29 August 2023

Committee Secretary
Senate Standing Committees on Community Affairs
Via email: community.affairs.sen@aph.gov.au

Dear Committee Secretary,

Re: Inquiry into the worsening rental crisis in Australia

The Northern Territory Council of Social Service (NTCOSS) welcomes the opportunity to provide a submission to the inquiry into the worsening rental crisis in Australia.

NTCOSS is the peak body for the Northern Territory (NT) Community and Social Services Sector and is a voice for people affected by social and economic disadvantage and inequality. NTCOSS membership is made up of community managed, non-government, not for profit organisations, which work in social and community service delivery, sector development and advocacy. We represent over 130 members across the NT, including Aboriginal community-controlled organisations (ACCOs), and organisations based in regional and remote areas. NTCOSS's vision is a fair, inclusive and sustainable NT.

NTCOSS acknowledges that we live and work on what always was, and always will be, Aboriginal land. We pay our respects to Aboriginal cultures and country, and to Elders both past and present. NTCOSS supports makarrata and acknowledges The Voice as a critical steppingstone to truth telling about Australia's colonial history, and creating a foundation to work and walk together to build a future based on equity and freedom. NTCOSS supports a constitutionally enshrined Voice to Parliament to enable Aboriginal people to provide advice to the Parliament on policies and projects that impact their lives and communities.

NTCOSS endorses the <u>Joint Statement on the Worsening Rental Crisis in Australia</u> submitted by National Shelter and the National Association of Renters' Organisations and signed by over 80 other organisations. We note the specialist and in-depth knowledge of some of our member organisations, in particular NT Shelter and Darwin Community Legal Service, which provides an NT wide tenants' advocacy service.

The NT has a particularly high proportion of the population living in rental housing, 42.2% compared to 29.9% across Australia¹, and the <u>2021 census data</u> show 60.2% of Aboriginal and Torres Strait Islander households in the NT are renters (compared to 31% nationally, and 42% of the general population in the NT). NTCOSS' latest cost of living report found that rental affordability has declined by 2.7 percentage points over the past five years and is now the third least affordable jurisdiction for

¹Australian Bureau of Statistics, Census of Population and Housing 2021. Accessed via <u>Housing tenure |</u>
Australia | Community profile (id.com.au)

renting 3 bedroom houses in terms of proportion of average household income required (25.6% vs national average of 22.9%).²

For those on income support payments, it is almost impossible to afford a private rental without being in severe financial stress. Anglicare's rental affordability snapshot in March 2023 found that no properties in the NT were affordable for those on the JobSeeker payment, singles aged over 18 on Youth Allowance, or singles on the Age Pension or Disability Support Pension. Only 1% of properties were affordable for couples on the Age Pension, in the NT this equates to just 6 properties.³

With the NT's high levels of rental unaffordability, NT Governments's new Remote Rent Framework and some of the weakest legislative protections for renters in the country,⁴ NTCOSS is calling for urgent reform to address this rental crisis.

As stated in a <u>joint letter</u> from the national Councils of Social Service network to the National Cabinet, NTCOSS recommends:

- Limit rent increase amounts to the rental component of the Consumer Price Index, or other appropriate measure, and include mechanisms to limit the frequency of increases to a minimum of 12 months to stabilise rents and affordability (noting this has already been implemented in some jurisdictions outside the NT).
- End no-grounds evictions (including at the end of a fixed term tenancy) to provide greater housing security for renters and to discourage the practice of using no-grounds evictions to enable the rent to be increased under a new lease. This should include ending no-grounds evictions at the end of a fixed term tenancy, which would build on reforms already implemented in some jurisdictions.
- Implement minimum energy efficiency standards for rental homes to improve wellbeing and reduce cost of living. We draw particular attention to the <u>Community Sector Blueprint: A</u>

 <u>National Framework for Minimum Energy Efficiency Rental Requirements</u>. This would provide a nationally coordinated and consistent approach to the energy efficiency needs of rental housing stock, building on minimum standards for rental homes that are already in place in some jurisdictions. All Australian governments have agreed in principle to implementing minimum energy standards in rental housing through the <u>Trajectory for Low Energy Buildings</u>.
- Increase the rates of JobSeeker, Commonwealth Rent Assistance and other associated payments to protect people from poverty. The rate of Jobseeker and other allowance payments needs to be raised to parity with pensions (currently \$76 a day) and indexed to wages so everyone can keep a roof over their head and food on the table. Rent Assistance should be benchmarked to actual rents paid and increased substantially.

While a significant amount of the legislative power needed to reform the rental system sits at a state or territory level, there is a need for a harmonised national approach for rental reform. A national approach will establish shared rights and protections for renters and protect from regression of rights in any jurisdiction. Progress towards a national approach should not hinder states or territories from taking immediate action themselves.

² NTCOSS, Factsheet: Cost of Housing in the NT April 2023. Accessed via: <u>Cost of Living Reports - NTCOSS - Northern Territory Council of Social Service</u>

³ Anglicare NT, Rental Affordability in the Northern Territory: Snapshot Report 2023. Accessed via: <u>Rental Affordability Snapshot 2023 - Northern Territory - Anglicare NT (anglicare-nt.org.au)</u>

⁴ See for example: Make Renting Fair, Detailed Factsheet: National Comparison on Rents and Evictions 2022. Accessed via: HOW DOES WA COMPARE? (makerentingfairwa.org.au)

Please contact Caitlin Perry, A/Policy Manager with NTCOSS, with any queries relating to this submission at caitlin@ntcoss.org.au,

Yours sincerely

S. Kelly

Dr Stephanie Kelly

CEO, NTCOSS