



RENTAL AFFORDABILITY SNAPSHOT 2023



AnglicareWA™



About our Snapshot

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 2023 Snapshot highlights the lack of affordable options for low-income households, particularly for people who rely on government benefits and, increasingly, those on the minimum wage experiencing in-work poverty.

In previous years, the Snapshot included three regions: Perth Metro; South West and Great Southern; and North West including Kimberley and Pilbara. This year, the Snapshot includes two more regions: Mid West and Gascoyne; and Wheatbelt and

THERE IS NOTHING
AFFORDABLE FOR
PEOPLE ON JOBSEEKER
ANYWHERE IN WA,
NOT EVEN A ROOM

Goldfields to cover the whole state.

This year's Snapshot shows the number of affordable and appropriate homes for rent for people on low incomes on 17/18 March 2023. ¹

A property is considered affordable if it required 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.



- 0% of properties were affordable for a single person on JobSeeker.
- 1% of available properties were affordable for people on other income support payments.
- There were 2,912 private rentals available in WA.
- Available rentals dropped 16% compared to 2022.
- The WA median was \$560 per week, well out of reach for most households on income support or minimum wage.

A rental is considered appropriate if it has an adequate number of bedrooms.²

Key findings

- The private rental market continues to fail households on low-incomes and increasingly, minimum wage earners.
- Low-income households are priced out of the private rental market across the state, paying a substantial proportion of their

income in rent or living in various forms of homelessness like sleeping rough, couch surfing or severe overcrowding.

- Many of the properties at the lower end of the market were for a room in a share house. Even renting a room in shared accommodation was unaffordable for many on benefits, with rents ranging from \$190 to \$285 pw.
- The other type of accommodation that was available at lower rates were due to the National Rental

Affordability Scheme (NRAS) where governments subsidise landlords, and in exchange those landlords offer their properties at below market rents to income eligible tenants. NRAS has been successful in providing an incentive to owners to offer their properties at below market rates, however NRAS is coming to an end, and will likely result in rent increases for those properties once they are no longer under the scheme.

- Tenants are being forced to stretch themselves even further as leases expire and prices rise, or risk entering the open market in search of a cheaper dwelling, which may not materialise.

Outlook for WA renters

The general outlook is not positive for low-income renters. For those relying on 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 significant wage increases.

While the costs of living increase, we see a growing cohort of people experiencing in-work poverty as insecure and casualised jobs dominate and there are fewer full-time low skill and entry levels jobs.

¹ Listings are from realestate.com.au
² Based on basic occupancy standards. For example, a studio apartment would not be suitable for a family of four.

“I want a house that
I can be proud of,
where people can
come round and
where I feel safe.”

Rental crisis - main drivers

- **INFLATION** – Rising rents and housing stress were compounded by the rising costs of other essentials such as food and transportation. Inflation on non-discretionary items for the year to March was 6.8%.²
- **INADEQUATE INCOME SUPPORT** – JobSeeker, Parenting Payment and Commonwealth Rent Assistance and other payments are significantly below the poverty line leaving people destitute.
- **STAGNANT WAGES** – Equate to a real cut in income and capturing more households in housing stress and poverty.
- **LACK OF SOCIAL HOUSING** – Decades of under-investment in social housing by government has left those on the lowest income subject to a private rental market that has never been affordable, regardless of supply.
- **INCREASED DEMAND** – As international and interstate migration increases, we are seeing increased demand for housing and even fewer properties available for those on low incomes.
- **INCREASED HOLIDAY SHORT TERM RENTALS** – Properties ordinarily available for private rental are now more lucrative as a holiday rental.

Summary of findings

WESTERN AUSTRALIA

- Available properties 2912, down 545 from last year.
- Rentals declined by more than 16% compared to the same time last year, even though this year's Snapshot was expanded to two more regions.
- Median rent is \$560 pw for all of WA.

For households on income support:

- There are no properties that are affordable for a single person on JobSeeker payment.
- 6 (0%) properties are affordable for a couple on JobSeeker payment with two children.
- No properties are affordable for a single on Disability Support Pension.
- 1 (0%) property is affordable for a single on an Age Pension.

For households on a wage:

- 21 (1%) of properties are affordable for a single parent with two children on a minimum wage.
- 77 (3%) of properties are affordable for a couple on one minimum wage and Parenting Payment.
- 428 (15%) of properties are affordable for a couple with two children, where both were earning a minimum wage.



