



Brutal Reality

The Human Cost of Australia's Housing Crisis



Housing solutions
for all Australians

July 2023

About

Everybody's Home

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



This report

This report is based on surveys of Everybody's Home individual campaign supporters and partner organisations.

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This and previous reports are available at www.everybodyshome.com.au.

Acknowledgement of Country

We acknowledge Aboriginal and Torres Strait Islander peoples as the Traditional Owners of Country throughout Australia and their continuing connection to both their land and seas. We also pay our respects to Elders – past and present – and generations of Aboriginal and Torres Strait Islander peoples now and into the future.

Contents

Introduction.....	4
Methodology.....	5
Survey results.....	6
Part I: Community survey results	7
Rates of housing stress are high.....	7
Widespread concern about the housing crisis.....	8
Part II: Organisational survey results.....	9
Services are struggling to keep up	9
Key themes and recommendations	12
Homes for all	13
Recommended action: Homes for all – ending the social housing shortfall	14
A better deal for renters	15
Recommended action: A better deal for renters	16
Supporting homes, not investments.....	16
Recommended action: Supporting homes, not investments	17
Decent incomes, decent homes	17
Recommended action: Decent incomes, decent homes	18
Conclusion	19
Appendix I: Community survey questionnaire.....	20
Appendix II: Organisational survey questionnaire	22
Appendix III: Organisational participants	24

Introduction

Across Australia, concern about the housing crisis has never been greater. Asking rents have been rising steadily for decades, and have surged to extreme levels over recent years. More households are in housing stress, and severe housing stress, than at any other time in our history. And the shortfall in social housing has peaked at record-highs as waiting lists stretch longer than anyone thought possible.

Amidst these statistics are the experiences of people. More and more are missing out on the dream of a home, including renters who have been forgotten and ignored in debates about housing for years. They now face a housing market that has never been less affordable or more volatile as they are forced to spend record amounts to keep a roof over their heads.

With soaring costs and low vacancy rates, many have turned to desperate measures to keep up with rents. Others are forced to live for years and even decades in sharehomes, or find themselves couch-surfing with friends and family because they can't find a home. As they come under sustained pressure and as more people prepare to live in these conditions for life, it is unsurprising some are fuelling a backlash and demands for action.

This survey has been conducted in response to these conditions. To better understand the impact of Australia's overheated housing system on people's lives, Everybody's Home has asked people about their own experiences. We asked about people's own experiences of hardship and housing stress, the aspects of the housing crisis that most concern them, and the impacts they feel in their own lives. We also asked the organisations that work on the frontline of this crisis how their work is changing and their fears for the future.

In their responses, people who answered our survey offer a way forward on how housing in Australia could look. Overwhelmingly, they want their governments to step up. They want affordable and social housing for people who need it. They want renting to be treated and regulated as though it is a tenure that people will live in for life, because for many, it will be. And they want homes and the people who live in them to be prioritised over the interests of investors. Our hope is that the insights from this survey can be used to help realise that vision.

Methodology

This report explores the experiences of community members navigating Australia's housing system, and the organisations who support them. It was conducted in two parts.

The first part, the community survey, sought responses from individuals. The data collection for the community survey was conducted from 1 to 30 June 2023, with a total sample of 749 respondents. The survey was promoted among supporters of the Everybody's Home campaign, meaning respondents were drawn from a sample that is already concerned about housing and housing affordability. The breakdown of the number of participants by housing tenure type is outlined below in Table 1.

TABLE 1. Community survey respondents by housing tenure type

Housing tenure type	Participants	
	(#)	(%)
Living in a private rental property	338	45%
Living in a home with a mortgage	81	11%
Without a stable home	80	11%
Living in a home without a mortgage	75	10%
Living in public or community housing	56	7%
Living with parents or extended family members	52	7%
Living in temporary or emergency accommodation	35	5%
Living in a share-house	23	3%
Tenure not disclosed	9	1%
TOTAL	749	100%

The second survey, an organisational survey, was circulated among Everybody's Home organisational supporters. 95 individual responses were received from participating organisations, with different sections or service types within the same agencies permitted to respond. The services they provide range from financial counselling and emergency relief to homelessness services, covering every State and Territory. The breakdown of organisational survey respondents by survey type is outlined below in Table 2.

TABLE 2. Organisational survey respondents by service type

Service type	(%) Participants
Homelessness	66%
Domestic and family violence	36%
Social and community services	32%
Housing	25%
Health	15%
Advocacy and legal services	9%
Aged care	8%
Other	8%
Disability	7%
Employment and welfare	7%
Local government	0%

Note: Respondents can select multiple values

A list of the participating organisations, along with a copy of each questionnaire, are provided as appendices to this report.

Survey results

PART I: COMMUNITY SURVEY RESULTS

Rates of housing stress are high

For most people, housing needs to be no more than 30 percent of a household budget to avoid financial stress and difficult choices.^I This is an internationally accepted benchmark of housing stress based on many years of study into the impact of the cost of living and how it affects people. Based on this benchmark, respondents to the community survey were asked if they were spending more than 30 percent of their income on housing. The results show that the overwhelming majority of survey respondents (67 percent) were in housing stress (Table 3).

