part time for action to make housing more affordable.



## Policy Implications

### *Raising the rate of payments for people on the lowest incomes*

Across Northern Inland, people out of work depend on JobSeeker and other payments to get by. Many are likely to be renting, yet this Snapshot shows that the payment is so low that its trapping people in poverty and housing stress.

Raising the rate of JobSeeker and related payments above the poverty line will give badly needed relief to the people on the lowest incomes. It will allow them to afford the essentials they need to live their lives, and plan for their futures. Most importantly, it will give more people the benefits of a secure home.

### *More affordable rental homes for the Northern Inland*

The shortfall of affordable homes in our region is massive. The Australian Housing and Urban Research Institute has shown we that we have a shortfall of 4,300 social and affordable rentals across New England and North West NSW. By 2036, that number is expected to grow to 5,500.<sup>ii</sup>

With the private rental market failing so many people, we must invest in homes for people those need them most. Ending our affordable housing shortfall would be the most powerful way to tackle the rental crisis – and boost our regional economy. The Federal and State governments must work together end this shortfall.

### *More support for renters*

Commonwealth Rent Assistance is meant to help people on low incomes to afford their rent. But it has failed to keep pace with the cost of renting, which has been skyrocketing.

It means that people on low and middle incomes are paying so much in rent they can't meet basic costs like decent food and medical expenses. And for people on some government income payments, like Youth Allowance and Newstart, it doesn't kick in until their rent is already causing serious financial stress.

We need to reform and increase Commonwealth Rent Assistance so that it works for people struggling to pay the rent. That will give people in housing stress more to spend on food, their health and getting on with life in their local community.

### *A plan to end homelessness*

The number of people experiencing homelessness is growing every year because of the shortage of affordable housing. This lack of access to affordable housing is a major concern for older people, who are being into homelessness at record-high rates – at a time in their lives when they need stability more than ever.

People who are homeless need safe secure homes to help them get back on their feet. Being stuck indefinitely in temporary emergency accommodation is not the answer.

We need a plan to end homelessness that tackles the causes of homelessness, including the lack of affordable housing, poverty, and family violence. We also need funding and support to rehouse people who are homeless, helping them keep a roof over their head.



## Conclusion

This year's Rental Affordability Snapshot shows that the private rental market is failing people on low incomes. Some people may have shelter or accommodation, but there is very little on the market that could be a place to call home.

The key to making housing more affordable lies in two factors: making sure everyone has a decent income, and providing enough affordable rentals for the people who need them.

It is clear that we must invest in affordable housing. The shortfall of affordable rentals in our region must be tackled. The sobering results of this Snapshot show that this investment is truly urgent.

Anglicare Northern Inland is also calling for an increase to the rate of JobSeeker and other payments. This will help people on the lowest incomes find a secure home.

We also need to give more support to renters, and make a real plan to tackle homelessness.

Nobody should be forced to make impossible sacrifices just to keep a roof over their head. It's time to take real action, and make sure that everyone can have place to call home.

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<sup>i</sup> Phillips, B. and Narayanan, V. (2021) [Financial Stress and Social Security Settings in Australia](#). Australian National University Centre for Social Research and Methods.

<sup>ii</sup> Australian Housing and Urban Research Institute (2018) [Social housing as infrastructure: an investment pathway](#). See Appendix 4.