“The number of available rentals in WA declined by more than 16% compared to the same time last year”

Mark Glasson, Anglicare CEO

WESTERN AUSTRALIA
\$560 rent pw

PERTH METRO

+17%

Median rent increase
in 2023

\$560 rent pw
\$480 same time 2022

NORTH WEST

+25%

Median rent increase
in 2023

\$750 rent pw
\$600 same time 2022

SOUTH WEST &
GREAT SOUTHERN

+24%

Median rent increase
in 2023

\$520 rent pw
\$420 same time 2022

MIDWEST &
GASCOYNE

\$370 rent pw in 2023
Unrecorded data in 2022

WHEATBELT &
GOLDFIELDS

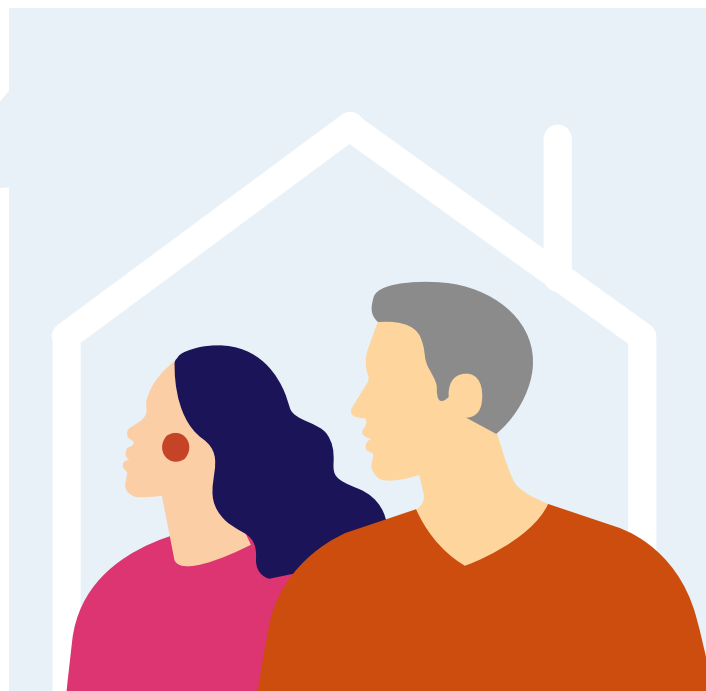
\$450 rent pw in 2023
Unrecorded data in 2022



Brad pictured at
his rental home
in Kwinana

"We were struggling to pay \$360 so I am worried about this increase. But there are no affordable places available in our local area and we want our daughter to stay at her school."

Brad and his partner live with their daughter in a private rental in Kwinana. Their rent is \$360 per week but will go up to \$415 when the lease is renewed in April. And they expect it to go up again in another six months. The rent is already unaffordable for them, and they're worried about what will happen when it goes up even further.



Brad + family

Family of three living in a private rental in the Perth Metro area of Kwinana. Maintenance of the property is their biggest issue.

"THERE WAS MOULD
IN MY DAUGHTER'S
BEDROOM"

"We were struggling to pay \$360 so I am worried about this increase. But there are no affordable places available in our local area and we want our daughter to stay at her school."

Brad and his partner receive Commonwealth Rent Assistance, but it is not keeping up with rent hikes.

Even with the rent increases, the landlord is not keeping up with the maintenance. "We really need a better house to live in. There was mould in my daughter's bedroom, they took two years to replace the broken front fence and our air-conditioner did not work for 6 weeks

in the summer."

If they had access to more affordable accommodation, Brad says they would be able to buy more fresh meat, fruit and vegetables. It would also take off a lot of the stress the family is facing due to the high cost of rent.

