



Snapshot: Anglicare North Coast – North Coast NSW

Introduction

Anglicare North Coast covers a broad demographic area, stretching from Port Macquarie in the south to Tweed Heads in the north, and has several services which aim to build resilience and support clients to achieve their aims: Community Housing; Next Level and Multicultural Hub, Financial Counselling – Problem Gambling, Disaster Recovery, and Emergency Relief.

Within our region, we have several larger regional cities, but also large rural areas, with smaller networks of towns which assist in meeting housing demand. Whilst the larger urban areas are relatively well serviced in terms of infrastructure and services, residents outside of those areas face additional barriers to accessing services, employment, and housing. Public transport is not well developed, increasing reliance on cars, with their associated running costs.

Since last year's Snapshot we are still seeing the effect of the disastrous North Coast floods. Thousands of people are either still displaced in temporary accommodation, often out of their local area, or struggling to complete the rebuilding of their homes. Many others have left the region entirely. The knock-on effect to affordable housing supply and temporary accommodation continues to ripple out across the North Coast NSW, with motel accommodation and pod villages still full of people affected by the floods. This places yet more pressure in an area already highly sought after and impacted by the movement of people into the region during and after the pandemic.

According to research from SQM, rents across the region as a whole have risen 10% over the last three years but the story is more vividly told in the regional yearly data. Rental prices slumped 11% in Lismore but in Tweed Heads and Tweed Heads West, rental prices rocketed 34% over the last 12 months. The inference to be drawn is that, in addition to other drivers for rental price rises, people will not rent, post-flood, in Lismore and have instead sought accommodation in nearby Tweed Heads.

Airbnb in the Byron shire has 2694 properties which are available to rent as a whole house. Whilst some of these would never have been available or affordable for the purposes of this snapshot, it is arguable that the proliferation of short-term holiday lets places significant pressure on the rental market for residents and workers on low incomes in Byron.

Compared to the downward trend of previous years, this year we saw an increase in the number of houses available to rent, with 731 properties advertised – a 125% increase. However, this does not translate into increased numbers of affordable houses.



Methodology

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

Those households are:

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

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

Findings

On the Snapshot weekend of 18th March 2023, 731 private rentals were advertised for rent on the North Coast NSW. While a property could be affordable and appropriate for more than one household type, any individual property can only be rented out by one household type at any time.

To this end, we found that:

- 4 (0.5%) individual properties were suitable for at least one household type living on income support payments without placing them in housing stress.
- 62 (8%) individual properties were suitable for at least one household type living on minimum wage without placing them in housing stress.

These are effectively the same percentages as last year (less than 1% and 7% respectively). This shows that despite the higher number of properties available to rent on the market, we are still not addressing the chronic lack of affordable housing for people on low incomes.



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

Households on income support payments (#1-10)	Households on minimum wage (#11-14)
4	62

Table 1: Rental Affordability, North Coast NSW, by household type and percentage

#	Household Type	Payment Type	Number Affordable & Appropriate	Percentage Affordable & Appropriate
1	Couple, two children (one aged less than 5, one aged less than 10)	Jobseeker Payment (both adults)	0	0%
2	Single, two children (one aged less than 5, one aged less than 10)	Parenting Payment Single	0	0%
3	Couple, no children	Age Pension	2	0%
4	Single, one child (aged less than 5)	Parenting Payment Single	0	0%
5	Single, one child (aged over 8)	Jobseeker Payment	0	0%
6	Single	Age Pension	2	0%
7	Single aged over 21	Disability Support Pension	0	0%
8	Single	Jobseeker Payment	0	0%
9	Single aged over 18	Youth Allowance	0	0%
10	Single in share house	Youth Allowance	0	0%
11	Couple, two children (one aged less than 5, one aged less than 10)	Minimum Wage + FTB A (Both adults)	60	8%
12	Single, two children (one aged less than 5, one aged less than 10)	Minimum Wage + FTB A & B	2	0%
13	Single	Minimum Wage	3	0%
14	Couple, two children (One aged less than 5, one aged less than 10)	Minimum Wage + Parenting payment (partnered) + FTB A & B	6	1%
Total No of Properties		731		



