

# Rental Affordability Snapshot

## Tasmania 2020



Margie Law and Selina Claxton





# More information

Margie Law

Phone: 1800 243 232

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

Anglicare website: [www.anglicare-tas.org.au](http://www.anglicare-tas.org.au)

Anglicare Facebook: [www.facebook.com/AnglicareTas](http://www.facebook.com/AnglicareTas)

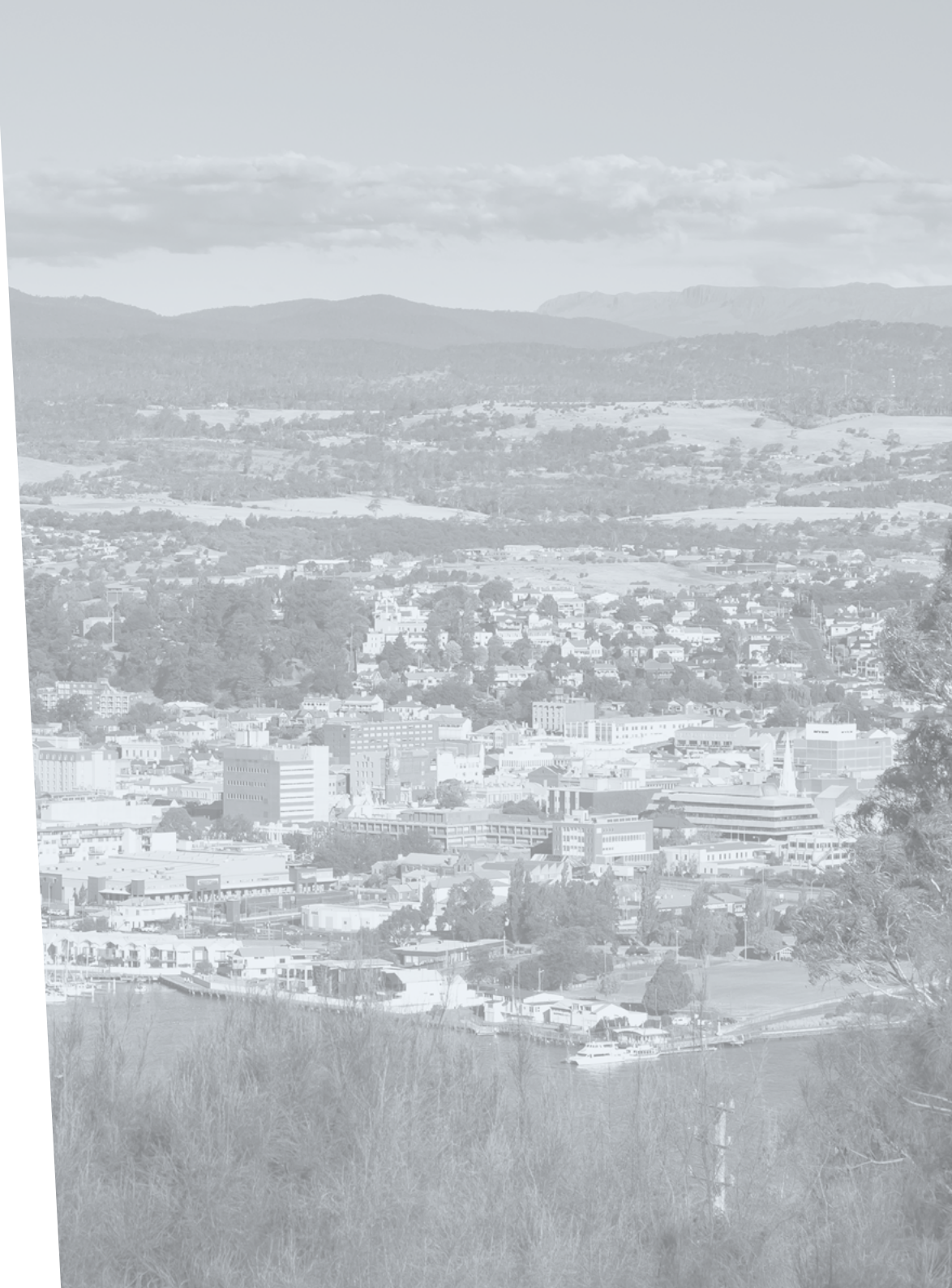
© SARC Anglicare Tasmania 2020

ISBN: 978-1-921267-55-0

# Acknowledgements

Graphic Design: Mouse & Mind

The authors would like to thank Housing Connect staff from Anglicare Tasmania and Colony 47, the Tenants' Union of Tasmania, Shelter Tas, the Housing and Community Research Unit (HACRU) at the University of Tasmania, the REA Group and Anglicare Australia.



# Contents

Anglicare's experience in housing services and advocacy	3
Key findings	4
No relief in the housing "crisis"	6
The impact of the Coronavirus Supplement	16
What can be done?	17
Recommendations	18
References	19
Appendix 1: Regional context	20
Appendix 2: Data	23





# Anglicare's experience in housing services and advocacy

Anglicare Tasmania is a large community service organisation in Tasmania with offices in Hobart, Glenorchy, Launceston, St Helens, Devonport, Burnie, Sorell and Zeehan and a range of programs in rural areas. Anglicare's services include crisis, short-term and long-term accommodation support; NDIS disability and mental health services; support services following a motor vehicle accident; aged and home care services; alcohol and other drug services; financial and gambling counselling; and child, youth and family support. In addition, Anglicare's Social Action and Research Centre (SARC) conducts research, policy and advocacy with a focus on issues affecting Tasmanians on low incomes who are disadvantaged or vulnerable.

Anglicare Tasmania is committed to achieving social justice for all Tasmanians. It is our mission to speak out against poverty and injustice and offer decision-makers alternative solutions to help build a more just society. We provide opportunities for people in need to reach their full potential through our services, staff, research and advocacy.

Anglicare delivers a range of housing services including Housing Connect (assistance with crisis accommodation, bond and rent for private rentals

and applications for public or social housing); long-term communal or independent housing for people on a low income including some options for age-specific cohorts; and crisis accommodation for males aged 13 to 20.

Every year since 2007, SARC has analysed the rental market across Tasmania for the Rental Affordability Snapshot. We have also conducted in-depth research into particular accommodation challenges for people with mental ill health (Pryor 2011), youth homelessness (Pryor 2014), the need for stable housing and care for unaccompanied homeless children (Robinson 2017) and stable housing and support to expedite family reunification within the Child Safety System (Fidler 2018).

Anglicare also contributes to Parliamentary processes. Recent work includes providing advice on two draft bills, one on changes to short stay accommodation and one on housing supply (Anglicare 2018a, 2018b), and submitting and speaking to the 2019 Select Committee on Housing Affordability (Anglicare 2019).



# Key findings

Since 2007, Anglicare Tasmania has tested whether it is possible for people living on low incomes to afford to rent a home in the private market. We do this by taking a snapshot of all properties listed for rent on realestate.com.au and gumtree.com.au on one weekend each year. We then assess whether each property is affordable and appropriate for 14 types of households on low incomes.

A property is considered affordable for our low-income households if the rent is less than 30% of income (Yates 2007). To be deemed appropriate, it must also have enough bedrooms for the needs of that household type (AIHW 2019b). We are unable to assess appropriateness for particular mobility needs.

The Snapshot data was collected just as Tasmania and the rest of Australia was experiencing the escalation of the COVID-19 pandemic. Some government responses to the pandemic will greatly assist people living on low incomes, such as the State Government's protection from eviction and expanded family violence services and the Federal Government's Coronavirus Supplement, which was announced on 25 March as a temporary \$550 fortnightly payment to selected income support recipients with payments starting from 27 April (Services Australia 2020). Other responses,

such as the closure of many public spaces and the requirement to "stay at home", will negatively impact our most vulnerable Tasmanians, those who are homeless or at risk of homelessness.

On the Snapshot weekend of 21-22 March 2020, there were 1,291 properties listed for rent across Tasmania. This is a 52% reduction in listings since 2013.

Of this year's listings, just 145 properties (11%) would have been affordable and appropriate for our households that rely on income support payments. This is a reduction of 67 properties since the same time in 2019. Just a third of the properties listed (444) would have been affordable and appropriate for our households on the minimum wage, which is similar to 2019.

This year's Snapshot also looks at the impact for people seeking rentals if they retained the temporary Coronavirus Supplement permanently. This would considerably increase the amount of money available for some people. Using the same March 2020 listings, 343 properties (more than a quarter of all listings) would have been affordable and appropriate for our households that rely on income support payments, an additional 198 properties. (See Appendix 2).





### Bek, on Youth Allowance in Launceston

No properties anywhere in Tasmania were affordable for a person on Youth Allowance.



