

Thursday 18 July | 12.00 – 1.00pm (AEST) | #AHURIwebinar



The future of rental affordability

Speakers:

Margaret Reynolds, Swinburne University of Technology

Eliza Owen, CoreLogic

Facilitator:

Dr Tom Alves, AHURI



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Our research supports policy development at all levels of government, assists industry and informs the broader community.

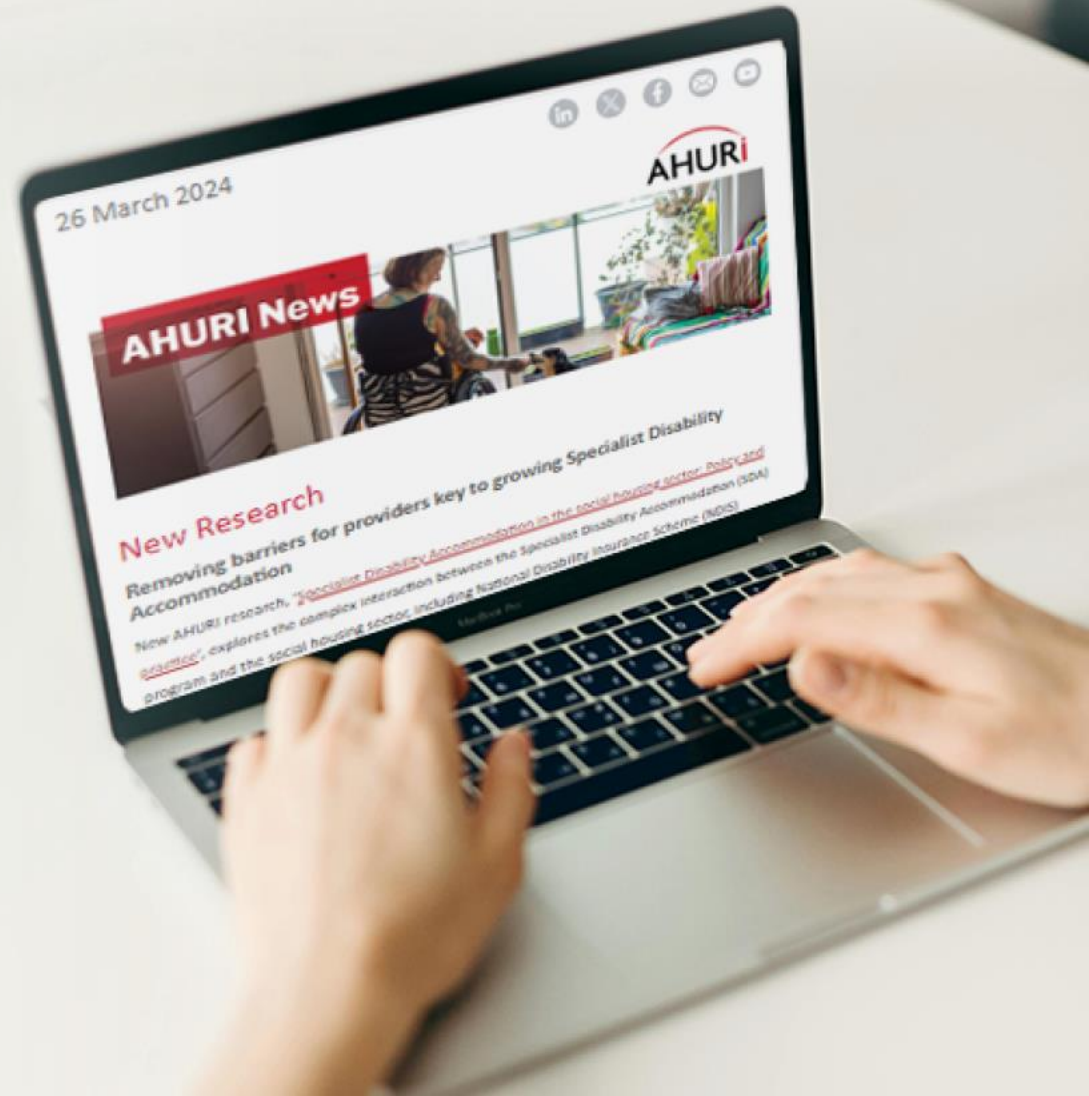
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Talk to us today Dr Tom Alves, Head of Development 0417 244 623 tom.alves@ahuri.edu.au



Australian Homelessness Conference **2024**

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aushomelessconf.org.au

Today's session

Read the research:

www.ahuri.edu.au/research/final-reports/416

Webinar recording available at:

