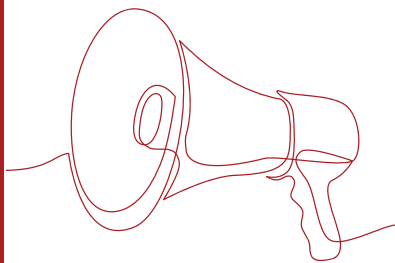


SA UNIONS SUBMISSION TO THE SELECT COMMITTEE ON INTERGENERATIONAL HOUSING INEQUITY



Background

On the 4th of November 2025, the Senate resolved that the Select Committee on Intergenerational Housing Inequity be established on 17 March 2026. The committee is due to present a final report by the 30th of September 2026.

Importantly, the committee is asking not just about housing affordability in a narrow context, but about the extent, causes, cohort impact and reform options related to intergenerational housing inequity. This inquiry could not be more critical, as Australians face a housing market and residential property landscape that is pushing more families to the brink of homelessness.

Terms of Reference

That a select committee, to be known as the Select Committee on Intergenerational Housing Inequity, be established, on 17 March 2026, to inquire into and report on:

- a. the extent and nature of intergenerational housing inequity in Australia across housing tenure types;
- b. consideration of the laws, policies, practices and services that have been most effective in reducing intergenerational housing inequity in Australia and overseas;
- c. the experience of intergenerational housing inequity on different population cohorts, including but not limited to socio-economic, gender, geographical location, disability, ethnicity and racial status;
- d. the causes of intergenerational housing inequity, including nature and rates of construction, rental policies and practices, tax settings, homelessness policies, lending rules, and public and social housing practices and investment;
- e. the factors that promote or impede action on significant housing reform;
- f. policy, legislative and other options for tackling intergenerational housing inequity and evening the playing field for current and future generations; and
- g. any related matters.

Forward

SA Unions is the peak trade union council for South Australia. Through its affiliated organisations, it represents approximately 160,000 union members in all industries and sectors.

For over 170 years, unions have been on the front line of political, industrial and legal action to create protections for workers. Unions are engaged daily in the task of advancing safety, conditions and wages for workers at their workplaces.

As the peak body for unions in South Australia, SA Unions is acutely aware of the pressure that workers are under given the rising cost of living, increases to interest rates, shocks to global markets and outdated fiscal policies that are leaving many Australians, particularly young Australians, locked out of the housing market.

As financial stress continues to put unprecedented and unreasonable strain on Australian families, the policies that underpin Australia's residential housing market must ensure that all Australians are able to live in a quality home close to their workplace and the community that they love.

The government cannot afford to be a passenger, waiting for private developers to fix this problem. Workers are facing the pointy end of a crisis created by a property market focussed on the hoarding of wealth, instead of guaranteeing people a home.

If private interests can't provide homes that workers can afford to buy or rent, governments at all levels have a responsibility to step in and deliver the reforms that improve affordability and increase supply.

Public housing cannot simply be a safety net for the most vulnerable, investment, innovation and brave policy are required to realign the intergenerational inequalities that exist in the housing market today.

SA Unions has a long history of campaigning, advocating and fighting for reforms to the housing market in South Australia, as is most recently evidenced by our *Short on Homes* (Attached as Appendix A) policy paper, as well as our ongoing *Rebuild the Housing Trust* campaign.

SA Unions thanks the Senate and the Select Committee on Intergenerational Housing Inequity for the opportunity to present this submission, with analysis and recommendations. We also invite the Committee to contact us should they wish to discuss any points further or seek clarification on any matters addressed within.

The Problem

Cost of Housing

Housing affordability continues to deteriorate. Economic data prepared by the National Housing Supply and Affordability Council in their most recent report, *State of the Housing System 2025*, shows that the share of income that a median-income household needed to service the average new mortgage has risen to 50%¹.

Renters suffered a similar fate, with the share of income needed to pay rent for the median new lease rising to 33% in the same period ².

Data from the Australian Bureau of Statistics shows that the median price of established house transfers in South Australia increased from \$185,000 in March 2002 to \$950,000 in December 2025 — a rise of more than 400%³.

Inflation over the same period increased the cost of living by approximately 85.6%⁴, with nominal wages largely tracking that growth and delivering little sustained increase in real purchasing power⁵.

The result is a structural divergence: while incomes have broadly kept pace with everyday costs, they have failed to keep pace with housing, fundamentally eroding access to home ownership.

