Housing Code Red: Social housing waitlists soar as rental stress rises

Hundreds of thousands of households across NSW are facing rental stress, and rental affordability has hit an all-time critical low. With housing costs continuing to rise across NSW, household incomes are being stretched to breaking point.

More people are seeking assistance from specialist homelessness services because of housing affordability stress, but these organisations cannot meet the urgent and growing demand without more funding. Social housing waitlists are soaring, and the lack of suitable housing is keeping people stuck in crisis and homelessness.

Key facts

- On average, rent costs in NSW increased by 48%, or $220 per week, between 2020 and 2025.[1]
- As at 31 March 2026, 68,247 households were waiting for social housing. 12,478 of those households were on the priority waiting list.[2]
- The priority list doubled between June 2021 and June 2025, from 5,800 to 11,500 households. Bankstown and Camden in Sydney and Wagga Wagga and Griffith in regional NSW are worst affected, with increases up to 500%.
- In 2024-25, over 6,500 NSW homelessness services clients said housing affordability stress was their main reason for seeking help.[3] This has increased from 5.1% in 2014-15 to 9.8% in 2024-25.[4]

1 DCJ Rent and sales reports, various years.

2 DCJ (2026) Social housing waiting list data.

3 AIHW (2026) Specialist homelessness services annual report 2024–25, Data tables, Table CLIENTS.22.

4 AIHW (2016, 2026) Specialist homelessness services annual reports.

Homelessness NSW

Rent costs have ballooned and rental affordability is critically low

Rental stress has been intensifying in NSW for decades, and increased rapidly in recent years. The median weekly rent in NSW increased by 48% (or $220) between 2020 and 2025, from $460 to $680, while the minimum wage increased by only 26%, and Centrelink by 38% over the same period.[5,6]

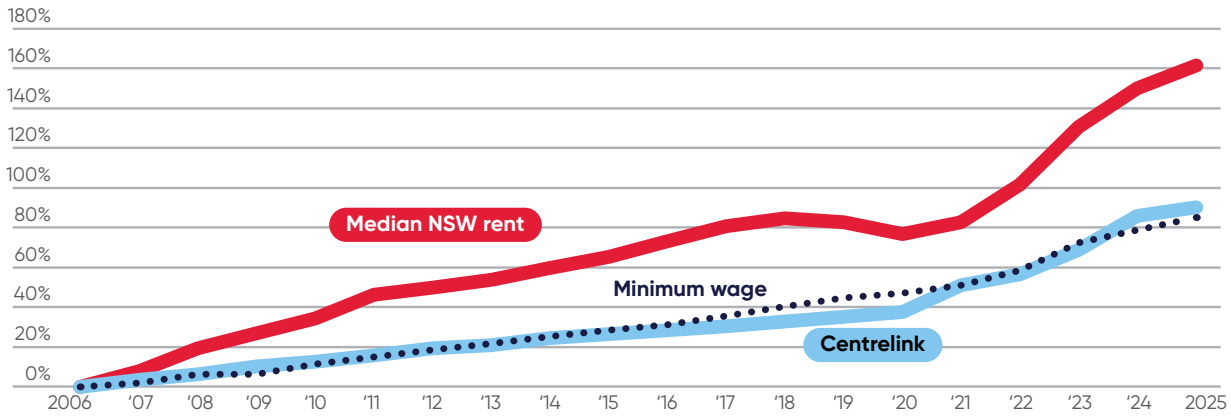


FIGURE 1 – Median rent increases relative to unemployment benefits and the minimum wage, 2006-2025

Rents have soared for both units and houses at a rapid rate in regional as well as metropolitan areas. As a result, over 300,000 households across New South Wales are now facing rental stress.[7]

Anglicare's latest Rental Affordability Snapshot shows rental affordability is near-zero for the lowest income households. The percentage of affordable NSW rentals were:[8]

- 0.0% for a single person on JobSeeker or youth allowance.
- 0.1% for a single person receiving the disability pension.
- 0.2% for a single person receiving the age pension and 0.6% for a couple on the age pension.
- 0.5% for a single person on minimum wage and 5.5% for a couple with two children on minimum wage.

A standard, internationally accepted measure for affordability is that it takes up no more than 30% of a household budget. When rental affordability is low, people in the private rental market are likely to spend more of their income on housing costs, leaving little room for other basic needs such as food, medical care, power and transport. Higher housing costs also leave households with less room to absorb other shocks like fuel cost increases or job loss. For someone barely getting by, cost of living increases can have a devastating impact on their housing security.

