

RENTAL AFFORDABILITY SNAPSHOT 2024

We live in the richest state in one of the richest countries in the world. It is time to ensure people have access to safe, secure and healthy homes that are affordable to rent for people on low incomes.

About our Snapshot

The Rental Affordability Snapshot assesses how feasible it is for individuals with low incomes to rent an appropriate home in the private market.

The 2024 Snapshot shows the number of properties listed for rent on 16 March 2024 and includes five regions covering the whole state: Perth Metro; South West & Great Southern; North West (Kimberley & Pilbara); the Mid-West & Gascoyne; and Wheatbelt & Goldfields.

The Snapshot determines whether a property is both affordable and appropriate for a variety of household types:

- Single people receiving the Disability Support Pension, Youth Allowance, JobSeeker, or the Age Pension, or earning the minimum wage.
- Single parents receiving the Parenting Payment or JobSeeker.
- Couples, no children on the Age Pension.
- Couples with children on JobSeeker,
 Parenting Payment, minimum wage, or
 a combination of these income sources.

A property is considered affordable if it requires less than 30% of a household's income. Paying rent of more than 30% of income puts the renter in housing stress and more than 50% is considered severe housing stress.

A property is considered appropriate if it has an adequate number of bedrooms.

It is widely acknowledged that rental affordability is a growing problem in Australia. For those Western Australians on the lowest incomes, this is at crisis point. Our 2024 Snapshot confirms the private rental market is failing them. The State and Federal Governments have made several positive moves to housing policy in the past year including:

- A state based rental relief program
- Increased investments in social housing construction and spot purchasing
- Law reform to improve renters' rights

These are welcome moves but more needs to be done both at scale and at pace. Anglicare WA invites the State and Commonwealth governments to further consider the 2024 Rental Affordability Snapshot and our policy recommendations in the lead up to the next State and Commonwealth elections.





RENTAL AFFORDABILITY

- The WA median rent is \$650 per week, up 16% in a year
- No rentals were affordable for a single person on JobSeeker
- Less than 1% of properties were affordable for a single person on minimum wage
- A couple with two children on income support could afford
 8 of 2,989 available rentals

WESTERN AUSTRALIA KEY FINDINGS

- There were 2,989 private rentals available to rent in Western Australia on the weekend of 16 March 2024¹. 77 more properties across the State than were available at the same time in 2023.
- We have a rental affordability crisis for low-income Western Australians. The WA median rent is \$650 per week, up 16% compared to 2023 and well out of reach for most households on income support or minimum wage.
- Many of the properties at the lower end of the market are for a room in a share house. Even renting a room in a shared

- accommodation is unaffordable for many households on benefits, with rents for a room ranging from \$150 to \$400 per week.
- The rate of income support such as JobSeeker is a major factor in creating poverty, including child poverty. 1 in 6 children now lives in poverty.
- This year's Rental Affordability
 Snapshot again shows many people miss out on a place to call home as there is very little available on the Western Australian rental market that is affordable and appropriate.

For households on income support:

- Singles There are no affordable rentals for a single person who receives the JobSeeker payment, not even a room in a shared house.
- Families A couple with two children on income support could afford 8 of 2,989 available rentals. Single parents on income support face even tougher odds, with only 1 property available.
- Young people There are no properties including shared accommodation, available for a person on Youth Allowance.
 Youth Allowance is the lowest of all government payments, and year after year, young people are at the bottom of the affordability ladder.
- Disability Support Pension A person on the Disability Support

 Pension could afford 1 property
 across WA. People with disabilities

 face unique challenges in this
 market. Some will find that the

- rentals listed in this Snapshot don't meet their needs, and for many people, the Disability Support Pension is too low to allow them to rent a home that does.
- Age Pension 13 of the 2,989 rentals are affordable for couples living on the Age Pension. Single retirees relying on the Age Pension have it even worse, with 4 of the listings affordable.

For households on a minimum wage, working people are not much better off:

- Singles 17 properties are available for a single person on minimum wage.
- Couples 38 properties are affordable for a couple on one minimum wage and Parenting Payment.
- Couples with children 218 properties are affordable for couples with two children, where both are earning a minimum wage.



