



**BROKE,
COLD,
STRESSED:
A SURVEY OF 288
LOW-INCOME RENTERS**

*“IT SHOULDN’T BE SO HARD TO HAVE A
ROOF OVER YOUR HEAD”*

Summary

“Myself, my husband and our three daughters (10, 3 and 2) currently all live in my parents’ lounge-room. The house has four bedrooms and is already lived in by my mum, who is in a wheelchair, my dad, my two disabled adult brothers, and my adult sister.”

Renters, especially those on low incomes, face an unprecedented crisis. Here in SA, we have seen a **20% increase in rents over the last 2 years**, and a **rental vacancy rate of 0.2%**, one of the lowest in the nation – an impossibly difficult situation for renters.

Anti-Poverty Network SA surveyed 288 renters, mostly people receiving Centrelink payments, living in poverty, over the winter of 2022, to capture the extent of this crisis.

The results show overwhelming numbers of renters are struggling with high rents and large rent increases, with profound impacts for their health; living in homes that they cannot afford to properly heat; and are feeling disempowered, insecure, and stressed.

KEY FINDINGS:

BROKE:

- **78%** were experiencing ‘housing stress’ – spending more than 30% of income on rent.
- **44%** were experiencing ‘housing crisis’ – spending more than 50% of income on rent.
- **79%** said the amount of rent they paid affected how much they could spend on food.
- **68%** said high rents impacted their ability to cover medical costs.

COLD:

- **65%** said their rental did not have adequate heating or cooling.
- **74%** told us they found it difficult to afford to stay warm in winter.

STRESSED:

- **1 in 3** offered to pay more than the stated bond, in order to secure a rental.
- **64%** felt they were discriminated against when searching for rentals, mostly due to receiving Centrelink payments.
- **70%** said having a pet made it either ‘much harder’ (**25%**) or ‘extremely difficult’ (**45%**) to secure a rental.

What Needs To Change

Renters, particularly those on low incomes, are dealing with a brutally expensive, competitive, unfair market. Government policies prioritise the profits of investors and landlords over the needs of those trying to keep a roof over their heads. Tenants have little power: whether it is limiting rent increases, ensuring an adequate level of heating, or keeping pets, protections for renters are minimal.

Thanks to 'no-cause' evictions, which allow landlords to choose not to renew the lease, without providing a reason, tenants have a genuine fear that if they are too assertive in articulating their rights, or advocating for maintenance or repair work on their home, they might be forced to look for another property – a scary prospect when vacancy rates are at record-lows.

This is an emergency, and in emergencies, you drop what you are doing, and you act. Governments can act, and every year they choose not to act, is another year of huge rent rises, and renters dealing with cold, poorly-insulated homes that literally make them sick.

During the COVID emergency, governments have shown how quickly they can act to protect people: we now face a cost-of-living emergency, with high rent rises being compounded by significant increases to power bills, fresh food, and other basics.

Here are what governments can do:

State Government:

- Implement a temporary freeze on rent increases, to allow struggling tenants to catch their breath, and give them certainty and stability, as happened during 2020.
- Re-introduce a moratorium on rent evictions, so renters do not have to worry about being kicked-out of home during the current crisis.
- Massively expand its public housing build: 475 homes over 4 years is nowhere near enough, when there are 17,000 people on the waiting list, and over 3,000 people on the most-urgent Category 1.
- Implement a vacancy tax: SA has 86,000 empty homes, according to the 2021 Census.
- Strengthen basic standards and protections for tenants: introduce minimum energy-efficiency standards for rentals; end 'no-cause' evictions, so that landlords must provide a clear reason for choosing not to renew a lease; allow renters a reasonable right to keep pets.

Federal Government:

- Ensure a liveable, dignified income for all, by raising JobSeeker, Youth Allowance, and other Centrelink payments above the poverty-line, to at least \$88 a day.
- Massively expand its public housing build: an extra 20,000 social homes, nationally, over 5 years, is a drop in the ocean, when, in 2021, there were 163,500 on the public housing waiting lists nationally, and 17,000 on the public housing waiting list, just in SA.
- The Federal Government should cancel the Stage 3 Tax Cuts – which will cost us over \$200 billion, over 10 years, and largely benefit high-income earners – and put extra funds into building more public housing, and lifting income support payments.

About The Survey

Over the last 9 years, Anti-Poverty Network SA has campaigned for policies that would dramatically improve quality-of-life for low-income people: higher Centrelink payments, a less punitive welfare and employment-services system; and more affordable, secure housing.