As rents rise, it also places more and more pressure on low-income renters. People with higher incomes can move into cheaper rental accommodation, squeezing those on low incomes out into informal or marginal housing such as boarding houses or caravan parks, or into homelessness.[9]

5 Fair Work Commission National minimum wage orders, various years.

6 DSS (2026) Social Security Guide, Version 1.338.

7 Impac t Economics and Policy (2024) Call Unanswered: Unmet demand for specialist homelessness services.

8 Anglicare Australia (2026) Rental Affordability Snapshot.

9 Australian Productivity Commission (2022) In need of repair: The National Housing and Homelessness Agreement, p. 6

More people need help from homelessness services because of housing affordability stress

As the stress of affording housing builds, more people are at risk of homelessness and needing assistance. In 2024-25, over 6,500 clients seeking help from specialist homelessness services in NSW said housing affordability stress was their main reason for seeking assistance. This has increased significantly over the last ten years.[10]

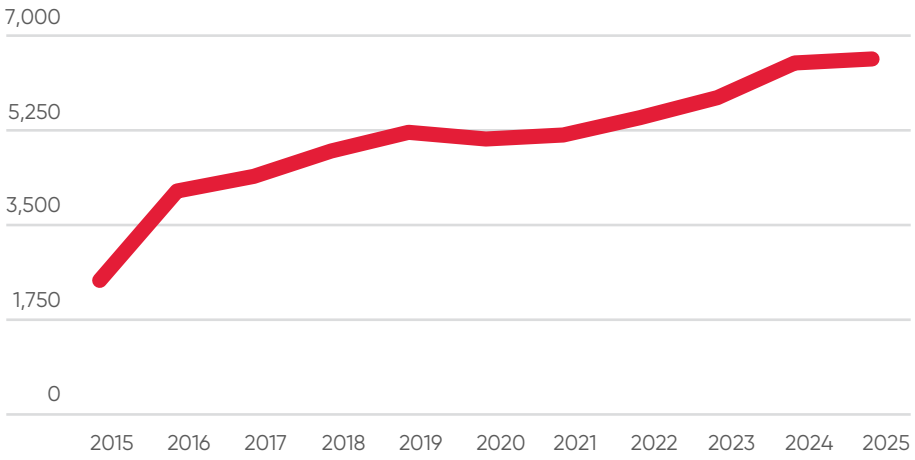


FIGURE 2 – The number of clients seeking assistance due to housing affordability stress, 2015-2025

People experiencing housing affordability stress are more likely to need housing assistance – both long-term accommodation and transitional housing. Nationally, over half of clients experiencing housing affordability stress need long-term housing assistance (53%).

10 AIHW (2026) Specialist homelessness services annual report 2024–25, Data tables, Table CLIENTS.22

Services are struggling to provide people with the help they need

Despite the huge proportion of clients in need of housing assistance, homelessness services are faced with a devastating reality: the demand now massively outstrips the available resources.

In 2024-25, only 35% of clients in NSW who needed short-term or emergency accommodation were provided with it. 75% of clients in NSW who needed long-term accommodation could not be provided with it or referred to another organisation to provide that help (see Figure).[11]

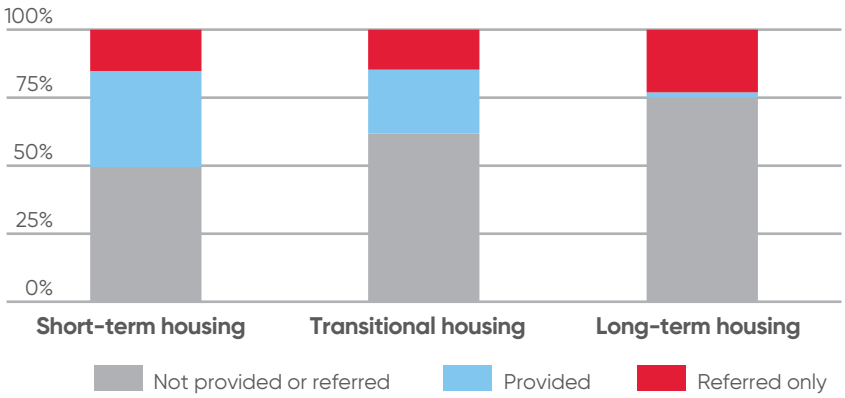


FIGURE 3 – Need for accommodation provision by service provider response

Our frontline services can't provide the long-term accommodation people need because NSW doesn't have enough social housing to meet demand. Social housing delivers safe and affordable housing for low-income households, but stock hasn't kept up with population and household growth. In 2022, almost 12% of households across NSW needed social or affordable housing, but social housing only made up 4.6% of total housing stock.[12] As rents go up and housing affordability stress gets worse, more people are left waiting.