PERTH METRO

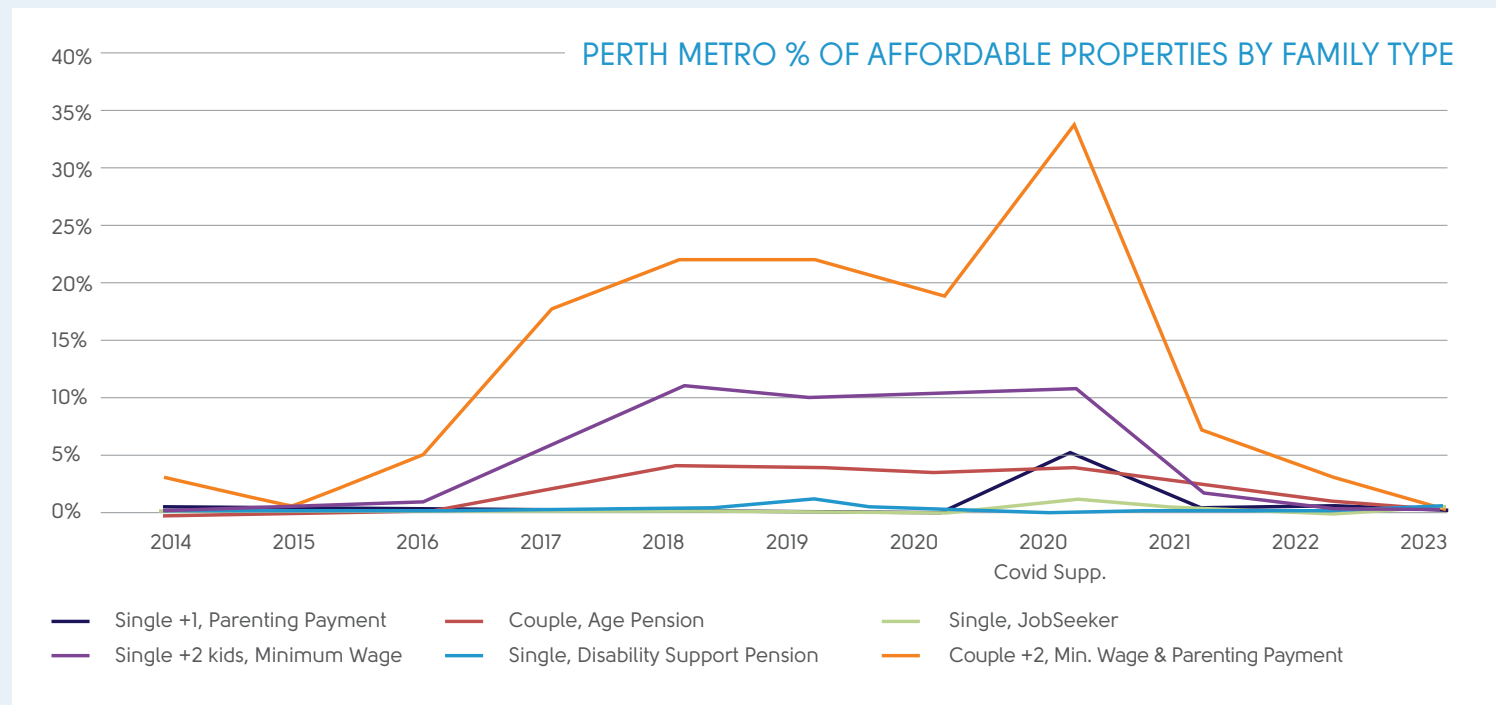
• Available properties 2364, a 20% drop from 2946 last year; median rent \$560, up from \$480 in 2022.

For households on income support:

- There are no affordable properties for single people on JobSeeker, Disability Support Pension or Age Pension.
- 1 (0%) property is affordable for a couple on JobSeeker with two kids.

For households on a wage:

- 3 (0%) of properties are affordable for a single parent with two children on a minimum wage.
- 15 (1%) of properties are affordable for a couple on one minimum wage and Parenting Payment.
- 294 (12%) of properties are affordable for a couple with two children, where both were earning a minimum wage.
- Affordability continued to worsen for all household types. Once again,



a single person on a JobSeeker payment would not be able to afford any of the listed properties in the entire Perth Metro area. Couples on a minimum wage and Parenting Payment continued to experience a drop in affordability, from 3% to 1%.

- In 2020, with the Coronavirus

Supplement, these households were able to afford 34% of listed properties, illustrating how valuable the higher rate of income support was in providing access to affordable accommodation.

- Single parents receiving Parenting Payment also continue to face significant challenges in securing

an affordable rental. There were no affordable rentals available for them in the Perth Metro area. Accommodation offering lower rents were limited to share houses or units that were subsidised through the National Rental Affordability Scheme.

“After rent and bills, there is almost nothing left”



Charlie + Kai

Employed couple in the Perth Metro area, living in private rental. They both earn a low income wage. Their rent recently increased by \$140 per month.

