



20 April 2022

To whom it may concern

## **What will you do to deliver a fair and secure renting system?**

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Federal Election Questionnaire

With the Federal Election having been called, the National Association of Tenants' Organisations is interested in your party's position on strengthening residential tenancy rights and increasing the supply of affordable social housing for the more than 2.1 million households across Australia who rent their homes.

The National Association of Tenants' Organisations (NATO) is a federation of State and Territory based Tenants' Unions and Tenant Advice Services across Australia. NATO's membership comprises Tenants Queensland, the Tenants' Union ACT, the Tenants' Union of New South Wales, the Tenants' Union of Tasmania, Tenants Victoria, Circle Green Legal Centre WA, and the Darwin Community Legal Service. We are the leading voice representing tenants' interests in our respective jurisdictions and experts in the application of residential tenancy law. Collectively we resource, co-ordinate or directly provide advice regarding more than 80,000 tenancy issues each year.

We have provided questions about your position and commitments in six key areas of interest for renters. These are commitments in relation to:

- Greater investment in social housing
- Increase in income support and rent assistance
- Greater stability and security for people who rent their homes
- Energy efficient, healthy homes for renters
- Reduced speculation in the housing market
- Ensure renters voices are heard and can receive high quality advice and assistance

Responses to the enclosed questionnaire will be made publicly available without alteration beyond formatting on our respective websites and/or social media platforms. We also provide a clean sheet that contains only the questions for your convenience, but we are happy to receive responses in a format convenient to you. We will not be ranking, marking or otherwise providing comment on the responses, this is an opportunity for respondents to inform the renting and general public of their policy approaches to these issues.

The deadline for receiving responses is close of business on the 4<sup>th</sup> of May. Responses received after this date may not be published.

Kind regards,

Leo Patterson Ross and Penny Carr on behalf of the National Association of Tenants Organisations



## 1. Greater investment in social housing

Australia has a housing crisis. According to recent research from the Grattan Institute, Australia's stock of social housing has barely grown in almost twenty-five years.<sup>1</sup> This despite the country's population having increased by around 39 percent from 18.5 million in 1997 to 25.7 million in 2021.<sup>2</sup> In 1991, about 6 percent of housing in Australia was social housing, but now it is less than 4 percent.<sup>3</sup> In the five years leading up to COVID-19, the total stock of social housing increased by just 1600 homes.

The lack of social housing means that many low-income renters are forced to pay rent in the private rental market. This means many are spending too much of their income keeping a roof over their head, and are going without other basics such as food, or medical or health services. According to data from the most recent Rental Affordability Index, 43 percent of all low-income households were in rental stress in 2017/18 compared to 35 percent in 2008.<sup>4</sup>

Substantial investment in public and community housing is required from both federal and state governments. Australia's stock of public and community housing has fallen consistently over recent years. In every jurisdiction the number of social housing dwellings available is not increasing at a rate sufficient to keep up with demand.

***What will your party do to increase the supply of public and community housing in Australia?***

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<sup>1</sup> Grattan Institute, (2021) 'A place to call home: it's time for a Social Housing Future Fund'. As found at <https://grattan.edu.au/news/a-place-to-call-home-its-time-for-a-social-housing-future-fund/>  
Also see Aust. Government Centre for Population, *National, state and territory population - June 2021*, <https://population.gov.au/data-and-forecasts/key-data-releases/national-state-and-territory-population-june-2021> (accessed 5 April 2022).

<sup>2</sup> Ibid.

<sup>3</sup> Grattan Institute, (2021)

<sup>4</sup> SGS Economics and Planning, (2021) *Rental Affordability Index 2021*, [https://www.sgsep.com.au/assets/main/SGS-Economics-and-Planning\\_Rental-Affordability-Index-2021.pdf](https://www.sgsep.com.au/assets/main/SGS-Economics-and-Planning_Rental-Affordability-Index-2021.pdf) at 8 (accessed 5 April 2022)



## 2. Increase in income support and rent assistance

Income support payments are well-below the poverty line, with people in receipt of Jobseeker receiving \$46.00 per day or \$322.00 per week. The Australian Council of Social Services recommends that at a minimum the rate of Jobseeker, Youth Allowance and other income support payments should be at least \$69 per day, which is the same level as the pension and pension supplement.<sup>5</sup> This would still fall under the Henderson poverty line, which would require a minimum payment of \$87.50 a day for a single person household.<sup>6</sup>

As well, Commonwealth Rent Assistance needs to be increased. Commonwealth Rent Assistance (CRA) is capped at \$145.80 per fortnight once rents reach \$324.00 per fortnight.<sup>7</sup> To put that into perspective, Tasmania is Australia's poorest State and yet weighted median rents are currently \$406.00 per week, significantly higher than the current CRA threshold.<sup>8</sup>

Raising income support including rent assistance would ensure that more people are able to maintain their tenancies and cover other necessities including food and electricity.

