



RENTAL AFFORDABILITY SNAPSHOT 2023

SHEDDING LIGHT ON THE RENTAL
STRUGGLES OF LOW-INCOME AUSTRALIANS



ANGLICARE
COLLEGE



EARLY
LEARNING



OUT OF
HOME CARE



RETIREMENT
LIVING



GET
INVOLVED



MISSION +
COMMUNITY
ENGAGEMENT



DISABILITY
SERVICES



YOUTH +
FAMILY



FINANCIAL
SUPPORT



HOUSING +
CRISIS SUPPORT

Cover photo: Kelly and her daughter Crystal are among the nearly 50 families who are living at the North Head Campground on the South Coast of NSW.

Acknowledgement of Country

We acknowledge the Aboriginal and Torres Strait Islander peoples, the First Australians, whose lands, winds and waters we all now share, and pay respect to their unique values, and their continuing and enduring cultures which deepen and enrich the life of our nation and communities. We pay our respects to Ngunnawal and Ngambri peoples and their elders, both past and present, and those who are emerging.

About Anglicare NSW South, NSW West & ACT

Anglicare NSW South, NSW West & ACT continues to provide crucial care services and support to the local community. Within our communities, there are many small rural and regional areas that have faced ongoing socioeconomic challenges, natural disasters, and shifting demographics. In addition to providing essential housing and crisis support, Anglicare works to empower communities and individuals to build resilience and overcome obstacles to economic security and wellbeing.

Contents

Our footprint in housing and crisis support.....	3
This year's Snapshot.....	3
Overview of the current rental affordability situation.....	4
What we found	5
ACT & Queanbeyan.....	8
NSW – Southeast (Capital Region).....	10
NSW – West (Far West, Central West, and Orana).....	13
NSW – Riverina Murray.....	15
What can be done?	17
Conclusion	19
Methodology.....	19
Appendices.....	20
References.....	22

Our footprint in housing and crisis support

Poverty and disadvantage are complex and can affect many areas of a person's life, meaning that a holistic approach is required to break the cycle of poverty. Anglicare strives to meet critical needs and help our clients move towards positive long-term outcomes through various services:

- **Social and Affordable Housing:** working to increase social and affordable housing, particularly in vulnerable rural communities, and providing subsidised rental units for aged pensioners
- **Crisis Support:** providing crisis support to vulnerable individuals and families who are experiencing homelessness, family violence, financial hardship, and other forms of crisis
- **Disaster Relief:** providing assistance through effective and coordinated services in response to natural and man-made disasters (such as bushfires, floods, storms, major accidents, and throughout the COVID-19 pandemic), and facilitating government grants to assist in rebuilding housing to support communities to recover from disasters
- **Emergency Relief:** providing essential food and everyday items, and other food assistance programs, as well as low-cost recycled clothing and household items
- **Financial Counselling:** throughout the Riverina region, Snowy Valleys, and NSW South Coast, as well as interest-free loans to support people to buy household items and pay for essential services
- **Community Programs:** Health care services, youth engagement programs, parenting support, and life skills development, as well as providing a professional pastoral presence, spiritual and emotional care
- **Trauma-informed care:** offering specialised trauma-informed care through integrated and innovative programs that meet vulnerable individuals' needs

This year's Snapshot

Every year, Anglicare NSW South, NSW West & ACT evaluates the private rental market to determine the affordability and appropriateness of rental properties for households on low incomes. The process involves taking a snapshot of rental properties listed on realestate.com.au, allhomes.com.au, and gumtree.com.au on a single weekend each year. This year, our Snapshot occurred on the weekend 18/19 March 2023.

The 2023 Snapshot continues to highlight 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.

Our Snapshot evaluates rental data in the following catchment areas:

- ACT and Queanbeyan
- NSW Southeast (Capital Region)
- NSW West (Far West, Central West, and Orana)
- Riverina Murray

Overview of the current rental affordability situation

Low-income households across Australia are experiencing financial stress due to ongoing rental shortages, leading to historic high asking rents in major urban areas (Domain, 2023). This is compounded by a shortfall of social houses and units being built to meet demand, exacerbating the housing affordability crisis (Domain, 2023). The portion of younger Australians renting has been growing for at least 30 years, with 43% of 25-to-39-year-olds now renting, making rental affordability a crucial political issue that cannot be ignored (The Sydney Morning Herald, 2023).



The shortage of affordable rental properties has significant implications, leading to overcrowding, homelessness, unemployment or financial hardship, with single-parent families and women with children experiencing violence being particularly vulnerable (Shelter NSW, 2023; DSS, 2023). In fact, women with children who have experienced violence make up 42% of Specialist Homelessness Services clients in 2020-21 (DSS, 2023).

Social housing waiting lists across Australia have grown by over 17% in just three years, highlighting the urgent need for more affordable housing options for low-income households (Davies et al., 2023). While Commonwealth Rent Assistance has provided short-term relief to struggling households, it is not considered to be an effective long-term solution to the housing crisis (Davies et al., 2023).

Australian tenants paid an additional \$2,727 on average in rent in the past year due to stubbornly high prices and record low supply, with rental stress as big an issue as mortgage stress (Cassidy, 2023; Clun & Wright, 2023). Rental prices have continued to rise, driven by a surge in unit rents across the major capital cities, with the vacancy rate remaining at a record low of 1% (Clun & Wright, 2023). This rising cost of rent is also contributing to the widening gap between the rich and poor (Australian Financial Review, 2023).

Adding to the situation, middle to higher-income households have been found renting for longer periods of time, which displaces lower-income households from lower cost rentals and increases their level of housing stress (SGS Economics and Planning, 2022). More than 640,000 Australian households are experiencing housing stress, with this figure tipped to rise to nearly 1 million by 2041 (Martin, 2023).

Homelessness is defined by the lack of one or more elements that represent 'home', and at the time of the last census in 2021, there were 122,494 people estimated to be experiencing homelessness (ABS, 2023). The number of Aboriginal and/or Torres Strait Islander people experiencing homelessness has also increased to 24,930, with 5,895 (23.6%) aged under 12 years (ABS, 2023).

The shortage of rental accommodation is not only affecting vulnerable populations but also businesses, with some tourism businesses struggling to find staff (Tregenza & Olumee, 2022). Therefore, this is not only a social issue but also an economic one.