### Rosemary, on Newstart<sup>1</sup> in Launceston

Just two properties were affordable for a single person on Newstart in Northern Tasmania where Rosemary lives, with a further two listed in the North West. No properties were affordable in the South.



### Dale, single dad on Newstart with one child in Wynyard

Just one property across Tasmania was affordable and appropriate for a single parent with one child. This was in Rosebery on the West Coast.

Names and some details have been changed to protect the identity of Anglicare Tasmania clients.



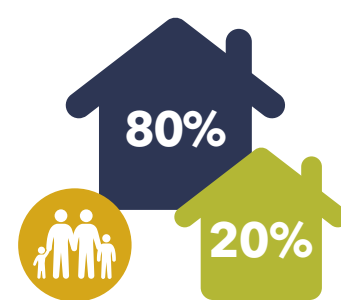
### John, on Disability Support Pension in Launceston, caring for his two grandchildren.

Six properties were affordable for John across the state but only one in Launceston, close to his grandchildren's school and supports.



### Allan and Jean, both receiving the Age Pension in Hobart.

Across the state, just 37 properties were affordable for a couple on the Age Pension, only 3 of which were in southern Tasmania.



### Jack and Katy, both on minimum wages with two children in North West Tasmania.

Although 254 properties were affordable and appropriate across the state for this family of four, only 73 were in the North West region, 10 of which were on the West Coast, close to where they work.

<sup>1</sup> RAS 2020 was conducted just as the Federal Government renamed Newstart Allowance to JobSeeker Payment. For the purposes of this report, Newstart Allowance will be used when the income received is pre-Coronavirus Supplement and JobSeeker Payment will be used when the Coronavirus Supplement is included.



# No relief in the housing “crisis”

Tasmania has been experiencing a housing “crisis” for many years<sup>2</sup>. Long-term trends in housing supply and demand as well as inadequate policy and practice initiatives have left thousands of Tasmanians disadvantaged for many years.

Over the past eight years:

- private rental listings have declined significantly;
- private rental prices have increased;
- house purchase prices have increased; and
- public and social housing has not been able to meet demand.

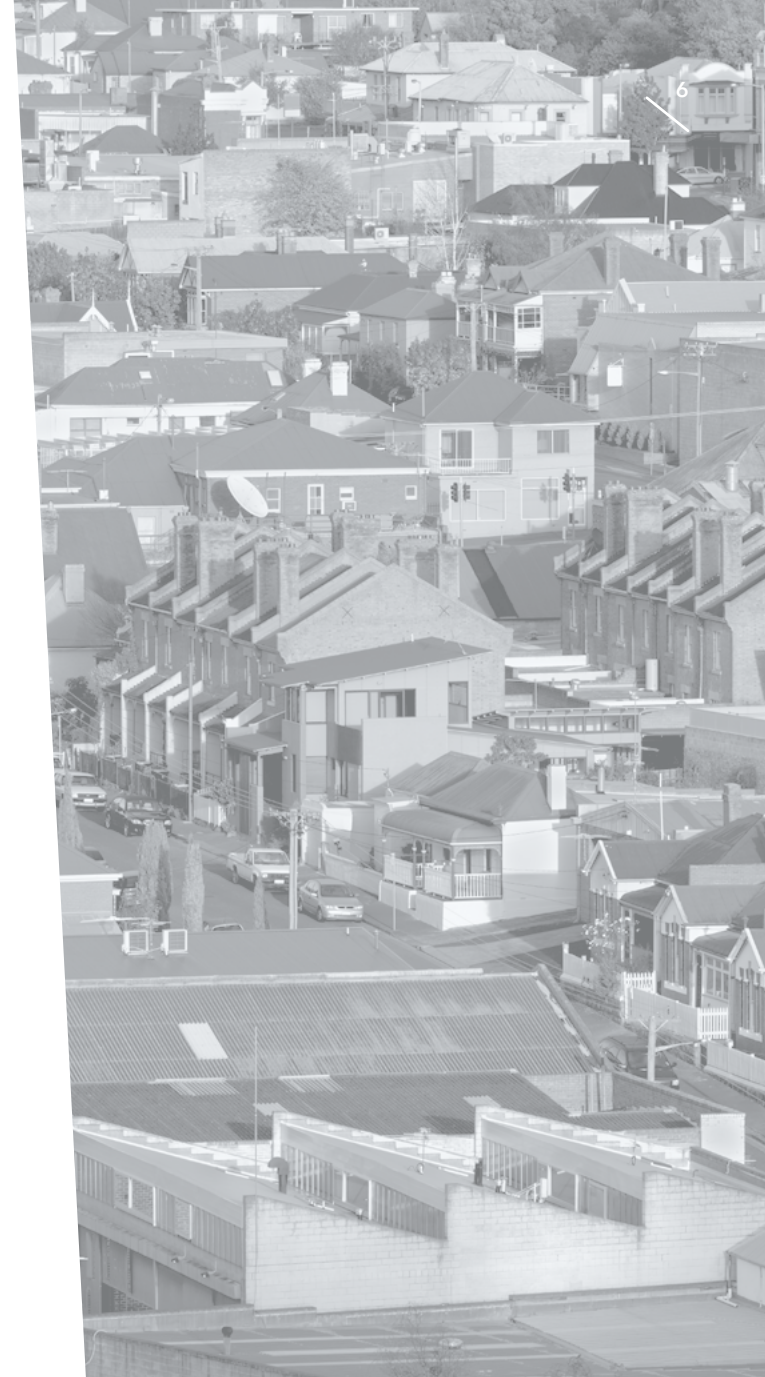
These conditions have resulted in:

- increased competition for private rentals;
- increased waiting lists for public housing; and
- unrelenting demand for homelessness services.

## Reduced private rental stock

The total number of listings advertised for rent across Tasmania on the Snapshot weekend has more than halved over the past eight years. In 2013, there were 2,677 properties advertised statewide. This year there were just 1,291, which was less than the number advertised in southern Tasmania alone eight years ago (see Figure 1). The 50% decrease in listings since 2013 is seriously limiting opportunities for people to find and secure affordable private rental properties. The slight increase in stock numbers between 2019 and 2020 is mainly due to the impact of the Coronavirus on tourism and education, releasing short-term rentals and student accommodation onto the residential rental market.

Furthermore, the proportion of listings that are share houses, not whole properties, has more than doubled over eight years<sup>3</sup>. With one in five properties listed being share houses, this puts further pressure on families for whom a room in a share house is not appropriate (AIHW 2019b). It may also exclude other renters if share houses are set up for a certain ‘type’ of renter, such as students or young adults.



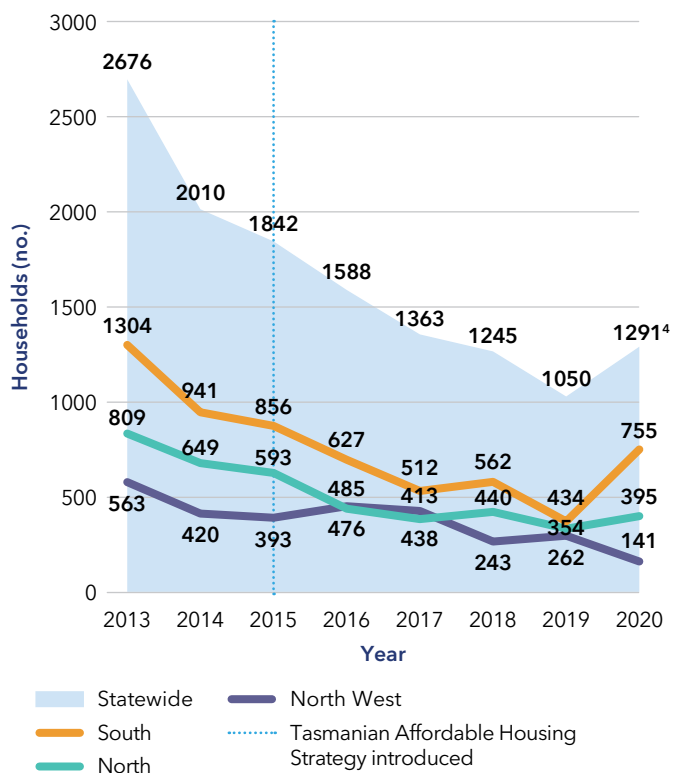
2 Anglicare argues that rather than a crisis, which is generally considered to represent a short-term situation, Tasmanians are experiencing long-term housing disadvantage.

3 Properties that include shared kitchen and living spaces are counted as share houses.

## Private rental market pressures

In recent years, the growth in population, improved regional employment, growth in house prices in greater Hobart, increased numbers of international students, and a boom in tourism have all put market pressures on the private rental market, particularly in southern Tasmania (Department of Treasury and Finance 2018).

