



Media release

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Just seven Melbourne suburbs where single parents on a low income can avoid 'Severely Unaffordable' rents

The latest Rental Affordability Index (RAI) shows that a single parent on a low income can rent in just seven Melbourne suburbs if they want to avoid 'Severely Unaffordable' rents, though even in these locations they would still be experiencing rental stress

"It's a dire situation to be in if you're a single parent, struggling to look after children, scraping by on a low-income and trying to find a place to live. With so few affordable options, no wonder so many slip into homelessness," says Jenny Smith, CEO, Council to Homeless Persons (CHP).

The RAI, produced by National Shelter and SGS Economics, tracks rental affordability relative to household income for a number of hypothetical household types, and shows that there is not a single suburb where a single parent on a low income would find affordable rent.

"There's no escaping high Melbourne rents; it's a choice of living somewhere unaffordable or severely unaffordable. The RAI shows just how bleak it is if you're poor and trying keep a roof over your head," said Ms Smith.

"It's particularly worrying if you're a woman who's left family violence and looking for a safe, affordable place to live. Women and children are forced to either live in extreme poverty to pay high rent, or move far away from jobs, schools and support services and with high transport costs to find somewhere more affordable," she said.

CHP says the report is further evidence that the Federal Government needs to do more to boost social housing stock so that low-income earners have an alternative to sky high private rental.

The seven Melbourne suburbs where a low-income single parent would avoid 'Severely Unaffordable' rents are all 35+kms from Melbourne's CBD. Rents in those suburbs would still leave a single parent on a low annual income of \$40,000 paying more than they can afford.

- Melton (3337)
- Brookfield (3338)
- Rosebud (3939)
- Wyndham Vale (3024)
- Pakenham (3810)
- Hastings (3915)
- Rye (3941)

The reports release closely follows on from the Federal Budget which welfare organisations say did not go anywhere near far enough to tackle the housing affordability crisis which underlies Australia's rising homelessness.

"The Federal Budget leaves the vast majority of renters no better off. It won't deliver the massive injection to social housing that we need, it hasn't properly tackled negative gearing and capital gains tax and there's no boost to rent assistance to help low-income renters in the private rental market," said Ms Smith.

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