

# Cost of Living 2025

## About WACOSS

The Western Australian Council of Social Service is the peak body for the community services sector in Western Australia and works to create an inclusive, just and equitable society. We advocate for social and economic change to improve the wellbeing of Western Australians, and to strengthen the community services sector that supports them. WACOSS is part of a network consisting of National, State and Territory Councils of Social Service, who advance the interests of people on low incomes and those made vulnerable by the systems that have been put in place.

## Acknowledgment of Country

WACOSS respectfully acknowledges the Traditional Owners of Country throughout Western Australia and recognises their continuing connection to land, waters and community. We pay our respects to them, their cultures, and to Elders both past and present. We acknowledge the land on which we live and work is, and always will be, Aboriginal land. Sovereignty was never ceded.

## Authorised Use

© Western Australian Council of Social Service, 2025



With the exception of the cover design, artwork, photographs, all logos, and other material where copyright is owned by a third party, all material presented in this document is provided under a Creative Commons Attribution 4.0 Australia <<http://creativecommons.org/licenses/by-nd/4.0/>>.

**Recommended citation:** Sophie Hantz and Rose Newbury-Freeman, *Cost of Living 2025*, Western Australian Council of Social Service (Report, 2025).

WACOSS would like to thank the Financial Wellbeing Collective for providing us with the financial counselling data analysed in this report and for generously sharing the direct words of clients, providing real world insight into the experiences of low income.

We would like to thank the Institute of Energy Economics and Financial Analysis for sharing their modelling of energy bill savings from home energy upgrades.

We would also like to thank the participants of the Living Realities: Understanding Life on Low Income research project, whose words have been shared in this report.

Published by WACOSS

ABN: 32 201 266 289

Whadjuk Boodja, Level 2, 3 Loftus Street, Boorloo (West Leederville) WA 6007

P: 08 6381 5300 | [info@wacoss.org.au](mailto:info@wacoss.org.au) | [wacoss.org.au](http://wacoss.org.au)



[WACouncilofSocialService](#)



[WACouncilofSocialService](#)



[Western Australian Council of Social Service](#)

## Table of Contents

1. Executive Summary .....	1
Recommendations for Targeted Cost of Living Relief .....	2
2. Methodology.....	4
3. Household Data and Analysis .....	5
3.1. Single Parent Family .....	5
3.2. Two Parent Family .....	8
3.3. Unemployed Single .....	10
3.4. Age Pensioners .....	12
Age Pensioners (Renters).....	12
Age Pensioners (Homeowners).....	13
4. Financial Counselling Data.....	16
5. The Cost of Living in Regional WA.....	19
5.1. Rent .....	19
5.2. Food.....	21
5.3. Transport .....	22
6. Discussion .....	23
6.1. Real Experiences of Financial Insecurity.....	23
6.2. Support Systems are Not Keeping Up with Real World Circumstances.....	24
6.3. Kids are Paying for Policy Failings .....	26
7. Demonstrating the Potential of Meaningful Reform .....	27
7.1. Raise the Rate.....	27
7.2. Rent Stabilisation .....	29
7.3. Home Energy Upgrades.....	31
7.4. Cumulative Impact of Recommendations.....	34
8. Recommendations.....	36
Appendix A .....	39
9.1. Our Model Households.....	39
9.2. Determining Household Income .....	40
9.3. Determining Household Expenditure .....	40

# 1. Executive Summary

West Australians on low income continue to face severe financial stress, struggling to afford even life's essentials. Slowing inflation and modest wage growth have not solved these challenges. Analysis reveals that debt and deficit are worsening in WA, affecting a growing number of households across the state – despite marginal improvements for the model household this past year.

Over the past year:

- The model **Single Parent Family** fell short by a staggering \$90.06 each week.
- After plunging into deficit for the first time last year, the **Two Parent Family** is still unable to cover even the basics – with weekly costs outstripping income by \$16.59.
- Since the COVID supplement was withdrawn, the **Unemployed Single** has remained in an extremely fragile financial position, with only \$8.53 left over each week after covering basic costs.
- The financial position of the **Age Pensioners (Renters)** deteriorated further. They fell \$69.50 short each week. The **Age Pensioners (Homeowners)** had \$57.82 left over each week.

Table 1 | Summary of household financial positions

	Income	Expenditure	Net Position
<b>Single Parent Family</b>	\$1,266.68▲	\$1,356.74▲	-\$90.06▲
<b>Two Parent Family</b>	\$1,765.97▲	\$1,782.56▲	-\$16.59▲
<b>Unemployed Single</b>	\$460.88▲	\$452.35▲	\$8.53▲
<b>Age Pensioners (Renters)</b>	\$956.83▲	\$1,026.33▲	-\$69.50▼
<b>Age Pensioners (Home Owners)</b>	\$859.67▲	\$801.84▲	\$57.82▲

*Note: All estimates of cost and consumption are intentionally conservative and, as a result, likely understate the cost impacts on households. The arrows indicate growth or reduction in values from the previous financial year.*

While inflation moderated in some areas in 2024/25, essential costs remain historically high, and several key expenses continue to climb. Years of relentless cost growth have already eroded household savings and pushed many into debt, leaving little buffer for new shocks. Rents continue to rise well above inflation, consuming an increasingly unsustainable share of household income and leaving families with little for other essentials. Temporary electricity

credits that offered short-term relief are set to expire, driving energy bills higher. These persistent pressures, layered on years of financial strain, are deepening hardship for those already struggling to survive and pushing even more people into insecurity. Employment alone is no longer a safeguard against financial insecurity. For children growing up in these circumstances, the long-term consequences of poverty – including poorer health, education outcomes and life trajectories – are well documented and deeply concerning.

The phrase ‘cost of living’ has become commonplace, but its meaning deserves reflection. WACOSS’ Cost of Living reports measure the cost of essential goods and services required for a **basic standard of living**. This modelling accounts for only minimal replacement of essentials like clothing and cookware. It does not allow for savings or financial buffer to cover crises, unexpected costs or discretionary spending. It represents the cost of survival. It is unacceptable that so many in our community find every aspect of life – from housing to energy to food and transport – too expensive to manage. That the cost of survival drives families into debt and homelessness.

While there have been pockets of reform and investment, they fall short of what is needed. This has been a choice by Government (both State and Federal) – a choice WACOSS refuses to accept. To eliminate poverty and ensure all West Australians have an adequate standard of living, targeted investment and structural reform are urgently needed.

The last five years have shone a light on the failings of our systems and the devastating impact of failure to address the root causes of poverty and hardship. Governments must act now. Without decisive action, more families will be pushed into hardship, support services will remain overwhelmed, and the cycle of disadvantage will deepen.

## Recommendations for Targeted Cost of Living Relief

---

**Recommendation 1:** The WA Government advocate to the Federal Government for fairer and more effective Federal economic and social policy settings, including to:

- Increase the rate of Jobseeker, Youth Allowance and associated payments so that recipients can cover the costs of basics.
- Reform tax treatment of housing to curb tax breaks for investors.

**Recommendation 2:** Create a WA Early Intervention Investment Fund and resource an early intervention analytics unit within Treasury.

**Recommendation 3:** Improve access to affordable rentals for low income earners.

- Develop a State Rental Affordability Scheme.
- Replace no grounds evictions with a prescribed list of reasonable grounds for eviction in the Residential Tenancies Act.
- Implement second-generation rent stabilisation measures.

**Recommendation 4:** Invest in the WA Rent Relief Program for a further two years.

**Recommendation 5:** Reform Social Housing income eligibility limits.

**Recommendation 6:** Implement Minimum Rental Standards that cover safety, privacy and security as well as a healthy home standard.

**Recommendation 7:** Increase investment in direct cost of living relief, through financial counsellors and emergency relief services.

**Recommendation 8:** Extend car registration concessions to those on low incomes, including all Centrelink Health Care Card holders.

**Recommendation 9:** Review the Patient Assistant Travel Scheme.

**Recommendation 10:** Implement a disconnection exemption during extreme heat and stop accrual of customer debt during these periods for remote community residents who receive electricity through pre-payment meters.

**Recommendation 11:** Increase funding for the Hardship Utility Grant Scheme – increase grant limits and allow grants to cover all outstanding debts and remove barriers to equivalent support for customers using pre-payment meters and bottled gas.

## 2. Methodology

WACOSS has produced its Cost-of-Living Report annually since 2007. The first reports simply investigated the changes in basic living expenses such as housing, transport, fuel, food and other essentials in WA over the preceding year.

In 2009, we developed a model comparing the adequacy of income against the costs of living for a low-income family in Western Australia. In 2012, we revised and expanded our Cost-of-Living Report to model two families (a single parent household and a couple) and a single unemployed person, representing different at-risk household types on low incomes. The 2017 report introduced two more model households - two age pensioner couples, one who own their home and the other renting.

The 2025 Cost-of-Living Report uses the same methodology as our 2012 and subsequent reports.<sup>1</sup> It models the income and expenditure of five household types during the 2024/25 financial year in comparison to the two preceding financial years (2022/23 and 2023/24). Doing so allows us to analyse relative changes in living costs and understand their likely impacts on current and future levels of relative comfort, deprivation and need. Every household and family in WA is different, and so it would be unrealistic to expect these models to be a precise reflection of all living costs or household expenditures.

For further detail on income and expenditure assumptions, see Appendix A.

WACOSS is confident that the conservative assumptions underpinning each model (clearly considered and referenced in Appendix 1 of the 2012 report) ensure the conclusions drawn reflect the real-life experiences of low-income households in WA. The WACOSS Cost-of-Living Reports provide a window into the pressures of changing living costs on the everyday lives of low-income households, and can be used to guide policy and decision-making.



<sup>1</sup> The 2012 Cost of Living Report provides a more detailed account of the methodology.

### 3. Household Data and Analysis

#### 3.1. Single Parent Family

The Single Parent Family household includes a single parent and two primary school aged children. The parent works part-time, rents a unit, and owns a small car. The parent in this household works 25 hours per week for 39 weeks of the year (an average of 18.75 hours per week over 52 weeks) while their children attend school. Our calculations assume that they are unable to work during school holidays when they must care for the children. This kind of work pattern is difficult to maintain. As a result, single parents have one of the highest rates of movement in and out of part-time work.

