

Call for Urgent Increases in Rent Relief as New Cost of Living Figures Released

The South Australian Council of Social Service (SACOSS) has responded to today's release of the Australian Bureau of Statistics' specialised cost of living figures saying the figures show that welfare recipients are under increasing financial pressure. In particular, SACOSS has called for increases in rent relief to respond to the growing gap between rental costs and rent assistance for pensioners and other welfare recipients.

SACOSS, Executive Director, Ross Womersley said: "What the ABS figures show is that the cost of living for welfare recipients increased by vastly more in the last year than the cost of living for the population of as a whole.

"The ABS' Analytical Living Cost Index (ALCI) released today shows increases over the last year for aged pensioners of 3.3%, and 4.2% for other welfare recipients. By comparison, the generic CPI increased by 3%."

"SACOSS estimates that this equates to a rise over the last year in the cost of living of over \$10 per week for welfare recipients."

"Housing costs account for a very large portion of almost all welfare recipients' expenditure, particularly for those in the private rental market. This is a key factor that creates increased financial hardship for them." Womersley went on to say.

SACOSS released figures today which show that since 2006 rent prices in Adelaide have increased significantly faster than other living costs. The figures also show federal government rent assistance has failed to keep pace with these rent increases. Since the beginning of 2006, rent assistance for someone on Newstart or Parenting Payment living in a house with two children has increased by \$8 while the average rental price for a 3 bedroom house at the lower end of the market in Adelaide has increased by 3.5 times that amount (i.e. \$27 p/wk). That is particularly significant when rent costs take up about half of the weekly benefit.

Womersley said: "The gap between rising rent prices and rent assistance is just making life harder for those who are already struggling. We join ACOSS and COSS entities across each of the states in calling on all parties in the Federal election to commit to a continuing investment in affordable housing, to increase the maximum rate of Commonwealth Rent Assistance by 30%, and to tie future rates of rent assistance to real increases in the price of renting.

A summary of the ALCI and SACOSS' figures is attached.

The full SACOSS Cost of Living Report on Adelaide Rents will be available later this week at www.sacoss.org.au

**For further comment, please contact
Ross Womersley SACOSS Executive Director 0418 805 426**