



ACT rental crisis persists for low-income households, latest Rental Affordability Index shows

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Rent remains unaffordable for many low-income Canberrans, despite headline figures based on average incomes suggesting an overall improvement, according to the 11th annual National Shelter-SGS Economics and Planning [Rental Affordability Index](#).

The study, which compares rents to average incomes, found a modest 4 per cent improvement in overall affordability over the past 12 months, with a median rent of \$600 per week taking up 23 per cent of average household income. This improvement is driven largely by Canberra's comparatively high average incomes and obscures the reality for those on the lowest wages and income support payments.

With relatively high average incomes and rents which have remained stable in recent years, Canberra has become Australia's most affordable city. However, as so often the case, an average does not convey the continued crisis for the many households surviving on lower incomes.

When viewed through a distributional lens, the ACT remains one of the least affordable rental markets in the country for people on low incomes.

The index found people receiving JobSeeker and pensioners face 'Severely' to 'Critically' unaffordable rents in the ACT. A hospitality worker would need to spend 40 per cent of their income on rent, while a minimum wage couple faces a rent burden of 31 per cent of combined income, placing both households in rental stress.

The Rental Affordability Index now includes Housing All Australians as a key partner, reflecting the critical role of business and public-private partnerships in addressing the nation's housing crisis.

"High median incomes in Canberra mask the stark reality for low-income renters," said **ACT Shelter CEO Corinne Dobson**.

"While the Rental Affordability Index shows an encouraging improvement at the headline level, this is largely driven by high and increasing average incomes, and tells us very little about the experience of those most vulnerable to housing stress. For many in our community, especially key workers, students and people on income support, rents remain completely out of reach.

"Without substantial and sustained investment in social housing, together with stronger renters' rights, affordability will continue to deteriorate for those most at risk."

SGS Economics & Planning Principal Ellen Witte said: "Over the past 3 years, rental rates have improved in Canberra, supported by increased housing supply and policy measures such as the CPI-linked rent increase cap. Meanwhile, rising household incomes have further improved overall affordability."



“However, high median incomes in the ACT mask the challenges faced by low-income and vulnerable households, such as students and minimum-wage couples, who are unable to find Acceptable rentals.”

Robert Pradolin, Founder & Executive Director of Housing All Australians, which has recently become a partner in the Affordability Index, said the rental crisis was having a major negative impact on Canberra’s economy and communities.

“Canberra needs key workers to keep the city running but they’re being priced out of the communities they serve,” he said.

“Housing that people can afford is absolutely critical economic infrastructure and without it productivity is being held back. Governments can’t fill our housing shortfall on their own and so innovative public-private partnerships will continue to be absolutely vital.”

Household	Affordability	Rent as share of income	RAI score
Single person on JobSeeker	Critically unaffordable	100%	30
Single pensioner	Extremely unaffordable	63%	48
Pensioner couple	Severely unaffordable	47%	64
Single part-time worker on parent benefits	Extremely unaffordable	65%	46
Single full-time working parent	Acceptable	25%	122
Single income couple with children	Moderately unaffordable	27%	110
Dual income couple with children	Very affordable	14%	220
Student share house (three bedroom)	Unaffordable	34%	91
Minimum wage couple	Unaffordable	31%	96
Hospitality worker	Severely unaffordable	38%	80

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

EDITOR’S NOTE: The Rental Affordability Index scores are based on median rental prices and the average income of renting households within a capital city or rest-of-state area. A score of 100 represents the point where the average household spends 30% of its income on rent, the critical threshold for housing stress. Lower scores indicate worse affordability.