Table 2 | Single Parent Family weekly income.

Income	2022/23	2023/24	2024/25	% increase 2023/24 to 2024/25	\$ increase 2023/24 to 2024/25
Wage (gross)	\$485.44	\$511.331	\$553.21	8%	\$41.90
Parenting Payment (Single)	\$330.32	\$337.09	\$333.59	-1%	-\$3.50
Rent Assistance	\$89.33	\$105.56	\$121.22	15%	\$15.66
Other regular Government benefits	\$267.17	\$287.12	\$298.39	4%	\$11.27
Government supplements (one off payments, converted to weekly amount)	\$38.99	\$42.00	\$43.75	4%	\$1.75
Tax paid	\$80.07	\$87.91	\$83.49	-5%	-\$4.42
<b>Total household income/week (net)</b>	<b>\$1,131.18</b>	<b>\$1,195.18</b>	<b>\$1,266.68</b>	<b>6%</b>	<b>\$71.50</b>

The total weekly income of the Single Parent household increased by 6 per cent (\$71.50 per week) over the last 12 months. This is due to an increase in most income sources. The most significant increase in dollar terms was to their wage, due to a substantial increase to the WA Minimum Wage. An increase to Rent Assistance in September 2024 also benefited the Single Parent Family.

Casual employees - like the single parent - typically do not have sick or annual leave entitlements. This puts them in a precarious financial situation, especially when they need time off work due to illness, have their work hours reduced, or during times when business may be slow. The income calculated in Table 2 does not account for any time away from work and, as such, is likely to be overinflated.

Table 3 | Single Parent Family weekly expenditure.

Expenditure	2022/23	2023/24	2024/25	% increase 2023/24 to 2024/25	\$ increase 2023/24 to 2024/25
Rent	\$402.69	\$480.25	\$531.25	10%	\$51.00
Food and beverage	\$248.73	\$256.53	\$264.18	3%	\$7.64
Utilities	\$31.28	\$32.49	\$28.09	-14%	-\$4.41
Transport	\$162.71	\$226.66	\$231.66	2%	\$5.00
Other - household and living costs	\$288.14	\$294.18	\$301.56	3%	\$7.38
<b>Total household expenditure/week</b>	<b>\$1,133.55</b>	<b>\$1,290.11</b>	<b>\$1,356.74</b>	<b>5%</b>	<b>\$66.62</b>

Weekly expenditure for the Single Parent Family has risen by \$66.62 per week (5 per cent). Cost increases in the transport, food and beverage and other living costs categories were modest. The largest dollar increase was in rent – a jump of \$51.00 per week. Utility expenditure saw a decrease due to the Household Electricity Credit. Western Australian households have received electricity credits for the past three financial years (\$400 in 2022/23 and 2023/24 and \$700 in 2024/25). There are no further credits announced which means household utility costs for 2025/26 will be at least \$700 higher than in 2024/25. **Despite the relief provided by the electricity credits, a significant increase in rent means that the Single Parent Family's expenditure has risen at a rate much higher than CPI.**

Table 4 | Single Parent Family weekly difference.

	2022/23	2023/24	2024/25
Total weekly income	\$1,131.18	\$1,195.18	\$1,266.68
Total expenditure	\$1,133.55	\$1,290.11	\$1,356.74
<b>Difference</b>	<b>-\$2.37</b>	<b>-\$94.94</b>	<b>-\$90.06</b>

**The Single Parent Family's weekly basic living costs exceeded their income by \$90.06.** This means the Single Parent Family are unable to afford the goods and services they need and will have to make difficult decisions each week on which costs to cut. This single parent may reduce their food intake to save costs while ensuring their children have regular food. Absorbing such a large deficit into the food budget will mean the Single Parent Family misses out on necessary energy and nutrition – likely causing chronic illness over time. The children may miss out on school activities. All members of the family may have to delay medical care.



### 3.2. Two Parent Family

The Two Parent Family consists of one parent working full-time, one in part-time casual employment and two school-aged children. The parent working part-time earns the minimum wage casual rate, the parenting working full-time earns minimum wage plus 33 per cent. They rent a house, own a small car and use public transport for five round trips a week.

Table 5 | Two Parent Family weekly income.

Income	2022/23	2023/24	2024/25	% increase 2023/24 to 2024/25	\$ increase 2023/24 to 2024/25
Combined wages (gross)	\$1,504.89	\$1,584.59	\$1,693.63	7%	\$109.04
Rent Assistance	\$89.33	\$105.56	\$121.22	15%	\$15.66
Other regular Government benefits	\$154.59	\$174.66	\$170.75	-2%	-\$3.91
Government supplements (one off & temporary payments, converted to weekly figures)	\$38.99	\$8.26	\$0	-100%	-\$8.26
Tax paid	\$190.62	\$214.51	\$219.62	2%	\$5.11
<b>Total household income/week (net)</b>	<b>\$1,597.20</b>	<b>\$1,658.56</b>	<b>\$1,765.97</b>	<b>6%</b>	<b>\$107.41</b>

The family saw increases in their combined wages and Rent Assistance. However, as their income rose, they lost access to Family Tax Benefit Part B. This is the second year that the family's entitlement to Government supports has decreased – in 2023/24, they lost access to the Family Tax Benefit Part A supplement. In 2023/24, Family Tax Benefit Part B provided the family with the equivalent of \$10.18 per week. In 2022/23 the Part A supplement provided the family with equivalent of \$31.36 per week.

Table 6 | Two Parent Family weekly expenditure.

Expenditure	2022/23	2023/24	2024/25	% increase 2023/24 to 2024/25	\$ increase 2023/24 to 2024/25
Rent	\$450.50	\$525.94	\$564.19	7%	\$38.25
Food and beverage	\$358.38	\$369.56	\$380.53	3%	\$10.97

Utilities	\$53.36	\$55.18	\$51.38	-7%	-\$3.80
Transport	\$201.59	\$266.44	\$272.34	2%	\$5.90
Other - household and living costs	\$488.27	\$502.22	\$514.12	2%	\$11.90
<b>Total household expenditure/week</b>	<b>\$1,552.11</b>	<b>\$1,719.33</b>	<b>\$1,782.56</b>	<b>4%</b>	<b>\$63.23</b>

Over the past 12 months, the Two Parent Family's weekly expenditure has increased by 4 per cent or \$63.23 per week. The rate of increase to food, transport and other costs has slowed. Climbing rental costs remain the significant driver of elevated expenditure.

Table 7 | Two Parent Family weekly difference.

	2022/23	2023/24	2024/25
Total weekly income	\$1,597.20	\$1,658.56	\$1,765.97
Total expenditure	\$1,552.11	\$1,719.33	\$1,782.56
<b>Difference</b>	<b>\$45.09</b>	<b>-\$60.77</b>	<b>-\$16.59</b>

**For the second year in a row, the Two Parent Family's weekly income does not cover their basic living costs.** This family's essential expenditures totalled \$16.59 more than their income. Increases to income saw their position improve slightly, but not enough to lift them out of weekly deficit.

Contributing to their inability to cover basic expenses is the loss of income support payments (Family Tax Benefit payments) that they have relied on for over a decade. It is deeply concerning that these supports are being withdrawn while the family remains unable to meet their basic needs. It is clear from our analysis that family payment measures are not meeting their policy intent, meaning payment thresholds and indexation rates need to be examined to better reflect contemporary family living expenses.

The family continues to have to cut back on essential costs. After two years of persistent deficits, the family are likely to have used up any savings to cover their weekly shortfall and face difficult decisions. This also leaves them without money in reserve to cover unexpected or non-essential expenditure. They may now be required to obtain financial credit, such as pay day loans and buy now pay later products to respond to a crisis, replace essential resources, or pay schooling costs. These loans, with high interest and significant late penalties, put the Two Parent Family at significant risk of debt spiral. The children of this family, as in the Single Parent Family, risk long term consequences associated with an inadequate standard of living on their early development and life outcomes.

### 3.3. Unemployed Single

The Unemployed Single's only income is from government allowances and benefits. They are currently looking for work, live in shared accommodation, and rely on public transport to get to appointments (e.g. with Centrelink, job interviews, medical), to visit friends or family, and to reach the supermarket or local library.

Table 8 | Unemployed Single weekly income.

Income	2022/23	2023/24	2024/25	% increase 2023/24 to 2024/25	\$ increase 2023/24 to 2024/25
JobSeeker Payment	\$334.78	\$370.20	\$387.74	5%	\$17.53
Rent Assistance	\$50.62	\$59.85	\$68.76	15%	\$8.90
Energy supplement	\$4.39	\$4.39	\$4.39	-	-
<b>Total household income/week (net)</b>	<b>\$389.79</b>	<b>\$434.45</b>	<b>\$460.88</b>	<b>6%</b>	<b>\$26.43</b>

The weekly income of the Unemployed Single increased by 6 per cent or \$26.43 per week. This is a result of an increase to Rent Assistance in September 2024, and the usual indexation process.

Table 9 | Unemployed Single weekly expenditure.

Expenditure	2022/23	2023/24	2024/25	% increase 2023/24 to 2024/25	\$ increase 2023/24 to 2024/25
Rent (Share)	\$150.17	\$175.31	\$188.06	7%	\$12.75
Food and beverage	\$109.65	\$113.02	\$116.35	3%	\$3.33
Utilities	\$15.75	\$16.31	\$14.99	-8%	-\$1.32
Transport	\$16.92	\$17.82	\$18.72	5%	\$0.90
Other - household and living costs	\$110.56	\$112.13	\$114.23	2%	\$2.10
<b>Total household expenditure/week</b>	<b>\$403.05</b>	<b>\$434.59</b>	<b>\$452.35</b>	<b>4%</b>	<b>\$17.76</b>

Over the past year, the Unemployed Single's weekly expenditure on basic living costs has increased by 4 per cent (or \$17.76 per week). Again, this increase is driven by an increase in rental costs. It should also be noted the housing calculations assume that the Unemployed Single can find shared accommodation where they pay one-third rent at below market rate (85 per cent of median rent). In the current economic landscape, the Unemployed Single could not afford to live alone, with the 2024/25 weekly median price of a rental unit in Perth (\$625) exceeding their weekly income by \$164.12.