We have never encountered more overwhelmed low-income people who have been pushed to breaking-point by our housing market. We have never encountered more people locked-out of housing, or who have been homeless, or on the verge of homelessness, even among our own members and volunteers.

This is our second renters survey; our first, we conducted over the winter of 2021, and released in October of that year.

This year's survey of 288 renters largely focused on people from SA (77% of respondents were from SA), most of whom were receiving Centrelink payments (69%), of which the largest payment categories were people on JobSeeker, people on the Disability Support Pension, and people on Parenting Payment. Almost half (47%) were receiving some income from paid work, but those with paid work were mostly part-time workers (67%).

The survey was advertised through Anti-Poverty Network SA's social media channels, and while it is not a perfectly representative sample of renters, the findings are consistent with much of the existing research on the experiences of renters, particularly those on low incomes.



PART 1: BROKE

In overwhelming numbers, survey participants told us that they were spending huge, unsustainable chunks of their incomes on rent, making it harder for them to cover the cost of basics, and harming their health.

According to welfare organisations, individuals spending more than 30% of their income on rent are considered to be experiencing 'housing stress'; individuals spending more than 50% of their income on rent are classified as experiencing 'housing stress'.

Most Renters Experiencing 'Housing Stress'

Almost **8 in 10** people told us that they were experiencing 'housing stress' – or worse.

- **78%** were experiencing 'housing stress' – spending more than 30% of income on rent.
- **44%** were experiencing 'housing crisis' – spending more than 50% of income on rent.
- Alarmingly, 1 in 8 – **12%** – were spending a horrifying 70% or more of their income on rent.

These numbers are drastically worse for people receiving Centrelink payments. Compared with people in paid employment, Centrelink recipients are spending on average 20% more of their total income on rent.

- **86%** of Centrelink recipients were experiencing 'housing stress.'
- **67%** of Centrelink recipients were experiencing 'housing crisis.'
- **17%** of Centrelink recipients were spending 70% or more of their income on rent.

High Rents Mean Other Basics Needs Not Being Met

What does all of this mean for people's day-to-day lives? Naturally, people pay their rent first – people do whatever they can, to keep a roof over their head – and their other basic needs come a very distant second.

- **79%** said the amount of rent they paid affected how much they could spend on food.
- **68%** said high rents impacted their ability to cover medical costs.
- **70%** said the amount of rent they paid affected their ability to pay their bills on time

“We either eat cheap processed foods or I’m on the phone with utility companies to change payment dates. We went without internet. I couldn’t afford the internet the whole time I was renting.”

“Pay rent first, then have to decide on bills vs food and medical, plus I have anxiety, and am recovering from a tumour.”

Inevitably, this kind of financial strain has an enormous impact on people’s mental health:

- **75%** said that high rents had a major impact on their mental health.

“The anxiety that paying rent causes is destructive to my mental health. It inhibits my participation in social activities, because I have no discretionary buffer. I always pay rent first. If there are any surprise expenses (vet, medical treatment not covered by Medicare, clothing, vehicle), I feel despair and panic. I do have coping strategies, but I never have a financial buffer. My cortisol levels generated by this are damaging my physical health.”

Widespread Fear About Rent Increases

Significant numbers of people expressed great worry about their next rent increase, and what it would mean for their already-stretched budget. Renters are aware that there is no legal limit to how much landlords can choose to increase the rent.

“I currently pay \$370 per fortnight in rent. After our most recent rent increase, that will rise to \$430 per fortnight. My most recent rent increase was \$60 per week or \$120 per fortnight. That was after a \$35 a week increase the previous time. This means a \$95 per week increase in 13 months which is over 25% increase from what we were paying. This leaves me with \$18 a week, after rent and bills.”

“We received 3 months’ warning, but were only given 7 days to sign the lease renewal. I have previously written to the owner directly about our situation and our struggle to pay the rent, but I don’t get a response.”

Other renters also mentioned large, recent rent rises:

“Our rent went up a few months back to \$250 from \$190. The house is disintegrating due to cheap fixtures, riddled with dust in the roof, completely unsealed leading to large power bills, and doesn’t meet my basic access needs. We can’t afford anywhere else and given we are 2 pensioners we would never be accepted for another property. I know because we’ve been trying to move since before the pandemic.”

“My rent just increased by \$500 a month yesterday. It was from a low baseline and I do have a part-time job but still it’s a lot of money. It’s going to be rough for many of us. Even modest rises are hard to absorb if you don’t have much coming in.”

Renters can try to negotiate, but with vacancy rates at all-time lows, and landlords not required to give a reason, if they choose not to renew the lease, tenants ultimately have little bargaining power, which puts them in a risky situation.