“MY RENT IS A MASSIVE PROPORTION OF MY INCOME”

Charlie and Kai live in a private rental in the Perth Metro area. Their rent just went up to \$630 per week, from \$595 per week. When they first moved in, they knew it would be a stretch, but they didn't feel like they had many other options.

They were desperate to find a place so they took this one. The current rental market 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.

“My rent is a massive proportion of my income. After rent and bills, there is almost nothing left.”

The increased rent will really put a strain on them, making it hard to save up for emergencies or a house deposit.



Mel

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

“Having affordable rent makes all the difference with being able to buy healthy food or not and having enough for health bills.”

AFFORDABLE RENT, BUT AFRAID TO REPORT MAINTENANCE ISSUES

Mel rents a unit for \$210 per week in the South West region of WA. Although the rent is lower than most in the area, it doesn't leave her much for other things.

She's worried that when the lease comes up for renewal, the rent will go up. She receives

Commonwealth Rent Assistance, which has hardly increased even though her rent has increased over the years. Her main income is from a Disability Support Pension.

“Having affordable rent makes all the difference with being able to buy healthy food or not and having

enough for health bills.”

She doesn't want to report maintenance issues because she wants to stay on the agent's good side. She's worried about losing the lease or having the rent go up so much that she won't be able to afford it.

**SOUTH WEST +
GREAT SOUTHERN**

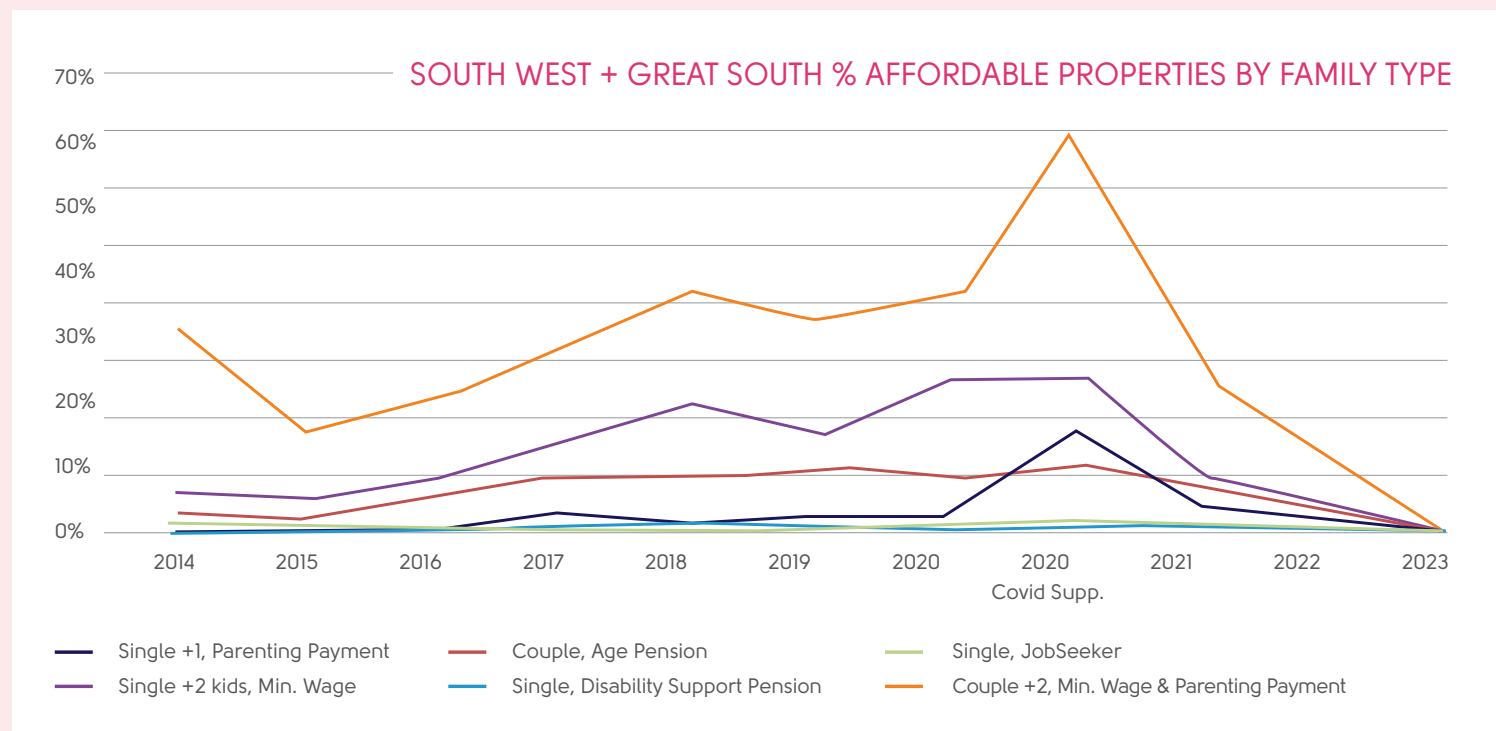
• Available properties 205, down from 303 last year; median rent \$520 pw, up from \$420 in 2022.