Additionally, our modelling does not account for any debt repayments by the Unemployed Single. It is likely that Western Australians in this position access credit to survive their persistent financial insecurity and would be repaying debt on top of basic expenses.

Table 10 | Unemployed Single weekly difference.

	2022/23	2023/24	2024/25
Total weekly income	\$389.79	\$434.45	\$460.88
Total expenditure	\$403.05	\$434.59	\$452.35
<b>Difference</b>	<b>-\$13.25</b>	<b>-\$0.15</b>	<b>\$8.53</b>

**The Unemployed Single remains at significant risk, with just \$8.52 to spare each week.**

Such a fragile financial position means the Unemployed Single is unlikely to be able to save any money, and is unable to service debt or cover unexpected expenses. This may present a significant barrier to their ability to find work as they are likely to face housing insecurity, to live long distances from employment opportunities, have limited access to technology and experience poor health as a result of their financial insecurity.

This year, the Unemployed Single's income surpassed the income they received in 2020/21 (\$445.92) when the Coronavirus Supplement dramatically improved their financial position. While in 2020/21 they finished each week with \$98.52 to spare, now they finish each week with barely enough for a carton of eggs. This demonstrates just how significantly the cost of basics, particularly rent, has inflated and the pressure this is placing on household budgets.

### 3.4. Age Pensioners

The model Age Pensioner households are composed of retired couples aged 67 and 69. Two housing scenarios are provided: one where the couple rents a unit and the other where the couple owns a house. The assumptions around their expenditure are conservative.

#### Age Pensioners (Renters)

As retirees, the couple's only income is from the Age Pension and supplements. The Age Pensioner (Renter) couple rents a unit at 85 per cent of the median unit rental cost, has basic private health insurance, and travels exclusively by public transport.

Table 11 | Age Pensioners (RENTERS) weekly income.

Income	2022/23	2023/24	2024/25	% increase 2023/24 to 2024/25	\$ increase 2023/24 to 2024/25
Age Pension	\$707.42	\$754.28	\$783.63	4%	\$29.35
Rent Assistance	\$71.52	\$84.53	\$97.17	15%	\$12.64
Energy supplement	\$10.60	\$10.60	\$10.60	-	-
Pension supplement	\$57.10	\$60.42	\$62.35	3%	\$1.93
Cost of Living Rebate	\$2.75	\$2.99	\$3.08	3%	\$0.09
<b>Total household income/week (net)</b>	<b>\$849.39</b>	<b>\$912.83</b>	<b>\$956.83</b>	<b>5%</b>	<b>\$44.01</b>

The weekly income of the Age Pensioners (Renters) increased by 5 per cent or \$44.01 in 2024/25. The September 2024 increase to Rent Assistance benefitted this household.

Table 12 | Age Pensioner (RENTERS) weekly expenditure.

Expenditure	2022/23	2023/24	2024/25	% increase 2023/24 to 2024/25	\$ increase 2023/24 to 2024/25
Rent	\$402.69	\$480.25	\$531.25	11%	\$51.00
Food and beverage	\$219.30	\$226.05	\$232.70	3%	\$6.66
Utilities	\$35.52	\$36.86	\$32.56	-12%	-\$4.30
Transport	\$8.46	\$8.91	\$9.36	5%	\$0.45
Other - household and living costs	\$212.34	\$216.02	\$220.46	2%	\$4.45

<b>Total household expenditure/week</b>	<b>\$878.31</b>	<b>\$968.08</b>	<b>\$1,026.33</b>	<b>6%</b>	<b>\$58.26</b>
-----------------------------------------	-----------------	-----------------	-------------------	-----------	----------------

Living costs for the Age Pensioners (Renters) grew by 6 per cent. The largest cost increase for the Age Pensioner (Renter) household is rent, which increased by \$51.00 per week or 11 per cent. Despite the increase to Rent Assistance, the proportion of income this household must spend on rent increased from 53 per cent in 2023/24 to 55 per cent in 2024/25.

The WA Seniors Transperth concession enables age pensioners to travel for free outside of peak hours on weekdays and on weekends and public holidays. In practice, this allows our Age Pensioner rental household to travel for free on half their trips.

Table 13 | Age Pensioners (RENTERS) weekly difference.

	2022/23	2023/24	2024/25
Total weekly income	\$849.39	\$912.83	\$956.83
Total expenditure	\$878.31	\$968.08	\$1,026.33
<b>Difference</b>	<b>-\$28.91</b>	<b>-\$55.25</b>	<b>-\$69.50</b>

**The Age Pensioners (Renters) are the only household to experience a further decline in their financial position in 2024/25.** The Age Pensioner (Renter) couple has been in weekly deficit for three years now. In 2024/25, their total weekly expenditure on basic items exceeded their income by \$69.50. This means they must restrict their essential expenditure even further, by cutting back on healthy foods, community participation and volunteering for instances, or even missing medicines and doctor's appointments. It is increasingly clear that the Age Pension is insufficient for those who do not own their home outright.

## Age Pensioners (Homeowners)

As retirees, the couple's only income is from the Age Pension and supplements. The couple own their own home, have basic private health insurance, and own a small car.

Table 14 | Age Pensioner (HOMEOWNERS) weekly income.

Income	2022/23	2023/24	2024/25	% increase 2023/24 to 2024/25	\$ increase 2023/24 to 2024/25
Age Pension	\$707.42	\$754.28	\$783.63	4%	\$29.35
Energy supplement	\$10.60	\$10.60	\$10.60	-	-
Pension supplement	\$57.10	\$60.42	\$62.35	3%	\$1.93

Cost of Living Rebate	\$2.75	\$2.99	\$3.08	3%	\$0.09
<b>Total household income/week (net)</b>	<b>\$777.87</b>	<b>\$828.30</b>	<b>\$859.67</b>	<b>4%</b>	<b>\$31.37</b>

The income of the Age Pensioner (Homeowner) household is lower than the Renters, as they are not receiving Rent Assistance. While the Renters pay 55 per cent of their income in rent, the Homeowners dedicate around 10 per cent of their income to housing costs, including council rates, water charges, and house and contents insurance. The Age Pensioner (Homeowner) couple do not have a mortgage and so do not have any other ongoing costs associated with home ownership.

Table 15 | Age Pensioner (HOMEOWNERS) weekly expenditure.

Expenditure	2022/23	2023/24	2024/25	% increase 2023/24 to 2024/25	\$ increase 2023/24 to 2024/25
Rates and Charges	\$44.59	\$48.71	\$57.16	17%	\$8.46
Food and beverage	\$219.30	\$226.05	\$232.70	3%	\$6.66
Utilities	\$35.52	\$36.86	\$32.56	-12%	-\$4.30
Transport	\$160.58	\$224.26	\$228.23	2%	\$3.97
Other - household and living costs	\$240.33	\$246.24	\$251.19	2%	\$4.94
<b>Total household expenditure/week</b>	<b>\$700.02</b>	<b>\$782.11</b>	<b>\$801.84</b>	<b>3%</b>	<b>\$19.73</b>

The Age Pensioner (Homeowner) household saw a 3 per cent, or \$19.73, increasing in their weekly expenditure. This household's expenditure increase is much smaller than other household as this household does not face rent increases.

Table 16 | Age Pensioner (HOMEOWNER) weekly difference.

	2022/23	2023/24	2024/25
Total weekly income	\$777.87	\$828.30	\$859.67
Total expenditure	\$700.02	\$782.11	\$801.84
<b>Difference</b>	<b>\$77.85</b>	<b>\$46.18</b>	<b>\$57.82</b>

**The Age Pensioner (Homeowner) couple is the only household to have never dropped into deficit.** While their financial position declined steadily from 2020/21 to 2023/24, it has improved in 2024/25. They finished each week with \$57.82 left over. Owning their home outright protected this household. All other households must dedicate massive portions of their income to rent each week – putting them in serious rental stress and unsustainable financial positions.



## 4. Financial Counselling Data

The Financial Wellbeing Collective is a collective of 12 partner organisations offering support to West Australians experiencing financial stress. They have contributed data from across multiple services demonstrating the real-life cost pressure faced by households across Perth, including the cumulative impact of financial strain over time.

The three services<sup>2</sup> referred to below are:

- Emergency Relief and Food Access Service (ERFAS)<sup>3</sup> – a service that assists clients with accessing food or support with bills or rent.
- Financial Counselling<sup>4</sup> – a financial counsellor is a qualified professional who provides information, advice and advocacy to people in financial hardship. The service is non-judgmental, free, independent and confidential.
- Hardship Utility Grant Scheme (HUGS)<sup>5</sup> Service Centre – supports customers experiencing utility stress through third party assessment to enable access to the State Government HUGS, which offers utility debt relief.

Across these services, the number of clients and the severity of their financial insecurity continues to grow. The data detailed below suggests the financial stress experienced by Western Australians is more severe than indicated by the WACOSS modelling, which is intentionally conservative.

### Cost of Living Pressures

Cost of Living pressure is the main reason for hardship identified by 92 per cent of ERFAS clients, and 90 per cent of HUGS applicants.

As one client shared:

*“The rising prices made it impossible to stay ahead. I felt helpless and constantly stressed about money.”<sup>6</sup>*

Housing costs remain the biggest proportion of budgets and this has continued to grow. Housing now accounts for 42 per cent of the average budget of financial counselling clients compared to 40 per cent last year, and 37 per cent four years ago. These households are well past the 30 per cent threshold for housing stress and considered to be in significant housing stress.

<sup>2</sup> ERFAS and HUGS are Statewide, while Financial Counselling is provided in 25 sites across the Perth metropolitan area.

<sup>3</sup> Financial Wellbeing Collective, [Emergency Relief](#).

<sup>4</sup> Financial Wellbeing Collective, [Financial Counselling](#).

<sup>5</sup> WA Government, [Hardship Utility Grant Scheme](#) (2024).

<sup>6</sup> Feedback provided to the Financial Wellbeing Collective from client, shared directly with WACOSS.

Utility debt among clients accessing HUGS continues to rise, with the average amount increasing by 17 per cent in the past year, up from \$1,708 in 2023/24 to \$1,993 in 2024/25. This escalation adds to the growing financial strain in meeting essential service costs.