Rental affordability crisis - main drivers

- SHORTAGE OF SOCIAL HOUSING
 Despite the recent increased investment in social housing by the WA and Commonwealth governments, decades of under investment has created a significant shortfall in the supply of social housing.
- LACK OF SUPPLY
 Delays in construction of new homes has put downward pressure on the housing market, resulting in a smaller pool of affordable rentals for people on low incomes.
- INCREASED DEMAND

 Anglicare Australia¹ modelled that median weekly rent is now about 40% of the average weekly income, up from under 20% in 1981.

 Alongside population growth, this has pushed

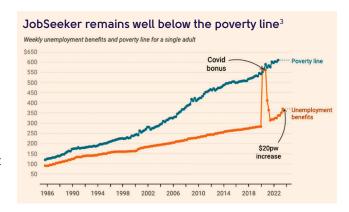
more households into housing stress and increased competition for rentals for those at the lower end of the market.

- LACK OF HOUSING DIVERSITY
 Limited types of housing in both social and private
 rental accommodation means many properties are
 inappropriate to a household's needs. Additionally, most
 new properties are higher end, more expensive stock.
- INCREASED HOLIDAY SHORT TERM LETS
 Properties ordinarily available for private rental continue to be more lucrative as a holiday let.
- THE END OF THE NATIONAL RENTAL

 AFFORDABILITY SCHEME

 The tapering down by mid-2026 will place further pressure

on the private rental market with an estimated loss of 3,766 affordable rental dwellings between 2023 and 2026.²



 INADEQUATE INCOME SUPPORT PAYMENTS AND COST OF LIVING.

JobSeeker, Parenting Payment, and other payments remain significantly below the poverty line leaving people destitute. Housing stress is compounded by inflation and the rising cost of living for other essential expenditure.

1. Anglicare Australia (2024). Government housing expenditure analysis. Internal and unpublished. 2. Shelter WA (2024). Pre-budget submission 2024-25: shelterwa.org.au/our-work/2024-25-state-budget-submissions-briefings/3. Chart: Greg Jericho, The Guardian (Source: DSS, Melb Inst, Budget Papers)



Rent increase map

Around the regions - key findings

- Median rents continue to significantly increase across the State
- Rises are on top of significant rises in previous years post-pandemic

MIDWEST & GASCOYNE

+30%

\$370 = 2023 \$480 = 2024

PERTH METRO

+16%

\$560 = 2023 \$650 = 2024 WESTERN AUSTRALIA

+16%

\$560 = 2023

\$650 = 2024

NORTH WEST

+13%

\$750 = 2023 \$850 = 2024

WHEATBELT & GOLDFIELDS

+19%

\$450 = 2023 \$535 = 2024

SOUTH WEST & GREAT SOUTHERN

+19%

\$520 = 2023 \$620 = 2024



RENTAL AFFORDABILITY SNAPSHOT 2024



Cara

Single person, working part-time, sub-letting a room in a rental in the Perth Metro area of Bedford.

Cara was living on the border of
Northbridge and the city, sharing
a three-bedroom house with
roommates. As the rent increased and
health issues forced Cara to reduce
her work to part-time hours, she was
unable to continue to live there.

"It was a nightmare trying to find a place. I was working full time, a member of maybe 10 subletting Facebook pages, and messaged more than 50 people trying to find a place".

Cara was saved by a colleague who offered her a spare room. Cara pays \$200 per week in board for her room

in the Bedford house she shares with a newly married couple.

While Cara is grateful, it's far from the security and stability she wants in a rental property, and she is realistic about the state of the market. "At the moment, I have to put away all thoughts of what I want, and really also what I need, in favour of just something. Somewhere I can bring my cat, and where I have a space where I can close the door. That's

all I can hope for right now."

Rent is just one of the rising costs for Cara; food and essentials are more expensive, and fuel and public transport costs have risen as Cara has had to move further from Perth City.

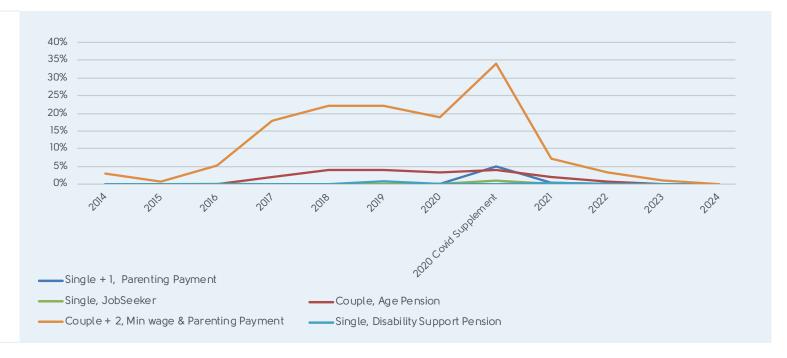




PERTH METRO

Properties available 2,339, down from 2,364 last year.
Median rent is \$650 per week, up 16% from \$560 in 2023 and \$480 in 2022.





