

## Private Rental in South Australia

### Housing is a basic human right

Shelter SA is the peak body for housing in South Australia. Shelter SA's vision is for every South Australian to have an affordable and safe place to call home. Housing stress and homelessness are on the rise across Australia leaving some citizens without adequate shelter - a basic human right. It is critical that governments, communities, researchers, businesses and citizens work together to address the housing situation of our most vulnerable, our children, people who are younger, older and all those living on low incomes. Shelter SA has prepared the following information to support the South Australian Government's consultation about private rental, based on the work we have already done through research, forums, consultations and member feedback.

### YourSAy

The South Australian Government has commenced a consultation and an on-line forum about private rental, seeking contributions from tenants, community organisations, real estate agents and landlords ([click here to see](#)). Often, the number of citizens who participate in YourSAy are low as a percentage of the South Australian population. Approximately one third of South Australians rent their homes and Shelter SA encourages you to share the link to the YourSAy information with your networks and participate in the short survey so that tenant and community issues are strongly represented in any policy setting, assistance types, levels and service changes. The survey closes on 22 February 2016.

### People living on low incomes

Shelter SA has consistently found that affordability is the number one concern for private rental tenants in South Australia. People living on low incomes are being priced out of home-buying, appropriate housing and locations with suitable amenity. Between 2001 and 2011 housing prices grew by 147% and the average household disposable income grew by only 57%. There are virtually no suburbs in the Greater Adelaide Region that are affordable for people living on low incomes to rent as evidenced by the quarterly [National Rental Affordability Index](#) developed by National Shelter, SGS Economics and Community Sector Banking.

People living on low incomes cannot afford private rental housing. Living with housing stress negatively impacts on health and wellbeing. The goal of the South Australian Government [YourSAy](#) consultation is to create a private rental assistance program that is 'fairer' and 'more sustainable'. Shelter SA insists that the Private Rental Assistance Program must be expanded to accommodate the growing numbers of people who are unable to afford private rental accommodation. An increasing number of rental bonds paid by Government clearly creates a greater cost to State Government and is therefore not financially sustainable. Shelter SA is very concerned however, about the adverse impacts on individuals and families that changes to the Private Rental Assistance Program will cause if they include tighter restrictions to the eligibility criteria according to income level, particularly for families with children. Any household that becomes ineligible as a result of such changes will be increasingly forced into homelessness and into the service system, resulting in potentially greater per household costs for government funding. Such changes will cause negative social outcomes, further disadvantage thousands of South Australian families and will not be financially sustainable in practice, despite what might look like a short-term and somewhat small budgetary gain.

Shelter SA looks forward to working with State Government to ensure private rental assistance is fair and financially *and* socially sustainable. Reliable and accurate State-wide data is required in order to

develop evidence-based policy. The [YourSAy](#) consultation is a good start, but a wider range of views and a larger sample size are needed to accurately inform policy development and adequately serve the South Australian population. Shelter SA strongly encourages you to invest time to contribute to this consultation.

## Vulnerable demographics in the rental market

The number of private renters in South Australia has been increasing gradually as has the length of time that people live in privately rented accommodation (ABS, 2013). As mentioned above, approximately 30% of the South Australia population are private renters (ABS, 2011). Housing affordability is a major issue for people living on low incomes with many thousands of households living in rental stress. Please click here: [Report on Renting in South Australia](#) to read Shelter SA's report on the current state of rental housing in South Australia.

## Older people

Affordability and long-term security of tenure are key housing issues for older South Australians. More people are entering their retirement without having paid off their mortgage or are renting privately than when the aged pension was first established, premised on free-hold home ownership. Housing prices have increased faster than the aged pension. According to the [Anglicare Affordability Snapshot](#), only 2.2% of rental properties in Adelaide were affordable for a couple living on the aged pension. Older people are being priced out of home-ownership and private rental, are vulnerable to homelessness and are being dislocated from key services and supports in the pursuit of affordability. Social security is a Federal issue however, the South Australian Government must ensure any private rental assistance changes take this demographic and their circumstances into account. Shelter SA will soon publish a report on housing and older people.