TABLE 3. Experiences of housing stress among community survey respondents

Spending more than 30% of income on housing	Participants	
	(#)	(%)
Yes	503	67%
No	246	33%
TOTAL	749	100%

The results become more dramatic when looking at rates of housing stress among respondents who are renters (Table 4). More than four in five renters are in rental stress (82 percent), compared to more than three in five across survey respondents at large (67 percent).

TABLE 4. Experiences of housing stress among community survey respondents renting and in sharehouses

Spending more than 30% of income on housing	Participants	
	(#)	(%)
Yes	295	82%
No	66	18%
TOTAL	361	100%

In considering the high rates of rental stress among our respondents, it is important to remember that rents have been rising at prodigious rates for low and middle earners. Over the past three years asking rents for units across the country have gone from \$365 per week in March 2020, before the onset of the COVID-19 pandemic, to \$500 in July 2023.^{II} That is an increase of 37 percent, greatly exceeding wage increases over the same period.

Rent increases have also far outstripped to modest increases to income support payments. Many survey respondents reported receiving some form of housing or income support (Table 5), yet increases to income support and working age payments have not stopped rates of housing stress from being exceptionally high among this cohort. Australians living on income support payments are more likely to find informal solutions to the housing crisis such as boarding houses, shared rentals, or couch-surfing arrangements to keep their costs down. In spite of this, four in five respondents on income support (81 percent) reported being in housing stress (Table 6).

TABLE 5. Receipt of housing or income support among community survey respondents

Housing or income support	(%) Participants
Receiving Commonwealth Rent Assistance	18%
Receiving another income support payment	18%
On the waitlist for public or community housing	12%
Living in public or community housing	7%

Note: Respondents can select multiple values

I Australian Housing and Urban Research Institute (2019) Understanding the 30:40 indicator of housing affordability stress.
II SQM Research (2023) Weekly Rents. Week ending 12 July 2023.

TABLE 6. Experiences of housing stress among community survey respondents on income support payments

Spending more than 30% of income on housing	Participants	
	(#)	(%)
Yes	155	81%
No	36	19%
TOTAL	191	100%

Note: Respondents include recipients of income support payments and Commonwealth Rent Assistance

Widespread concern about the housing crisis

With such high rates of housing stress among all tenure types in the survey, it is unsurprising that respondents are concerned about the housing crisis. When asked if they feel worried or anxious about the housing crisis, 98 percent of respondents answered yes (Table 7). Concern about the crisis is not just prevalent, it is ubiquitous. The drivers of this concern vary, but there are some commonalities across all tenure types (Table 8).

TABLE 7. Concern about the housing crisis among community survey respondents

Concern about the housing crisis	Participants	
	(#)	(%)
Yes	736	98%
No	13	2%
TOTAL	749	100%

TABLE 8. Reasons for concern about the housing crisis among community survey respondents

Reasons for concern about the housing crisis	(%) Participants
Uncertainty about the future	81%
Worry about financial security	75%
Worry about mental health and wellbeing	66%
Lack of access to suitable housing	65%
Worry about physical health and wellbeing	52%
Worry about the safety of your family or loved ones	37%
Worry about personal safety	36%
Loss of independence	35%
Disruption to employment	27%
Loss of livelihood	26%
Lack of access to community facilities and services	25%
Separation from loved ones	23%
Disruption to study or training	14%

Note: Respondents can select multiple values

Uncertainty about the future (81 percent) and worry about financial security (75 percent) were prevalent answers for both homeowners and renters, underlining the precarities facing highly-leveraged mortgage holders as well as renters at the mercy of increases. When asked to elaborate on these concerns, one mortgage-holder told us:

“I am a 55-year-old single mother of a pre-teen child. I work two jobs to pay the mortgage I have now after [my] divorce. My interest rates are about to increase and I am preparing to sell my house... It is terrifying.”

For renters, this uncertainty about the future permeated many of the survey responses. Often these responses related to another common concern among respondents, including worry about mental health and wellbeing (66 percent). One respondent asked:

“Will the landlord renew my lease? Will I be homeless with my three kids? Will my children have access to public transport? Will I be able to afford a rent increase?”

Another described her despair at being repeatedly forced to move, reflecting a common concern about lack of access to suitable housing shared by 65 percent of respondents:

“[I am] terrified I won’t be able to rent anymore if the prices keep going up. I’m in tears right now because I have to move due to the owner moving back in... I feel alone in all of this.”

This precarity was particularly distressing for older people, with several respondents expressing anxiety about navigating the rental market as they age out of the workforce:

“I am five years from retirement without my own home... If I lose my job or have to reduce hours or need to finish work due to my caring responsibilities, I will be in dire straits financially and will not be able to afford my current accommodation.”

“I am terrified of being forced to live on the streets as an older woman with disabilities... I’m on society’s scrap heap. I’ve spent the last 40 years caring for others, so who is going to care about me?”

“[I am] a single 50-year-old woman with nowhere to go and no one to turn to. My car is twenty years old so I can’t even count on it as a place to live.”