***Will your party commit to increased income support including rent assistance during the next term of Government? And if so, how much?***

## 3. Greater stability and security for people who rent their homes

The National Housing and Homelessness Agreement (NHHA) provides around \$1.6 billion each year to states and territories to improve Australians' access to secure and affordable housing. Whilst the NHHA notes that "tenancy reform that encourages security of tenure in the private rental market"<sup>9</sup> is a national housing priority policy area, other than jurisdictions introducing an eviction moratorium during the COVID-19 pandemic, over the course of the most recent iteration of the NHHA there has been little legislative amendment to encourage security of tenure.

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<sup>5</sup>Australian Council of Social Services, (2022) 'Budget Priorities Statement 2022-23', <https://www.acoss.org.au/wp-content/uploads/2022/02/ACOSS-BPS-2022-23-FINAL-220228.pdf> (accessed 5 April 2022).

<sup>6</sup> Melbourne Institute (2021), *Poverty Lines Australia, September Quarter 2021*, [https://melbourneinstitute.unimelb.edu.au/\\_data/assets/pdf\\_file/0008/4041764/Poverty-Lines-Australia-September-2021.pdf](https://melbourneinstitute.unimelb.edu.au/_data/assets/pdf_file/0008/4041764/Poverty-Lines-Australia-September-2021.pdf) (accessed 11 April 2022)

<sup>7</sup> Services Australia, (2022) 'How much can you get?', <https://www.servicesaustralia.gov.au/how-much-rent-assistance-you-can-get?context=22206> (accessed 5 April 2022).

<sup>8</sup> Tenants' Union of Tasmania, *Tasmanian Rents (December Quarter 2021)*, <http://tutas.org.au/wp-content/uploads/2019/11/Tas-Rents-Dec-21.pdf> (accessed 5 April 2022).

<sup>9</sup> *National Housing and Homelessness Agreement* (2018) at Schedule 2, para. A2.



Evictions significantly impact tenant well-being.<sup>10</sup> Moving house costs a tenant \$4,000 on average each time they move.<sup>11</sup> Tenants, controlling for other factors, are more likely to report poor mental<sup>12</sup> and physical<sup>13</sup> health than non-tenants. Children subject to regular forced moves will have disrupted schooling, and are more likely to exhibit anti-social behaviour in later life.<sup>14</sup>

Currently, residential tenants in most Australian jurisdictions can be evicted without being provided with a good reason. This is unusual relative to other comparable countries, including Germany, France, and Ireland.<sup>15</sup> Australia has among the weakest tenancy protections in the global north. In our view, if there is no change to the use of the property, tenants should be able to maintain their tenure unless there has been a proven breach of their residential tenancy agreement. In Australia, Victoria has recently moved towards this position.<sup>16</sup>

Without better protections against no fault evictions such as 'no grounds' and end of lease eviction, tenants cannot enforce their other ostensible rights without fear of reprisal.<sup>17</sup> 44 percent of tenants are concerned that a request for repairs could result in eviction.<sup>18</sup> Weak security of tenure undermines the ability of renters to assert any of the other rights or protections provided through our tenancy laws.

***Do you support stronger security of tenure provisions in residential tenancy law? If elected to Government, what action could your party take to encourage states and territories to improve security of tenure for renters?***

#### **4. Energy efficient, healthy homes for renters**

Every year cold weather in Australia kills at least 2,600 Australians.<sup>19</sup> Many of these deaths are avoidable, and relate to the poor standard of housing and people's inability to keep it comfortably warm. Low income renters struggle to keep their homes warm in winter with their homes likely to be lower quality, in need of repair and poorly insulated. The

<sup>10</sup> Rachel Ong ViforJ, Ranjodh Singh, Emma Baker, Rebecca Bentley, Jack Hewton, (2022) *Precarious housing and wellbeing: a multi-dimensional investigation* (AHURI Final Report No. 373: February 2022), p37.