www.ahuri.edu.au/events/future-rental-affordability

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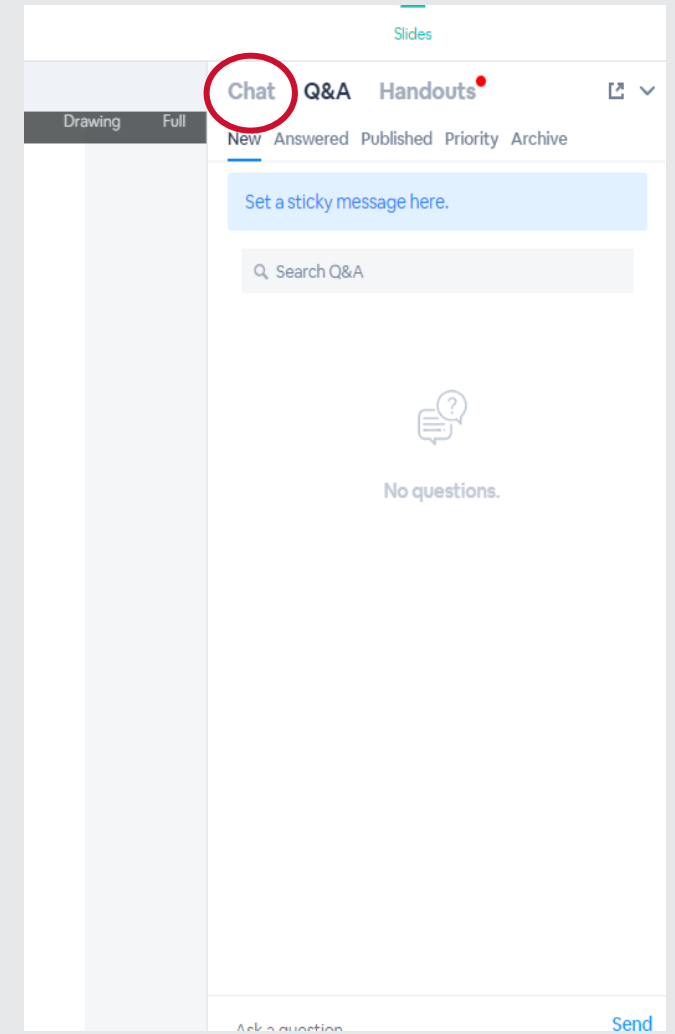
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