Some respondents to our survey were not in housing stress at all, and others had paid off their mortgage altogether. Yet even these respondents expressed deep concern about the housing crisis and its impact on others. Around one in three respondents (37 percent) expressed worry about the safety of family or loved ones. Elaborating on this, one respondent told us they were “concerned for my adult children,” while another said they were “concerned for others not myself.” Several had friends and family affected by the housing crisis, with survey responses showing a particular concern among older homeowners for their adult children:

“I worry for the future of my grandson who rarely goes to school, and I worry about my son’s mental health as he spends all his time obsessing about what he can do to help get his son to school when he cannot find housing.”

“I worry about the future of my children who [cannot] even get affordable rental at all.”

“I have friends struggling with housing. I worry about others suffering. I worry for my family.”

Finally, it is important to note that a large proportion of respondents reported that they did not have a secure home at all (11 percent, Table 1). These responses were some of the most harrowing to read, describing insecurity, isolation, and fear:

“I am homeless, I have no home... [I am] currently sleeping on a couch, couch hopping, no family can take me in, not enough money to keep my car on the road... What do I do?”

“[I feel] hopeless and helpless. Feeling anxiety, restless and lost.”

“I’m homeless and I’m so scared.”

PART II: ORGANISATIONAL SURVEY RESULTS

Services are struggling to keep up

For agencies seeking to support people in housing stress or at risk of homelessness, concern about the housing crisis is just as ubiquitous. When asked whether the housing crisis was having an impact on services and workloads, 95 percent of organisational survey respondents answered yes (Table 9). This is reinforced by data showing that one in three clients seeking help from homelessness services are turned away due to lack of resources, as well as multiple reports showing surging demand for emergency relief.^{III}

TABLE 9. Increased workload among organisational survey respondents

Increased workload due to the housing crisis	(%) Responses
Yes	95%
No	5%
TOTAL	100%

III Australian Institute of Health and Welfare (2022) Specialist homelessness services annual report 2021-22

When asked about the impacts of this growing workload, many organisations cited increased complexity in their work (89 percent, Table 10). Other common concerns include the inability to provide housing to those seeking help (79 percent) and growing waiting lists (73 percent). Written reflections highlight the extent to which these impacts interact with one another:

“We have to turn away many of the referrals we receive, and we cannot provide stable and affordable housing ideas for our young vulnerable cohort.”

The scale of the crisis promotes a sense of helplessness among staff, with more than two thirds of organisational respondents expressing concern about their inability to meet client needs (67 percent) and burnout among their staff (61 percent). Again, reflections show that these issues feed into one another:

“There is a sense of helplessness at times when people call needing a house and we have nothing to provide them.”

TABLE 10. Impacts of increased workload on organisational survey respondents

Impacts on the organisation	(%) Responses
Increased casework complexity	89%
Unable to provide long-term housing	79%
Increased waitlists / waiting times	73%
Unable to meet client needs	67%
Staff burnout or attrition	61%
Fewer resources per client	46%
Budgetary constraints	44%
Reduced staff capacity	43%
Reduced program capacity	40%
Less time taken with each client	31%

Volunteer burnout or attrition	9%
Other	12%
Declined to respond	6%

Note: Respondents can select multiple values

Organisations were asked how the housing crisis has affected their clients directly (Table 11). The most common concern was the risk of homelessness (67 percent), suggesting that many people are at serious risk of homelessness by the time they seek help from an agency. This places further pressure on organisations given the high stakes facing their clients:

“It is becoming extremely challenging to work with clients experiencing homelessness issues as the availability of accommodation is scarce and unaffordable.”

Other key concerns include the inability to pay for housing (56 percent) and mental health impacts (41 percent). Notably, one in three organisations expressed concern that clients might be forced to remain in unsafe home environments (33 percent). One respondent reported that:

“Clients are staying with the perpetrator due to not enough accommodation support available and don’t want to be homeless with children.”

This experience is borne out by research showing that each year, domestic violence and the lack of long-term social housing is leading to 7,690 women returning to violent partners. Another 9,120 women become homeless in the process of leaving these relationships.^{IV}

IV Equity Economics for Everybody’s Home (2021) Nowhere to Go: The benefits of providing long-term social housing to women that have experienced domestic and family violence.

TABLE 11. Impacts of the housing crisis on clients of organisational survey respondents

Impacts on clients	(%) Responses
Homelessness	67%
Inability to afford rent/mortgage	56%
Mental stress or ill-health	41%
Inability to leave an unsafe home environment	33%
Financial stress	28%
Inadequate or inappropriate dwelling conditions	24%
Eviction	15%
Forgoing meals, appointments or other essential services	10%
Difficulty parenting or caring	5%
Disconnection from family, community or important places	5%
Frequent relocation	3%
Challenges in goal setting and attainment	3%
Loss of income or employment	2%
Physical insecurity or ill-health	1%
Ending or interrupted education	1%
Other	5%
Declined to respond	9%

Note: Respondents can select three options

Finally, organisations were asked whether their own staff and volunteers were being affected by the housing crisis (Table 12). The response was overwhelming, with 94 percent of respondents answering yes. While this result sounds dramatic, it is unsurprising that community sector staff would be impacted by surging rents and rising rates. Many of these agencies are struggling to provide housing to their clients, making it almost impossible to contemplate providing housing to their staff.

