

## **Low income earners suffer as rental affordability in regional NSW hits historic low**

Regional NSW is no longer a reprieve for Sydneysiders looking to escape skyrocketing rents in the city, with affordability in the regions hitting record lows, according to the tenth annual National Shelter-[SGS Economics and Planning](#) Rental Affordability Index released today.

Low income earners are bearing the brunt of the rental crisis with single JobSeekers facing *Extremely Unaffordable* rents, with 69 per cent of their income going towards rent. Single part-time workers on parent benefits are also struggling with *Extremely Unaffordable* rents, sacrificing 56 per cent of their income to rent.

The average rental household in regional NSW is now paying almost 30 per cent of the gross income of \$89,977 if renting at the median rate. Renting in regional NSW straddles the border between *Moderately Unaffordable* and *Unaffordable* with a RAI score of 101.

CEO of Shelter NSW John Engeler said: “The regional rental market is spiraling out of control, with people across the state struggling to afford to keep a roof over their head. What was once affordable is now out of reach.

“The regions used to be seen as an affordable alternative for Sydneysiders to escape to when city rents became unaffordable. But this is not the case, especially for regional residents on local wages. This is not sustainable and will only get worse as these regional populations grow.

“We are urging the NSW Government to provide more social housing, that is public and community housing for low-income people, and restore the social housing safety net to 5 per cent of all housing stock by 2027, working towards a goal of 10 per cent of all housing by 2040.”

“Renters deserve stable and secure long-term housing. While we commend the NSW Government for its reform to make renting fairer we now need it to commit to delivering substantial numbers of genuinely affordable rental housing for low to average income households. We also need urgent action to wind back the short term rental market. The stock of private rental properties has been gutted in many regional cities and towns leaving local people with no option but to leave.”

The greatest affordability decline in regional NSW has been seen along coastal areas such as Tweed Heads, Port Macquarie and Coffs Harbour, as well as inland areas such as Orange and Dubbo. Before the Covid-19 pandemic these areas shifted from *Affordable* to *Moderately Unaffordable* and *Unaffordable*.

Byron Bay has been found to be one of the least affordable suburbs across the entire country, with the entire coastline of NSW offering *Moderately Unaffordable* rents.

While there are some areas with *Acceptable* to *Very Affordable* rents, they tend to be remote with limited access to services such as hospitals, schools and emergency services.

Ellen Witte Principal at SGS Economics & Planning said: “There are very few affordable long-term rentals on offer, pushing households to the brink of homelessness. This is a serious problem that needs to be urgently addressed by the NSW Government.

“We need to rapidly expand social and affordable housing and strengthen renters’ rights. Rental affordability in the regions is a serious issue that needs urgent intervention.”

Household	Affordability	Rent as share of income	RAI score
Single person on JobSeeker	Extremely unaffordable	69 per cent	44
Single pensioner	Severely unaffordable	43 per cent	70
Pensioner couple	Severely unaffordable	37 per cent	80
Single part-time worker on parent benefits	Extremely unaffordable	56 per cent	53
Single full-time working parent	Acceptable	22 per cent	138
Single income couple with children	Moderately unaffordable	36 per cent	82
Dual income couple with children	Very affordable	13 per cent	225
Student share house (three bedroom)	Moderately unaffordable	29 per cent	104
Minimum wage couple	Acceptable	25 per cent	122
Hospitality worker	Moderately unaffordable	36 per cent	115

\* Table comparing each household in regional NSW and their rent as a share of income, as well as RAI score and affordability.

*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.*