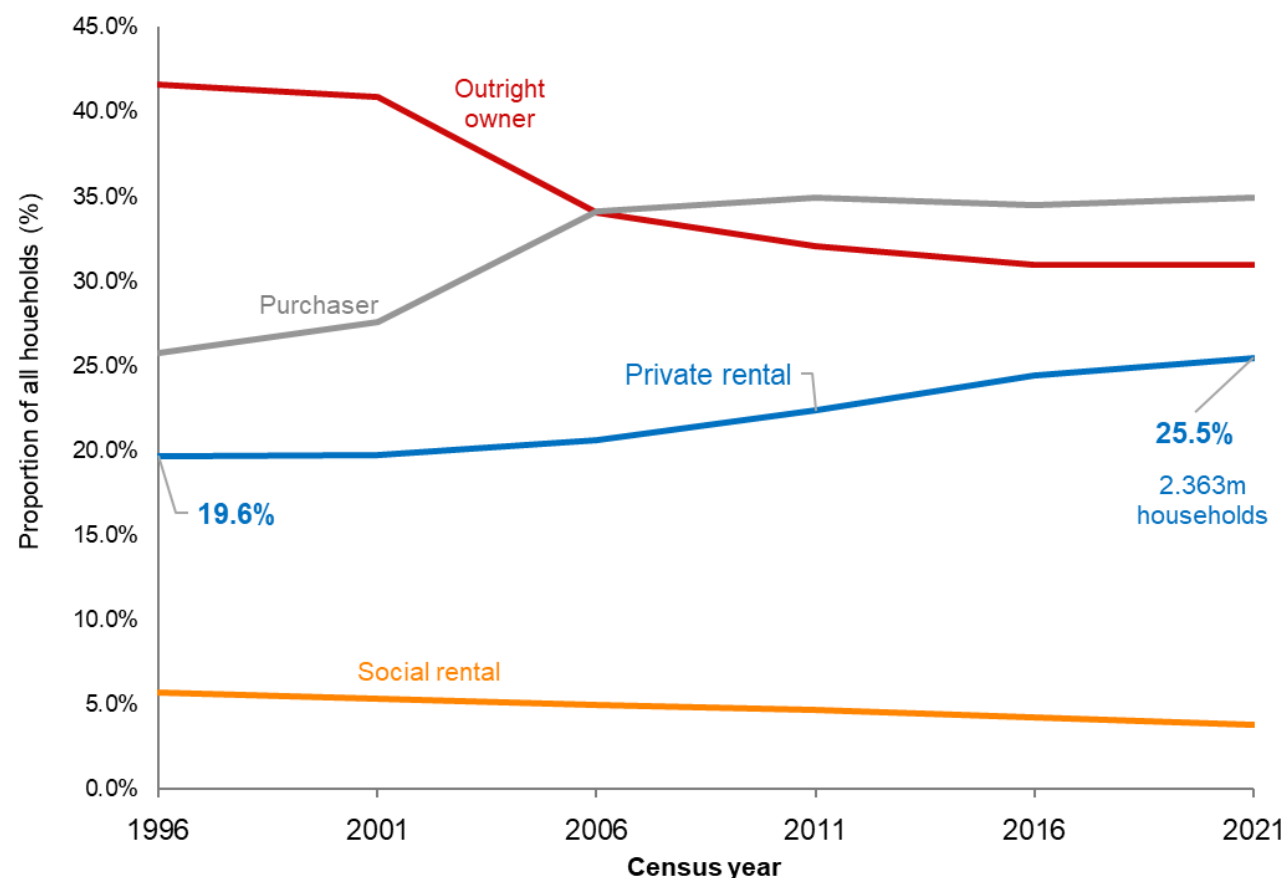
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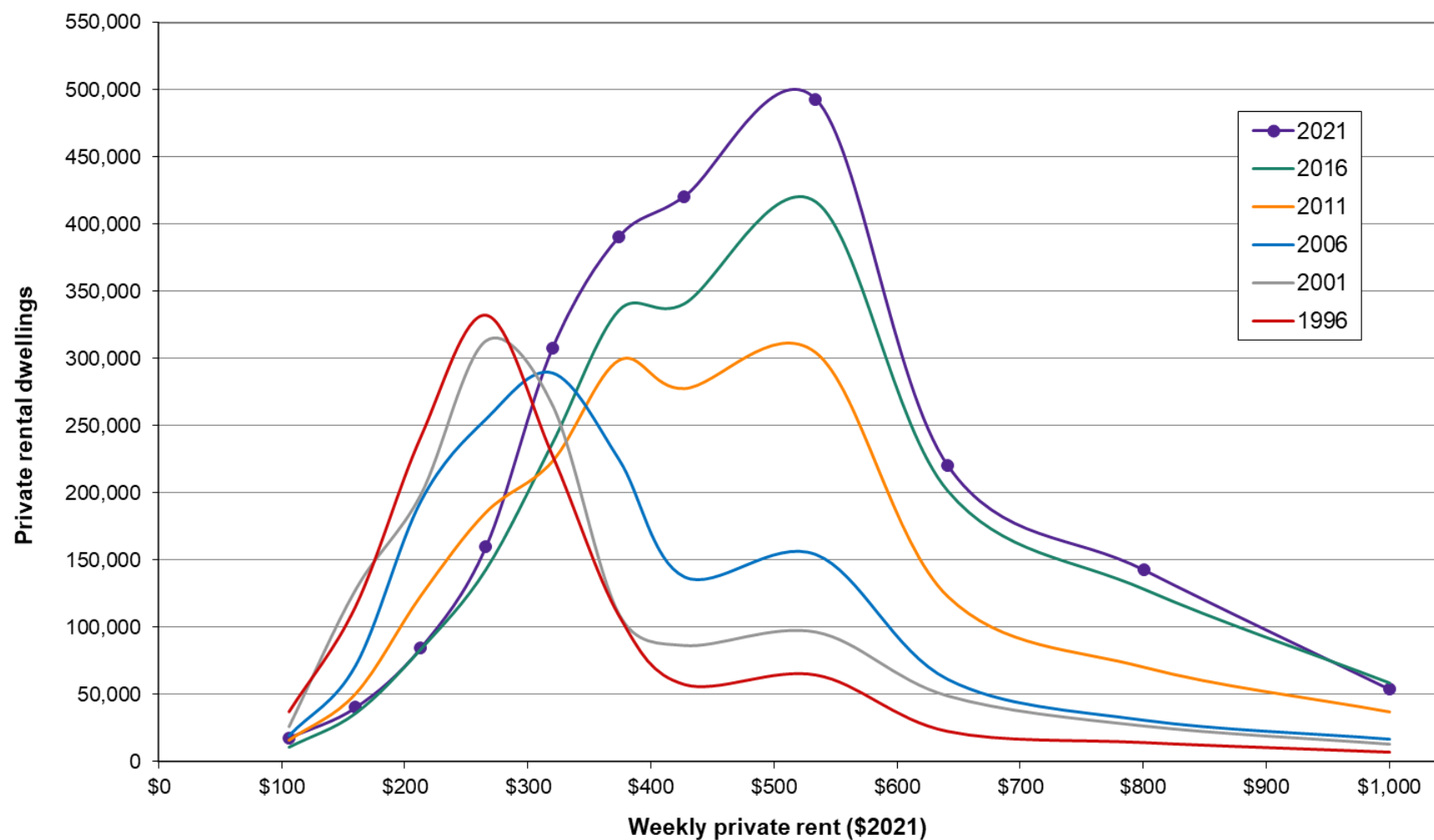
Research aim