TABLE 12. Impacts of the housing crisis on staff and volunteers of organisational survey respondents

Staff and volunteers affected by the housing crisis	(%) Responses
Yes	94%
No	3%
Declined to respond	3%
TOTAL	100%

In their reflecting on the staff impacts, several respondents described how their own experiences coupled with heavy workloads are contributing to burnout:

“Some staff are struggling to find their own housing while supporting clients. Some staff are overwhelmed because we are not a housing service but have several clients asking us for this support because waitlists are so long or there is no movement from the services that do support this.”

“Staff are themselves in rental properties and at the mercy of the market; the burnout and compassion fatigue impacts availability and quality of work. It is so hard to refer people to specialist homeless services knowing they won’t get the support they need in a timely manner as those services are so overwhelmed with demand and have insufficient levels of emergency and long term housing options.”

One respondent summarised the outlook of their service and its staff by noting that the state of the rental market is driving a sense of hopelessness:

“There is not a lot of hope out there. More and more people are being pushed into private rental which is a market that is becoming less able to accommodate people.”

Key themes and recommendations

HOMES FOR ALL

A significant number of respondents to the community survey are waiting for social housing (12 percent, Table 5). The stories of housing stress uncovered by the survey, coupled with the uncertainty of waiting for years and even decades for a secure home, highlight the scale of Australia's social housing shortfall and the impact it is having:

"I've been living with my 93-year-old mother for years. I'm on an age pension [and have] been on a housing list for twenty years. It's ridiculous."

"Access to public housing is my only option for secure housing."

"The rental market has become unaffordable and I have a ten year wait at aged 71 on the Disability Support Pension. I'm registered for housing in the area but not knowing where I will be living from month to month and thereafter so I'm feeling alone, afraid, and depressed."

For older people, the prospect of an indefinite wait can be taxing. A recent study of rental listings showed that 0 percent of rental listings posted online across Australia in March 2023 would be affordable for a person on the Age Pension, even including the maximum rate of Commonwealth Rent Assistance.^V Survey participants expressed a high degree of anxiety about ageing in the private rental market, particularly the prospect of evictions and arbitrary rent increases. Yet with waiting lists at record-highs, many have no choice.

In spite of the dire state of social housing, it is rarely positioned as a solution in mainstream commentary on housing. Instead generic housing supply has been positioned as the default answer to housing affordability, rather than social and affordable housing. It has become the favoured solution of the development industry, property commentators, and the real estate industry. Yet the reality is that Australia has an oversupply of dwellings compared to its needs and demographics.^{VI} Between 165,000 and 240,000 new dwellings were built across the country each year over the last decade.^{VII} Increasing supply in the private market has failed to make housing more affordable. Instead, wealthier households have simply become smaller and become more likely to own more than one home. Australia's undersupply is not in generic housing, but in social and affordable housing.

The Federal Government used to strongly invest in social housing for Australians in many demographics – older people, professionals such as teachers and public servants, as well as low- and middle-income earners. Yet over the last three decades, governments have withdrawn from this responsibility. Social housing stock has simply not kept pace with the growth in population,^{VIII} with demand now far outweighing supply. Housing has become less and less affordable over that same period. The data shows that Australia now has a shortfall of 640,000 social homes as of 2022,^{IX} the highest it has ever been.

In walking away from social housing, governments have assumed that the private rental market would provide enough affordable housing. That has been shown to be false. Analysis by the Australian Housing and Urban Research Institute shows that governments' move away from directly supplying housing to a reliance on 'demand-side assistance,' such as rent assistance, has led to a housing market that has never been less affordable. The shortage of affordable rentals for low-income households grew between 1996 and 2011, contradicting the theory that housing supply in the private market would 'trickle-down' and create affordable rentals over time.^X Australia now has more dwellings per adult than at any other time in our history,^{XI} and yet affordability is the lowest it has ever been.

^V Anglicare Australia (2023) Rental Affordability Snapshot. National Report 2023, Fourteenth Edition.

^{VI} Centre for Social Research and Methods (2017) Regional housing supply and demand in Australia. Australian National University.

^{VII} Australian Bureau of Statistics (2022) Building Activity, Australia.

^{VIII} Australian Institute of Health and Welfare (2018) Housing Assistance in Australia 2018.

^{IX} University of NSW (2022) Quantifying Australia's unmet housing need: A national snapshot.

^X Australian Housing and Urban Research Institute (2015) Supply shortages and affordability outcomes in the private rental sector: short and longer term trends.

^{XI} Australian Bureau of Statistics (2021) Census of Population and Housing. Compared with figures from 1991.

