



SNAPSHOT 2020

The Samaritans Foundation

Central Coast | Hunter | Mid Coast | Newcastle & Lake Macquarie



Samaritans

Compassion Integrity Justice

Samaritans Foundation The social welfare arm of the Anglican Church in the Hunter, Manning and Central Coast.



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The Rental Affordability Snapshot is designed to highlight the lived experience of looking for housing while on a low income. It focuses on the Australian population who earn the least income – Commonwealth benefit recipients and minimum wage earners. Each year, Anglicare Australia agencies search local newspapers and real estate websites for rental accommodation across the country.

Samaritans acknowledges the Traditional Custodians of the lands on which we work; the Awabakal, Biripi, Darkinjung, Dunghutti, Gumbaynggirr, Kamilaroi, Wanaruah, Worimi and Wiradjuri nations. We pay our respects to the Elders past, present and future for they hold the memories, the traditions, the culture and hopes of Aboriginal Australia.

Samaritans Rental Affordability Snapshot © 2020 Samaritans Foundation



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Executive Summary

This is the ninth year Samaritans has participated in the national Rental Affordability Snapshot, where private rental properties are tested for their suitability and affordability for people on low incomes without placing them in rental stress. This data is consolidated into the annual Anglicare Australia Rental Affordability Snapshot. This year's snapshot follows one of Australia's worst droughts, a devastating wide-spread bushfire season and the beginning of an unprecedented global pandemic – the Coronavirus or COVID-19. These three major disasters have caused death and destruction and left thousands of people homeless, or jobless, or both. Australia is on the brink of a recession and its people are experiencing their greatest financial and emotional hardships ever, some for the first time.

Just before this Rental Affordability Snapshot was conducted, and in response to the Coronavirus pandemic, the Australian Government announced a temporary, six month increase to some government income support payments. This 'Coronavirus supplement' of an additional \$550 per fortnight will be paid to all new and existing recipients of Jobseeker (formerly Newstart), Youth Allowance, and Parenting Payments from 27 April 2020, in addition to their normal payments.

These temporary increases allowed us to pose a hypothesis: what would the change in rental affordability be for households on government incomes if the increase in payments via the Coronavirus supplement was made permanent?

Methodology

Each year Anglicare Australia's member agencies test if it is possible for people on low incomes to rent a home in the private rental market. This is done by taking a snapshot of the amount of properties listed on realestate.com.au on one weekend in March or April. Each of these properties is assessed as to whether it is affordable and suitable for fourteen types of households on low income. Those households are:

- single people receiving the Disability Support Pension, Youth Allowance, JobSeeker and the Age Pension, or earning the minimum wage
- single parents receiving the Parenting Payment or earning the minimum wage
- elderly 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.