To what extent does the private rental market *affordably* accommodate lower income households?

Private rental
sector growth
1996–2021

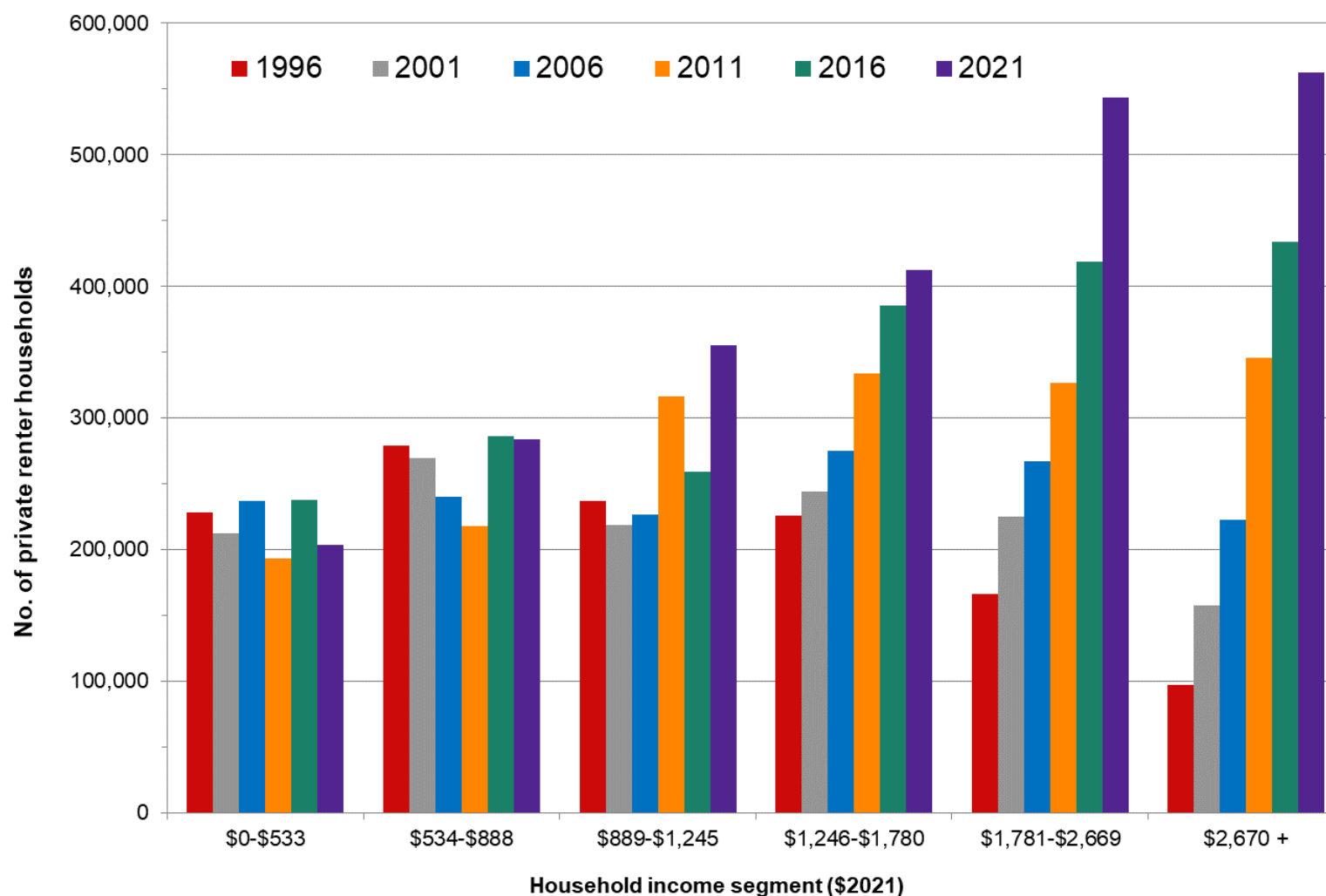


Private rental dwellings by weekly rent paid National 1996–2021



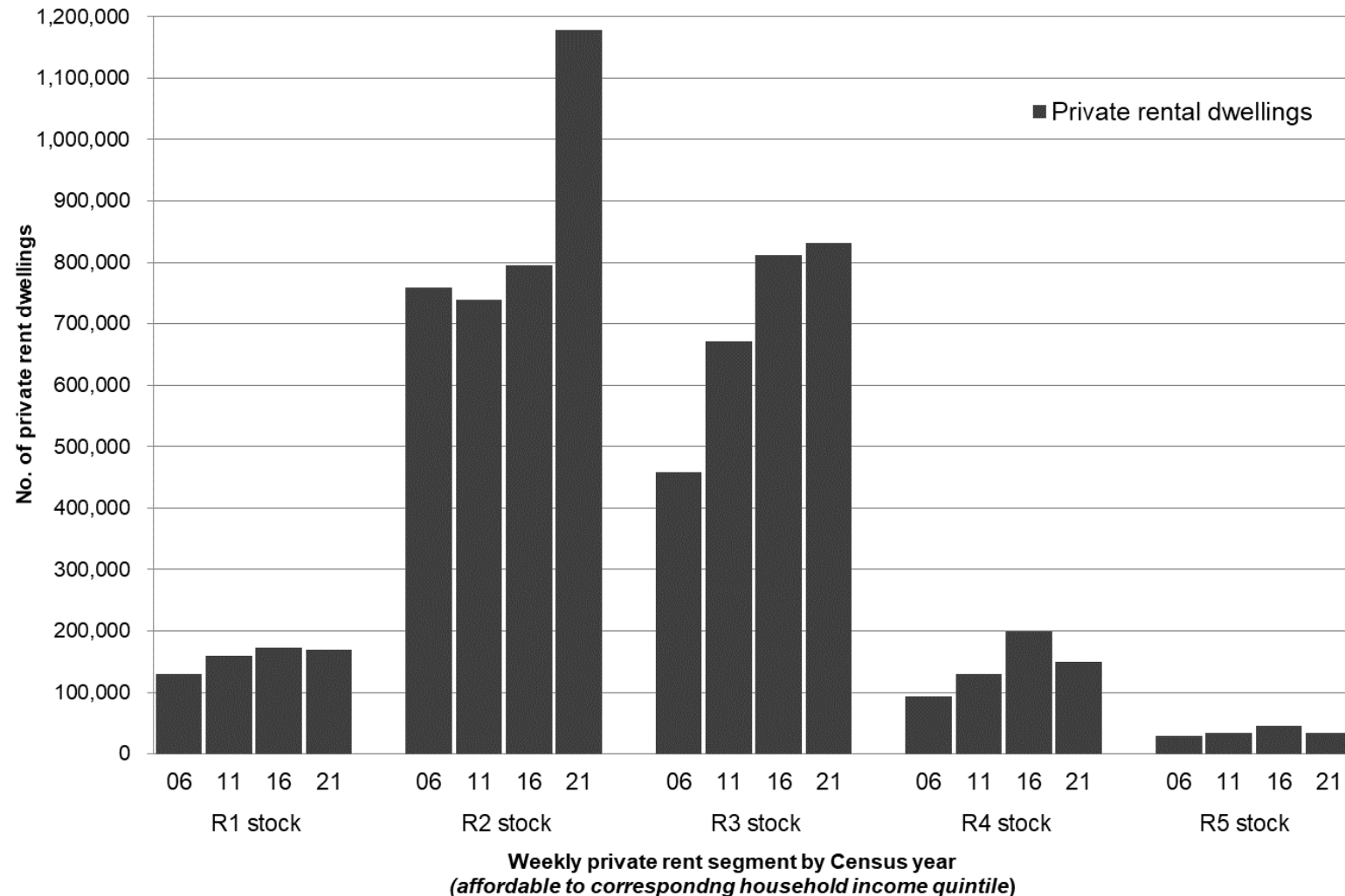
Source: ABS customised matrices derived from the Australian Census of Population and Housing 1996–2021.

Private renter household incomes National 1996–2021



Source: ABS customised matrices derived from the Australian Census of Population and Housing 1996–2021.