¹ (National Housing Supply and Affordability Council , 2025)

² (National Housing Supply and Affordability Council , 2025)

³ (Australian Bureau of Statistics , 2026)

⁴ (Reserve Bank of Australia , 2026)

⁵ (Australian Bureau of Statistics , 2026)

Not only is low wage growth eroding access to home ownership, but housing supply remains persistently constrained. In 2024, just 177,000 new dwellings were completed nationally — well short of the 223,000 required to meet underlying demand.⁶ The number of new homes completed in South Australia represented less than 10% of the new homes built nationally⁷.

Younger Australians are disproportionately exposed to these conditions. Home ownership rates among 25–29-year-olds have fallen from 50% in 1971 to just 36%, while 58% of people experiencing houselessness at the 2021 Census were under the age of 35⁸.

Despite recent increases in the construction of social and affordable housing, demand continues to outstrip supply⁹. As a result, some of the most vulnerable cohorts — including people experiencing family and domestic violence, young people, children in care, First Nations communities, older Australians, and those exiting health or social care systems — remain at heightened risk of houselessness¹⁰.

Across ownership, rental, and social housing systems, the evidence demonstrates a market that is failing to deliver accessible and secure housing outcomes. These failures are not occurring in isolation but are being compounded by entrenched intergenerational inequalities and policy settings that continue to privilege asset accumulation over housing access.

Intergenerational Inequity

The continued deterioration of the conditions in the housing market are further compounded by intergenerational inequity, which continues to worsen.

The wealthiest 10% of households possess 44% of all wealth in Australia, averaging \$5.2 million per household¹¹.

Over the last 20 years, the share of wealth held by older households has continued to increase¹². As noted in the recent *Inequality in Australia 2024* report produced by the Australian Council of Social Services (“**ACOSS**”) and the University of New South Wales Sydney (“**UNSW Sydney**”):

“from 2003 to 2023, the proportion of all wealth held by older households (with reference person 65 years or older) rose from 27% to 34%, while that of middle-aged households (35-64 years) declined from 65% to 59% and that of young households (under 35 years) was consistently low at less than 9%”¹³

Over that same period, the average wealth for older households rose by 85%, from \$854,000 to \$1.6 million, compared to 64% for middle aged households. Of the average \$1.2 million in household wealth, 13% is accounted for in investment housing.

Recent research demonstrates that intergenerational wealth transfers — often described as the “Bank of Mum and Dad” — are increasingly facilitating entry into home ownership, with recipients able to enter the housing market earlier and accumulate wealth over time¹⁴. This results in

⁶ (National Housing Supply and Affordability Council , 2025)

⁷ *ibid*

⁸ (Australian Institute of Health and Welfare , 2025)

⁹ (National Housing Supply and Affordability Council , 2025)

¹⁰ (Australian Institute of Health and Welfare, 2025)

¹¹ (Australian Council of Social Services & UNSW Sydney , 2024)

¹² *ibid*

¹³ *ibid*

¹⁴ (Cigdem-Bayram, Whelan, & Wood, 2024)

entrenched wealth disparities across generations by linking access to housing, and therefore wealth accumulation, to family background rather than individual earnings.

It is no longer the case that labour market participation is the contingent factor that establishes an ability to enter the housing market. Access to intergenerational family wealth is becoming an essential part of home ownership, further increasing the divide between those for whom home ownership is a reality and those who it is not.

Fiscal policy settings

The commoditisation of housing in Australia has shifted many people's perception of housing from one of life's essentials, to another form of wealth creation. This perception shift has not been assisted by a tax system that incentivises speculative investment in residential property while people go without secure housing¹⁵.

Tax concessions for property investment, particularly the 50% Capital Gains Tax ("CGT") discount and negative gearing, have accelerated housing prices over the past two decades to unprecedented levels of unaffordability¹⁶.

These tax concessions drive up the price of homes by encouraging investment in property, while contributing little to the overall supply of housing, since around 81% of investor loans are for purchasing existing dwellings¹⁷.

It is a myth that these tax concessions and fiscal policy settings support middle-class "mum and dad" investors, with the overwhelming benefit going to the top 10% of taxpayers, who receive 82% of revenue from CGT discounts and 39% of revenue on rental deductions¹⁸.

The impact that these concessions have on the economy is significant. Forgone federal government revenue is estimated to be around \$11 billion in 2023-2024¹⁹, greater than the annual federal expenditure on all other housing assistance combined in the same period²⁰, and more than the opening balance of the Housing Australia Future Fund ("HAFF")²¹.

