



GOVERNMENT'S INCREASE TO RENT ASSISTANCE HANDS WEALTH DIRECTLY TO LANDLORDS

The Federal Labor government has announced a 10% increase to Rent Assistance to come into effect on the 20th of September, 2024. On average, people receiving rent assistance will receive an additional \$20 a fortnight. The maximum amount eligible renters can now receive is \$207 per fortnight under the new rates.

Across Australian capital cities the average rent sits at \$650 a week for a house and \$630 a week for a unit, with rent increases averaging 11.1% for the financial year ending in June 2024, and with Melbourne rents increasing by 14.6% over the past year. In practice this means a transfer of wealth from government to landlords, via renters; noting that 86% of parliamentarians own at least one investment property¹.

Recent statistics show that almost half of Australian renters are spending over 30% of their income on rent, placing them in rental stress². For renters who are receiving Rent Assistance payments, the figure is likely substantially higher, due to welfare rates remaining at poverty levels for many years. Massive waitlists for public housing exacerbate housing insecurity, while state governments continue with plans to demolish and convert existing public housing to so-called "[community housing](#)".

Renters who should be housed in public housing are being subjected to a private rental market, with no rental caps protecting them from massive rent increases. Many rentals are poor quality and dilapidated, and in many states there are few protections around evictions (including legal no cause evictions).

Quote attributable to Cassandra Prigg, renter & RAHU member:

"I've been receiving Rent Assistance on and off for the past decade, and to be frank it does next to nothing to help with the cost of housing. My cost of housing amounts to around 60% of my income. I don't think that an extra 19 bucks a fortnight is going to do much to help me with the cost of living crisis that has hit almost everyone. It just goes to show how incredibly tone deaf and out of touch this federal Labor government is"

Quote attributable to Harry Millward, RAHU Secretary:

"This policy continues the Labor government's offering of crumbs disguised as cakes to renters throughout Australia. The average rent sits at \$650 a week for a house, and \$630 a week for a unit in Australia capital cities. As rent increases average 11.1% across Australian capital cities, this amounts to little more than a transfer of money from government to landlords, via our pockets as renters. When 86% of parliamentarians own at least one investment property, it's unsurprising that this is their solution¹."

The Renters And Housing Union demand that the Federal Government legislate:

1. Affordable housing be based on income rather than market, where rent can not be more than 30% of income.
2. No grounds evictions be abolished in every state and territory.
3. Rent increases be frozen for 24 months.
4. Future rent increases be capped to the increase in minimum wage.
5. Public housing be built until the housing waiting list is empty.

SPOKESPEOPLE

Harry Millward, Secretary

Alex Johann, Research and Policy Coordinator

¹ <https://www.sbs.com.au/news/the-feed/article/politicians-and-their-property-portfolios-how-many-do-they-own/wb7k9xq1p>

² <https://mozo.com.au/home-loans/articles/what-is-the-average-rent-in-australia>