Key household statistics in social housing programs:



Almost two thirds (62%) of main tenants accessing social housing programs were female (AIHW, 2022)



More than one third (36%) of households accessing social housing programs included a person with a disability (AIHW, 2022)

What we found

Our data shows that the availability of affordable and appropriate rental properties is inadequate across our four areas of ACT & Queanbeyan, NSW Southeast, NSW West, and NSW Riverina.

Among the households listed, the lowest number of rental listings available were for single individuals receiving JobSeeker Payment, followed by single individuals aged over 18 receiving Youth Allowance, and single individuals in share houses receiving Youth Allowance.

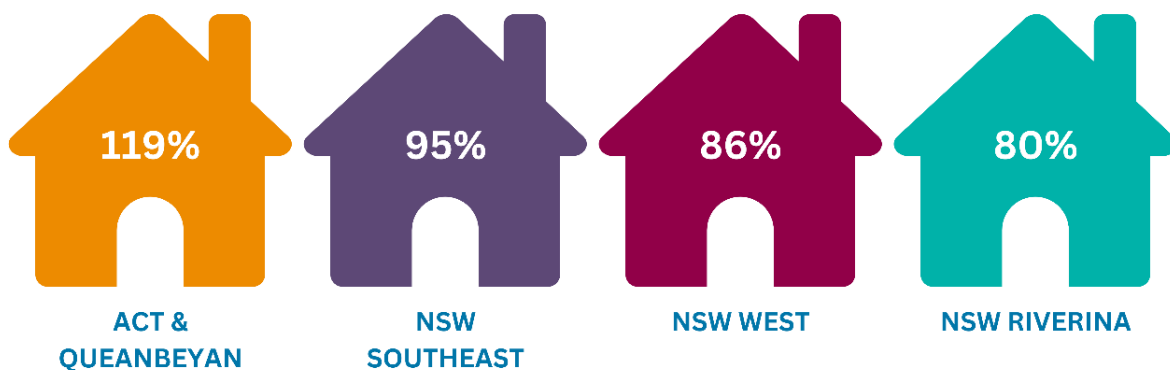
There are very few affordable and appropriate rental properties available for households with a couple and two children who receive JobSeeker Payment across all regions. In 2023, no such properties were available in the ACT and Queanbeyan region, and only one was available in the NSW Southeast and NSW Riverina regions. The NSW West region had slightly more options, with eight properties available in 2023, but this still represents a very small percentage of the total rental properties in the region.

Single individuals with one child receiving Parenting Payment Single have slightly more listings available than those with two children receiving the same payment. Couples with two children receiving JobSeeker Payment have a similar number of listings as single individuals aged over 21 receiving Disability Support Pension.



% of income to cover median rent

Single income households (aged over 21)
receiving Disability Support Pension



Single individuals receiving Age Pension have slightly more listings available than those receiving Minimum Wage. Couples with no children receiving Age Pension have a higher number of listings available than couples with two children receiving JobSeeker Payment.

Single individuals receiving Minimum Wage have more listings available than those receiving Age Pension, but fewer listings than those receiving Parenting Payment Single or Disability Support Pension. Couples with two children receiving Minimum Wage + Parenting Payment (partnered) + FTB A&B have a higher number of listings available than those receiving Minimum Wage + FTB A.

Overall, couples with two children receiving Minimum Wage + Parenting Payment (partnered) + FTB A&B had the highest number (432) of 2,977 rental listings available. However, this statistic wasn't reflected for these households in the ACT, with only 1 out of 1,553 listings appropriate and affordable.

Households with the lowest number of affordable & appropriate listings:

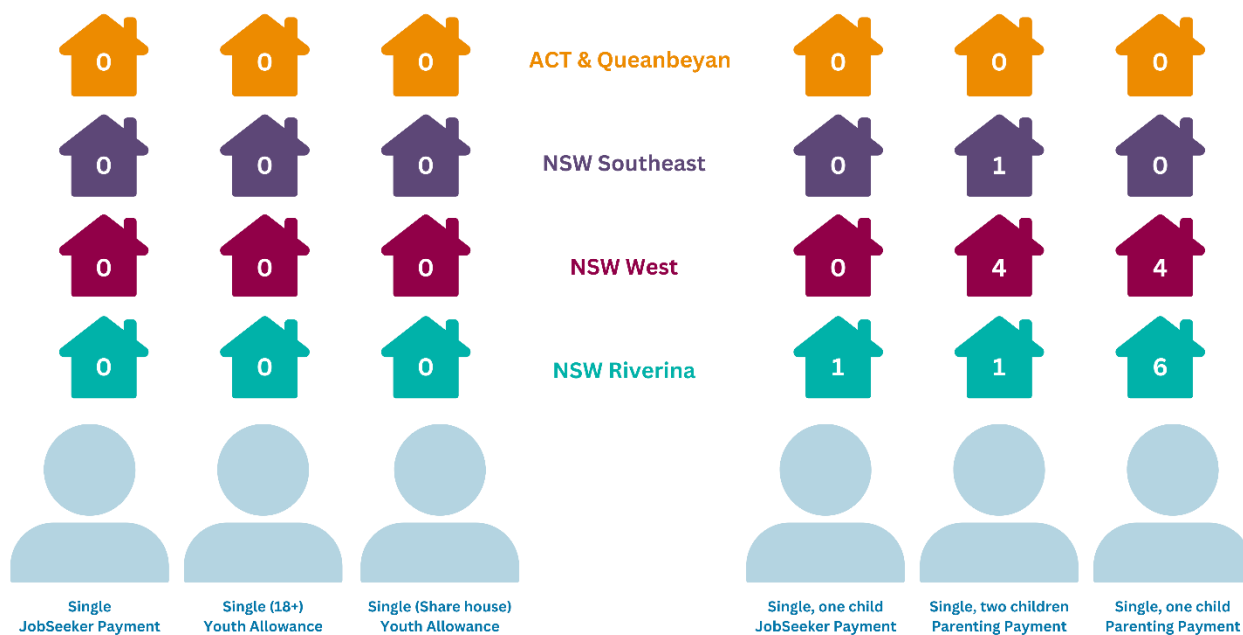


Table 1: Affordable & appropriate rental properties, by household type, number and percentage