While we welcome and support the increased funding and assistance delivered by the federal government, including the plan to build 55,000 social and affordable homes by mid-2029, as well as the funding delivered through the Social Housing Accelerator, more needs to be done to reframe the positioning of housing as essential to Australian's wellbeing, and not as a vehicle for speculative investment.

Private markets are not equipped to meet the demand for housing that is present, this is where the government must step in and take the wheel. Research for UNSW Sydney shows that 640,000 Australian households are living in housing that does not meet their needs, a number that is expected to rise to 940,000 in 2041²².

The current federal government target of 55,000 new social and affordable homes by mid-2029, while more ambitious than previous governments, still falls short of the demand for affordable housing, before taking into account Australians who are not necessarily in need to housing

¹⁵ (Australian Council of Social Service, 2025)

¹⁶ (Australian Council of Social Service, 2025)

¹⁷ *ibid*

¹⁸ *ibid*

¹⁹ *ibid*

²⁰ *ibid*

²¹ (Department of Finance, 2026)

²² (Aminpour & van den Nouwelant, 2025)

assistance, but are priced out of the private market, without the benefit of intergenerational wealth transfers.

To prevent the housing crisis from developing into a housing catastrophe, the current shortage of affordable housing will most effectively be overcome with direct public investment, not incentives that boost landlord's portfolios.

Policy Positions

Rebuild construction capacity

The problems created by intergenerational housing inequity are compounded by a residential property market in which demand consistently outpaces supply.

Addressing the housing supply crisis starts with ensuring there are enough skilled trades workers to build the number of homes required.

It is estimated that Australia faces a shortfall of 83,300 skilled trades workers²³, a shortage that is particularly pronounced in regional areas²⁴. The most recent *MEGT Productivity Report 2025*, shows that nearly 50% of all trade roles are now hard to fill²⁵. Critically, electricians, metal fitters, boilermakers and carpenters are in short supply across the country²⁶.

To address this workforce shortage, greater investment must be directed towards attracting young people to critical industries such as construction, including through expanded skills and training programs and incentives for employers to take on apprentices and newly qualified workers.

At the same time, more must be done to address the persistent gender inequity within the construction industry. Despite women making up 51% of the population, they represent only a small proportion of the construction workforce — approximately 14%²⁷.

Unions such as the Communications, Electrical and Plumbing Union (“**CEPU**”), Australian Manufacturing Workers' Union (“**AMWU**”) and Construction, Forestry, Maritime, Mining and Energy Union (“**CFMEU**”) are playing a critical role in challenging entrenched barriers to women's participation in male-dominated industries, while advancing the cultural change required to make these workplaces genuinely inclusive.

SA Unions commends the investment of \$1.5 billion for over 500,000 Fee-Free TAFE and vocational education training (“**VET**”) between 2023 and 2026. This is an essential initiative to encourage engagement with industries that are suffering labour shortfalls.

However, more must be done to address the concerning completion rates associated with the Fee-Free TAFE program. Data indicates that in 2024, only 13% of students enrolled in Fee-Free TAFE courses completed a qualification.²⁸

²³ (Hermon, 2025)

²⁴ (Jobs and Skills Australia, 2025)

²⁵ (Major Training, 2026)

²⁶ *ibid*

²⁷ (Sydney Build Expo 2026, 2026)

²⁸ (Sandhu, 2024)

Feedback from students highlights concerns regarding disorganised course structures and inadequate resourcing, while teachers and trainers have raised issues with increasing class sizes, reducing their capacity to deliver effective and meaningful education.²⁹.

Amending current regulatory settings which allow property developers to “land bank” is essential to ensuring that the supply of new housing is not held up to create market conditions to benefit the profits of developers.

“Land banking” is a practice contrived by property developers to increase profits by controlling supply and waiting for land values to rise or planning rules to allow for greater density. When a finite resource is hoarded, supply is reduced and its price increases, and these practices must be stamped out.

Without a sustained expansion in construction capacity, efforts to increase housing supply will remain constrained, further entrenching affordability pressures across the housing system.

Recommendations:

Boost training and skills. Fee free TAFE should include building and construction qualifications, and fee free TAFE should be specifically targeted towards engaging young people, women, and Aboriginal and Torres Strait Islander peoples.

Address trade drop-out rates. Government must address the causes of apprenticeship drop-out rates, including by ensuring apprentices are paid a living wage and receive adequate mentoring.

Create pathways for women into male dominated areas through a comprehensive and multilayered approach in which improved entry into qualifications is complemented with job placements and strategies that ensure the workplace environment that women enter is safe and respectful.

Prevent property developers from “land banking”. Property developers should be prevented from the common practice of hoarding land and delaying the commencement of development.