<sup>11</sup> Tenants' Union of NSW, (2022) *Eviction, Hardship and the Housing Crisis* (February 2022), <https://files.tenants.org.au/policy/2022-Eviction-Hardship-and-the-Housing-Crisis-TUNSW.pdf> (accessed 11 April 2022)

<sup>12</sup> John Cairney and Michael Boyle, (2004) 'Home ownership, mortgages and psychological distress', *Housing Studies* 19(2) 161-174.

<sup>13</sup> Australian Housing and Urban Research Institute, (2002) 'Do housing conditions make a difference to our health?' (AHURI Research and Policy Bulletin: 2002, No. 6).

<sup>14</sup> Roger Webb, Carsten Pedersen, Pearl Mok, (2016) 'Adverse outcomes to early middle age linked with childhood residential mobility', *American Journal of Preventive Medicine* (2016) 51(3) 291-300.

<sup>15</sup> Rosie Walker and Samir Jeraj, (2016) *The Rent Trap* Pluto Press, p.8.

<sup>16</sup> Section 91ZZD of the *Residential Tenancies Act 1997* (Vic).

<sup>17</sup> Australia. Commission of Inquiry into Poverty & Sackville, Ronald. (1976). *Law and poverty in Australia*, at 80. As found at <http://nla.gov.au/nla.obj-1928657120> (accessed 25 March 2022).

<sup>18</sup> CHOICE, National Shelter and the National Association of Tenant Organisations, (2018) *Disrupted: The consumer experience of renting in Australia*

<sup>19</sup> Gasparrini et al (2015), 'Mortality Risks Attributable to high and low ambient temperature', *The Lancet*, I:9991, [https://www.thelancet.com/journals/lancet/article/PIIS0140-6736\(14\)62114-0/fulltext](https://www.thelancet.com/journals/lancet/article/PIIS0140-6736(14)62114-0/fulltext) (accessed 18 March 2022).



recently completed Australian Housing Conditions Dataset (2019) indicates 1 in 5 Australian renters on very low incomes, and 1 in 7 on low incomes are not able to keep their homes warm in winter.<sup>20</sup> As well, research undertaken by the Australian Council of Social Services and the Brotherhood of St Laurence indicates that low-income households spend 6.4 percent of their income on energy, compared to high income households paying an average of 1.5 percent.<sup>21</sup>

Renters have a right to live in a safe and healthy home with an affordable energy supply. Australian rental homes should therefore meet basic energy efficiency standards which minimise the amount of energy required to heat or cool a home. Minimum energy standards for rental homes will ensure Australians who rent benefit from healthier homes and lower power bills.

Commonwealth and state and territory governments through the COAG Energy Council have committed to a Trajectory for Low Energy Buildings, a national plan that sets a trajectory towards zero energy (and carbon) ready buildings.<sup>22</sup> In November 2019 the Council as part of the trajectory plan committed to a timeline to bring all existing homes up to standard, including introducing requirements for minimum energy efficiency standards in existing rental housing by 2025.<sup>23</sup>

Some jurisdictions are already moving in the right direction. For example, in Victoria when appliances, fittings or fixtures which supply water, electricity or gas need to be replaced, the replacement appliance must meet minimum efficiency ratings.<sup>24</sup> Whilst, in Canberra, the ACT Government intends to implement a requirement that rental properties meet a minimum standard for ceiling insulation.<sup>25</sup>

A commitment of funding is also needed at both the Commonwealth and state and territory levels to ensure existing social housing properties are upgraded or retro-fit to meet the new minimum energy efficiency requirements.

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<sup>20</sup> Emma Baker, Andrew Beer et al, (2019) "The Australian Housing Conditions Dataset", doi:10.26193/RDMRD3, ADA Dataverse, V1; 1 ADA.REPORT.01422.pdf (accessed 11 April 2022)

<sup>21</sup> Australian Council of Social Services, Brotherhood of St Laurence, (2018) *Energy Stressed*. As found at <https://www.acoss.org.au/wp-content/uploads/2018/10/Energy-Stressed-in-Australia.pdf> (accessed 18 March 2022).

