

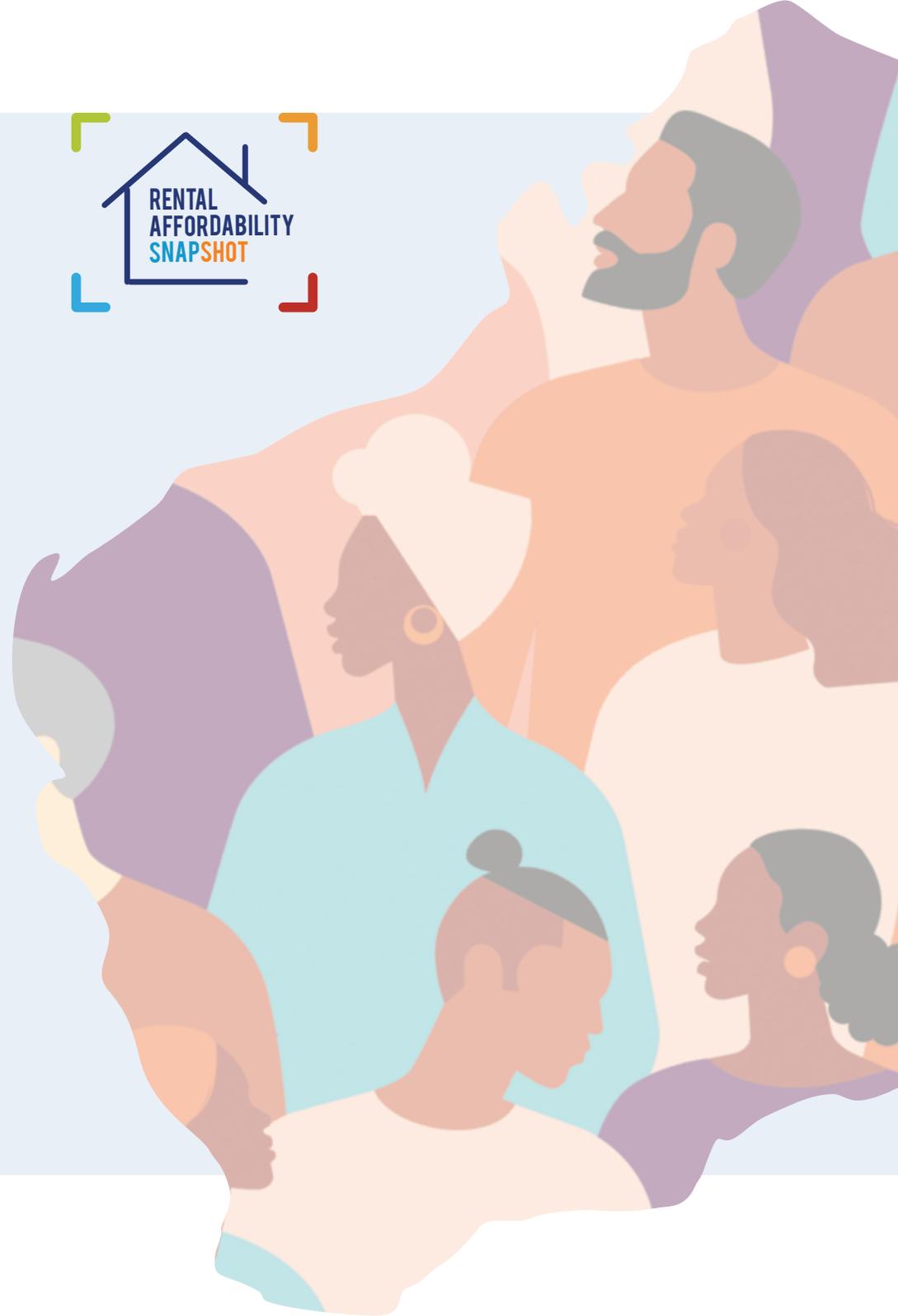


2022

RENTAL AFFORDABILITY SNAPSHOT



Anglicare^{WA}





Anglicare WA conducts the Rental Affordability Snapshot each year to develop a better understanding of how our rental market is changing and the implications for Western Australians living on low incomes.