*"Power costs keep climbing, and it's getting harder to manage. My husband is very sick and relies on a life support machine, and as a Disability Pensioner, it's been incredibly tough."*<sup>7</sup>

## Financial Counselling Clients Are Facing Increasing Fortnightly Deficits

The Financial Wellbeing Collective has contributed deidentified data derived from 2,896 clients who accessed their financial counselling services in the 2024/25 financial year. This data depicts the real-life cost pressures faced by households across the Perth metropolitan region who are experiencing financial stress. It shows that financial counselling clients across Perth are in a significantly worse financial position than last year. Average wages have stayed stagnant, with costs rising by a couple of per cent, however the average fortnightly deficit has increased further from \$86 in 2023/24 to \$100 in 2024/25. This is evidence of the strain of long-term cost of living pressures.

As one client stated:

*"The rising cost of living left me completely overwhelmed. I couldn't keep up with bills, and every price increase felt like another blow. I can't work, I don't receive child support, and I have no family support. It's incredibly tough."*<sup>8</sup>

Table 17 | Average financial position of FWC financial counselling clients per fortnight<sup>9</sup>

Income	Fortnightly Expenses					Fortnightly Deficit *
	Housing	Groceries	Utilities	Medical	Debt	
\$2,045	\$851	\$381	\$136	\$76	\$484	-\$100

\* Note: 'Deficit' is the average amount that the expenditure of each financial client was above or below their income and so does not equal the expenditure columns subtracted from 'Household Income'.

## More People in Work are Seeking Emergency Relief

People who receive Government income support payments make up the majority of those in financial stress accessing these services. Yet, over the past three years, the number of employed clients seeking emergency relief and food assistance has steadily increased. In 2022/23, 1,142 employed clients sought assistance, rising to 1,266 in 2023/24 and reaching 1,484 in 2024/25 – a 30 per cent increase. Looking further back is even more striking – the Financial Wellbeing Collective have seen a 147 per cent increase in employed clients accessing emergency relief in

<sup>7</sup> Feedback provided to the Financial Wellbeing Collective from client, shared directly with WACOSS.

<sup>8</sup> Ibid.

<sup>9</sup> Calculations based on data supplied by the Financial Wellbeing Collective.

the last four years. This trend highlights a troubling reality: **financial insecurity is now entrenched in parts of the workforce.**

Over several years, essential costs growth has outpaced wage growth, leaving many working households unable to meet basic needs without external support. Emergency and food relief, traditionally viewed as a safety net for the unemployed, is increasingly becoming a critical resource for those in work.

### **Families with Children are Under Pressure**

Families with children are disproportionately affected by utility stress, accounting for 58 per cent of HUGS Service Centre client, particularly single-parent households (34 per cent). In 2024/25, an estimated 32,000 children were supported across ERFAS, Financial Counselling and HUGS. Growing up in poverty with poor nutrition and increased family stress has been shown to have lasting impacts on children's development and life outcomes.<sup>10</sup>



---

<sup>10</sup> Bankwest Curtin Economic Centre, [Child Poverty in Australia 2024: The lifelong impacts of financial deprivation and poor-quality housing on child development](#) (2024).

## 5. The Cost of Living in Regional WA

Living in regional WA comes with strong community ties and natural beauty, but the cost of essential goods and services can be unmanageable. Across the state, many regional community members are struggling to make ends meet. Food, fuel and transport are often more expensive than in Perth, putting extra strain on household budgets. Limited access to suitable housing, public transport, childcare and health services add to these challenges. The impact goes beyond individuals – these barriers undermine the social and economic strength of regional communities.

Limited public availability of detailed regional household expenditure patterns mean there is insufficient detail to confidently extend the WACOSS household models to individual regions within WA. The data below reflects differences in costs of some essential items but does not reflect actual expenditure patterns.

### 5.1. Rent

Analysis of rental costs for the four renting model households based on REIWA market data is included in Table 18.<sup>11</sup> Calculations for Table 18 align to assumptions in the WACOSS model, where rental costs are 85 per cent of the median rental costs in an area, the Single Parent and Age Pensioner families both rent a unit, the Two Parent Family rents a house and the Unemployed Single pays one-third of the cost of a house. Note that some households may face challenges in securing suitable housing and, consequently, may need to compromise on factors such as dwelling size, affordability, or location. It is also important to recognize that these figures span large geographical areas – substantial variation is likely within each region.

Table 18 | Weekly expenditure on rent for model households in regional WA <sup>12</sup>

Region	Unit		House		1/3 House	
	<i>Single Parent &amp; Aged Pensioner</i>		<i>Two parent family</i>		<i>Unemployed single</i>	
	\$	<i>Change from 2024</i>	\$	<i>Change from 2024</i>	\$	<i>Change from 2024</i>
Perth	\$531.00	↑\$51.00	\$564.19	↑\$38.25	\$175.31	↑\$12.75
Gascoyne	NA	NA	NA	NA	NA	NA

<sup>11</sup> Data taken from the REIWA insights hub, based on May 2024 median rental prices in regional profiles.

<sup>12</sup> Table Key: \$ - household rental expenditure per week | Change from 2023/24 – difference in dollars from 2023/24 weekly rental expenditure | Bold - regions where model households pay more in weekly rent than in Perth.

Goldfields-Esperance	\$434.56	↑ \$26.56	\$505.75	↑ \$17.00	\$168.58	↑ \$5.66
Great Southern	\$394.19	↑ \$18.06	\$457.94	↑ <b>\$41.44</b>	\$152.65	↑ <b>\$13.82</b>
Kimberley	<b>\$588.63</b>	↓ 6.38	<b>\$855.31</b>	↑ <b>\$49.93</b>	<b>\$285.10</b>	↑ <b>\$16.64</b>
Mid-West	\$296.44	↑ \$18.06	\$429.25	↑ <b>\$42.50</b>	\$143.08	↑ <b>\$14.16</b>
Peel	N/A	N/A	N/A	N/A	N/A	N/A
Pilbara	<b>\$591.18</b>	↑ \$38.68	<b>\$830.24</b>	↑ \$7.01	<b>\$276.75</b>	↑ \$2.34
South West	\$450.50	↑ <b>\$59.50</b>	\$550.38	↑ \$31.88	<b>\$183.46</b>	↑ \$10.63
Wheatbelt	\$280.50 <sup>4</sup>	↑ \$51.00	\$357	↓ \$4.25	\$119.00	↓ \$1.42

In 2025, rental prices rose across most regional areas of Western Australia, placing additional strain on households. While the Wheatbelt region had a minimal increase (\$4.25) for the Two Parent Family, there was a \$51 increase in unit rental costs for Single Parent or Aged Pensioners. Costs for the Two Parent Family in The Kimberley, Great Southern and Mid-West increased more steeply than their Perth counter parts. In the Kimberley, two-parent families now pay \$49.93 more per week for a median house rental.

The Anglicare Rental Affordability Snapshot for 2025<sup>13</sup> reveals a troubling trend: despite more rental properties being available in the South West and Great Southern compared to last year, far fewer are affordable and appropriate. Alarming, the report found no affordable and suitable housing options for single people on Jobseeker, the Disability Support Pension, or the Age Pension in any regional area. These findings highlight a widening gap between housing availability and affordability, with households likely to struggle to find appropriate housing at 85 per cent of median rental prices (as model assumes), having with serious implications for social equity and community wellbeing.

Rental costs in the Kimberley and Pilbara regions, as well as for the Two Parent Family in the Great Southern, were notably higher than in Perth. This trend highlights the unique pressures faced by families in remote and regional areas, where limited housing supply, high demand from resource-driven economies, and logistical challenges often drive prices above metropolitan levels.

<sup>13</sup> Anglicare WA, [2025 Rental Affordability Snapshot](#) (2025).

## 5.2. Food

The Foodbank Hunger Report 2025<sup>14</sup> found that food insecurity is more pronounced in regional WA compared to metropolitan WA. In regional WA, one in four residents are having to skip meals or go whole days without food. Net food insecurity in regional WA has reduced from last year, indicating some relief from 2024, when one in three regional residents were severely food insecure. It is clear however that food insecurity remains a significant issue in regional WA and is disproportionately felt by those on the lowest incomes and in remote communities.<sup>15</sup>

Over 2024/25 the cost of food in most regions was comparable or more than in Perth (Table 19). Kimberley residents experienced the highest food prices.

It is important to note that while the data presented provides an overview of average regional prices, it does not fully capture the unique challenges in these areas, such as transport costs, supply chain constraints, seasonal availability, effects of extreme weather events, all circumstances that drive prices far above metropolitan levels.

Table 19 | Weekly expenditure on rent for model households in regional WA

Region	Single Parent	Two Parent Family	Unemployed Single	Aged Pensioner
Perth	\$264.18	\$380.53	\$116.35	\$232.70
Gascoyne	<b>\$266.03</b>	<b>\$383.19</b>	<b>\$117.16</b>	<b>\$234.33</b>
Goldfields-Esperance	\$264.71	<b>\$381.67</b>	<b>\$116.70</b>	<b>\$233.40</b>
Great Southern	<b>\$264.71</b>	<b>\$381.29</b>	<b>\$116.58</b>	<b>\$233.17</b>
Kimberley	<b>\$283.47</b>	<b>\$408.31</b>	<b>\$124.84</b>	<b>\$249.69</b>
Mid West	<b>\$265.50</b>	<b>\$336.53</b>	<b>\$116.93</b>	<b>\$233.86</b>
Peel	\$260.75	\$375.58	\$114.84	\$229.67
Pilbara	<b>\$269.40</b>	<b>\$388.14</b>	<b>\$118.68</b>	<b>\$237.35</b>
South West	\$257.31	\$370.64	\$113.32	\$226.65

<sup>14</sup> Foodbank Australia, [Foodbank Hunger Report 2025](#) (2025)

<sup>15</sup> Ibid.

Landrigan, T., et al., [Protocol for the Development of a Food Stress Index to Identify Households Most at Risk of Food Insecurity in Western Australia](#) (2018).

