

Out of Reach

Australia's Rental Crisis and the Decline of Social Housing

July 2025



Housing solutions
for all Australians

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Everybody's Home is a national campaign to fix the housing crisis. It was launched in 2018 by a coalition of housing, homelessness and welfare organisations to achieve the change needed so everybody has a safe, affordable and decent place to live. The campaign is now supported by more than 500 organisations, businesses and councils, and over 40,000 individuals across Australia.

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Introduction

Across Australia, renters are being pushed to the brink. Housing costs are rising faster than wages, and in many places, faster than they ever have before. What was once considered a temporary squeeze has become a permanent crisis — and the people caught in the middle are paying the price.

This report examines how rental prices have changed over the past decade. It shows that rents have soared in every capital city, with the steepest increases in places once considered affordable. In many areas, asking rents have grown by more than 60 percent since 2015. These increases are not just the result of recent economic shocks. They are the product of a decade of sustained pressure, fuelled by dwindling social housing and a hands-off approach from governments.

Our findings show that Australia's social housing system has failed to keep pace with demand. The proportion of homes that are social housing has declined, falling to just 4.1 percent in 2024. This decline has forced more people into the private rental market, intensifying competition and driving prices higher across the board.

The findings in this report are clear: rent increases are not confined to high income areas. They are a national problem, and they are affecting people from all walks of life. Everyone deserves a safe, affordable place to call home. But for too many Australians, that goal is now out of reach.

Findings

Methodology

This report draws on rental data published in the SQM Research Weekly Rents Index, with figures taken for the week ending 6 June 2025.¹ The SQM Index tracks weekly asking rents for houses and units across capital cities and regions, providing one of the most current and comprehensive datasets on rental trends in Australia.

Our analysis includes average asking rents for houses, units, and a combined average across all property types. Results are reported for capital city averages, as well as broken down by individual capital city. This enables comparison between different markets and highlights the variations in rent increases across locations.

To identify trends, we calculate the percentage increase in weekly rents over three timeframes:

- Over the past year (June 2024 to June 2025)
- Over the past three years (June 2022 to June 2025)
- Over the past decade (June 2015 to June 2025).

The report focuses on asking rents, as distinct from actual rents paid, in order to reflect conditions faced by prospective renters and to measure price movement in the open market. These figures offer insight into how housing costs have changed for people looking for a new rental home.

All calculations are based on publicly available SQM data and rounded to the nearest decimal point. Increases are presented in both dollar and percentage terms, using nominal values without adjustment for inflation.

This approach allows us to assess how rental markets have evolved over time, where the pressure points are most severe, and how persistent the increases have been. These findings are then considered in light of social housing trends and the overall availability of affordable homes across Australia.

¹ SQM Research (2025) [Weekly Rents](#).