The 2022 Snapshot highlights the lack of affordable options for low-income households, particularly those that rely on Government benefits and, increasingly, the working poor on the Minimum Wage. They are priced out of the private rental market across the State, paying too much of their income in rent or living in various forms of homelessness like sleeping rough, couch surfing or severe overcrowding.

This year's Snapshot shows the number of affordable and appropriate homes for rent for people on low incomes over the weekend of 19th/20th March 2022. It is based on 3457 available private rentals in the Perth metro area, South West and Great Southern, and the North West.

A property was considered affordable if it required less than 30% of a household's income, and it was considered appropriate if it had an adequate number of bedrooms. Paying rent of more than 30% of income puts the renter in housing stress and more than 50% is considered to be severe housing stress.

Affordability and availability remain significant issues for low-income renters. Last year's snapshot saw a dramatic 50% drop in available private rentals across WA and the situation has not recovered in 2022. Such a sustained low vacancy rate has resulted in rents rising an average of \$50 per week capturing more people in housing stress. As leases end and prices rise, tenants are having to

There is nothing affordable for people on JobSeeker anywhere – not even a room



stretch themselves even further or risk the open market seeking a cheaper dwelling that may not eventuate.

The costs of living faced by households have been rising strongly throughout the last year, with bigger price increases for other non-discretionary items beyond housing such as food and transport.

The ongoing pandemic has further exacerbated the financial, employment and health hardships of Australia's most vulnerable and disadvantaged. But it also showed the power of good policy. Additional income support through JobKeeper payments and the JobSeeker Coronavirus Supplement and other housing supports temporarily lifted many out of poverty and – a point often overlooked – helped others avoid it. At the peak of this temporary support in 2020, affordability increased significantly for those eligible for payments. This reduction in income support is a significant factor in lack of

affordability. The Government is making a policy choice for many Australians to live in poverty.

The general outlook is not positive for low-income renters. For those relying on grossly inadequate income support we need a better response from government. And while a tightening labour market is seeing more people working at least some hours, this is not yet translating into wage increases.

While the costs of living increase, we see a growing cohort of the 'working poor' at the lower end of the labour market as insecure and casualised jobs dominate and there are fewer full-time low-skill and entry levels jobs. Finally, as state and national borders open, we are likely to see increased demand for housing which will leave even fewer properties available for those on low incomes.

The private rental market continues to fail those with the least. We need a housing system that prioritises homes over investments.

2022 SNAPSHOT HIGHLIGHTS

Median Rent increases in the past year

+12%
PERTH METRO

+13.5%
SOUTH WEST &
GREAT SOUTHERN

+9%
NORTH WEST

- Availability in Perth metro and the North West worsened from the previous year, while the South West and Great Southern improved. Prices totally unaffordable.
- Rising rents and housing stress were compounded by the rising costs of other essentials.
- Stagnant wages equate to a real cut in income that captures more households in housing stress and poverty.

Less than 1% of available properties are affordable for people on income support payments

PERTH METRO



Quinn
JobSeeker

0%



Ahmad
Single Parent & Minimum Wage

0.4%



Esi & Xiao Ming
Age Pensioners

0.8%



Zaara
Disability Pensioner

0%

of listed rentals are affordable

The characters are composites of people's stories who were interviewed or surveyed for this Snapshot. The issues and quotes are real but the names and details have been changed.

