



youth affairs council
OF SOUTH AUSTRALIA

Submission to the Economics and Finance Committee Inquiry into South Australian Housing Availability

May 2023

Introduction

The Youth Affairs Council of South Australia (YACSA) aims to achieve meaningful improvements in the quality of young people's lives by representing the interests of young people, youth workers and organisations and networks throughout the non-government youth sector. As the peak body, our policy positions are independent and not aligned with any political party or movement.

YACSA advocates for the fundamental right of all young people to participate in and contribute to all aspects of community life, particularly decision-making processes which impact them. Young people's involvement in society ensures development of sustainable and representative policy, programs and services. Young people are the experts in their own lives, and it is young people to whom decision-makers should turn when considering solutions to the problems young people face.

YACSA strongly endorses the submission provided to the Economics and Finance Committee's Inquiry into South Australian Housing Availability by Shelter SA. As the peak body for housing in South Australia, Shelter SA is best placed to provide detailed contributions on housing availability in the state and related policy detail. In keeping with our mission and area of expertise, our submission will focus on young people's experiences of housing availability.

Key points

- Young people represent over 27 per cent of people experiencing homelessness in SA.
- Being unable to secure affordable housing has long-lasting impacts on young people's economic participation, mental and physical health and social participation.
- The State Government is obligated to safeguard the human right to adequate housing.

Young people in context

Housing is an identified priority area of advocacy for YACSA. We know that access to secure and affordable housing is an important factor for young people's physical, mental, social and economic wellbeing and we note that young people, especially those who are experiencing intersecting disadvantage, face significant barriers to accessing and maintaining secure housing¹.

As the State Government considers the matter of housing availability in South Australia it is crucial to recognise the context of young people's experiences. It has become certain this generation of young people will be the first since Federation to have a lower standard of living than their parents. The broken generational bargain is exemplified by progressively inaccessible housing, increasing reliance on precarious employment and compounding factors including disproportionate impacts from global

events such as the Global Financial Crisis (GFC) and COVID-19 pandemic young people continue to experience.

Adequate housing is a human right

Australian governments, including the South Australian State Government, are under an obligation to ensure a basic standard of living under Article 11 of the International Covenant on Economic, Social and Cultural Rights (ICESCR). This Article safeguards not merely shelter but the right to adequate housing, which is dependent on security of tenure, service availability, cultural adequacy, affordability, and habitabilityⁱⁱ. Additionally, Article 27 of the United Nations Convention of the Rights of the Child (UNCRC) provides the right to a quality standard of living that meets both mental and physical needs, and support for individuals unable to provide for themselvesⁱⁱⁱ.

There is a widespread community expectation for all levels of Australian governments to recognise and uphold their agreed obligations described across international human rights instruments, despite a delay to embed these commitments into federal or state-based legislation. It has been almost two decades since the UN Special Rapporteur on Adequate Housing reviewed Australia's progress toward the realisation of adequate housing as a human right. The resulting report identified a national housing crisis due to a lack of long-term holistic housing strategies, reduced public housing, 'soaring' private rental rates, and no reduction in the rate of homelessness culminating in what the Special Rapporteur called Australia's 'failure to implement the human right to adequate housing'^{iv}.

Young people marginalised in the housing market

Housing is a significant issue for young people. The 2021 Census found more than 28,170 young people in Australia were homeless, representing 23 per cent of all people experiencing homelessness^v. In South Australia, young people (15-24 years old) represent 15.5 per cent of the population, however, with more than 3,440 young people experiencing homelessness they represent 27.4 per cent of people experiencing homelessness in the state^{vi}. Data from the 2021 Census is likely an underestimation of the actual number of young people experiencing homelessness due to the considerable rate of 'invisible homelessness' not captured in statistics^{vii}.

Homeownership, whether outright or with a mortgage, has been increasingly unattainable for each generation of young people beginning with millennials, despite each generation being more qualified and more likely to participate in the workforce than the last^{viii}. Support focused on home ownership will not reach young people and as they only make up 2.9 per cent of social housing tenants^{ix}, reliance on social housing provided by profit and non-profit organisations will not support young people either.