REGIONAL OVERVIEW

40,000km²
snapshot region



1,083,937
total population



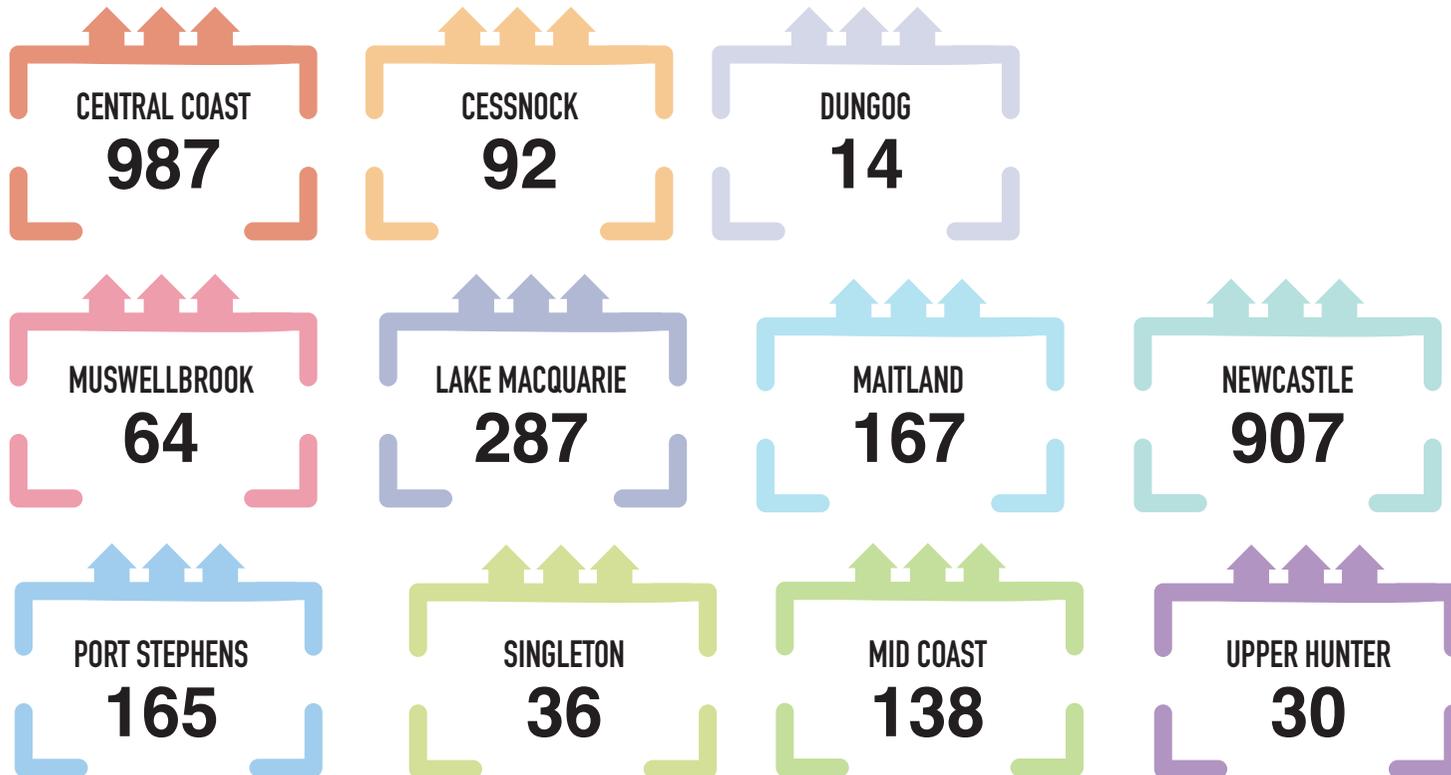
1/3
population on
income support

Measuring Affordability & Suitability

The nationally accepted benchmark for affordability for people on a low income is where the rent is no more than 30 percent of net household income. To test whether a property is affordable, the income of the fourteen household types is calculated using the rates of government support payments for JobSeeker, Youth Allowance, the Disability Support Pension and Age Pension, Commonwealth Rental Assistance, Family Tax Benefits, and the minimum wage. Using these figures, the maximum affordable rent is determined for each household type and compared against the listed properties that are suitable.

Suitability is measured according to appropriateness of the property for the number of people or family type. This applies mainly to the minimum number of bedrooms required but disability access is also a factor.

The Number of Properties Advertised on the Snapshot Weekend in each Local Government Area





HOW MUCH RENT CAN THEY AFFORD EACH WEEK?

Below is a list of the maximum amount for rent each week for each household type (prior to the Coronavirus Supplement).

A suitable rental property is determined as one that takes up less than 30% of a household's income. This infographic considers what is appropriate for people receiving the various support payments.



\$246.77

Couple, on JobSeeker, with two children (one age less than 5, one age less than 10)



\$221.03

Single, on Parenting Payment Single with two children (one age less than 5, one age less than 10)



\$193.10

Single Parent on Parenting Payment with one child under 5



\$151.03

Single Parent on JobSeeker with one child over 8



\$302.71

Working single parent with 2 children (one age less than 5, one age less than 10)



\$158.60

Single person on Age Pension



\$71.63

Single person over 18 or in a share house on Youth Allowance (Austudy)



\$194.33

Single person on minimum wage



\$227.37

Couple on the Age Pension



\$333.63

Working Couple on Parenting Payment with 2 children (one age less than 5, one age less than 10)



\$158.60

Single person over 21 on Disability Support Pension



\$90.03

Single person on JobSeeker Allowance

WEEKLY MEDIAN RENTS OF PROPERTIES ADVERTISED

CENTRAL COAST
\$420

LAKE MACQUARIE
\$415

NEWCASTLE
\$420

MAITLAND
\$385

CESSNOCK
\$345

SINGLETON
\$400

UPPER HUNTER
\$350

PORT STEPHENS
\$405

MID COAST
\$335

MUSWELLBROOK
\$390

DUNGOG
\$360

FINDINGS

On 20th March 2020, there were **2,887 properties** listed for rent from the Central Coast, Hunter, Lake Macquarie/Newcastle and Mid Coast regions. 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.

After aggregating these figures by income type, we found on the Snapshot day, only 5.5% (n=159) of all properties advertised across the total region were affordable and appropriate for households on government income support payments. For households on the minimum wage it was 36.3 % (n=1041).

Table 1 below shows by region the total number of affordable and suitable properties for households on income support and those on the minimum wage.

The Hunter had a higher overall number of properties advertised, with a higher proportion than previous years reported for shared accommodation.

Table 1: Aggregated Number of Affordable and Appropriate Properties by Region

REGION	# Affordable and Appropriate for households on Income Support	# Affordable and Appropriate for households on Minimum Wage
CENTRAL COAST	8	184
HUNTER	25	254
NEWCASTLE & LAKE MAC	115	549
MID COAST	11	54
TOTAL	159	1041

Only **5.5%** of all properties advertised across the total region were **affordable and appropriate** for households on government income support payments.

FINDINGS CONTINUED

Table 2 below contains two sets of findings for each household type for the four regions. Firstly, it shows the percentage of affordable and suitable homes for rent for people on low income on the weekend of 21 March 2020. It then shows what would change to affordability for low income households in the three Snapshot regions if the current temporary increases to some government income support payments, coming into effect at the end of April 2020, were made permanent.