## Refugees & asylum seekers

The key barrier to accessing private rental for refugees and asylum seekers is affordability. When refugees and asylum seekers cannot access State Government private rental assistance and are not employed they face even greater barriers to securing a home. New arrivals can also struggle to understand the Australian housing system and the steps needed to secure private rental accommodation – written and spoken language and cultural barriers add to their difficulties. Shelter SA asks State Government to consider expanding the eligibility criteria for social housing and private rental assistance for new arrivals with high and complex needs. Please click here to [read Shelter SA's report on private rental housing for Refugees and Asylum Seekers](#).

## Young people

Affordability is a barrier for young people seeking private rental accommodation, especially if they are unemployed, receiving youth allowance, studying full time or working on a casual basis. Social security for young people has been repeatedly shown to be inadequate to cover the cost of suitable rental housing near study and employment opportunities. The majority of youth services report that young people face discrimination in the private rental market due to being young and inexperienced tenants or unemployed and receiving social security. According to [Anglicare's Rental Affordability Snapshot](#), there are no affordable rental properties or share houses in Adelaide *at all* for young people who are receiving Newstart.

## Aboriginal people

Affordability and discrimination are barriers for Aboriginal people seeking private rental accommodation. Aboriginal people have above-average unemployment rates and are therefore more likely to be living on low incomes. Aboriginal people may also have no access to culturally appropriate housing design to accommodate extended family without experiencing overcrowding. Those Aboriginal people who participated in a Shelter SA housing consultation concluded that they do not

have access to their basic human rights when it comes to housing and this situation is unacceptable. Please click here to read Shelter SA's [Our Grannies Are Our Strength](#) report which details feedback from Aboriginal community leaders regarding their housing.

## Domestic violence

People escaping domestic violence face affordability barriers and may need to access a range of temporary housing options before they eventually find safety for themselves and their children. The traumas they experience are made even greater by frequent moves and the relative insecurity offered by a twelve month lease. Recent changes to the Residential Tenancies Act related to the victims of domestic violence, provide welcome assistance and protection for these tenants. Domestic violence is the leading cause of homelessness in South Australia and in its published [report](#), the Australian Housing and Urban Research Institute identifies that women are especially vulnerable to homelessness, as it is more likely that a woman escaping domestic violence will be worse off financially than her male partner. Rises in the cost of private rental accommodation mean that finding an affordable home on one income is increasingly difficult, if not impossible.

## Physical and mental health

People with comorbidity and high and complex needs have great difficulty in accessing and sustaining private rental tenancies. While some may eventually attain social housing, this option can take several years. Affordability is a key issue for people living with physical or mental health issues and access can be made difficult through debt and bond loss where a tenant has difficulty meeting the requirements of their tenancy because of their health conditions. This demographic is also more likely to be unemployed and living on low incomes than the general population. For people receiving the Disability Support Pension only 0.1% of private rental properties in Adelaide are deemed affordable. Appropriate housing for people living with physical disabilities, discrimination and difficulties in communicating with landlords or real estate agents can also have a negative impact.

## Federalism Review

Federal incentives and taxation policies around home ownership and residential investment contribute to increases in the cost of private rental housing. Shelter SA agrees with State Government that at all levels of government must take responsibility for the supply of social and affordable housing. Commonwealth Rent Assistance is a critical payment for private renters who are living on low incomes and together with National Shelter, Shelter SA will continue to advocate for an increase in the payment for some households and evidence-based housing policy at the National level. Shelter SA has been engaged in the Federalism consultation process in relation to particular State issues and is a member of the National Shelter Council. To read the Shelter SA Federalism Review Summary on housing and homelessness, please click [here](#).

**[Log on to complete the survey and have YourSAY about private rental in SA](#)**

**Your comments on this information and the YourSAY consultation are welcome**

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