Results: Capital city average

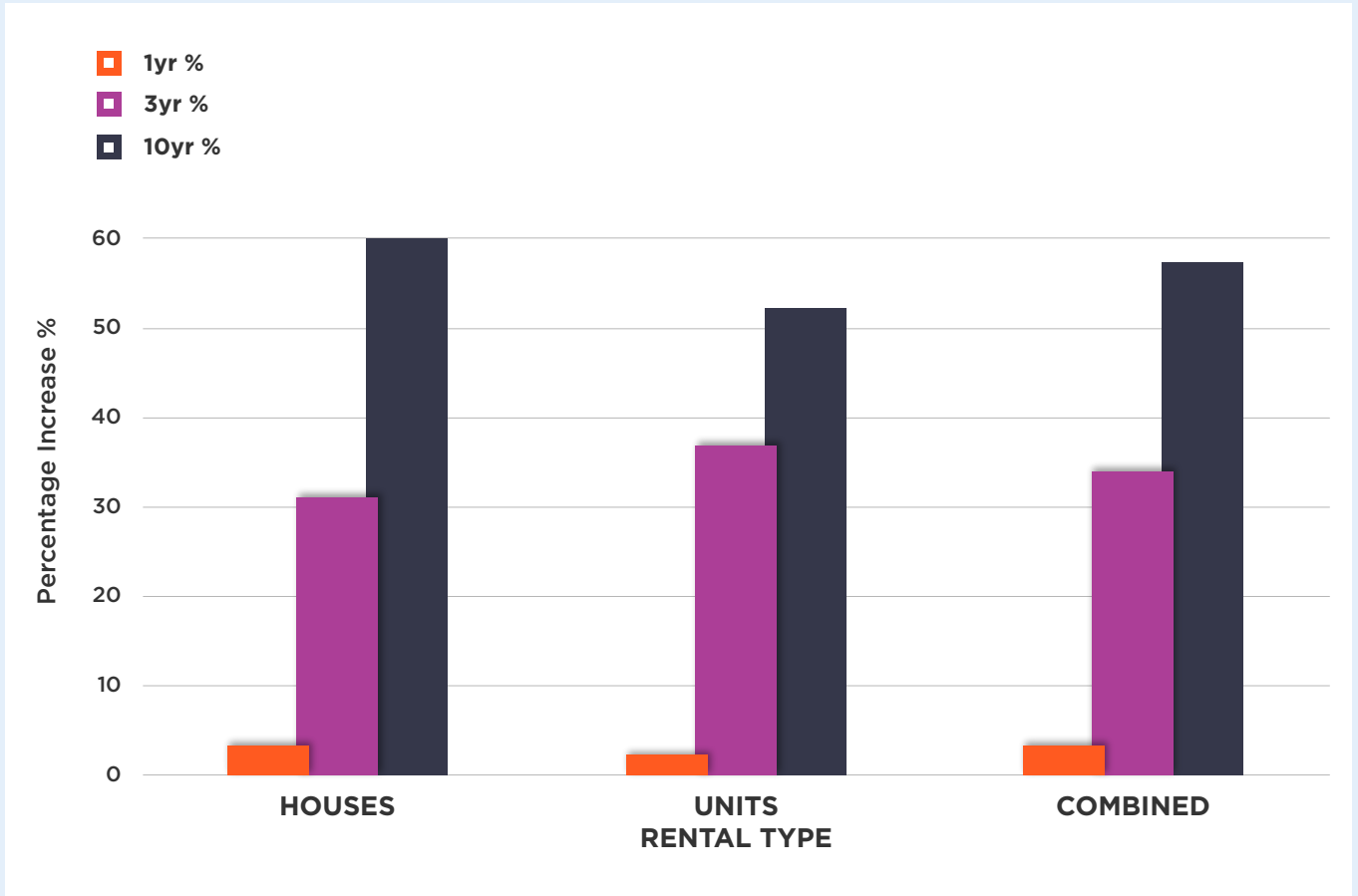
Rental prices across Australia have risen dramatically over the last decade. The capital city average shows significant growth in weekly asking rents for houses, units, and overall combined rents (Table 1). These increases have not been uniform across all property types or cities, but they reflect a consistent upward trend in housing costs that has compounded year after year.

Table 1. Rent increases over 10 years, Capital city average

	Weekly asking rents				% increase		
	Jun-25	Jun-24	Jun-22	Jun-15	1 year	3 years	10 years
Houses	\$858	\$833.8	\$653.5	\$536.9	2.9%	31.3%	59.8%
Units	\$639	\$625.9	\$471	\$419.4	2.1%	35.7%	52.4%
Combined	\$741.5	\$723.4	\$555.6	\$472.9	2.5%	33.5%	56.8%

As of June 2025, the capital city average weekly rent for houses is \$858. This is up from \$834 in 2024, \$653 in 2022, and \$537 in 2015. The 10-year change amounts to a 59.8 percent increase. Units are now renting at \$639 per week on average, up from \$626 in 2024, \$471 in 2022, and \$419 in 2015 – a 10-year increase of 52.4 percent. When houses and units are combined, the average capital city rent now sits at \$741.51, up 56.8 percent from \$472.93 in 2015 (Figure 1).

Figure 1. Rent increases over 10 years, Capital city average



These numbers represent more than just a steep incline. They highlight the consistency and persistence of rent growth, with no evidence of flattening in any of the recent data points. Between 2024 and 2025 alone, median house rents rose by 2.9 percent, units by 2.1 percent, and combined rents by 2.5 percent. These are modest compared to the multi-year increases but still compound the impact of previous spikes.