The results from this table show the rental affordability situation remains dire for young people and single people on income support, with not one property affordable and suitable. When the government supplement is applied for this cohort, there was no change in the Central Coast and Hunter regions.

However, a significant spike showed for singles on JobSeeker and Youth Allowance in the Lake Macquarie/Newcastle Region when the Coronavirus supplement was applied. 310 properties became affordable and suitable for Singles on JobSeeker, 155 properties for Singles on Youth Allowance and 83 properties for a single person on Youth Allowance in a Share House. The main reason for this change is the large number of shared accommodation rentals in the Newcastle rental market, which accounted for 35% of the total properties advertised in this region.

The number of suitable properties for Single Age Pensioners also increased, due to the annual CPI increase which was included after the Snapshot weekend, and therefore shows more rentals are affordable for this cohort. Again, this was mainly for shared accommodation. While this may be good news for both these household types, shared accommodation which is advertised mainly for students may not be ideal for all and limits the choice of appropriateness, especially single age pensioners.

Couples with two children on JobSeeker and those on Minimum Wage with Parenting Payment in the Hunter and Mid Coast Regions also would find some benefit from the Coronavirus supplement with a 17-18% improvement for both groups.

The results for the Central Coast indicate for most household types in this region there would be no change to affordability if the Coronavirus supplement was permanent. There were no suitable properties for anyone currently receiving income support in this region leaving them priced out of the private rental market.

Similarly, the Hunter and Mid Coast regions show minimal change from the supplement for most income support households.

Table 2: Percentage of Affordable and Appropriate Properties by Household Types

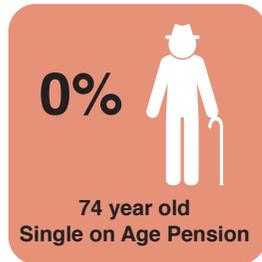
HOUSEHOLD SNAPSHOT

Affordable and Appropriate (% with COVID-19 supplement in parantheses)

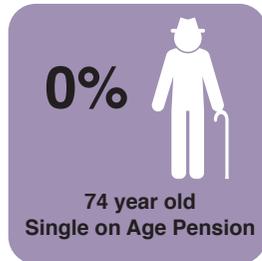
Household Type	Payment Type	Central Coast	Hunter	Mid Coast	Lake Mac & Newcastle
Couple, two children (one age less than 5, one age less than 10)	JobSeeker Allowance (both adults)	0% (4%)	0% (18%)	0% (17%)	1% (3%)
Single, two children (one age less than 5, one age less than 10)	Parenting Payment Single	0% (0%)	0% (2%)	0% (3%)	1% (1%)
Couple, no children	Age Pension	1% (1%)	4% (5%)	8% (9%)	5% (5%)
Single, one child (age less than 5)	Parenting Payment Single	0% (1%)	0% (2%)	1% (6%)	0% (1%)
Single, one child (age over 8)	JobSeeker Allowance	0% (0%)	0% (1%)	0% (1%)	0% (1%)
Single	Age Pension	0% (0%)	0% (0%)	0% (1%)	7% (13%)
Single age over 21	Disability Support Pension	0% (0%)	0% (0%)	0% (1%)	2% (2%)
Single	JobSeeker Allowance	0% (0%)	0% (0%)	0% (1%)	0% (26%)
Single age over 18	Youth Allowance	0% (0%)	0% (0%)	0% (1%)	0% (13%)
Single in share house	Youth Allowance	0% (0%)	0% (0%)	0% (0%)	0% (7%)
Couple, two children (one age less than 5, one age less than 10)	Minimum Wage + FTB A (both adults)	19% (19%)	44% (44%)	37% (37%)	12% (12%)
Single, two children (one age less than 5, one age less than 10)	Minimum Wage + FTB A & B	0% (0%)	4% (4%)	7% (7%)	1% (1%)
Single	Minimum Wage	0% (0%)	1% (1%)	2% (2%)	34% (34%)
Couple, two children (one age less than 5, one age less than 10)	Minimum Wage + Parenting payment (partnered) + FTB A & B	1% (6%)	8% (26%)	9% (22%)	1% (5%)
TOTAL NUMBER OF PROPERTIES ADVERTISED	2887	987	568	138	1194

REGIONAL OVERVIEW

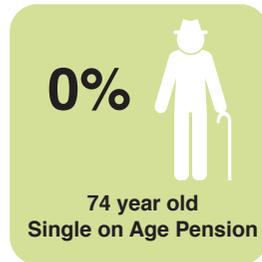
CENTRAL COAST



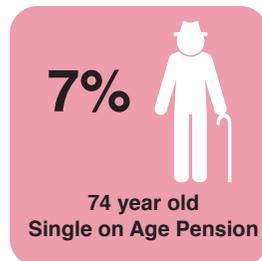
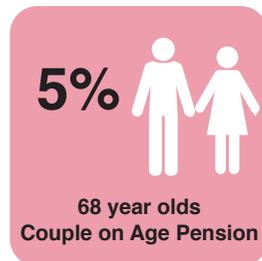
HUNTER



MID COAST



LAKE MACQUARIE & NEWCASTLE



This dataset suggests the percentage of available properties in the snapshot period that were affordable and appropriate.