SOUTH WEST & GREAT SOUTHERN



Kayla
Parenting Payment

1.7% _____
of listed rentals are affordable

NORTH WEST



Sunitha & James
Minimum Wage & Parenting Payment

0.5% _____
of listed rentals are affordable

The WA private rental market continues to fail those with the least. We need a housing system that prioritises homes over investments

PERTH METRO



Quinn

Single person
on JobSeeker

0%

No listed rental
properties are
affordable

*"I barely get by
each fortnight.
I struggle to keep
on top of bills"*

THERE WERE 0 PROPERTIES
IN PERTH, OR ANYWHERE
IN WA, THAT THEY CAN
AFFORD

Quinn's weekly income is \$321 on JobSeeker. Over the past few years, they have worked in various casual positions, but they lost hours at their job in hospitality due to COVID and have recently had to self isolate. They would like to find a small unit of their own, but haven't

been able to find anything in their price range. For now, Quinn is living in transitional accommodation, but there doesn't seem to be anywhere to transition to. On their current income, they can afford \$105 per week. With median rents \$480 a week in the Perth Metro, there aren't

any affordable options. Finding a place of their own, would mean Quinn's younger siblings could come live with them.

PERTH METRO

Ahmad

Single parent with two kids, on Minimum Wage

0.4%

13 listed rental properties are affordable



If housing weren't so expensive, "I could live happily and comfortably, and could take my kids out and not be stressed about how I'm going to pay the bills next week"

HE CAN AFFORD .4% OF LISTED PROPERTIES. DOWN FROM 2% LAST YEAR

Ahmad owned a house but couldn't afford to keep it after getting divorced. He is currently paying \$320 a week. He has been behind on rent and got on a payment plan to keep up with utilities. He was recently notified that the rent was going up to

\$430, which he can't afford. He's been looking around but hasn't found anywhere in his price range. Ahmad wants to keep his son in the same school and stay close to daycare for his younger child. He's worried about what an increase in rent might mean for his family.

PERTH METRO



Esi & Xiao Ming

Couple on the Age Pension

0.8% 24 listed rental properties are affordable

“Having access to an affordable rental has meant a huge improvement in my mental health”

THEY CAN AFFORD \$240 PER WEEK FOR RENT ON THE AGE PENSION

Esi and Xiao Ming have lived and worked all over WA. This isn't how they pictured their retirement. After many years of struggling to afford decent housing, they recently secured a small rental. It is more than they can afford and sometimes they don't have enough to cover

the medications they need. But their home is peaceful, they can walk to the shops and community centre where Esi volunteers, and they have nice neighbours. Even though they are happy with their new arrangement, they are still worried about the future. The landlord

recently told them that they were going to sell the property in six months and they don't have a rental agreement in place. Esi and Xiao Ming are worried that they'll have to find a new place, just when they were starting to feel settled and safe in their current home.

PERTH METRO

Zaara

Single, Disability Support Pension

0% One listed rental property is affordable



Finding a rental that will allow pets is near impossible. "I can't imagine living without my cats. I'm an animal lover. They come into my life when I need them most"

ZAARA IS PAYING \$345 WHICH TAKES UP 60% OF HER INCOME

Zaara is grateful for where she is now. She's been in worse places and this one is an improvement. She is close to family and friends and she enjoys having her plants, her cats and a small garden. She tries to reduce bills by not using aircon/heating and eating less.

She would like to be able to buy birthday presents for family and socialise with friends, but there isn't enough money left after paying rent. She often needs to borrow money or secure additional assistance with bills and food to make ends meet.

SOUTH WEST & GREAT SOUTHERN



Kayla

Single parent with 1 child,
on Parenting Payment

1.7%

5 listed rental
properties
are affordable

Having access to affordable housing would “mean having some kind of quality life and dignity”

SHE CAN AFFORD 1.7%
OF LISTED PROPERTIES
IN THE SOUTHWEST AND
GREAT SOUTHERN

When the full Coronavirus Supplement was in place, Kayla could have afforded 5% of properties. Kayla can afford \$210 per week rent on Parenting Payment. She would have to pay almost 70% of her weekly income to afford the median rental of \$420 a week. A Wardandi Noongar woman,

she is currently renting in public housing, but is worried about losing her home. She is doing a traineeship and once she completes this and gets a job, her income will make her ineligible for public housing, but it won't be enough to afford rent in the private rental market. She wants

to stay in the area to provide stability for her daughter but is worried about becoming homeless if she loses access to public housing. The anxiety about housing is taking a toll. “I don't sleep, I'm so tired. I've chosen to work hard and yet it will not benefit myself and my child at all (if we lose our housing).”