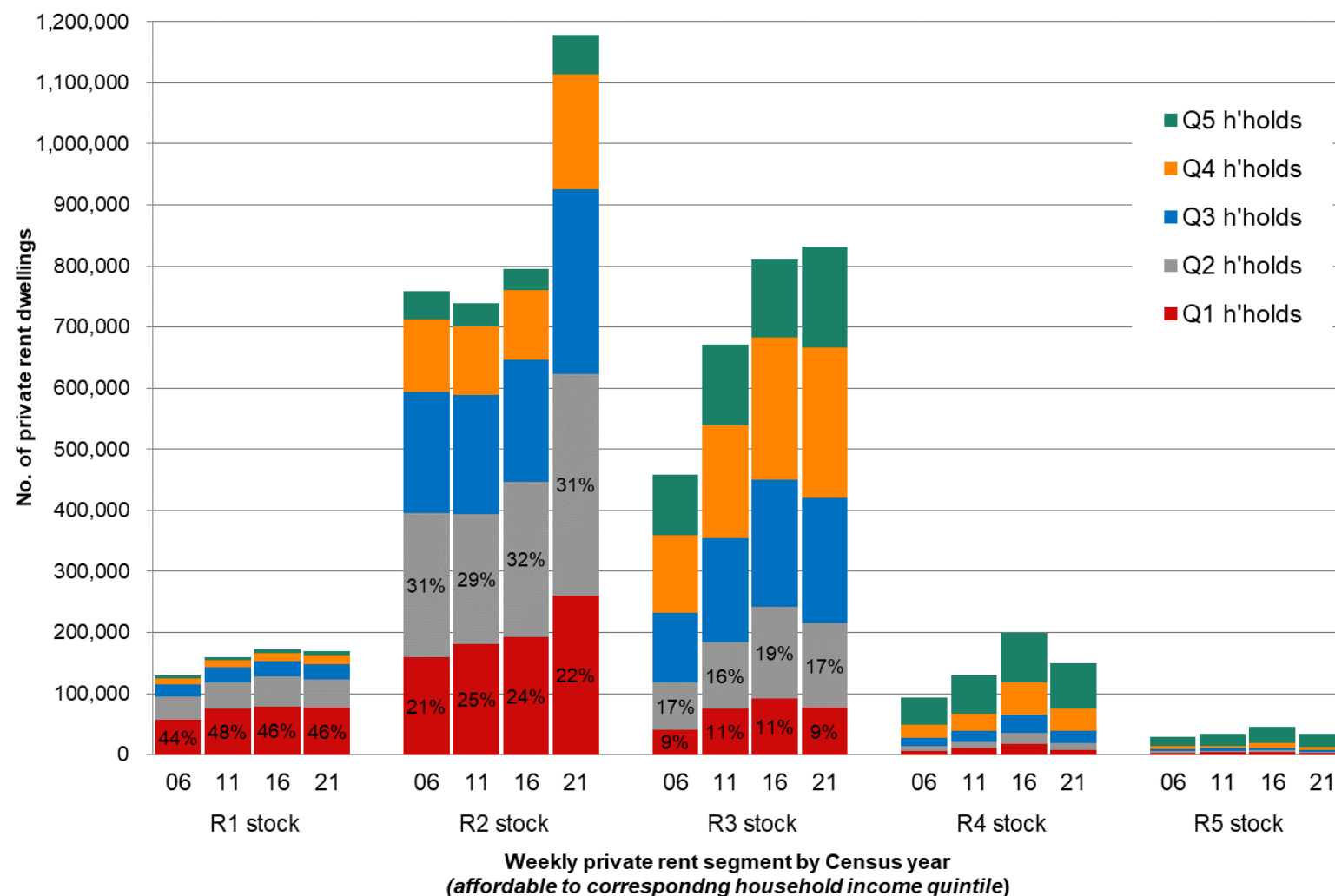
Affordable dwellings for each income quintile group: national 2006–2021



Affordable rent ranges 2021

- R1 \$1-\$225 (affordable for Q1 hhs)
- R2 \$226-\$415 (affordable for Q2 hhs)
- R3 \$416-\$670
- R4 \$671-\$1,000
- R5 \$1,001 & above

Income of the households occupying the stock: national 2006–2021



Affordable rent ranges 2021

R1 \$1-\$225 (affordable for Q1 hhs)

R2 \$226-\$415 (affordable for Q2 hhs)