For households on income support:

- There are no affordable properties for a single person on JobSeeker.
- 1 (0%) property is affordable for a couple on JobSeeker Payment with two children.
- 0 (0%) properties are affordable for a single on Disability Support Pension and a single on an Age Pension.

For households on a wage:

- 4 (2%) of properties are affordable for a single parent with two children on a minimum wage.
- 20 (10%) of properties are affordable for a couple on one minimum wage and Parenting Payment.
- 68 (33%) of properties are



affordable for a couple earning minimum wage with two children.

- Affordability continued to decline this year for all household types in the South West and Great Southern, particularly for couples on a minimum wage and Parenting

Payment. For these households, affordability declined from 13% in 2022 down to 1% in 2023. The demand for short-term holiday accommodation in the region makes it even harder for local families to secure affordable accommodation.

- Couples on an Age Pension experienced a continued decline in affordability this year, from 5% to 0%. The South West and Great Southern have often been thought of as a relatively affordable place for people to retire, but that is no longer the case.

**NORTH WEST incl.
Kimberley + Pilbara**

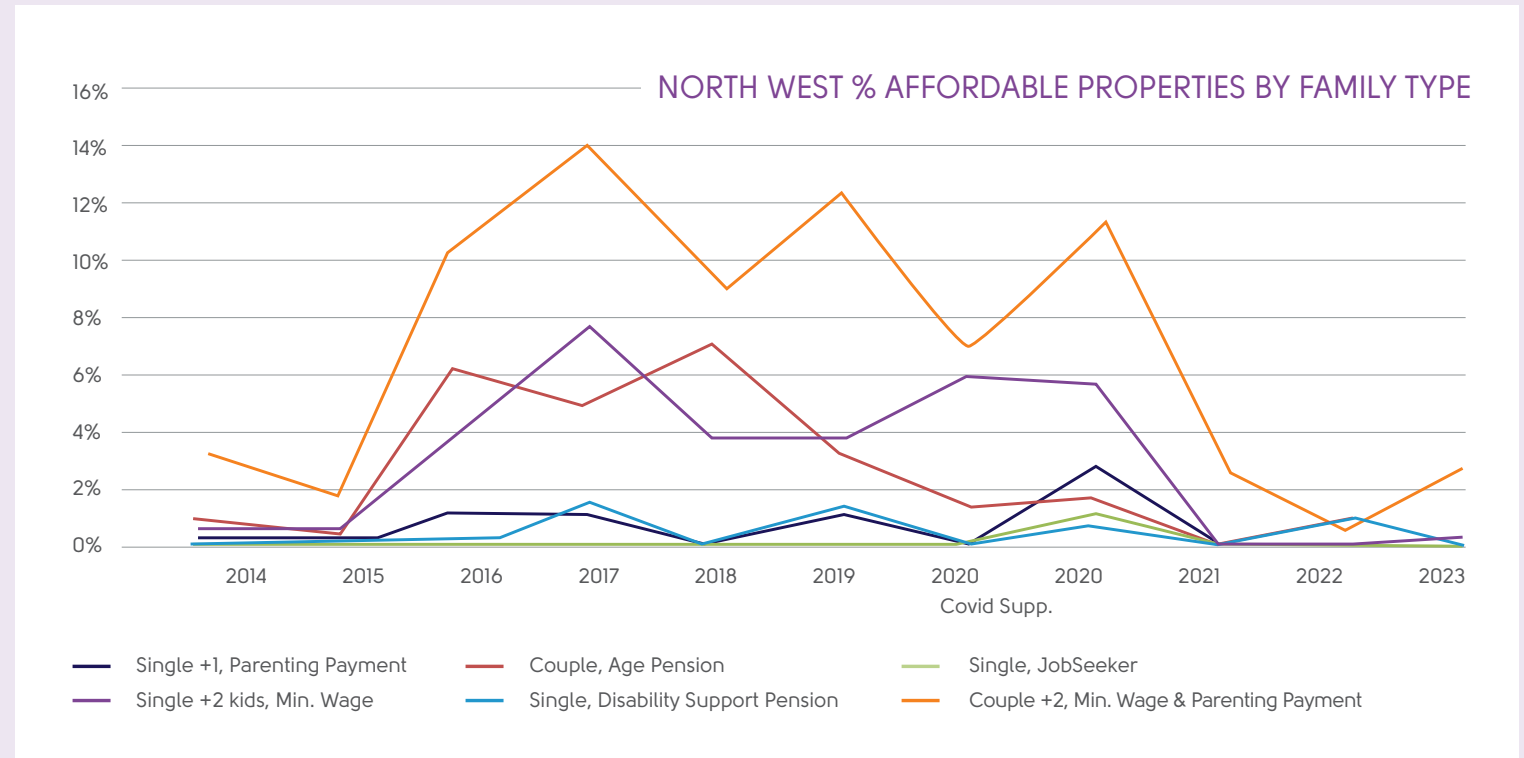
• Available properties 192, down from 208 last year; median rent \$750, up from \$600 in 2022.

