**MEDIA RELEASE**

For further details contact: Stieve De Lance 0431139681 sdelance@reputationaustralia.com.au

**THERE ARE NOW MORE RENTERS THAN OWNERS IN OVER 150 LOCAL GOVERNMENT AREAS AND WITH FAILING GOVERNMENT POLICIES IT’S GOING TO GET WORSE**

**25 June 2017, Housing Affordability Expert and CFP®: Robert Snell**

* **There are now more renters than property owners in 152 Local Government Areas**
* **In both Sydney and Melbourne (LGA) Renters outnumber all other tenure types** [**Click here**](http://bit.ly/CensusLGAbyTenure) **to find your area**
* **Not since the time of the gentry has there been a class divide defined by property ownership**
* **Australia now a land of the ‘property haves’ and the ‘property have-nots’**
* **Renters for ever stuck in expensive cycle unable to break out**
* **The rental market is the new ‘Hunger Games’ for Millennials**
* **Governments are robbing young Australians of a secure and independent financial future**
* **Parents employing coaches to get the kids started in life**

The latest 2016 Census results reveal that across Australia the number of people renting accommodation has continued to increase because successive governments at State and Federal levels have failed to address the problem. Renters now outnumber owners without a mortgage and are just behind owners with a mortgage in over 150 Local Government Areas. The trend shows that renting is the new norm and that the situation is only getting worse.

Since 2011 there is an extra 261,740 rental properties confirming that the housing affordability crisis has not been addressed by successive governments and continued to worsen. We are now a society of two halves – those who rent and those who own property. Not since the English times of Lords of the land and tenants has there been such a divide between the haves and have-nots. Trapped in the cycle of being unable to save due to high rents, renters are further disadvantaged as land owners increase their wealth off property.

The competition for the rental properties is also so fierce that Housing affordability expert, Robert Snell says entering the rental market is the new hunger games for millennials. With vacancy rates hovering around two per cent tenants are forced to fight it out and outbid each other to get a property to rent – further pushing them into disadvantage. “Once they have entered the rental market and have a HECS/HELP debt they have been allocated the new lowest caste in society – the forever renter. Once caste into high rent, it is difficult for them ever to break out of the renting cycle and become and an owner”.

While the increasing reliance on rentals is disturbing, a deeper investigation into the Census data reveals that the number of people living in those households is also increasing. This suggests that families and non-related parties who can’t afford to buy and pay off their home and are forced into sharing rental properties to keep a roof over their heads and make ends meet.

In the states that have the largest rental property increases, the Census data reveals that Victoria has a 43% increase in households with seven people and a whopping 46% increase in households with eight people or more over the last five years.

New South Wales isn’t far behind. There has been a 30% increase in households with 7 persons and a 35% increase in households with 8 persons or more over the same period.

Nationally, the Census data also shows that the number of persons in a rental household is also on the rise with the percentage increases in 7 and 8 or more person households as shown in the table below (see data table at the end).

 “The Census data provides a much-needed wake up call to all levels of government about the need to create an integrated approach to deal with housing affordability, and there’s no hiding from the numbers,” says Robert Snell, Certified Financial Planner® and Housing Affordability Expert at Financial Coaching and Advice firm Life Values.

Robert also says that not only is the rising number of rented households is a major concern (given home ownership provides a basis for financial independence, especially later in life) but that “the rising number of people per rented property is frankly alarming! The data shows that related and non-related people are living together to keep a roof over their heads”.

“I find the lack of an integrated government policy on housing affordability to be a policy failure by all current and recent governments. Their efforts have been piecemeal, not one of them has even bothered to set a housing affordability target, and we all know ‘if you don’t count it when it comes to policy, it doesn’t matter’. We have to ask, how many Australians should be able to afford to buy and pay off a home? The refusal to set a target shows they’re just not serious about helping young Australians in particular buy and pay off a home.”

Robert challenges policy makers at all levels of government to set housing affordability targets and implement policy from targets. He doubts though that they have the political will, given topics like negative gearing have become political footballs, rather than a policy setting for what’s in the national interest.

His discussion paper on housing affordability ‘[The real home truth: Why unaffordable housing for Young Australians hurts us all’](http://www.lifevalues.com.au/the-real-home-truth/) sets out a plan for change as he takes on the personal challenge of coaching 1000 young Australians buy their first home through the [‘Own It’](http://www.lifevalues.com.au/own-it/) program. “It’s not only an economic imperative for future generations, but for me, it’s a social justice issue,” he said.

Robert says governments are robbing Young Australians of a secure and independent financial future and that hurts every Australian, given the impacts it will create. He believes we’re at the dawn of changing Australian society permanently, creating future generations of permanent renters - KRAMPPs – Kids Renting Amongst Massive Prices Permanently.

“That’s why we need to create a non-political entity to advise the government on how to improve housing affordability. I propose we create a National Housing Affordability Planning Organisation (NHAPO). NHAPO would have access to high-level economic analysis and could then work with existing city-based groups such as The Greater Sydney Commission along with infrastructure bodies such as infrastructure Australia as well as Federal, State, Local Governments and their Departments. NHAPO should be given the power to set interim and long-term housing affordability targets for each city with a focus on infrastructure to make the cities more livable and more capable of dealing with immigration and population growth. NHAPO would also need to have the authority to convert the planning into action. This process also needs to get greater consensus among local communities where change will occur and those who will need to build the developments. So a very open and continuous process of consultation and communication will be required. I believe that having articulated housing affordability goals will aid local communities in better understanding the reasons for a change.”

Life Values helps Young Australians buy and pay off a home with their Own It coaching and advice program. They realise though that they can’t help everyone, that’s why they’re also lobbying for change.

