

Snapshot: Anglicare NT — Northern Territory

Introduction

Anglicare NT recognises that unsafe, inadequate and expensive housing is a challenge across the Northern Territory. People who struggle to find affordable housing often resort to living in overcrowded and sometimes unsanitary conditions which constrains their capacity to maintain employment and participate within their community in a meaningful way.

Anglicare NT continues to advocate for additional resources in the housing sector to ensure that improved housing stock and support services can be available for Territorians who most need this support.

Anglicare NT provides services such as the Housing Options and Pathways Program to help people at risk of eviction to retain their public housing tenancy, the Housing Accommodation and Support Initiative (HASI) which provides wrap around support to people with diagnosed mental illnesses, Youth Housing services that assist young people aged 15-19 and the Transitional Housing program to help adults and families experiencing homelessness establish a stable housing environment. In addition, Anglicare NT provides some emergency relief support services.

Findings

On the weekend of 24-25 March 2018, 1302 properties were advertised for rent in the Northern Territory (compared with 1,287 properties in 2017). Private rentals were surveyed through online sources. 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:

- 19 (only 1%) of individual properties were suitable for at least one household type living on income support payments without placing them in housing stress.
- 156 individual properties were suitable for at least one household type living on minimum wage without placing them in housing stress.

Further analysis

- There were no (n=0) properties that were both affordable and appropriate for people who receive Newstart Allowance, Single Parenting Payment, Disability Support Pension or Youth Allowance or on a Age Pension and living alone.
- Of the 19 unique properties that were affordable and appropriate, the analysis made evident that only couples who currently receive the Age Pension (i.e. living as a couple, with no children) would be appropriate for these properties.
- Regional analysis of the data indicated that there were no (n=0) properties that were both affordable and appropriate for those on any type of support payment, including couples on the Age Pension, in Alice Springs (note it is a smaller sample size).

Table 1: Rental Affordability, Northern Territory analysed, 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)	Newstart Allowance (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	19	1.45%
4	Single, one child (aged less than 5)	Parenting Payment Single	0	0%
5	Single, one child (aged over 8)	Newstart Allowance	0	0%
6	Single	Age Pension	0	0%
7	Single aged over 21	Disability Support Pension	0	0%
8	Single	Newstart Allowance	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)	147	11.29%
12	Single, two children (one aged less than 5, one aged less than 10)	Minimum Wage + FTB A & B (both adults)	2	0.15%
13	Single	Minimum Wage	2	0.15%
14	Couple, two children (one aged less than 5, one aged less than 10)	Minimum Wage + Parenting payment (partnered) + FTB A & B	5	0.38%
Total No of Properties		1302		

On the Snapshot day, these are the number of unique properties affordable and appropriate for:	
Households on income support payments (#1-10)	Households on minimum wage (#11-14)
19	156

Discussion

Across the Northern Territory, the average cost of renting has slightly increased over the year to \$477.72 per week compared to \$472.67 per week last year. This is down from \$500.06 (2016) and \$560 (2015) and \$581 (2014).

The average rental cost within the Northern Territory as a whole is \$477.72 which is lower when compared with just Darwin (and its suburbs) which on average costs \$494.99 per week.

There have been a number of interesting developments in the Northern Territory property market over the past year such as:

- The Northern Territory reported the lowest population growth of any jurisdiction at less than 0.1% [ABS Data September 2017]
- Overall property prices in Darwin have experienced the biggest drop in price of any capital city in Australia, dropping a further 6.5% in 2017 [CoreLogic, 2 January 2018]
- While house prices fell significantly in Darwin, rental prices only dropped by 1.5 per cent in 2017 [CoreLogic, 2 January 2018]

Of the 1302 properties sampled only 13% (175) were both affordable and appropriate within the Northern Territory and these were only appropriate for some households on the pension or the minimum wage. This continues a four year trend within the Northern Territory of lack of availability of housing stock that is both appropriate and affordable for those in our community who have the most limited resources.

Policy Implications

The Anglicare Australia Rental Affordability Snapshot process has reinforced the importance of government policy interventions and the need for appropriate resources to address the ongoing housing affordability crisis in the Northern Territory.

Everyone deserves a place to call home. Too many people within the Northern Territory who are reliant on some form of welfare payment are paying a large percentage of their limited resources towards housing that is often not appropriate for their needs. Paying for a roof over your head, shouldn't place extra stress on a household. Territorians should not have to choose between rent and healthy food, prescription medications, transport or electricity.

Despite government programs to increase the supply of affordable and appropriate housing in the Northern Territory there has not been any significant progress. More investment is needed. The Northern Territory Government's 'Head-leasing initiative' which provides housing to key workers at 30% below market rates and the National Rental Affordability Scheme which delivers rentals to low income earners at below 80% of market rates, should be extended to meet the need.

The Commonwealth Rent Assistance scheme is another policy lever that could help address the affordability crisis. The scheme provides a supplement rent payment to eligible social security recipients. However, it is designed so that it doesn't kick-in for some groups, like single people on Newstart and Youth Allowance, until they are paying a significant amount of their income in rent. A single person on Youth Allowance, for example, must spend 27% of their income on rent *before* they can receive assistance; a single person on the Aged Pension, by comparison, becomes eligible for assistance once they have spent 13 % of their total income on rent. The Commonwealth Rent Assistance scheme is in need of structural reform to address these issues which particularly effect vulnerable young people.

The Northern Territory has the equal highest rate of youth homelessness in the country [ABS Census 2016] and has very high rates of young people exiting Out of Home Care and the Youth Justice systems. The recent Royal Commission into the Protection and Detention of Children in the NT recognised this critical issue and has called for deliberate, targeted intervention for young people leaving Out of Home Care to ensure they don't slip through the cracks into homelessness. It is critical that both the Commonwealth and Northern Territory governments commit to meaningful investment in this area.

Anglicare NT encourages both the Northern Territory and Commonwealth governments to make some long-term strategic investments to ensure stability in housing for those people who most need support.

Conclusion

The Anglicare Australia Rental Affordability Snapshot demonstrates clearly that there continues to be a housing affordability crisis in the Northern Territory. We have identified **0%** of properties that were affordable and appropriate for Territorians who currently receive Newstart Allowance, Single Parenting Payment, Disability Support Pension or Youth Allowance or on an Age Pension and living alone.

The Rental Affordability Snapshot also demonstrated that only 1% of rental properties surveyed were affordable and appropriate for a couple living on the Age Pension and only 11% of rental properties were affordable and appropriate for families living on the minimum wage.

While there has been a marginal improvement in the number of properties that were affordable and appropriate for families living on a minimum wage, this appeared to be more about the continued downturn in the Northern Territory economy rather than a strategic policy shift to increase available housing. Expanding both the Northern Territory Government's Head-leasing initiative and the National Rental Affordability scheme to better meet the need is required.

Young people are particularly at risk. Urgent reform of the Commonwealth Rent Assistance scheme is required to fix structural inadequacies and a commitment to more investment, from all levels of government, is needed to protect youth leaving Out of Home Care and the Youth Justice systems.

The picture for rental affordability in the Northern Territory continues to follow a very concerning trend. Failure to attract either government or private investment in affordable housing options in the Northern Territory will continue to place cost of living pressure on those who can least afford it and those who have the least housing options available to them.