



## MEDIA RELEASE

# Services on the frontline of the housing crisis call on PM to increase income support and prevent rising homelessness

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Over 40 organisations working at the frontlines of the homelessness and housing crisis have signed an [open letter to the Prime Minister](#), urging increased income support in Tuesday's Budget, as a new analysis reveals rapid rent hikes have eroded the value of income support increases in the 2023 Budget.

The Homelessness Australia analysis cross references rent increases and income support for Jobseekers in major capital cities. It reveals people on Jobseeker are still paying between 57 and 77 per cent of their income to share a 2-bedroom unit. This means rapid rent hikes in the past 12 months have cancelled the value of income support increases in the 2023 Budget.

The RBA forecasts rents will rise a further 10 per cent in the current calendar year, meaning without further income support increases, renters on Jobseeker will end up in an even worse position.

	Total weekly income Jobseeker May 2023	Total weekly income Jobseeker May 2024	Share 2 bedroom unit rent - May 2023	Share 2 bedroom unit rent - May 2024	Rent increase past 12 months	Percentage income paid in rent 23	Percentage income paid in rent 24	Change in % income paid
National	429.6	478.2	248.0	271.0	9.3%	58%	57%	-1%
Sydney	429.6	478.2	341.0	368.0	7.9%	79%	77%	-2%
Brisbane	429.6	478.2	257.0	283.0	10.1%	60%	59%	-1%
Perth	429.6	478.2	253.5	306.0	20.7%	59%	64%	5%
Melbourne	429.6	478.2	269.0	285.0	5.9%	63%	60%	-3%

“The cost of living crisis is creating a tsunami of homelessness as successive double digit rent increases have pushed families over a financial cliff into homelessness. Many people are teetering on the brink,” said Kate Colvin, CEO of Homelessness Australia.



“Not having enough income to pay rent is forcing women and children to choose between remaining in violent homes and homelessness. Other families have simply been priced out of their tenancy by rent rise after rent rise.”

The most recent snapshot of rental stress also found 63% of JobSeeker recipients and 75% of Youth Allowance recipients were experiencing rental stress, even after receiving Commonwealth Rent Assistance (CRA).

The National Housing Supply and Affordability Council [State of the Housing System](#) report released on Friday confirmed that affordability will continue to worsen, adding to pressure on those in rental stress.

“We need immediate action to respond to the rental crisis and prevent more Australians from becoming homeless. While we acknowledge the income support increases delivered by the government in the 2023 Budget, rapid rental growth has absorbed this increased support, leaving some renters in an even more precarious position.”

The organisations are seeking the Prime Minister's commitment to:

1. Increase JobSeeker, Youth Allowance, and related income support to parity with pensions, at least \$80 a day, and index payments to wages as well as prices.
2. Increase the maximum threshold for Commonwealth Rent Assistance (CRA) by 60%.

“Increasing the base rates of JobSeeker, Youth Allowance, and related working-age payments is an immediate and effective way to relieve the profound financial stress driving people into homelessness. We urge the Prime Minister to take decisive action in the 2024 Budget to support struggling Australians and prevent a further surge in homelessness.”

**For interviews: Nick Lucchinelli 0422 229 032**