Building enough social and affordable homes to turn this around will cost money. Just to maintain the current share of social housing as a proportion of Australia's housing stock will require construction of 15,000 new social housing properties a year.^{XII} Our current rate of new net social housing construction is about 3,000 dwellings a year.^{XIII}

More and more Australians are coming to understand the relationship between the growing social housing shortfall and market-wide unaffordability. Polling conducted by Essential Research for the Everybody's Home campaign in 2018 found that 75 percent of Australians favour social housing as a solution to the housing crisis.^{XIV} Further polling conducted by The Australia Institute for Everybody's Home in 2023 found that 80 percent of Australians want the government to spend more on affordable housing, while 68 percent believe the government isn't doing enough to tackle the housing crisis.^{XV} These sentiments were echoed by responses to our survey, including by those who are not on the waiting list:

"I worry about others in my community who are in even more insecure arrangements than myself, and the impacts of the housing crisis on them. I think about the lack of government action, how much effort and money it will take to make up for lost ground when it comes to building public and community housing."

In spite of the appetite for action, there is no plan to end the shortfall and expand social housing. The Government's Housing Australia Future Fund, currently before the Senate, would create 'off-budget' funding for 30,000 social housing dwellings over the first five years. Everybody's Home supports this fund as a welcome first step, but it will not come close to meeting the social housing shortfall. Taking on the shortfall will require building 25,000 social homes each year for two decades.

It is not possible to end Australia's housing crisis off-budget. It will require a capital investment, and a plan to sustainably fund and maintain social housing. Without action, many Australians, including those who responded to our survey, will continue to be left to the mercy of the private rental market as they endure severe rental stress and insecurity.

If the Federal Government does create a serious program to end the shortfall and expand social housing, it will leave a legacy of tackling the housing crisis and transforming hundreds of thousands of lives. When survey respondents on the waiting list were asked what it would mean to them to finally have a secure home, their answers were evocative:

"Everything. Literally everything. Stability, security and safety for my kids. Studying and [going] back to work."

"Financial stress relief if I could be stable [enough] to go back to study. We are currently without a home."

"I imagine there's nothing better than knowing you have a home where you belong."

If it takes action, the Federal Government has an opportunity to help these Australians realise their vision of home.

Recommended action: Homes for all – ending the social housing shortfall

Everybody's Home calls on the Federal Government to begin a program to end Australia's social housing shortfall by funding and building 25,000 homes each year.

XII Op cit: Australian Institute of Health and Welfare.

XIII Ibid.

XIV Essential Research (2018) The Essential Report: Homelessness questions – 31 July 2018.

XV The Australia Institute (2023) Polling: Affordable housing.

A BETTER DEAL FOR RENTERS

In recent decades, renting has gone from being a largely temporary form of housing to a more permanent one. Record numbers of Australians will now rent for life, and that number is growing. In spite of these changes, laws and regulations across the country continue to treat renting as temporary, failing to reflect the fact that many people will now spend their entire working lives and their retirement in the private rental market. Renting was the most common tenure type among survey respondents (45 percent, Table 1), and many expressed a high degree of anxiety about the precarity of renting:

“Renting has provided no long-term security, I never feel like I’m at home because landlords and state law treat me as a guest on their property.”

“I want stability but all I’ve had is price rises and abusive landlords that break the law with no repercussions. There is zero clarity for where I’ll live in twelve months let alone past that.”

Most respondents to the community survey said they were concerned about uncertainty about the future (81 percent, Table 8), and some respondents to the organisational survey were concerned about their clients being evicted (15 percent, Table 11). The fear of eviction not only drives insecurity among renters about their future, but also makes it more difficult for tenants to ask for repairs or create accountability for rental protections that do exist:

“I worry about whether I should request for non-urgent repairs as I am concerned there could be unethical retaliation through increasing our rent higher or worse finding reason to evict. I worry about not having these repairs done as they will impact on the liveability of my home. If I do need to move, I’m worried about not being able to find somewhere else nearby that I can afford, and having to move away which will strain or sever my access to education, work and community.”

The constant churn of short-term leases, the widespread legality of no-cause evictions across the country, and the scarcity of affordable homes have combined to create fierce competition for rentals. This is forcing people into properties that don’t meet basic standards. It also leaves them vulnerable to unscrupulous behaviour by landlords. As more Australians are set to become lifelong renters, it is important to ensure protections so that everyone can obtain and maintain tenancies in the private rental market. Setting the balance in the market is critical to building a system that is stable, and affordable. Renters should be entitled to stronger protections, more security, and more choice.

Depending on which State or Territory they live in, renters are afforded very different levels and types of protections. In some states, renters can be evicted for no reason at all, are disempowered in disputes with landlords, and vulnerable to poor housing conditions that make people sick or send energy bills sky-high. People cannot create a home if they can be evicted with little notice and no-cause, if they can’t ask for repairs, and if they don’t have the flexibility to deal with changing life circumstances. They are also unlikely to be able to retrofit their homes and age in place as they get older. Even small changes are difficult to plan for if tenants are constantly worrying about the possibility of a rent increase.