The majority of young people in Australia who can access housing do so via the private rental market, and since 2016 they have been living in increasingly overcrowded dwellings^x and continuing to pay more rent than they can afford^{xi}. Obtaining a rental property does not necessarily protect young people from experiencing housing insecurity or homelessness as at least half of people living in severely overcrowded dwellings are young people^{xii}. SA Housing Authority data shows the median rent prices in Adelaide increased by over 16 per cent from 2021 to 2023 and the median rent per week as of March 2023 was \$430 per week. The prevalence of 12-month leases has increased by approximately 5.4 per cent while leases longer than 12-months have decreased from 13.4 to 12.4 per cent^{xiii}. More than half of tenants for private rental housing in South Australia are paying more than 30 per cent of their income on rent, meaning they are experiencing housing stress, and young people are especially vulnerable to rental stress with the latest figures from 2019-20 showing young people are more likely than any other age cohorts to spend 30-50 per cent of their income on rent^{xiv}.

Barriers to securing housing

South Australia's housing market does not provide adequate housing opportunities for young people who are more likely to be in the lowest and second lowest income quintile^{xv}.

Buying a house is not a realistic option for young people and supports currently in place, including requirements for developments to have affordable housing, are not adequately helping young people. The lowest priced affordable houses available via HomeSeeker SA cost \$275 – 320,000 which, even with a low deposit loan with HomeStart, requires young people to have over \$8,200, plus over \$10,000 for fees and charges.

Public housing is difficult for young people to access due to the long-term shortage in available dwellings and a growing waitlist of as many as 17,000 people^{xvi}. Young people are underrepresented in social housing making up only 2.9 per cent of tenants and they experience discrimination in community housing as they are typically seen as less financially lucrative than older people^{xvii}.

Renting is how most young people secure housing but with South Australia's vacancy rate as low as 0.6 per cent^{xviii}, increasingly unaffordable rents and young people experiencing discrimination within the private rental market they face significant barriers to secure housing^{xix}. Even share house arrangements, typically seen as a temporary form of housing for young people, are inaccessible as demand has increased and the average room price in Adelaide has swelled to over \$200 per week^{xx}.

Impacts of affordable housing availability

Stable and affordable housing is fundamental to the economic, social, psychological, and physical wellbeing of young people but without access to home ownership or an affordable rental option, young people at risk of experiencing long-term rental stress and homelessness^{xxi}. The impact of these experiences are far-reaching and significant for young people who are in a period of transition into independent adulthood.

Young people, especially young women, experiencing homelessness report high levels of psychological distress at a greater rate than other young people. They also face additional barriers to engagement with school, training and employment. Without a secure home, young people are at increased risk of using substances, engaging in offending behaviour and of violent victimisation.

The inaccessibility of housing experienced by young people, which increases their risk of experiencing homelessness, also carries economic impacts for government^{xxii}. Providing prevention and early intervention support specifically for young people can reduce economic impact on government by decreasing the number of young people entering homelessness services.

Approaches to improve availability for young people

As noted by the UN Special Rapporteur on Adequate Housing in the review of Australian housing, there has been a long-term lack in strategic policy across levels of government to achieve adequate housing and safeguard housing as a human right in Australia^{xxiii}. There is no dedicated Federal or State-based plan or funding to support young people experiencing housing stress and homelessness despite this age group being overrepresented among people experiencing homelessness.

There are various approaches the State Government could take to address the availability of affordable housing that would better support young people. Primarily, providing adequate protection for renter's rights, including limiting information required by tenancy applicants, ending no-cause evictions, fully outlawing rent bidding, and limiting the frequency and amount of rent increases would benefit young people as they are most likely renting from a private landlord. While the public and

social housing sector struggle with demand and therefore act as a crisis response, young people will continue to be disadvantaged. Significant and committed investment at a State and Federal level to boost available public and social housing is desperately needed and young people should be seen as a priority cohort for access. Broadly, the State Government needs a comprehensive, cross-government plan to provide prevention and early intervention supports to young people and their families to limit the removal of children and young people from their families and use of residential care and family violence refuges, and to better care for young people's mental health and wellbeing to address the structural problems that lead to homelessness.

The State Government can advocate to the Federal Government to improve generational fairness in policies that affect housing including ending capital gains tax and negative gearing subsidies for investment rental properties, raising Commonwealth Rent Assistance to a rate that adequately supports the rising cost of renting and developing a national housing strategy that recognises young people appropriately.

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