“One set of neighbours had their lease renewal withdrawn after they asked to negotiate a \$40 a week increase (they had lived there for 8 years and did all the external gardening). The husband had just had a heart attack and was medically only allowed to work 2 days a week down from full time. The wife and son were both studying full-time.”

PART 2: COLD

The vast majority of low-income renters struggle to be able to keep their home warm, with profound effects for their physical and mental health:

- Over **two-thirds (68%)** of survey respondents indicated that they have inadequate heating and cooling.
- **44%** reported that they only use the heater very briefly, and only in 1 room.
- **28%** told us that they would head to bed early, because of how cold their home was.

These results are unsurprising, given that there are currently no minimum standards for energy-efficiency, heating, and cooling in rental properties in South Australia.

Other jurisdictions in Australia do have mandates for fixed heating in the living area of rentals, with Victoria being unique in requiring energy-efficient heating in the main living area. The lack of these provisions in South Australian rental properties leaves renters here battling extreme temperatures which can lead to health issues.

“No-in built heating or cooling. Living areas are very cold in winter as there is no sun on that side of the building. Some windows with no curtains and heating has broken down twice. Aircon specialists said they were using cheap units that bust every few years. Went an entire year without heating or cooling. Same again the second time. It wasn’t fixed before we vacated.”

Renters Harmed By Cold Homes

Cold indoor temperatures have been linked to increased physical illness, exacerbation of asthma, and higher rates of mental illness. High indoor temperatures similarly have been linked to increased physical health problems, especially for those with chronic conditions such as diabetes or respiratory disease.

- **68%** stated that they felt that lack of heating in their home negatively affected their health.

Several common themes came directly from the survey responses:

- Chronic health conditions such as asthma are worsened by the cold.
- People felt that they were getting sick more often.
- Pain conditions and arthritis were exacerbated by temperature extremes.
- Low-income renters, particularly, were having to make lifestyle changes that affected their quality-of-life.
- Some reported that their homes were so cold that they could not sleep at night.

“In winter it is so cold I find it hard to sleep at night. I give the kids all the blankets to keep them warm, but I have none left for me. I wake up several times in winter because of the cold which makes me more tired throughout the day.”

“Not being able to regulate temperatures adequately in the home contributes to my asthma not being controlled and causes chronic chest infections.”

“I have to go to bed early and get up late to avoid the colder parts of the day, which affects my motivation and enjoyment of life.”

“I have gotten sick more than usual this year, meaning I miss out on work as I am casual.”

Poor Housing Standards Lead to Increased Costs

Many respondents reported that they are unable to afford to use either fixed or portable heating and cooling devices as much as they need. Lack of energy-efficient heating or cooling, as well as poorly insulated buildings, lead to increased energy costs for renters compared to owner-occupiers.

Respondents were frequently worried about the costs of energy. Inadequately-heated, cold homes are more likely to experience mold and damp which can place an increased cost and health burden on the occupant.

- **74%** said that they found it very difficult to keep themselves warm during winter.
- **43%** of respondents reported that their home had issues with mold.

“Of every home I’ve lived in in my whole life I have never lived somewhere with air conditioning or central heating of any kind. My last place had neither of these, and had really shit insulation. It was like living in a tent in winter and a hot box in summer.”

“There is a wood heater in the lounge. Wood is very expensive. I cannot afford to buy wood.”

“I haven’t used heating or cooling for years. I finally have a job now but years of uncertainty means I always save and prepare for the worst.”

PART 3: STRESSED

A constant theme among renters who completed our survey was how stressful the rental experience is: the process of securing an affordable, appropriate rental (and particularly an affordable pet-friendly rental) is extremely frustrating; and large numbers of renters, especially those on Centrelink payments, reported that they felt discriminated against.

Discrimination

- Almost **64%** of those who responded to our survey reported that they felt discriminated against, when applying for a rental property.
- A further **19%** indicated that they were unsure if they had been discriminated against.

It is evident from the experience of renters that an individual's ability to afford rent is not the only factor that landlords consider when accepting tenants with many respondents reporting discriminatory practices by landlords that are illegal under the Equal Opportunity Act 1984 (SA).¹

Although relationship status, disability status, and race, amongst other factors, are protected from discrimination under the Act, discrimination based on an individual's status as an income support recipient is not.

Indeed, by far the biggest perceived reason for discrimination was due to receiving Centrelink payments, such as JobSeeker, Youth Allowance, or Parenting Payment:

- **43%** felt they had been discriminated against when applying for a rental, because they were receiving a Centrelink payment.