Wheatbelt	<b>\$269.99</b>	<b>\$388.90</b>	<b>\$118.91</b>	<b>\$237.82</b>
-----------	-----------------	-----------------	-----------------	-----------------

### 5.3. Transport

Transport patterns in regional areas differ markedly from Perth. Longer travel distances, poor walkability, and limited or non-existent public transport make car ownership essential. As a result, regional households face significantly higher transport costs due to greater reliance on cars, longer trips, and elevated fuel expenses. Accessible travel in the regions remains a key issue.

Fuel prices fluctuated sharply between 2024 and 2025, peaking in July–August 2024 across most regions, briefly easing, then rising again in January–February 2025 before settling slightly below June 2024 levels. The Kimberley, Pilbara, and Goldfields-Esperance remain the most expensive regions. For every 100 km travelled, a Kimberley household pays around \$4.17 more in fuel costs than a Perth household, this is before factoring in longer distances, poorer road conditions, and extreme weather, all of which further increase fuel costs and vehicle wear and tear.

Table 20 | Average price of UPL in June 2025 across regional WA.<sup>16</sup>

Petrol costs (cents) by Region									
Perth	Gascoyne	Goldfields Esperance	Great Southern	Kimberley	Mid West	Peel	Pilbara	South West	Wheatbelt
172	204.2	189.7	172.2	222.3	176.9	172.8	188.1	173.4	178.1

<sup>16</sup> [Fuel Watch](#).

## 6. Discussion

### 6.1. Real Experiences of Financial Insecurity

---

The above datasets show that financial stress in WA is not easing – it is becoming more entrenched and corrosive. Even with slower cost increases in 2024/25, households on low income remain unable to meet a basic standard of living. Over time, persistent shortfalls have eroded financial resilience, forcing harmful trade-offs and deepening reliance on coping strategies that carry hidden costs. Accounts from participants of our Living Realities project illustrate this real experience of persistent financial insecurity in WA.

In partnership with Murdoch University, WACOSS worked with West Australians living on low incomes to document their experiences in depth.<sup>17</sup> Participants describe the immediate and long-term impacts of financial stress. They report constant mental burden of budgeting and re-budgeting, exhaustion from navigating fragmented supports, relentless stress from inadequate income and fear for the future. Clara, a single parent, says *“being on low income just means you’re always thinking about money. You’re always stressing about money. It’s just not something you cannot think about.”* Andy, a university student, wonders how long this will carry on, *“I always get worried if this is what I’ve gone through so far and it’s like I’m 22, I’ve got how many years left of this... I guess it’s just scary that it’s always going to be like this.”*

Participants describe the material sacrifices and trade-offs they must make each week to get by. Negotiations of scarcity shape their every decision – from what to eat, to whether to seek medical care, or how to keep a roof over their head. Andy shares, *“I have one fruit a week, maybe... I try to aim for five veggies a week. I don’t know what the nutritional content of onion and garlic are but they’re my go-to”*. Matilda, who pays nearly half of their Disability Support Pension on rent, similarly notes *“I can’t even afford to eat three meals a day”*. Clara sacrifices her own food intake so that her young child does not go without fruit and vegetables.

Participants experience the long-term consequences of poor nutrition, deferred medical care and unsafe living conditions. Heather, a single parent and community service worker, is unable to afford treatment for her scoliosis. To increase her income, she works more hours, which hurts her back more. Matilda notes, *“I weigh less than 50 kilos because I can’t afford enough food.”*

When unexpected costs arise, survival gets harder as most participants have no savings to dip into. Some participants have superannuation but have seen that shrink rapidly. Kate describes that she *“desperately tried to keep this buffer there so that if anything else breaks we’ve got something there to save us. But that has now dwindled down... so that’s got me again going to sleep in this constant panic state.”*

---

<sup>17</sup> WA Council of Social Service and Murdoch University, Living Realities: Understanding Life on Low Income, [Part One](#) and [Part Two](#) (2025).

## 6.2. Support Systems are Not Keeping Up with Real World Circumstances

---

Analysis of the WACOSS model households' financial positions over time demonstrates that Government supports are failing to keep pace with contemporary costs and circumstances and are based on outdated assumptions. Government support systems are meant to provide stability, prevent hardship and enable participation in community life for those that need them. Current settings are not meeting this purpose. Instead, they often leave people in a position of significant financial stress and struggling to maintain an adequate standard of living. In a state as wealthy as WA – in a country as wealthy as Australia – this is inexcusable.

### Home Ownership Can No Longer Be Assumed for Age Pensioners

Spiraling rents are a key factor in changing economic circumstances. WA's median rent continues to surge, and as house prices climb more households will become 'forever renters'.

Three out of five Australian renters do not think they will ever own their own home.<sup>18</sup> This trend is not a short-term issue, it reflects deeper structural settings impacting housing affordability and income security. It is a marked shift from previous generations who felt home ownership was very likely.

More pensioners are retiring with a mortgage or relying on the private rental market. Over the last 20 years the number of retirees living in private rentals has doubled to 12 per cent in 2023. If this trend continues for the next 20 years we could have a quarter of retirees in rental accommodation.<sup>19</sup>

As "housing wealth remains the most significant component of economic wellbeing"<sup>20</sup> for retired Australians, this change is reshaping what financial security looks like in later life. When a substantial portion of the pension is spent on rent or mortgage repayments, there is far less left for essentials such as food, healthcare, and utilities. Year after year, the WACOSS model renting Age Pensioner is increasingly unable to make ends meet. This reality undermines the assumption that the Age Pension alone can provide a secure and dignified retirement.

Without policy intervention, the number of older Australians facing housing stress will continue to grow, increasing demand for support services and leaving more people in hardship.

### Concessions are Falling Short

WA's Concession Scheme helps reduce costs for some families, but falls short of ensuring an adequate standard of living. WACOSS' model Single Parent Family, holding a Healthcare Card, and the renting Age Pensioner couple, with a Pensioner Concession Card, are eligible for a range of concessions on energy and transport costs. Yet both households remain significantly unable to cover basic essential costs.

---

<sup>18</sup> AHURi, [Planning for a two-tenure future](#) (2024).

<sup>19</sup> Melbourne Institute of Applied Economic and Social Research, [The Household, Income and Labour Dynamics in Australia Survey, Selected Findings from Waves 1 to 23](#) (2025).

<sup>20</sup> University of Melbourne, [How we live: Latest HILDA data gives insight into a changing Australia](#) (2025).

## Supports are Not Responding to Expanding Hardship

The assumption that two-parent working families with a full-time and a part-time income are financially secure no longer reflects reality. Sharp rises in living costs have eroded incomes that once provided economic security.

For the past two years, the WACOSS model Two Parent Family has not had enough money to cover weekly essential costs. Despite increases to the WA Minimum Wage and Rent Assistance, their overall financial position has not substantially improved. A key factor in this is the loss of several Family Tax Benefit payments over the past two years – withdrawn because the Family reached a certain income, even though their real financial position did not change. This Family also misses out on concessions to reduce essential costs because they are ineligible for a Healthcare Card.

The interaction between wage rises and the withdrawal of supports demonstrates how current policy settings are not fit for purpose and can harm families. Instead of lifting households out of hardship, these mechanisms keep families and children in financial insecurity and reinforce cycles of disadvantage.



### 6.3. Kids are Paying for Policy Failings

---

Child poverty in WA is rising at an alarming rate. Over the past three years, the number of children living in poverty has grown significantly. Today, it is estimated that 103,900 WA children – nearly one in six – are living in poverty.<sup>21</sup> These children are missing out on essentials like nutritious food, stable housing and healthcare. Our social and economic systems are failing to ensure every child has the opportunity to grow up healthy and participate equally in society.

Single parent families are the most affected. They have the lowest average wealth levels,<sup>22</sup> are more likely to experience food insecurity<sup>23</sup> and ongoing material deprivation<sup>24</sup>. Many single parent families are forced to skip meals or delay paying bills in order to keep their families connected to the internet.<sup>25</sup> Clara, a single mother in regional WA, shares:

*Sometimes I go without eating as often... or like I'll skip fruit and veg for myself so that they will have it.<sup>26</sup>*

But this issue is not limited to single-parent households. Increasing numbers of children in two-parent families are experiencing hardship, even where both parents are working.<sup>27</sup>

More than 700 children and young people experience homelessness in WA every single day.<sup>28</sup> This means that hundreds of children are living without stable housing, often moving between temporary shelters, overcrowded dwellings and unsafe environments. Homelessness during childhood has profound and lasting impacts on health, education, and emotional wellbeing, increasing the likelihood of long-term disadvantage.

Child poverty shapes futures. Research shows that children who grow up in poverty face a higher risk of remaining disadvantaged into adulthood, perpetuating intergenerational cycles of hardship. Poor nutrition, unstable housing and limited access to healthcare and education compound over time.<sup>29</sup> These realities underscore the urgent need to target investment and reform early, supporting children and their parents before hardship becomes entrenched.

---

<sup>21</sup> Bankwest Curtin Economic Centre, [Child Poverty in Australia 2025: The current and future impacts of rising rates of financial deprivation on child wellbeing](#) (2025)

<sup>22</sup> University of Melbourne, [HILDA survey shows inequality rises to a high](#) (2025).

<sup>23</sup> Foodbank Australia, [Foodbank Hunger Report 2025](#) (2025).

<sup>24</sup> University of Melbourne, [HILDA survey shows inequality rises to a high](#) (2025).

<sup>25</sup> ARC Centre of Excellence for Automated Decision-Making and Society, RMIT University, Swinbourne University of Technology and Telstra, [Measuring Australia's Digital Divide: 2025 Digital Inclusion Index](#) (2025).

<sup>26</sup> WA Council of Social Service and Murdoch University, [Living Realities: Understanding Life on Low Income Part One](#) (2025).

<sup>27</sup> Bankwest Curtin Economic Centre, [Child Poverty in Australia 2025: The current and future impacts of rising rates of financial deprivation on child wellbeing](#) (2025)

<sup>28</sup> Ending Child and Youth Homelessness initiative, [Ending Child and Youth Homelessness Pre-Budget Submission 2026-27](#) (2025).

<sup>29</sup> Senate Standing Committee on Community Affairs, [The Extent and Nature of Poverty in Australia, Interim Report: Chapter 3 – The human impact of poverty](#) (2023)

## 7. Demonstrating the Potential of Meaningful Reform

In each Cost of Living report, we include a series of recommendations that would make a meaningful difference to the financial position of our model households and so many Western Australians living on low incomes.