Building the homes we need

The urgent need for housing cannot be used to justify a race to the bottom on wages, conditions, or safety in the construction industry. As Australia expands its housing supply, workers must share equitably in the benefits created by increased demand for their labour.

Construction and trades workers are the key to solving the housing crisis, and their labour must be correctly valued. This is particularly important for attracting and retaining apprentices and trainees in these vital industries.

In 2025, a 17–20-year-old first-year carpentry apprentice under the *Building and Construction General On-site Award 2020* earns approximately \$691.45 per week³⁰ - only marginally above the poverty line of \$584 per week³¹.

If Australia is to attract and retain workers in critical trades, remuneration must reflect the value of that work. Without meaningful improvement, prospective entrants will continue to pursue higher-paying opportunities in other industries.

²⁹ *ibid*

³⁰ (MIGAS Apprentices & Trainees, 2025)

³¹ (Poverty & Inequality, 2026)

This underscores the need to review entry-level award wages and apprenticeship support settings to ensure they are fit for purpose.

The expansion of Australia's construction capacity must not come at the expense of workplace safety. As demand for construction labour increases, it is critical that existing work health and safety standards are improved and rigorously enforced.

SA Unions commends the federal governments 2024 move to make it an offence for a PCBU to carry out, or to direct a worker to carry out, work involving the manufacture, supply, processing or installation of engineered stone benchtops, panels or slabs.

Clear evidence shows that exposure to silica dust (respirable crystalline silica) can lead to workers developing silicosis and other serious lung diseases³².

Current regulatory exposure limits for harmful chemicals and substances used across construction, manufacturing and fabrication processes remain unacceptably high.

SA Unions supports the Australian Council of Trade Unions (“**ACTU**”) in calling on Work Health and Safety Ministers to adopt more protective exposure standards, aligned with the best available medical evidence, to ensure workers are adequately protected from adverse health effects.

This is particularly critical in the context of expanding construction activity, where increased exposure risks must be met with stronger, not weaker, protections.

SA Unions considers it appropriate that resources be allocated to investigate and develop alternative housing models that may be suitable for the Australian housing market.

While recognising the role of state and territory governments in commissioning and delivering public housing, there is value in ensuring a level of national consistency across the Commonwealth in key areas — for example, in relation to First Nations housing.

SA Unions continues to advocate for a fairer housing system that prioritises people over investor returns. Most recently, through our *Short on Homes* policy, SA Unions has called on the South Australian Government to rebuild the Housing Trust, including through the construction of 12,000 new homes.

SA Unions further supports the adoption of ambitious construction targets that would position the Housing Trust as the primary residential developer in South Australia.

For states and territories to pursue ambitious housing policies, social and affordable housing must be adequately and sustainably funded.

SA Unions acknowledges the \$10 billion committed to the HAFF at its establishment. While this represents an important initial investment, it is insufficient to address the scale of the shortfall in social and affordable housing.

Increasing public housing supply will not only meet existing demand but also alleviate pressure on the already strained private rental and ownership markets.

³² (Department of Employment and Workplace Relations , 2024)

Addressing this shortfall is critical to mitigating the impacts of intergenerational housing inequality, both for those seeking to enter the housing market and for those experiencing rising mortgage and rental stress.

Recommendations:

Attract and retain workers by committing to higher apprentice and trainee rates and immediately abolishing junior rates in awards.

The materials used in construction must be safe to work with, and safe to live with. Construction materials must be safe for the workers working with them, and hazard free for the people who will live with them – including to ensure that cladding is fire resistant.

Alternative Housing Models must be considered where appropriate. In addition to the classic Quarter Acre Block, consideration needs to be given to supporting alternate models of community housing, Granny Flats, Apartment living, the Nightingale model, and offshore accommodation vessels / barges for short term projects.

Increasing funding to the States and Territories through mechanisms like the HAFF to make the state the primary residential housing developer.

Addressing fiscal policy settings

Housing is one of life's essentials, but in Australia it is too often treated as another form of wealth creation while people continue to go without secure housing.

Decades of fiscal policy and tax concessions for property investment – namely the 50% Capital Gains Tax (“CGT”) discount and negative gearing have accelerated housing prices and incentivised the commoditisation of residential housing³³.

Consequently, the buying, selling and holding of residential housing is now done in a similar fashion to the trading of other financial products like stocks, bonds and commodities.

These extremely generous concessions made at the expense of significant contributions to revenue by the federal government to property investors is something that can simply no longer be afforded, especially as the demand for secure housing and rates of houselessness continue to rise³⁴.