<sup>22</sup> COAG Energy Council (2018) *Trajectory for Low Energy Buildings*. As found at <https://www.energy.gov.au/government-priorities/buildings/residential-buildings> (accessed 18 March 2022).

<sup>23</sup> COAG Energy Council (2019) Addendum to the Trajectory for Low Energy Buildings, <https://www.energy.gov.au/publications/trajectory-for-low-energy-buildings-addendum> (accessed 18 March 2022).

<sup>24</sup> Consumer Affairs Victoria, (2021) 'Efficiency standards for replacement appliances and fixtures', <https://www.consumer.vic.gov.au/housing/renting/repairs-alterations-safety-and-pets/gas-electrical-and-water-safety-standards/efficiency-standards-for-replacement-appliances-and-fixtures> (accessed 6 April 2022).

<sup>25</sup> Abbey Halter, (2021) 'ACT Government will require rentals to be insulated', *Canberra Weekly*, 8 November 2021, <https://canberraweekly.com.au/act-government-requires-rental-insulation/> (accessed 6 April 2022).



***How will your party ensure that minimum energy efficiency standards are regulated for rental properties in every state and territory?***

## **5. Reduced speculation in the housing market**

According to the Australian Bureau of Statistics, weighted residential property prices across Australia's eight capital cities increased by 84 percent over the last ten years (2011-2021) including a 119 percent in Sydney and 111 percent in Hobart.<sup>26</sup> First home buyers are being priced out of the market by property investors meaning that they must rent for longer and leading to reduced rental stock. According to the Australia Institute, capital gains tax and negative gearing are "distorting the Australian residential property market, encouraging speculative behaviour and being used by predominantly high-income households as a tax shelter".<sup>27</sup>

***What will your party commit to doing in the next term of Government to put downward pressure on property prices and ease property speculation?***

## **6. Protecting renters personal information**

With increasing competition for affordable homes and increased use of technology in the property industry, renters are increasingly concerned about the amount of personal information held about them. In particular, third party platforms collect information for use across multiple applications but also have terms and conditions disclosing that they may on-sell information or use it in a range of other ways. As people become increasingly desperate to find a home for themselves and their family, the consent given for these uses may not be genuine informed consent.

***What action will your party take to ensure national privacy laws are up to date and appropriate for the modern renting sector?***

## **7. Ensure renters voices are heard and can receive high quality advice and assistance**

Over the last fifteen years demand for tenancy advice and advocacy services has increased and the indications are that demand will continue to increase for the foreseeable future. Resourcing of services has not kept pace with the growth in the

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<sup>26</sup> Australian Bureau of Statistics, (2021) *Residential Property Price Indexes: Eight Capital Cities* (December 2021), <https://www.abs.gov.au/statistics/economy/price-indexes-and-inflation/residential-property-price-indexes-eight-capital-cities/latest-release> (accessed 5 April 2022).

<sup>27</sup> The Australia Institute (2015) 'Top Gears: How negative gearing and the capital gains tax discount benefit the top 10 percent and drive up house prices', <https://australiainstitute.org.au/wp-content/uploads/2020/12/Top-Gears-How-Negative-Gearing-and-CGT-benefits-top-10-per-cent.pdf> (accessed 5 April 2022).



number of residential tenancies and the growth in the number of disadvantaged households in the rental market whose tenancies are especially precarious.

Tenant advocates are effective at reducing evictions directly into homelessness, reducing debts and other factors contributing to the need for other, more costly housing interventions. Ensuring all states and territories are adequately resourcing Tenants' Advice and Advocacy Services should be considered an essential feature of the National Housing and Homelessness Agreement. Funding for tenancy advocacy support services needs to be increased to ensure services can better meet demand.

While there are peak real estate industry bodies, state and territory and nationally, as well as community and public housing providers this is not the case for renters. As consumers, renters are disadvantaged and vulnerable to market changes. Over the past two years the COVID-19 pandemic has again made clear the need for housing advocates with experience and expertise in residential tenancy systems to be resourced to take part in conversations at the national level. During Covid-19 our experience has been that all state and territory-based tenant organisations have faced significant demands within their own jurisdictions. As an unfunded national organisation, this meant NATO's capacity to be a part of this vital conversation as a national voice for renters has been severely limited.

***What will your party do to ensure renters' voices are heard in the national conversation, and can receive high quality advice and assistance when facing legal needs?***