This year, we have estimated the financial positions of our model households if some of our previous recommendations had been implemented (see Tables 21-32 below). The results are striking. They illustrate the significant impact a few structural shifts and targeted investment could have on the financial wellbeing of those doing it toughest. In some ways, this demonstrates the lost opportunity – the harm that has been caused by devastating cost increases could have been avoided. But they also underscore an imperative to act now, to protect Western Australians into the future. Inflation is already beginning to creep back up – we cannot afford to wait.

### 7.1. Raise the Rate

For many years now, the Sector has advocated for an increase to the rate of Jobseeker, Single Parenting Payment and other payments.<sup>30</sup> Our social security system should ensure every Australian has an adequate standard of living. Failure to do so causes severe harm to those struggling to survive on such a low rate and shifts public costs to the health, education and community service systems. The WA Government has a key role in advocating to the Federal Government for an income support system that adequately meets the cost of living and supports economic and social wellbeing.

The participants of the Living Realities project, all of whom are on low income, were unequivocal: they need more money – their income is simply not enough to pay for life's basics. They want an income that matches the cost of living, that doesn't need to be repaid, and that offers them compassion and dignity.

We support ACOSS' recommendation that working-age payments should be increased to the same level of the Age Pension plus pension supplement.<sup>31</sup> If this had been implemented, the model households that receive these payments would be in substantially improved financial positions – able to cover their basic costs, and build a small buffer to weather unexpected circumstances.

Table 21 | Single Parent Family's weekly difference if Single Parenting Payment increased to level of Age Pension plus Pension Supplement

Single Parent Family	2024/25	2024/25 if rate raised
Total weekly income	\$1,266.68	\$1,494.24

<sup>30</sup> WA Council of Social Service, [2024 Cost of Living Report](#) (2024).

<sup>31</sup> Australian Council of Social Service, [Raise the Rate for Good](#).

Total expenditure	\$1,356.74	\$1,356.74
<b>Difference</b>	<b>-\$90.06</b>	<b>\$137.51</b>

Table 22 | Unemployed Single's weekly difference if Jobseeker increased to level of Age Pension plus Pension Supplement

Unemployed Single	2024/25	2024/25 if rate raised
Total weekly income	\$460.88	\$634.30
Total expenditure	\$452.35	\$452.35
<b>Difference</b>	<b>\$8.53</b>	<b>\$181.95</b>

If income support payments been increased, the Single Parent Family would have finished each week with \$137.51 left over (rather than \$90.06 in deficit) while the Unemployed Single would have finished each week with \$181.95 remaining (instead of \$8.53).<sup>32</sup>

To understand what this might mean in reality, consider the circumstances of Clara and Lucas<sup>33</sup> from the Living Realities project.<sup>34</sup>

Clara is a single parent with one young child, living in a rental property, receiving the Single Parenting Payment. She is repaying debts, accrued by an ex-partner, and spends about half of her income in rent. Clara budgets strictly, *"I pretty much allocate every dollar I have"* but *"it just comes down to the income not matching day-to-day expenses... Generally, towards the end of a pay cycle before my next pay is when it gets a little bit stressy and hard because... I just... I'm out of money. And to be honest, I don't know if its food going up or if I've just miscalculated my budget. Or maybe my kid is having a growth spurt and they have eaten out half the house in a week, which does happen."* Clara describes what extra income would mean to her and her child, *"a couple of hundred would make a difference. I would not be struggling at the end of every fortnight with just a couple hundred extra dollars. You know, I could even potentially put \$50 away a fortnight for savings or to put towards things like swimming lessons for my kid. Literally just \$200 to \$300 could make a massive difference."*

Lucas receives Jobseeker and rents a sectioned off room at the back of someone's property. He pays slightly more than our modelled Unemployed Single. With extra income, Lucas says *"I would put more money towards food."* He would also like to find a rental property *"that's a home... [with] my own facilities like a bathroom and stuff like that, because I still have to use the toilet out the back [in the] shed. Yeah, just more of my own, more space for myself with my own things."*

<sup>32</sup> All assumption of cost and expenditure are intentionally conservative and likely underestimate the likely costs for these households.

<sup>33</sup> Not their real names.

<sup>34</sup> WA Council of Social Service and Murdoch University, Living Realities: Understanding Life on Low Income, [Part One](#) and [Part Two](#) (2025).

## 7.2. Rent Stabilisation

Ultimately, the biggest single factor driving the rising cost of living for our model families and for the broader community is rapid and relentless growth in the cost of housing. Since 2020, Perth rents have increased by more than 90 per cent.<sup>35</sup> The average WA household is now paying almost \$20,000 more in rent per year than they were in 2021.<sup>36</sup> Rents across WA continue to outpace wage growth, putting increasing massive strain on low income renters.<sup>37</sup>

For every renting household, the increase in rent was the most significant expenditure increase. All renting households are in housing stress, most in severe housing stress<sup>38</sup> – requiring them to forgo other everyday essentials to ensure the rent is paid.

The percentage of income that our model households must spend on rent has increased dramatically since 2018/19, as shown in Table 23. Prior to this period, rental prices had remained relatively stable and comparatively affordable for years. The Single Parent and Two Parent Families are now paying an additional 10 per cent of their income in rent, while the Age Pensioner's rent to income ratio has increased by a whopping 18.6 per cent. Any gains in rental affordability in the aftermath of the mining boom have now been completely lost.<sup>39</sup>

Table 23 | Rent costs as percentage of weekly income for model households

	2024/25	2018/19
<b>Single Parent Family</b>	41.9%	28.1%
<b>Two Parent Family</b>	31.9%	20.9%
<b>Unemployed Single</b>	40.8%	32.8%
<b>Age Pensioners (Renters)</b>	55.5%	36.9%

Data provided by the Financial Wellbeing Collective indicates that the levels of housing stress experienced by Western Australians on low incomes are likely even more severe. Financial

<sup>35</sup> SGS Economics and Planning, [Rental Affordability Index 2025: Signs of stabilisation, but pressures remain high](#) (2025).

<sup>36</sup> Make Renting Fair WA, [If the Cap Fits](#) (2025).

<sup>37</sup> Ibid.

<sup>38</sup> Housing stress is housing cost-induced financial stress. Lower income households are considered to be in housing stress when they spend more than 30 per cent of their gross income on housing costs. AIHW, [Housing affordability](#) (2025).

<sup>39</sup> SGS Economics and Planning, [Rental Affordability Index 2025: Signs of stabilisation, but pressures remain high](#) (2025).

counselling clients receiving Jobseeker are paying on average 48.6 per cent of their income to rent. For employed clients, the average is 39.6 per cent.<sup>40</sup>

Perth is now the least affordable Australian capital city for renters and rental affordability in regional WA has dropped significantly, to its lowest point in over 10 years.<sup>41</sup> Analysis conducted by Anglicare found that zero per cent of listings in Perth are affordable for a single person on Jobseeker, 0.2 per cent are affordable for a couple on the Age Pension, between 0.2 and 1.2 per cent are affordable for low income families. If the WACOSS model households were evicted – a real possibility considering no-grounds evictions and the unaffordability of their homes – they are at considerable risk of homelessness.

The WA Government measures to date have not prevented the acceleration in housing stress caused by the outrageous rent increases of the past five years. It is imperative that we introduce safeguards now – to stabilise rent increases and allow wage growth to catch up, to give renters certainty on the future of their largest regular expenditure, and to prevent unreasonable rent climbs in the future.

In 2024, WACOSS recommended the introduction second-generation rent stabilisation measures that limit rental increases, for example to no more than All Groups CPI.<sup>42</sup> Recently released modelling by Make Renting Fair WA measures the impacts of potential rent stabilisation formulae on median rents across WA.<sup>43</sup> To conservatively illustrate the potential impact of a rent stabilisation measure on the WACOSS model households, we have calculated a 2024/25 increase in rent at Perth CPI as of the 2024 June quarter (3.8 per cent).

Table 24 | Single Parent Family’s weekly rent, impact of rent stabilisation

Single Parent Family	2024/25	2024/25 rent stabilised
<b>Weekly rent</b>	<b>\$531.25</b>	<b>\$498.50</b>
Weekly net position	-\$90.06	-\$57.31

Table 25 | Two Parent Family’s weekly rent, impact of rent stabilisation

Two Parent Family	2024/25	2024/25 if rent stabilised
<b>Weekly rent</b>	<b>\$564.19</b>	<b>\$545.92</b>
Weekly net position	-\$16.59	\$1.67

Table 26 | Unemployed Single’s weekly rent, impact of rent stabilisation rent,

Unemployed Single	2024/25	2024/25 if rent stabilised
<b>Weekly rent</b>	<b>\$311.25</b>	<b>\$298.50</b>
Weekly net position	-\$110.06	-\$77.31

Table 27 | Age Pensioner (RENTERS) weekly impact of rent stabilisation

Age Pensioner (Renters)	2024/25	2024/25 if rent stabilised
<b>Weekly rent</b>	<b>\$364.19</b>	<b>\$345.92</b>
Weekly net position	-\$16.59	\$1.67

<sup>40</sup> Data from the Financial Wellbeing Collective shared directly with WACOSS.

<sup>41</sup> Ibid.

<sup>42</sup> WA Council of Social Service, [2024 Cost of Living Report](#) (2024).

WA Council of Social Service, [Make WA Fair](#) (2024).

<sup>43</sup> Make Renting Fair WA, [If the Cap Fits](#) (2025).

<b>Weekly rent</b>	<b>\$188.06</b>	<b>\$181.97</b>	<b>Weekly rent</b>	<b>\$531.25</b>	<b>\$498.50</b>
Weekly net position	\$8.53	\$14.62	Weekly net position	-\$69.50	-\$36.75

While rent stabilisation cannot immediately reverse the extreme increases of the past few years, it is a critical step towards long-term affordability. Even with one year of stabilisation, at an elevated CPI (3.8 per cent), the model households would have been better off. Over time, limiting rent increases will allow wage growth to catch up and gradually ease the housing burden.

Rents continue to grow at elevated rates, despite the cost growth easing for some other essential expenditures. Without intervention, rents will continue to outpace wages, pushing families on low income closer to homelessness, making people sick and stymying development and productivity.