**Figure 1: Number of rentals available in Tasmania on the Rental Affordability Snapshot weekend**



As a result the private rental vacancy rate for Hobart has been declining since 2013 and currently stands at 0.8%, well below the 1-2% experts say is needed to stabilise rent (SQM Research 2020, Jacobs et al. 2019). Significantly, the vacancy rate has remained below 1% since the introduction of the State Government’s Affordable Housing Strategy in 2015 (SQM Research 2020).

At the same time and as a result of the tight rental market, rents have increased, with 3-bedroom properties in Southern Tasmania experiencing approximately 30% increase over the past three years (TUT 2010; Jacobs et al. 2019).

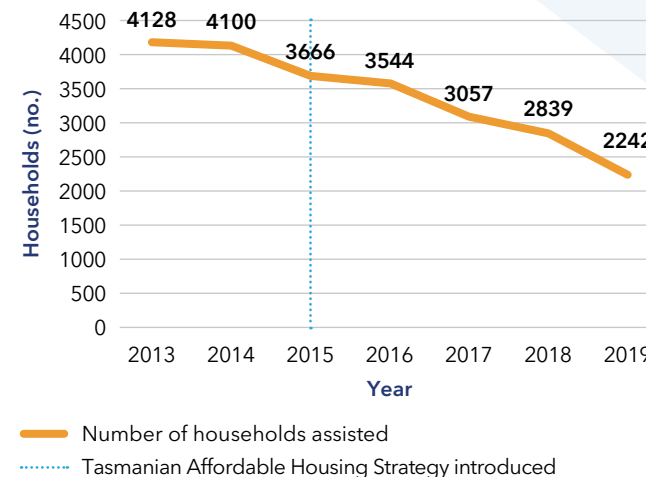
Tasmanian house purchase prices have also been going up, with Hobart dwellings increasing in value by almost 40% over the past five years (Jacobs et al. 2019). This contributes to market pressure for private rentals as it becomes more difficult to save money for a deposit, leaving more people to compete for the limited private rental properties.

For years, Anglicare clients have told us they are competing against 40 or more other prospective tenants each time they apply for a private rental property, leaving more vulnerable applicants at a competitive disadvantage.

## State assistance falls short for private renters

The State Government-funded Private Rental Support Service (PRSS) assists people to access and maintain a tenancy in the private rental market through bonds, rent assistance, support for some rent arrears, removals assistance, information and advocacy. Eight years ago, it assisted 4,128 households per year. Today just 2,242 households are being assisted, a reduction of almost 2,000 households being assisted per year. In the past year alone, there has been a reduction in PRSS assistance for more than 500 households (DoC 2019) (see Figure 2).

**Figure 2: Private Rental Support Service**



4 The slight increase in stock numbers between 2019 and 2020 is mainly due to the impact of the Coronavirus on tourism and education, releasing short-term rentals and student accommodation onto the residential rental market.





## Unrelenting pressure on public and social housing

The combined tight and expensive private rental market and expensive house purchase market increases pressure on public and social housing.

There were 3,330 applicants<sup>5</sup> waiting for public housing in June 2019, 1,000 more than those waiting in 2013 (2,310 applicants) and 560 more than at the start of the Affordable Housing Strategy in 2015 (DoC 2019) (see Figure 3). As of December 2019, the number waiting had further increased to 3,478 (DoC 2020).

The average wait time for applicants to be housed as of June 2019 was more than a year – 61 weeks, up from 38 weeks eight years ago (see Figure 4). This sees applicants waiting on average 427 days for a stable home (DoC 2019). As of December 2019, the wait has further increased to 65 weeks (DoC 2020).

All sides of politics publicly acknowledge Tasmania has a housing crisis, with the State Government making a policy and financial commitment through the Affordable Housing Strategy since 2015. The Federal Government’s waiving of Tasmania’s historic housing debt late in 2019 will release approximately \$15 million in debt repayments annually. Yet despite this, the number of applicants assisted into public housing has remained flat for the past eight years at around 1,000 per year (see Figure 3).

Figure 3: Applicants on the Public Housing Register

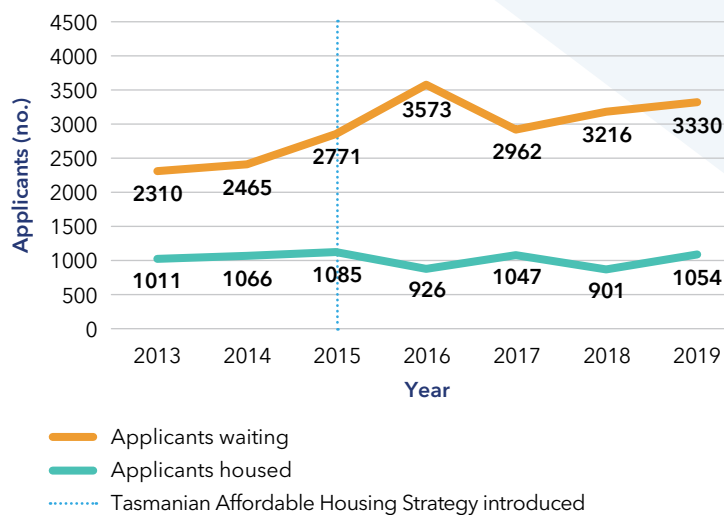
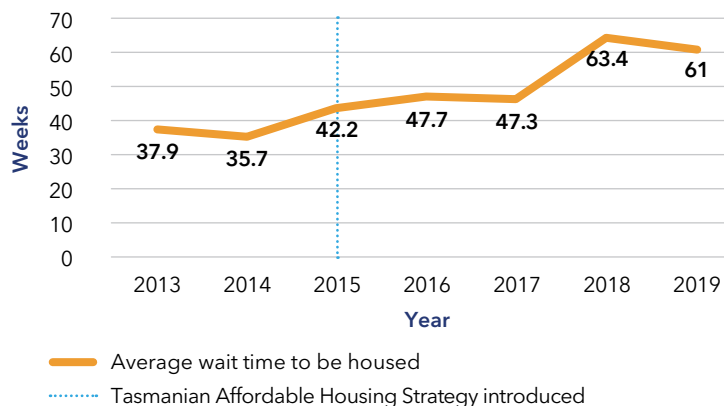


Figure 4: Waiting times for public housing



5 Each application could be for a single person or a family, which means many more than 3,330 people are waiting for public housing assistance.

## Unrelenting pressure on Specialist Homelessness Services

With a tight private rental market, high house purchase prices and no growth in support for public and social housing, it should not be a surprise that Tasmanian homelessness services are unable to meet demand.

In any one night, 1,600 Tasmanians are homeless, a fifth of whom are children, and a further 940 Tasmanians are living in other marginal settings such as caravan parks and improvised or crowded dwellings (ABS 2018).

In 2018-19, Specialist Homelessness Services (SHS) assisted 6,600 people in Tasmania, about the same as the previous year, the majority of whom said they were seeking help because of "housing crisis", a figure significantly higher than nationally (AIHW 2019a). These services have consistently assisted 6,000 or more people annually for the past eight years.

On average, 31 requests for assistance went unmet each day, which was higher than last year and has risen steadily each year from 14 requests being unmet daily eight years ago (AIHW 2013). Despite Tasmania having just 2% of Australia's population, 12% of all Australians turned away from homelessness services per day in 2018-19 lived in Tasmania (AIHW 2019a).

Today, the median length of SHS support provided to a homeless Tasmanian is well above the national average, standing at 75 days as opposed to the national average of 44 days (AIHW 2019a). This was a further increase on the previous year when the median length of support was 62 days. This support might include provision of short to mid-term accommodation and helping a person get ready for a longer term tenancy, including referrals to specialist services for medical needs, training or employment. While a greater proportion of Tasmanians seeking help from Specialist Homelessness Services are accommodated than the national average, the vast majority of this assistance is short-term and emergency (about 50% of clients) with very little medium or transitional (less than 20%) or long-term assistance (less than 10%) being provided (AIHW 2019a).

In Tasmania particular priority groups use homelessness services at a rate higher than the national average (AIHW 2019a): children and young people (15-24 years) presenting alone (27.5 people per 10,000 population, compared to the national average of 17.2); clients needing help with their mental health (59.8 per 10,000 compared to 34.6); and people leaving care (5.4 per 10,000 compared to 2.7).