For households on income support:

- There are no properties that are affordable for a single person on JobSeeker payment or a couple on JobSeeker payment with two children.
- 0 properties are affordable for a single on Disability Support Pension or a single on the Age Pension.

For households on a wage:

- 1 (1%) of properties are affordable for a single parent with two children on a minimum wage.
- 5 (3%) of properties are affordable for a couple on one minimum wage and Parenting Payment.
- 12 (6%) of properties are affordable for a couple with two children, where



both were earning a minimum wage.

- The North West continues to be the most unaffordable region in WA. Households on income support continue to be locked out of the private rental market, with

no properties available for those on JobSeeker or Parenting Payment.

- Couples on the Age Pension could afford 1 property in the entire region.
- Interestingly, couples on a minimum wage and Parenting Payment

experienced an increase in affordability from 1% to 3%. These households were able to afford 12% of all properties in 2020, with the Coronavirus Supplement, which brought income support payments above the poverty line.

Ash + Cam

Couple living in regional WA with four kids. They spend half their income on rent and regularly cut back on life's essentials to make ends meet.



"If we could be more secure in our rental and if it were more affordable, our mental health would improve"

ASH AND CAM ARE CUTTING BACK ON KIDS' ACTIVITIES TO PAY THE RENT

Ash and Cam live in regional WA. They moved into their current home two years ago and were paying \$400 per week. The rent has gone up steadily since then and they are now paying \$500 per week, spending half of their income on rent.

The stress of paying rent and other

bills is taking its toll. Cam said if they were less stressed about the rent and bills, they could be a better parent. They find it extremely hard to pay for the basics, let alone extras like sport and tutoring for their four children.

"If we could be more secure in our rental and if it were more affordable,

our mental health would improve."

They are good tenants, looking after the property like their own. There is mould in the property that they would like to have remedied but are too scared to tell the agent. "I don't want to complain because I do not want to rock the boat and risk losing our rental."

New rental data

This is our first year featuring rental data from the Wheatbelt / Goldfields and Mid West / Gascoyne regions

WHEATBELT + GOLDFIELDS

Available properties 104

Median rent \$450 pw

For households on income support:

- There are no properties that are affordable for a single person on JobSeeker payment or the Disability Support Pension.
- 3 (3%) properties are affordable for a couple on JobSeeker with two children.
- 1 (1%) property is affordable for a single on the Age Pension.

For households on a wage:

- 11 (11%) of properties are affordable for a single parent with two children on a minimum wage.
- 29 (28%) of properties are affordable for a couple on one minimum wage and Parenting Payment.
- 38 (37%) of properties are affordable for a couple with two children, both on minimum wage.

MID WEST + GASCOYNE

Available properties 47

Median rent is \$370 pw

For households on income support:

- There are no properties that are affordable for a single person on JobSeeker payment.
- 1 (2%) property is affordable for a couple on JobSeeker with two children.
- No properties are affordable for a single on Disability Support Pension or a single on the Age Pension.

