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Inquiry into the Select Committee on Intergenerational Housing Inequity

The Australian Youth Affairs Coalition (AYAC) is Australia's national peak body representing the needs and interests of young people aged 12-26 years, and the wider youth sector. Serving in a leadership and advocacy capacity, AYAC provides advice to decision-makers on issues that impact young people and the sector. AYAC is unwavering in its commitment to a nation where young people are respected and have the power to lead change for a better world.

We appreciate this opportunity to provide a contribution to the Select Committee on Intergenerational Housing Inequity.

AYAC's position on affordable and stable housing for young Australians

Article 27 of the United Nations Convention on the Rights of the Child and Article 11 of the United Nations Covenant on Economic, Social and Cultural Rights establish that all children and young people are entitled to an adequate standard of life, including adequate housing. AYAC proudly supports the Home Time campaign to unlock Australia's housing system for almost 40,000 children and young people with nowhere to live to meet this responsibility and welcomes the recent investment of $60 million over four years to address the Youth Housing Penalty announced in the Government's 2026 Federal Budget.

AYAC acknowledges a pronounced intergenerational divide in housing. Evidence persistently indicates that that the housing market favours established, older Australian homeowners and investors (Pennington 2023). Young people are increasingly locked out of home ownership and face limited availability and costly rates in the rental market (Hartung et al. 2024). This threatens the social and financial stability of Australia's youth and requires urgent policy intervention.

AYAC welcomes the changes to the tax treatment of residential property investment in the 2026 Federal Budget, aimed at improving access to housing for young people. However, given that many young people work low income and casual jobs, we remain concerned about their ability to access quality, affordable housing. In addition, we are uneasy about the reproduction of inequalities through intergenerational wealth transfers. Existing concentrations of wealth mean that young Australians are differentially positioned in relation to prospective opportunities (Australian Government Productivity Commission, 2021).[1] We encourage the Committee to consider options that will further alleviate housing strain for young Australians occupying less privileged positions in the housing market now and into the future.

1AYAC is aware that the Productivity Commission (2021) note that while exacerbating absolute wealth inequality, wealth transfers decrease relative wealth inequality. However, along with David Harvey (2021), we believe a focus on rate can obscure the very real material implications of reproducing considerable inequalities in the overall mass of wealth held by individuals.

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Home ownership: The great Australian dream?

Home ownership has been described as the great Australian dream, however, for some young people, turning this dream into reality seems a distant prospect:

> I strongly believe that I will never own a house, or, like, have any sort of property and secure living arrangement. Like prices are just so high… It's not even on my list of ideas for the future.
> **Youth Consultation Participant**

> Now it's crazy - I feel like I should be an adult, but I don't because I don't have my own place… I just feel like adulting hasn't really happened to me yet, even though I've been technically doing it for 4 years. And I feel like I'm not going to feel like an adult for a very long time, until I get a place of my own. I think that is probably the benchmark for that feeling.
> **Youth Consultation Participant**

This in part reflects a significant generational shift in housing equity. Intergenerational housing inequity is recognised as a contributing factor to widening the gap in wealth and access to housing between older and younger generations (Christophers 2017, p. 103). Older households are almost four times wealthier than the average younger household (ACOSS 2024). This extract from research undertaken by Vifori and Phelps (2023) is revealing:

> Adjusted for inflation, we find that in 1997-98 the younger group had mean housing equity of A$97,799 compared to the older group's $255,323 – meaning the older group had 161% more equity home equity than the younger group: 2.6 times as much.

> By 2017–18 the younger group had mean equity of $140,080 but the older group's mean equity had increased more to $467,182 – meaning the older group had 234% more equity than the younger group: 3.3 times as much.

Older Australians are more likely to own a home and have been benefiting from decades of rising house prices, while younger people face greater barriers to homeownership (Australian Institute of Health and Welfare, 2025; Duncan, 2025).

Structural barriers such as market precarity which is symptomatic of low-paid, casual employment and short-term contracts, inhibits young people long-term financial planning and capacity to save for a home (Farquhar et al, 2025; Standing, 2021; Bone 2019, p. 15).

Saving for a deposit is becoming increasingly unattainable unless an individual can rely on the 'bank of mum and dad', either by increasing their ability to save by living rent-free in family properties or benefiting directly from intergenerational wealth transfers to buy a property.

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Evidence indicates that the strongest predictors of housing success is determined by family wealth and assets (Vifori et al., 2025). Access to housing is not just increasingly skewed by age; intergenerational wealth transfers are impacting housing accessibility and market position, explaining why young people with less access to resources might adopt more pessimistic views on housing affordability.

For those without family support, the rental market can seem inhospitable. Evidence shows that not only are young people faced with high rents, but that they also experience age discrimination and power imbalances in their dealings with landlords (Tenants Union of New South Wales 2021, p. 180). Additionally, Anglicare (2026) show that the availability of affordable housing to those on income support is negligible nationwide.

Finally, more must be done to address the systemic barriers faced by First Nations young people in housing, especially for those living in remote communities, and those in private rentals who face the lowest stability and highest financial stresses (Dockery 2021; Arwen Nikolof et al. 2024).

Meaningfully addressing intergenerational inequities in housing necessitates working to surface and transform broader social inequalities.

Recommendations

1. Prioritise investment in medium-density housing infrastructure and rezone established suburbs to allow the construction of 3–6 storey apartments and townhouses, ensuring young people's access to education, employment opportunities, and essential amenities is not compromised.
2. Increase the Commonwealth Rent Assistance maximum threshold by 60% (resulting in a 110% increase in the payment), and ensure ongoing indexation to wages, prices and actual rents in line with ACOSS' reform asks (see ACOSS 2025).
3. Continue investments in positive Federal Budget announcements such as supplementing rental income for Community Housing Providers, rolling out a social and affordable housing agenda, delivering 55,000 social and affordable homes right across the country, and releasing $100 million from the Housing Australia Future Fund to improve the quality of housing for First Nations Australians in remote communities.

AYAC would be pleased to respond to queries relating to the issues discussed in this submission, and to work with the Australian Government to support intergenerational housing equity for young Australians.

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