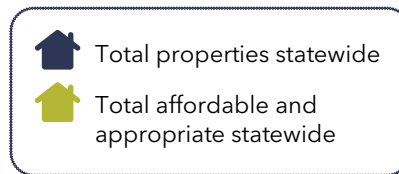






# Meet Bek

- Single
- Late teens
- Receives Youth Allowance
- Lives in Launceston
- Uses public transport to get around



Bek can afford to pay \$71 per week for rent.<sup>6</sup>

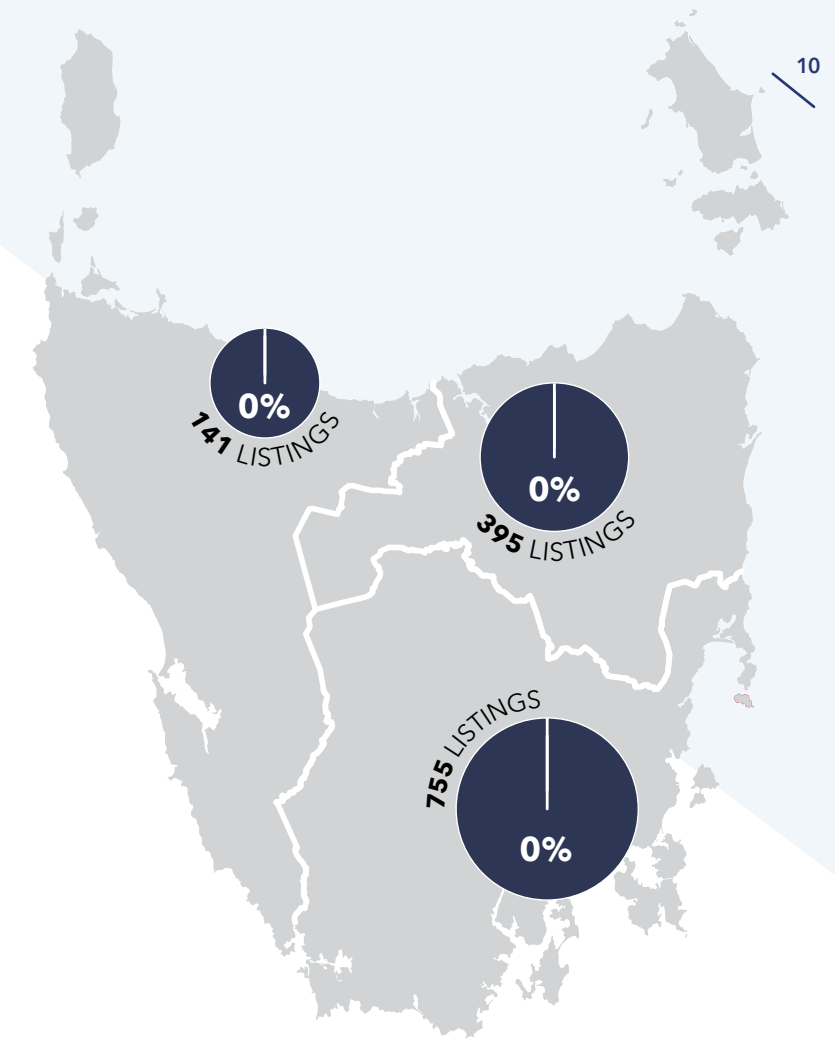
## No properties anywhere in Tasmania, including share houses, are affordable for Bek.

This has been the case for people on Youth Allowance for the past eight years.

Bek is currently living in a supported shelter and has been homeless since she was 13.

In the shelter, Bek has been supported to start a TAFE course and find casual jobs, which she hopes will lead to permanent work and a better position financially.

<sup>6</sup> Maximum affordable rent per week for each cohort takes into account the person's income and Commonwealth Rent Assistance.



“

*I am now ready to move out and live by myself. I want to live alone because I've seen too many friends' share houses fall down and they've ended up back in the housing system. But on Youth Allowance and with just casual work I can't afford anything.”*

–Bek, on Youth Allowance in Launceston





# Meet Rosemary

- Single woman in her 40s
- On Newstart
- Lives in Launceston



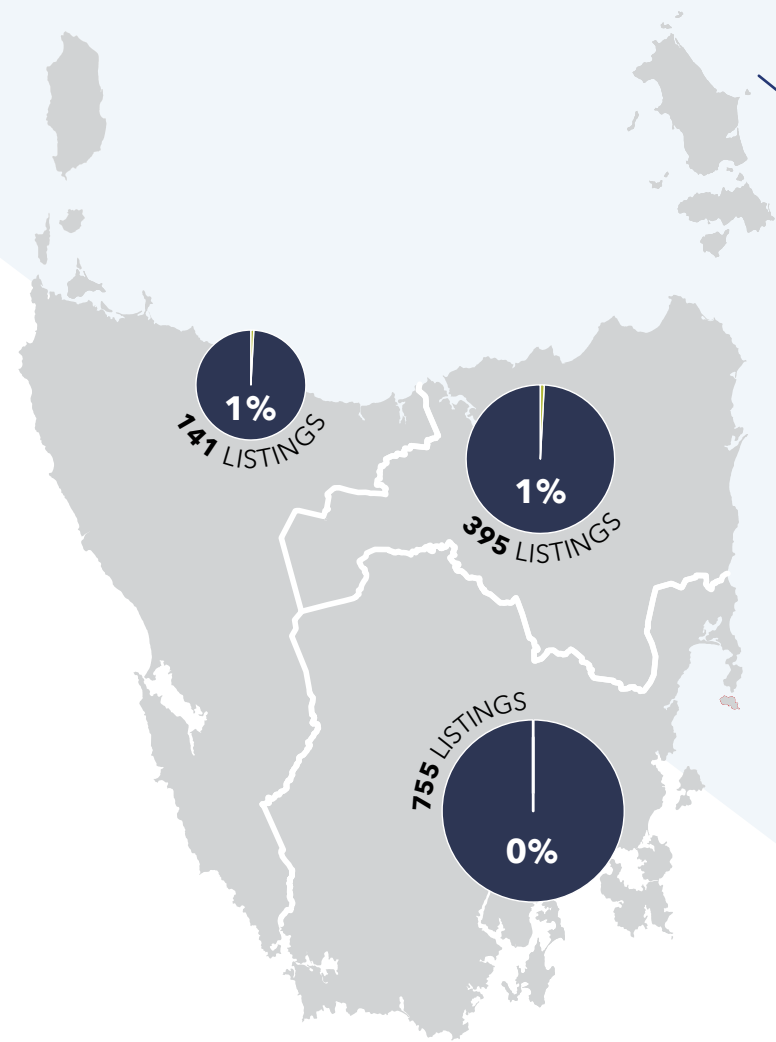
- Total properties statewide
- Total affordable and appropriate statewide

Rosemary can afford to pay \$90 per week for rent.

**There were four properties she could afford, two in the North and two in the North West.**

There has been no improvement in availability and affordability of private rentals for single people on Newstart over the past eight years.

Rosemary had been living in the same rental for the past six years, originally with her husband. Rent increases now see the same property taking 62% of her income.



“

*As a single African woman, I am anxious about where I live. I need to be close to my cultural supports. My friends have been helping me with food but I can't keep on paying so much for rent.”*

–Rosemary, on Newstart in Launceston

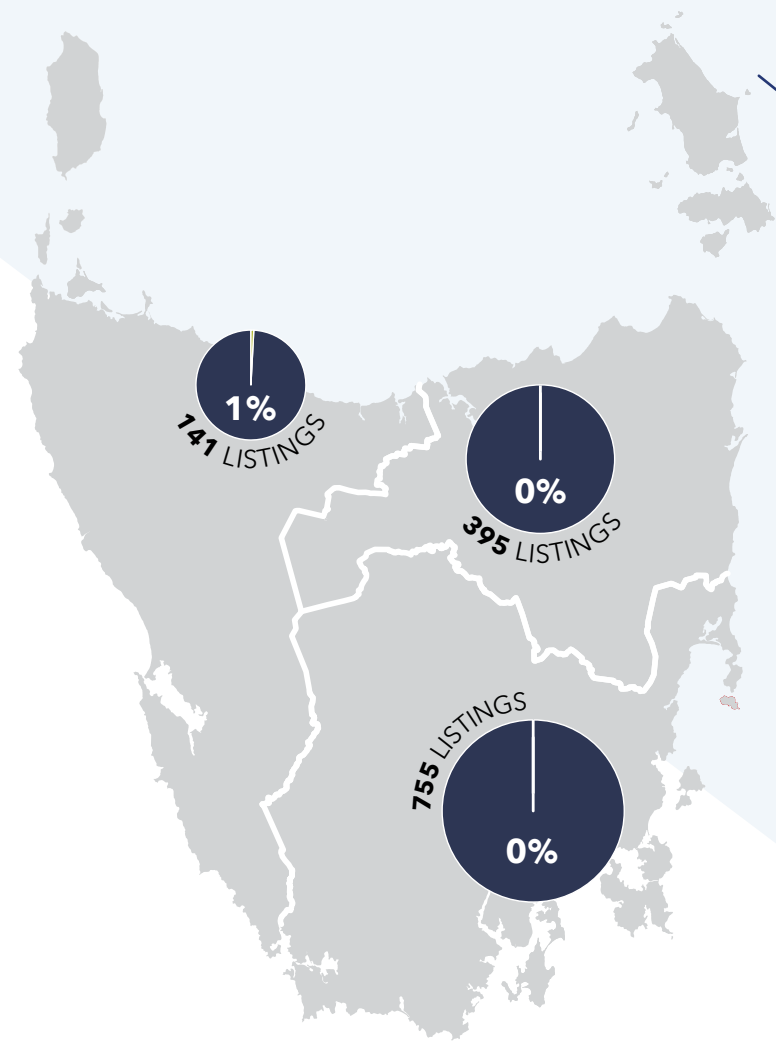
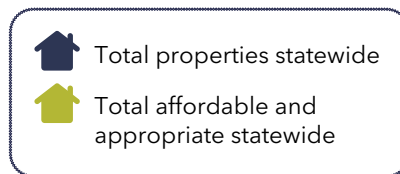