For households on income support:

- No properties are affordable and appropriate for people on JobSeeker payment.
- No properties are affordable and appropriate for a single on Disability Support Pension.
- 2 rentals are affordable and appropriate for someone on an Age Pension.

For households on a wage:

- 3 properties are affordable for a couple on one minimum wage and Parenting Payment.
- 109 properties are affordable for a couple with two children, where both are earning a minimum wage.

Perth Metropolitan findings:

- There are significantly fewer affordable and appropriate homes for all household types in 2024 compared to 2023.
- A notable trend is in households where there are two income earners in a household – there are 185 fewer rentals available for a couple with children, both on minimum wage, compared to 2023.





Catherine + Hannah

Couple living in the South West region of WA with no children.

Catherine is on minimum wage and Hannah is unable to work.

"WE'D ONLY BEEN HERE FOR 6 MONTHS AND THE RENT WENT UP."

Catherine and Hannah live in a private rental paying \$670 per week.

"Our rent is a massive proportion of our income. After rent and bills, there's almost nothing left." Catherine and Hannah moved to the South West after a back injury left Hannah unable to work, and they needed to be closer to family. However, they found it incredibly difficult to find a suitable place to live. They eventually found a place, but it's tiny, does not have proper security, and is very expensive to heat and cool. "We were desperate, we just had to find a place, so we had no choice but to take this one." Hannah says the rental

market is the worst she's experienced, and it makes it very stressful when looking for a house. "A major life decision, as in where you will live, has to be made in minutes to compete to get a place. The agents have too much power. Agents can easily breach a tenant, but it is a very difficult process

if a tenant wants to breach an agent."

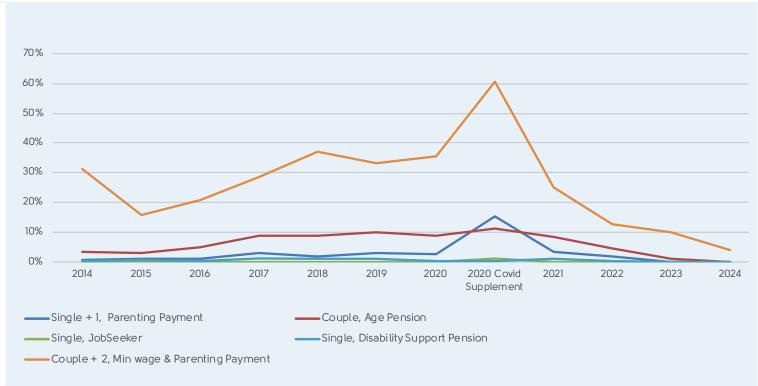
Catherine says they have been looking for a more suitable place, but things are only getting more difficult. "We'd only been here for 6 months and the rent went up. It feels like we're just coping at the moment and I'm not sure how many more rises we can handle".



SOUTH WEST + GREAT SOUTHERN

Available properties is 202, similar to last year's 205. Median rent is \$620 per week, up from \$520 in 2023 and \$420 in 2022.





For households on income support:

- There are no properties that are affordable for single people on JobSeeker, Disability Support Pension or Age Pension.
- 1 property is affordable for a couple on JobSeeker Payment with two children.

For households on a wage:

- 8 properties are affordable for a couple on one minimum wage and Parenting Payment.
- 36 properties are affordable for a couple with two children, where both were earning a minimum wage.



Harrison

Single person living in the North West region of WA who receives a Disability Pension and Rent Assistance.



"MONEY IS A CONSTANT
WORRY FOR ME. AFTER
RENT PAID, EVEN WITH
RENT ASSISTANCE, I AM
LEFT WITH \$250 TO LIVE
ON FOR THE FORTNIGHT."

Harrison lives in a rental in the North West region of WA. His main source of income is the Disability Support Pension, but he also receives Commonwealth Rent Assistance.