-ENDs-

**Further Information**

Go to: [www.lifevalues.com.au](http://www.lifevalues.com.au)

Housing Affordability Expert, Robert Snell has a personal challenge: To help 1000 young people buy and pay off their first home in 80-120 months   He believes that if you work in a city, you should have a reasonable chance to buy a home in that city and that rising home prices are not a sign of success – being able to house your population is. He feels at some point, a home must just be a home and not an investment if Australia is to continue to house its growing population.

Robert has written and submitted a White Paper called, THE REAL HOME TRUTH: Why Unaffordable Housing for Young Australians Hurts Us All. It explains historically how we got to this situation in Australia and how we can turn things around.

Robert Snell is available to discuss:

·         Tips on Saving

·         How to get your first home

·         What the country should do to solve this problem and its historical context

·         Provide case studies

Robert holds a Degree with Majors in Economics and Political Science and a Diploma of Financial Planning. Robert is also recognised as an SMSF Specialist AdvisorTM and a Certified Financial Planner®. Unlike other advisors, Robert has been a fee-for-service advice provider for more than 29 years. Robert Snell is an Authorised Representative and Life Values is a Corporate Authorised Representative of Financial Services Partners Pty Ltd AFSL 237 590 ABN 15 089 512 587.

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Rental property increases, 2011 to 2016

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| [**State**](https://auth.censusdata.abs.gov.au/webapi/jsf/tableView/tableView.xhtml) **or Territory** | **Rented Properties 2011** | **Rented Properties 2016** | **Increase (Count)** | **Increase (Percentage)** |
| Victoria | 506,297 | 597,848 | 91,551 | 18% |
| [New South Wales](https://auth.censusdata.abs.gov.au/webapi/jsf/tableView/tableView.xhtml) | 731,207 | 814,549 | 83,342 | 11% |
| [Queensland](https://auth.censusdata.abs.gov.au/webapi/jsf/tableView/tableView.xhtml) | 508,569 | 560,272 | 51,703 | 10% |
| [Western Australia](https://auth.censusdata.abs.gov.au/webapi/jsf/tableView/tableView.xhtml) | 226,959 | 240,450 | 13,491 | 6% |
| [Australian Capital Territory](https://auth.censusdata.abs.gov.au/webapi/jsf/tableView/tableView.xhtml) | 39,704 | 45,320 | 5,616 | 14% |
| [South Australia](https://auth.censusdata.abs.gov.au/webapi/jsf/tableView/tableView.xhtml) | 169,678 | 179,508 | 9,830 | 6% |
| [Northern Territory](https://auth.censusdata.abs.gov.au/webapi/jsf/tableView/tableView.xhtml) | 28,835 | 31,652 | 2,817 | 10% |
| [Tasmania](https://auth.censusdata.abs.gov.au/webapi/jsf/tableView/tableView.xhtml) | 49,593 | 52,853 | 3,260 | 7% |
| Other Territories | 387 | 515 | 128 | 33% |
| TOTAL | 2,261,231 | 2,522,971 | 261,740 | 12% |

*Source: ABS, 2011 and 2016 Census Data.*

Rental property householders in Australia 2011 to 2016

|  |  |  |  |
| --- | --- | --- | --- |
| **Number of persons with rented households in Australia** | **2011** | **2016** | **Percentage increase** |
| One Person | 644,733 | 692,930 | 7.5% |
| Two Persons | 694,559 | 771,727 | 11.1% |
| Three Persons | 382,832 | 438,637 | 14.6% |
| Four Persons | 281,267 | 331,036 | 17.7% |
| Five Persons | 127,948 | 148,842 | 16.3% |
| Six Persons | 54,308 | 63,495 | 16.9% |
| Seven Persons | 16,145 | 19,802 | 22.7% |
| Eight or more Persons | 13,543 | 16,077 | 18.7% |

*Source: ABS, 2011 and 2016 Census Data.*

Tenure and landlord type by dwelling structure

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
|  | ***Separate house*** | ***Semi-detached,*** | ***Flat*** | ***Other dwelling*** | ***Not stated*** | ***Total*** |
| Owned outright | 2,145,041 | 233,400 | 151,346 | 28,076 | 7,834 | 2,565,695 |
|  |  |  |  |  |  |  |
| Owned with a mortgage (b) | 2,403,314 | 255,269 | 182,318 | 6,985 | 7,344 | 2,855,222 |
|  |  |  |  |  |  |  |
| Rented: |  |  |  |  |  |  |
|  Real estate agent | 731,824 | 302,351 | 493,400 | 7,500 | 6,578 | 1,541,656 |
|  State or territory housing authority | 134,922 | 87,934 | 75,784 | 524 | 798 | 299,949 |
|  Person not in same household(c) | 331,467 | 81,266 | 96,858 | 4,749 | 3,956 | 518,300 |
|  Housing co-operative/community/church group | 17,792 | 16,330 | 16,153 | 212 | 578 | 51,068 |
|  Other landlord type (d) | 67,065 | 13,191 | 13,567 | 9,607 | 2,071 | 105,497 |
|  Landlord type not stated | 30,384 | 6,287 | 6,566 | 938 | 646 | 44,830 |
|  *Total* | *1,313,454* | *507,361* | *702,331* | *23,534* | *14,623* | *2,561,302* |
|  |  |  |  |  |  |  |
| Other tenure type (e) | 36,395 | 24,698 | 15,861 | 950 | 1,083 | 78,994 |
|  |  |  |  |  |  |  |
| Tenure type not stated | 143,581 | 34,286 | 35,593 | 4,880 | 6,523 | 224,869 |
|  |  |  |  |  |  |  |
| **Total** | **6,041,788** | **1,055,015** | **1,087,445** | **64,422** | **37,410** | **8,286,077** |

*Source: ABS, 2016 Census Data.*