# Meet Dale and his 14-year old daughter Amber

- Single dad in his forties
- He receives Newstart but not yet Family Tax Benefit
- Lives in Wynyard
- Has a car



If Dale starts receiving Family Tax Benefit he can afford to pay \$151 per week for rent.

**Only one property is affordable and appropriate for Dale and Amber across the state and this is in Rosebery, some 125km away.**

There has been no improvement in availability of private rentals for single parents on Newstart over the past eight years.

Since returning to Tasmania to care for his daughter, Dale has been waiting for a year on the Housing Register and six months to be assessed for Family Tax Benefits.

They are currently staying with Dale’s elderly mother in cramped conditions.

They need to stay in Wynyard for Amber’s school and supports.

“

*We can’t just pick up and move anywhere. Amber has her school and friends and family in Wynyard. And anyway, there isn’t anywhere we can afford anywhere else.”*

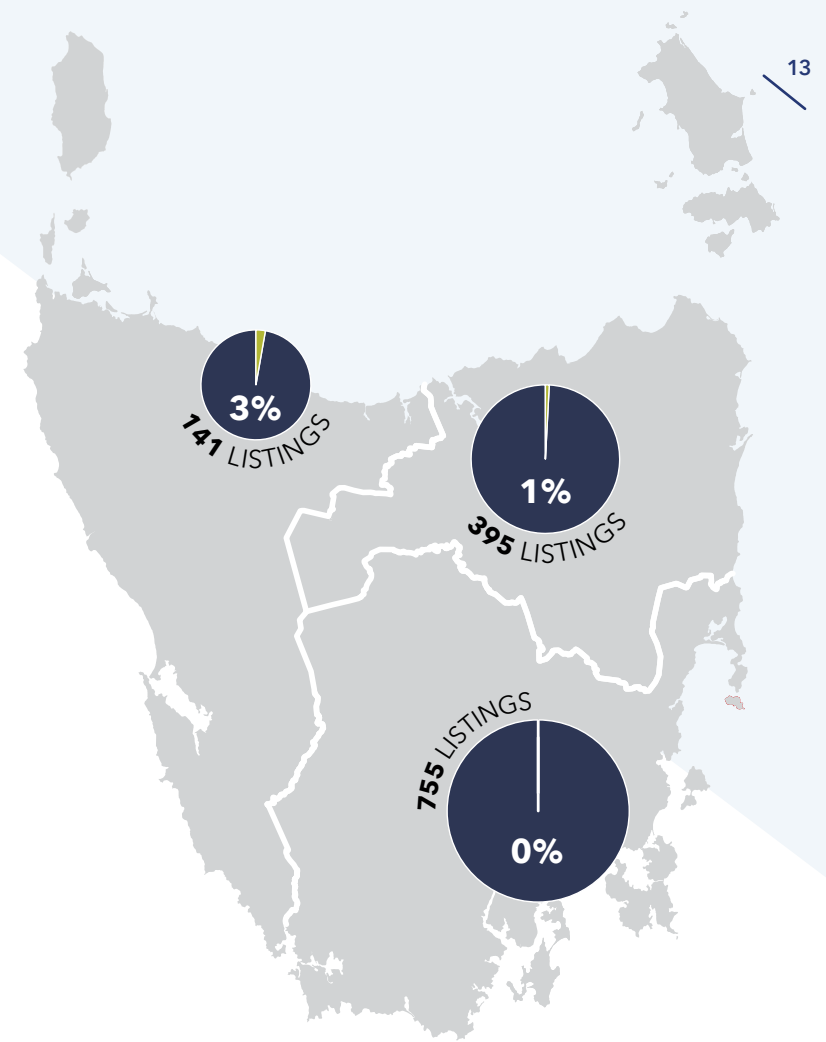
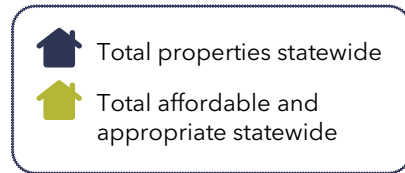
–Dale, on Newstart in Wynyard





# Meet John and his two grandchildren, 9-year old Max and 6-year old George

- Single man aged 65
- John receives Disability Support Pension
- Live in Launceston
- Rely on public transport



John was told in March 2020 he had to move due to the sale of the property he had been renting for the past three years.

## Just six properties across the state were affordable for John as a single person on Disability Support Pension on the Snapshot weekend.

Four properties were in the North West, one in the North over an hour's drive from Launceston, and just one was in Launceston where the children attend school. However, this was a one-bedroom unit, making it unsuitable for his current household.

His grandchildren are now staying with their mother while John looks for a new home.

John has good references and clear credit.

“

*I don't know how long it is going to take to find something. The kids have to stay with their mother while I'm looking and she has issues that could make it unsafe for them. That's why they're with me.”*

– John, on Disability Support Pension in Launceston





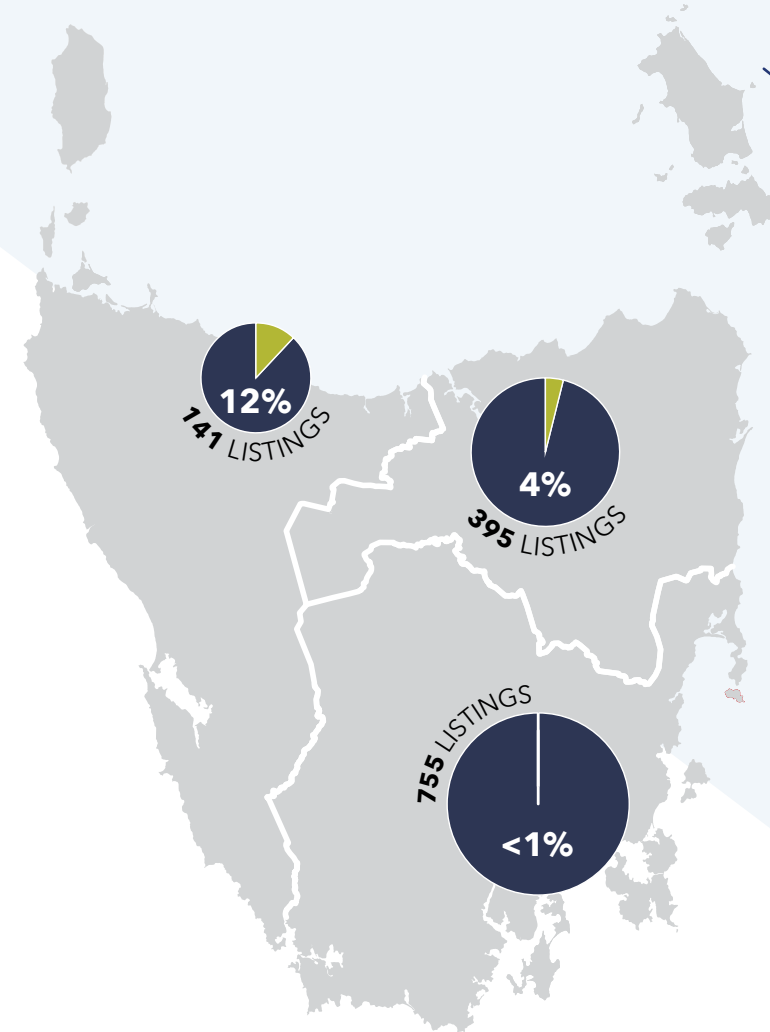


# Meet Allan and Jean

- Allan and Jean receive the Age Pension
- Live in southern Tasmania
- They have a car



- Total properties statewide
- Total affordable and appropriate statewide



Allan and Jean can afford to pay \$227 per week for rent.