Here are some of the stories of those who reported feeling discriminated against, during the rental application process:

“Welfare payments have the appearance of risky tenants, we’ve been told. Pets are “destructive”. And despite keeping things orderly and tidy and not hoarding, we’ve been told we’re “hard to market to investors”.”

“I felt like I was discriminated against for being on Centrelink, as well as being in a gay relationship since we were open about being a couple.”

We also asked whether people had felt discriminated against by a current or previous landlord or agent:

- **45%** reported that they had been discriminated against by a landlord or agent, with **24%** unsure.

¹ Equal Opportunity Act 1984:

<https://www.legislation.sa.gov.au/lz/c/a/equal%20opportunity%20act%201984.aspx>

Again, the biggest reason was receiving Centrelink payments **(36%)**. The second biggest reason was health or disability status **(11%)**.

“Our previous landlord said to our faces she didn’t normally rent to people with mental health issues as they’re unstable. If it wasn’t for the fact we had a homelessness service advocate for us, we never would have gotten that property. And this was before the rental crisis.”

“I’ve had agents point blank say the landlord won’t accept disabled applicants, I’ve had landlords turn nasty and accuse me of stealing from the property because of my Aboriginality and kick me out. a lot of people find my gender expression objectionable and treat my partner, a trans woman, with disgust.”

Renting With Pets

Renters with pets often face an extra hurdle: regardless of their pet, regardless of their rental history, agents and landlords are often highly reluctant to rent properties to pet-owners. In many cases, there is a flat-out refusal to rent to pet-owners, putting renters with pets, especially those on low incomes, in extremely stressful, and in some cases, heartbreaking, situations.

- **70%** said having a pet made it either ‘much harder’ **(25%)** or ‘extremely difficult’ **(45%)** to secure a rental.

“I was homeless for two months last year because there was no affordable pet friendly rentals.”

“We had way fewer options when filtering only for pet friendly rentals, and felt we were competing with a lot more applicants.”

“Sometimes the combo of being on a Centrelink payment and having a 4-year-old cat puts a lot of agents off renting to us.”

“I have 2 cats from my ex, any time I mention it on an application even if Domain says it’s pet-friendly, application gets rejected.”

Paying More Than The Advertised Bond

We know that rent-bidding – paying more than the advertised rent, or bond, to secure a rental property – is increasingly common, and reflective of a rental market with record-low vacancy.

- **One-third (34%)** of respondents indicated that they paid more than the advertised bond to secure a private rental.

We asked renters who had paid more than the advertised bond to tell us more about their experiences:

“It was suggested we pay 3 months rent upfront.”

“At the time I was last looking. I was offering \$50 a week more, and 6 months rent in advance.”

“We are currently waiting to hear back on a house we applied for that had been listed with a range of possible prices and we offered to pay the more expensive one. We also usually offer extra rent in advance in our application cover letter.”

“Offered to pay more rent to try and secure a house to live in, it was declined. Then I saw a month or so later the listing price went up despite the rental just sitting vacant.”

Renters With A Disability

We asked those renters who self-identified as having a disability about whether their rental property was fully disability-accessible, and were alarmed to discover that most respondents thought their home was not fully accessible for them:

- **78%** of those with a disability felt their rental property was not fully disability-accessible.

Many renters with a disability raised issues like a lack of handrails in the bathroom/shower and toilet areas, and at front/rear entrances; narrow corridors (which made wheelchair access very challenging); and difficult-to-navigate steps.

There are pathways under the NDIS (National Disability Insurance Scheme) for accommodations to one's home to ensure full accessibility, including rails, ramps, and other modifications. Nevertheless, the number of renters living in homes that are difficult for them to fully use, given their disability, is very concerning.

What are the challenges regarding modifying a home that ultimately belongs to the landlord, not the tenant? Renters often occupy rental homes for relatively short periods, due to the short leases that are usually offered, what does this mean for the ability and willingness of tenants and landlords to make disability accommodations to properties?

These questions, clearly, deserve further research and analysis.

“I need to crawl on the stairs, the kitchen is difficult to move around in and an open easement with hills in the backyard.”

“My partner needs shower chair and some handrails in bathroom but don't want to ask about hand rails as don't want to risk them saying no and then not renewing the lease next year.”

“I am borderline legally blind and have steps out the front and back doors which I have fallen down quite a few times.”

“I'm a wheelchair user and my housing doesn't have appropriate accessibility or modifications. Kitchen and bathroom etc are not wheelchair accessible.”

For further info about Anti-Poverty Network SA,
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