			ACT and Queanbeyan				NSW Southeast				NSW West				NSW Riverina			
			2023		2022		2023		2022		2023		2022		2023		2022	
Household Type	Payment Type		Number	Percentage	Number	Percentage	Number	Percentage	Number	Percentage	Number	Percentage	Number	Percentage	Number	Percentage	Number	Percentage
1	Couple, two children	JobSeeker Payment (both adults)	0	0%	5	0%	1	0%	1	1%	8	1%	5	1%	5	1%	4	2%
2	Single, two children	Parenting Payment Single	0	0%	5	0%	1	0%	0	0%	4	1%	2	1%	1	0%	1	0%
3	Couple, no children	Age Pension	0	0%	6	0%	9	2%	8	5%	33	5%	30	8%	27	6%	27	11%
4	Single, one child	Parenting Payment Single	0	0%	4	0%	0	0%	3	2%	4	1%	9	2%	6	1%	7	3%
5	Single, one child	JobSeeker Payment	0	0%	0	0%	0	0%	1	1%	0	0%	1	0%	1	0%	2	1%
6	Single	Age Pension	17	1%	4	0%	1	0%	2	1%	12	2%	12	3%	14	3%	7	3%
7	Single aged over 21	Disability Support Pension	0	0%	0	0%	1	0%	1	1%	8	1%	10	3%	10	2%	5	2%
8	Single	JobSeeker Payment	0	0%	0	0%	0	0%	0	0%	0	0%	1	0%	0	0%	0	0%
9	Single aged over 18	Youth Allowance	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%
10	Single in share house	Youth Allowance	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%
11	Couple, two children	Minimum Wage + FTB A	1	0%	7	1%	72	19%	36	21%	206	33%	123	32%	153	36%	87	36%
12	Single, two children	Minimum Wage + FTB A & B	0	0%	6	0%	6	2%	4	2%	23	4%	16	4%	17	4%	7	3%
13	Single	Minimum Wage	35	2%	23	2%	2	1%	6	4%	22	4%	32	8%	25	6%	27	11%
14	Couple, two children	Minimum Wage + Parenting Payment (partnered) + FTB A&B	0	0%	6	0%	22	6%	8	5%	57	9%	39	10%	52	12%	35	15%
Total Number of Listings			1,553		1,354		387		168		616		385		421		239	

Table 2: Median rent as percentage of household income, by household type and region

				ACT and Queanbeyan	NSW Southeast	NSW West	NSW Riverina	
Household Type	Payment Type	Maximum Affordable Rent per week	Total Weekly Income	Median Rent as % of Income	Median Rent as % of Income	Median Rent as % of Income	Median Rent as % of Income	
1	Couple, two children	JobSeeker Payment (both adults)	\$289.79	\$873.49	72%	57%	52%	48%
2	Single, two children	Parenting Payment Single	\$254.77	\$756.75	83%	66%	59%	56%
3	Couple, no children	Age Pension	\$259.62	\$791.40	79%	63%	57%	53%
4	Single, one child	Parenting Payment Single	\$225.07	\$657.77	95%	76%	68%	64%
5	Single, one child	JobSeeker Payment	\$178.52	\$530.31	118%	94%	85%	79%
6	Single	Age Pension	\$181.07	\$524.95	119%	95%	86%	80%
7	Single aged over 21	Disability Support Pension	\$181.07	\$524.95	119%	95%	86%	80%
8	Single	JobSeeker Payment	\$113.77	\$346.55	180%	144%	130%	121%
9	Single aged over 18	Youth Allowance	\$88.55	\$281.40	222%	178%	160%	149%
10	Single in share house	Youth Allowance	\$88.55	\$281.40	222%	178%	160%	149%
11	Couple, two children	Minimum Wage + FTB A	\$491.49	\$1,545.83	40%	32%	29%	27%
12	Single, two children	Minimum Wage + FTB A & B	\$328.92	\$1,003.94	62%	50%	45%	42%
13	Single	Minimum Wage	\$212.54	\$708.47	88%	71%	64%	59%
14	Couple, two children	Minimum Wage + Parenting Payment (partnered) + FTB A&B	\$385.88	\$1,193.80	52%	42%	38%	35%
2023 Median Rent for Region				\$625	\$500	\$450	\$420	

ACT & Queanbeyan¹

1,553 private rentals were advertised for rent in the ACT and Queanbeyan area

On the weekend of our Snapshot (18 March 2023), these listings were appropriate and affordable for low income households:



Households on income support payments



Households on minimum wage

Rental affordability has been a growing issue in the Australian Capital Territory (ACT) and Queanbeyan, particularly for vulnerable populations.

Data from this year's Snapshot shows that the median rental price for houses in the ACT is \$695. This is \$140 higher than the median rental price for combined capital cities (Domain, 2023). In fact, affordability in the ACT can be described as an "indictment" due to the most unaffordable location for almost every category of people on low incomes (Halter, 2022).

In terms of rental legislation, the ACT has some of the most protective rental legislation in the country (Bushnell, 2023). The government has banned no-cause evictions, introduced rent control measures, and provided additional protections for renters during the COVID-19 pandemic. However, there is still more that can be done to address rental affordability.

Like many Australians, Canberrans have experienced significant increases in the prices of essential goods and services over the last five years, including housing (19%) and rents (13.1%) (ACTCOSS, 2022). The cost of living is particularly challenging for low-income households who spend a higher proportion of their income on housing than other households.

Our Snapshot data shows that the median rental price has continued trending up (\$520 in 2021 to \$625 in 2023), whilst average rent has decreased (\$656 in 2021 to \$642 in 2023). However, when evaluating the median rent as a percentage of household income, the figures are grim. Median rental costs in the ACT require 119% of income for both single pensioner households and single disability support pension households. Furthermore, for a single person on JobSeeker, the median rent as a share of income in the ACT reached 180%.

¹ Queanbeyan, Cooma-Monaro (2620 postcodes) and all of Unincorporated ACT

These statistics highlight the plight of vulnerable populations, who are the hardest hit by the rental affordability crisis in the area.

The chronic lack of affordable housing has led to a housing crisis in Canberra and has had an evident impact on low-to-moderate income households, people receiving income support, young people, and essential workers.

