



Media release **EMBARGOED UNTIL 12:01am on 29 NOVEMBER 2018**

Single working parents locked entirely out of metropolitan Melbourne rental market, and most of regional Vic: report

- *Moe and Portland among the only affordable locations in Victoria*
- *Single mothers in unaffordable rentals are a 'hair's-breadth' away from homelessness*

A new report to be released on Thursday shows that a single parent working part-time supplemented by benefits, and renting in Melbourne will be paying on average 56 per cent of their income on rent, leaving little over for essentials such as food, medicine, and utilities.

The Rental Affordability Index (RAI), produced by National Shelter and SGS Economics, tracks rental affordability relative to household income for a number of hypothetical household types across every state and territory. Among the scenarios, the report examines rental options available to a single parent working part-time, and receiving Centrelink benefits – calculated to earn on average \$40,000 p.a.

The report suggests that single mother households are especially impacted by the housing crisis, because they are likely to be on lower wages than their male counterparts. There are currently around 90,000 single mother households, across Australia, living in rental stress (defined as being on the lowest 40 per cent of income, and paying more than 30 per cent of income on rent).

The RAI shows that moving further out is no solution. Regional Victoria offers little relief for single parents working part-time, with median rents in all regional areas being unaffordable except for four: Moe, Portland, Illawarra and Mooropna.

'Single mums in these tenuous situations are a hair's-breadth away from homelessness. Skimping on meals and healthcare is common in low-income households living in rent stress. If a life crisis arises, such as the car breaking down, it's a choice between fixing your only means of getting to work, or keeping a roof over your head,' said Ms Jenny Smith, CEO, Council to Homeless Persons (CHP).

CHP says that the 'grim' findings show that building more social and affordable housing must be a key focus for the newly returned Andrews' Government. Prior to the state election, Labor announced that they would build 1,000 new public housing properties over the next three years.

'A thousand new housing units is a good start, but there are tens of thousands of people living in extreme rent stress while they wait for social housing. We want the

new government to accelerate its program of building and buying housing,' said Ms Smith.

'We cannot rely on the private market to provide homes for people on low incomes. That's not the market's job, it's the responsibility of governments,' she said.

CHP says that reform of the housing market will take effort from all levels of government.

'Australia's housing crisis is a problem that needs both state and federal governments to pull together to fully resolve – but currently our Federal Government is without a plan and is asleep at the wheel on housing affordability,'

'We've been immensely encouraged by the Federal Opposition Leader Bill Shorten's commitment to focusing on rental affordability. Additionally the proposal to curb negative gearing, is a measure which would remove the incentive for property investors to acquire many houses while thousands have no home at all,' said Ms Smith.

Read the [Rental Affordability Index \(RAI\)](#)

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