

4

# Moving On Report

How do tenancies end  
in the private rental market?

The background of the entire page is a repeating pattern of stylized house icons. The houses are in two colors: red and light blue. They vary in shape, including simple gabled roofs, houses with multiple windows, and houses with arched doorways. The pattern is dense and covers the entire page.

# Moving On

How do tenancies end in the  
rental market?



## Key Findings

### The Tenancies

- Slightly more tenants than landlords ended tenancies
- Most tenants had not participated in rental bidding = 80%
- Notice of termination by tenant or landlord was the most common way for a tenancy to end = 80%

### The Pandemic

- Income and employment losses were common
- Tenants were not able to negotiate rent reductions
- Evictions continued to occur
- Some tenants found it difficult to secure a rental property
- Some landlords found it difficult fill vacancies

### Notice of Termination

- By landlord – most common reason given was end of fixed term agreement = 40%
- By tenant – most common reason was “other” followed by end of fixed term agreement
- The top two reasons tenants left were to purchase a house or rent a better house
- Most common reason for landlord ending a periodic agreement was “no reason given” = 50%

### Bonds


- Tenants who received full bond refunds = 47%
- Bond split between tenant and landlord = 12%
- Whole bond paid to landlord = 10%
- Remainder were still waiting

### Reasons for Bonds being Withheld

- Damages = 30%
- Cleanliness = 20%
- Unpaid rent or bills = 14%
- All the above and other = 36%

### Who were the Respondents?

- Majority were tenants and 70% were female
- Most common age group was 35-44 years
- Respondents who identified as Aboriginal or Torres Strait Islander people = 5%
- Born overseas = 13.5%
- Almost half had an annual income of greater than \$50k
- Tenancies with pets and children = 37%
- Two-thirds of tenancies were short term between one and two years



**The pandemic  
hurt more  
renters than  
landlords**

## Introduction

The number of Australians who call a private rental property home is increasing. Renting is no longer a short, transitional journey that is undertaken between the time people leave home and become home-owners. Home ownership is also on the decline. Many people are permanently locked out of the opportunity to own their own home and will continue to rent for the rest of their lives. It is important that there is fairness in the private rental market, for tenants and landlords.

The Moving On survey was created to shed light on why residential tenancies end and the effect of the pandemic on renters, landlords and property managers. There is no data source that captures every eviction or the reasons why tenancies end. Approximately half of all residential tenancy bonds are not returned or not fully returned to tenants and there are many short-term tenancies creating insecurity for renters. There is much information we need to uncover when it comes to renting.



All rentals covered by residential tenancy laws including privately owned properties, community housing and public housing are included in the survey, but most respondents were reporting private rental tenancies. The results of this survey are not statistically significant in relation to the total number of renters in Australia however the results shed light on and provide insights into the circumstances under which tenancies end.

This survey has been conducted against a backdrop of a housing affordability crisis in Australia and a global pandemic both of which have impacted renters and property owners in different ways. The issues that affect renting are discussed in the background section including housing affordability and the supply of social housing. Age, gender, cultural heritage and discrimination in relation to renting are also discussed.

This report presents the first cut of data from a national survey of renters, landlords and property managers to shed light on why residential tenancies end and the effects of the pandemic. The aim of this research is to gather data, over time, and to support advocacy to improve rental legislation, policy and systems in Australia. The survey results and analysis of the data inform a range of recommendations for governments about residential tenancy legislation, public education and housing safety that could contribute to a fairer renting system.

The survey will remain open indefinitely and a report will be produced at least annually, comparing the results and tracking changes over time. We encourage you to share the survey with your friends and colleagues.

## Recommendations

### Commonwealth Government

1. Develop a national housing strategy to ensure that all Australians who are living on low incomes can access affordable, safe and secure homes.
2. Invest in the growth of social housing to ensure that families locked out of the private rental market and home ownership can access a home.
3. Review Commonwealth Rent Assistance to ensure it is adequate and targets those who require financial support.



### State & Territory Governments

1. Develop and implement housing improvement legislation similar to South Australian law.
2. Create a department with responsibility and authority to implement housing improvement legislation like the South Australia's Housing Safety Authority to ensure standards of safety and comfort.
3. Educate the public about rental housing standards and safety.
4. Include the Moving On survey within online bonds systems.
5. Ensure tenants receive their bonds back in a timely and fair manner or can easily transfer them to new tenancies without being subjected to excessive or unreasonable claims. Achieving this may include education, an accountability mechanism and regulatory reform.
6. Develop and implement standard eviction protections across fair trading departments nationally.
7. Conduct a public awareness campaign about tenancy tribunals.
8. Remove no cause evictions from legislation, explore non-renewal of leases as quasi evictions so that they can be addressed by tenancy tribunals, make the acceptance of pets and long-term leases standard practice.
9. Amend residential tenancy legislation and associated regulations to include a clearer definition of what is a reasonable state of cleanliness upon exit.
10. Work towards a reduction in the number of bonds not refunded to tenants.
11. Develop and apply uniform legislation to make rental bidding and extra bond payments illegal and provide associated education for landlords, property managers and tenants.
12. In the event of future emergency rent measures, provide:
  - a) Greater clarity and direction to landlords and tenants about rent variations; and
  - b) Ensure rent relief schemes are available and accessible.

## Background

The number of Australians renting privately is on the rise. In 1994-95 fewer than one in five adults were renting in the private rental market in Australia. The Grattan Institute reported that one in four Australian households were living in the private rental market in 2011-12. Just six years later, in 2018, of the 8.3 million households in Australia, about one third (30.2%) were renters (2.6 million households).<sup>1</sup>

The Grattan Institute also reported that people are renting for longer periods of time. Renting no longer represents a short transient time between leaving the family home on a journey to home ownership. More than half (57%) of all households renting in 2007-08 had been renting for more than five years, and a third (33%) were long-term renters who had rented for more than ten years.<sup>2</sup> Close to one million homes have been added to Australia's private rental stock over the past twenty years.<sup>3</sup> The decline in public housing across the country has also seen the private rental market become the only option for households who cannot access social housing and are locked out of home ownership. In that time, the number of low-income earners renting in the private rental market across Australia has more than doubled to about 1 million households<sup>4</sup>.

**There was no  
work available  
and the landlord  
increased the  
rent**

## The Shelter Network

Shelter SA is recognised as a member of the National Association of Tenant Organisations and is one of the only organisations consistently advocating to improve the private rental system in South Australia. This national survey was developed by Shelter SA to share information about the private rental market and advocate for improvements to rental laws and systems. The results will be published in a report every six to twelve months to track trends and to inform the public and governments. The survey is supported by National Shelter and the Shelter organisations in the

---

<sup>1</sup> Australian Institute of Health and Welfare, 2020, Home Ownership and Housing Tenure, <https://www.aihw.gov.au/reports/australias-welfare/home-ownership-and-housing-tenure>

<sup>2</sup> Shelter SA, 2020, What happens to your bond when you leave? Residential Tenancy Bonds – A Discussion Paper.

<sup>3</sup> Australian Government-Productivity Commission, 2019, *Vulnerable private renters: Evidence and options*. Productivity Commission Research Paper.

<sup>4</sup> Australian Government-Productivity Commission, 2019.

Australian Capital Territory, New South Wales, Northern Territory and Western Australia. Shelters in Tasmania and Queensland have provided in-kind support.

The effect of the pandemic on renting is reflected in the survey responses in an environment of eviction moratoriums, high unemployment and the loss or reduction of JobKeeper and JobSeeker income support payments. The survey opened on 26 May 2020 and the data for this report closed on 4 February 2021.

Consumer and Business Services in South Australia indicated they were willing to help the survey reach the right people in South Australia by including it within their online bonds system and we hope that other State and Territory fair trading offices will replicate this initiative. We acknowledge the New South Wales Fair Trading bond exit survey.



## Housing affordability

Housing stress is defined by the relationship between housing costs and household incomes. Housing stress occurs when a household is spending an amount of their income on housing costs that does not leave enough to purchase other essentials including food, transport or health care.

The National Rental Affordability Index defines the affordability ratio as housing costs exceeding “30% of a low-income household’s (households in the two bottom income quintiles) gross income” (30/40 rule). By the end of 2019, 43% of all Australian low-income households were living with housing stress, compared to 35% in 2008. This number increased to 48% for households in NSW.<sup>5</sup>

The Australian Housing and Urban Research Institute<sup>6</sup> reported in 2018 that more than half of low-income households who rented for longer than five years were most likely to transition into social housing, less likely to move and if they did move, were forced to do so. The same households were also the least able to afford relocation costs and of those in the lowest 20% income bracket, 70% reported a lack of housing that was affordable and ended up renting from friends or family.

---

<sup>5</sup> National Rental Affordability Index, 2019 [https://www.sgsep.com.au/assets/main/Projects/SGS-Economics-and-Planning\\_RAI-November-2019.pdf](https://www.sgsep.com.au/assets/main/Projects/SGS-Economics-and-Planning_RAI-November-2019.pdf).

<sup>6</sup> Parkinson, S., James, A. and Liu, E., 2018. Navigating a changing private rental sector: opportunities and challenges for low-income renters.



Financial and psychological stress is associated with the logistics of relocation and moving on from a rental contract, leaving more vulnerable households in precarious situations. The most common pathway for entry into social housing is from experiencing homelessness or the risk of homelessness (AIHW 2018).<sup>7</sup> By far the biggest factor impacting a household's ability to move out of social housing, however, is the lack of affordable and suitable housing alternatives.<sup>8</sup>

The 2019 Australian Government Productivity Commission Research Paper on private renters<sup>9</sup> includes findings that Commonwealth Rent Assistance is “effective in supporting low-income and low-wealth households (including retirees) that do not own their own homes” but rents have risen so much over the past twenty years that the maximum payment rates for rent assistance have fallen behind average rents.<sup>10</sup> A research report from AHURI<sup>11</sup> in 2020 examined Commonwealth Rent Assistance and contains recommendations about a review of the system to better target payments and reduce housing stress. The key points are below:

By international comparison, Australia's Commonwealth Rent Assistance (CRA) regime is distinctive in terms of being (a) restricted to income-support recipients; (b) paid to renters, not landlords; (c) capped at modest maximum rates; (d) regionally invariant; and (e) not rationed.



In severely disadvantaged areas, 32.4 per cent of a modelled increase in CRA is shifted into higher rents. CRA is more likely be captured in higher rents in disadvantaged rental markets because of relatively inelastic housing supply in low-value market segments.

Out of 1.41 million low-income private renter income units, nearly two-thirds or 933,000 are assisted by CRA. Meanwhile, CRA is also paid to 419,000 private renter income units with moderate incomes, partly due to a targeting error.

---

<sup>7</sup> Powell, A., Meltzer, A., Martin, C., Stone, W., Liu, E., Flanagan, K., Muir, K. and Tually, S., 2019, The construction of social housing pathways across Australia, p. 2.

<sup>8</sup> Powell, A., Meltzer, A., Martin, C., Stone, W., Liu, E., Flanagan, K., Muir, K. and Tually, S., 2019.

<sup>9</sup> Australian Government-Productivity Commission, 2019.

<sup>10</sup> Australian Government-Productivity Commission, 2019.

<sup>11</sup> Ong, R., Pawson, H., Singh, R. and Martin, C. (2020) Demandside assistance in Australia's rental housing market: exploring reform option, AHURI Final Report No. 342, Australian Housing and Urban Research Institute Limited, Melbourne, <https://www.ahuri.edu.au/research/finalreports/342>, doi: 10.18408/ahuri8120801.

Over one-third of low-income CRA recipients still carry a net housing cost burden of more than 30% of household income after CRA is deducted from rents.

Around 246,000 or 18% of low-income private renter income units pay rents that exceed 30% of their income but are ineligible for CRA. Another 330,000 or 23% receive CRA despite paying rents below 30% of their income. CRA's overall target error rate is 41%.



**Respondents  
who  
participated in  
rental bidding  
= 20%**

Raising the CRA maximum rate would improve affordability outcomes for 623,800 income units or 44% of low-income private renters. However, it is the costliest of the three modelled reforms, requiring additional annual expenditure of \$1 billion to amount to a total cost of \$5.6 billion.

Reforming the CRA eligibility rules to reflect housing need would achieve the greatest housing affordability improvements among the three modelled reforms, and at the lowest cost. The reform would reduce the CRA target error rate to zero and cut the population of low-income private renter income units in housing stress by 371,200 or 44%. At the same time, it would generate an annual cost saving of \$1.2 billion.

Because it would involve severing the existing link with other social security entitlements, constitutional barriers would need to be overcome to change the CRA eligibility rules to reflect housing need. However, it is possible that this issue could be addressed within existing constitutional limitations.

## Evictions

A survey conducted by Choice Australia, National Shelter and the National Association of Tenant Organisations showed that 8% of all renters had been evicted 'without grounds' at least once since renting and 9% had been evicted with no reason given at least once.<sup>12</sup> The same survey results indicate that most rental agreements were short term and caused tenant anxiety about a loss of stability, their unknown housing future and stress caused by having to move.

---

<sup>12</sup> Choice, 2017, 'Unsettled: Life in Australia's private rental market', Report by Choice, National Shelter and NATO.