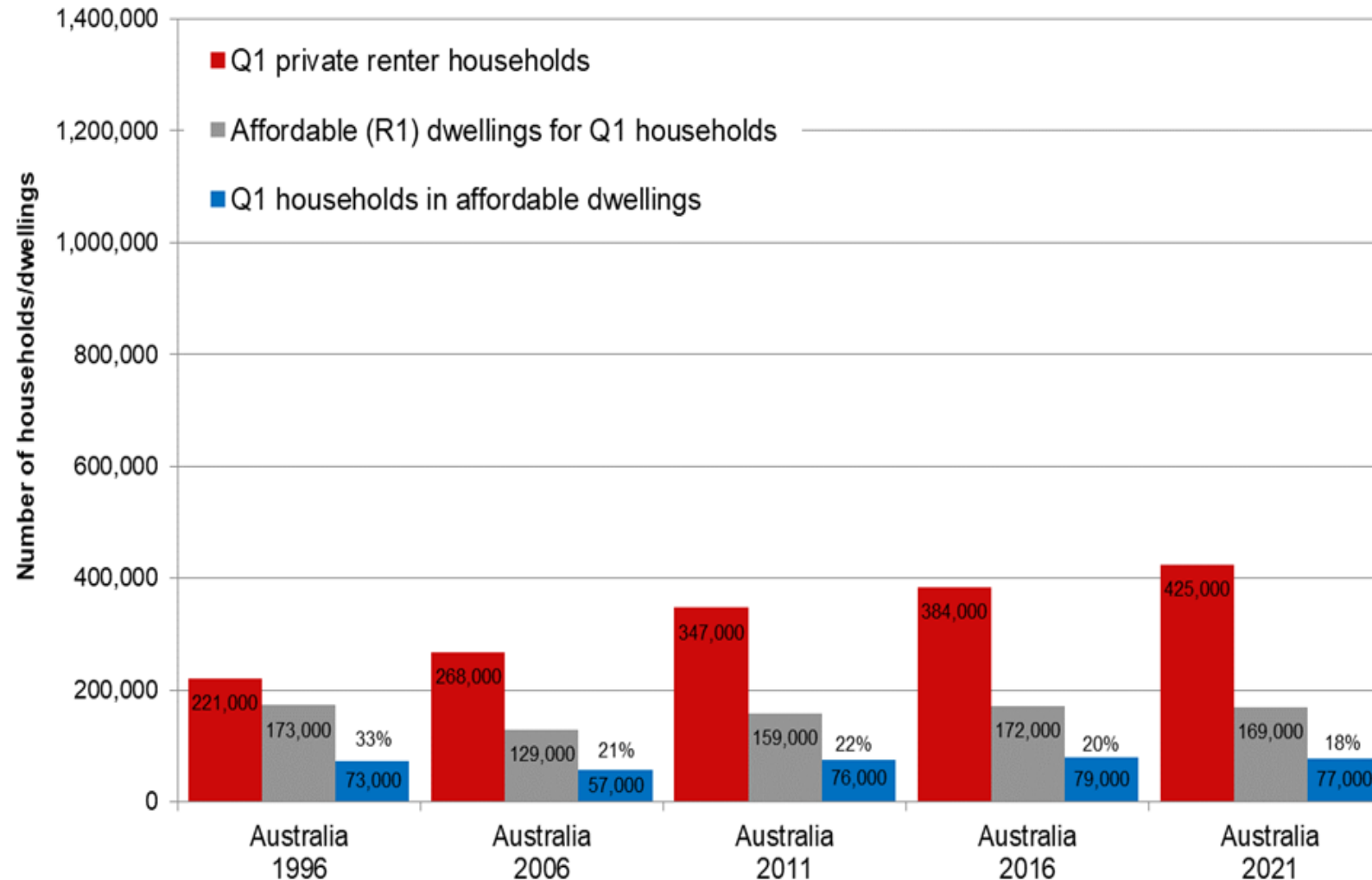
R3 \$416-\$670

R4 \$671-\$1,000

R5 \$1,001 & above

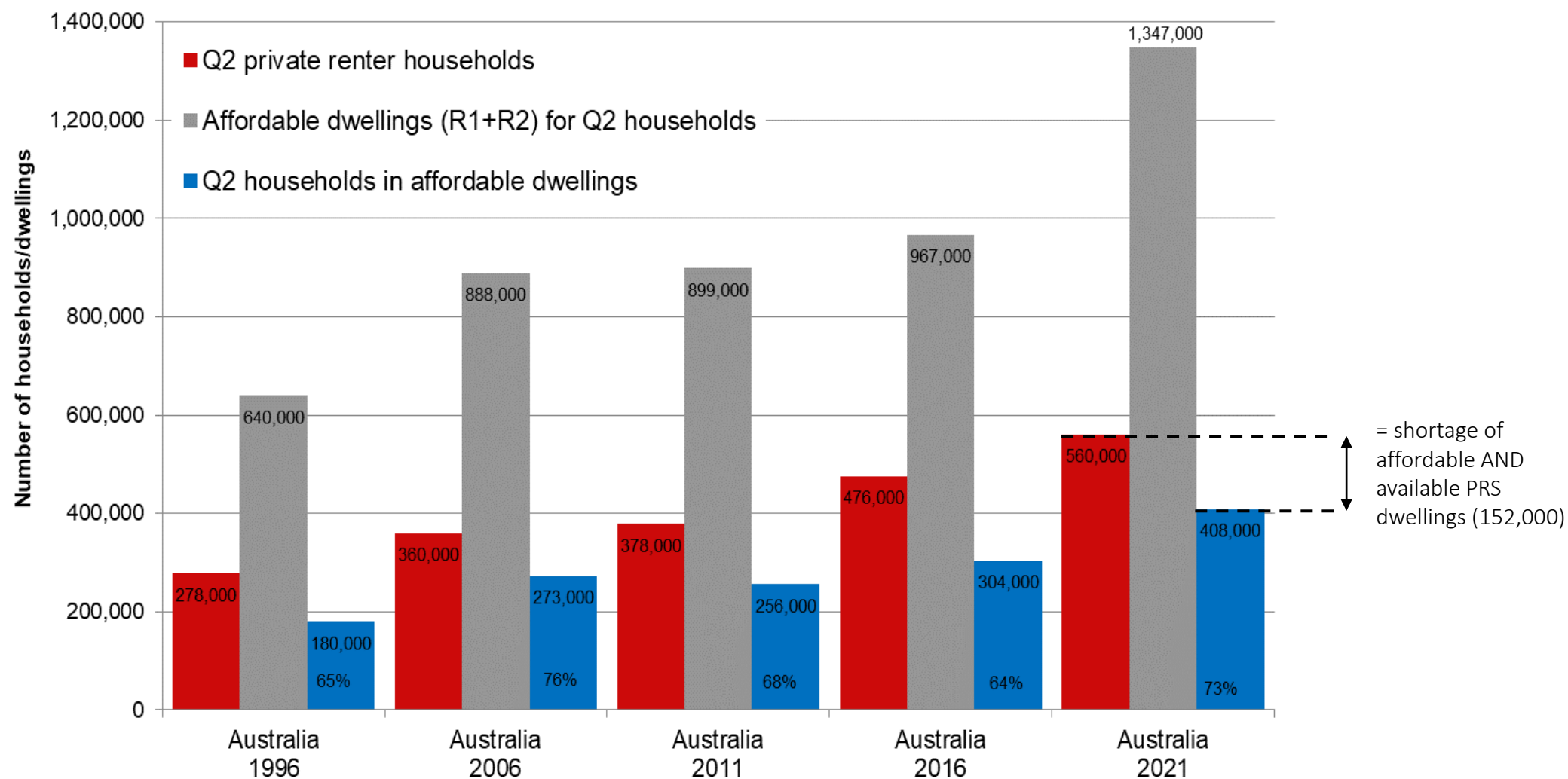
Shortages of affordable and available PRS dwellings

Very low-income (Q1) households, national 1996-2021



Source: ABS customised matrices derived from the Australian Census of Population and Housing 1996–2021.

Shortage/surplus of affordable and available PRS dwellings Low-income (Q2) households, national 1996-2021



Source: ABS customised matrices derived from the Australian Census of Population and Housing 1996–2021.