For households on a wage:

- 2 (4%) of properties are affordable for a single parent with two children on a minimum wage.
- 8 (17%) of properties are affordable for a couple on one minimum wage and Parenting Payment.
- 16 (34%) of properties are affordable for a couple with two children, where both were earning a minimum wage.

Affordable & appropriate properties

By household type, number and percentage

		WA		Perth Metro		South West Great Sth		North West		Mid West Gascoyne		Wheatbelt Goldfields	
Household Type	Payment Type	#	%	#	%	#	%	#	%	#	%	#	%
Couple, two children	JobSeeker (both adults)	6	0%	1	0%	1	0%	0	0%	1	2%	3	3%
Single, two children	Parenting Payment Single	2	0%	1	0%	1	0%	0	0%	0	0%	1	1%
Couple, no children	Age Pension	19	1%	7	0%	2	1%	1	1%	5	11%	4	4%
Single, one child	Parenting Payment Single	4	0%	0	0%	0	0%	0	0%	2	4%	2	2%
Single, one child	JobSeeker	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%
Single	Age Pension	1	0%	0	0%	1	0%	0	0%	0	0%	1	1%
Single aged over 21	Disability Support Pension	0	0%	0	0%	1	0%	0	0%	0	0%	0	0%
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	428	15%	294	12%	68	33%	12	6%	16	34%	38	37%
Single, two children	Minimum Wage + FTB A & B	21	1%	3	0%	4	2%	1	1%	2	4%	11	11%
Single	Minimum Wage	5	0%	5	0%	0	0%	2	0%	0	0%	2	2%
Couple, two children	Min. Wage + Parenting Payment (partnered) + FTB A&B	77	3%	15	1%	20	10%	5	3%	9	17%	29	28%
TOTAL LISTINGS		2912		2364		205		192		47		104	
MEDIAN		\$560		\$560		\$520		\$750		\$370		\$450	

What needs to change?

We need

- **FINANCIAL SUPPORT FOR TENANTS** – Permanently raise the rate of JobSeeker, Commonwealth Rent Assistance and related payments.
- **RENT RELIEF & STABLE INCREASES** – Targeted subsidies or grants for low income renters; stabilise rent increases for greater tenant security.
- **WA HOUSING FUTURE FUND** – Establish a WA fund to leverage the Commonwealth Government’s new Housing Australia Future Fund and deliver a pipeline of new social housing.
- **HOUSING SUPPLY** – Increase private, public and community supply; increase new builds and spot purchasing of new and diverse social homes by government and community housing supply.
- **LANDLORDS** – Institutional and regulated landlords, supplying a range of appropriate accommodation options; quick, fair and consistent dispute resolution between tenant and landlord.
- **STOP NO GROUNDS EVICTIONS** – The Residential Tenancies Act needs reforming to stop tenants being evicted without a valid reason. We need reasonable grounds for ending a tenancy.
- **EXTEND LEGAL PROTECTION** – To include boarders and lodgers.



Conclusion

Once again, the Rental Affordability Snapshot shows the private rental market is failing people on low incomes. Some people may have shelter or accommodation, but there is very little on the market that could be a place to call home.

- The key to making housing more affordable lies in two factors: making sure everyone has a decent income, and providing enough affordable rentals for the people who need them.
- We must invest in affordable housing. The shortfall of affordable rentals in our state must be tackled. The sobering results of this Snapshot show that this investment is urgent.
- Anglicare WA calls for an increase to the rate of JobSeeker and other payments. This will help people on the lowest incomes find a secure home.

- We also need to give more support to renters and make a real plan to tackle homelessness.
- Nobody should be forced to make impossible sacrifices just to keep a roof over their head. It's time to take real action, and make sure that everyone can have place to call home.

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

Take action

CAMPAIGN WITH US! SHARE YOUR STORY OR SHOW SUPPORT

- [MakeRentingFairWA.org.au](https://www.makerentingfairwa.org.au)
- [#RaiseTheRateForGood](https://twitter.com/RaiseTheRateForGood)
- Everybody's Home petition

CONTACT YOUR MP

- Contact your State MP or Federal MP to support these changes

JOIN HOME HUB

- Private rental property owners and agents can register property



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