It's clear there are very few appropriate rental properties for the most vulnerable people in our community.

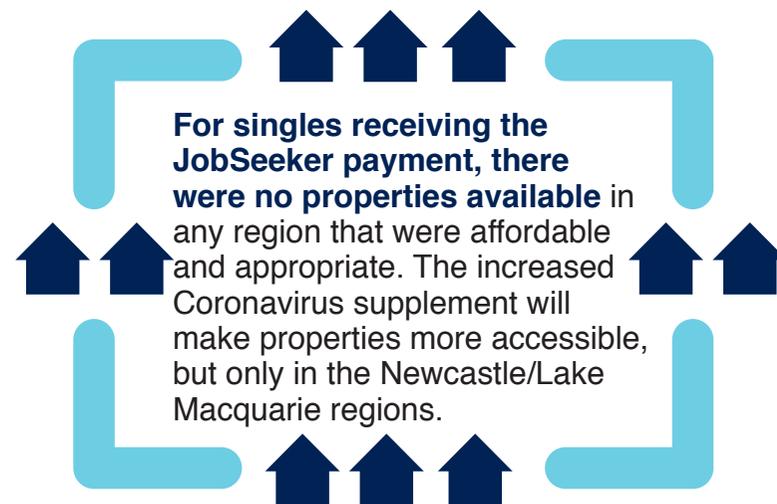
This data does change with the temporary relief offered by Coronavirus supplements, indicated in Table Two.

AT A GLANCE

What's happening across our region



For single parents on minimum wage there were only 1% of the properties to choose from across the three regions. Less than 10 of properties out of 2887 were affordable and suitable for single parent household types or families receiving JobSeeker payments



For singles receiving the JobSeeker payment, there were no properties available in any region that were affordable and appropriate. The increased Coronavirus supplement will make properties more accessible, but only in the Newcastle/Lake Macquarie regions.



Across the snapshot area, there were no properties suitable for young people on JobSeeker or Youth Allowance, even if they opted to live in a share house, until the Coronavirus supplements were released.



Only 2% of properties advertised would suit a person on a disability support pension



Couples with two children, on a minimum wage and receiving Family Tax Benefit A fared the best, with a total of 631 properties advertised that were affordable and appropriate for this household type. But this represented only 22% of the total properties advertised across the snapshot area.

Sophia's Story

Report Overview

For most people receiving support payments in the Newcastle region, there were between 0-1% of properties that were considered to be appropriate and affordable in the snapshot weekend. Recipients of the JobSeeker payment, single parenting payment and Youth Allowance fared the worst across Newcastle and Lake Macquarie.

While some household types benefitted marginally with the increased Coronavirus supplements, for most there was little change in affordability.

The median rent advertised during the snapshot weekend for Newcastle was \$420 per week. However, for students receiving Youth Allowance like Sophia, the maximum they could afford to pay in a private rental would be \$71.63. Therefore, there were no properties in the area that were considered appropriate or affordable for this group of people.

The additional Coronavirus supplement will make 13% of properties advertised affordable and appropriate, or 155 properties. While this may seem substantial, as Sophia explained, young people typically have a difficult time securing properties when they are up against families with a rental history and permanent employment.

“Due to COVID-19, I stopped getting income three weeks ago. I am currently living off youth allowance and my employer has applied for the JobKeeper allowance- that will make a difference, and while we'll receive back pay, it doesn't help the here and now”.



Meet Sophia

- **Single student receiving youth allowance**
- **Sophia had casual retail work which has been suspended due to COVID-19**
- **Lives in Newcastle**

Sophia can afford to pay \$71.63 per week.

No properties were affordable for students like Sophia in the Newcastle and Lake Macquarie region.

The increased Coronavirus supplement will open up more rental opportunities for students, however they will have to compete in the market with other renters who are more likely to have more stable sources of income and a strong rental history.



“Landlords don’t like renting to young people without a rental history and this puts people at a significant disadvantage and adds to housing stress and their homelessness risk”.



SUMMARY OF LOCAL GOVERNMENT AREAS

With a population of over one million people, research of the snapshot region suggests the majority of properties are not affordable or appropriate for people receiving support payments or the minimum wage.

While the Coronavirus supplements will make rentals more accessible for some groups, this is a temporary measure for a community experiencing significant health, economic, and social challenge and change.

The increased payments do demonstrate however, how retaining these payments would increase affordability and access to rentals for many who are vulnerable in our community.

Government income support increases should be open to all people in need – and they should be permanent.

Central Coast

342,047
Total population

120,836 (35%)
People on income support

184 (19%)
Affordable and Appropriate for households on minimum wage

987
Total number of properties advertised

8 (<1%)
Affordable and Appropriate for households on income support

52 (5%)
Affordable and Appropriate for households on income support + COVID-19 supplement

The Central Coast local government is an area sprawling coastal urban area made up of Gosford, Wyong and surrounding suburbs. The largest industries in this area are health care and social assistance, retail and construction, accounting for 42.3% of local workers.

