



BUILD HOMES NOT LANDLORD PORTFOLIOS



OUR
SA OUR
future

How empowering renters will rebalance
the scales of the Housing Market

SA 
UNIONS
STRENGTH IN UNITY
~ SINCE 1884 ~

A HOUSING SYSTEM AT BREAKING POINT

South Australia is in a housing emergency. While workers fight for pay rises, they are being snatched away by landlords who hike rents to Sydney levels. Median house prices in Adelaide have soared **84% in five years**, locking workers out of homeownership and into a predatory rental market.

Beyond costs, the system is failing working families. Tenants are trapped in “energy-poverty” homes that freeze in winter and swelter in summer. They face “money traps” where thousands in bonds are tied up, and they lack basic information about hazards like asbestos.

South Australian Workers need a ‘Minister for Renters’, not a ‘Minister for Landlords’.

To address this crisis, the State Government must implement a comprehensive suite of reforms centred on safety, fairness, and representation.

SAFETY, STANDARDS, AND DISCLOSURE

MANDATORY “FIT FOR HABITATION” DISCLOSURE AND ACCREDITATION OF PROPERTY INSPECTORS

Renters in South Australia need better safeguards to protect them from hazardous materials like asbestos and lead. Asbestos was banned in 2003, but South Australians are still living with its legacy.

Around one in three homes contain asbestos. As they age and deteriorate, asbestos-containing materials are only becoming more dangerous. Many homes built before 1980 also contain lead paint. Accidentally swallowing or inhaling lead through dust, fumes, or paint chips can cause serious lifelong harm.

Most renters receive no information about asbestos-containing materials or lead in their home. In any South Australian workplace, the owner or manager has a legal responsibility to hire a trained professional to identify asbestos. To keep workers, contractors, and visitors safe, a register of asbestos-containing materials must be kept on site and passed along to any new owner or manager.

Even though landlords operate residential properties as a business, they have no obligation to detect and disclose asbestos-containing materials.

In 2012, an Australian Government review recommended that any residential property built before 1987 should be inspected for asbestos by a qualified assessor when it’s sold or leased, that asbestos-containing materials should be reported to potential buyers or tenants, and that the property should be labelled to keep residents, contractors, and visitors safe in the future. More than a decade later, South Australian landlords still aren’t required to identify asbestos in their properties.

The SA Government’s recent rental reforms mean that landlords can’t unreasonably stop tenants from making minor alterations or installing modifications to make properties accessible for disabled or elderly tenants. This was the right move, but tenants installing picture hooks or safety rails are now at increased risk of disturbing hazardous materials which they don’t know exist in their homes.

The SA Government must require landlords and vendors to commission an independent inspection prior to leasing or selling a property and disclose the report, including a register of hazardous materials, to all potential tenants or buyers. Details of identified hazards should be readily available at a property to keep residents, contractors, and visitors safe in the future.

The SA Government must create a state-based registration scheme for property inspectors to ensure that inspections are rigorous, independent, and uniform.



Independent property inspections before all new leases.

MINIMUM ENERGY EFFICIENCY & CLIMATE STANDARDS

Too many South Australians live in rental properties which are freezing in winter and sweltering in summer. Rental properties are less likely to have ceiling insulation, efficient cooling and heating systems, or doors and windows which seal properly to keep out draughts.

Indoor temperatures in South Australian in many rentals are reported to reach over 45°C in summer, forcing renters to flee their homes or try to sleep in wet clothes.

In winter, South Australian rentals are colder than the World Health Organisation's minimum healthy indoor temperature of 18°C almost 80 per cent of the time. These extremes put renters at unacceptable risk of ill health, exacerbated chronic conditions, and death. Thanks to poor heating and insulation, **South Australia has a higher rate of cold-related deaths than Sweden or Canada.** Heatwaves cause more deaths than all other extreme weather events combined.

Inefficient homes are also driving renters into poverty. Renters pay 8 per cent more on their energy bills than owner-occupiers in comparable homes. Compared to renters in better quality houses, those in inefficient homes spend an extra \$2,800 each year to keep indoor temperatures liveable. This financial burden compounds the negative health effects of extreme temperatures, with many renters forced to choose between running their heater or air conditioner and purchasing food or medication.