NORTH WEST INCLUDING THE KIMBERLEY & PILBARA

Sunitha & James

Couple with two kids,
Minimum Wage &
Parenting Payment

0.5%

One listed rental
property
is affordable



*"I treat this place
as my own. I want
to feel good about
where I live"*

They have heard from friends nearby that real estate agents have sent generic emails to tenants stating it will take longer than usual to conduct repairs and maintenance on property due to staff shortages in the region, yet the rents are still going up. People aren't getting their bonds back or have to pay huge amounts to get homes professionally cleaned before and after inspections.

THEY CAN AFFORD
.5% OF THE LISTED
PROPERTIES. DOWN
FROM 3% LAST YEAR

When Sunitha and James first moved into their rental, it was in bad shape. The curtains had holes in them, there were no flyscreens, the carpet was smelly with stains, and the garden beds were overrun. With the rains coming, they set to work on fixing it up. They made arrangements with the landlord

to make improvements, at their own expense. Although they have made the property much nicer than when they first moved in, they would really like to own a place of their own but are having a hard time saving for a deposit. At this rate, it will take them several decades to be able to afford a deposit.

WHAT CAN BE DONE?

Urgent financial support for tenants

What needs to change

- Targeted rent relief for the lowest-income households such as the State Government's Residential Rent Relief Grants scheme, which was implemented in response to the pandemic. Once a family loses their housing, they are much more vulnerable in their health, employment and social situation.
- Renters need protection from unreasonable rent increases. The market is clearly failing low-income households. If we are relying on the private rental market for the lowest income earners then we need a housing system that shifts the emphasis to homes-for-all over investments for some. Options include:
 - Capping rent rises at Consumer Price Index as they have done in several places in Europe, the UK and the USA;
 - Requiring the property owner to justify any rent increase above CPI; or
 - A combination of the above.

What you can do

- Ask the [Minister for Commerce](#) and your [State MP](#) to support these changes.

Permanently increase JobSeeker and related Payments

What needs to change

- The single biggest and simplest step to increasing affordability is adequate income support.
- We need the Federal Government to permanently increase rates of JobSeeker, Youth Allowance, Parenting Payment and other related payments to above the poverty line AND increase Commonwealth Rent Assistance.
- Index allowances in line with wage movements at least twice per year.

What you can do

- Share your story with, or support, the [#RaiseTheRateForGood](#) campaign.
- Contact or visit your [Federal MP](#) to ask them to support an increase above the poverty line.

WHAT CAN BE DONE?

Increase housing supply – private, public and community

What needs to change

- There is inadequate social housing in WA (i.e. both public and community sector housing) to meet demand. The waitlist is over 17,000 has been growing and takes years to move.
- We need a net increase in social housing of at least 15,000 dwellings by 2030 including new builds or spot purchasing of new and diverse social homes
- Provide subsidised rents to 2000 households in the private rental market with a new and improved Assisted Rental Pathway Program.
- Use the State's windfall surplus to establish a future fund for ongoing social housing and that takes this expenditure off the State's balance sheet for good.

What you can do

- Sign up to the [Everybody's Home](#) campaign.
- Ask your [State](#) and [Federal MPs](#) how they can support an increase in social housing options or rental subsidies for those that the private housing market consistently fails.
- Private rental property owners and agents can register their property with [Home Hub](#).

More secure tenancies

What needs to change

- The Residential Tenancies Act regulates the private rental market in WA and is currently under review by the WA State Government.
- We need a permanent ban on evictions for no reason.
- Extend legal protection to boarders and lodgers.
- Quick, fair and consistent dispute resolution between tenant and landlord.