Over the three-year period from 2022 to 2025, the effects are even more pronounced. House rents rose 31.3 percent, unit rents by 35.7 percent, and combined rents by 33.5 percent. These figures confirm that the steepest increases have occurred in the last few years – a trend that aligns with feedback from renters, community organisations, and support services experiencing growing demand and distress.

Results: Capital city trends

Each capital city has experienced these increases differently, with some seeing more pronounced growth than others. In Brisbane (Table 2), house rents grew by 67.6 percent over the decade, while unit rents rose 62.9 percent. Combined rents increased by 66 percent. Over the last three years alone, the city saw rent increases of 23.9 percent for houses, 38.2 percent for units, and 29.1 percent overall.

Table 2. Rent increases over 10 years, Brisbane

	Weekly asking rents				% increase		
	Jun-25	Jun-24	Jun-22	Jun-15	1 year	3 years	10 years
Houses	\$754	\$720.1	\$608.6	\$449.8	4.7%	23.9%	67.6%
Units	\$597.6	\$584.8	\$432.3	\$366.9	2.2%	38.2%	62.9%
Combined	\$683.6	\$659.2	\$529.3	\$411.7	3.7%	29.1%	66%

Table 3. Rent increases over 10 years, Perth

	Weekly asking rents				% increase		
	Jun-25	Jun-24	Jun-22	Jun-15	1 year	3 years	10 years
Houses	\$833.5	\$790.1	\$582.3	\$506.9	5.5%	43.1%	64.4%
Units	\$654.5	\$610.6	\$431.5	\$405.7	7.2%	51.7%	61.3%
Combined	\$759.3	\$715	\$519.3	\$466.2	6.2%	46.2%	62.9%

Perth exhibited similar growth (Table 3), with house rents increasing 64.4 percent, units 61.3 percent, and combined rents 62.9 percent over 10 years. In the past three years, unit rents in Perth rose by 51.7 percent – one of the highest jumps across all cities and property types – suggesting intense pressure on smaller dwellings in that market.

Table 4. Rent increases over 10 years, Adelaide

	Weekly asking rents				% increase		
	Jun-25	Jun-24	Jun-22	Jun-15	1 year	3 years	10 years
Houses	\$660.2	\$647.2	\$525.5	\$365.2	2%	25.6%	80.8%
Units	\$517.6	\$488.3	\$369.4	\$283.6	6%	40.1%	82.5%
Combined	\$611.7	\$592.8	\$471.1	\$338.4	3.2%	29.9%	80.8%

Adelaide experienced some of the sharpest increases across the entire period (Table 4). House rents in the city rose by 80.8 percent between 2015 and 2025, and units saw a parallel increase of 82.5 percent. The overall combined rent rose by the same margin. In the last three years alone, unit rents in Adelaide grew by 40.1 percent, with house rents up 25.6 percent and combined rents up 29.9 percent.

Table 5. Rent increases over 10 years, Melbourne

	Weekly asking rents				% increase		
	Jun-25	Jun-24	Jun-22	Jun-15	1 year	3 years	10 years
Houses	\$756.1	\$743.5	\$558.9	\$477.7	1.7%	35.3%	58.3%
Units	\$570.2	\$558.5	\$423.8	\$363.7	2.1%	34.6%	56.8%
Combined	\$647.5	\$634.8	\$478.6	\$413	2%	35.3%	56.8%

In Melbourne (Table 5), rents increased more gradually but still significantly. House rents rose by 58.3 percent over the 10-year period, while unit rents and combined rents both increased by 56.8 percent. The three-year change was around 35 percent across all rental types.

Results: Capital city trends

Table 6. Rent increases over 10 years, Sydney

	Weekly asking rents				% increase		
	Jun-25	Jun-24	Jun-22	Jun-15	1 year	3 years	10 years
Houses	\$1075.4	\$1050.2	\$810.1	\$692.5	2.4%	32.7%	55.3%
Units	\$705.8	\$703.7	\$517.5	\$481.4	0.3%	36.4%	46.6%
Combined	\$855.7	\$844.7	\$635.9	\$567.1	1.3%	34.6%	50.9%

Sydney remains the most expensive city for renters in absolute terms (Table 6), though its rate of growth has been slightly less extreme than in other cities. House rents grew by 55.3 percent, unit rents by 46.6 percent, and combined rents by 50.9 percent over the decade. From 2022 to 2025, the city experienced rent growth of 32.7 percent for houses and 36.4 percent for units. Annual growth between 2024 and 2025 was more subdued: 2.4 percent for houses and just 0.3 percent for units, suggesting a brief stabilisation after steep increases in the previous years.