After losing his wife and unable to continue to afford to live where they were, he was given 60 days' notice

to vacate. "It was extremely stressful finding somewhere to live. In the end I applied for more than a hundred places. I finally got one but it was too much on my own".

Harrison had to get people in to share, but he still pays \$400 per week. "Money is a constant worry for me. After rent paid, even with rent assistance, I am left with \$250 to live on for the fortnight. Rents keep going up but Rent Assistance hasn't changed in 20 years"

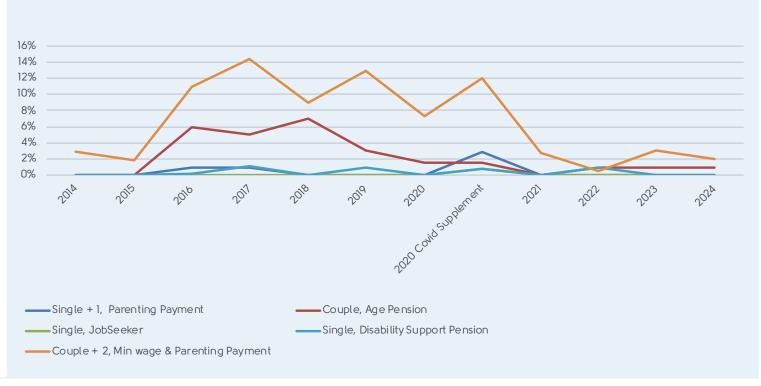
He says that if he could get a place that was more affordable, or an increase in the rent assistance and pension, then his mental health would really improve. Harrison also wants increased accessibility for rentals, and for new housing to be appropriate for people with a disability. "Things like keyless entry, air-conditioning and solar panels should be compulsory, just like smoke alarms are."



RENTAL AFFORDABILITY SNAPSHOT 2024

NORTH WEST including Kimberley + Pilbara Available properties is 258, up from last year's 192. Median rent is \$850 per week up from \$750 in 2023 and \$600 in 2022.





For households on income support:

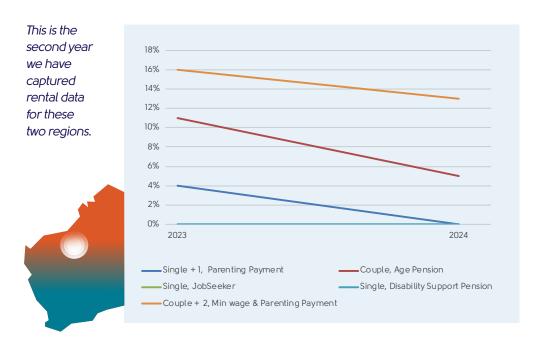
- No properties are affordable for single people on JobSeeker, Disability Support Pension or Age Pension.
- 2 properties are affordable for a couple on JobSeeker with two children.

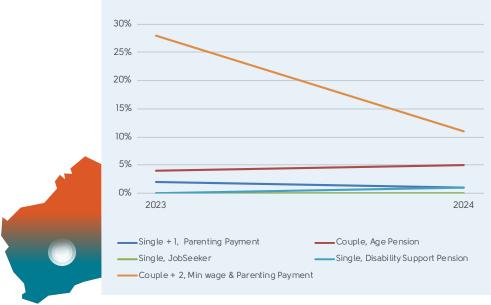
For households on a wage:

- 5 properties are affordable for a couple on one minimum wage and Parenting Payment.
- 20 properties are affordable for a couple with two children, where both are earning a minimum wage.



RENTAL AFFORDABILITY





MID WEST AND GASCOYNE

Available properties is 62, slightly higher than last year. Median rent is \$480 per week, up from \$370 in 2023.

For households on income support:

- There are no affordable properties for single people on JobSeeker,
 Disability Support Pension or Age Pension.
- 1 property is affordable for a couple on JobSeeker with two children.

For households on a wage:

- 8 properties are affordable for a couple on one minimum wage and Parenting Payment.
- 23 properties are affordable for a couple with two children, where both are earning a minimum wage.

WHEATBELT AND GOLDFIELDS

Available properties is 128, 24 more properties than 2023. Median rent is \$535 per week up from \$450 in 2023.

For households on income support:

- No affordable rentals for single people on JobSeeker, 1 is affordable on a Disability Support Pension.
- 4 properties are affordable for a couple on JobSeeker with two children.
- 2 properties are affordable for

a single on an Age Pension.