This area has a high rate of older people on pensions and benefits, a high concentration of very low income renters, and high levels of overall social disadvantage. There is increasing pressure with low income households moving to the area from Sydney seeking more affordable housing and improved lifestyle has reduced the level of available low cost housing. This has forced Central Coast residents to compete in an increasingly competitive rental market.

In its draft Affordable and Alternative Housing Strategy (August 2018), the Central Coast Council reported:

- 25% increase in homelessness between 2011-2016
- 24,200 households were in housing stress (2016).

There were only eight properties suitable for Couples on the age pension and 184 for couples with two children on the minimum wage.

With more than one third of the population on income support, there were no properties suitable and affordable for the other 12 household types.

With Coronavirus Supplement

With the additional funding, families with two children on JobSeeker would find 37 (4%) of properties suitable.

Most other households would not gain from increased housing affordability from the supplement.

Cessnock

59,985

Total population

22,414 (37%)

People on income support

37 (40%)

Affordable and Appropriate for households on minimum wage

92

Total number of properties advertised

4 (4%)

Affordable and Appropriate for households on income support

28(30%)

Affordable and Appropriate for households on income support + COVID-19 supplement

Cessnock is a rural and residential area at the entrance to the vineyards of the Hunter. The city is made up the two main townships of Cessnock and Kurri Kurri which are surrounded by several national parks. The main industries are tourism and hospitality.

- Just four properties of those advertised were suitable for a couple on the age pension
- There were no suitable properties for 13 or the 14 household types
- A couple with two children on the minimum wage would find 40% (37) properties suitable.

With Coronavirus Supplement

The most significant gain from the supplement is for Couples, with two children, with an increase of 25% of properties suitable (N=23).

Some slight gains (1-2%) for Single Parents on Parenting Payment or JobSeeker.

There is no significant housing benefit for single people on JobSeeker or Youth Allowance.

Dungog

9,346

Total population

2,981(32%)

People on income support

9 (64%)

Affordable and Appropriate for households on minimum wage

14

Total number of properties advertised

2 (14%)

Affordable and Appropriate for households on income support

7 (50%)

Affordable and Appropriate for households on income support + COVID-19 supplement

The Dungog LGA is situated in the Barrington Tops region with major industries being agriculture, grazing and timber.

- The only two properties suitable for households on income support were for Couples on the Age Pension
- Most of properties for households on minimum wage would only suit Families with two children with Family Tax Benefit A (N=8).

With Coronavirus Supplement

This would benefit Families on JobSeeker with two children, with five more properties to choose from.

No other households would see any significant benefit from the supplement.

Lake Macquarie

204,914

Total population

58,658 (29%)

People on income support

83 (29%)

Affordable and Appropriate for households on minimum wage

287

Total number of properties advertised

1 (<1%)

Affordable and Appropriate for households on income support

21 (7%)

Affordable and Appropriate for households on income support + COVID-19 supplement

Lake Macquarie is one of the largest regional cities in NSW, with nine town centres circling a large lake. In its recently released Housing Strategy 2020 Lake Macquarie Council reported the following:

- 6,346 households in rental stress
- 531 people on the waitlist for social and affordable housing
- 5.4% unemployment rate
- Only one property in this region was suitable for couples on the Age Pension
- No other household on income support would find a suitable rental property in Lake Macquarie
- Families on Minimum Wage with family Tax Benefit A were the only real winners in this LGA with 29% (N=81) of properties suitable.

With Coronavirus Supplement

The households that would gain from the supplement would be Couples, both on JobSeeker Allowance, with two children with 7% (N=19) of properties suitable.

Maitland

83,203

Total population

26,944 (32%)

People on income support

71 (43%)

Affordable and Appropriate for households on minimum wage

167

Total number of properties advertised

6 (4%)

Affordable and Appropriate for households on income support

39 (23%)

Affordable and Appropriate for households on income support + COVID-19 supplement

Maitland is situated in the lower Hunter region on the banks of the Hunter River. This city has a diversity of economic activities including agriculture, tourism, mining, manufacturing, transport and construction industries.

- There were no suitable properties for 13 of the 14 household types
- Just six properties of those advertised were suitable for a couple on the age pension
- A couple with two children on the minimum wage would find the majority of 71 properties suitable.

With Coronavirus Supplement

Couples, with two children, would see an increase of 17% of properties suitable, and increase in numbers from 0 to 28.

All others would have little or no gains in housing affordability.

Mid Coast

93,288

Total population

44,245 (47%)

People on income support

54 (39%)

Affordable and Appropriate for households on minimum wage

138

Total number of properties advertised

11 (8%)

Affordable and Appropriate for households on income support

41 (30%)

Affordable and Appropriate for households on income support + COVID-19 supplement

This snapshot region represents the LGA of Mid Coast and includes the major towns of Forster, Tuncurry, Taree and Gloucester.