Table 7. Rent increases over 10 years, Hobart

	Weekly asking rents				% increase		
	Jun-25	Jun-24	Jun-22	Jun-15	1 year	3 years	10 years
Houses	\$569.4	\$530.1	\$528.7	\$324	7.4%	7.7%	75.7%
Units	\$485.8	\$460.5	\$463.2	\$279.1	5.5%	4.9%	74.1%
Combined	\$536	\$502.3	\$502.1	\$305	6.7%	6.7%	75.7%

Hobart, which had seen extraordinary rental pressure throughout the late 2010s and early 2020s, continued that trend into the current decade (Table 7). House rents rose by 75.7 percent, unit rents by 74.1 percent, and combined rents by 75.7 percent over the 10-year period. Growth over the last three years was slower – 7.7 percent for houses and 4.9 percent for units – but this followed a period of extreme increases prior to 2022.

Table 8. Rent increases over 10 years, Darwin

	Weekly asking rents				% increase		
	Jun-25	Jun-24	Jun-22	Jun-15	1 year	3 years	10 years
Houses	\$730.8	\$696.7	\$663	\$623.5	4.9%	10.2%	17.2%
Units	\$542.6	\$478.9	\$433.1	\$496.1	13.3%	25.3%	9.4%
Combined	\$619.3	\$567.1	\$525.9	\$544.3	9.2%	17.8%	13.8%

Darwin’s rental market displayed a less consistent trajectory (Table 8). Over the decade, house rents increased by just 17.2 percent – significantly lower than any other capital – while unit rents rose by only 9.4 percent. However, the three-year trend tells a different story. Unit rents rose by 25.3 percent between 2022 and 2025, suggesting a more recent spike following a long period of relative stagnation. The annual increase in 2025 (13.3 percent for units and 4.9 percent for houses) suggests renewed upward pressure in the city.

Table 9. Rent increases over 10 years, Canberra

	Weekly asking rents				% increase		
	Jun-25	Jun-24	Jun-22	Jun-15	1 year	3 years	10 years
Houses	\$795.1	\$764.5	\$769.4	\$483.5	4%	3.3%	64.4%
Units	\$586.3	\$564.9	\$560.7	\$381.2	3.8%	4.6%	53.8%
Combined	\$681.1	\$656.1	\$657.1	\$430.3	3.8%	3.6%	58.3%

Canberra experienced steady growth across the board (Table 9). Over 10 years, house rents rose by 64.4 percent, unit rents by 53.8 percent, and combined rents by 58.3 percent. In the past three years, the increases have been more modest: 3.3 percent for houses, 4.6 percent for units, and 3.6 percent overall. The relatively stable growth rate in Canberra reflects the introduction of important protections for renters and regulation in the private rental market, especially limits on rent increases which came into effect in 2023.

Major trends from our findings

The results of this analysis show a clear and consistent pattern: rental prices have increased dramatically across every capital city over the past decade. No region has been spared, and no major city has avoided significant pressure. Although the pace and scale of increases vary, the overall trajectory is unmistakable. Rents are rising, and they are rising faster than incomes, inflation, and the broader cost of living.

The steepest increases have occurred in Adelaide, Hobart, Brisbane, and Perth. In these cities, rents for both houses and units have surged by more than 60 percent over the past 10 years, with Adelaide's growth exceeding 80 percent. In contrast to their reputations as more affordable alternatives to Sydney and Melbourne, these cities are now experiencing some of the most acute rental pressures in the country. In many cases, they are catching up to, or overtaking, the larger capitals in terms of relative unaffordability.

Another key trend is the rate at which unit rents have increased. Over the past three years in particular, unit rents have often risen faster than house rents. This suggests heightened demand for smaller dwellings, which are typically the most accessible to singles, couples, and lower-income renters. It also points to growing competition in the lower end of the market, where rental affordability is already stretched. As more people are priced out of larger homes, the pressure on smaller homes is intensifying.