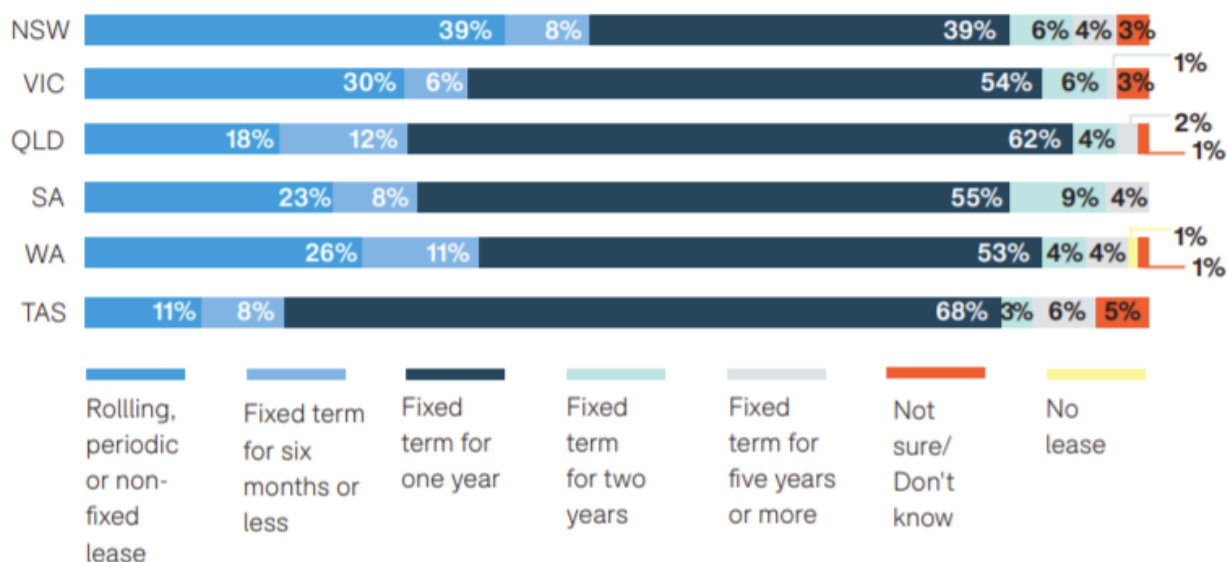
Notice periods for no grounds evictions vary in each State and Territory as per the below diagram, also from the Choice Australia (2017) report.

State/Territory:	Notice periods for no grounds evictions for periodic agreements	Notice periods for no grounds evictions at the end of fixed term contract
NSW	90 days' notice	30 days' notice
QLD	2 months' notice	2 months' notice
VIC***	120 days' notice	90 days (for contracts more than 6 months) 60 days (for contracts less than 6 months)
SA	90 days' notice	28 days' notice
WA	60 days' notice	30 days' notice
TAS	Not permitted	42 days' notice
ACT	26 weeks' notice	26 weeks' notice
NT	42 days' notice	14 days' notice

\*\*\* Victoria has passed legislation which comes into effect in 2020. Once effective, this law will limit the use of no-grounds eviction to the end of the first fixed term only.

An Australian Housing and Urban Research Centre survey included findings that 5% of respondents had received an eviction notice since the pandemic commenced.<sup>13</sup>

### What is the type and duration of renters' current rental agreement?

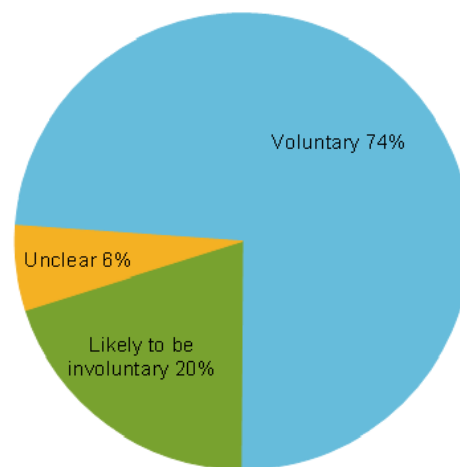


<sup>13</sup> Baker, E., Bentley, R., Beer, A. and Daniel, L. (2020) Renting in the time of COVID-19: understanding the impacts, AHURI Final Report No. 340, Australian Housing and Urban Research Institute Limited, Melbourne, <https://www.ahuri.edu.au/research/final-reports/340>,

In the Productivity Commission’s 2019<sup>14</sup> report the tensions between flexibility and security of tenure are highlighted as follows:

Beyond affordability, certainty of tenure and the quality of housing are valued by vulnerable and other renters alike. So is the flexibility that renting offers (figure 8). Most moves are voluntary (figure 9) and usually in response to a new job in a different location, life events, such as forming and dissolving relationships and starting a family, or simply a desire to be closer to family and friends. Mobility is also a valued source of flexibility in the economy, enabling faster adjustment to economic shocks.

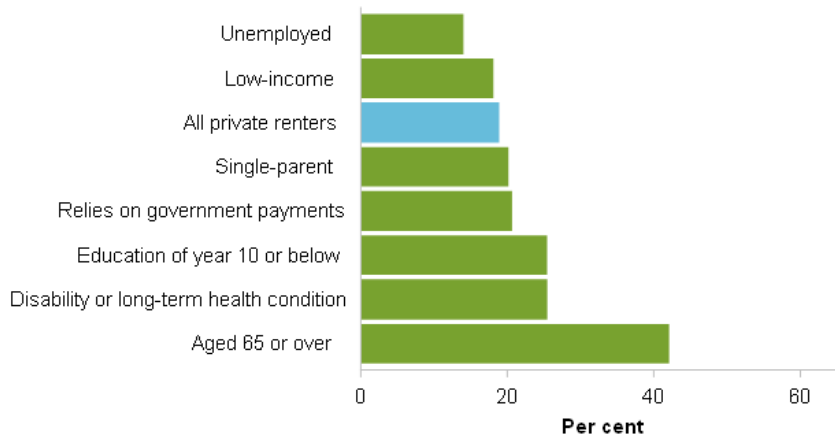
Figure 9 **... and mostly by choice ...**  
Main reasons for most recent residential move by private renters, 2013-14



Unlike other housing arrangements, certainty of tenure also depends upon the decisions of the landlord, sometimes resulting in a move against the wishes of the tenant. They occur because tenants may have breached their lease or for reasons of landlord choice, such as wishing to sell, renovate or occupy the property. About one in five moves are involuntary for the tenant (figure 10).

<sup>14</sup> Productivity Commission 2019, *Vulnerable Private Renters: Evidence and Options*, Commission Research Paper, Canberra.

**Figure 10 ... but a material proportion move involuntarily ...**  
 Share of private renters who most recently moved due to a notice from a landlord, by various household characteristics, 2013-14



The Tenants’ Union of New South Wales and a Marrickville Legal Centre in “Lives Turned Upside Down”<sup>15</sup> noted the following in 2019:

One of the biggest problems for policy debate on this issue is the lack of authoritative data upon which decisionmakers and analysts can draw. NSW’s Rental Bond Board could implement and manage a mandatory ‘bond exit survey’ at the point of application for the release of bond at the end of a tenancy. We recommend three simple questions aimed at discovering the legal basis for the tenancy ending and the weekly rent at the end of the tenancy. This would create an authoritative data set which exists nowhere else in the Australian, potentially global, housing data environment. It would allow for vastly improved understanding of why and how tenancies come to an end.

Informed by Tenants’ Union NSW, Fair Trading in New South Wales is administering a bond exit survey<sup>16</sup> and at the time of writing they had published the below pilot survey results<sup>17</sup> but it is not known how representative they are of all tenancies at this time.

**Termination by the landlord**

End of fixed term agreement	43%
Sale of Premises	22.9%

**Termination by the tenant**

End of fixed term agreement	44%
-----------------------------	-----

<sup>15</sup> Tenants’ Union of NSW and Marrickville Legal Centres (2019) Lives Turned Upside Down <https://files.tenants.org.au/policy/2019-Lives-turned-upside-down.pdf>.

<sup>16</sup> Fair Trading NSW, Bond Exit Survey Questions [https://www.fairtrading.nsw.gov.au/\\_\\_data/assets/pdf\\_file/0018/910143/Pilot-bond-exit-survey-questions.pdf](https://www.fairtrading.nsw.gov.au/__data/assets/pdf_file/0018/910143/Pilot-bond-exit-survey-questions.pdf)

<sup>17</sup> Fair Trading NSW, Pilot Bond Exit Survey Results <https://www.fairtrading.nsw.gov.au/housing-and-property/pilot-bond-exit-survey>

End of periodic agreement 38%

#### **Termination by Tribunal**

Breach of tenancy agreement 58.9%

#### **Other**

Landlord and tenant agreed to end lease 80%

The broader issue of collecting comprehensive data can be applied nationally as there is a lack of information across jurisdictions unless evictions occur because of a tenancy tribunal application. The same lack of data applies to measuring all evictions, the reasons for evictions and tenancies ending. The South Australian Civil and Administrative Appeals Tribunal reported fewer eviction applications and compensation or bond claims between 2019<sup>18</sup> and 2020<sup>19</sup> and it is not known if the reduction is due to the evictions moratorium as follows:

	Oct-Dec 2019	Oct-Dec 2020
Eviction Applications	1441	972
Compensation or Bond Claims	744	521

## The Pandemic & Renting

A recent report from the City Futures Research Centre at the University of New South Wales contains important information about renting and the effects of the pandemic.<sup>20</sup> The key findings include the following:

1. There was substantial turbulence in the Australian private rental market during 2020 that affected States and Territories differently.
2. In some of the Eastern States median rents fell but they increased in other jurisdictions and in some regional areas.

---

<sup>18</sup> SACAT Our Service Data

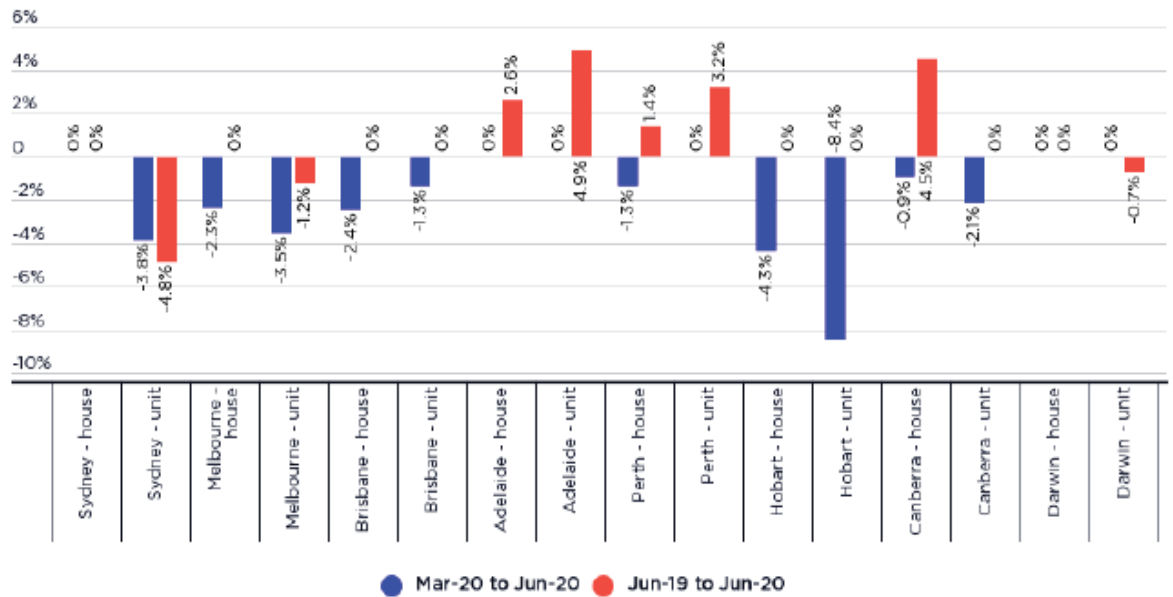
<http://www.sacat.sa.gov.au/upload/20200102%20SACAT%20Performance%20Report%20-%202019-20%20Q2.pdf>

<sup>19</sup> SACAT Our Service Data

<http://www.sacat.sa.gov.au/upload/20210101%20SACAT%20Performance%20Report%20-%202020%20-%202021%20Q2.pdf>

<sup>20</sup> Pawson, H., Martin, C., Sisson, A., Thompson, S., Fitzpatrick, S. and Marsh, A. (2021) 'COVID-19: Rental housing and homelessness impacts – an initial analysis'; ACOSS/UNSW Poverty and Inequality Partnership Report No. 7, Sydney.

**Figure 4.10: Change in median asking rents, quarter on quarter and year on year to June 2020**



Source: Domain Rental Reports

3. Rental vacancies increased in Melbourne, doubling to 4.5% between March and September 2020 but fell to twelve-month lows of less than 1% in other cities such as Perth, Darwin, Hobart, Canberra and Adelaide.
4. Renters were hit harder than homeowners and nationally renter incomes fell by 5% in March to June 2020.
5. At least one quarter of renters lost income but only a smaller minority achieved a rent variation while 12% of private rental property owners achieved loan payment deferrals.
6. Younger renters were more likely to ask for variations and less likely to receive them.