These figures indicate that the most vulnerable members of the community are struggling to afford adequate housing in the region. Moreover, the ACT Council of Social Services (ACTCOSS) CEO Dr Emma Campbell stated that the ACT Government's housing and homelessness policies are "failing" to meet the needs of Canberrans on low incomes, many of whom are in full-time work (Halter, 2022).

Over the last five years, Canberrans have seen some of the largest increases in the prices of essential goods and services in over two decades. Canberra has experienced increases above both the usual overall territory and national CPI (ACTCOSS, 2022).

The high cost of housing and rent is also impacting thousands of Australians who move to the ACT region each year, mostly to start a new job, with the largest cohort being graduates in their late 20s earning a relatively low income of \$55,000 to \$70,000 a year. Whilst Queanbeyan has long been seen as the cheaper place to live, the overwhelming majority (about 93%) choose Canberra over Queanbeyan (Manheim, 2023).

Our Snapshot data showed that when adding the Queanbeyan listings to the ACT, the housing situation only marginally improved. For Single income households on minimum wage, this combined data improved their chances of finding a rental property from 31 affordable and appropriate houses to 36. However, considering the total number of listings on our Snapshot day was 1,553, this only improved the overall affordability score by 0.2%.

Demand for rentals has seen no signs of stopping, driven by the influx of overseas migrants, international students, and temporary visa holders. Australia's net overseas migration gain hit almost 304,000 new people in the 12 months to September 2022, providing a significant boost of population gain for Australia. The proportion of overseas migrant arrivals that were temporary visa holders is now sitting at 61%, a substantial driver of rental demand

(Domain, 2023). Recent Census data shows that 18.7% of households in Queanbeyan were experiencing financial stress, compared to 17.8% of households in the ACT (ABS, 2023). Even so, what households have been found to prioritise the most is proximity to school and work (Manheim, 2023).

For many vulnerable individuals and families, the high cost of housing means they must choose between paying rent and other essential expenses like food, utilities, and healthcare.

Recently, the ACT Government launched a 'Rent Relief' fund to help low-income households in the ACT's private rental sector. The fund was established for those who are experiencing rental stress or severe financial hardship, with successful applicants receiving a one-off grant of up to four weeks of rent (capped at \$2,500). Whilst the grant has some very specific eligibility criteria, there are also other concessions or rebates available to help ease cost of living pressures in the ACT (ACT Government, 2023).

This situation highlights the urgent need for targeted investment in social and affordable housing to ensure that all members of the community can access safe and secure housing.

Public Housing in the ACT:



On average,
applicants wait
1,827 days
for standard housing
in the ACT (DH, 2023)



3,157
applicants on the ACT
Housing Register as of
10 March 2023
(DH, 2023)

NSW – Southeast (Capital Region)²

387 private rentals were advertised for rent in the NSW Southeast Region

On the weekend of our Snapshot (18 March 2023), these listings were appropriate and affordable for low income households:



**Households on
income support payments**



**Households on
minimum wage**

Rental affordability is a significant concern for vulnerable populations in the NSW Southeast area. The housing crisis in rural and regional NSW includes an overheated rental market, housing stock lost to natural disasters, short-term holiday rentals, and landlords hoping to cash in on city folk migrating to the country (Beazley, 2023).

Regional areas have also been subject to natural disasters and an influx of regional migration driven by COVID-19 restrictions in capital cities, limiting supply and increasing rental rates (SGS Economics and Planning, 2022).

Unfortunately, social and affordable housing in NSW is at just over 4%, which is below the OECD average of over 7% and well behind European countries such as Austria (24%) and the Netherlands (34%). Reports argue that permanently affordable rental housing is essential for a functioning economy and to ensure NSW remains a place of opportunity for all (Farid, 2022).

Due to the shortage of affordable rental accommodation, some residents are resorting to camping grounds or crisis accommodation, while others are becoming homeless (Azzopardi, 2023).

Previous changes to Yass Local Environment Plans allowed the subdivision of rural land down to 40 hectares, opening up more options for buyers looking for affordable small farms or rural lifestyle blocks (Quinlan, 2018). As a result, Yass, Braidwood, and Cooma became hotspot real estate markets due to affordability and diversified economies, including agriculture, tourism, and high-paying jobs within commuting distance to Canberra. The pandemic changed the way people work, meaning areas such as Yass, Braidwood, and Cooma attracted more buyers from Sydney and Canberra, driving real estate values up by 5-10%.

² Eurobodalla, Bega Valley, Bombala, Goulburn Mulwaree, Harden, Boorowa, Cootamundra, Cooma-Monaro, Palerang, Tumbarumba, and Snowy River

Our Snapshot showed the following number of rental properties which were available and affordable for households on income support payments:

- Yass: 0
- Bega Valley: 0
- Batemans Bay: 0
- Eurobodalla: 1
- Goulburn: 2
- Snowy Valley: 4

Our Snapshot data shows various median rental prices across these areas. Eurobodalla's median weekly rent was \$550, Yass was \$595, and Batemans Bay was \$545.

Bega Valley showed a median weekly rent of \$500, Goulburn's median rent was \$480, and Snowy Valley Region was even lower at \$365.

Adding to the pressure from zero affordable rental options for low-income households in the Bega Valley, public housing wait times for 1 and 2 bedroom properties are estimated between 5 and 10 years (DCJ, 2022).

Our 2023 Snapshot found that for NSW Southeast households with children on income support payments, less than 1% of listings were appropriate and affordable



Anglicare NSW South, West & ACT celebrated the 'turning of the first sod' at what will become new Crisis Housing in Yass (on Ngunnawal Wiradjuri land), which will provide refuge and safe haven for local individuals and families who would otherwise be facing homelessness. The project was supported through partnerships from the Yass Valley Anglican Church, Yass Valley Council, and the Federal Government's Safer Places funding program.

In Yass, Bega Valley and Batemans Bay, there were 0 listings appropriate and affordable for low-income households on income support payments



For those in the Bega electorate, Shelter NSW (2023) found that the availability of social housing is limited, at 2.6% of residential dwellings and 862 households on the general wait list, who are waiting between 5 and 10+ years for a property. Waiting for the government to fill this gap in affordable housing options has sparked community initiative. A community group called the 'Social Justice Advocates of the Sapphire Coast' ran a fundraiser which raised almost \$350,000 to provide transportable temporary units for locals who were affected by the housing crisis and the bushfires (Beazley, 2023).