Table 2: Rental Affordability, North Coast, NSW, by region

AVAILABILITY OF AFFORDABLE AND APPROPRIATE RENTAL PROPERTIES, BROKEN DOWN BY REGIONS IN THE NSW NORTH COAST OF NSW, AND BY HOUSEHOLD TYPE									
Regions surveyed	Ballina	Byron Bay	Casino	Clarence Valley	Coffs Harbour	Kempsey	Lismore	Port Macquarie	Tweed Heads
	68	64	29	100	166	31	99	120	56
Couple, 2 children Jobseeker	0	0	0	0	0	0	0	0	0
Single, 2 children, Parenting Payment	0	0	0	0	0	0	0	0	0
Couple, Age Pension	0	0	0	0	0	2	0	1	0
Single, 1 child, Parenting Payment	0	0	0	0	0	0	0	0	0
Single, 1 child, Jobseeker	0	0	0	0	0	0	0	0	0
Single, Age pension	0	0	0	0	0	0	1	0	0
Single, 21 +, Disability Support Pension	0	0	0	0	0	0	0	0	0
Single, Jobseeker	0	0	0	0	0	0	0	0	0
Single, 18 +, Youth Allowance	0	0	0	0	0	0	0	0	0
Single (sharing), Youth Allowance	0	0	0	0	0	0	0	0	0
Couple, 2 children, Min wage, FTB A&B	0	0	10	27	1	12	10	2	0
Single, 2 children, Min wage, FTB A&B	0	0	0	0	0	2	0	0	0
Single, Min wage	0	0	0	0	1	0	1	0	0
Couple, 2 children, Min wage, Parenting Partnered FTB A&B	0	0	0	3	0	3	0	0	0

Discussion

On the North Coast, NSW, as is the case across Australia, renters on low incomes are being left behind and forgotten in the private market. Anyone only in receipt of income support, bar the Age Pension, cannot afford to rent a house anywhere on the North Coast

People on income support, especially those who are out of work, have few options. We found that that no houses were affordable for a person on the JobSeeker payment. This includes sharehouses. The shortage of affordable rentals will condemn people to make difficult decisions to keep a roof over their head.



Families out of work are also facing a dire situation. Neither a couple, out of work, nor a single parent without work could afford any of the houses advertised. This helps explain why the rate of JobSeeker is such a critical factor in child poverty – one in six children now lives in poverty, with those growing up in households that depend on JobSeeker at much greater risk.ⁱ

This year's results again show how brutal the rental market is for young people. A person on Youth Allowance looking for a sharehouse couldn't afford a single house. Youth Allowance is the lowest of all government payments, and year after year, we find young people are at the bottom of the affordability ladder.

People with disabilities face unique challenges in this market. Some will find that the rentals listed in this Snapshot don't meet their needs, and for many people, the Disability Support Pension is too low to allow them to rent a home that does. A person on the Disability Support Pension could afford, once again, none of the rentals at the time of our Snapshot.

The most generous of government payments is the Age Pension. Yet for a couple and singles living on the Age Pension, 2 of the rentals were affordable, which is less than one percent.

Working people are hardly better off. A single person working full-time on the minimum wage will find that only 3 of the rentals are affordable, again less than one percent. Of all the households featured in this Snapshot, families with two parents in full-time work stand the best chance of finding an affordable home. Even they will find they are locked out of 92 percent of rentals we surveyed.

Therefore, anyone only in receipt of income support, bar the Age Pension, cannot afford to rent a house anywhere on the North Coast. Yet they must be living somewhere, and this points to high rental stress, couch surfing, insecure rentals, and camping as the hidden story. We have heard anecdotes of people using short-stay holiday accommodation and then using Buy Now Pay later to buy their groceries which is completely unsustainable.

Although we look at the full-time minimum wage, we know that more and more people are working casually. 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.

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



Policy Implications

Raising JobSeeker and related payments over the poverty line

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

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

More social and affordable homes for North Coast, NSW

We are facing a major shortfall of affordable homes. The Australian Housing and Urban Research Institute has shown us that we have a shortfall of 16,200 social and affordable rentals across the Mid North Coast, Coffs Harbour–Grafton, and Richmond–Tweed. By 2036, that number is expected to grow to 19,900.ⁱⁱ

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

Fixing tax concessions

Australia's current housing tax concessions contribute to the high costs of housing in Australia. They encourage property investors to speculate on the property market, at the expense of people trying to buy or rent a home.

Negative gearing and capital gains tax concessions cost the federal budget a staggering \$14.85 billion per year, and overwhelmingly favour the wealthiest 20 percent of Australians.

Better targeting negative gearing and capital gains tax exemptions would provide funding for homes for people on low incomes who are struggling to survive in the private rental market or need social housing.



Conclusion

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

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

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

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

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

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

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