Federal reform is needed to balance the tax treatment of housing, which currently contributes to excess demand by encouraging speculative investment.<sup>44</sup> This drives up housing prices, excludes people from owning their own home<sup>45</sup> and does not add significantly to the supply of rental homes.<sup>46</sup> While this is a significant piece of the housing puzzle, the WA Government also carries a critical responsibility – not only to boost social and affordable housing supply but also to ensure fair protections for renters. Introducing rent stabilisation is a critical enabler of the WA Government’s goal to make sure everybody has a home. It would help to bring balance to WA’s rental market, providing certainty and guardrails to prevent rent cost spirals in the future.

### 7.3. Home Energy Upgrades

Perth’s housing stock is notoriously old and thermally inefficient. Renters and families on low income are particularly likely to be living in poor quality and thermally inefficient homes.<sup>47</sup> These homes are damp, have mould and are too hot in summer and too cold in winter. This not only makes people sick but also drives up their energy bills.

Energy is essential for a basic standard of living. It lets us safely prepare food, have clean clothes for school and work, keep cool or warm, keep medication safe, have food on hand and more. Yet, more West Australians are struggling to afford it. Total electricity bill debt has increased 129 per cent since 2019, while total gas bill debt has increased 620 per cent over the same period.<sup>48</sup>

<sup>44</sup> Australia Institute, [Financial regulatory framework and home ownership](#) (2024).

<sup>45</sup> Ibid.

<sup>46</sup> ABS, [Lending indicators – September Quarter 2025](#) (2025).

<sup>47</sup> Bankwest Curtin Economic Centre, [Child Poverty in Australia 2024: The lifelong impacts of financial deprivation and poor-quality housing on child development](#) (2024).

Make Renting Fair, [Out with the Mould: Setting the Standards for WA Rental Homes](#) (2024).

Clients in the Energy Ahead program in Perth (for households experiencing energy stress) are primarily renters, mostly on low income and receive income support payments, and over half are families with children. 69 per cent of the homes are more than 20 years old, and high energy consumption is usually attributed to space heating and cooling and having old or poor-quality appliances. Data provided directly to WACOSS from the Financial Wellbeing Collective.

<sup>48</sup> Economic Regulation Authority, [2025 electricity and gas data: Debt and disconnections](#) (2025).

When energy is unaffordable, low-income households face impossible choices, often sacrificing food, groceries or heating and cooling, or risk debt and disconnection.

West Australian and Federal Governments have invested significantly in household electricity credits. This has provided welcome relief for households on low income, however the benefits are not sustained. Improving the energy efficiency of rental homes would substantially and sustainably reduce household energy bills. It would also make rental homes safer and healthier. This is likely to reduce burden on the healthcare system, government funded hardship supports and the emergency relief sector.

Renters, particularly those on low income, do not have the resources, or power, to improve the energy efficiency of their homes. Property owners, on the other hand, do have the ability to conduct energy upgrades, but have little incentive to do so.

In previous years, we have recommended implementing Minimum Rental Standards, including healthy home standards.<sup>49</sup> In addition to bare minimum safety, security and privacy standards, this should include thermal comfort and energy efficiency standards so that homes are comfortable, healthy and cost-effective to live in. Standards would need to be climate appropriate and likely cover the following:

- Insulation
- Heating and cooling
- Minimum energy efficiency for heating and cooling appliances
- Over time, replace gas appliances with efficient electric appliances

In 2025, the Institute for Energy Economics and Financial Analysis (IEEFA) conducted modelling demonstrating the bill savings accrued through a range of energy efficiency measures in capital cities across Australia.<sup>50</sup> IEEFA generously shared their Perth-based calculations with WACOSS.

The implementation of Minimum Rental Standards, including healthy home standards, will take time. We acknowledge that even if the WA Government had introduced these standards earlier, full compliance would not have been achieved before the 2024/25 financial year. To illustrate the potential cumulative benefits of home energy upgrades enabled by Minimum Rental Standards, we have applied IEEFA's calculations onto the 2024/25 energy bills for WACOSS' renting model households.<sup>51</sup> The modelling in Tables 28-31 below extends to the installation of solar panels, which would require specific Government policy in addition to Minimum Rental Standards to achieve widely on rental properties. While the addition of solar panels maximises the benefit, the below demonstrates that the model households would derive significant benefit from thermal and appliance upgrades. It is also important to note that improving the thermal safety and

<sup>49</sup> WA Council of Social Service, [A Brighter Future – Stronger communities across a vast state: State Budget Submission 2024-2025](#) (2023).

WA Council of Social Service, [It's Time to Build Community – State Budget Submission 2025-2026](#) (2024).  
Make Renting Fair, [Out with the Mould: Setting the Standards for WA Rental Homes](#) (2024).

<sup>50</sup> Modelling provided directly to WACOSS, based on IEEFA modelling as reported in: [A focus on homes, not power plants, could halve energy bills](#). Further technical assumptions are set out in the [Technical Appendix](#).

<sup>51</sup> It is important to note that this bill analysis includes the \$700 household electricity credit provided to household from the WA and Federal Governments.

energy efficiency of homes may also reduce other essential costs such as medical care and food costs. This is not included in the calculations below.

Table 28 | Single Parent Family weekly energy bill, cumulative impact of energy upgrades.

Single Parent Family	2024/25 base modelling <sup>52</sup>	4-star thermal upgrades <sup>53</sup>	Add efficient, electric appliances <sup>54</sup>	Add rooftop solar <sup>55</sup>
<b>Weekly energy bill (gas and electricity)</b>	<b>\$20.00</b>	<b>\$13.62</b>	<b>\$6.08</b>	<b>\$0</b>
Weekly difference between income and expenditure	-\$90.06	-\$83.68	-\$76.14	-\$70.06

If the thermal shell of the Single Parent Family's rental home had been upgraded and their appliances switched out for efficient electric ones, their energy bills would have been 70 per cent lower. Add in rooftop solar and **this family would not have had to worry about energy bills all year**. In fact, they would have approximately \$640 of the household electricity credit left over which would cover their energy bills for 2025/26 and beyond.

Table 29 | Two Parent Family weekly energy bill, cumulative impact of energy upgrades.

Two Parent Family	2024/25 base modelling	4-star thermal upgrades	Add efficient, electric appliances	Add rooftop solar
<b>Weekly energy bill (gas and electricity)</b>	<b>\$41.52</b>	<b>\$35.84</b>	<b>\$26.73</b>	<b>\$5.56</b>
Weekly difference between income and expenditure	-\$16.59	-\$10.91	-\$1.80	\$19.37

The cumulative impact of home energy upgrades for the Two Parent Family is significant. The Two Parent Family has higher energy costs than the Single Parent Family. This is in part due to a larger family size, but more significantly because, unlike the Single Parent Family, the Two Parent

<sup>52</sup> WACOSS model household energy consumption is based on average electricity consumption stated in WA Government Budget Paper 3, and average gas consumption published by Economic Regulation Authority. The average NatHERS star rating for an established house in Perth is 2.4.

<sup>53</sup> Based on the NatHERS energy efficiency rating scheme. This includes upgrades to the thermal shell of the home to improve efficiency. Actions to achieve a 4-star rating may include installing ceiling insulation, draft proofing and window coverings. For more information about the impact of individual upgrades, see [here](#). By comparison, new homes must be a minimum 7-star energy efficiency rating on the NatHERS scale.

<sup>54</sup> Replace 1x gas room heater, 1x reverse cycle air conditioner (for cooling only), 1x gas continuous flow hot water system and 1x gas cooktop with 2x reverse cycle air conditioners (for heating and cooling), 1x heat pump hot water system and 1x induction cooktop.

<sup>55</sup> 8kW

Family is not entitled to the Dependent Child Rebate, or the Energy Assistance Payment. That said, **had the home energy upgrades plus solar been installed prior to 2024/25, this family would have had a weekly surplus rather than deficit.**

Table 30 | Unemployed Single weekly energy bill, cumulative impact of energy upgrades.

Unemployed Single	2024/25 base modelling	4-star thermal upgrades	Add efficient, electric appliances	Add rooftop solar
<b>Weekly energy bill (gas and electricity)</b>	<b>\$11.71</b>	<b>\$9.80</b>	<b>\$5.55</b>	<b>\$0</b>
Weekly difference between income and expenditure	\$8.53	\$10.43	\$14.69	\$20.23

With upgrades and solar, the Unemployed Single's energy bills would have been reduced to zero dollars. They would have just over \$14 of their share of the electricity credits left over. The participants of the Living Realities project emphasised the mental burden of budgeting, re-budgeting, managing bills and unexpected costs. **Removing the worry about energy costs would have significantly lightened this person's mental load and enabled them to live in a safe and healthy home.**

Table 31 | Age Pensioner (RENTERS) weekly energy bill, cumulative impact of energy upgrades.

Age Pensioner (Renters)	2024/25 base modelling	4-star thermal upgrades	Add efficient, electric appliances	Add rooftop solar
<b>Weekly energy bill (gas and electricity)</b>	<b>\$28.52</b>	<b>\$22.13</b>	<b>\$14.59</b>	<b>\$0</b>
Weekly difference between income and expenditure	-\$69.50	-\$63.12	-\$55.58	-\$40.99

**For the renting Age Pensioner Household, thermal and appliance upgrades would have halved their weekly energy costs for 2024/25.** Add in solar, and this couple would have had no energy costs and would have just shy of \$200 left over from the household electricity credit to carry into 2025/26.

#### 7.4. Cumulative Impact of Recommendations

We estimate that implementing previous WACOSS recommendations – raising income support payment rates, implementing home energy upgrades (excluding solar) and introducing rent stabilisation – would have significantly improved the financial position of the renting model households. These measures would have reduced housing and energy stress directly, and improved the households' ability to cover the daily costs of life.