11 AIHW (2026) Specialist homelessness services annual report 2024–25, Data tables, Table CLIENTS.24.

12 ABS (2002) Estimated dwelling stock; AIHW (2023) Housing assistance in Australia.

More people are waiting for social housing, including those who are already homeless or at risk of harm

At 31 March 2026, 68,247 households were waiting for social housing – a 3.6% increase from March 2025.[13]

The priority waiting list is growing at an even faster rate, having doubled between June 2021 and June 2025, from 5,800 to 11,500 households, and continuing to rise. It currently includes 12,478 households in desperate need.[14]

> ***Households on the priority list have demonstrated an urgent housing need. That means they are homeless or at risk of homelessness, living in crisis or emergency accommodation, at risk of harm such as domestic or family violence, or living in substandard accommodation that does not provide basic housing requirements.***[15]

The situation is even more dire in certain locations, with both metropolitan Sydney districts and regional areas experiencing growth over 200% over a four-year period (see Table 1), completely overwhelming the capacity of the system to cope.

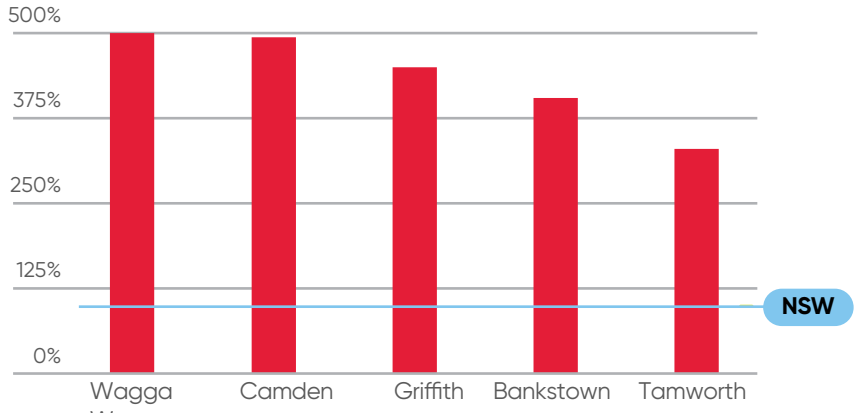


FIGURE 2 – Locations with the highest increases in priority social housing applicants, 2021-2025

13 DCJ (2026) Social housing waiting list data

14 DCJ (multiple years) NSW Social Housing Assistance Commissioning Data Reports; DCJ (2026) Social housing waiting list data.

15 Homes NSW (2025) Eligibility for priority housing assistance.

TABLE 1 – Allocation zones with the highest increases in priority social housing applicants

Location	Priority applicants June 2021	Priority applicants June 2025	Increase in priority applicants 2021-2025	Increase in median rents 2021-2025 (apartments)
Wagga Wagga	17	102	500%	41%
Camden	17	101	494%	27%
Griffith	12	66	450%	31%
Bankstown	97	490	405%	50%
Tamworth	27	116	330%	31%
Albury	22	92	318%	41%
Ballina	52	210	304%	22%
Dubbo	32	117	266%	38%
Coffs Harbour	52	187	260%	25%
Inverell	7	23	229%	28%