Both Labor and Liberal parties have made promises to address the housing crisis, including delivering new homes for teachers and police, accelerating new housing developments, and piloting a build-to-rent scheme with a set aside for social or affordable housing (McGowan, 2023). However, many regional residents are questioning how much these promises will help given the scale of the crisis and the need for long-term investment in transitional and affordable rental accommodation (Beazley, 2023).

As a result, local councils are exploring ways to make more housing available. The Eurobodalla Shire Council has urged holiday homeowners to consider renting their properties out for one to two years to ease the housing crisis (Tregenza & Olumee, 2022).

However, the Eurobodalla Shire Council has been unsuccessful in requesting an amendment to planning law that could place a temporary restriction on short-term rentals, as the NSW Department of Planning disagrees, saying a housing crisis is too difficult to define (Eurobodalla Shire Council, 2022).

While local councils and community groups are making efforts to address the crisis, long-term investment in transitional and affordable rental accommodation is necessary. The state government's promises to deliver new homes for key workers and pilot a build-to-rent scheme with a set-aside for social or affordable housing are

promising but require close monitoring to ensure that they deliver meaningful solutions. In the meantime, support from organisations such as Anglicare NSW South, West & ACT is crucial to help those affected by the housing crisis.

Not for profit organisations can provide relief where they are able. Anglicare NSW South, West & ACT has been providing essential support to those in need, delivering care packages to residents at Moruya's North Head Camping ground, providing them with food, bedding, clothes, and home starter packs when they eventually find a home (Azzopardi, 2023).

It is important to remember that renters on low and modest incomes work in the local shops and aged care services. They have kids in local schools, are members of sports clubs, and attend local churches. They deserve the same stability as everyone else. Rising living costs, stagnant wages, interest rate increases passed on to renters by landlords, floods, and residential vacancy rates remaining below one per cent in many regions have all contributed to deteriorating living standards, rental stress, and the risk of homelessness (Everybody's Home, 2022).

Public Housing in NSW Southeast:



Eurobodalla:
457
households on the general
social housing register
(Shelter NSW, 2023)



Goulburn:
257
general applicants on the
NSW Housing Register
(DCJ, 2022)



Goulburn:
Expected waiting times
for public housing:
2 to 10 years
(DCJ, 2022)



Bega Valley:
Expected waiting times for a
1 or 2 bedroom property
with public housing:
5 to 10 years
(DCJ, 2022)

NSW – West (Far West, Central West, and Orana)³

616 private rentals were advertised for rent in the NSW West Region

On the weekend of our Snapshot (18 March 2023), these listings were appropriate and affordable for low income households:



Households on income support payments



Households on minimum wage

Rental affordability is a significant issue for vulnerable populations in the NSW West area. According to Shelter NSW (2021), Bathurst Regional LGA has a high proportion of single-parent families and low-income households experiencing housing stress. Similarly, Orange LGA has a growing population across all age groups and a high proportion of rental and mortgage households, with high levels of rental and mortgage stress. Despite having a higher-than-average annual income, households in these

regions are struggling to comfortably support housing costs.

The lack of social housing in these LGAs is exacerbating the issue, with wait times ranging between two and 10 years, and a significant waitlist (Shelter NSW, 2023). This highlights the urgent need for local governments to support new housing supply and give people more choices to address these challenges and ensure that regional areas remain viable and attractive places to live.

For single parent households with one child in NSW West, only 4 of 616 listings were appropriate and affordable



Rising living costs, stagnant wages, interest rate increases passed on to renters by landlords, floods, and residential vacancy rates remaining below one per cent in many regions have all contributed to deteriorating living standards, rental stress, and the risk of homelessness, as reported by Everybody's Home (2022). The lack of affordable housing for people on low and modest incomes is a significant concern that requires immediate attention.

³ Balranald, Bathurst Regional, Bogan, Boorowa, Brewarrina, Broken Hill, Cabonne, Central Darling, Cobar, Coonamble, Dubbo, Forbes, Gilgandra, Lachlan, Lithgow, Narromine, Mid-Western Regional, Orange, Walgett, Warren, Warrumbungle Shire, Wellington, Upper Hunter Shire

Our Snapshot data showed growing rental prices in the NSW West area, with the median weekly rent increasing from \$300 in 2020 to \$450 in 2023. Furthermore, average rental prices are following the same trend, increasing from \$310 in 2020, to \$488 in 2023.

Unit rents across regional NSW increased by 2.5% over the quarter and 7.9% over the year, lifting by \$30 to \$410 per week. The rise of remote working and job opportunities across multiple infrastructure projects have contributed to high demand for rentals in some regional areas, exacerbating the housing shortage and forcing tenants to leave their communities to find affordable homes.

Despite a higher-than-average annual income, Bathurst Regional LGA has a relatively high proportion of single-parent families and low-income households experiencing high levels of stress due to housing costs (Shelter NSW, 2023).

Dubbo Regional and Eurobodalla LGA's still have a high proportion of low-income households experiencing rental stress, with a large proportion of the population who are vulnerable to changes in interest rates, incomes and rental prices (Shelter NSW, 2023).

Shelter NSW (2023) found that 61% of low-income households in Orange were experiencing rental stress, with 258 households on the social housing waitlist. In response, the Orange City Council and Landcom signed an agreement which aims to provide affordable housing options for low to moderate income households (Orange City Council, 2023). Partnerships such as this are an example of how local councils are ensuring everyone has a safe place to live irrespective of their income.





Additionally, local governments can introduce tax subsidies or concessions to encourage investments in new rental properties rented at a discount to market rates for a minimum of 15 years. The proposal is similar to an existing scheme in the ACT that incentivises the use of existing properties as affordable rentals. While such schemes can utilise existing housing stock, they cannot replace sustained government investment in affordable rental housing, which is essential to address the shortage of affordable rental properties (Anglicare Australia, 2022).