There are almost no limits on rent increases in most parts of the country, making it difficult for people to plan for their future or maintain an affordable tenancy. Given the high number of renters in this survey who are already in rental stress (82 percent, Table 5), it is unsurprising that the fear of rent increases was a clear theme among survey respondents. Many expressed anxiety about the spiralling cost of renting and the uncertainty it brings:

“I’m constantly thinking about how much my landlord will decide to increase my rent. If he decides to increase that rate, I won’t be able to afford the home, so I don’t know what I’ll do. Given how little rentals are available, this thought plagues me.”

“Huge rent rises are unfair. Many [landlords] don’t maintain properties in good order, judging by the rentals I lived in.”

“I will not be able to afford any increases as all basic living expenses are also becoming unaffordable.”

There have been reforms in Victoria and the ACT, restricting no-cause evictions, limiting the regularity of rental increases, and requiring rental properties to meet minimum standards. Yet even in the ACT, which has touted its limits on rent increases, reforms have been modest. Rent increases in the ACT are limited to 10 percent above CPI, although landlords can still increase rents beyond this if they enter into a new lease.^{XVI} Queensland has also embarked on reform of its residential tenancies legislation and has restricted the frequency of rent increases. These are welcome first steps, although their effectiveness may be limited by their reliance on tenants to enforce the rules by taking their landlords to a tribunal.

Protections and limits to rent increases should be enacted across Australia to protect the rights of renters, by ending no-cause evictions and restricting unjustified or punitive rent increases. These protections should be actively enforced and lease conditions should be actively monitored, rather than putting the onus on tenants to take action against their landlord. At the time of this report's publication, Federal, State, and Territory housing ministers are preparing to meet to discuss protections for renters. This offers the Federal Government an opportunity to drive and lead a process of reform.

Finally, these protections must also include minimum rental standards to ensure that every renter is guaranteed a healthy home. Renters should be guaranteed a minimum standard of liveability that prevents them from overspending on energy, and prompt action on essential repairs. Australians deserve not just accessible and affordable homes, but healthy homes too.

Recommended action: A better deal for renters

Everybody's Home calls on the Federal Government to coordinate a process of rental reform. As part of this process, each State and Territory should be asked to commit to four principles:

- Limits to unfair rent increases;
- An end to no-cause evictions;
- Minimum standards for rental homes; and
- Independent enforcement of rental rules and regulations.

SUPPORTING HOMES, NOT INVESTMENTS

*Housing is now a
privilege for fewer
and fewer people.*

This description of the state of housing in Australia, offered by one community survey respondent, should prompt reflection on the inequality driven by Australia's housing system. Housing costs have been rising much faster than incomes for decades. This has been fuelled by the commodification of housing, which in turn has been shaped by tax concessions that encourage speculative investment and disadvantage first homebuyers. In addition to driving up rents and house prices, these tax concessions cost billions each year, resources that would be much better spent directly delivering more affordable rental housing.

Among respondents to the community survey, there was anger about these arrangements in qualitative responses. Many respondents highlighted the unfairness of the arrangements, especially for young people who are inheriting a broken system:

"I get really angry. This housing crisis has been engineered by politicians with investment properties and politicians scared to upset investors... The current Federal Government has the biggest policy levers and they fail to act."

"Housing is a way to get rich with huge incentives paid by the taxpayer, negative gearing, capital gains discounts."

"The gap between rich and poor is widening and there are no plans to guarantee young people to have the security of somewhere to live."

XVI ACT Civil and Administrative Tribunal (2023) [Rent increases](#).

The role of these arrangements in inflating housing costs, coupled with their cost to the budget, drive much of this anger. In 2022-23, the Australian Government effectively gave away just under \$130 billion in various tax concessions. This included \$40 billion on capital gains tax concessions.^{XVII} Nearly 60 percent of the benefit of those concessions went to the top 20 percent of income earners, while only three percent went to the bottom 20 percent. Data from the Parliamentary Budget Office suggests that tax concessions claimed by landlords was around \$10 billion in 2019-20.^{XVIII} As a result of these concessions which incentivise investment and underwrite the losses of landlords, the rental market is now geared towards encouraging private investors being able to make profit, rather than towards providing secure and affordable homes to Australians.

It is now well-known that these tax and policy settings have driven up rents and locked a generation of Australians out of home ownership. What is less well understood is that this has meant that federal spending on housing is largely directed at measures that make affordability worse, not better. At the same time, many billions of dollars in revenue have been starved from directly supplying social and affordable housing. A government that is serious about housing affordability would end this nonsensical approach.

Everybody's Home calls for a phasing in a regime of tax reform. As part of these reforms, the capital gains tax discount would be incrementally reduced over the next ten years. This incremental approach would guard against concerns about the impact of the reform on housing markets. Negative gearing should also be limited, or used to target investment in social and affordable housing. The current negative gearing arrangements should be phased out over the coming decade.

These tax reforms should be accompanied by a reset of the policy settings which provide inequitable benefits to those with existing wealth and assets. There are several options for review and reform which could raise revenue and promote equality. For example incentives to downsize, introduced in the 2017 Federal Budget, could be abolished. In practice these simply deliver a tax break for high income earners with high marginal tax rates earning income from property sales.