What you can do

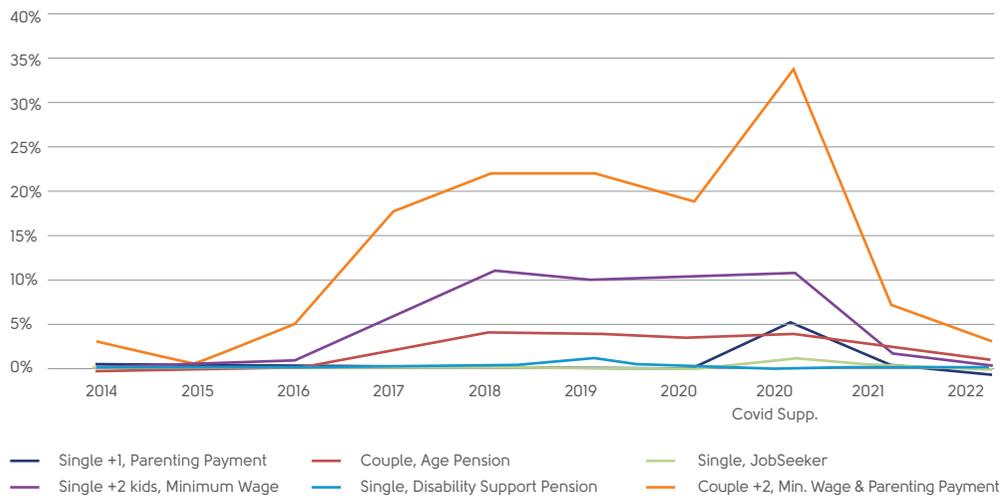
- Email the [Minister for Commerce](#) asking for these law reforms to be introduced to Parliament as soon as possible.
- [Ask your State MP](#) to support these amendments to the law.

AFFORDABILITY BY REGION 2014 – 2022

Graphs below highlight the relationship between income support and affordability. Across all three regions, the Coronavirus Supplement in 2020 increased affordability for households on income support payments such as JobSeeker or Parenting Payments.

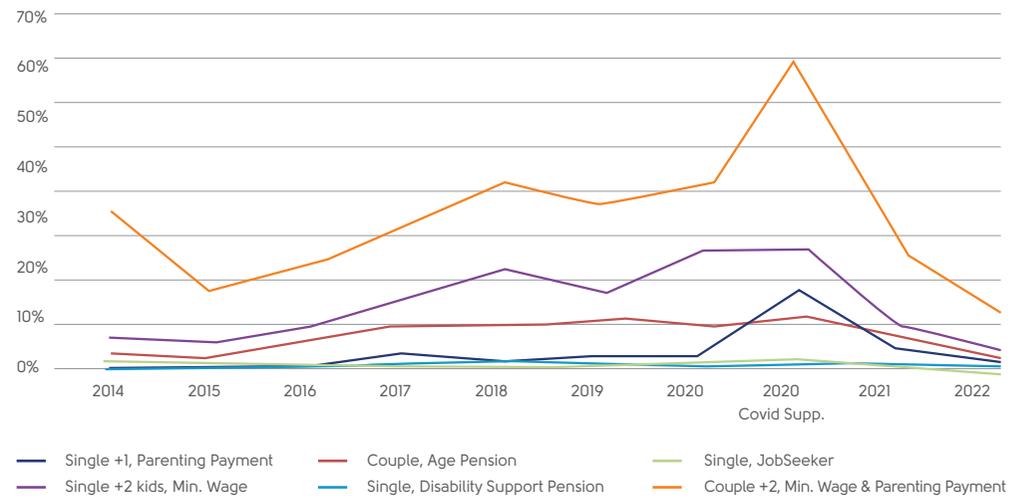
PERTH METRO

A single person on a JobSeeker payment would not be able to afford any of the listed properties in the Perth Metro area. Couples on a Minimum Wage and Parenting Payment suffered a drop in affordability, from 7% to 3.2%. The previous year, with the Coronavirus Supplement, these households were able to afford 34% of listed properties. Single parents in receipt of Parenting Payment also face a worsening housing crisis, only able to afford .1% of properties, down from .4% last year, and 5% the previous year.



