

# Our Housing Australia Report

## Introduction

Housing serves many purposes in Australia. It provides space for raising families, for leisure and rest, and increasingly, our housing doubles as a workspace. Housing also impacts our mental and physical health due to factors such as cold, mould, poorly managed maintenance issues, unaffordability, and inequality. For all its importance, we know surprisingly little about the homes Australians live in beyond sales prices, construction materials and population averages. Building on the earlier Housing Conditions projects in this series, including the Australian Housing Conditions Dataset (2016) and the Australian Rental Housing Conditions Dataset (2020), in 2022 we collected data on the housing conditions of 15,000 rental (including private and public) households and 7,500 homeowners, covering all Australian states and territories.

This policy brief summarises the findings in our recently published *Our Housing Australia* report, in which 20 leading housing researchers explored the Australian Housing Conditions Dataset (2022) and provided their insights on the state of Australian housing, homes and households. The report is available to view online at <http://bit.ly/OurHousingReport>.

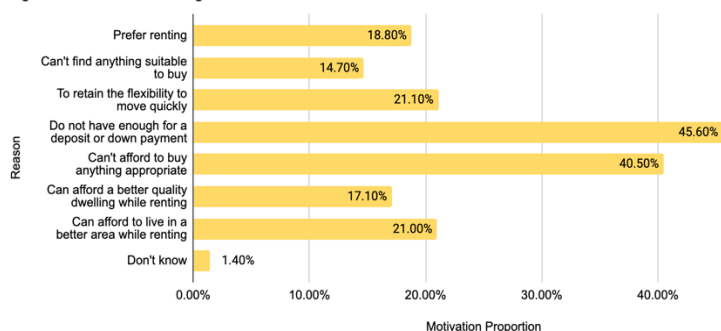
## Key findings

### *Housing affordability*

According to figure 1, worsening purchase affordability is the most common motivation for renting as a tenure option. Meanwhile, 5.5% of owners with a mortgage report their housing to be unaffordable or very unaffordable.

Among those renting in public or community housing, 20% reported that they were unable to afford essentials after paying rent, despite rent-setting in social housing. 43% of renters in share houses reported that their living situation had a negative impact on their financial circumstances over the past year.

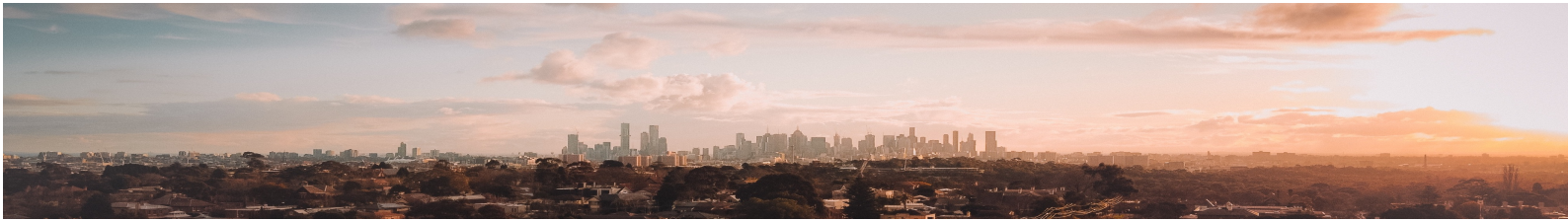
Figure 1: Motivation for renting



### *Cold housing and mould*

As thermal efficiency minimum standards were only introduced in 2003, many properties (around 50% of those considered in the survey) were built prior to this when no standards were in place. The dataset shows that 60% of the respondents to the national survey experienced dampness or mould problems. Nearly 70% of respondents experienced leaks, flooding, or plumbing problems, or had difficulties keeping their house cool or warm, and at least 41% of respondents noted that the house they were renting did not have any insulation.





### ***Housing quality and injury***

Only 32% of the rental cohort reported no issues with their property. Almost 5% of respondents (1,105 households) reported a physical injury because of unsafe or poor-quality housing. Of these responses, housing-related injury was reported equally across both rental and ownership tenures and was most acutely felt by vulnerable people and households with dependent children. For example, unintentional injuries were more likely to be reported by indigenous peoples, respondents with lower incomes living in poorer quality dwellings, and those with poorer self-reported health. People identifying as Aboriginal and Torres Strait Islanders (31%) were also three times more likely to report an injury compared to non-indigenous groups.

When compared with other sub-tenures, public renters experienced the poorest dwelling conditions and were the most likely to report that their housing negatively affected their physical and mental health, financial circumstances, education, employment, and social life.

### **What's next?**

It is evident that renting is becoming increasingly important in Australia. While renting was considered a temporary tenure option before transitioning into home ownership, we now know that it is a long-term and permanent tenure for many Australians. As housing affordability is a key issue affecting Australians, many renters do not rent by choice, but rather it is their only option. The survey shows that even renting in shared houses can negatively impact renters' financial circumstances.

To worsen the situation, rental housing tends to be of poorer condition, and mould and dampness are just some of the common problems faced. It is crucial to remedy the structural problems underlying Australia's rental system. Social housing has a standard rent formula that is too high, as some renters cannot afford basic essentials after paying rent although the rental revenue collected is still insufficient to fund maintenance, tenant support or new housing. Given the poor housing quality that many renters report, implementing regulatory standards is also crucial. In particular, policies need to be targeted towards vulnerable and low-income households, the groups most affected by Australia's housing crisis.

### **Policy recommendations**

- Exploration of cost-of-living assistance and housing safety nets for renters.
- Continued development of work aimed at regulating and incentivising minimum standards across all sectors of the housing system, and raising awareness of these standards and tenants' rights.
- Regulations to curtail rent increases will provide better security for tenants, especially those on lower incomes.

For more information, check out <http://bit.ly/OurHousingReport> and <http://bit.ly/AustHousingData>.