

Media Release

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NSW RENTAL REFORMS: A GOOD START BUT BEWARE SILENT RENTAL AUCTIONS

Peak social services body NCOSS broadly welcomes the NSW Labor Government's Bill in Parliament to better protect renters, but has expressed concern around some components.

NCOSS Acting CEO Ben McAlpine said the portable bonds scheme would make a real difference for NSW renters if implemented properly.

"The situation where you need to fork out a bond for the next rental while waiting for a refund from your existing one is simply untenable for low income households," Mr McAlpine said.

"It acts as a financial barrier to moving to a more suitable house, and adds to the significant financial pressure of moving house.

"A portable bond scheme will reduce stress and strain on renters, so we are pleased to see this sensible measure included in the Bill."

However, Mr McAlpine expressed concern around the move to require rental agents to notify applicants of offers higher than the advertised price, and said this could actually push prices higher.

"While we understand the intention of this measure, we hold great concern around the potential unintended consequences," he said.

"Having to disclose a higher offer to every applicant may result in a bidding war that knocks out candidates who otherwise would have had a chance.

"Silent rental auctions may result in unfair rental outcomes. We urge the NSW Parliament to closely consider the implications of this as it debates the Bill."

Recent research commissioned by NCOSS revealed that 1 in 5 private renters, or 413,000 people, across NSW, are now living below the poverty line due to soaring cost of living pressures.

"The research shows the devastating reality of poverty in NSW right now, and those in the private rental market are bearing the brunt of it," Mr McAlpine said.

"The Federal Budget this week only marginally increased JobSeeker payments, which puts more pressure on the NSW Government to take urgent action to further support unemployed and low-income families."

NCOSS has called for the NSW Labor Government to bolster the supply of social housing to make it 10 per cent of all housing stock.

It has also asked the NSW Government to extend its no grounds evictions ban to fixed term leases, to ensure the majority of renters are protected.

"We are encouraged by NSW Labor's swift progress to commence rental reform, but we need to make sure we get the detail right and that we protect the most vulnerable," McAlpine said.

For more information, visit www.ncoss.org.au

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