**Table 5.2: Renters who asked for variations, were discouraged, and who got variations**

	Proportion of respondents	Asked for variation	Discouraged from asking	Of those who asked, got a variation
All respondents		38%	24%	43%
Renters who lost income	41%	55%	26%	44%
Renters who received Coronavirus Supplement	28%	42%	21%	47%
Renters who received JobKeeper	19%	55%	16%	58%
Single parents	9%	50%	30%	45%
Group households	20%	55%	18%	33%
18-24 year-olds	6%	38%	38%	33%
Born overseas	23%	50%	14%	34%
Women	62%	38%	25%	47%

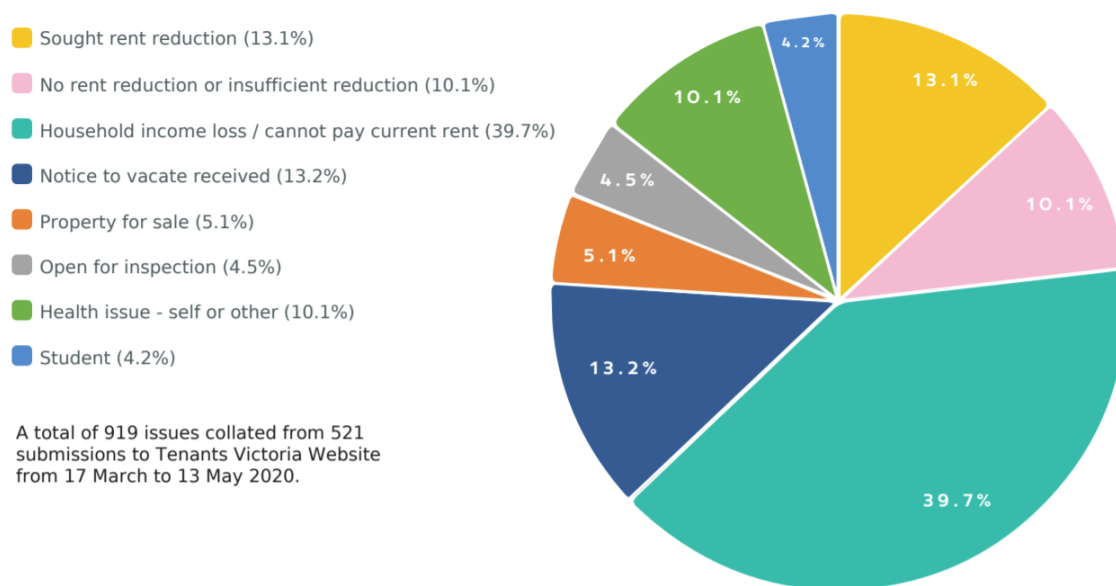
7. One third of rent variations only deferred the rent rather than reducing it.
8. Tenants with mounting debts could number at least 75,000.
9. Evictions moratoriums were readily understood but rent variation frameworks were less well regarded.
10. Some renters opted for the certainty of terminating their tenancies and financial liabilities instead of trying to negotiate a rent reduction.
11. There was an unusually large movement out of existing tenancies with one in five survey respondents moving since the start of the emergency period:
  - 29% to reduce their housing costs
  - 48% for another reason of their own
  - 23% because the landlord requested it
  - Group households and single parent households were more likely to move.
12. Ready termination of tenancies and rent setting by markets suddenly became problematic.
13. There was a fundamental absence of national coordination and leadership.



**Table 5.1: Renter Impacts: compendium table**

	CFRC	ANU	AHURI	Better Renting	RBA/MRI	ABS May	ABS Oct	NSW Govt	Vic Govt	Qld Govt	WA Govt
Renters who moved (all reasons)	19%										
Renters who were evicted/moved at request of landlord	4%	1%	3%								
Renters who lost income	41%		24%	63%							
Renters who asked for a variation	38%	17%	16%	32%							
Renters who were discouraged from asking	24%										
Of renters who asked, those who got a variation	43%	73%	60%	42%							
Renters who got a variation	16%	12%	10%	13%	15%	2%	8%				
Renters who got a reduction	9%	10%	7%	9%	7%						
Renters who got a deferral	6%	2%	2%	5%	7%						
Renters who got a combined reduction and deferral	1%										
Of renters who got a variation, those who got a reduction	57%	84%	74%	64%	50%			60%	75%	47%	12%
Of renters who got a variation, those who got a deferral	37%	16%	22%	36%	50%			36%	13%	42%	57%
Of renters who got a variation, those who got a combined reduction and deferral	6%										13%
Of renters who got a reduction, mean reduction weekly (%)	\$105 (-14%)							\$153 (-22%)	\$146 (-29%)	\$116 (-24%)	\$86 (-20%)
Of renters who got a deferral, mean deferral weekly (%)	\$216 (-31%)							\$201 (-24%)	\$139 (-30%)	\$173 (-34%)	\$108 (-25%)

The Tenants’ Union of Victoria surveyed tenants and found that evictions were still taking place while the eviction moratorium was in effect and that nearly 40% of respondents could not pay their current rent with only a small number seeking rent reductions or receiving them<sup>21</sup>:



<sup>21</sup> Tenants Vic (2020) Submission to Public Accounts and Estimates Committee, Parliament of Victoria Inquiry into the Victorian Government’s Response to the COVID-19 Pandemic, <https://www.tenantsvic.org.au/articles/files/submissions/COVID-19-PAE-2020-submission.pdf>

The Australian Broadcasting Commission reported on bracing for “carnage” in the private rental market after a combination of evictions moratoriums, rent relief in some jurisdictions and a pause on mortgage repayments.<sup>22</sup>

## **Renters, landlords brace for spring of 'carnage'**



**Landlords, agents, tenants and community groups are all worried about what lies ahead in the rental market once government and bank supports are wound back.**

## Gender

Gender matters when it comes to renting because of lower incomes and discrimination. According to Australia’s Workplace Gender Equality Agency, the national gender pay gap as of May 2020 still sat at 14%. The average weekly full-time earnings across industries and occupations for women is \$1558.40, compared to men’s \$1,812.00.<sup>23</sup> This disparity in income makes it more difficult for women compared to men to rent or buy a home in certain areas.<sup>24</sup>

The significance of the income gap to this study is that women are 14% more likely than men to experience discrimination by landlords or agents which includes discrimination for holding a bond guarantee rather than cash. Those who report discrimination are also “much more likely to have had a dispute with their landlord or agent” and discrepancies around bond returns can leave women and other vulnerable renters feeling more financially insecure overall.<sup>25</sup>

---

<sup>22</sup> <https://www.abc.net.au/news/2020-09-04/covid-19-eviction-bans-end-8-million-renters-housing-crisis-loom/12626422>

<sup>23</sup> Commonwealth of Australia, 2020, Australia's Gender Pay Gap Statistics 2020, <https://www.wgea.gov.au/data/fact-sheets/australias-gender-pay-gap-statistics-2020>.

<sup>24</sup> Cahill, D., 2016, Gender Property Gap: Which areas are out of her reach? RealEstate.com.au. <https://www.realestate.com.au/news/gender-property-gap-how-aussie-women-struggle-to-afford-a-room-of-their-own/>

<sup>25</sup> Choice, 2017, ‘Unsettled: Life in Australia’s private rental market’, Choice Australia, National Shelter and NATO.

## Age

Private renting has become more common among all age groups.<sup>26</sup> In May 2020, the Australian National University surveyed more than 3,200 people across Australia and found that those most likely to be experiencing stress around paying housing costs were those aged 18-24. Just over one quarter of those surveyed could not pay their rent and/or mortgage on time.<sup>27</sup>

Another demographic that was highlighted in several studies of housing stress in 2020 is older women. A 2020 study into the housing challenges faced by women shows that women are more likely to experience household financial strain when under 65, particularly if they have been single parents, and are more likely to then be forced into substandard housing or homelessness when they are over the age of 65.<sup>28</sup> Approximately “12% of Australians aged 51 to 65 live in poverty, compared to the OECD average of 10.5%”.<sup>29</sup> An increase in social and affordable housing would ease the financial strain of all those struggling with household finances.<sup>30</sup>

## Children

Families with children are among those households renting at higher rates, and most of the increases in renting from 1996-2016 included families with children, and single parents<sup>31</sup>, suggesting that home ownership is becoming increasingly difficult for these cohorts, with 27% of those with children living in apartments.<sup>32</sup>

Rental stress is at its lowest in couples with no children, and highest among couples with two or more children.<sup>33</sup> Frequent moves have been found to negatively affect the health, social and emotional wellbeing of children<sup>34</sup> so those renting with children are also more likely to want stability and long-term rental tenure.

---

<sup>26</sup> Australian Government-Productivity Commission, 2019, Vulnerable private renters: Evidence and options. Productivity Commission Research Paper.

<sup>27</sup> Biddle, N., Edwards, B., Gray, M. and Sollis, K., 2020, COVID-19 and mortgage and rental payments: May 2020, ANU Centre for Social Research and Methods, Canberra.

<sup>28</sup> Viljoen, C., Lowies, B., Lushington, K. and McGreal, S., 2020, Female perspectives on housing quality and household characteristics, perceptions and challenges: Evidence from Australia. Habitat International, 105.

<sup>29</sup> Mills, A., Ng, S., Finnis, J., Grutzner, K. and Raman, B., 2020, Hidden in plain sight: the impact of the COVID-19 response on mature-age low-income people in Australia.

<sup>30</sup> Viljoen, C., Lowies, B., Lushington, K. and McGreal, S., 2020, Female perspectives on housing quality and household characteristics, perceptions and challenges: Evidence from Australia. Habitat International, 105.

<sup>31</sup> Australian Government-Productivity Commission, 2019, Vulnerable private renters: Evidence and options. Productivity Commission Research Paper.

<sup>32</sup> Rowley, S. and James, A., 2018, The Private rental sector in Australia: Public perceptions of quality and affordability. BCEC Research Report No. 18/18 (pp. i-i). Bankwest Curtin Economics Centre.

<sup>33</sup> Australian Government-Productivity Commission, 2019.

<sup>34</sup> Dockery, A.M., Ong, R., Colquhoun, S., Li, J. and Kendall, G. 2013, Housing and Children’s Development and Wellbeing: Evidence from Australian Data, AHURI Final Report no. 201.

[News](#) > [South Australia](#)

## Adelaide mum struggles through more than 150 rental rejections

A year-long fruitless search despite excellent references for her and her four children has Kirsty Rich wondering if she's set a record for failed househunting.

For people with children, securing a rental property can be difficult and the above image from the South Australian “The Advertiser” story<sup>35</sup> highlights the very low vacancy rate in Adelaide, but Kirsty, the renter is also a single mother with four children, living in her car at the time of the story. A 2018 survey by academics from the Bankwest Curtin Economics Centre, building on findings from the Australian Bureau of Statistics and the Victorian Equal Opportunity and Human Rights Commission, found that households with children, in particular single-parent households, were most likely to report experiencing discrimination as renters and were more likely to have been refused rental accommodation. Racial discrimination, receiving government benefits and being in a multi-generational household were also associated with a higher likelihood of experiencing discrimination<sup>36</sup>.

### Pets

Pets are often absent from rental research and renting policy, despite nearly two-thirds of homes in Australia having pets and evidence of the link between pets and rental insecurity.<sup>37</sup> One of the most common themes in rental discrimination experiences is related to pets.<sup>38</sup> Renters with pets can find it difficult to source suitable accommodation, with 42% of those surveyed in 2018 by the Bankwest Curtin Economics Centre, saying it limited the availability of properties; 9% had to compromise on the type of dwelling they rented; 7.5% saying they were forced out of a location due to having a pet and 6% admitted to lying about having a pet in order to secure a property. Pets are therefore clearly an issue within the private rental sector and contribute to feelings of rental insecurity and rental risk. The impact on renters can be consequential and we argue that pets must be considered as allowable on all rental properties unless there are extenuating circumstances. Research shows that property damage by households with pets is no more likely than for households without pets.<sup>39</sup>

<sup>35</sup> The Advertiser (2020) <https://www.adelaidenow.com.au/news/south-australia/adelaide-mum-struggles-through-more-than-150-rental-rejections/news-story/86bb31ca88ef4b4725e53a95e6085f09>

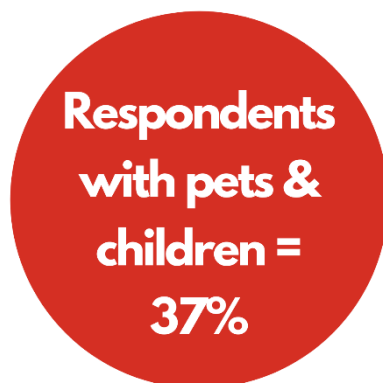
<sup>36</sup> Australian Government-Productivity Commission, 2019, Vulnerable private renters: Evidence and options. Productivity Commission Research Paper.

<sup>37</sup> Emma R. Power, 2017, Renting with pets: a pathway to housing insecurity? *Housing Studies*, 32:3, 336-360, DOI: 10.1080/02673037.2016.1210095

<sup>38</sup> Rowley, S. and James, A., 2018.

<sup>39</sup> [https://www.ahuri.edu.au/\\_\\_data/assets/pdf\\_file/0024/66732/AHURI20FR2035020Media20release20-20Final.pdf](https://www.ahuri.edu.au/__data/assets/pdf_file/0024/66732/AHURI20FR2035020Media20release20-20Final.pdf)

While increasingly more research is carried out in the US, Europe and Canada, little systematic research has been done into the role of ethnicity in discrimination in Australia's rental market. Considering that Australia is home to the world's oldest continuous culture and ever-increasing racial diversity, it is vital that fair access to housing markets is identified as a serious issue.<sup>40</sup>



## Discrimination

Your age as a renter makes a difference to your overall renting experience. Close to half of all renters (37%) are under the age of 35, with 17% in the 18-24 age bracket.<sup>41</sup> Renters under the age of 35 are more likely to say they have experienced discrimination (55%), particularly because of their age (22%).<sup>42</sup> The age groups most likely to have children (35-44, and 45-54) were the most common victims of discrimination (24%). Older renters are much less likely to report discrimination and more women than men tend to report discrimination.