Forster and Tuncurry are major tourist destinations with a focus on recreational activities such as water sports, bush walking and boating. This area is a popular retirement location, where a large proportion of the population are retirees and pensioners.

Taree is located on the banks of the Manning River with retail, government and age care the top three industries. Taree has a significant higher proportion of people age over 65, with a quarter of the population in this age group. 9.1% of the population are Aboriginal or Torres Strait Islanders with the average age of this group being 20. The unemployment is approximately double the national average.

The summer bushfires at the start of the year heavily impacted this region, with some loss of homes and residents being evacuated.

Gloucester is located further inland in the Barrington Tops region and has an economy in four key industry sectors: agriculture, mining, manufacturing and tourism.

- Nothing suitable for almost all households on income support
- Only Couples on the Age Pension would find a suitable rental property here – only 11 to choose from
- 51 (37%) properties were suitable for families with two children on Households on Minimum Wage + Family Tax Benefit A and a Single Person on Minimum Wage only has three properties to choose from.

With Coronavirus Supplement

The Additional funding would see families on JobSeeker able to find 17% (N=24) more properties suitable.

Minimal changes to Single Parent Families and singles on any income support– 1-3% increases

Muswellbrook

16,383

Total population

5,689 (35%)

People on income support

46 (72%)

Affordable and Appropriate for households on minimum wage

64

Total number of properties advertised

8 (13%)

Affordable and Appropriate for households on income support

25 (39%)

Affordable and Appropriate for households on income support + COVID-19 supplement

Muswellbrook is a rural service town located in the Upper Hunter Region. Coal-fired power stations, which have long been the lifeblood of the area, are being closed as they approach their expiry date and are not being replaced. This has also seen a reversal in projections for the thermal coal industry with closures to several large coal mines since 2016 and large job losses which had a substantial impact on the local economy.

The town has pockets of social disadvantage groups with increasing complex issues, placing enormous demand on social welfare services.

- The only eight properties suitable for households on income support were for Couples on the Age Pension
- Nothing suitable for any other households relying on income support
- Most of properties for households on minimum wage would only suit Families with Two Children with Family Tax Benefit A (N=43)

With Coronavirus Supplement

Parents including both single and couples, would find more suitable properties with the supplement. Three to four properties for single parents on JobSeeker or Parenting Payment Single, and 25% more properties (N=16) for Families with two children on JobSeeker.

Newcastle

164,104

Total population

49,886 (30%)

People on income support

466 (51%)

Affordable and Appropriate for households on minimum wage

907

Total number of properties advertised

114(13%)

Affordable and Appropriate for households on income support

346 (38%)

Affordable and Appropriate for households on income support + COVID-19 supplement

Port Stephens

72,965

Total population

26,199 (36%)

People on income support

165

Total number of properties advertised

3 (2%)

Affordable and Appropriate for households on income support

Newcastle is considered the capital of the Hunter Region and is a hub for industry, education, health, business, tourism, port and logistics services. It is an accessible city, linked to national markets through a major airport, road and rail networks. Situated at the mouth of the Hunter River, Newcastle is the largest coal exporting harbour in the world, exporting 159.9 million tonnes of coal in 2017.

In the ten years between 2006 and 2016 the median rent of Newcastle increased by 74% while incomes have only increased by 55%. 13% of households were experiencing rental stress – nearly one in three households (2016)

Newcastle Council reported the most affordable rental areas in Newcastle are predominantly the inner suburban areas with a high proportion of social housing, suggesting that households on the lowest incomes are reliant on housing located in amenity-poor areas, and where rental properties may be in poor condition.

Newcastle LGA accounted for just over half (55%) the amount of properties advertised in the Hunter Region.

- Singles on JobSeeker or Youth Allowance would not find a private rental affordable and appropriate on the Snapshot weekend
- Singles on a minimum wage had the highest number of properties (45%) suitable
- Singles and couples on the Age Pension had the most properties to choose from for households on income support, being 82 and 53 respectively
- All other households on income support would find 1-2% of properties that are suitable.

With Coronavirus Supplement

In stark contrast, when they receive the Coronavirus supplement, JobSeeker recipients would have 34% (N=308) of properties suitable, Singles over 18 on Youth Allowance would have 18% (N=161) and Singles in a Share House on Youth Allowance would have 9% (N=82).

The reason for the significant increase of suitable properties for households on income support is mainly due to the large amount of shared accommodation properties in this year's Snapshot. However, it is unlikely a Single person on the Age Pension would choose to rent a property advertised as a shared house for students.

The Port Stephens LGA stretches north from Newcastle along the coast, taking in the main towns and surrounding suburbs of Raymond Terrace and Nelson Bay. Its key economic drivers are Newcastle Airport and the adjoining RAAF base. Other major employment industries include tourism, government, logistics and retail.

- The three properties suitable for households on income support were only for couples on the Age Pension
- No other properties were suitable for any of the 13 other households on income support.

