

Rental Affordability Snapshot paints a grim picture, yet again

This week, Anglicare Australia released its tenth Rental Affordability Snapshot. And after ten years, it is clear that the Australian dream – a place to call home – has become a nightmare for many Australians.

Our Snapshot surveys rental listings on a sample weekend each year. We then test each listing to see if it's affordable for different household types, ranging from people on the minimum wage, the age pension, and different government payments.

This year's Snapshot surveyed over 69,000 private rental listings across the country over one sample weekend. We've found a dire crisis for people on the lowest incomes, with affordability at an all-time low.

We found that no properties in any capital city were affordable for a single person on Youth Allowance or Newstart. In fact, there were only two properties across the entire country that were affordable for people on these payments.

The most generous of government benefits is the Age Pension. Yet for a couple on the pension, only three percent of rentals were affordable. Single pensioners have it even worse, with less than one percent of listings left to compete for.

Working people are hardly better off. A single person working full-time on the minimum wage will find that only two percent of rentals are affordable – another all-time low for our Snapshot.

Of course, this Snapshot doesn't tell the whole story. Although we look at the full-time minimum wage, we know that half of our workforce is now working casually. Over one million Australians are underemployed. Their plight is likely to be much worse than this Snapshot shows.

Nor can the Snapshot consider the competition for each of these properties. In an overheated market, an affordable property can attract dozens of applications.

So how do people manage? For too many people, paying the rent means they can't afford to eat decent food, fill a prescription, pay for transport, or buy clothes. Anglicare Australia members see their clients facing these impossible decisions.

But this balancing act can only go on for so long. It can come to a crashing end when an unexpected bill comes in or when the rent increases. For these people the car, a friend's sofa, a homelessness service, or even a tent in a squat becomes home.

All of this matters enormously for the growing number of older Australians who rent. This year, we've looked closely at older people who are stuck in expensive and insecure rentals – at a time in their life when stability is more important than ever.

A growing number of older Australians are on Newstart, including some 183,000 people over 50 who have been on Newstart for over a year. Research shows that

this cohort might not ever return to the workforce. Our Snapshot paints a glum picture for them, with years of rental stress ahead of them before they retire onto the age pension.

Unfortunately, their story won't end there. This year we had our worst result for people on the age pension – but perhaps that isn't surprising. The pension was designed assuming that retirees own their own home and have no housing costs. But with home ownership going down, more and more pensioners are renting in retirement. And for many, that means they are retiring into poverty.

The insecurity facing older people should worry renters everywhere. It paints a bleak picture for their future.

It wasn't always like this. There used to be a net for older people who didn't own their home or have savings. Public and social housing once offered people security in their later years. But here again, we are failing older people. Australia is now looking to the private rental market to provide housing for more and more people. And as our governments walk away from social housing, more people must fend for themselves in a market that is out of control. With over 115,000 people homeless – including a growing number of older people – we desperately need to increase the amount of social housing and put a roof over the head of every Australian.

That is the central call of this year's Snapshot. If we wait another ten years to act on these findings, we will be condemning hundreds of thousands of Australians to a lifetime of housing stress.