Racial discrimination and housing affordability are barriers to accessing the private rental market for Aboriginal and Torres Strait Islander peoples.<sup>43</sup> Discriminatory stereotyping can discourage people from pursuing private rental options and can often be forced to accept inadequate housing or rely on public or community housing, a situation which serves to perpetuate negative stereotypes.<sup>44</sup>

It is difficult to prove racial discrimination<sup>45</sup> and conscious or unconscious bias can still result in treating people differently—thus disadvantage them—because of their appearance or cultural heritage.

---

<sup>40</sup> MacDonald, H., Nelson, J., Galster, G., Paradies, Y., Dunn, K. and Dufty-Jones, R., 2016, Rental discrimination in the multi-ethnic metropolis: evidence from Sydney. *Urban policy and research*, 34(4), pp.373-385.

<sup>41</sup> Rowley, S. and James, A., 2018, *The Private rental sector in Australia: Public perceptions of quality and affordability*. BCEC Research Report No. 18/18 (pp. i-i). Bankwest Curtin Economics Centre.

<sup>42</sup> Choice, 2017, 'Unsettled: Life in Australia's private rental market', Report by Choice, National Shelter and NATO.

<sup>43</sup> Shelter SA, 2019, *I am tired of being treated like a second-class citizen! Racial Discrimination in the Private Rental Market*.

<sup>44</sup> Solonec, T., 2000, "Racial Discrimination in the Private Rental Market: Overcoming Stereotypes and Breaking the Cycle of Housing Despair in Western Australia", *IndigLawB* 54; 5(2) *Indigenous Law Bulletin* 4.

<sup>45</sup> Shelter SA, 2019.

It is prohibited under International, Commonwealth and State law in Australia to discriminate on the grounds of race but Shelter SA survey revealed that there is a lack of understanding in the community about what constitutes racial discrimination, many people do not report discrimination and others are not sure who to complain to when it happens.<sup>46</sup> Nearly 80% of renter respondents to the 2019 survey, had experienced, or witnessed someone experiencing racial discrimination in the private rental market, but only 15.5% had filed a complaint.<sup>47</sup>

Despite the insecurity of Australia's private rental market, the sector has expanded "at more than twice the rate of the increase in Australian households in the last two decades"<sup>48</sup> with nearly a quarter of Australians now renting rather than owning their own homes. Flexibility and a change in values—from permanence to transience—is a key reason most renters give for choosing to rent long-term.

But with only 2% of rental apartments and 7% of houses offering longer-term lease options<sup>49</sup> the norm in Australia is for short-term, fixed leases. Property managers have an incentive to turn over tenants regularly as they can charge fees for finding new tenants, the renewal of leases and associated open inspections in addition to their normal management fees.<sup>50</sup> Developing a culture of offering longer-term leases should be developed in Australia, to balance the preferences of landlords and tenants and address the tensions between security and flexibility.

## Bonds

According to a 2017 national survey by Choice Australia, more than a quarter (26%) of tenants had had disputes with landlords or agents over the bond refund when exiting a lease.<sup>51</sup>

A Shelter SA discussion paper on residential bonds found that many tenants believe they must wait for the property manager or landlord to apply to have the bond refunded. This belief is a misconception, as tenants are also able to initiate bond refunds.<sup>52</sup> Greater education is required so that both tenants and landlords understand the bond process.

---

<sup>46</sup> Shelter SA, 2019

<sup>47</sup> Shelter SA, 2019, I am tired of being treated like a second-class citizen! Racial Discrimination in the Private Rental Market.

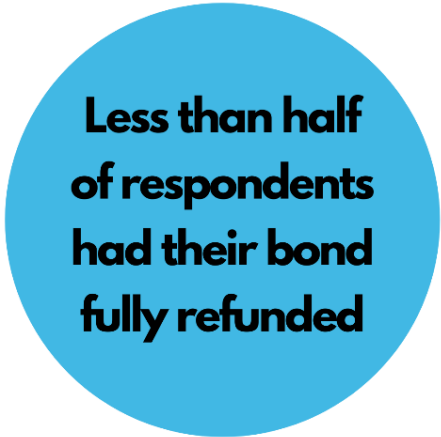
<sup>48</sup> Morris, A., Pawson, H., Hulse, K., February 2020, 'I wouldn't want to buy even if I had the money: The rise of renters by choice', *The Conversation*.

<sup>49</sup> Choice, 2017, 'Unsettled: Life in Australia's private rental market', Report by Choice, National Shelter and NATO.

<sup>50</sup> Shelter SA, 2020, 'What happens to your bond when you leave? Residential Tenancy Bonds – A Discussion Paper'.

<sup>51</sup> Choice, 2017, 'Unsettled: Life in Australia's private rental market', Report by Choice, National Shelter and NATO.

<sup>52</sup> Shelter SA, 2020, What happens to your bond when you leave? Residential Tenancy Bonds – A Discussion Paper.



**Less than half  
of respondents  
had their bond  
fully refunded**

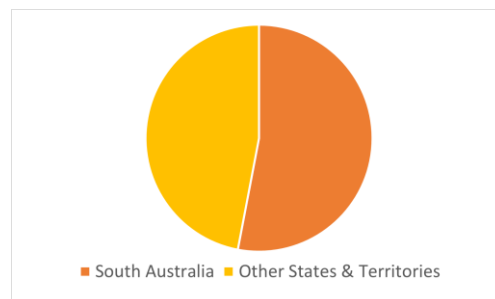
It is also outlined in the Shelter SA discussion paper on residential tenancy bonds<sup>53</sup> that the timing of bond returns can make life extremely stressful for tenants. When moving houses, the bond for the new property needs to be paid prior to moving in and the bond for the property being exited is not released until the final inspection is completed after moving out, if at all. This situation means that money is required for two bonds and sometimes double rents during the cross-over period, as well as the significant costs associated with relocating, creating financial difficulties for many tenants. Additionally, claims can only be made against bonds at the end of a tenancy, so less tenant turnover would mean that there was less opportunity for bond monies to be diminished.

---

<sup>53</sup> Shelter SA, 2020.

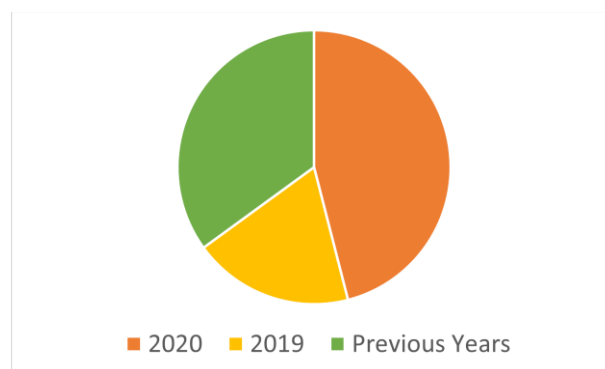
## Results

### Q1 What is the postcode of the rental property where the tenancy ended?

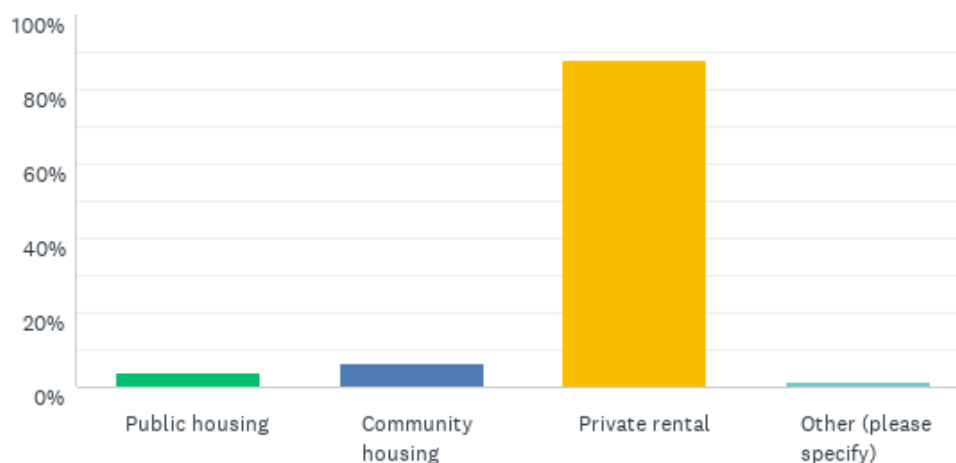


Slightly more than half of respondents indicated that the tenancy occurred in South Australia with the remaining respondents entering postcodes spread across all other States and Territories. The survey originated in South Australia and was more heavily advertised in that location.

### Q2 Date Tenancy Ended

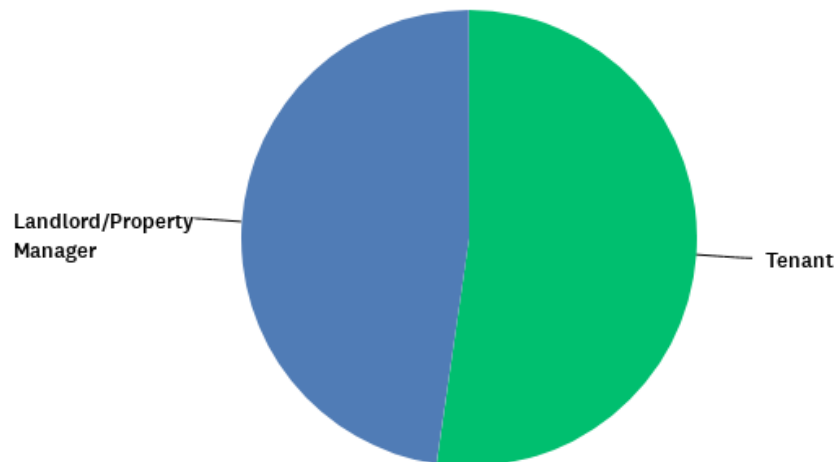


### Q3 Was the property rented privately, community housing or public housing?



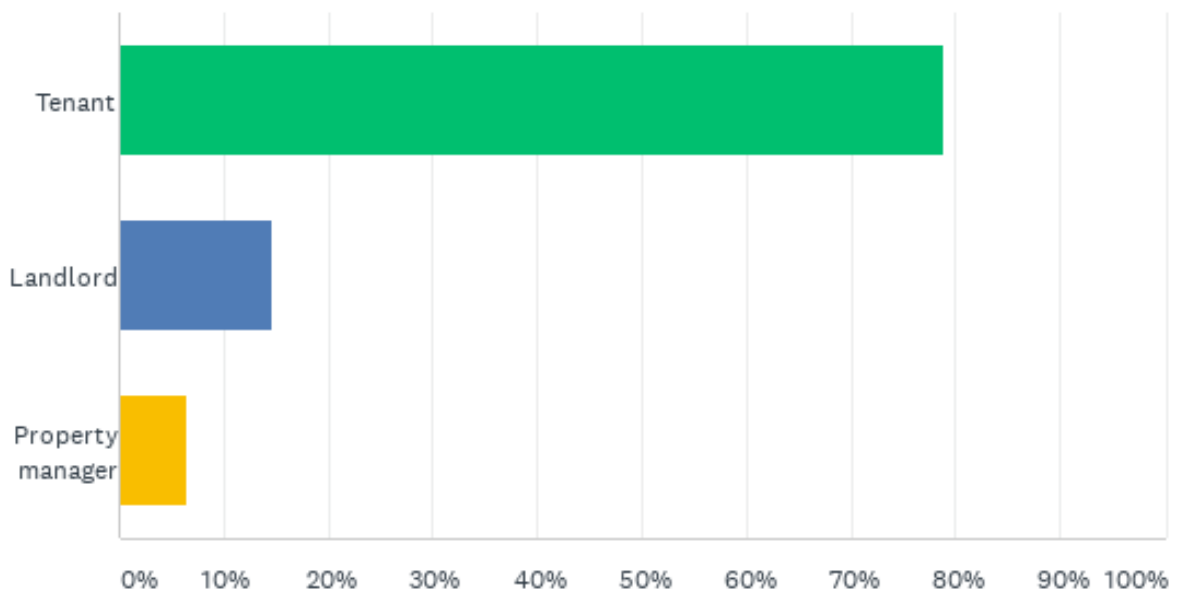


## Q4 Who chose to end the tenancy?



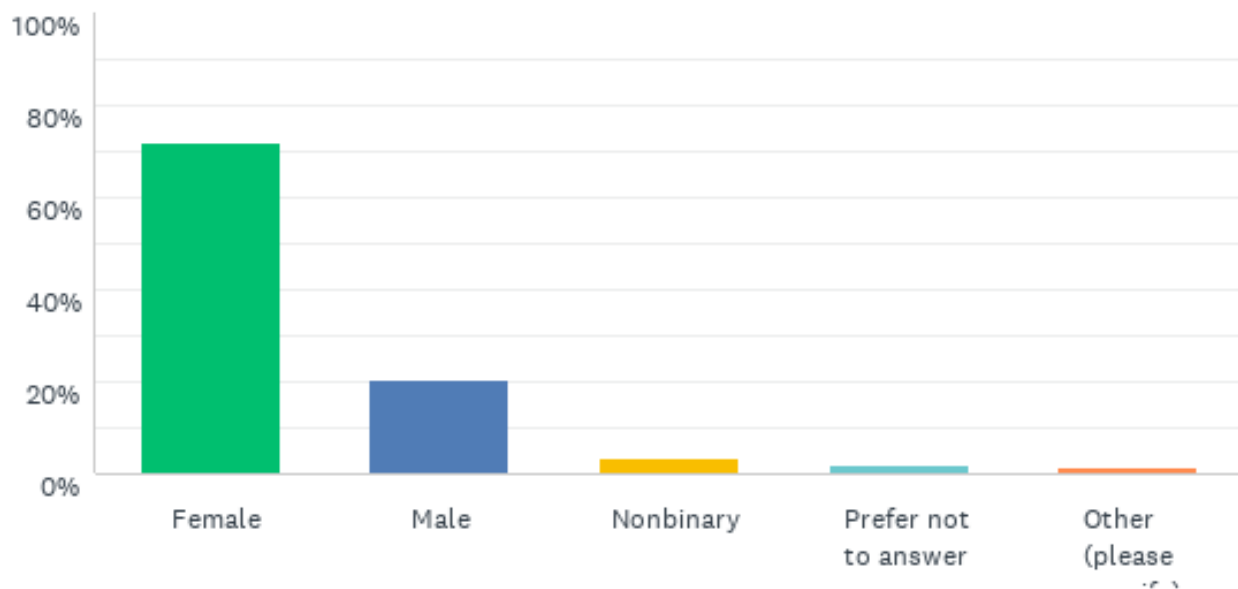
The NSW Fair Trading survey found that 43% of tenancies were ended by landlords and 44% by tenants. The Moving On survey results mirror this much larger sample of tenancies. It should be noted that a tenant who initiates the end of a tenancy and is leaving a poorly maintained property or in response to unaffordable rent is not leaving “voluntarily”.