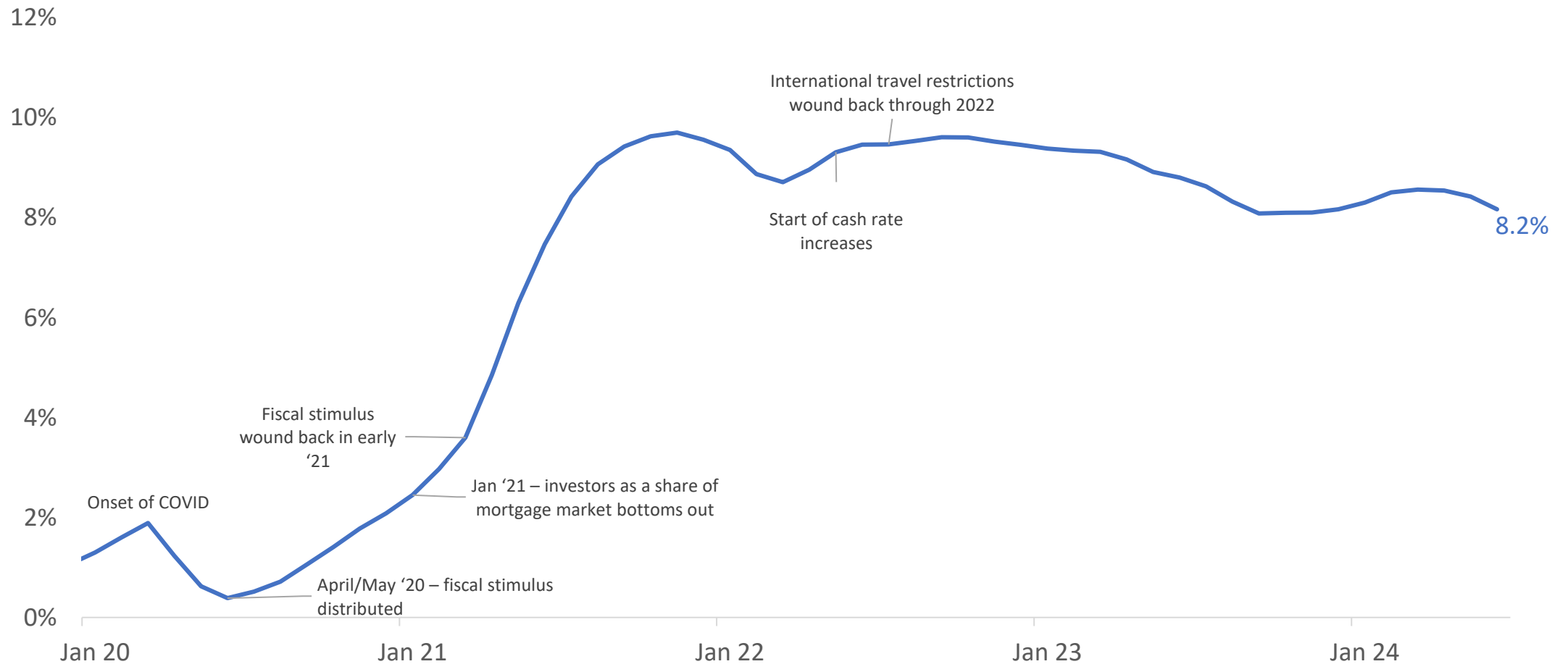
Affordability outcomes – spatial breakdown



Q1 PRS households	Total no. of Q1 households and % of these paying unaffordable rents			
	2006	2011	2016	2021
Australia	268,000 79%	347,000 78%	384,000 80%	425,000 82%
Metro regions	155,000 87%	195,000 88%	221,000 89%	255,000 90%
Non-metro regions	113,000 68%	152,000 66%	163,000 66%	169,000 70%
Sydney	93%	92%	92%	93%
Melbourne	87%	88%	90%	90%
Brisbane	87%	89%	89%	90%
Adelaide	79%	80%	84%	83%
Perth	79%	87%	89%	85%
Hobart	68%	71%	72%	81%
Newcastle	78%	76%	81%	84%
Wollongong	81%	77%	84%	88%
Geelong	64%	67%	73%	78%
Gold Coast	93%	94%	92%	93%
Sunshine Coast	88%	89%	89%	90%
Cairns	84%	77%	74%	78%
Bunbury	<i>n.a</i>	82%	83%	77%
Launceston	63%	59%	55%	63%

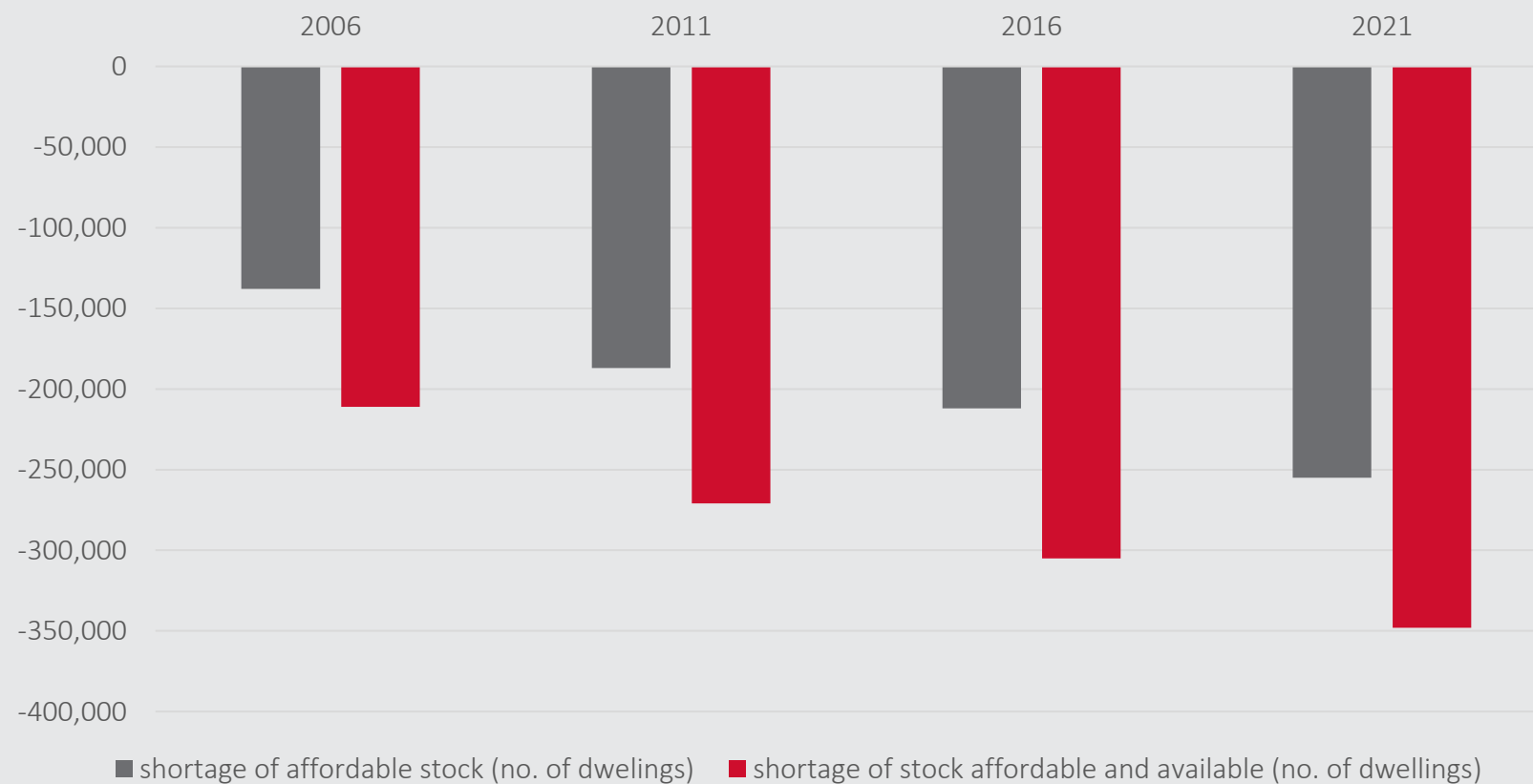
Q2 PRS households	Total no. of Q2 households and % of these paying unaffordable rents			
	2006	2011	2016	2021
Australia	360,000 24%	378,000 32%	476,000 36%	560,000 27%
Metro regions	220,000 29%	228,000 41%	296,000 46%	368,000 32%
Non-metro regions	141,000 17%	150,000 19%	180,000 20%	192,000 18%
Sydney	44%	55%	71%	53%
Melbourne	22%	32%	36%	24%
Brisbane	31%	43%	41%	24%
Adelaide	12%	16%	18%	13%
Perth	14%	43%	47%	17%
Hobart	15%	16%	14%	27%
Newcastle	19%	22%	35%	31%
Wollongong	24%	29%	46%	44%
Geelong	7%	11%	13%	13%
Gold Coast	54%	55%	53%	49%
Sunshine Coast	43%	47%	49%	50%
Cairns	24%	18%	21%	17%
Bunbury	<i>n.a</i>	15%	19%	6%
Launceston	6%	5%	5%	6%