Renters can't decide to insulate ceilings, take on significant repairs, or replace inefficient appliances. They rely on their landlords to make these improvements, but current policies provide very few incentives or requirements for landlords to act.

The SA Government must ensure that new properties offered for rent in South Australia meet a Thermal Star Rating of at least 8 under the Nationwide House Energy Rating Scheme.

The SA Government must require rental providers, at the start of a new rental agreement, to:

- **install ceiling insulation** in spaces where none exists;
- **draught-proof external doors, windows, and wall vents;**
- ensure the main living area has an **energy-efficient reverse-cycle air conditioner.**

When hot water systems fail, rental providers must install energy-efficient replacements. The SA Government should introduce rebates for rental providers to help them make required improvements.

Renters in inefficient homes spend an extra **\$2800 a year to keep indoor temperatures liveable.**



FIT AND PROPER PERSON TESTS & JUDICIAL LANDLORD BANNING ORDERS

Tenants are one of the only groups in a major regulated sector who have no guarantee that the person they are dealing with meets a minimum standard of character and conduct. In almost all occupational licensing and registration schemes, people looking to hold positions of public trust have to pass suitability tests.

Before someone in South Australia can do your taxes, sell you a used car, fix your kitchen sink, or drive you in an Uber, they must pass a test showing they don't have a history of dishonesty, fraud, or violent crime.



Tenants are forced into placing a huge amount of trust in their landlord, but most renters know almost nothing about the landlord with keys to their home. Renters deserve to have confidence that they aren't dealing with someone who has a history of entering properties without consent, harassing and intimidating tenants, misleading them, or breaking tenancy laws.

In our housing crisis, landlords hold a huge amount of power over tenants as the only person standing between them and homelessness. Renters should never be put at risk by people who have abused this power in the past.

The SA Government must institute a “fit and proper person” test to ensure that only people who meet minimum standards of character and conduct can lease residential properties.

The SA Government must empower SACAT to issue banning orders which disqualify people from leasing property in response to severe or repeated breaches. **Renting out properties is a commercial activity, not a human right,** and South Australians deserve to be protected from would-be slumlords who have seriously or repeatedly violated tenancy law.

FINANCIAL FAIRNESS & MARKET INTEGRITY

TRANSFERABLE BONDS & “RENTER’S DIVIDENDS”

Moving house is expensive and stressful, particularly for renters who face intense competition for a small number of vacancies and who are often moving against their will when a lease hasn't been renewed.

In South Australia, renters are required to pay a bond of up to \$4,800 to Consumer and Business Services at the start of a new lease. Renters very often need to pay a new bond before the bond from their previous property has been refunded. Overlapping bonds put intense financial pressure on renters at a time when their budgets are already stretched.

Most renters don't have an extra \$4800 lying around for double bond payments.

For some renters, the thousands of dollars necessary for a bond represents a substantial part of their savings. Renters see no return on this money while it's locked up with Consumer and Business Services. Bonds are refunded at their original cash value, no matter the length of a lease.

However, the SA Government does invest bonds and keeps the dividends or interest accrued for itself.

The Government collects these returns while long-term renters miss out and watch a portion of their savings be whittled away by inflation.

The SA Government must introduce a portable rental bond scheme, similar to schemes in New South Wales and Victoria, so that renters can transfer their current bond directly to a new rental property.

As in these jurisdictions, the SA Government should guarantee the first bond to the original rental provider so that the scheme has no impact on landlords.



Who has the keys to your home?

The SA Government must introduce a system to pay out a “tenant dividend” when a bond is removed from the portable scheme, so that renters see the benefit of returns generated by their own capital.

PREVENTING RENT BIDDING

Rent bidding is still driving up rents in South Australia. In 2023, the SA Government rightly made it illegal for landlords or agents to solicit offers above the advertised rental price for a property. However, this reform hasn't stamped out rent bidding, it's only been pushed underground.

