

Rental Affordability Snapshot: Essential Workers

Anglicare WA - Western Australia

The Rental Affordability Snapshot: Essential Workers is a companion piece to Anglicare Australia's Rental Affordability Snapshot 2023. In it, we test if it is possible for essential workers to rent a home in the private market. We do so by taking a snapshot of the thousands of properties listed for rent on realestate.com.au. For consistency, we have used the same data as the 2023 Rental Affordability Snapshot, taken on one weekend in March, to test the affordability for essential workers.

Methodology

We assessed whether each property is affordable and suitable for sixteen categories of essential workers. The essential workers covered in this report are:

- Aged care workerⁱ
- Ambulance officerii
- Childcare workerⁱⁱⁱ
- Cleaneriv
- Construction worker^v
- Delivery drivervi
- Dispatchervii
- Firefighterviii
- Freight driverix
- Hospitality workerx
- Meat packerxi
- Nursexii
- Postal workerxiii
- Retail workerxiv
- School teacherxv
- Social and community services workerxvi

To test whether a listing is affordable, we calculate the net income for each category of essential workers using the consolidated modern awards from the Fair Work Commission. Our calculations assume full-time employment receiving adult wages. Award wages are taken at 1 April 2023, to remain consistent with the weekend on which the properties were advertised in March 2023.

For people on low to moderate incomes, rent must not exceed 30 percent of a household budget for it to not cause financial stress. This is an internationally accepted benchmark based on many years of study into the impact of the cost of living. This is the benchmark that Anglicare Australia uses.

For the purposes of the Snapshot, we focus on properties that are suitable for a single person. A room in a share house or bedsit is considered suitable. Advertisements for housing in retirement villages and student accommodation are excluded, as are advertisements for holiday accommodation.



Findings

On the Snapshot weekend of March 17^{th} , 2,912 private rentals were advertised for rent across Western Australia. Table 1 shows how many listed properties were affordable for a single essential worker across the categories we studied.

Table 1: Rental affordability by essential worker and region

	Western Australia Total		Midwest & Gascoyne		North West		Perth Metro		SouthWest & Great Southern		Wheatbelt & Goldfields	
Occupation	# Affordable	% Affordable	# Affordable	% Affordable	# Affordable	% Affordable	# Affordable	% Affordable	# Affordable	% Affordable	# Affordable	% Affordable
Aged care worker	9	0%	2	4%	0	0%	4	0%	0	0%	3	3%
Ambulance officer	32	1%	7	15%	1	1%	16	1%	2	1%	6	6%
Early childhood educator	6	0%	0	0%	0	0%	4	0%	0	0%	2	2%
Cleaner	9	0%	2	4%	0	0%	4	0%	0	0%	3	3%
Construction worker	10	0%	2	4%	0	0%	5	0%	0	0%	3	3%
Delivery driver	9	0%	2	4%	0	0%	4	0%	0	0%	3	3%
Dispatcher	9	0%	2	4%	0	0%	4	0%	0	0%	3	3%
Firefighter	49	2%	11	23%	3	2%	25	1%	3	1%	7	7%
Freight driver	9	0%	2	4%	0	0%	4	0%	0	0%	3	3%
Hospitality worker	6	0%	0	0%	0	0%	4	0%	0	0%	2	2%
Meat packer	6	0%	0	0%	0	0%	4	0%	0	0%	2	2%
Nurse	17	1%	4	9%	1	1%	8	0%	0	0%	4	4%
Postal worker	9	0%	2	4%	0	0%	4	0%	0	0%	3	3%
Retail worker	9	0%	2	4%	0	0%	4	0%	0	0%	3	3%
School teacher	50	2%	11	23%	3	2%	25	1%	4	2%	7	7%
Social and community services worker	9	0%	2	4%	0	0%	4	0%	0	0%	3	3%
Total No of Properties	2	,912		47		191	2	,364	1	205		104



These results show that essential workers are finding it tough to afford housing within their own communities. For example, an aged care worker could afford zero percent of available properties. Even the highest paid of the essential workers tested, teachers, could afford only two percent of available rental properties. These results highlight how deep the crisis in Australia's rental market is.

The essential workers identified in Table 1 are vital to the functioning, liveability and wellbeing of our community. The surging cost of housing is contributing to workforce shortages in these essential industries. If no action is taken, both the workforce crisis and the housing crisis will continue to grow.

Fair Work Ombudsman (2023) Aged Care Award 2010. See 14.1 Minimum wages—Aged Care Employee.

Fair Work Ombudsman (2023) Ambulance and Patient Transport Industry Award. See 16. Minimum wages.

iii Fair Work Ombudsman (2023) Children's Services Award 2010. See 14. Minimum wages.

iv Fair Work Ombudsman (2023) Cleaning Services Award 2020. See 15.1 Adult rates.

Y Fair Work Ombudsman (2023) Building and Construction General On-site Award 2020. See 19. Minimum rates.

vi Fair Work Ombudsman (2023) <u>Fast Food Industry Award 2020.</u> See 15.1 Adult rates.

vii Fair Work Ombudsman (2023) Clerks—Private Sector Award 2020. See 16.1 Adult employees.

viii Fair Work Ombudsman (2023) Fire Fighting Industry Award 2020. See 15. Minimum rates—public sector.

ix Fair Work Ombudsman (2023) Road Transport and Distribution Award 2020. See 17. Minimum rates.

^{*} Fair Work Ombudsman (2023) Hospitality Industry (General) Award 2020, See 18.1 Adult rates.

xi Fair Work Ombudsman (2023) Meat Industry Award 2020. See 16.1 Adult rates.

xii Fair Work Ombudsman (2023) Nurses Award 2020. See 15.3 Minimum rates, enrolled nurses.

xiii Fair Work Ombudsman (2023) Australia Post Enterprise Award 2015. See 15. Minimum rates.

xiv Fair Work Ombudsman (2023) General Retail Industry Award 2020. See 17.1 Adult rates.

xv Fair Work Ombudsman (2023) Educational Services (Teachers) Award 2020. See 17. Minimum rates.

xvi Fair Work Ombudsman (2023) <u>Social. Community. Home Care and Disability Services Industry Award.</u> See social and community services employee - full-time & part-time classification level 1 - pay point 1.