

Study finds 90% of Australian teachers can't afford to live where they teach

May 19 2023, by Ben Knight



Credit: AI-generated image (disclaimer)

The teaching profession is already struggling with shortages and a lack of new candidates in a situation widely regarded as a crisis. Now, research warns that teachers are being priced out of housing near their schools, with many areas even too expensive for educators at the top of the pay scale.



The study, published recently in *The Australian Educational Researcher* analyzed quarterly house sales and rental reports in New South Wales (NSW) and found more than 90% of teaching positions across the state—around 50,000 full-time roles—are located in Local Government Areas (LGAs) where housing is unaffordable on a <u>teacher</u>'s salary.

The situation is particularly dire for new teachers. There are 675 schools—nearly 23,000 full-time teaching positions—where the median rent for a one-bedroom place is unaffordable on a graduate teacher's salary.

Housing is considered unaffordable if a person spends more than 30% of their income on housing costs—sometimes called being in housing stress. Those in housing stress may not have enough money remaining to cover the cost of food, clothing, and other essentials.

But affordability isn't just an issue for early career teachers. For experienced educators at the top of the pay scale, 70 schools—about 2,000 <u>full-time</u> roles—are in an LGA where a single-bedroom dwelling is also unaffordable.

"The study shows the last time a first-year teacher salary could comfortably afford the rent for a one-bedroom dwelling was around a decade ago," says Professor Scott Eacott, the author of the study and Deputy Director of the Gonski Institute for Education at UNSW Arts, Design & Architecture.

"Fundamentally, there's been an increasing gap between salary and the costs of housing that the standard pay rise isn't covering, and it's pushing teachers further away from their workplaces or out of the profession entirely.

"The issue is not just limited to teachers, but all essential workers who



are increasingly finding it difficult to find affordable places to live within a reasonable distance of their workplace."

Home ownership is also out of reach for teachers on a single income, with median prices in some areas more than ten times the average teacher salary. Sydney is particularly cost-prohibitive, with the most unaffordable LGAs for teachers being Bayside, Canada Bay, Sydney, and Waverley.

"We'll find it hard to attract <u>new teachers</u> when even a modest onebedroom apartment is unaffordable," Prof. Eacott says. "But also, we'll lose many experienced teachers simply because they can't afford to live close to where they work."

A profession in crisis

Prof. Eacott says housing affordability has been somewhat overlooked in the teacher shortage crisis because of other important issues like increasing workloads, poor working conditions, and stagnant pay.

"The teacher shortage is complex, and there are many factors why we lose teachers, especially in the first five years," Prof. Eacott says. "But housing affordability is one of those understated reasons why, and not doing anything to address it will only amplify the problem."

Prof. Eacott says the extraordinary price of housing means teachers have to choose between spending a significant amount of their salary to live in reasonable proximity to their school or endure a long and grinding daily commute.

"Commutes of more than an hour would not be uncommon, which is a lot of productive time lost for teachers, not to mention all the hidden costs of tolls and parking. We're going to look at it more in future



research," Prof. Eacott says.

Some projections indicate that NSW will need 13,000 more teachers in the next decade to meet student demand. While much of the projected growth is in areas not historically considered hard-to-staff, Prof. Eacott says that is likely to change if teachers aren't able to live locally.

"The school system is struggling to find enough teachers as it is," Prof. Eacott says. "If teachers can't afford to live near or within reasonable commuting distance of their schools, we can only expect those shortfalls to continue to grow."

Creating housing pathways for teachers

Prof. Eacott says part of the challenge is that no single government department or the private sector is ultimately responsible for housing essential workers. While more investment from superannuation funds in essential worker housing developments is welcome, it won't be enough to address the issue at scale.

"The simple answer is we do need to be paying teachers more. But that may not necessarily solve supply problems," Prof. Eacott says. "For example, it is just incredibly difficult right now for teachers to find a place to rent given record low vacancy rates.

"It's also important that we're not confining teachers to just teacher apartments, but creating pathways to home ownership."

Prof. Eacott says salary loading for teachers working in severely unaffordable LGAs would be one potential policy solution that could be implemented in the short term to help alleviate the cost of housing.

"An allowance for those teaching in LGAs where housing is out of reach



would be a targeted and tailored first intervention," Prof. Eacott says.
"The issue is, it may end up being the entire eastern seaboard, which, at that point, is just a salary rise."

Long-term, Prof. Eacott says teachers and other essential workers should be considered more in infrastructure planning when developing future cities.

"We rely so much on our <u>teachers</u>, so it's only fair we take steps towards providing them and other essential workers with affordable and secure <u>housing</u> options," Prof. Eacott says.

More information: Scott Eacott, The systemic implications of housing affordability for the teacher shortage: the case of New South Wales, Australia, *The Australian Educational Researcher* (2023). DOI: 10.1007/s13384-023-00621-z

Provided by University of New South Wales

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