Landlords can still accept higher offers 'volunteered' by prospective tenants. With low vacancy rates and intense competition for rentals, many South Australians still feel pressured to offer rents which will push them into financial stress. Many South Australians are still missing out on housing and wasting time on futile inspections and applications because properties are still being leased for above the advertised price.

It's a rental application, not an auction

The SA Government must ensure that properties are never leased for an amount which exceeds the rent advertised online and at property inspections. Landlords and agents should be required to provide Consumer and Business Services (CBS) with evidence that the maximum weekly rent agreed is not higher than the amount advertised at least 14 days prior to the commencement of a lease. If a landlord wishes to increase the maximum rent, the property must be readvertised for 14 days at the increased rate.

This reform will remove any remaining incentive for rental providers to 'fish' for higher offers and will give applicants confidence that landlords and agents have set realistic prices and will stick to them.



SHORT STAY ACCOMMODATION LEVY

The unchecked conversion of long-term rentals into short-stay tourist accommodation has removed thousands of homes from the rental market. The business model of online booking platforms has changed, but the SA Government has been caught flat-footed. "Hosts" on platforms like Airbnb aren't just letting out a spare room as part of the sharing economy. The dominant type of listing on booking platforms is now entire dwellings. Serious investors have flocked to the unregulated short-stay accommodation sector as a lucrative venture.

The link between an increase in short-stay accommodation and rising rental prices is well-established. Rents are driven up when entire dwellings are set aside as short-stay accommodation because tenants are left to compete for fewer available properties. **In Adelaide, the number of entire dwellings available to book on Airbnb is greater than the number of vacant homes available to rent.**

As part of a package to deliver "A Better Deal for Renters", all states and territories agreed to better regulate short-stay accommodation at National Cabinet in 2023. While other states have delivered reforms aimed at getting properties back into the long-term rental market, South Australia has taken no action and has fallen behind.

The SA Government must introduce a state-wide register of short-stay accommodation to provide accurate data on the withdrawal of housing stock from the long-term rental market.

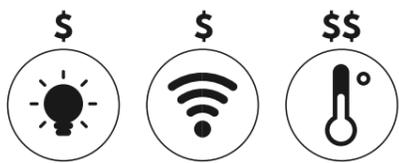
The SA Government must introduce a levy to be charged to short-stay accommodation owners, similar to the existing scheme in Victoria and the forthcoming scheme in Tasmania. Funds raised should support public housing projects and a Tenants' Union, so that those profiting from housing scarcity contribute directly to solving the crisis.

RENTS, RIGHTS & REPRESENTATION

STANDARDISE AUTOMATIC RENT ABATEMENTS & INTRODUCE LANDLORD BONDS

When features of a property aren't working and can't be used, renters receive less than what they're paying for. Landlords have an obligation to keep all fixtures and appliances in working condition, but too many drag their feet and delay indefinitely when renters make a request for repairs.

Many renters find themselves paying for the privilege of heaters, air conditioners, hot water systems, or kitchen appliances which are broken and can't be used. It's not just annoying for renters when landlords don't make repairs – it quickly becomes expensive to run a portable air conditioner thanks to a broken split system or to order takeaway because of a broken stove.



Automatic rent reductions when features are broken.

It's too difficult for renters to receive compensation when they're charged for the benefit of features they can't use. Renters currently need to make an application to the South Australian Civil and Administrative Tribunal and can expect to wait weeks or months for a decision on a rent reduction or compensation payment, all while footing the bill for expensive workarounds.

There's currently no financial lever which can force absent or obstinate landlords to make much-needed repairs. When a landlord ignores requests or unreasonably denies the need for repairs, tenants are left to languish in despair during the lengthy wait for tribunal enforcement.

Tenants deserve a system which lets them maintain a decent standard of living even when landlords dig in their heels.

This system places too much of the burden on tenants who have done nothing wrong and incentivises landlords to delay repairs in the hope that renters will be overwhelmed and put off by the requirement to jump through legal hoops.

The SA Government must introduce a standardised rent abatement system for broken fixtures and appliances.