Research shows that these tax concessions cost the federal government around \$11 billion in 2023-2024³⁵, more than the entire initial credit to the HAFF. Winding back these tax breaks would result in a significant increase in tax revenue that can be used to further fund the construction of desperately needed houses.

It is the position of SA Unions that current Negative Gearing and Capital Gains Tax arrangements be grandfathered for five (5) years, to avoid sudden shifts in housing investment, prices and rental supply.

Claims that reforming negative gearing and capital gains tax concessions would significantly worsen rental affordability or vacancy rates are often overstated. Evidence from the temporary removal of negative gearing in 1985 does not indicate a sustained increase in rents at a national

³³ (Australian Council of Social Service, 2025)

³⁴ *ibid*

³⁵ *ibid*

level, and similar claims made during reform debates in the late 2010s were not supported by broader market evidence³⁶.

Any short-term reduction in private rental supply during transitional periods is likely to be offset over time by reduced demand, as more renters move into home ownership or transition into lower-cost housing supported by these reforms.

Housing-related tax concessions are also highly inequitable. They disproportionately benefit higher-income taxpayers, with the top 10% receiving 82% of the value of the capital gains tax discount and 39% of the value of rental deductions in 2023–24³⁷.

These settings are often characterised as supporting “mum and dad” investors; however, the available evidence indicates that their benefits are concentrated among wealthier households. Notably, around two-thirds of investment properties are owned by the top 10% of households by wealth, reinforcing and entrenching existing inequality.

Far from supporting broad-based participation, these concessions disproportionately benefit higher-income households and contribute to the concentration of housing wealth.

Australia’s superannuation funds represent a significant pool of capital that could play a greater role in delivering housing supply, including social and affordable housing.

However, current regulatory settings – including the superannuation performance test – may discourage investment in projects that deliver strong social outcomes but do not align neatly with benchmark-driven return expectations.

The superannuation performance test, administered by the Australian Prudential Regulation Authority (“**APRA**”), compares a fund’s returns against a benchmark portfolio over time. If a fund underperforms the benchmark, it fails the test, which can result in public naming, restrictions on accepting new members, and reputational damage.

While SA Unions does not support weakening the performance test or lowering expectations for fund performance, the current structure may unfairly compare investments in social and affordable housing to standard asset classes such as equities and bonds. As these investments do not fit neatly within benchmark categories, there is a risk that funds appear to underperform despite delivering stable, long-term returns.

As a result, the performance test may discourage superannuation funds from investing in projects with strong social outcomes but lower or less conventional financial returns, such as social and affordable housing.

Consideration should be given to refining these settings to ensure they do not unintentionally disincentivise long-term investment in housing.

³⁶ *ibid*

³⁷ *ibid*

Recommendations:

Federal tax breaks for investors must be wound back. Support more people to get a house by limiting Negative Gearing and the Capital Gains Tax Discount to just one (1) investment property, with the grandfathering of current Negative Gearing and Capital Gains Tax arrangements for five (5) years.

Superannuation fund investments directed towards housing. Australia's superannuation funds can and should do more to contribute to building homes. The so called super "performance test" which acts as a barrier to housing investment should be changed to allow super funds to build more homes.

Summary

Australia's housing system is no longer delivering equitable outcomes across generations. What was once a foundation for security and stability has increasingly become a driver of inequity, with access to housing shaped not only by income, but by wealth, timing and family background.

It is no longer good enough to work hard, save diligently, and engage with the market wisely. Without backing from the "bank of mum and dad", most young Australians are likely to end up in a perpetual cycle of renting³⁸.

The evidence is clear: constrained supply, a stretched construction workforce, and policy settings that favour asset accumulation over access have combined to place secure and affordable housing further out of reach for many Australians.

At the same time, the workers required to deliver the homes Australia needs face low entry-level wages, ongoing safety risks and structural barriers to participation, undermining efforts to expand capacity in a sustainable way.

Addressing intergeneration housing inequity will require more than incremental change. It demands a coordinated and sustained policy response – one that increases housing supply, invests in the workforce needed to deliver it, strengthens protections for workers and rebalances the tax and regulatory settings that currently entrench inequality.

Housing must be treated first and foremost as a social and economic necessity, not solely as a vehicle for wealth accumulation. With the right policy settings, Australia has the capacity to deliver a housing system that is fairer, more accessible, and more sustainable for future generations. The challenge is significant, but it is not insurmountable – and the need for action is both clear and urgent.

29 April 2026



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³⁸ (Miller, 2026)

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