

**Committee Secretary
Senate Standing Committees on Community Affairs
PO Box 6100
Parliament House
Canberra ACT 2600**

Email: community.affairs.sen@aph.gov.au

Jul 18, 2023

Submission into the worsening rental crisis in Australia

Dear Committee Secretary,

Thank you for the opportunity to make a submission into Australia's worsening rental crisis.

Family Access Network is a Youth Homeless Organisation who works with Young People, Young LGBTIQ+, Children and families. One of the main challenges for our clients is access to long term affordable housing.

Our submission will specifically address the following Terms of Reference:

- a. the experience of renters and people seeking rental housing,
- b. rising rents and rental affordability.
- c. actions that can be taken by governments to reduce rents or limit rent rises;
- d. improvements to renters' rights, including rent stabilisation, length of leases and no grounds evictions;
- e. factors impacting supply and demand of affordable rentals;

Recommendations:

1. Tackle the social housing shortfall

We need to urgently build at least 25,000 social homes each year for 20 years to tackle the social housing shortfall.

2. A fairer tax system for housing

Phase out negative gearing and capital gains tax exemptions and use the funds to create more social and affordable housing.

3. Nationally consistent protection for renters, including:

- a. An end to no cause evictions, including at the end of a fixed term, as recently implemented in the ACT;
- b. Ending unfair rent increases by setting clear limits for rent prices and increases;
- c. Minimum standards to make rental homes liveable; and
- d. Real, independent enforcement of laws that protect renters, including around privacy. It should not be up to renters to enforce the rules by taking action against their landlord.

Lack of public housing

For people who cannot afford to enter the private rental market there is a severe lack of social housing to prevent them from entering homelessness. Waitlists for social housing are astronomical, and for a single person it is unrealistic to expect to enter social housing at all. FAN clients listed as Homeless with Support housing; a priority category for vacancies in social housing, still encounter long wait times to access housing. Most FAN clients in this category have been on the waiting list for at least 5 years before being offered housing. With higher priority given to those being transferred within existing public housing stock. This will cause further delays for clients awaiting housing and further congest the THM system, leaving other vulnerable people sleeping rough and languishing in crisis. While singles, which make up for over 50% of FAN's clients, are unlikely to ever access social housing, instead are dependent of obtaining rental in an inadequate private market.

Lack of affordable private rentals

Homelessness has its root causes in Australia's housing market. The low supply of housing makes it difficult people on low income to access long-term sustainable housing. Victoria has the lowest level of public housing stock in Australia. Over 60% of clients who seek services from FAN are due to inadequate or inappropriate housing. In addition, they present with either no source of income or are recipients of Centrelink payments. This often results in them being seen as less desirable renters, even in shared accommodation. The combination of unaffordable rent and the young people's financial situation creates further barriers to access private rental housing.

Increased cost of living

There is a serious failure in income support. As aforementioned, the Newstart and Youth Allowances do not come close to covering the platitude of costs which push people into poverty. Increasing rent costs come alongside increased food, utility, and service costs. The exponential increase in the cost of living entrenches the homelessness cycle, with people unable to save up sufficient money to exit the system into private rental. This entrenched poverty is particularly felt by marginalised groups such as the LGBTIQ+ community, and young single parents and families, who experience income poverty and discrimination.

Thank you for the opportunity to comment and we look forward to the Committee's findings.

Yours sincerely,

Family Access Network
Michelle Thompson Acting CEO