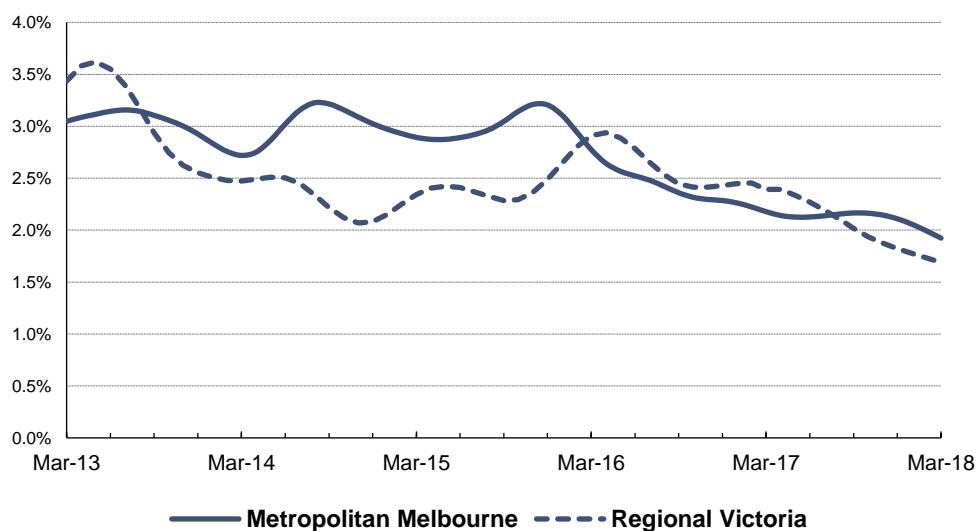


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Rental vacancies plummet, creating fierce competition among Victorian renters

New DHHS rent data shows vacancy rates in Victoria have nose-dived to less than 2%, the lowest rate since 2012. The Victorian peak body for homelessness says low-income renters are increasingly being overlooked in favour of people on higher incomes, pushing thousands of Victorians out of the private rental market and to the doors of homelessness services.

The latest Department of Health and Human Services (DHHS) rent report shows that Melbourne's rental vacancy rate dropped to a near six-year low during the March 2018 quarter, with just 1.9 per cent of Melbourne rentals available to rent, and 1.7 per cent of regional rentals.



"More and more renters on low-incomes are coming to our services saying they're being overlooked by real estate agents or out-bid by higher income earners. Others find themselves stuck in a poverty trap, paying exorbitant rent, but with no option to move somewhere cheaper," said Ms Smith.

"This is yet further evidence of our broken housing system. We cannot rely on the private market to provide housing for those on very low incomes; we need government to build and buy more public and community housing.

"Social housing has been allowed to decline to just 3.4 per cent of all housing in Victoria, down from 3.9 per cent in 2010-11," said Ms Smith.

The DHHS rent report also shows that in the March 2018 quarter:

- Just 4.5 per cent of all rentals in metro Melbourne were affordable* to a low income earner
- The median rent in Melbourne increased to \$420 per week (compared to \$400 per week in March 2017)
- There were only 58 one-bedroom apartments in all of metro Melbourne that a single person on Newstart income could afford* to rent

* DHHS defines affordable as not paying more than 30 per cent of income on rent

	Median Rent	Annual Change*
Melbourne	\$420	4.2%
Regional Victoria	\$300	3.2%
Victoria	\$400	4.1%

Although the number of rental properties on the market is increasing year-on-year, the number of rentals that are available, and affordable, to someone on a low income, has decreased drastically over the last decade.

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