Rent Assistance is a helpful resource to reduce housing stress levels for recipients nationwide, reducing it from 72% to 46%, as reported by Coates & Moloney (2022). However, the maximum rate of Rent Assistance has not kept pace with rising rents paid by low-income renters. To help

regional renters, governments should co-fund a trial of a higher rate of Rent Assistance across NSW regional areas to reduce financial stress and improve nutrition and mental health.

In conclusion, the impact of rental affordability on vulnerable populations in the NSW West area is a growing concern that requires immediate attention. The lack of social housing and rising living costs are contributing to deteriorating living standards, rental stress, and the risk of homelessness. Addressing these challenges will ensure that regional areas remain viable and attractive places to live for all populations.

Public Housing in NSW West:

	NSW West: Expected waiting times for public housing: 2 to 10 years (DCJ, 2022)
	Bathurst Regional: 368 general applicants on the NSW Housing Register (DCJ, 2022)
	Orange: 304 general applicants on the NSW Housing Register (DCJ, 2022)
	Dubbo: 538 general applicants on the NSW Housing Register (DCJ, 2022)

421 private rentals were advertised for rent in the NSW Riverina Region

On the weekend of our Snapshot (18 March 2023), these listings were appropriate and affordable for low income households:



Households on income support payments



Households on minimum wage

Rental affordability is a critical issue for vulnerable populations in the Riverina area of New South Wales (NSW). According to Shelter NSW (2021), the income of households in the local government areas (LGAs) is not comfortably supporting housing costs, and there is a significant wait list for social housing. Rising interest rates and low vacancy rates for rental properties have also contributed to the rental affordability crisis in the region.

Wagga Wagga LGA has a reasonable proportion of single-parent families and higher-than-average incomes, but also has a high proportion of mortgagee and rental households experiencing housing stress (Shelter NSW, 2023). Social housing is relatively low across the region, with wait times ranging between two and 10 years and a significant waitlist.

Low-income households are most affected by housing stress, with one in four such households in NSW experiencing housing stress in 2019-20. Furthermore,

households that privately rent are more than four times as likely to experience housing stress as homeowners (Gardiner, 2023).

Rental affordability has been on the decline throughout the pandemic, with rental prices increasing in regional areas where incomes have not kept up, leading to a substantial decrease in rental affordability in the rest of NSW since the first quarter of 2020 (NSW Council of Social Service, 2022).

There seems to be little relief for low-income households in the NSW Riverina area, as median weekly rental prices continue to increase

**\$290 in 2020
to \$420 in 2023**



⁴ Albury, Balranald, Berrigan, Bland, Blayney, Carrathool, Cobar, Conargo, Coolamon, Cootamundra, Corowa Shire, Greater Hume Shire, Griffith, Gundagai, Harden, Jerilderie, Leeton, Lockhart, Murray, Murrumbidgee, Tumbarumba, Tumut Shire, Wakool and Wentworth

The Riverina region is facing a severe rental crisis, with the vacancy rate reducing to less than 1% (Australian Financial Review). Our Snapshot data doesn't show relief for rental prices either, with median rent up 45% from 2020 (\$290) to 2023 (\$420), and the average rental price following a similar rising trend (\$301 in 2020 to \$424 in 2023).

The median rent on a house in Wagga is equivalent to 43.3% of gross wages for a single-income family, placing many people in financial hardship (Roe, 2022).

The average salary in the Riverina electorate is just \$54,600 compared to the national average of \$66,000, making the region more vulnerable to the impacts of the national housing shortage (Jacka, 2022). Our Snapshot shows that the median rental price in the Riverina exceeds the maximum affordable weekly rent for all low-income households except for one. With an average of 74% of income required to cover the median rental costs, affordability is concerning for this area.

Many people in the Riverina have been priced out of the private housing market due to their incomes being overtaken by soaring rental costs, with some turning to social housing due to financial reasons (Australian Financial Review, 2023).

Increasing the amount of social and affordable housing is urgently needed in the Riverina to address the worsening rental crisis. Social and affordable housing expansion for people on low and modest incomes is essential for a community to function.

Public Housing in NSW Riverina:



Wagga Wagga:
658
general applicants on the
NSW Housing Register
(DCJ, 2022)



Wagga Wagga:
Expected waiting times
for public housing:
2 to 10 years
(DCJ, 2022)

What can be done?

1. Raise payments above the poverty line

To tackle rental affordability, the government needs to address both high prices and low incomes simultaneously. It is also clear that the indexation of payments does not adequately address cost of living pressures. By raising the rate of income support payments, the government would help people keep pace with economic pressures and lift hundreds of thousands of Australians, and their children, out of poverty.

Recommendations:

- Raising income support payments to at least \$70 a day and indexing them to wages and prices would enable vulnerable individuals and families to cover their basic expenses, including rent, and alleviate financial stress
- Paying students a living allowance during internships can help stem high dropout rates and increase workforce participation in vital allied health professions
- The maximum rate of Rent Assistance should be increased to keep pace with rising rents paid by low-income renters

2. Increase social and affordable rental housing

The shortage of affordable rental housing is a significant issue, with many people struggling to find suitable homes. Ending the affordable housing shortfall is the most effective way to tackle the rental crisis and boost the regional economy. Increasing the supply of affordable rental housing is crucial, and the government should invest in social and affordable housing construction to provide a stable, long-term solution.

Recommendations:

- Ensure regulatory settings support and incentivise community agencies to invest and design more private rentals
- Implement a new affordable rental investment incentive scheme to encourage private investors to build or purchase affordable rental properties
- Expand the use of "head-leasing" to free up extra housing stock for long-term rentals, buy homes and turn them into social housing, and encourage owners of short-stay rentals to return properties to the long-term rental market
- Provide more government support to local councils in regional areas to ensure that they remain viable and attractive places to live
- Trial initiatives used in other states to scale up construction pace and encourage Australian super funds to get involved in the affordable property market
- Focus on having strategies to make more social housing properties available for vulnerable groups.
- Sustain reinvestment in public housing on a scale that matches the hundreds of thousands who need it
- Implement a new affordable rental investment incentive scheme to encourage private investors to build or purchase affordable rental properties
- Introduce new tax subsidy or concession targeted at investments in new rental dwellings

3. Increase funding for specialist crisis and homelessness services

The shortage of housing in south-eastern NSW has reached a crisis point due to the bushfires, floods, and the COVID-19 pandemic. As displaced homeowners, renters, and holiday-makers continue to compete for what little accommodation remains available on the south coast of NSW, short-term and longer-term solutions are desperately needed to reduce housing stress. Increased funding for specialist crisis and homelessness services is essential to support those who have been displaced and are struggling to secure housing.

