Use It Or Lose It

End Homelessness By Acquiring Unused Dwellings

Anti-Poverty Network SA is calling on the State Government to impose a **Vacant Houses Levy** designed to stop the hoarding of residential property. Safe, secure housing is a human right and bold action is urgently required to reverse the inequities of a broken housing market. Excessive speculative investing must be curtailed and unused dwellings compulsorily acquired.

The Poorest Sleep Rough, While Houses Sit Empty

As of Census night in 2021, there were 7,408 homeless people in SA. More recently, 17,600 South Australians were assisted by specialist homeless services in 2024-25.

We're constantly told there's a housing supply shortage. Yet at the last Census, 7.0% of dwellings in Greater Adelaide were unoccupied. That was a total of about 40,000 premises, with more in regional areas.

Independent real estate data backs these figures up, indicating that the baseline of inactive or unutilized residential stock across various Adelaide suburbs typically sits within the 5 - 8% range.

While there are legitimate reasons a house may be unoccupied, *"about half the properties identified in the Census as unoccupied could potentially be used to provide short, medium and in some cases long-term accommodation for people in housing need"*, according to Shelter SA.

Even allowing for homes that are genuinely unavailable, Shelter SA estimates around half of unoccupied dwellings could potentially accommodate people in housing need. That represents around 20,000 homes and would easily house all the state's homeless, as well as most of the almost 14,000 people on the public housing wait list.

Why Are These Dwellings Empty?

Many dwellings remain empty for legitimate reasons. However, thousands remain vacant because of speculative investment in the housing market.

In late 2025 new housing finance reached historic highs, driven heavily by property investors rather than people purchasing a home to live in. ABS lending indicators show investor commitments hovering near record-breaking territory, capturing roughly 40% of all national housing loans. Typically, the investors aim to sell within a few years for a big mark-up, made possible by the increasing prices in the housing market.

Real estate agents consulted for recent Shelter SA research "*made clear that selling an empty home or property is easier without a tenant*" and that "*an untenanted property can attract a higher selling price*."

A Mandate for Action

In 1980, Australia committed to a United Nations covenant pledging that housing is a human right. But notably, as "*the only liberal democracy without a national human rights act or charter…currently there is no federal housing act or strategy that enshrines the right to adequate housing or establishes a suitable monitoring framework*" - Australian Housing and Urban Research Institute.

That safe, secure dwellings are allowed to remain empty during a homelessness crisis shows that the priorities of the housing system are about treating housing primarily as an investment vehicle. We all need places to live, and so there will always be someone who will pay for them, even when those payments leave them malnourished, seriously ill, or in desperate poverty.

Instead of upholding a system based upon exploiting a fundamental need that all people share, housing must be treated as a human right and a central pillar of community stability, not a vehicle for individual wealth accumulation.

Leaving thousands of habitable structures empty while families reside in cars, tents, or temporary shelters is an avoidable imbalance. The primary economic and ethical mandate during a crisis is simple: **there should be no empty houses.**

How Do We Do It?

South Australian law already allows governments to compulsorily acquire property for a genuine public purpose, provided fair compensation is paid. The best way to both pay for and incentivise this is to impose a **vacant houses levy (VHL) on residential dwellings that are not long-term rental properties**.

A house is deemed vacant when nobody has paid to sleep there overnight, so it includes any short-term rentals such as Airbnbs. In these cases, the vacant period is the cumulative portion of a year when the property wasn't booked. A property is also deemed vacant where the block is empty or the dwelling is dilapidated. In these

Vacant Houses Levy (Annual)

Applies to cumulative value of residential property holdings (owner-occupied and fully-tenanted properties are exempt)

Rate	Bracket	Amount	Effec-tive
0.5%	0 to $973,100	$4,866	0.50%
1%	$1,946,200	$14,597	0.75%
3%	$2,919,300	$43,790	1.50%
6%	$3,892,400	$102,176	2.63%
10%	$4,865,500	$199,486	4.10%
15%	$5,838,600	$345,451	5.92%
20%	$6,811,700	$540,071	7.93%

Brackets based on average price of residential dwellings (March 2026, ABS) cases, an exemption from the VHL would apply once a new build has been contracted. This will substantially eliminate land banking, along with stimulating new builds in desirable areas.

The Australian Tax Office (ATO) already data-matches property ownership records with information from state and territory land titles offices. By using appropriate reporting and compliance measures, residential properties that are neither owner-occupied nor leased on a long-term basis could be identified and the vacant houses levy imposed. Landlords would get a full or partial exemption based on tenancy lease periods. This significantly raises the cost of not renting out properties long-term, effectively reducing the profitability of short-term rentals and encouraging longer leases to avoid the levy.

Making the levy progressive and based on the cumulative value of an entity's entire residential property holdings will discourage large-scale corporations and heavily-leveraged speculators, with very minimal impact on small-scale family investors.

To urgently address the homelessness crisis, we propose the immediate acquisition of vacant houses if the owner is unable to provide a tenancy lease agreement ending less than a year ago. While for short-term Airbnb-type rentals, evidence of at least 183 nights of bookings over the last year. A three-month grace period could be applied to allow them time to find a long-term tenant or contract a builder to make the dwelling habitable.

Beyond ending homelessness, further beneficial impacts include:

- The supply of established homes available for lease will increase significantly, leading to higher vacancy rates and subsequently more affordable rents. Importantly, this increase will be faster than the time taken to address housing supply through construction of new builds alone.
- Landlords will be incentivised to offer long-term tenant leases because they will pay more the longer they leave a property unoccupied.
- Existing housing is used more efficiently before more farmland is opened for urban sprawl.
- The state government will have a dedicated revenue stream to acquire, renovate and build new public housing.

Together, these impacts will play a significant role in ending homelessness, a problem that affects thousands of South Australians. We have the power and means to stop people being forced to sleep rough, live in their cars, or couch-surf. We can give them access to housing faster, more cheaply, and in a way that generates revenue that can be used for further investment in a more equitable housing system.

This solution to the housing emergency is clear: **housing must be for people before profit**.

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