For households on a wage:

- 14 properties are affordable for a couple on one minimum wage and Parenting Payment.
- 30 rentals are affordable for a couple on minimum wage, with two children.



Affordable & appropriate properties

By household type, number and percentage

эргорпасе		Western Australia		Perth Metro		South West & Great Southern		North West		Mid- West & Gascoyne		Wheatbelt & Goldfields	
Household Type	Payment Type	#	%	#	%	#	%	#	%	#	%	#	%
Couple, two children	JobSeeker (both adults)	8	0%	0	0%	1	0%	2	1%	1	2%	4	3%
Single, two children	Parenting Payment Single	1	0%	0	0%	0	0%	1	0%	0	0%	0	0%
Couple, no children	Age Pension	13	1%	2	0%	0	0%	2	1%	3	5%	6	5%
Single, one child	Parenting Payment Single	1	0%	0	0%	0	0%	0	0%	0	0%	1	1%
Single, one child	JobSeeker	1	0%	0	0%	0	0%	0	0%	0	0%	1	1%
Single	Age Pension	4	0%	2	0%	0	0%	0	0%	0	0%	2	2%
Single aged over 21	Disability Support Pension	1	0%	0	0%	0	0%	0	0%	0	0%	1	1%
Single	JobSeeker	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%
Single aged over 18	Youth Allowance	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%
Single in share house	Youth Allowance	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%
Couple, two children	Minimum Wage + FTB A	218	7%	109	5%	36	18%	20	8%	23	37%	30	23%
Single, two children	Minimum Wage + FTB A & B	25	1%	1	0%	6	3%	5	2%	5	8%	8	6%
Single	Minimum Wage	17	1%	14	1%	0	0%	0	0%	0	0%	3	2%
Couple, two children	Minimum Wage + Parenting payment (partnered) + FTB A&B	38	1%	3	0%	8	4%	5	2%	8	13%	14	11%
Total Number of Properties		2989		2339		202		258		62		128	
Median Rent		\$650		\$650		\$620		\$850		\$480		\$535	



Affordable housing policy – What we need Everyone should have access to a safe, secure, and healthy home. As more and more Western Australians become long term renters, often through financial necessity, housing policy needs reform to make this a reality for low-income tenants.

ACCESS TO MORE AFFORDABLE AND APPROPRIATE RENTAL PROPERTIES

- Increase the rate of JobSeeker and other payments above the poverty line, to at least \$80 per day, alongside increasing the rate of, and eligibility for, Commonwealth Rent Assistance.
- Reinstate the federal National Rental Affordability Scheme (NRAS) – or create a state based equivalent - to increase the supply of affordable rentals available to low- and moderate-income tenants.
- WA government to commit to target of 6% of total housing

stock be social housing using a range of strategies including:

- Establishing a WA Housing Future Fund, setting aside \$1 billion of the state's surplus in perpetuity using annual returns to fund new builds.
- Spot purchasing NRAS and other properties, with management transferred to Community Housing Organisations
- Federal and WA governments to reform tax and other incentives for landlords and build-to-rent developers to increase the supply and mix of low rent housing to accommodate the diverse needs of people unable to obtain affordable and appropriate accommodation.

SECURE RENTAL ACCOMMODATION

- Stop tenants being evicted without a valid reason and end no-grounds evictions.
- Extend legal protection to boarders and lodgers.
- Establish a rent stabilisation or capping mechanism.
- Continue investment in the WA Rent Relief program and increase subsidies for utilities in low-income homes.

SAFE AND HEALTHY HOMES

- Introduce minimum standards for rental properties house structure, facilities, health, safety, and privacy.
- Ensure public, social, and private rental housing in Western Australia

accommodates climate change through minimum efficiency standards to mitigate extreme weather-related health risks and reduce energy costs for tenants.

• Expand crisis, transitional and supported accommodation options for people living with complex needs, particularly in regional, rural, and remote areas with programs like Housing First approaches, Youth Foyers, and Aboriginal community-controlled organisations.

SHOW SUPPORT OR SHARE STORIES

- MakeRentingFairWA.org.au
- #RaiseTheRateForGood
- EverybodysHome.com.au

SIGN UP FOR ANGLICARE WA'S ADVOCATE FOR CHANGE NEWSLETTER: anglicarewa.org.au/get-involved/advocate-for-change



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