Table 32 | Comparison of model households' net position now and if above recommendations implemented (excluding solar)

	2024/25 Net Position	2024/25 Net Position if above implemented
Single Parent Family	-\$90.06	\$184.18
Two Parent Family	-\$16.59	\$16.47
Unemployed Single	\$8.53	\$194.20
Age Pensioners (Renters)	-\$69.50	-\$22.83
Age Pensioners (Home Owners)	\$46.18	\$46.18

While these reforms alone would not solve every challenge – the Two Parent Family and Age Pensioner (Renters) households would still face financial strain – they demonstrate the meaningful improvements that targeted investment and reform can deliver. If the last five years have taught us anything, it is that we cannot afford to delay. The WA Government must act now to implement and advocate for these measures and commit to broader reforms that ensure every Western Australian can afford to live.

## 8. Recommendations

The finding that people on low income are struggling to get by is not new. Each year, the Cost of Living report demonstrates a continued failure of governments to adequately respond to the problem of poverty. The Living Realities and Financial Wellbeing Collective datasets support this conclusion. This has led to compounding financial stress and material deprivation. The runaway cost increases of the past five years have starkly demonstrated the fragility and flaws in our social and economic systems – that they are not adequately supporting our community, nor safeguarding from economic shocks. Now, families previously not in financial stress are unable to make ends meet and support services are stretched to breaking point.

**We need investment and systemic reform that is bold enough to meet the challenge that we are facing, rather than tinkering around the edges. We also need investment that immediately supports low-income households to cover the cost of essentials.**

**Recommendation 1: The WA Government advocate to the Federal Government for fairer and more effective Federal economic and social policy settings.**

- Increase the rate of Jobseeker, Youth Allowance and associated payments so that recipients can cover the costs of basics<sup>56</sup>
- Reform tax treatment of housing to curb tax breaks for investors<sup>57</sup>

**Recommendation 2: Create a WA Early Intervention Investment Fund and resource an early intervention analytics unit within Treasury.**

Investment in prevention and early intervention services drives better outcomes for families and community at lower costs, systematically reducing the growing costs of crisis and acute services over time.

**Recommendation 3: Improve access to affordable rentals for low income earners.**

- **Develop a State Rental Affordability Scheme** to prevent affordable housing stock decline when the National Rental Affordability Scheme expires in 2026
- **Replace no grounds evictions with a prescribed list of reasonable grounds** for eviction in the Residential Tenancies Act to create a more equitable rental system and reduce homelessness

<sup>56</sup> Australian Council of Social Service, [Raise the Rate for Good](#).

<sup>57</sup> Australian Council of Social Service, [Homes for living, not wealth creation](#) (2025).

- **Implement second-generation rent stabilisation** measures to protect renters from unsustainable and unreasonably rent increases

### **Recommendation 3: Invest in the WA Rent Relief Program for a further two years.**

Rent relief is a practical and compassionate measure that keeps people housed and communities stable. While this program has recently been extended for six months, we need additional investment and a longer time frame. Failing to extend this program adequately put thousands of families at risk.

### **Recommendation 4: Reform Social Housing Limits.**

WA's current social housing income eligibility limits are the lowest in the country and create a punitive system where tenants are disadvantaged by pursuing employment. The gap between subsidised social housing rents and the high cost of private rentals leaves no viable pathway into the private market.

### **Recommendation 6: Implement Minimum Rental Standards that cover safety, privacy and security as well as a healthy home standard.**

Minimum Rental Standards, including a healthy home standard that covered thermal safety and energy efficiency, would significantly reduce essential costs for low income renters.

Recognising that property investors receive generous tax concessions, we acknowledge that some landlords may require financial assistance to meet a healthy home standard. This may include no- or low- interest loans and direct grants, and should be targeted to those who need it. Financial support should be conditional on an agreement by the landlord to limit rent increases.

Successful implementation of Minimum Rental Standards will also require education and enforcement.

### **Recommendation 7: Increase investment in direct cost of living relief through financial counsellors and emergency relief services.**

Financial counsellors and emergency relief providers offer lifesaving support to Western Australians struggling to make ends meet, yet current investment does not reflect the scale of need.

### **Recommendation 8: Extend car registration concessions to those on low incomes, including all Centrelink Health Care Card holders.**

Families across WA are struggling to cover the cost of running a car. Without a car, many families in areas with limited public transport are unable to easily buy food at the shops, drop their kids to school, or go to work. For some cohorts, WA's current scheme provides substantial discounts on driver's licenses, car registration, and WA Photo Cards. Eligibility to this scheme is currently limited and is not available to most people living on low income.

**Recommendation 9: Review the Patient Assisted Travel Scheme.**

To better meet user needs and improve program effectiveness. The Patient Assisted Travel Scheme (PATS) was established to help regional residents with health travel costs. However, the level of support offered has not kept pace with the rising costs. In its current form the scheme is burdensome, inefficient and not meeting user need.

**Recommendation 10: Implement a disconnection exemption during extreme heat and stop accrual of customer debt during these periods for remote community residents who receive electricity through pre-payment meters.**

Pre-payment meter customers in WA remote communities are, on average, disconnection from electricity 30 times every year.<sup>58</sup> Disconnections spike during periods of high heat because people are trying to keep cool – but simply cannot afford the electricity costs. This puts residents at significant risk of heat related injuries and illness. See Original Power, [The Right to Power](#) report for more information. While WACOSS' Cost of Living modelling does not demonstrate the financial position for remote Aboriginal families, it's critical to target appropriate supports to these communities who are often disproportionately affected by disadvantage and marginalisation.

**Recommendation 11: Increase funding for the Hardship Utility Grant Scheme – increase grant limits and allow grants to cover all outstanding debts and remove barriers to equivalent support for customers using pre-payment meters and bottled gas.**

Currently, the average debt on application to HUGS is much higher than the grant amount. Additionally, pre-payment meter and bottled gas customers are excluded from this support. Utility debt is growing, and is likely to sharply increase, it's time to expand this program to relieve pressure on low income households.

<sup>58</sup> Original Power, [The Right to Power](#) (2025).

## Appendix A

### 9.1. Our Model Households

The key assumptions for our households' income and expenditure are described below.

	Single Parent Family	Two Parent Family	Unemployed Single	Age Pensioners
Household members	Single parent with two dependent children.	Two parents with two school aged children.	Single, unemployed female.	Couple, retired.
Age	34 years old, with two children aged 7 and 8.	Two adults aged 40 and 38 years, with two children aged 11 and 13.	44 years old.	Two adults aged 67 and 69 years.
Income source	Parent – works 25 hours a week for 39 weeks a year (average of 18.75 hours per week) at minimum wage + casual loading. Eligible for government payments.	One works full-time (minimum wage + 33%); the other casual (16 hours per week at minimum wage with casual loading). Eligible for government payments.	JobSeeker Payment.	Age Pension and supplements.
Housing	Rents a unit (85% median unit rental).	Rents a house (85% median house rental).	Shares a house with two other adults (paying one third of 85% median house rental).	<i>Renters:</i> rent a unit (85% median unit rental). <i>Owners:</i> own a house with home and contents insurance.
Education	Both children attend a public primary school.	Both children attend a public primary school.	N/A	N/A
Transport	Owens a small car.	Own a small car and uses public transport for five round trips per week.	Public transport is only mode of transport (five round-trips per week).	<i>Renters:</i> Public transport is only mode of transport (five round-trips per week, half taken off peak). <i>Owners:</i> Own a small car.
Health	No private health insurance.	Has basic private health insurance.	No private health insurance.	Has basic private health insurance.

## 9.2. Determining Household Income

---

Income for all five model households across the **2024/25 financial year** has been estimated using:

- Services Australia Payment and Service Finder;<sup>59</sup>
- The Department of Social Services' *Guide to Social Security Law*;<sup>60</sup>
- Services Australia's *A Guide to Australian Government Payments*;<sup>61</sup>
- The Department of Energy, Mines, Industry Regulation and Safety's *Western Australian previous minimum wage rates 2019-2024*;<sup>62</sup> and
- The Australian Taxation Office's online tax calculator.<sup>63</sup>

## 9.3. Determining Household Expenditure

---

Household expenditure in the 2025 Cost-of-Living Report has been calculated using publicly available sources that, wherever possible, reflect the average price and usage of products and services by Perth residents. Where such figures are not available, we have modelled costs based on the Australian Bureau of Statistics' (ABS) *2015/16 Household Expenditure Survey*<sup>64</sup> with relevant CPI applied. Further detail on each of the essential costs in the household expenditure model is provided below:

- **Housing** — Expenditure is based on quarterly *Market Update* statistics of average house and unit rental prices advertised in the Perth metropolitan region published by the Real Estate Institute of Western Australia (REIWA).<sup>65</sup> The models assume that our households have been able to acquire rental accommodation at 85 per cent of the median market rate.
- **Utilities** — Our households' consumption of electricity, gas and water are based on State Government estimates of average usage.<sup>66</sup> Prices were obtained directly from the utility providers for Perth residential households.
- **Food and beverages** — Food and beverage costs are based on the second quintile figures published in the ABS *Household Expenditure Survey 2015/16* (with CPI applied) and vary by household size.
- **Transport** — Four of our households own and use a small car, travelling 12,000 km per year. The costs are based on the RAC WA annual *Car Running Costs* guide,<sup>67</sup> which includes a small

---

<sup>59</sup> Services Australia [Online Estimators](#) (2025).

<sup>60</sup> Department of Social Services [Guide to Social Security Law](#) (2025).

<sup>61</sup> Services Australia, [A guide to Australian Government Payments 20 March 2025 to 30 June 2025](#).

<sup>62</sup> Department of Energy, Mines, Industry Regulation and Safety, [Western Australia minimum wage rates 2019-2024](#) (2025).

<sup>63</sup> Australian Tax Office [Income Tax Estimator](#) (2025).

<sup>64</sup> ABS, Cat. 6530.0 - [Household Expenditure Survey, Australia: Summary of Results, 2015-16](#) (2017).

<sup>65</sup> REIWA, [The WA Market](#) (2025).

<sup>66</sup> Government of Western Australia, [Budget Paper No. 3, State Budget 2024/25](#) (2024).

<sup>67</sup> RAC WA, [Car Running Costs Guide](#) (2025).

car loan. This is an appropriate assumption for a low-income household who would struggle to save for a car purchase. The car with the lowest running costs was used.

- **Other household and living costs** — Other essential household costs, such as education, communication, and household services have been calculated based on the ABS *Household Expenditure Survey 2015/16* with CPI applied.