## Q5 Were you the tenant, the landlord or the property manager?

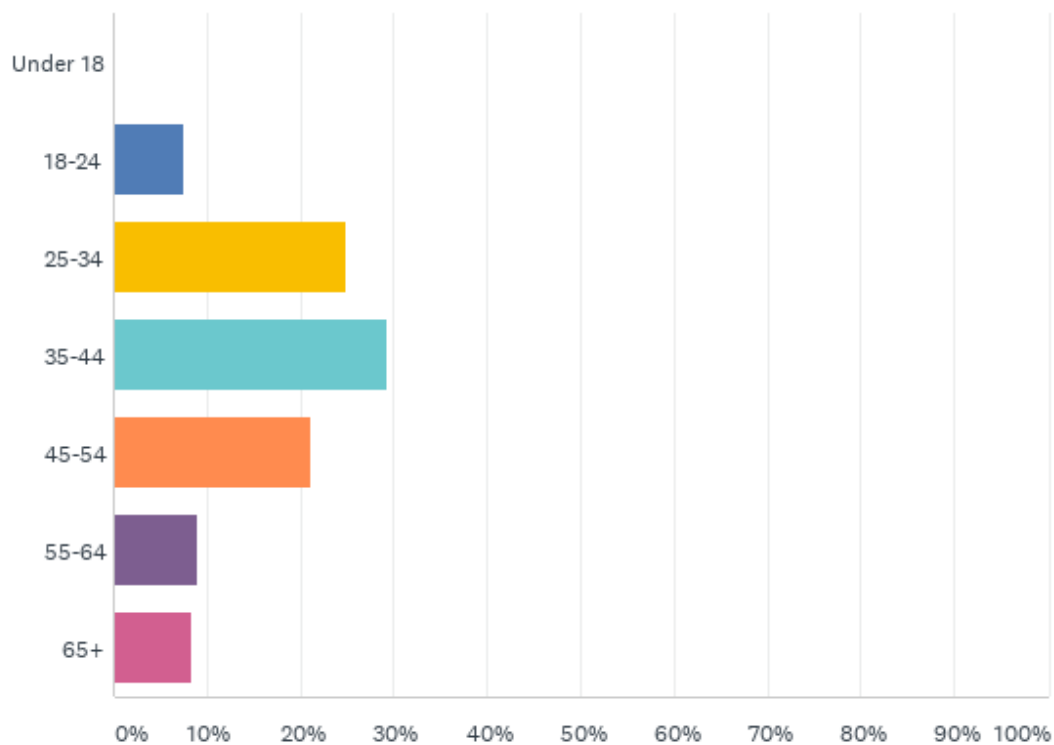


The majority of respondents, almost 80%, were tenants and this probably reflects the greater tenant audience and networks of Shelter organisations (total number of responses = 174).

## Q6 Gender



## Q7 Age range

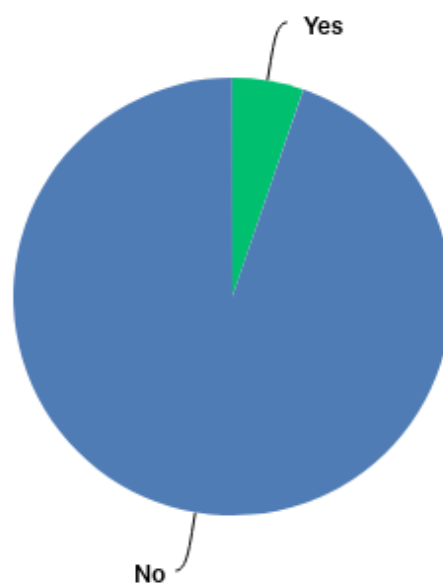


## Focus on Young Renters

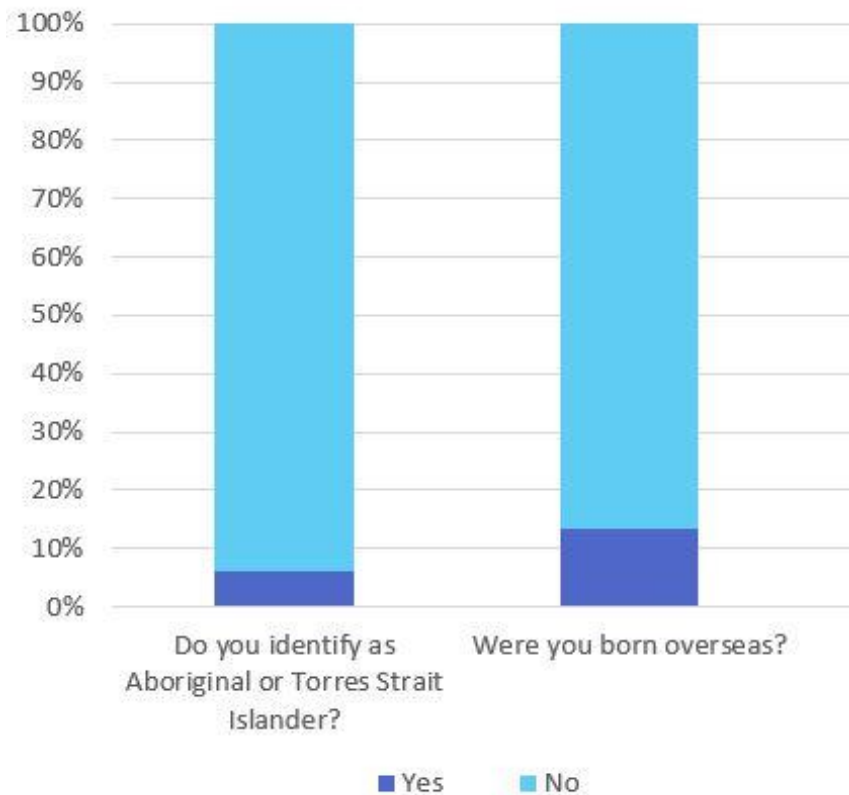
The largest age range of respondents was 35-44 years of age and here we focus on young people between 18 and 24 years of age. Of the younger respondents:

1. Tenancies ended by the tenant were 70% which is approximately 30% higher than the overall number of tenancies ended by all age ranges.
2. Respondents in this age range were all tenants.
3. One fifth of younger respondents indicated that they identified as Aboriginal or Torres Strait Islander people, also much higher than the overall number of 6%.
4. In terms of income 50% indicated their annual income was less than \$30,000, 40% indicated between \$30-50,000 and the remainder more than \$50,000.
5. The most frequent weekly rent was \$250-350 per week at 60% of respondents showing that young respondents were more likely to rent at the lower end of the rental market.
6. Shorter tenancies were being experienced with more than 50% of younger respondents indicating tenancies between one and two years.
7. The most common reason for a tenancy ending was “end of a fixed term” with 80% of respondents indicating they wanted to rent a better house or location.
8. Only 40% of respondents in this age group received a full bond refund compared to almost 48% of overall respondents, a slightly lower rate than the overall results.

### Q8 Do you identify as Aboriginal or Torres Strait Islander?



**Q8 Do you Identify as Aboriginal or Torres Strait Islander**  
**Q9 If not Australia, what is your country of origin?**

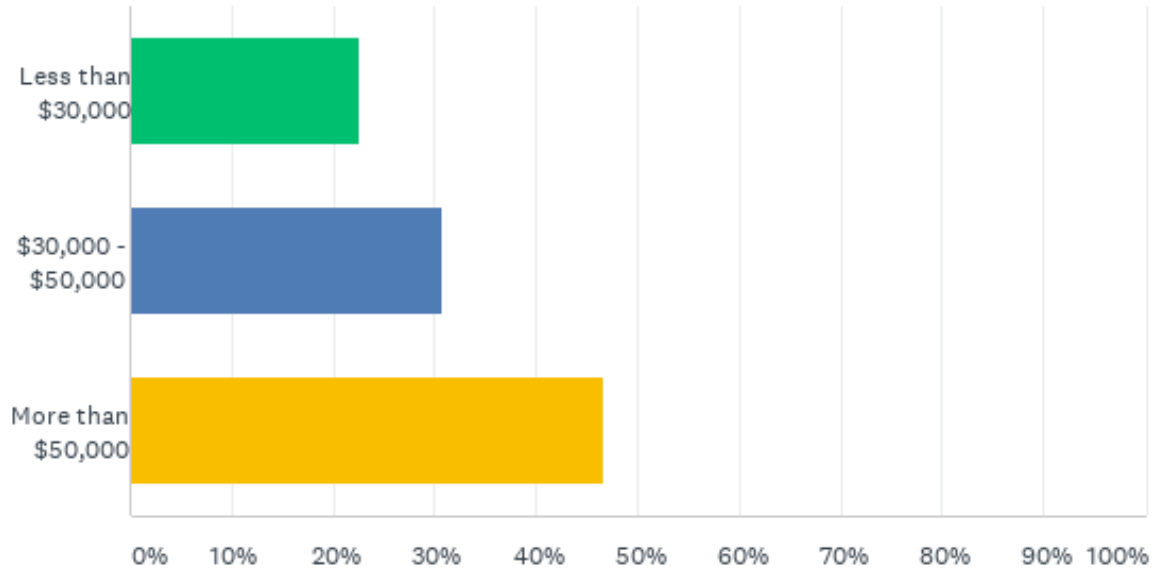


Just over 6% of respondents identified as Aboriginal or Torres Strait Islander peoples which is greater than 2.8% of the Australian population that identifies as Aboriginal or Torres Strait Islander peoples.<sup>54</sup> This representation is significant because more than 50% of participants in an earlier Shelter SA survey said they were afraid to report repairs or maintenance issues due to identifying as Aboriginal or Torres Strait Islander peoples.

There were 13.5% of respondents to the Moving On survey who indicated they were born overseas. Having a better idea of people’s cultural backgrounds provides a broader picture of people’s experiences and disadvantages as renters.

<sup>54</sup> Australian Bureau of Statistics, 2017, 2071.0 - Census of Population and Housing: Reflecting Australia-Stories from the Census, 2016, Latest ISSUE Released at 11:30 AM 28/06/2017.

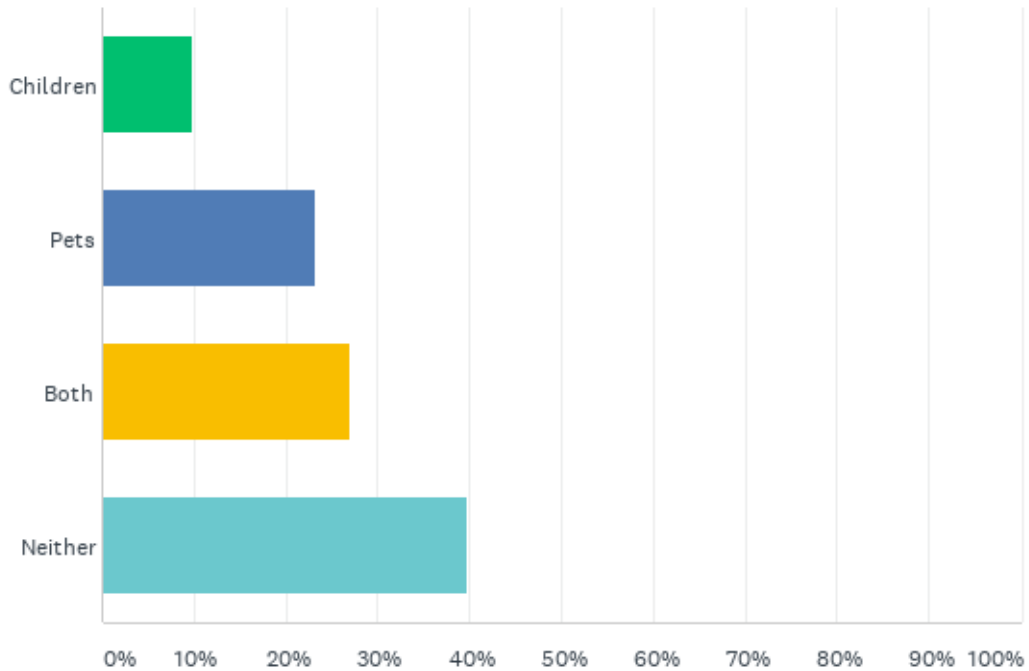
## Q10 What is your annual household income?