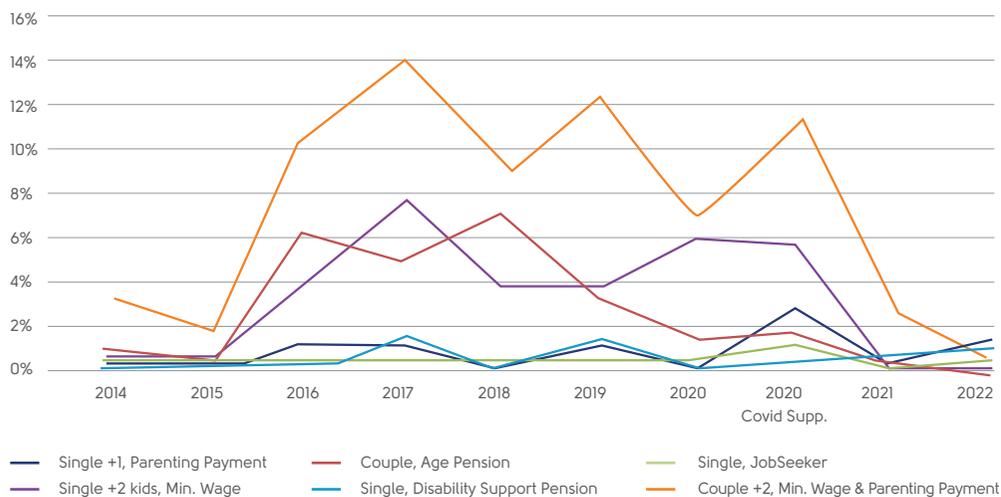
SOUTH WEST & GREAT SOUTHERN

Affordability continued to decline for all household types in the South West and Great Southern, particularly for couples on a Minimum Wage and Parenting Payment, who had experienced improved affordability temporarily with the Coronavirus Supplement in 2020. For people in receipt of the Age Pension or the Disability Support Pension, who were never eligible for the Supplement, access to affordable housing continued to be virtually non-existent, with .3% of properties affordable to them (1 property) across the whole region.



NORTH WEST

The North West continues to be one of the most unaffordable places to live in WA. Households on income support are locked out of the private rental market, with almost no properties affordable to households on JobSeeker or Parenting Payments. Couples on the Age Pension could afford 1% of all properties, and couples on a Minimum Wage and Parenting Payment could afford 0.5%, down from 3% last year.



AFFORDABLE & APPROPRIATE PROPERTIES

By household type by number and percentage

Household Type	Payment Type	Perth Metro		South West Great South		North West	
		#	%	#	%	#	%
Couple, two children	JobSeeker (both adults)	7	0.2%	6	2.0%	0	0.0%
Single, two children	Parenting Payment Single	2	0.1%	2	0.7%	0	0.0%
Couple, no children	Age Pension	24	0.8%	14	4.6%	2	1.0%
Single, one child	Parenting Payment Single	3	0.1%	5	1.7%	0	0.0%
Single, one child	JobSeeker	0	0.0%	0	0.0%	0	0.0%
Single	Age Pension	24	0.8%	1	0.3%	2	1.0%
Single aged over 21	Disability Support Pension	1	0.0%	1	0.3%	2	1.0%
Single	JobSeeker	0	0.0%	0	0.0%	0	0.0%
Single aged over 18	Youth Allowance	0	0.0%	0	0.0%	0	0.0%
Single in share house	Youth Allowance	0	0.0%	0	0.0%	0	0.0%
Couple, two children	Minimum Wage + FTB A	651	22.1%	123	40.6%	9	4.3%
Single, two children	Minimum Wage + FTB A & B	13	0.4%	13	4.3%	0	0.0%
Single	Minimum Wage	42	1.4%	5	1.7%	2	1.0%
Couple, two children	Min. Wage + Parenting Payment (partnered) + FTB A&B	93	3.2%	38	12.5%	1	0.5%
TOTAL # LISTINGS		2946		303		208	
MEDIAN		\$480		\$420		\$600	



2022

RENTAL AFFORDABILITY SNAPSHOT



AnglicareWA™

