

MEDIA RELEASE

Rental affordability plummets in WA: New report

Rental affordability has declined rapidly in Perth and regional WA in the past year, according to the annual National Shelter-SGS Economics and Planning [Rental Affordability Index](#), with hospitality workers and people on low incomes among those bearing the brunt of the crisis.

Affordability for average income households in Perth has plummeted 10 per cent in the past 12 months, the second biggest drop in the nation behind only Sydney.

In regional WA affordability has dropped eight per cent - the biggest fall of any 'rest of state' area in the country.

Many households well below the average household income of \$110,441 per year are struggling to find an affordable rental in the current market with exceptionally low vacancy rates across WA.

A single person on JobSeeker would have to spend more than their entire income for a median rental in Perth or regional WA while a single pensioner would have to pay more than 70 per cent.

National Shelter CEO Emma Greenhalgh said: "From Fremantle to Fitzroy Crossing, WA renters have been smashed by some of the worst rent rises in the country over the past year.

"Greater Perth is now ranked as *moderately unaffordable* for the first time since 2016 and regional WA is at its least affordable level since 2014.

"Perth has suffered one of the steepest declines in affordability among capital cities, behind only Sydney, while regional WA has only declined more than every rest of state area.

"This dire rental crisis is caused by a chronic shortage of available and affordable homes, an issue which requires continued urgent cooperation across the WA housing sector and government.

"The state government's announcement last week of a rent relief program is an important initiative that will help the most vulnerable - but we also need better regulation.

"Western Australia has some of the weakest rental regulations in the nation, allowing unlimited rent increases every six months and no grounds evictions. This means renters are too scared to negotiate a rent increase for fear of eviction and are vulnerable to skyrocketing rents with no relief in sight."

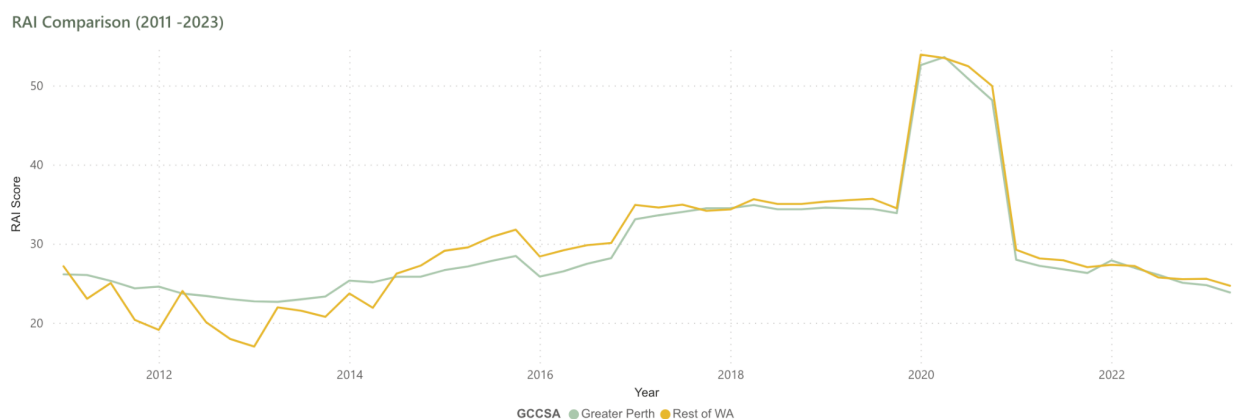
Only one Perth postcode around Winthrop and Bateman offers at least *affordable* rents - costing 15 per cent or less of average income.

Some suburbs which were *affordable* in 2022, such as Maddington, Orange Grove and Kelmscott, have fallen to the *acceptable* level (20 to 25 per cent of income).

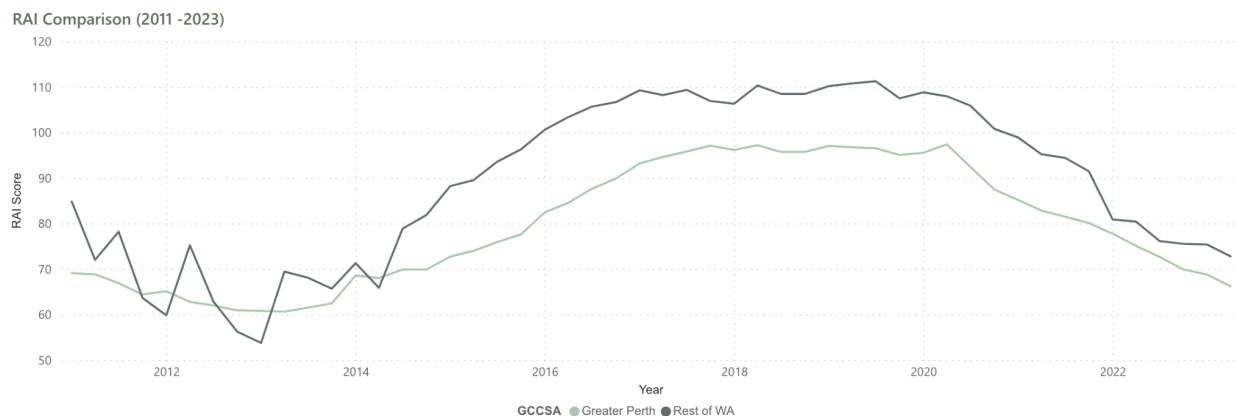
WA's regional centres have also worsened. Bunbury is now *acceptable* to *moderately unaffordable* (25-30 per cent of income). Busselton is *moderately unaffordable* to *unaffordable* (30-38 per cent of income).

Kalgoorlie is also *moderately unaffordable*. Karratha and Port Hedland are *severely unaffordable* (38-60 per cent of income).

Graph below showing affordability for a single person receiving benefits



Graph below showing affordability for a hospitality worker



Top ten most unaffordable postcodes in WA				
Postcode	Median weekly rent	Rental affordability index score	Rent as a share of average rental household income	Categorisation
1. 6015 (City Beach)	\$1200	51	59%	Severely unaffordable
2. 6713 (Dampier)	\$900	71	42%	Severely unaffordable
3. 6714 (Karratha)	\$820	77	39%	Severely unaffordable
4. 6721 (Port Headland)	\$800	79	38%	Unaffordable
5. 6707(Exmouth)	\$750	85	35%	Unaffordable
6. 6726 (Cable Beach)	\$750	85	35%	Unaffordable
7. 6159 (North Fremantle)	\$710	85	35%	Unaffordable
8. 6011 (Peppermint Grove)	\$700	87	34%	Unaffordable
9. 6020 (Sorrento)	\$700	87	34%	Unaffordable
10. 6722 (De Grey)	\$725	88	34%	Unaffordable

EDITOR'S NOTE: The rental affordability index scores areas based on median rental prices and average income of rental households within the capital city or rest of state area'. A score of 100 indicates households spend 30 per cent of income on rent, the critical threshold level for housing stress. A lower score is worse.

A score of 50 or less indicates extremely unaffordable rents, 51-80 indicates severely unaffordable rents, 81-100 indicates unaffordable rents, 101-120 indicates moderately unaffordable rents, 121-150 indicates acceptable rents, 150 or more indicates affordable rents.