With Coronavirus Supplement

The gain with the supplement is for Families on JobSeeker – up 8% (N=13)

Singleton

23,482
Total population

5,922 (25%)
People on income support

12 (33%)
Affordable and Appropriate for households on minimum wage

36
Total number of properties advertised

1 (3%)
Affordable and Appropriate for households on income support

3 (8%)
Affordable and Appropriate for households on income support + COVID-19 supplement

Singleton is situated in the Hunter Valley on the banks of the Hunter River. The largest employment industry is coal mining with Defence being the second largest employer. Other industries include electricity generation, vineyards, horse breeding and cattle production.

- The amount of properties advertised for this LGA was very small
- There was nothing suitable for 13 of the 14 household types
- One property only suitable for Couples on Age Pension
- Families on Minimum Wage with family Tax Benefit A were the only households with high numbers of suitable properties in this LGA with 31% (N=11).

With Coronavirus Supplement

The Coronavirus supplement would make little difference in the LGA for all household types.

Upper Hunter

14,220
Total population

4,157 (29%)
People on income support

21 (70%)
Affordable and Appropriate for households on minimum wage

30
Total number of properties advertised

1 (3%)
Affordable and Appropriate for households on income support

20 (67%)
Affordable and Appropriate for households on income support + COVID-19 supplement

The Upper Hunter Shire is a predominately rural area and includes the main townships of Scone, Aberdeen, Merriwa and Murrurundi. The LGA supports a local abattoir and is the single largest producer of thoroughbred horses in Australia. Scone is known as the horse capital of Australia and has the largest equine veterinary service in the southern hemisphere. Agriculture Forestry and Fishing is the largest employer in this region.

- There was nothing affordable or appropriate for 13 of the 14 households on income support
- There was one property suitable for Families receiving JobSeeker.
- Couples on the Minimum Wage with benefits had the majority of properties to choose from – 70% and 43% respectively.

With Coronavirus Supplement

The Coronavirus supplement would make a big difference to families in this LGA.

Families on JobSeeker with two children would have 57% (N=17) more properties suitable.

Single parents on Parenting Payment with one or two children would have 13 and 20% more properties respectively to choose from.

DISCUSSION

At the time of writing this report, the country is coping with the destructive effects of the bushfires and droughts and at the same time dealing with the public health, economic and social impacts of the Coronavirus pandemic. The Government's mass efforts to stop the spread of the virus by imposing bans and closures throughout the hospitality, entertainment and sporting and recreational industries, has forced large numbers of people into unemployment. Some economists estimate unemployment could triple to 15%, the highest rate since the Great Depression of the 1930s (Grattan Institute 19 April 2020).

Social isolation will impact on the community's connectedness and will affect the physical and psychological health of many, particularly the age. Lockdowns are likely to increase the vulnerability of those experiencing domestic violence. Confining people with their perpetrators could exacerbate the frequency and intensity of the abuse, especially when combined with the added stress of job losses and a negative financial impact.

The Coronavirus supplement undoubtedly will put real money in people's pockets that will assist with expenses. However, in terms of rental affordability improvements, some will benefit but single people see little major improvement. This particularly applies to those on the Age Pension and Singles on a Disability Pension. These particularly vulnerable cohorts will not receive any Coronavirus supplement and many are dealing with being isolated, and the extra costs for transport, medical supplies and personal protective equipment. Whilst this Snapshot region shows that people on the Age Pension were the only households on income support to find a suitable private rental across all three regional areas, the numbers were not high, indicating the market is not favourable for them either.

According to the University of Newcastle's Hunter Research Foundation (HRF) Centre, the Coronavirus pandemic will have a domino effect on the Hunter's economy. Three of the biggest industries in the region – retail trade, hospitality, and the arts and recreation services – have been immediately impacted. Together these industries employ around 62,000 people in the Hunter and account for one in five jobs (Newcastle Herald 1st April 2020).

The HRF Centre predicts that closures and slow-down in these sectors will lead to greater unemployment. They projected that if one-third of jobs were lost in these industries, the unemployment rate would increase to 10 percent, double what was reported for March 2020. If half of the jobs were lost, the

region's unemployment would go up to 13 percent – a figure similar to that at the time of the BHP closure in the late 1990s.

The hardest hit will be younger people under 30 years old as a high proportion of this group are employed in these industries. HRF reported that younger workers in normal times face double the unemployment rate of Hunter residents, and therefore job losses due to Coronavirus will be especially challenging for this cohort.

Even with the government's Coronavirus stimulus, there would be a larger number of the population on lower incomes. Therefore, reduced wages and greater unemployment means less overall spending, and will create a domino effect across the economy of the region.

Around one third of Australian households rent their homes, with 25% being rented privately and 4% rented from state and territory housing authorities (ABS 2017b). Young people who have traditionally been short term renters, are now choosing to rent rather than buy a home as housing prices soar out of reach. The proportion of people age under 35 renting increased from 47% in 2006 to 54% in 2016 (ABS 2016). These are people on average incomes, who can afford the rent and negotiate deals to acquire a rental property in their preferred area. This is not good news for those on income support who will always need to rent and are now competing with an increased demand for private rentals.