If a feature of a property becomes unusable, rent should automatically be reduced at a predetermined rate for that feature until it's repaired. In the case of a dispute over the need for repair, the burden of making an application to SACAT should fall to landlords. This system would tie rental income to the quality of service delivered and would incentivise landlords to make immediate repairs because delays come with a cost.

It's time for landlord bonds

The SA Government must introduce a system of landlord bonds, matching the mechanism already applied to tenants. Landlords should lodge a bond with Consumer and Business Services and tenants should be empowered to apply to access this bond when landlords refuse to prioritise urgent repairs.

ESTABLISHMENT OF AN INDEPENDENT TENANTS' UNION

Too often, South Australian renters can't exercise their rights because regulations are hard to interpret and legal processes are hard to navigate. For renters who are working a job and raising a family, it's difficult to invest time and energy in challenging their landlord's actions.

Many renters are also afraid to raise issues thanks to the power imbalance between tenants and landlords, who decide whether to renew their lease or raise their rent. Renters often feel no choice but to keep quiet and try to avoid coming to their landlord's attention. Renters who do stick up for their rights can find themselves outgunned by professional lawyers and advocates who know their way around tenancy law and the Tribunal.

This power imbalance also plays out when it's time to renew a lease. Tenants have very little bargaining power and are almost always presented with whatever rent increase a rental provider sees fit on a "take it or leave it" basis.

This imbalance is especially stark for tenants of landlords with outsized market power, like rooming house proprietors and commercial property owners.

The SA Government must recognise and fund an independent body to help renters enforce their rights. A dedicated membership organisation, controlled and led by tenants, would be in the best position to advocate for renters, solve disputes, ensure that laws are upheld, and draw on the lived experience of renters to help establish best practice for the future.

The SA Government must create pathways for groups of tenants to collectively bargain over the terms of leases offered by landlords with disproportionate market power, like rooming house proprietors and commercial property owners. Tenants in negotiation with large, well-resourced rental providers should be empowered to appoint representatives to help them reach fair tenancy agreements.



The SA Government must allow and enable collective bargaining for tenants.



SA UNIONS' RECOMMENDATIONS:

1. SAFETY STANDARDS, NOT SLUMLORDS

Minimum Energy Efficiency & Climate Standards

- Enforce Thermal Star Ratings
- Standardise Essential Efficiency
- Modernise Failing Appliances

Independent Safety Inspections

- Vendors and landlords must provide independent inspection reports and hazard registers to all prospective tenants and buyers.
- Establishing a state-based registration scheme to ensure all property inspections are rigorous, independent, and meet uniform standards.

Ban Dodgy Landlords

- Landlords must pass a “fit and proper person” test to ensure they meet basic standards of character and professional conduct. Renters should feel secure that the person who has keys to their home is not a criminal.

2. FINANCIAL FAIRNESS & MARKET INTEGRITY

Make Rental Bonds Fairer

- Allow renters to transfer their existing bond directly to a new property, avoiding the financial strain of paying two bonds simultaneously.
- Pay interest to renters when bonds are released.
- Require landlords to lodge bonds to cover the costs of urgent repairs or compensation when owners fail to act.

Make Rental Bidding Impossible

- Prevent properties from being leased for more than the advertised rate, effectively nullifying both solicited and unsolicited rent bidding.
- Require landlords to submit evidence of the advertised maximum rent for 14 days prior to the lease signing.

Airbnb Tax

- Create a statewide register and introduce a levy on short-stay properties to fund public housing and support services for tenants.

3. RENTERS' RIGHTS & REPRESENTATION

Automatic Rent Reductions

- Introduce fixed rate rent reductions for broken appliances or fixtures, shifting the burden of proof to landlords to ensure repairs are completed promptly.

Fund and Independent Tenants' Union

- Establish and fund a member-led body to provide renters with the advocacy and legal support needed to challenge unfair practices and balance the power dynamic with landlords.

Enable Collective Bargaining Rights

- Create formal pathways for tenants to appoint representatives and collectively negotiate lease terms, particularly when dealing with large-scale commercial providers or rooming house proprietors.