## 37 properties were affordable and appropriate for this couple.

They have been couch surfing since they were requested to vacate their rental property in October 2019.

They have now been asked to leave their friend's house and they hope to be accommodated in a caravan park while they continue to look for private rentals. They are also registered for public housing.

They have a clear credit history and good references. Their two cats are boarding and belongings are in storage while they are homeless.

“

*We've lived all our lives in Hobart and want to stay here. But it seems we are too poor to get a rental. We'll go almost anywhere.”*

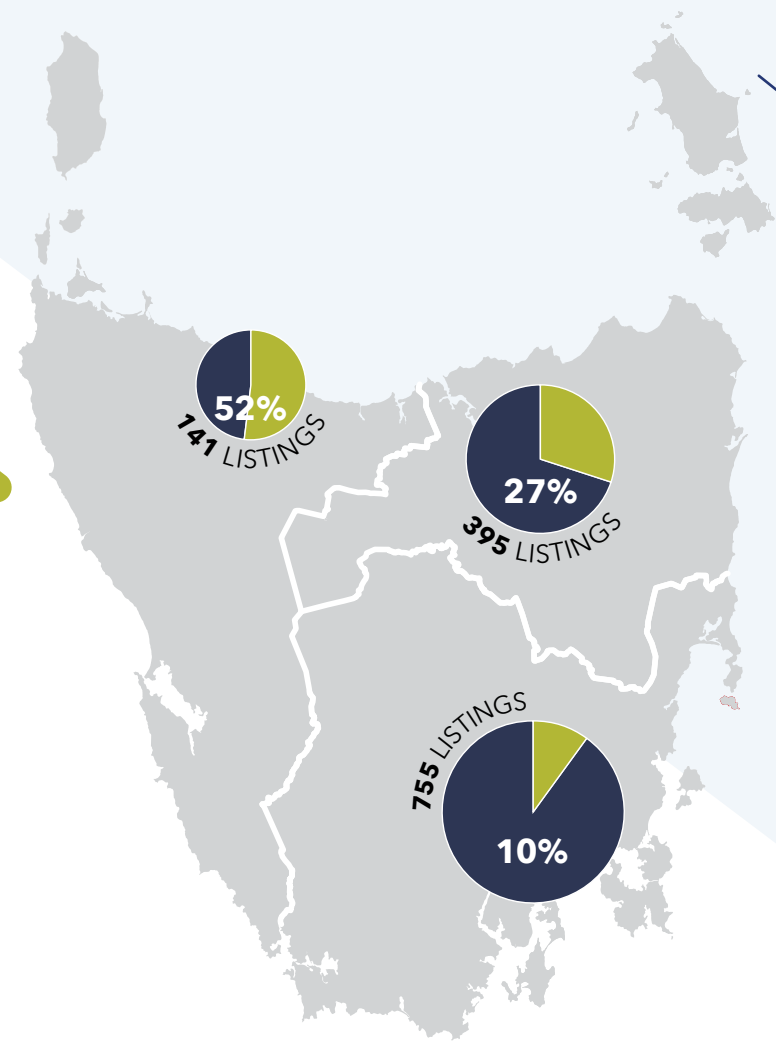
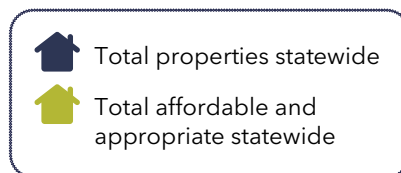
– Jean, on Age Pension in Hobart





# Meet Jack and Katy and their two primary school-aged children Leo and Edie

- Couple receiving minimum wages on West Coast
- Jack works in the mines and Katy has casual hospitality work
- They have a car each



Jack and Katy feel financially secure with their jobs providing sufficient income to afford \$443 per week for rent.

## 254 properties across the state were affordable and appropriate for this family.

However only 73 of these were in the North West region, and just 10 were within an hour's drive of where they live.

In March, Jack and Katy were told they needed to vacate their property because the owner was moving back in.

Their need to stay near their remote workplaces, along with having two dogs and a couple of broken down cars make finding a rental property and moving more difficult.

Housing availability more than affordability is limiting their opportunities.

“

*We need to live on the West Coast because that's where we work. But there's nothing available, even if we pay a lot more in rent. Are we really going to be homeless?"*

– Jack, on minimum wage on the West Coast



# The impact of the Coronavirus Supplement

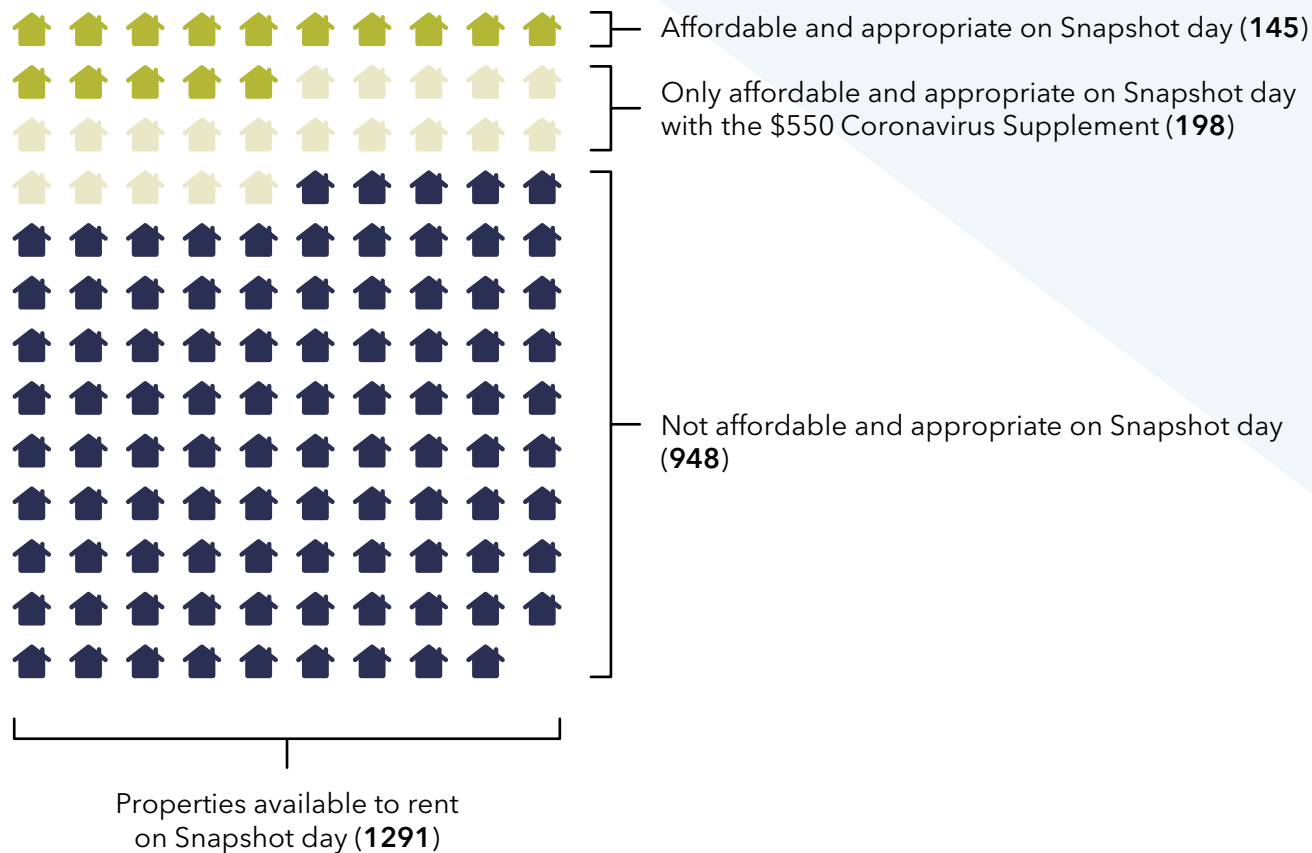
This Rental Affordability Snapshot was taken just days before the Australian Government announced a temporary, six month increase to some government income payments in response to the Coronavirus pandemic.

The \$550 per fortnight Coronavirus Supplement will be paid to new and existing recipients of the JobSeeker Payment (formerly Newstart Allowance), Youth Allowance and Parenting Payment from 27 April 2020 in addition to their normal payments<sup>7</sup>.

If the Coronavirus Supplement had been available on the weekend we completed the Snapshot, a further 198 properties would have also been considered affordable and appropriate for those households that rely on income support, bringing the total to 343. This would have increased the percentage of affordable properties from 11% to 25% across Tasmania. Since the Supplement does not assist people on the minimum wage, there would have been no change to the number of affordable listings for this cohort.