With the funding for disaster relief programs (such as bushfire relief) coming to an end, the services clients require will overflow to other crisis support services. When this occurs, without additional government support, the current service capacity will not be able to sustain the existing demand.

Recommendations:

- Provide immediate and targeted investment in more social and affordable housing on the south coast to alleviate housing stress
- Focus on providing transitional housing to support women and children moving from crisis accommodation, and those who are recently separated
- Provide paid domestic and family violence leave to ensure safety and economic security

4. Improve rental protection factors

Improved rental protection factors are important for providing renters with stable and secure housing, which is critical for their well-being and ability to participate fully in society.

Recommendations:

- Establish consistent protections for renters across all states and territories to ensure that all renters are afforded the same level of protection
- Implement reforms in NSW similar to those in Victoria and the ACT that restrict “no cause evictions,” limit the amount and regularity of rental increases, and require rental properties to meet minimum standards
- Move towards a model of secure, long-term leases, such as head leasing, which would provide landlords with a guaranteed rental income and a commitment to return the property in good condition at the end of the lease. This model would also allow renters to experience the benefits of a stable home, reduce churn in the rental market, and potentially reduce rent increases
- Trial head leasing as a model for mainstream tenancies to test its effectiveness in providing stable housing for renters

Conclusion

This 2023 Rental Affordability Snapshot highlights the ongoing housing crisis in the ACT and NSW, with many households struggling to secure affordable and stable housing. The report emphasises the need for a multifaceted approach, which includes both short-term and long-term solutions, such as increasing the supply of social and affordable rental housing and raising income support payments. Such measures are essential to address the adverse impacts of housing stress and homelessness, including increased healthcare usage, criminal and anti-social behaviours, and reduced human capital and employment outcomes.

Therefore, it is crucial that governments at all levels work together to implement effective policies that improve housing affordability, security, and quality to promote better health, social, and economic outcomes for all.

Methodology

The snapshot assesses the affordability of each property for 14 types of low-income households:

1. Couple, two children: JobSeeker Payment (both adults)
2. Single, two children: Parenting Payment Single
3. Couple, no children: Age Pension
4. Single, one child: Parenting Payment Single
5. Single, one child: JobSeeker Payment
6. Single: Age Pension
7. Single, aged over 21: Disability Support Pension
8. Single: JobSeeker Payment
9. Single, aged over 18: Youth Allowance
10. Single, in share house: Youth Allowance
11. Couple, two children: Minimum Wage + FTB A
12. Single, two children: Minimum Wage + FTB A & B
13. Single: Minimum Wage
14. Couple, two children: Minimum Wage + Parenting Payment (partnered) + FTB A&B

To determine whether a rental listing is affordable, Anglicare uses government data to calculate the income for each household type. These figures are then used to calculate the maximum affordable rent for each household type, which is then compared against the rental listings which have been deemed suitable for each household type.

The Snapshot uses the Rental Affordability Index (RAI), which illustrates that where housing costs exceed 30% of a low-income household's budget, then that household is experiencing housing stress (SGSEP, 2022).

Appendices

Figure 1:

