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ACT rental market out of reach for low-income earners: Anglicare

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by **NICHOLAS FULLER**

Only 1 per cent of rental properties in Canberra and Queanbeyan are affordable for minimum wage earners, according to Anglicare Australia's latest Rental Affordability Snapshot, released last week. For pensioners, people on JobSeeker, and young people on Youth Allowance, the situation is even worse: not a single rental, including in a share house, was affordable.

The picture is bleak, Anglicare says — and not only in the ACT. Across Australia, the private rental market is increasingly out of reach for people on low incomes. Anglicare warns that without bold government intervention and sustained investment in social housing, low-income families will continue to face housing stress. The organisation argues that the affordability crisis is not merely a failure of the market, but the consequence of long-term policy inaction, underinvestment, and a tax system that prioritises property speculation over housing.

"The private rental market is simply impossible for Australians on low incomes," Anglicare states. "Generous tax handouts for investors have incentivised the buying and selling of homes like stocks, turning a fundamental human right into a speculative commodity trade."

Anglicare has called for the government to directly fund and provide housing itself, instead of leaving housing to the private sector, and to wind back landlord tax concessions. It also calls for an increase in JobSeeker and other income support payments to above the poverty line.

Meanwhile, national housing values continue to rise. CoreLogic's latest Home Value index shows dwelling values increased 0.3 per cent in April, reaching a record high — despite sluggish sales activity and new listings dropping to their lowest since 2019. Canberra housing prices remain 6.4 per cent below their peak, but rents are rising. National rental growth was steady at 0.6 per cent a month, and gross rental yields rose to 3.5 per cent, their highest level in nearly a year. Low supply and persistent demand benefit investors while pricing out low-income renters.

The ACT Council of Social Service (ACTCOSS) said Anglicare's findings confirm a rental affordability crisis in the ACT.

"The private market is failing low-income Canberrans," CEO Dr Devin Bowles said. "With rents among the highest in the country, even essential workers and people on moderate incomes are being priced out, while low-income households face severe and persistent rental stress. [...] The fact that not a single rental was affordable for someone on JobSeeker in the ACT underscores a housing system that is locking people in poverty."

The ACT has some of the strongest rental protections in Australia — including rent increase caps tied to CPI and a ban on no-cause evictions, designed to protect renters — but affordability remains out of reach for many.

A government spokesperson attributed the problem to housing demand and supply, as well as to broader economic pressures: rising construction costs, population growth, and national cost-of-living trends that affect rental markets nationwide.

ACTCOSS, however, identified the chronic undersupply of public, community and affordable housing; stagnant income support payments that fall well below the cost of living; and a tax system that favours property speculation over housing as a human right, as barriers.

The government's solution includes releasing land to fast-track housing supply; funding affordable housing; supporting build-to-rent and compact housing developments; and committing to 50,000 new homes by 2030, of which 10 per cent have been earmarked for affordable or public housing.

"The ACT Government remains committed to ensuring that every Canberran has access to safe, secure, and affordable housing," a spokesperson said. "Housing affordability is a complex challenge that requires substantial effort and collaboration across all levels of government, the private sector and the community."



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Nevertheless, the Australian Housing and Urban Research Institute predicts that the shortfall in affordable homes will exceed 5,000 by 2036.

ACTCOSS maintains that while the government’s policies to protect renters are important, they cannot compensate for the lack of affordable homes. The average wait time for standard public housing in the ACT is more than five years.

“Without substantial investment in genuinely affordable homes, renters will remain in housing stress, regardless of regulatory safeguards,” Dr Bowles said.

ACTCOSS called on the government to continue the ACT Rent Relief Fund (a grant of up to four weeks’ rent for those at risk of eviction) beyond its scheduled conclusion on 30 June. It has, Dr Bowles said, been “a vital lifeline for renters at risk of homelessness — discontinuing it would be a costly mistake.”

ACTCOSS also recommends the government invest in public housing to reduce wait times, and insists upon proportional growth in social and affordable housing for people on low incomes as Canberra grows.

“The private rental market is not designed to meet the needs of people on low or fixed incomes,” Dr Bowles said. “Lasting solutions will only come if governments take direct responsibility for providing genuinely affordable homes.”

At the federal level, Labor has pledged a \$43 billion Homes for Australia plan, including building 100,000 new homes for first-home buyers with no competition from property investors. The Coalition has proposed a \$5 billion infrastructure investment at housing development sites, claiming this would unlock up to 500,000 new homes. The Greens have also promised to build public and affordable

homes and to limit rent increases.

Independent ACT Senator David Pocock argues that major party platforms do not go far enough.

“Labor has done more than the Coalition in terms of investing in new social and community housing, but even this investment falls short of what’s needed to make housing affordable,” he said.

Senator Pocock supports Anglicare’s call for a dramatic shift in national housing policy: increasing supply; raising income support payments and Commonwealth Rent Assistance above the poverty line; reforming tax settings and regulating short-term rentals. He has a bill for a long-term plan to improve affordability, reduce homelessness, and treat housing as a human right.

“That whole groups of Australians, from young people on youth allowance to a single retiree, can’t afford a single rental listing is a completely unsustainable situation,” Senator Pocock said.

“Without adequate incomes, people cannot access or sustain a safe home, and housing stress will continue to drive broader disadvantage across the Territory,” Dr Bowles added. “Housing insecurity exacerbates every other form of disadvantage — from poor health outcomes and educational disruption and deepening poverty and exclusion.”