While some cities have seen a modest slowdown in rent increases over the past year, this should not be mistaken for relief. These are minor pauses in a decade-long climb, and they follow years of sharp and uninterrupted growth. The cumulative impact is what matters most. Even small annual increases, when layered on top of record rises in previous years, add to the strain on renters who are already at breaking point.

Importantly, this surge in rents has not occurred in a vacuum. It has coincided with a national failure to grow and maintain social housing. According to the Australian Institute of Health and Welfare, the proportion of social housing has declined from 4.7 percent in 2013 to just 4.1 percent in 2024.² Some estimates place the current social housing stock as low as 3.8 percent.³ This drop reflects a long-term trend of disinvestment and neglect, where the supply of public and community housing has failed to keep pace with population growth and housing need. By comparison, social housing represents 17 percent of all dwellings in England.⁴

This shrinking share of social housing has had profound consequences. Without enough homes reserved for people on low and moderate incomes, more and more households are forced into the private rental market where rents are governed not by need, but by what the market will bear. As demand for rental housing increases and supply remains constrained, prices are pushed up across the board. The people who would once have been safely housed in public or community housing are now competing in an already overcrowded and overheated market.

This dynamic doesn't just affect those on the lowest incomes. It reverberates throughout the entire rental system. When there is no affordable and secure housing available for the most vulnerable, those with slightly higher incomes are displaced downward into lower-cost rentals, intensifying demand at every level.

In cities where social housing stock is particularly low or in decline, such as Hobart and Adelaide, the link between a shrinking public housing safety net and soaring rents is especially clear. In these areas, the private rental market has been left to do the heavy lifting, despite being fundamentally unsuited to the task of providing long-term, affordable housing for people in need.

The data also shows that rental stress is no longer confined to high-cost cities like Sydney and Melbourne. As social housing supply has stagnated nationwide, pressure has spilled into cities and regions that once offered more affordable options. This means the rental crisis is no longer a tale of major metros versus regional communities. It is a genuinely national problem, affecting people in every postcode.

Taken together, these trends make one thing clear: Australia's rental market is under extraordinary pressure, and the decline of social housing has played a central role in creating that pressure. Without decisive action to reverse this trend and restore social housing as a meaningful part of the housing system, rent increases are likely to persist.

2 Australian Institute of Health and Welfare (2024) [Housing assistance in Australia 2024](#).

3 Australian Housing and Urban Research Institute (2021) [Brief: What is the right level of social housing?](#)

4 Ibid.



Policy implications

Meeting the moment: What it would take to rebuild social housing

In its State of the Housing System 2025 report, the National Housing Supply and Affordability Council recommended two targets for rebuilding Australia's social and affordable housing system.

The first is a medium-term target to restore social and affordable housing to six percent of Australia's housing stock.⁵ The second is a more ambitious long-term goal, with the aim of reaching ten percent of the housing stock over the long-term.⁶ Both targets are grounded in the need to arrest the decline of social housing, relieve pressure on low-income renters, and reduce the rates of homelessness and housing stress across the country.

This analysis estimates how many homes would need to be built to reach these targets, using publicly available data on housing stock, social housing trends, and long-term housing growth.

A decade to six percent

Social housing in Australia has been in decline for decades. To reverse this decline and meet the Council's medium-term goal of six percent social housing within ten years, we must account not only for today's shortfall but also for future growth in the housing market. Australia's housing stock has historically grown by about 1.5 percent annually, averaged by decade, based on data from the Australian Bureau of Statistics.⁷ If that trend continues, the housing stock would grow from 11.3 million⁸ to around 13.1 million dwellings by 2035.⁹

To ensure that six percent of that total is social housing, Australia would need approximately 790,200 social housing dwellings by that time. Subtracting the existing 426,000 households in social housing,¹⁰ this leaves a shortfall of around 364,200 dwellings.

This means that to meet the Council's six percent target, Australia must build an average of 36,420 new social housing dwellings every year over the next decade. That figure does not include dwellings needed to replace ageing or uninhabitable stock.

