

Rental Affordability Snapshot 2024 Essential Workers edition

Western Australia Snapshot

The second edition of the *Rental Affordability Snapshot: Essential Workers* report concludes once again that Australia's housing affordability crisis is not isolated to people on low incomes. Even those with secure jobs are unable to find affordable housing. These workers keep our communities thriving and provide crucial services that every Australian depends on.

Over the past twelve months rents have grown at nearly twice the rate of wages. The average rental price increased by nearly eight percent,ⁱ yet wages grew by just over four percent.ⁱⁱ While housing costs outstripping wages may not be new, we continue to face new consequences the longer it goes unaddressed.

A copy of the national report *Rental Affordability Snapshot: Essential Workers* can be [found here](#).

Findings for WA Essential Workers

The 2024 results highlight the scarcity Western Australia's essential workers are faced with when looking for affordable rental properties. While some workers may be better off than others, there is a distinct lack of affordable housing options across the board. No single worker type could afford more than two percent of properties.

Those with the most limited options include hospitality workers, cleaners, and early childhood educators. These workers could afford less than one percent of the properties surveyed. Firefighters and teachers have the highest paid roles, but even they could only afford 1.9 percent of properties. Table 1 shows lists the number of affordable properties listed for single essential workers.

Aged care workers had the largest increase in affordability, with a 0.8 increase from 2023 following on from the Fair Work Commission work value case decision awarding them a historic pay rise. While this increase demonstrates how important it is to invest in incomes, we note that the increases were not intended to address housing affordability for workers but instead recognise that those in the aged care industry have been 'historically undervalued.'ⁱⁱⁱ Several other awards profiled in this report have, or are currently, being reviewed. The outcomes of these reviews will undoubtedly contribute to ensuring fair pay across traditionally feminised industries. However, it will do little to address spiralling housing costs.

There should be no doubt that these changes were greatly appreciated by those who benefited from them. However, in the face of widespread cost of living pressures and an ongoing housing crisis, the Government is well overdue in taking targeted action on housing policy.

Table 1: Rental affordability by occupation

Occupation	# Affordable	% Affordable	Change in affordability from 2023
Aged care worker	34	1.1%	0.8%
Ambulance officer	42	1.4%	0.3%
Early childhood educator	20	0.7%	0.5%
Cleaner	20	0.7%	0.4%
Construction worker	20	0.7%	0.3%
Delivery driver	30	1.0%	0.7%
Dispatcher	20	0.7%	0.4%
Firefighter	56	1.9%	0.2%
Freight driver	20	0.7%	0.4%
Hospitality worker	18	0.6%	0.4%
Meat packer	20	0.7%	0.5%
Nurse	33	1.1%	0.5%
Postal worker	20	0.7%	0.4%
Retail worker	30	1.0%	0.7%
School teacher	57	1.9%	0.2%
Social and community services worker	30	1.0%	0.7%
Total No. of Properties	2989		

What it means

Wage increases alone are not enough: The Federal Government is relying on the effects of policy decisions that don't directly relate to the provision of housing, to improve affordability. Unfortunately, this isn't working. While these increases can improve affordability for some, the impact is targeted to certain occupations and has not made enough change to mean affordable housing is easy to find.

A crisis for workers: The cost of housing is the single largest fixed expenditure for Australian households. Households often must make a choice about what to sacrifice to ensure that they keep a roof over their heads. Many of these workers are in sectors already facing extreme workforce shortages such as the care and support economy. The care and support workforce is expected to need an additional one million workers by 2050 to meet growing demand.^{iv} People entering these industries have often already invested in their education, accepted that they are working essential roles for minimum wage and are now being forced into difficult choices about maintaining a home.

Housing costs are bad for business: There used to be some truth to the adage that regional living can provide the affordable housing that major cities cannot. This report highlights that this is no longer the case, and it is no more affordable to rent in regional Australia than it is in the major cities. This reality is exacerbating existing workforce shortages with regional communities battling finding both skilled workers and sustaining the broader workforce as people simply cannot afford to live where they work.

What can be done

Australia's essential workers don't have time to wait for trickle-down solutions to come and go. They need decisive and clear action from governments to right the wrongs and change the system that makes it impossible to get an affordable home.

Recommended actions:

- Make social housing an option for more Australians. The Federal Government should build at least 25,000 new social homes every year for the next two decades.
- The Federal Government must wind back unfair tax concessions for investors. This means phasing out the Capital Gains Tax discount and negative gearing concessions for investors into the private market over ten years.
- Create real protections for renters. In conjunction with State and Territory ministers, the Federal Government should coordinate a set of nationally consistent rights and standards for tenants and rental properties, with proactive enforcement and regulation.
- Provide a guaranteed liveable wage. Even those with secure and essential jobs are feeling the pinch because wages have not kept up with the cost of living. A guaranteed living wage would ensure that Australians are not trapped in poverty and would ensure an acceptable standard of living.