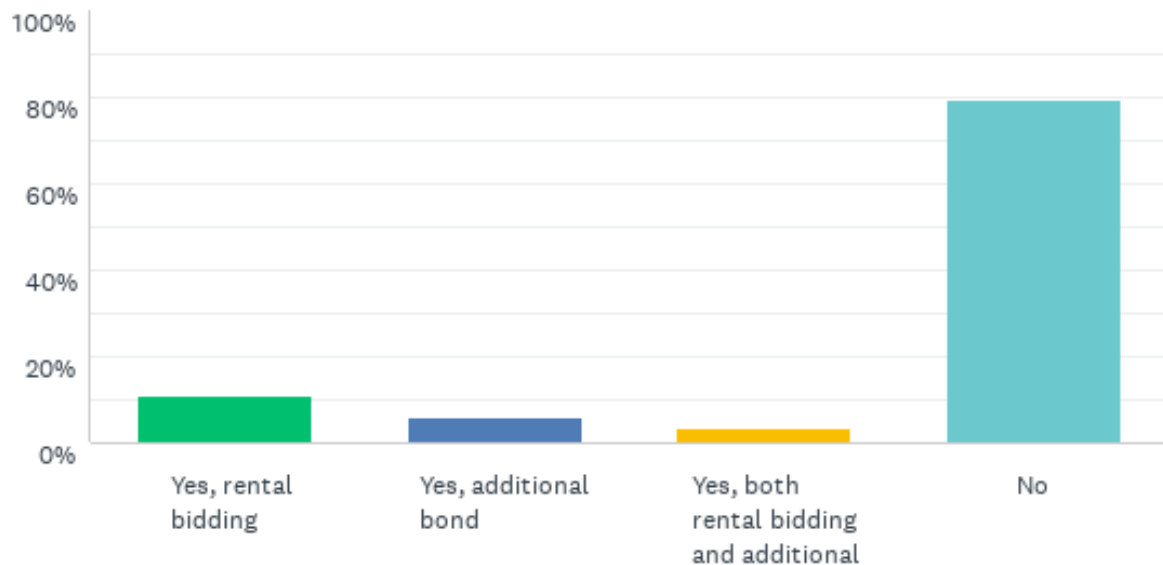
### Focus on Low Income Households

1. The proportion of respondents who indicated their annual household income was under \$30,000 was 17.24%.
2. The number of tenants who ended their tenancy was 23% with 40% ended by the landlord, a higher rate of landlord terminations than the overall responses indicate.
3. All of the respondents were tenants.
4. One third were between 25-34 years of age, a younger majority than the overall responses.
5. Respondents who identified as Aboriginal or Torres Strait Islander were 6.67% of the total respondents.
6. Nearly half the respondents had lived in the tenancy for between one and two years.
7. Almost 60% were renting in the lower end of the rental market between \$250-350 per week.
8. Respondents who received their full bond refund were 40% with 50% citing damages as the reason for the claim.
9. One third of respondents in this category indicated their tenancy was impacted by the pandemic which is slightly lower than the 38% of total respondents.

### Q11 Were there children or pets living at the property?



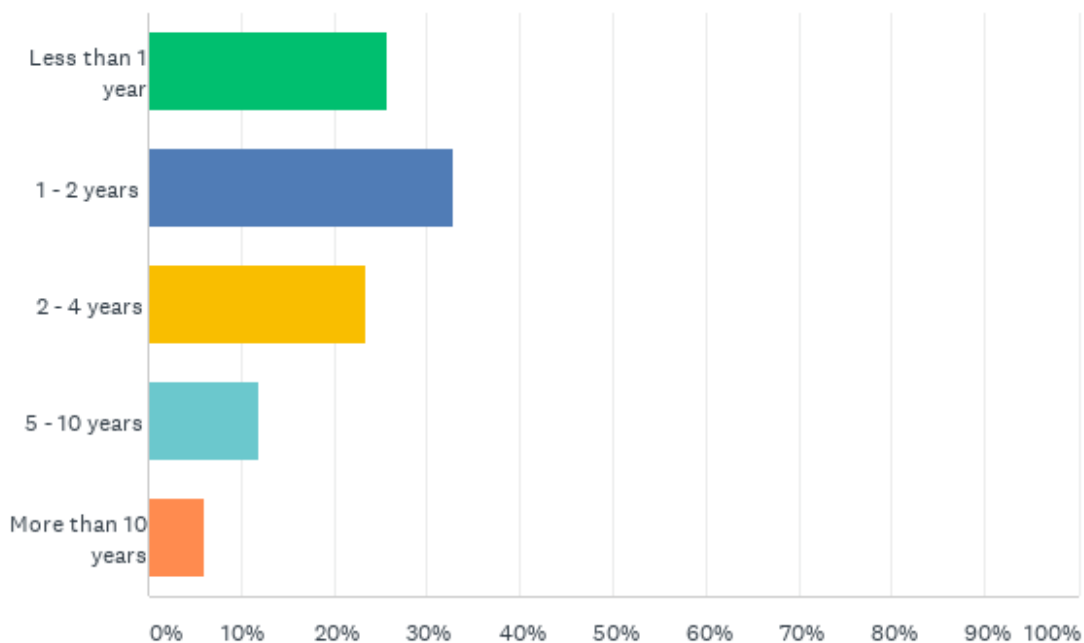
### Q12 Have you ever participated in rental bidding or paid an additional bond to secure a property (this can be about any property, not necessarily the one you have just moved out of)?



When prospective tenants offer an agent or landlord more than the asking price to secure a property, the agent may end up taking several bids, pushing the rent up for the landlord. This is called rental bidding. Approximately 80% of participants had not participated in rental bidding or paid additional bonds to secure a property. While most respondents had no experience of rental bidding or paid an additional bond to secure a property, the finding that one fifth of respondents had experience of both is alarming.

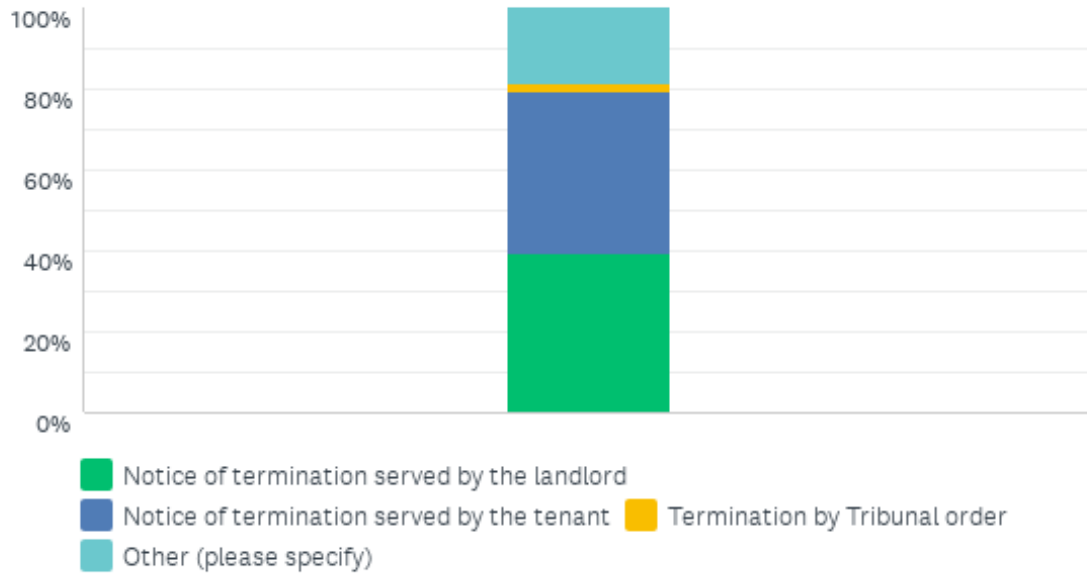
Agents and landlords are prohibited from asking tenants to make rental offers in Tasmania, Queensland and Victoria however this does not prevent tenants making higher offers. Owners must advertise rental properties at a fixed price and ‘expressions of interest’, rental brackets such as rent being between two amounts (eg \$100-150 per week) or rent being ‘from’ an amount are not fixed prices. Rental bidding in Tasmania can be reported to the Residential Tenancy Commissioner, in Queensland the Residential Tenancies Authority and in Victoria Consumer Affairs or the Tenants Union of Victoria. New South Wales, Western Australia and South Australia have no legislation preventing rental bidding from occurring.

### Q13 How long did the tenant live in this property?



Short term leases are the norm in Australia, unlike some overseas countries, where people expect to live their lives as renters. Frequently moving means extra expenses for tenants and they may have to finance a new bond payment prior to receiving their refund, if they receive one at all and temporarily pay double rents to and secure new homes.

## Q14 How did the tenancy end?



Respondents indicated that 39.52% of tenancies ended by notice of termination by the landlord and 40.12% were ended by tenants. This survey sample is not dissimilar to national research findings that during the pandemic, tenants were more likely to end a tenancy and have certainty over their financial commitments rather than continue to be liable for rents they found themselves unable to afford.

How does this compare with national data? The below information comes from the City Futures Research Centre at the University of New South Wales research<sup>55</sup>:

An early response to the emergency, particularly in New South Wales, was an unusually large movement out of existing tenancies – all the more remarkable since this coincided with the national lock-down and general strategy of ‘staying home’ as officially advocated across Australia in the March-June 2020 period.

Only a little of this movement is captured in the surveys published by other researchers in the field. In the Australian National University survey, 3% of respondent renters had requested ‘early termination’ of their tenancies, and 1% said they had been ‘evicted’ (Biddle et al, 2020: 12). The report of the AHURI survey does not enumerate tenants who moved for all reasons, but does report that 6% ‘had to move out’ as an effect of financial hardship, and 5% received ‘an eviction notice’, with 3% actually evicted (Baker et al. 2020: 11-12).

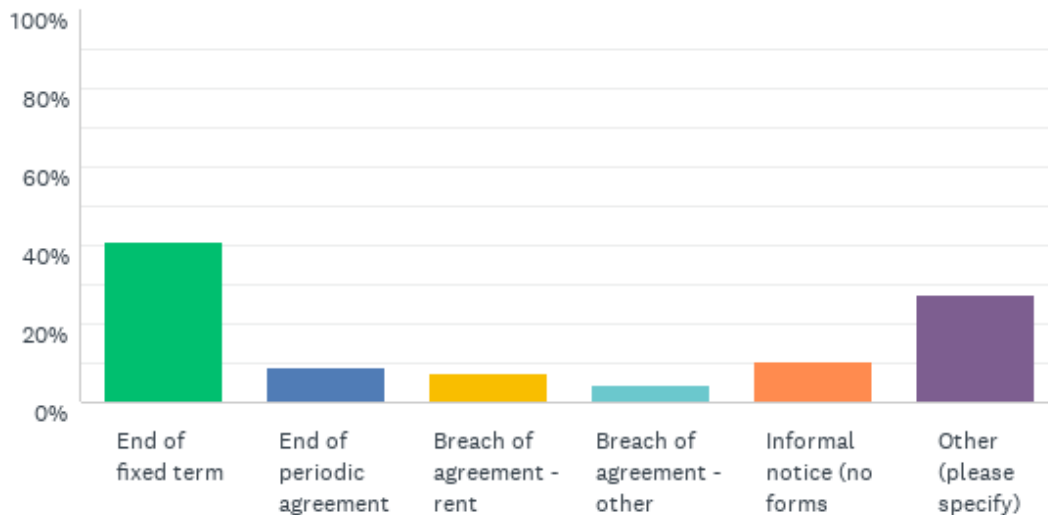
In the UNSW survey, however, almost one in five respondents (19%) had moved since the start of the emergency period (i.e. within 5-7 months of the onset of the pandemic in Australia). 29% of movers did so to reduce their housing costs, while 48% moved for another

<sup>55</sup> Pawson, H., Martin, C., Sisson, A., Thompson, S., Fitzpatrick, S. and Marsh, A. (2021) ‘COVID-19: Rental housing and homelessness impacts – an initial analysis’; ACOSS/UNSW Poverty and Inequality Partnership Report No. 7, Sydney.



reason of their own; 23% moved because the landlord requested or required it. Group households and single parent households were more likely than other households to move.

## Q15 Why was the notice of termination served by landlord?



The mechanism by which respondents indicated that tenancies ended provides more detail. Some of the tenancies described ended when the lease ended and was not renewed by either tenant or landlord (no further choice was given to the tenant to renew the lease) which is a form of eviction but does not require any reason and cannot be legally contested. Respondents indicated that most tenancies ended by the landlord were done so by letter of termination. It is not known if tenants tried to contest evictions by applying to residential tenancy tribunals to access the no-eviction emergency laws during the pandemic but the low level (only 2%) of respondents who indicated that the end of the tenancy was ordered by a tenancy tribunal indicates that mostly, respondents did not access a tenancy tribunal.

Selling the property, demolition and verbal notice of a tenancy ending from the homeowner were some of the other eviction reasons conveyed through the survey responses. Some disturbing complaints revealed issues with the safety and quality of the rental housing, forcing the tenants to leave or find alternative, healthier accommodation.

Only about 2% of tenants were reported as “absconding” or “abandoning” the property and the lease.