This is a significant increase from current efforts. While recent initiatives such as the Housing Australia Future Fund have added capacity to the pipeline, they remain modest compared to the scale of the need. For example, the Federal Government has committed to delivering 30,000 social and affordable dwellings over five years under the Housing Australia Future Fund. This is a fraction of what's required even for the six percent goal.

5 National Housing Supply and Affordability Council (2025) [State of the Housing System 2025](#).

6 Ibid.

7 Australian Bureau of Statistics (2025) [Building Activity, Australia](#).

8 Australian Bureau of Statistics (2025) [Total Value of Dwellings](#).

9 A 1.5 percent annual growth assumption is based on Australian Bureau of Statistics housing stock data averaged over the past decade, applying 1.5 percent compound growth for ten years to a base of 11.3 million dwellings.

10 Australian Institute of Health and Welfare (2025) [Housing Assistance in Australia](#).

Two decades to 10 percent

The Council's longer-term recommendation – raising social and affordable housing to ten percent of the total stock over 20 years – would be transformative.

Using the same annual growth projection, Australia's housing stock would grow to approximately 15.2 million dwellings by 2045. Achieving a ten percent share would require 1.52 million social housing dwellings by then. This is more than three times today's level. This would require the construction of around 1.09 million additional social housing dwellings over the next 20 years, or an average of 54,700 dwellings per year.

This target recognises not just the acute need for social housing among people on the lowest incomes, but also the need to expand eligibility to low- and moderate-income households, particularly key workers, single parents, older women, and people with disabilities, who are increasingly being priced out of the private rental market.

The ten percent benchmark is ambitious but not unprecedented. In several European countries, including Austria and the Netherlands, public and not-for-profit housing makes up between one in four to one in three homes.¹¹ These systems deliver a broader range of options, mix of income groups, and offer long-term affordability and tenure security.

Reversing the decline and planning for scale

These targets must be understood against the backdrop of a steady erosion in Australia's social housing system. The current shortfall of social housing sits at 640,000 homes across the country, and is set to increase to 940,000 by 2041 unless major new investment is made.¹²

The impact of the shortfall is clear. Waiting lists are increasing. Homelessness services are stretched to breaking point. And rental stress among low-income earners is at record highs.

The problem is that Governments, particularly the Federal Government, have overseen a decline in social housing and have increasingly left the provision of housing to the private market. As a result, vulnerable renters are pushed into more precarious, unaffordable, and sometimes unsafe housing.

To meet either of the Council's targets, governments must set binding targets with clear timeframes for new social housing construction. This will require more direct investment from the Federal Government in social housing. Just as importantly, these efforts must go hand-in-hand with protecting the existing stock, ensuring that maintenance and renewal programs prevent further loss of homes.

The targets set by the Council are not just aspirational. They are achievable with political will and sustained investment. A six percent share of social housing would return Australia to the levels of the early 1990s,¹³ while 10 percent would build a system capable of meeting both current and future need.

As the housing crisis deepens, and more households find themselves priced out of the private market, there is no substitute for social housing – housing that is not just affordable, but secure, fair, and permanent.

¹¹ Op cit: Australian Housing and Urban Research Institute.

¹² UNSW City Futures Research Centre (2022) [Quantifying Australia's unmet housing need: A national snapshot.](#)

¹³ Australian Bureau of Statistics (2022) [Housing Occupancy and Costs.](#)



Conclusion

Over the past 10 years, rental prices have risen at a pace that has left incomes far behind. In every capital city, the cost of keeping a roof over your head has surged. In many places, it has more than doubled. These increases have been sharpest in cities once considered affordable, meaning there are fewer and fewer places where everyday workers, families, and people on low incomes can get by.

At the same time, the supply of social housing has not kept up. In fact, it has gone backwards. As the share of social housing shrinks, more people are forced into the private rental market, even when they cannot afford it. This shift has intensified pressure across the system, pricing out people on the lowest incomes and driving up rents for everyone else.

These trends are not isolated or temporary. They are the result of long-term decisions to step away from housing as a public good. The result is a rental market under extreme stress, where people are paying more and getting less, and where housing insecurity is becoming the norm.

This report offers a clear picture of the damage that has been done. Without change, these pressures will only worsen. We need to restore the balance, and rebuild a housing system that puts people first.





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