About the Rental Affordability Snapshot

Anglicare Australia's Rental Affordability Snapshot 2024 examined rental affordability for Australians on Commonwealth income support and minimum wage earners. This report similarly assesses rental affordability focusing instead on essential workers.

Affordability was tested by taking a snapshot of the thousands of rental listings on realestate.com.au over a weekend. This report uses the same listings captured for the 2024 Snapshot which were taken over the 16th and 17th of March 2024. The same listings have been for consistency in comparison.

Listings are reviewed for validity, then assessed for affordability and suitability against sixteen types of essential workers. The workers covered in this report are:

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| ▪ Aged care worker ^v | ▪ Delivery driver ^x | ▪ Postal worker ^{xvii} |
| ▪ Ambulance officer ^{vi} | ▪ Dispatcher ^{xi} | ▪ Retail worker ^{xviii} |
| ▪ Cleaner ^{vii} | ▪ Firefighter ^{xii} | ▪ School teacher ^{xix} |
| ▪ Construction worker ^{viii} | ▪ Freight driver ^{xiii} | ▪ Social and community services worker ^{xx} |
| ▪ Early childhood educator ^{ix} | ▪ Hospitality worker ^{xiv} | |
| | ▪ Meat packer ^{xv} | |
| | ▪ Nurse ^{xvi} | |

Award rates are taken from 1 July 2024¹ across all sixteen occupations. Net weekly earnings are calculated using guidance from the Australian Taxation Office on withholding tax from individuals.

¹ Anglicare Australia identified no notable difference in affordability between award rates in April 2024 and July 2024, nor significant rental price or vacancy rate changes. Despite the rental listings data set coming from the final weekend of March 2024 award rates set at 1 July 2024 were used for this Snapshot. We feel that this remains an accurate reflection of the rental market situation for these essential worker types.

Our calculations assume that all workers are full-time employees, earning the full adult rate, hold no Study and Training Support Loan debts and are claiming the Tax-Free Threshold. This allows us to identify the full-time individual weekly income for these workers.

Affordability is determined using an internationally accepted benchmark which stipulates that housing costs should not exceed more than 30 percent of a household's weekly income for the lowest two quintiles of income earners, beyond that point is considered rental stress. This benchmark and income data are used by Anglicare Australia to determine the maximum affordable rent for a single person in each category.

Affordability is measured for a single person earning an adult full-time award wage for their occupation. As a result, this may overstate the affordability of rents for some people, such as younger employees in hospitality or retail sectors who often work casual hours or those who receive youth rates. Some industries are prone to having workers with augmented earnings due to regularly working overtime or non-standard shifts outside of regular work hours.

Property listings for this analysis have been reviewed for suitability. For this report, a room in a sharehouse or a bedsit is considered suitable for a single person. Advertisements for housing in retirement villages or student-only accommodation have been excluded, as have advertisements for holiday accommodation. Listings that refer to multiple properties, but do not specify the total amount available, are counted as two properties. Listings with specific conditional arrangements, such as childminding or other 'employment' type activities, were also excluded.

ⁱ SQM Research (2024) [National Weekly Rents](#)

ⁱⁱ Australian Bureau of Statistics (2024) [Wage Price Index](#)

ⁱⁱⁱ Fair Work Commission (2023) [Determination – Work value case – Aged care industry](#).

^{iv} Department of Prime Minister and Cabinet (2024) [Care and support economy – state of play](#)

^v Fair Work Ombudsman (2024) Aged Care Award 2010

^{vi} Fair Work Ombudsman (2024) Ambulance and Patient Transport Industry Award

^{vii} Fair Work Ombudsman (2024) Cleaning Services Award

^{viii} Fair Work Ombudsman (2024) Building and Construction General On-Site Award

^{ix} Fair Work Ombudsman (2024) Children's Services Award

^x Fair Work Ombudsman (2024) Fast Food Industry Award

^{xi} Fair Work Ombudsman (2024) Clerks - Private Sector Award

^{xii} Fair Work Ombudsman (2024) Fire Fighting Industry Award

^{xiii} Fair Work Ombudsman (2024) Road Transport and Distribution Award

^{xiv} Fair Work Ombudsman (2024) Hospitality Industry (General) Award

^{xv} Fair Work Ombudsman (2024) Meat Industry Award

^{xvi} Fair Work Ombudsman (2024) Nurses Award

^{xvii} Fair Work Ombudsman (2024) Australian Post Enterprise Award

^{xviii} Fair Work Ombudsman (2024) General Retail Industry Award

^{xix} Fair Work Ombudsman (2024) Educational Services (Teachers) Award

^{xx} Fair Work Ombudsman (2024) Social, Community, Home Care and Disability Services Industry Award