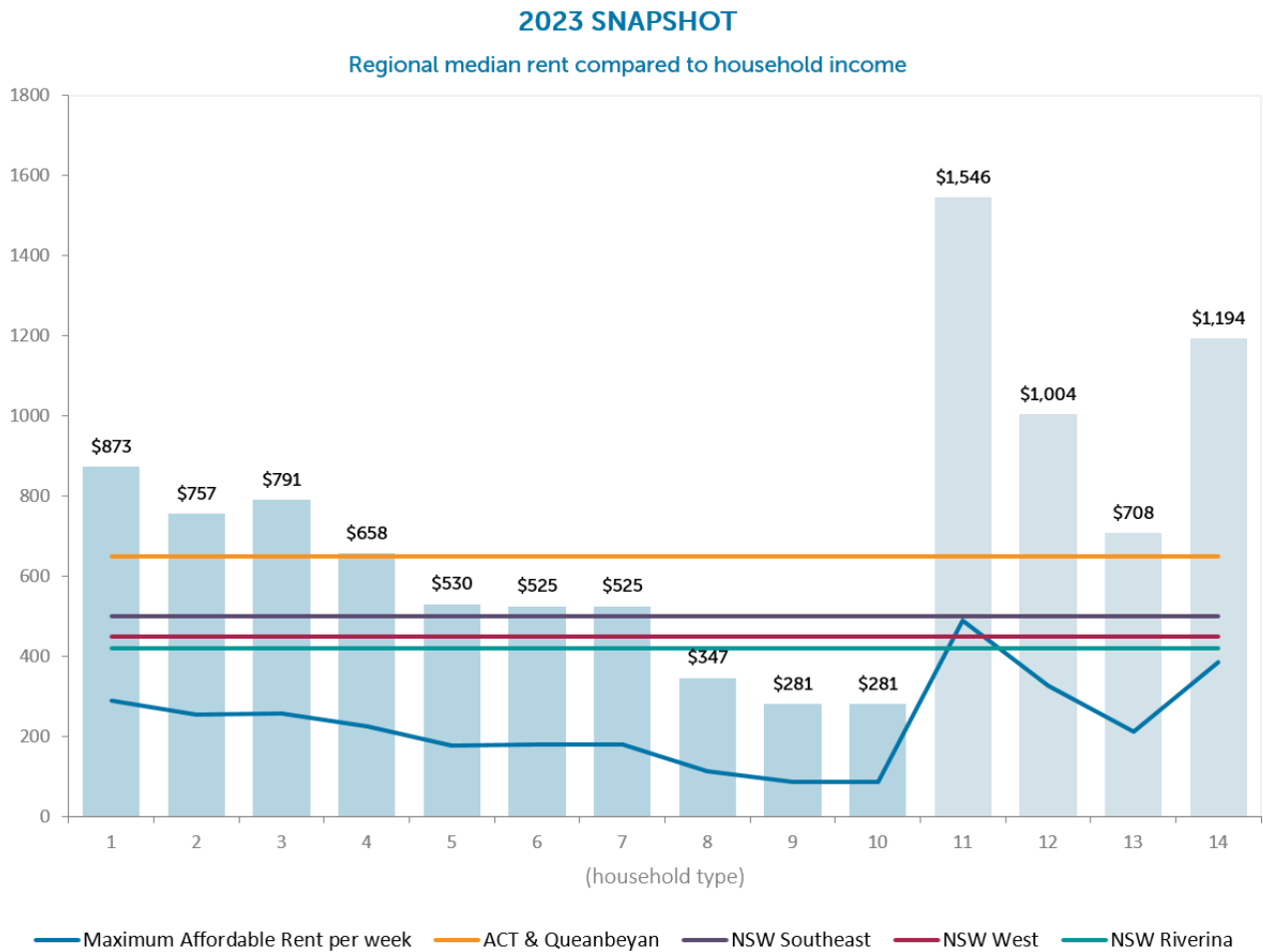


Figure 2:

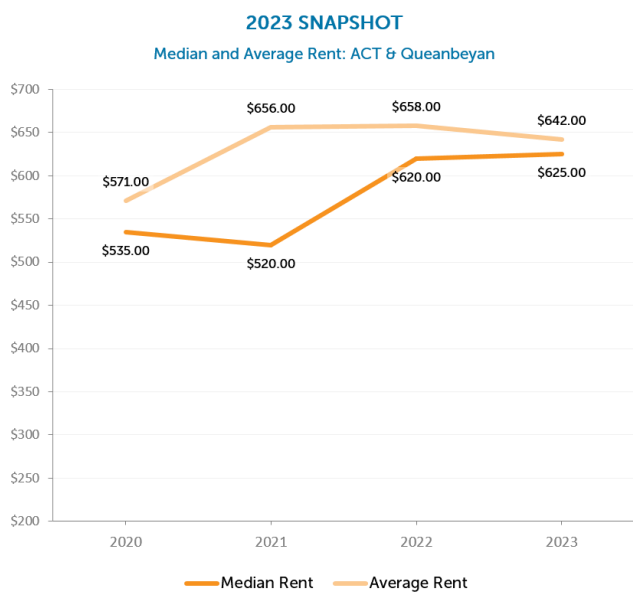


Figure 3:

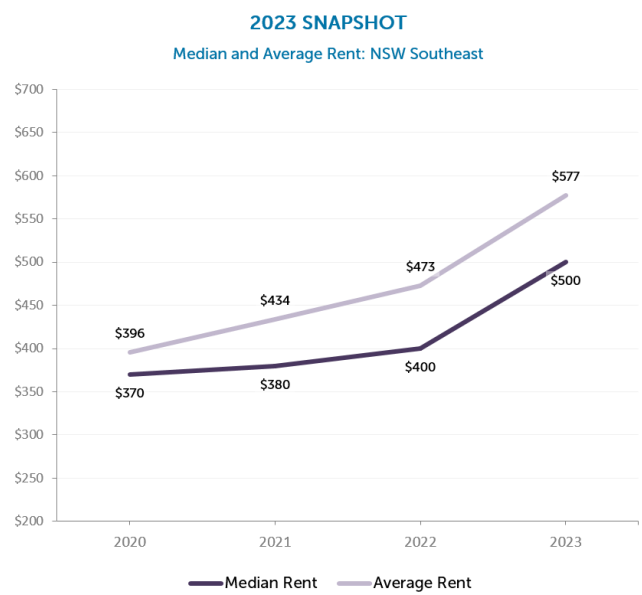


Figure 4:

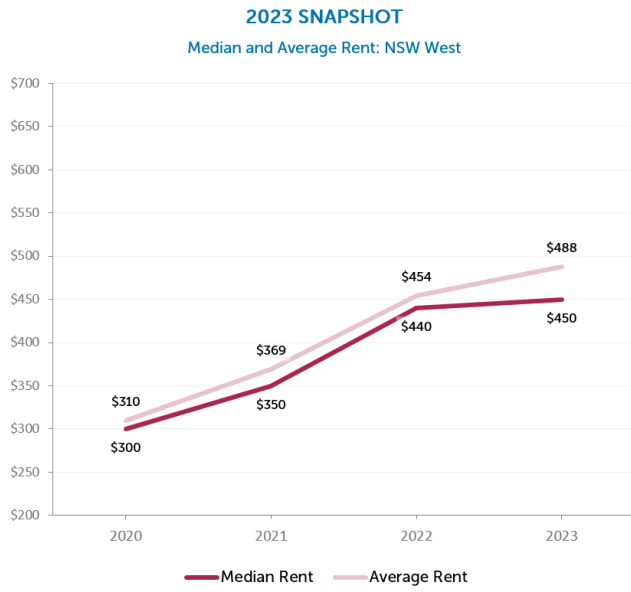
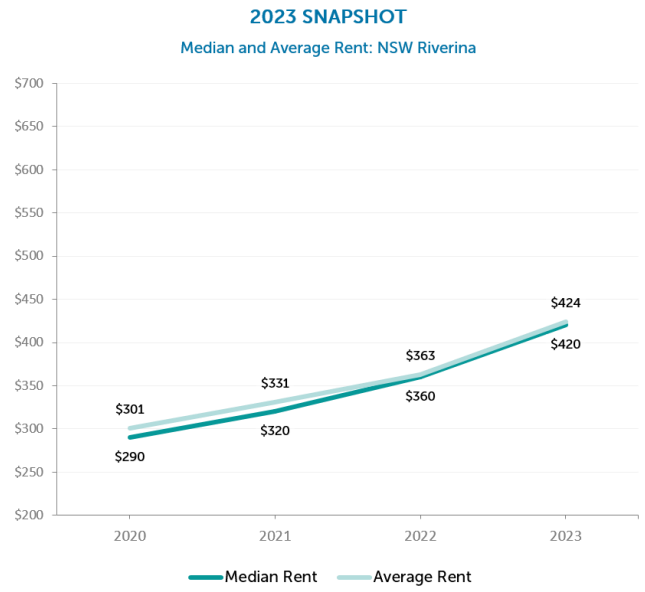


Figure 5:



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