Rolling annual growth in Australian rent value



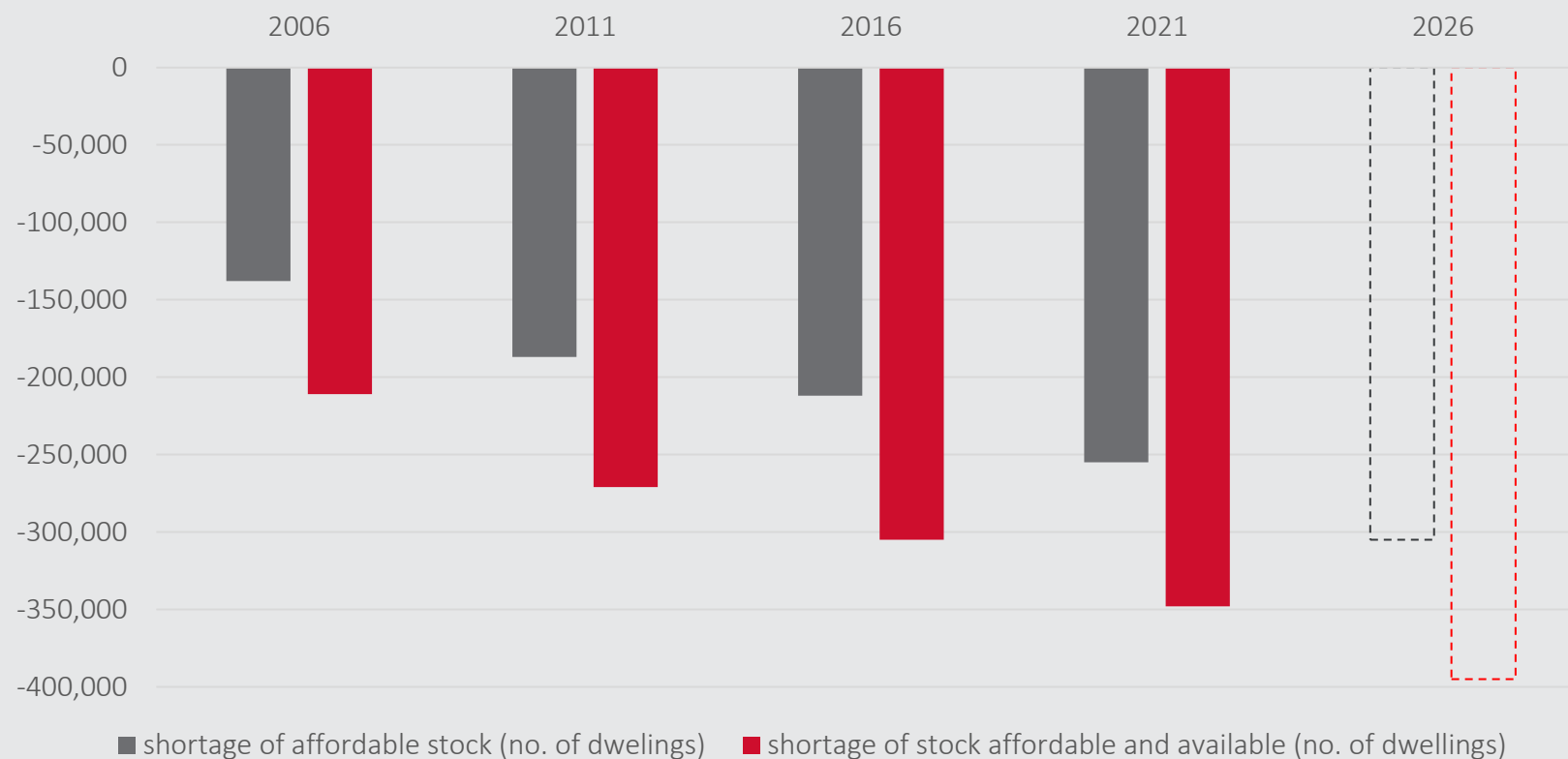
Source: CoreLogic. Data is based on an imputed rent income measure for the combined Australian rent market

Shortage of private rental stock affordable and available to Australian households in the lowest income quintile (Q1) 2006–2021



Source: Reynolds et al. (AHURI 2024)

Shortages of private rental stock affordable and available to households in lowest income quintile (Q1) in Australia 2006–(2026?)



Thank you

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