Tenant Open Text Answers:

They said a family member was moving in - in reality, it was their nanny, the wealthy owners lived across the park and wanted their nanny nearby, on call.

Landlord lied that a family member was to live there. It was subsequently found to be advertised.

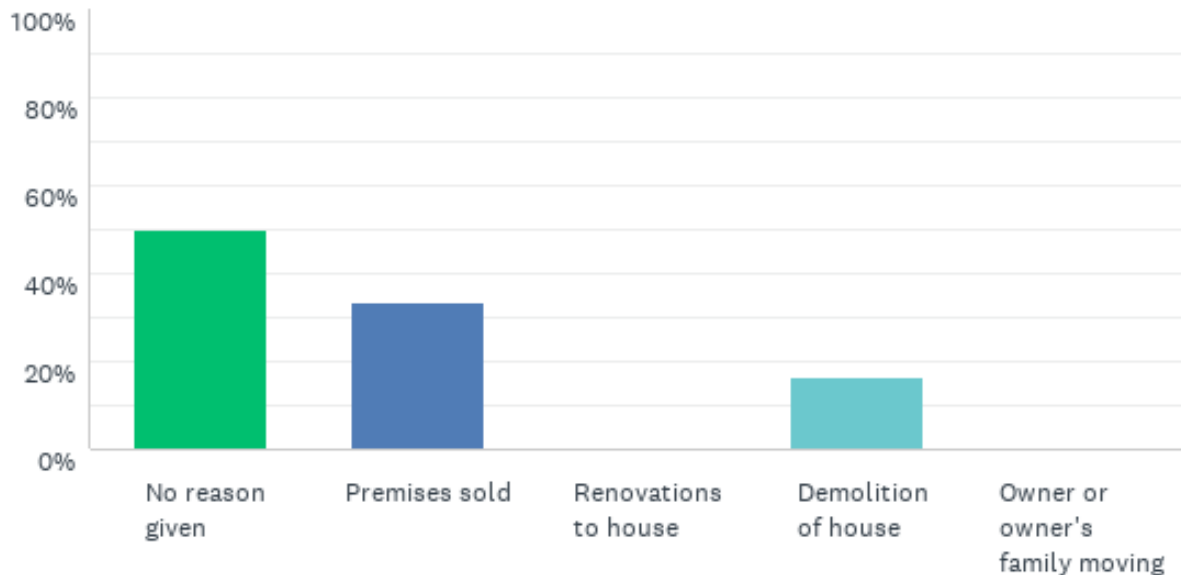
Owner moving back with 60 days' notice.

South Australia has a Housing Safety Authority responsible for administering the Housing Improvement Act (2016) to receive and act on complaints about unsafe residential properties with authority to order improvements and apply rent reductions. Tenants are protected from retaliatory evictions through the residential tenancy tribunal, but the non-renewal of leases can still occur.

The Moving On survey has revealed that more than 45% of tenancies were ended by landlords or property managers. This finding is of particular concern considering that the 2019 Australian Government Productivity Commission reported that the average involuntary residential moves made by private renters in the 2013-2014 financial year was about one in five, but according to their survey sample involuntary residential exits were more than double that amount over the past 6 years.<sup>56</sup>

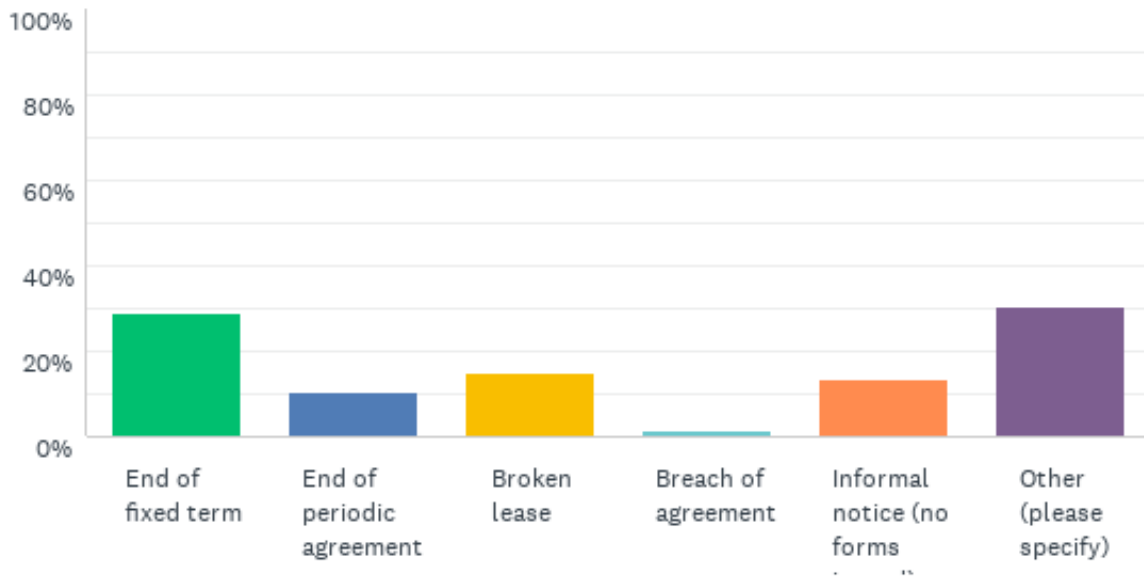
The reasons landlords ended tenancies included of a breach of the lease agreement, because the dwelling was being sold, renovated or occupied by the owner or a member of their family, through no-cause evictions and non-renewal of leases.

### Q16 What was the reason for ending the periodic agreement?



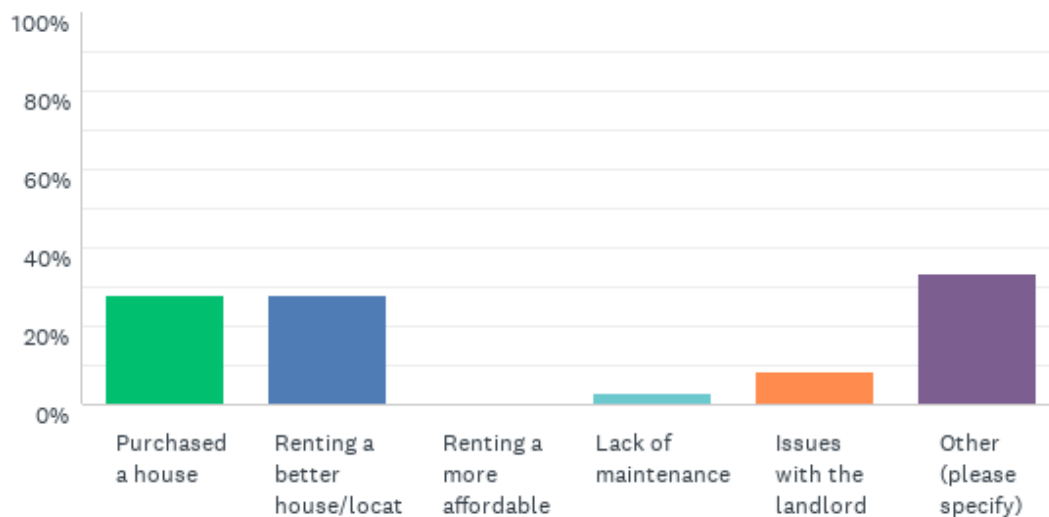
<sup>56</sup> Australian Government-Productivity Commission, 2019, 'Vulnerable private renters: Evidence and options', Productivity Commission Research Paper.

## Q17 Why was the notice of termination served by the tenant?



The most common answer to this question was “Other” at just over 30% followed closely by “End of Fixed Term”. Less than 2% of respondents indicated that a breach of agreement had occurred.

## Q18 What was the reason?



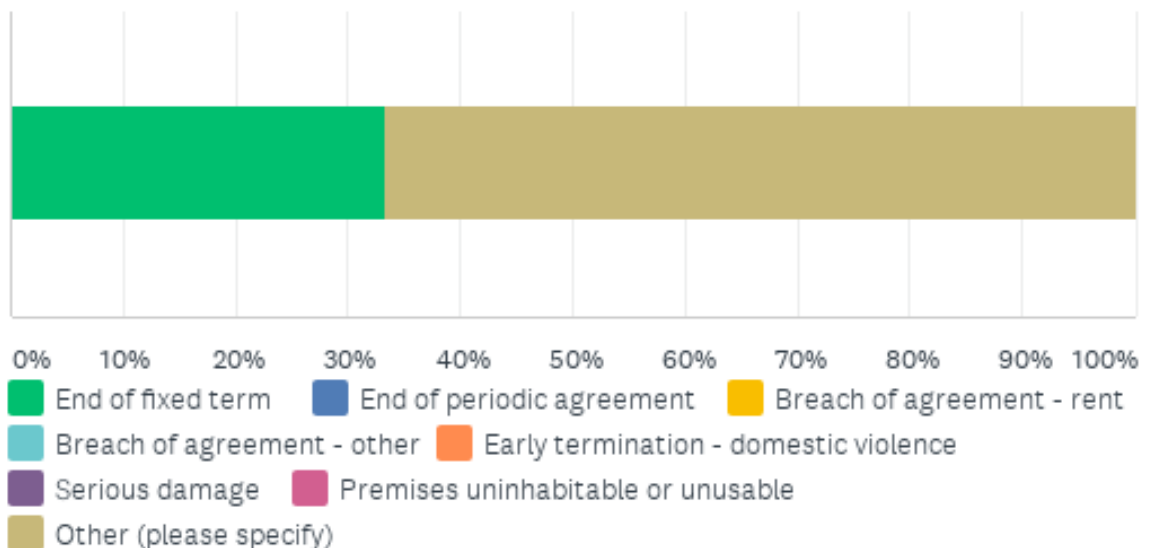
This question provided room for open text answers from tenant respondents about the reasons for moving with the following examples:

- Moved in with family
- The house was for sale and the constant open inspections were inconvenient
- Loss of income due to Covid

- Wanted better energy efficiency, the previous house was freezing in winter
- Relationship breakdown
- Moved to a nursing home after an illness

More than 30% of tenancies ended by tenant respondents were done so because of changes in their personal circumstances such as the end or the start of a relationship, wanting to be closer to family or friends, starting a family, illness, or opportunities such as ending or starting a new job, or moving into a retirement home. This result confirms the findings of other research that having the option to be mobile and flexible is as highly valued by renters.<sup>57</sup> The end of a fixed-term contract provided more than 26% of renter respondents with the opportunity to choose a change of residence.

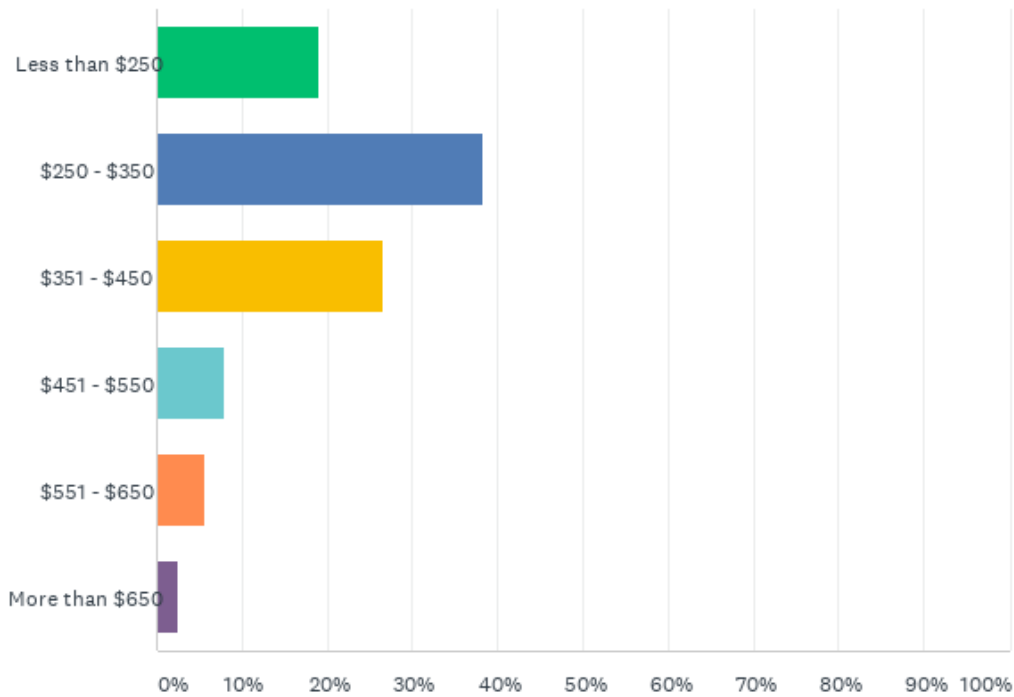
## Q19 Why did the Tribunal order termination?



