MONASH University



Housing + Transport Affordability

A new public tool to measure housing affordability stress

This submission provides an outline of a joint Monash University and RMIT University initiative that will help to address the issue of a lack of housing affordability for those trying to leave family violence situations. This submission responds to one of the aims of the Royal Commission into Family Violence, namely, to seek ideas that may assist the work of the Royal Commission.

As highlighted in The Age newspaper recently¹, a lack of affordable housing in Victoria keeps women trapped in family violence situations and increases their risk of homelessness. Housing in Victoria is becoming unaffordable, particularly for low-income earners. Melbourne was recently ranked by The Economics at the world's sixth most expensive city. Monash and RMIT Universities have commenced a project to develop a new tool called *Housing* + *Transport Affordability*. The tool will provide a more realistic picture of housing affordability than current measures.

Housing affordability is traditionally measured using the percentage of income spent on housing costs. However, an important cost that is usually overlooked is the transport costs. Inspired by the H+T Index developed by the Center for Neighbourhood Technology in the USA, a recent study by researchers at University of Canberra² shows how a measure of housing affordability that includes transport costs can provide a different picture of housing stress in Australia.

When completed, Monash and RMIT's *Housing* + *Transport Affordability* tool will be freely available to the public. It will be an interactive online tool that will provide a comprehensive view of housing and transport affordability in greater Melbourne. The tool will integrate census data about mortgage and rent payments with transport costs, fuel price, time spent commuting and transit fares.

The *Housing* + *Transport Affordability* tool will also support governments and community organisations with policy making and planning relating to housing and homelessness, social issues, planning and transport.

This Monash University initiative aligns with the joint submission on family violence, homelessness and affordable housing from Justice Connect, Domestic Violence Victoria, the Victorian Council of Social Service, Council to Homeless Persons, Victorian Public Tenants

 ¹ <u>http://www.theage.com.au/victoria/housing-costs-trapping-women-in-domestic-violence-20150521-gh6gmi.html</u>
² "The Effect of Transport Costs on Housing-related Financial Stress in Australia" by Yogi Vidyattama, Robert Tanton and

² "The Effect of Transport Costs on Housing-related Financial Stress in Australia" by Yogi Vidyattama, Robert Tanton and Binod Nepal published in Urban Studies Journal, July 2013.

Association, Tenants Union of Victoria, Community Housing Federation of Victoria and others.

I, together with my collaborators at Monash and RMIT Universities welcome the opportunity to brief the Royal Commissioner Hon Marcia Neave and other members of the Royal Commission about this initiative.

Please do not hesitate to contact me via email at or by phone at

Sincerely,

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