Pensioners and people with a disability or long-term health conditions are the fastest growing private rental households and usually these people have low incomes. It is anticipated that this trend will continue over the next decade as the population ages and patterns of housing ownership continue to change.

Our social housing system in Australia is set up to support not only those on low incomes but also people with a disability and those experiencing homelessness or at risk of becoming homeless. In 2017-18 there were over 800,000 people in social housing, occupying over 400,000 dwellings, most of them public housing. Waiting lists for social housing are long with 89,400 households nationally on the waiting list as at 30 June 2017.

Critical life events such as family breakdown, loss of employment or reduction in income, ill health or the loss of loved ones are all drivers for requests for community assistance. Samaritans supports many of these people, assisting with emergency food vouchers, financial assistance and counselling, short term and crisis accommodation and domestic violence support and refuge.



PROFILE TWO

Rebekah's Story

Report Overview

Almost half the population in the Mid Coast region receives some kind of income support, mainly because the area is a popular retirement location. The unemployment rate is approximately double the national average.

Prior to the increased income support with the Coronavirus supplement, there were no appropriate and affordable properties for almost all households receiving some kind of income support.

For single parents like Rebekah who receive the single parenting payment, there were no properties that were affordable and appropriate in the Snapshot weekend. With the increase in payment due to the Coronavirus supplement, 3% of properties became affordable for these families, however, this is just four properties across the whole of the region which includes Forster, Tuncurry, Taree and Gloucester.

The median rent advertised during the snapshot weekend for Taree was \$335 per week. However, for singles with two children who receive support payments, the maximum affordable rental payment would be \$221.03. For people like Rebekah with more than two children, the payment would be slightly higher, but housing needs also increase and therefore the chances of finding an appropriate and affordable house to rent in the Mid Coast is even more unlikely.



Meet Rebekah

- **Single parent receiving income support- single parenting payment**
- **Rebekah has three children**
- **Lives in Taree**

Rebekah's name has been changed to protect her identity. This is a stock image.

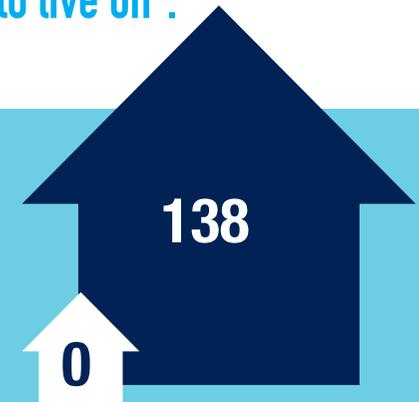
Rebekah and her family can afford to pay \$221.03 per week.

No properties in the Mid Coast area were affordable and appropriate for families with two or more children.

Where families have more than two children, the situation is far more challenging. The increased Coronavirus supplement would open up just four properties across the region for Rebekah's family.



"It's so hard to get into housing and even find a rental you can afford, especially when you have children. When you pay all the bills there isn't much left to live on".



■ Affordable ■ unaffordable

CONCLUSIONS

This year's Rental Affordability Snapshot shows just how shockingly low government allowances are. There is no doubt the COVID-19 supplement will put some money in people's pockets to help pay bills, put food on the table, and buy clothes for their children. However, in terms of stark affordability improvements, some win, but single people see little improvement.

The private rental market, without major adjustment, just does not provide sufficient affordable and suitable houses for people on low incomes. Government income support payment recipients are still ultimately competing against each other for the limited pool of affordable rentals available in the market.

Currently, local councils are in the process of releasing their Housing Strategy 2020 – a plan for each LGA that addresses housing priorities, of which affordable rental housing is one. However, more immediate benefits are needed from all levels of Government if we are to implement real change, especially in this time of global crisis.

Our joint recommendations are as follows:

Government income support payment increases should be open to all people in need – and they should be permanent.

The proposed government income support payment increases have given many people badly needed relief. Government income support payment increases for people out of work must become permanent. They must be extended to people with disabilities, age pensioners, and everybody who needs them. This will help people keep a roof over the heads and buy essential supplies – and in a time of crisis, it will stop them from having to make unfair choices.

The government must end the housing shortfall – and ensure everyone has a place to call home.

Our affordable housing shortfall is massive. The Everybody's Home campaign calls for the construction of 500,000 new affordable and social rentals across Australia. If we are asking people to stay at home during this pandemic, then we must invest in homes for people who need them the most.

Nobody should be squeezed out of the market during a health emergency. We must invest in social and affordable housing. Ending our affordable housing shortfall would be the most powerful way to tackle the rental crisis – and boost our economy.

We need a real moratorium on evictions – and debt relief for renters in need.

The NSW Government has implemented a 6-month moratorium on evictions, however, it does not cover all evictions, or all renters.

These gaps could mean many renters will fall through the gaps and lose their tenancies.

In the midst of this crisis, we must make sure that renters can keep a roof over their heads – and stop even more people from falling into homelessness.

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The Local Government Area allocations in this year's Rental Affordability Snapshot have been compiled based on Electoral Office data



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