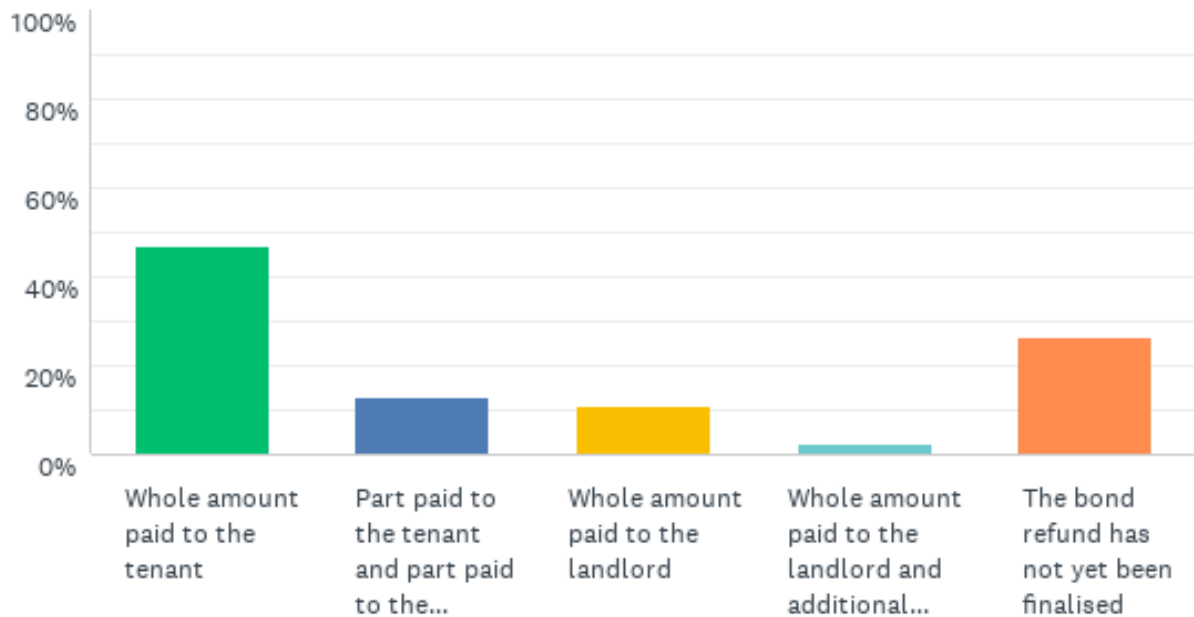
Only 2% of respondents indicated that their end of their tenancy was decided by a residential tribunal, one third had their tenancy terminated due to the end of the fixed term agreement, one third were given no further reason for termination and one third stated that they were forced into an untenable position by a third party.

<sup>57</sup> Australian Government-Productivity Commission, 2019.

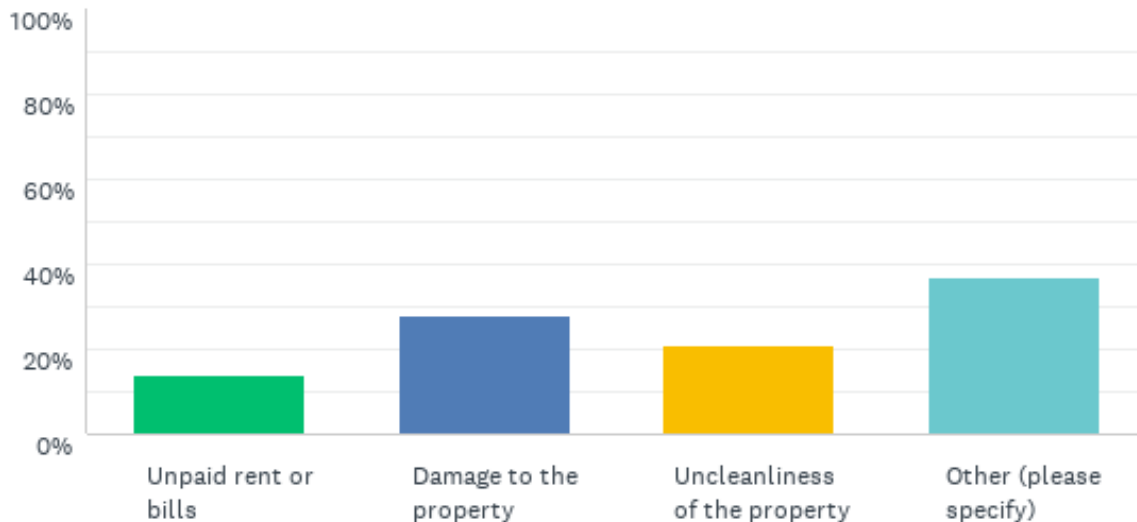
## Q20 What was the weekly rent at the end of the tenancy?



## Q21 How was the bond refunded?



## Q22 Why were bond monies paid to the landlord?



Less than half of the renters who participated in this survey (46.81%) received their whole bond back after exiting a rental lease. At the time of data analysis, more than a quarter of bond refunds were yet to be finalised, while 11.35% of responses revealed the whole amount had been paid to the landlord.

The restrictions on movement in the ACT made securing an exit clean really difficult. Money was deducted (2/3 of bond) for the cost of an exit clean. No allowance was made for the impact of COVID restrictions on getting friends to help with move, securing end of lease clean, etc.

Unfair and illegal vacate cleaning conditions eg would not allow me to fix a few tiny things, wanted to keep far too much money from bond (the landlord controls bond in NT) and had me just leave the key somewhere so I couldn't participate in their final inspection.

## Q23 – Has the pandemic affected your tenancy?

The proportion of respondents who indicated that the pandemic impacted the tenancy they were describing was 38% and they provided the below qualitative responses.

### Tenant Case Studies

I had been a tenant for nearly 5 years. Maintenance not done - including broken locks not fixed and smoke detector broken and not fixed. Inspections done via photos which required multiple emails as the agent missed photos I had sent. Received a 60-day notice form in my email inbox without warning during covid-19 - my partner and I inspected and applied over 20 properties and were rejected continuously due to either loss of job, having pets/ children and competing with huge numbers of applicants for most properties. Neither of us have ever had an issue with getting

rentals and are in our mid to late 30s, until now. We are 4 weeks away from needing to leave this rental and have nowhere to go. It has been very stressful, and I am unsure where we will live.

Due to breaking lease, the property manager dropped the rent per week to ensure that they could get a tenant to fill the property. We didn't realise but were then liable for paying the 'top-up' of rent each week until the end of the initially agreed tenancy (totalling \$660 on top of break lease costs). This would not have been the case without coronavirus, as the property is in a high-demand area and property managers mentioned they'd never had issues getting tenants. The drop in rent, I believe, was solely due to the impact of covid-19 on the rental market and economy and now we are paying the price for this (when we were doing the right thing and entering the property market).

My husband was stood down and as he was born overseas, he wasn't eligible for Centrelink supports. We asked for a rent reduction and our property manager wouldn't even talk to the owner, telling us if we couldn't afford it then leave. She then rang, absolutely furious when approached by other agencies about us. We got to the point of counting down the days before my husband was going to have to return to his country of birth to work to support us, leaving me here with three children including one with complex health needs (the reason for returning to Australia was to get proper care for him). The property manager organised a small reduction once she realised we were seriously looking to move on. Our property manager was also extremely difficult about inspections etc despite the pandemic and despite her knowing we have a child with an immune disorder.

## **Unemployment and Underemployment**

### **Tenants**

Tenant respondents talked about the loss of employment or not being able to gain employment with the following open text samples:

- No work available and landlord increased rent after only 6 months, I couldn't afford the rent and got evicted.
- I lost my job for two months.
- Loss of income and landlord refused to continue to offer discount.
- My husband was stood down and he wasn't eligible for Centrelink supports.
- It has been really hard to afford rent each week due to income loss.
- I had 30% less hours at work.
- Answering this as Volunteer Supporter on behalf of tenant. Lost job due to Covid-19 and evicted.
- We were unable to pay our full rent for one fortnight. Once we got our finances in order. we paid the landlord the full amount again and any owing straight away.

### **Landlords/Property Managers**

Tenants have not been the only ones losing their jobs or having difficulties due to the pandemic. Landlords respondents were not immune to the stresses of job loss or tenancy issues. Open text answers about landlords losing work and income include the following:

- Our landlord had lost work due to the pandemic, so needed to move back into the property themselves.
- Landlord at new property has to sell due to affordability constraints as a result of COVID – our second move in two years.
- Tenant unable to afford the rent.
- I've had difficulty finding a sub tenant which has impacted my rent affordability.

### **Other Responses**

- Neighbours have been aggressive and uncooperative claiming stress due to job losses.
- Agents have not been empathetic or supportive and are dismissive of concerns. They have not opened opportunities to discuss the impacts of Covid and work through solutions.
- My tenancy was ended because I asked landlord not to do an inspection during lockdown.
- Moved during the brief SA lockdown, made moving out, cleaning & returning keys more challenging.
- It was harder to secure a long-term property.
- The restrictions on movement in the ACT made securing an exit clean really difficult. Money was deducted (2/3 of bond) for the cost of an exit clean. No allowance was made for the impact of COVID restrictions on getting friends to help with move, securing end of lease clean, etc.

### **Rent Reduction Requests**

We asked for a rent reduction and our property manager wouldn't even talk to the owner, telling us if we couldn't afford it then leave.

### **Fewer Tenants**

Apartments in the Adelaide CBD are often rented by overseas students. When the pandemic hit many were in their home country or decided to return there. This led to mass lease terminations. It took 4 months to find a new tenant, had to drop the rent by \$90 from \$540 to \$450, and tenant would only sign a 6-month lease. This is due to expire in December, and they've now asked to sign just a 3-month extension.

Could not find a new tenant for 3 months.

### **Greater Demand**

Properties seemed to be in greater demand - for the first time we have had people offer over the asking rental (which we refused) - we had over 25 applicants in a six-hour period of advertising. However, we do ask for applicants to fill out a rental application, references and credit check, we are not against pets, but would like to know a bit about them. Around 75% of applicants could not/or were unable to supply credit check or references. As a landlord we have a lot of money invested in this property and keep it well maintained. We are also considerate of the local community, no roaming or barking dogs, keep grass and outside neat and tidy. We would rather keep our home vacant than risk a bad tenant. Again, we have been fortunate and have a new tenant moving in next week. Previous tenant will receive his entire bond back. House was left



clean and tidy. There will only be a two-week gap from the lease break that we lose rent. So ok with that.

Unable to find a suitable rental due to lack of rentals available.

Harder to get a rental.

### **Lack of Energy Efficiency**

As noted above, the pandemic was a reason which prompted me to move from the previous property. Being at home all of the time highlighted how it had significant energy efficiency issues, and this wasn't something that I thought was safe during the pandemic (e.g. very cold environments (even with heating) exacerbating risks of illness).

The stark contrast between the situation of renters and mortgage-holders has been amplified during Covid19 lockdowns, resulting in further significant financial distress for renters when many people lost their income. While for 13.5% of respondents, nothing changed with their work or tenancies under Covid19, the patchwork of initiatives across the States and Territories made it hard for renters who needed support to know what was available and what their rights were.<sup>58</sup>

Several landlord respondents asked their tenants to leave to reclaim the property for themselves, family or friends but some tenant respondents reported that the Covid situation prompted some opportunistic behaviours. There is no system in place to verify that family members are tenanting properties after tenants are evicted but anecdotally there are reports of evicted tenants seeing the same properties advertised as vacant following these types of eviction.

While the situation for some landlords has also been difficult under Covid19 restrictions, particularly if they are relying on rent for their income, of those tenant respondents who requested reductions in their rent due to Covid-related job losses, only about one in five got a positive result.<sup>59</sup> Respondent quotes about the reasons for ending tenancies include the following:

While we're not sure about this particular tenancy, we have had other tenancies affected by COVID19 for sure. One tenant who lost his job in March, terminated his tenancy and moved back to Victoria to be with his partner so they could pay their mortgage there. We have had another tenant request a significant rent reduction (from \$350 to \$280 per week) due to loss of work which we have agreed to. Another tenant terminated their lease, we suspect because of loss of work (moving somewhere cheaper or back with parents perhaps). However, in New South Wales tenants aren't required to provide a reason when they terminate so we don't know. I suspect it will get worse as JobKeeper and JobSeeker are wound down, but we will see.

Tenant unable to afford.

---

<sup>58</sup> Solomon, L., [Consumer Policy Research Centre], 'Recession exacerbates financial divide between renters and home', interviewed by Hilary Harper, *Life Matters*, 21 October.

<sup>59</sup> Dignam, J., [Better renting] (2020), 'Recession exacerbates financial divide between renters and home', interviewed by Hilary Harper, *Life Matters*, 21 October.

I lost my employment contract and [ending the tenancy was] agreed by both as I couldn't afford the payments.

Fifty percent of tenant respondents said that no reason was given for the ending of their periodic agreement.



## Conclusion

The lack of housing affordability in Australia's housing market, whether for home ownership or private rental, disproportionately affects households living on low incomes. The reduction in social housing over the last twenty years has a significant impact on households living on low incomes and the only housing option is private rental.

The pandemic has seen almost half a million Australians return from overseas and even with the lack of international students and tourists, house prices and rents are rising in some areas, including Adelaide, Perth, Hobart and Canberra. Vacancy rates are very low in regional areas across the country. The eviction moratorium was good in theory however various surveys, including the Moving On survey, indicate that evictions continued during the pandemic.

There have been disparities between the States and Territories in their pandemic emergency laws and protections available to tenants and landlords and greater clarity is required on seeking rent reductions and accessing tenancy tribunal protections in any future pandemic situations.

High unemployment, the conclusion of the JobKeeper allowance and the reduction of JobSeeker have combined to result in more Australians being plunged into housing stress and experiencing homelessness. The way Commonwealth Rent Assistance is targeted requires a review to ensure that it is serving its intended purpose, to reduce housing stress.

Improved legislation is required to remove no cause evictions, the non-renewal of leases which can serve as evictions and provide greater clarity on the return of residential bonds that are claimed by landlords at a high rate.

Tenants continue to need education about their rights when it comes to evictions, bond refunds, rental bidding and how to access tenancy tribunals.