Crisis code red across metropolitan Sydney

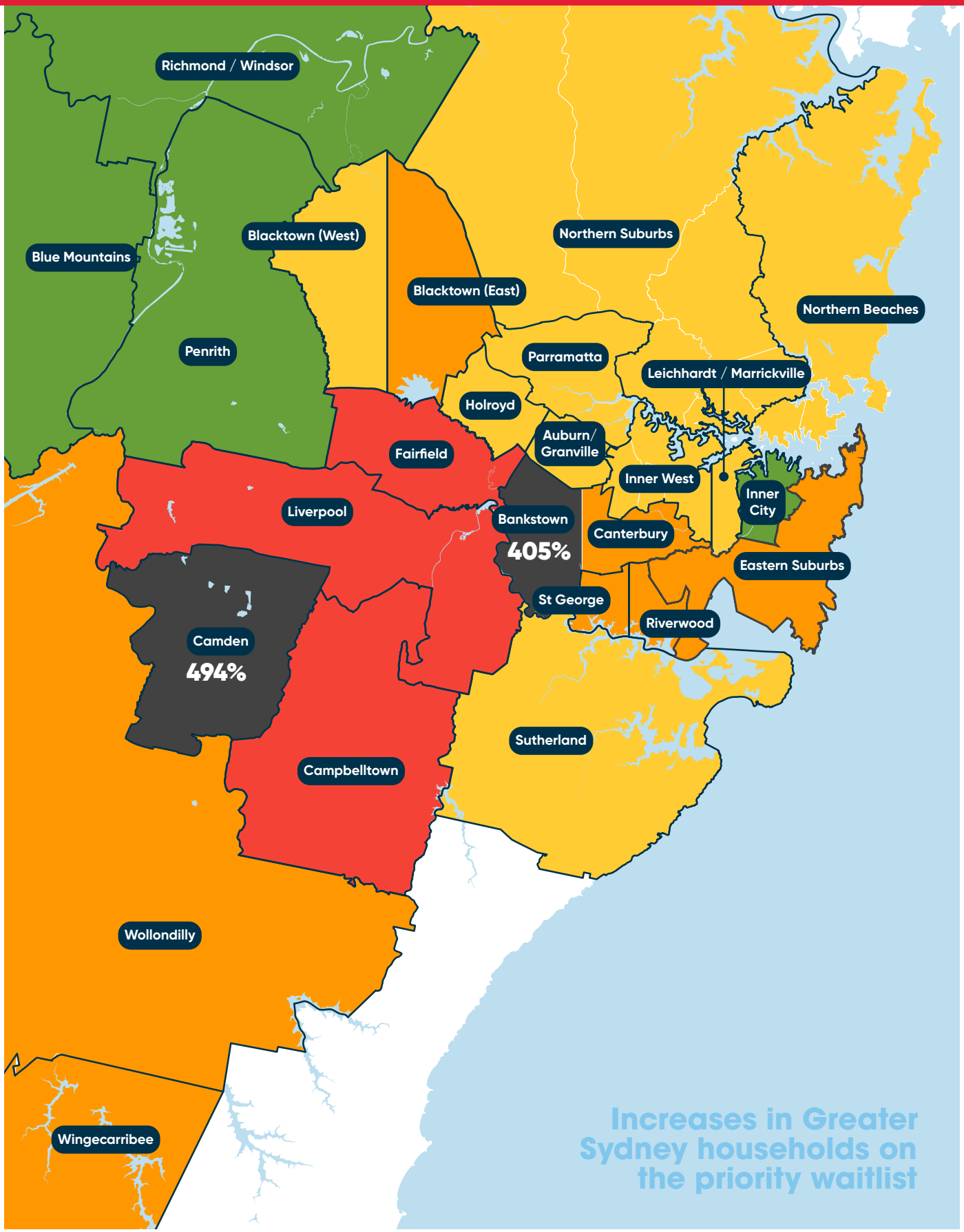
As housing costs have increased, Western Sydney is experiencing a massive rise in the number of households on the priority waitlist.

- Between June 2021 and June 2025, Camden had a 494% increase in the priority waitlist, with median rents increasing by 35% for houses and 27% for units.
- In Bankstown, the priority social housing waitlist has grown by 405%. Over the same period, median rents in Canterbury-Bankstown LGA have gone up by 39% for houses and a staggering 50% for units.
- In Fairfield, the priority waitlist has grown by 175%, while median rents increased by 42% for houses and 45% for units.

Regions under severe pressure

Regional areas are also experiencing unprecedented demand for social housing, including significant growth in the number of households on the priority waiting list.

- Wagga Wagga shows the highest increase across all of NSW, with a 500% increase in the priority waitlist. Over that time, median rents have increased in Wagga Wagga by 35% for houses and 45% for units.
- Griffith shows a 450% increase in the priority waitlist, with median rents increasing by 26% for houses and 31% for units.
- Tamworth has a 330% increase in the priority waitlist, with median rents increasing by 31% for houses and 31% for units.



PERCENTAGE INCREASE

0-20% 21-75% 76-150% 151-200% +201%

It's time to invest for change

The latest data confirms our housing and homelessness crisis is getting worse. Housing affordability is at an all-time low, with thousands of low and middle-income households at risk of homelessness. The lack of social and affordable housing is putting more pressure on our frontline homelessness services, and leaving people stuck in temporary and crisis accommodation.

As housing and financial stress pushes more people to the brink, increasing funding for our frontline services is critical to ensure people get the help they need. And we need a commitment to grow our social housing stock to match current and future need, so that people have a suitable place to call home without experiencing the pressure of constant rent increases.

We're calling on the Government to:

- Invest in the right help, when it's needed: Increase homelessness services funding by 50%.
- Support safe pathways from homelessness into homes: Commit to grow social housing by 10,000 homes a year until 10% of all housing is social housing.

Homelessness NSW