The impact of the Coronavirus Supplement on specific household groups can be seen in Appendix 2.

## Availability and affordability of residential property rentals for households reliant on income support payments



<sup>6</sup> The full list of government income payments temporarily increased via the Coronavirus Supplement can be found at Services Australia – <https://www.servicesaustralia.gov.au/individuals/services/centrelink/coronavirus-supplement/who-can-get-it>



# What can be done?

Affordable and secure housing provides an essential foundation for a decent life through better outcomes in health, education, employment and early childhood development (Productivity Commission 2016). However, 10% of households in Tasmania are living in housing stress<sup>8</sup> (ABS 2018) and low-income Tasmanians are at increasing risk of extreme housing stress, which will restrict their ability to heat their home, access health care and provide opportunities for their children.

Too many Tasmanians are forced to suffer a series of inadequate short-term situations while waiting for affordable and appropriate accommodation, resulting in poorer health, wellbeing, education and employment outcomes for thousands of families (Steen 2018).

The Rental Affordability Snapshot makes clear there is a long-term trend of decreasing numbers of private properties advertised for rent in Tasmania.

It is only the negative effect of the Coronavirus pandemic on travel, tourism and education that saw this year's listings increase compared to last year, as previously high-end short stay accommodation and student accommodation was released onto the private rental market.

Unfortunately for Tasmanians on low incomes, much of these are unaffordable or inappropriate for families and have short rental terms.

In recent years, the Tasmanian Government has held a Housing Summit and released the Affordable Housing Strategy's second action plan. Anglicare supports the second action plan's additional capacity for youth, men's and women's crisis accommodation services, as well as the expansion of social housing through new land releases. The Government has also introduced a registration and data process for short stay accommodation and funded a scheme to encourage private landlords to offer their properties at an affordable rate.

However, Anglicare is concerned that the actions underway and planned may fail to meet the needs of those in crisis now and the longer term needs of low-income Tasmanians. Housing researchers point to an acute shortage of affordable rental properties in greater Hobart and a growing time lag between new housing approvals and construction commencing and completing (Jacobs et al. 2019).

The Affordable Housing Strategy and its targets may not be enough. Tasmania needs more than 14,000 social housing dwellings over the next 20 years to meet housing need at the lower end of the market (Lawson 2018).

Given the importance of housing for health and wellbeing, this must be our state's priority. This will be particularly important in our recovery from the COVID-19 pandemic. Indeed, investing substantially in social housing as essential infrastructure will not only create homes for thousands of disadvantaged Tasmanians, it will also create much needed jobs and assist the economy to recover.

<sup>8</sup> Housing stress describes a household in the lowest 40% of Australia's household income that spends more than 30% of its income on rent or mortgage payments. 'Extreme rental stress' is defined as spending at least 50% of a household's income on rent.



# Recommendations

Anglicare recommends the State Government should build on the strategic thinking that has developed the Affordable Housing Strategy and its action plans by urgently and substantially increasing the level of investment in initiatives that will quickly stimulate more development of affordable housing for rent and purchase.

These initiatives should include:

- regularly revising the Affordable Housing Strategy and Action Plan targets to match estimates recommended by independent researchers, so that “on target” meets actual need rather than arbitrary goals;
- replacing any affordable rentals that are lost if the National Rental Affordability Scheme (NRAS) ends as announced;
- introducing stronger measures through the Tasmanian Planning Scheme to control short stay accommodation, including incentives that encourage short-stay accommodation properties to be freed up for long-term rental;

- incorporating inclusionary zoning into the Tasmanian Planning Scheme to set targets for a minimum percentage of affordable housing required in all new developments and redevelopments;
- monitoring and addressing any gap between residential housing approvals, commencements and completions; and
- targeting initiatives to increase the vacancy rate in Greater Hobart to more than 1%.

The State Government should also urgently increase funding to Housing Connect front door and support services so they are able to meet demand across the increasingly diverse range of client groups needing crisis, medium and long-term housing and tenancy support. Given the private rental market is unable to provide affordable homes for independent children and young people and children and young people are over-represented in Tasmania’s specialist homelessness services, there is urgent need for the State Government to specifically provide sufficient affordable homes for this cohort.

Further, the Federal Government should:

- permanently incorporate the Coronavirus Supplement into allowances and payments and extend it to the Age and Disability Support pensions; and
- extend the National Rental Affordability Scheme (NRAS) or establish a replacement to continue the partnership between the Federal Government, state governments and the private and community sectors to increase the supply of affordable rental housing for low to moderate income households.

While Tasmanians are being told to do their bit to stop the spread of COVID-19 and “stay at home”, thousands of Tasmanians are homeless, living in crowded conditions or unable to pay all their bills due to excessive rents, all of which makes staying at home during the pandemic more difficult. If COVID-19 has shown us one thing, it is the need for strong community and strong leadership. The strengths currently being shown during the pandemic need to be applied to urgently addressing Tasmania’s affordable housing crisis.



# References

Anglicare Tasmania 2018a, *Submission to Draft Short Stay Accommodation Bill*, Anglicare Tasmania, Hobart.

– 2018b, *Submission on the Draft Residential Housing Supply Bill*, Anglicare Tasmania, Hobart.

– 2019, *Submission to Select Committee on Housing Affordability*, Anglicare Tasmania, Hobart.

Australian Bureau of Statistics (ABS) 2018, *Census of population and housing: Estimating homelessness 2016*, ABS.

Australian Institute of Health and Welfare (AIHW) 2013, *Specialist homelessness services annual report 2012-13*, AIHW.

– 2019a, *Specialist homelessness services 2018-19: Tasmania*, AIHW.

– 2019b, *Housing assistance in Australia 2019*, AIHW.

Department of Communities Tasmania (DoC) 2019, *Annual Report 2018-19*, Tasmanian Government.

– 2020, *Human Services Dashboard*, <https://www.dhhs.tas.gov.au/humanservicesstats>, viewed 16 April 2020.

Department of Treasury and Finance 2018, *Housing rental market trends in Tasmania: analysis of recent trends and assessment of data quality*, Tasmanian Government, Hobart.

Fidler 2018, *In limbo: Exploring income and housing barriers for reunifying Tasmanian families*, Anglicare Tasmania.

Institute for the Study of Social Change 2018, *A blueprint for improving housing outcomes in Tasmania*, Institute Insight Series No. 3, University of Tasmania.

Jacobs, K, Flanagan, K, Verdouw, J & Denny, L 2019, *Tasmanian Housing Update December 2019*, Housing and Community Research Unit, University of Tasmania.

Lawson, J, Denham, T, Dodson, J, Flanagan, K, Jacobs, K, Martin, C, van den Nouwelant, R, Pawson, H & Troy, L 2018, *Social housing as infrastructure: rationale, prioritisation and investment pathway*, AHURI.

Productivity Commission 2016, *Introducing competition and informed user choice into human services: Identifying sectors for reform*, Australian Government.

Pryor, A 2011, *Well and at home, "It's like a big mental sigh": Pathways out of mental ill health and homelessness*, Anglicare Tasmania.

– 2014, *Reducing youth homelessness: Advice from young people on how to reduce homelessness in Tasmania*, Anglicare Tasmania.

Robinson, C 2017, *Who cares? Supported accommodation for unaccompanied children*, Anglicare Tasmania.

Services Australia 2020, *Coronavirus Supplement: Who can get it?*, <https://www.servicesaustralia.gov.au/individuals/services/centrelink/coronavirus-supplement/who-can-get-it>, viewed 16 April 2020.

Steen, A 2018, 'The many costs of homelessness', in *The Medical Journal of Australia*, vol. 208, no. 4, pp. 167-168.

SQM Research 2020, *Residential Vacancy Rates*, [https://sqmresearch.com.au/graph\\_vacancy.php?region=tas%3A%3AHobart&type=c&t=1](https://sqmresearch.com.au/graph_vacancy.php?region=tas%3A%3AHobart&type=c&t=1), viewed 15 April 2020.

Tenants' Union of Tasmania (TUT) 2020, *Rents rise by up to 40% in three years*, <http://tutas.org.au/rents-rise-by-up-to-40-in-three-years/>, viewed 15 April 2020.

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.





# Appendix 1: Regional context

## Regional context: South

The private rental market in Southern Tasmania has been failing people on low incomes for many years. Although Southern Tasmania represented almost 60% of the state’s listings in 2020, the number of properties has been decreasing and the price increasing over the past eight years. As a result, the only cohorts that might be able to find affordable rent in Southern Tasmania are households on the minimum wage.

### Stock

The total number of properties advertised for rent in 2020 (755) was just over half the number of properties in 2013 (1,304).