The revenue savings from these changes should be invested in measures that directly improve rental affordability. Phasing out negative gearing and capital gains tax exemptions would provide significant and immediate funds for homes for people on low incomes who are struggling to survive in the private rental market or are homeless. It would also reduce house price inflation, encourage investment in new builds to add to the affordable housing supply, and reduce price pressure in the rental market.

Recommended action: Supporting homes, not investments

Everybody's Home calls on the Federal Government to incrementally reduce the capital gains tax discount over the next ten years, and limit negative gearing concessions to target new homes or social housing over the same period. This incremental approach will prevent sudden shocks to the housing market, while promoting affordability over time.

DECENT INCOMES, DECENT HOMES

Many survey respondents reported receiving some form of housing or income support (Table 5), with a total of 191 respondents relying on income support (25 percent of respondents). Yet increases to income support and working age payments have not stopped rates of housing stress from being exceptionally high among this cohort. Four in five respondents on income support (81 percent, Table 6) reported being in housing stress.

Poverty and housing are inextricably linked because housing is the largest fixed cost for most Australian households. As we face a housing market that has never been less affordable or more volatile, Australians are spending record amounts on housing, impacting financial security and driving hardship across the nation.

XVII See Parliamentary Budget Office analysis; as cited in Anglicare Australia (2023) [A Costly Choice: Tax cuts, concessions, and widening inequality](#).

XVIII Ibid.

Over one million Australians currently live on JobSeeker or Youth Allowance.^{xix} This does not include other working age payments, such as the Parenting Payment or the Disability Support Pension. Many are likely to be renting, yet modest increases to the rates of these haven't made a dent in affordability. The weekly rate of JobSeeker is barely above half of the Henderson poverty line.^{xx} With so many Australians living on income support, the pace and size of rent increases are far outstripping these payments and pushing more Australians into poverty and housing stress.

In the decades since the JobSeeker payment was developed, then called Newstart, rents in capital cities have almost tripled.^{xxi} Income support payments and Commonwealth Rent Assistance are both linked to general CPI rather than to housing costs, and have failed to keep up. It's important to remember that essential living costs like food, education, health, transport, petrol, and electricity have also been rising since the early nineties, outstripping CPI.

Finally, it is clear that Commonwealth Rent Assistance payments are leaving behind the people who need them most. Only one in four people on working age payments, such as JobSeeker and the Disability Support Pension, are eligible for help.^{xxii} The payment is also poorly structured for people on low payments, such as Youth Allowance, and those who are sharehousing or in informal housing arrangements. The payment needs to be reformed to ensure it helps those who need it most.

It's time to end the poverty trap once and for all. The Government must raise the rate of payments above the poverty line and reform Commonwealth Rent Assistance. If it doesn't, renters on the lowest incomes will be pushed deeper into housing stress and homelessness.

Recommended action: Decent incomes, decent homes

Everybody's Home calls on the Federal Government to ensure renters on the lowest incomes can count on decent incomes, by:

- raising the rate of working age payments to the poverty line
- indexing Commonwealth Assistance Rent to rents, rather than CPI
- reform Commonwealth Rent Assistance so that it provides support to those who need it most.

XIX Australian Government (2023) JobSeeker Payment and Youth Allowance recipients: Monthly profile, May 2023. This includes 820,965 people on the JobSeeker payment and 229,665 on Youth Allowance.

XX Australian Council of Social Service and UNSW Sydney (2022) Poverty in Australia 2022: A snapshot.

XXI Op cit: SQM Research.

XXII Department of Social Services (2023) [DSS Demographics, March 2023](#).

Conclusion

This report was designed to hear the voices of people who are on the frontline of Australia's housing crisis, and to understand their experiences. Parts of this report may come as a surprise to some. Other parts will confirm what many of us already know. Housing stress is rife, driving uncertainty, precarity, anxiety and inequality. The help that is on offer to those who are struggling is dwarfed by the support and concessions provided to investors, as the cost of housing continues to spiral.

The survey responses have shed light on what it's like to live with this precarity day to day. People are forced to abandon their dreams of providing security and stability for themselves and their loved ones, to rent and even sharehouse well into their retirement years, and to live with a constant fear of price hikes or eviction. Even those who are the system's winners are filled with worry about what the future holds for the next generation.

Reimagining this system is a challenge, but as our survey shows, it is also an opportunity to rethink our approaches. It will mean taking steps that put people at the centre of housing, benefiting all of us and supporting the workers that our communities rely on the most. They also place the onus on Australia's Government to reclaim responsibility for ensuring its citizens can have a home.

We must redesign our approaches to place homes, not profits, at the centre of our policy response. We must reimagine how we support each other to ensure everyone gets the help they need, and demand that governments reorganise its systems to make this happen.

This is not a question of funding, because governments have shown that it has the wherewithal to spend billions on concessions that make the problem worse. It is a question of priorities, and what our collective dream for a better society looks like.

For Everybody's Home, it is a future where every Australian has a safe, decent, and affordable place to call home.

Appendix I: **Community survey questionnaire**

Optional demographic information provided by participants:

- ☐ Name
- ☐ Postcode

I am currently

Respondents given the option to select all that apply

Housing tenure options

- ☐ Living in a home with a mortgage
- ☐ Living in a home without a mortgage
- ☐ Living in a private rental property
- ☐ Living in a sharehouse
- ☐ Living in public or community housing
- ☐ Living in temporary or emergency accommodation
- ☐ Living with parents or extended family members
- ☐ Without a stable home

Income support options

- ☐ Living in public or community housing
- ☐ On the waitlist for public or community housing
- ☐ Receiving another income support payment
- ☐ Receiving Commonwealth Rent Assistance

Housing stress is defined as households paying more than 30% of their income on housing. Are you currently experiencing housing stress?

- ☐ Yes
- ☐ No

Do you feel worried or anxious about the housing crisis?

- ☐ Yes
- ☐ No

If yes, what are your primary reasons for feeling worried or anxious about the housing crisis?

Respondents given the option to select all that apply

- ☐ Disruption to employment
- ☐ Disruption to study or training
- ☐ Lack of access to community facilities and services
- ☐ Lack of access to suitable housing
- ☐ Loss of independence
- ☐ Loss of livelihood
- ☐ Separation from loved ones
- ☐ Uncertainty about the future
- ☐ Worry about financial security
- ☐ Worry about mental health and wellbeing
- ☐ Worry about personal safety
- ☐ Worry about physical health and wellbeing
- ☐ Worry about the safety of your family or loved ones
- ☐ Other (option for an open field answer)

When you think about your worries about the housing crisis or your home, what do you think about?

Respondents given the option to provide an open field answer

If you felt safe and secure in your housing, what would change for you?

Respondents given the option to provide an open field answer

Options to provide permission to publish:

- ☐ I am happy for you to share my survey responses anonymously
- ☐ I am happy for you to share my survey responses with my first name and postcode only
- ☐ Please do not share my survey responses publicly

Appendix II: **Organisational survey questionnaire**

Name of your organisation

Respondents given the option to provide an open field answer

What sector/s does your organisation operate?

Respondents given the option to select all that apply

- ☐ Advocacy and legal services
- ☐ Aged care
- ☐ Disability
- ☐ Domestic and family violence
- ☐ Employment and welfare
- ☐ Health
- ☐ Homelessness
- ☐ Housing
- ☐ Local government
- ☐ Social and community services
- ☐ Other (option for an open field answer)

Over the last twelve months, does it feel like your organisation is busier or your workload has increased as a result of the housing crisis?

- ☐ Yes
- ☐ No

What does this change look like?

Respondents given the option to select all that apply

- ☐ Budgetary constraints
- ☐ Fewer resources per client
- ☐ Increased casework complexity
- ☐ Increased waitlists / waiting times
- ☐ Less time taken with each client
- ☐ Reduced program capacity
- ☐ Reduced staff capacity
- ☐ Staff burnout or attrition
- ☐ Unable to meet client needs
- ☐ Unable to provide long-term housing
- ☐ Volunteer burnout or attrition
- ☐ Other (option for an open field answer)

Do you believe your staff or volunteers are impacted by the housing crisis?

- ☐ Yes
- ☐ No
- ☐ If yes, tell us more about what impact this is having on your clients, staff or volunteers (option for an open field answer)

Based on your experience, what are the top three impacts of the housing crisis on your clients?

Respondents given the option to select three options

- ☐ Challenges in goal setting and attainment
- ☐ Difficulty parenting or caring
- ☐ Disconnection from family, community or important places
- ☐ Ending or interrupted education
- ☐ Eviction
- ☐ Financial stress
- ☐ Forgoing meals, appointments or other essential services
- ☐ Frequent relocation
- ☐ Homelessness
- ☐ Inability to afford rent/mortgage
- ☐ Inability to leave an unsafe home environment
- ☐ Inadequate or inappropriate dwelling conditions
- ☐ Loss of income or employment
- ☐ Mental stress or ill-health
- ☐ Physical insecurity or ill-health
- ☐ Other (option for an open field answer)

Is there anything else you'd like to share?

Respondents given the option to provide an open field answer

Appendix III: Organisational participants

- Anglicare Central Queensland
- BaptCare
- Bridge Housing
- Brigidine Asylum Seekers Project
- Centre for Non-Violence
- Cohealth
- Council of Single Mothers and their Children
- Dawn House
- GenWest
- Haven Home Safe
- HoMie
- IPC Health
- Justice Connect Women's Homelessness Prevention Project
- Latitude: Directions for Young People
- Launch housing
- Liverpool Men's Centre
- Macarthur Case Management Services
- Melbourne City Mission
- Northern Centre Against Sexual Assault
- Oasis
- Orange Door Brimbank Melton
- Project Respect
- Quamby Support Services
- Quantum Support Services
- Riverina WDVCS
- Sexual Assault Crisis Line
- South Port Community Housing Group
- South West Aboriginal Medical Service
- St Vincent de Paul Society
- Sunbury and Cobaw Community Health
- SYC Ltd
- Tableland Community Housing
- The Orange Door
- The Salvation Army
- VincentCare
- Whitelion Youth Agency
- Windermere Child and Family Services
- Youth Support + Advocacy Service (YSAS)



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