2013 (1,304 properties)



2020 (755 properties)

While Southern Tasmania experienced an increase in listings in the past year, from 434 properties in 2019 to 755 in 2020, the majority of these additional listings were up-market Airbnb listings returning to the long-term (6 month) rental market, resulting in increased availability but not affordability.

### Prices

At the same time that stock is restricting, the cost of renting continues to increase. Median rents in the South rose 33% in the past three years, with median weekly rent for a 3-bedroom house standing at \$320 in 2016, and \$425 in 2019 (TUT 2020). The increase in median rents in the South is worse than the North (up by 14% over the past three years) and North West (up by 12%).



2016 (\$320 median rent for 3-bedroom house)



2019 (\$425 median rent for 3-bedroom house)

### Affordability

Just 7% (51) of the 755 properties listed were affordable and appropriate for our households reliant on income support payments and less than a quarter (180) were affordable and appropriate for our households on minimum wage. There was no improvement in affordability since 2019.

### Affordable and appropriate for people reliant on income support payments:



Further, for households on income support payments, all but a few properties were shared accommodation and most of those that were for individual properties were in regional centres that would require the tenant to own a car.

In Southern Tasmania there were no affordable properties for:

- single people on Youth Allowance;
- single people on Newstart Allowance;
- single people on Disability Support Pension; or
- single parents on either Parenting Payment or Newstart.

There was:

- just one affordable property for a couple on Newstart Allowance with two children; and
- three properties for a couple on Age Pension.

Couples on the Age Pension have been priced out of the market, with just three properties being affordable and appropriate in the South. It is only marginally better for singles on the Age Pension, with just 47 southern listings, most of which were share houses.

## Regional context: North

The private rental market in the North has tightened further for Tasmanians on low incomes since the 2019 Snapshot.

### Stock

Total rental property listings have decreased by half since 2013 (809 listings down to 395 listings in 2020). This reduction is worse than that of the South (where stock has decreased 42% since 2013) but better than that experienced in the North West (a reduction of 75%).



2013 (809 properties)



2020 (395 properties)

### Prices

Over the past three years, median rents have increased 14% (TUT 2020). Inner Launceston saw the greatest increases, with median weekly rent for a 3-bedroom house increasing by \$50 in the past three years.



2016 (\$280 median rent for 3-bedroom house)



2019 (\$320 median rent for 3-bedroom house)

While all regions experienced rent increases, the rise in the North is marginally better than the South (up 33%) and about the same as the North West (up by 12%).

### Affordability

Northern Tasmania had one-third of all properties listed in the Snapshot period. Just 13% of them (51) were affordable and appropriate for people reliant on income support payments, a decrease of 20 properties since the year before. For people on the minimum wage, 40% were affordable and appropriate (160 properties).

Shared accommodation dominated the listings that were affordable for households on income support, with other affordable listings mostly being in regional towns that would require the tenant to have a car.

### Affordable and appropriate for people reliant on income support payments:

2019 (20%)

2020 (13%)

There were no properties affordable for:

- single people on Youth Allowance;
- single parents on Newstart; and
- single parents on Parenting Payment with two children.

There were two properties affordable for:

- single people on Newstart;
- single people on the Disability Support Pension;
- single parents with one child on Parenting Payment; and
- couple on Newstart with two children.

Couples with children fared better but only if they had at least one wage in the household, with 46 properties if one parent was on the minimum wage and 105 if both adults were working.

People reliant on the Age Pension face a difficult time seeking private rentals, with just 34 affordable listings for singles and 17 for couples.



## Regional context: North West

The North West Region is facing a rental stock crisis.

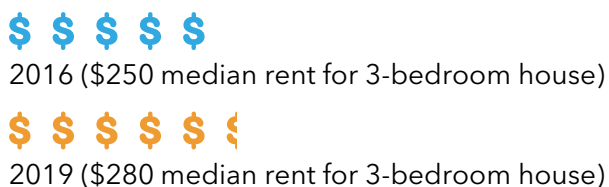
### Stock

North West Tasmania has seen its listings decimated over the past eight years, going from 563 listings in 2013 down to just 141 in 2020, a drop of 75%. The North West now contributes just 11% of total listings of private rentals on the 2020 Snapshot Day, compared to having a fifth of listings in 2013.



### Prices

Median rent in the region has increased by 12% over the past three years, with average increases approximately the same across the region at about \$30 per week for a 3-bedroom house (TUT 2020). The increases in rents in the regional centres of the North West is comparable to those of outer Launceston and North East Tasmanian towns.



### Affordability

Of the 141 properties listed in the region, less than a third (43) were affordable and appropriate for people on income support. This is a reduction of 65 properties compared to the year before. The vast majority of listings were only affordable and appropriate for families on the minimum wage (104).

Affordable and appropriate for people reliant on income support payments:



Of the 43 properties considered affordable and appropriate for people on income support payments, 21 properties were in the Devonport-Ulverstone area, five in Burnie-Somerset area, nine in Wynyard or the towns to its west and eight on the West Coast. The largest drop in affordable properties from 2019 to 2020 occurred in Burnie, Wynyard and West Coast. Further, the number of share accommodation listings has increased in the past year.

No properties were affordable for single people on Youth Allowance, with just two properties for singles on Newstart and four properties affordable for a single person on Disability Support Pension.



Households fully reliant on income support with children had less than 20 properties across the region that were affordable and appropriate. Even for a family with both adults working on the minimum wage, there were just 73 properties affordable and appropriate.



# Appendix 2: Data

Detailed table by population cohort, household type and income type – state and region, pre-Coronavirus Supplement and including Coronavirus Supplement.

Cohort	Household type	Income type	30% of household income spent on rent, pre-Coronavirus Supplement			30% of household income spent on rent, Coronavirus Supplement included		
			Percentage affordable and appropriate	Number affordable and appropriate	Number properties by region	Percentage affordable and appropriate	Number affordable and appropriate	Number properties by region
 Young people	Single (aged over 18)	Youth Allowance	0	0	South: 0 North: 0 North West: 0	1	7	South: 0 North: 3 North West: 4
	Single (in a share house)	Youth Allowance	0	0	South: 0 North: 0 North West: 0	8	99	South: 47 North: 32 North West: 20
 Single adults	Single	Newstart Allowance	<1	4	South: 0 North: 2 North West: 2	11	143	South: 68 North: 47 North West: 28
	Single (aged over 21)	Disability Support Pension	<1	6	South: 0 North: 2 North West: 4	1	7	South: 0 North: 3 North West: 4
	Single	Minimum wage	15	192	South: 104 North: 55 North West: 33	15	192	South: 104 North: 55 North West: 33
 Older people	Single	Age Pension	8	105	South: 47 North: 34 North West: 24	10	130	South: 58 North: 47 North West: 25
	Couple (no children)	Age Pension	3	37	South: 3 North: 17 North West: 17	3	45	South: 4 North: 20 North West: 21

Cohort	Household type	Income type	30% of household income spent on rent, pre-Coronavirus Supplement			30% of household income spent on rent, Coronavirus Supplement included		
			Percentage affordable and appropriate	Number affordable and appropriate	Number properties by region	Percentage affordable and appropriate	Number affordable and appropriate	Number properties by region
 Single parents	Single, one child (aged over 8)	Newstart Allowance + Family Tax Benefit A and B	<1	1	South: 0 North: 0 North West: 1	1	19	South: 1 North: 6 North West: 12
	Single, one child (aged less than 5)	Parenting Payment Single + Family Tax Benefit A and B	<1	6	South: 0 North: 2 North West: 4	4	51	South: 3 North: 20 North West: 28
	Single, two children (one aged less than 5, one aged less than 10)	Parenting Payment Single + Family Tax Benefit A and B	<1	5	South: 0 North: 0 North West: 5	4	51	South: 4 North: 18 North West: 29
	Single, two children (one aged less than 5, one aged less than 10)	Minimum wage + Family Tax Benefit A and B	5	68	South: 8 North: 24 North West: 36	5	68	South: 8 North: 24 North West: 36
 Couples with children	Couple, two children (one aged less than 5, one aged less than 10)	Newstart Allowance (both adults) + Family Tax Benefit A and B	1	14	South: 1 North: 2 North West: 11	12	157	South: 24 North: 73 North West: 60
	Couple, two children (one aged less than 5, one aged less than 10)	Minimum wage + Parenting Payment (partnered) + Family Tax Benefit A and B	8	103	South: 12 North: 46 North West: 45	14	184	South: 39 North: 80 North West: 65
	Couple, two children (one aged less than 5, one aged less than 10)	Minimum wage + Family Tax Benefit A	20	254	South: 76 North: 105 North West: 73	20	254	South: 76 North: 105 North West: 73

