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Real Estate and Housing Policy Team

NSW Government

[residentialtenancy@customerservice.nsw.gov.au](mailto:residentialtenancy@customerservice.nsw.gov.au)

### **Submission to the NSW Government on improving NSW rental laws**

Carers NSW welcomes the opportunity to provide a submission to the NSW Government on improving NSW rental laws. This brief submission highlights the impact of caring on housing stability and the challenges that carers experience in the rental market. This submission also provides solutions to ensure carers and the people they care for can access affordable, safe, secure and sustainable housing.

Carers NSW is the peak non-government organisation for carers in New South Wales (NSW). A carer is any individual who provides care and support to a family member or friend who has a disability, mental illness, drug and/or alcohol dependency, chronic condition, terminal illness or who is frail. Carers NSW is part of the National Carer Network and a member of Carers Australia. Our vision is an Australia that values and supports all carers, and our goals are to:

- Be a leading carer organisation in which carers have confidence
- Actively promote carer recognition and support
- Actively support carers to navigate a changing service landscape that will be characterised by ongoing policy reform
- Promote connected community experiences and opportunities for carers that are inclusive of diverse carer groups
- Lead and advocate for carer-specific and carer-inclusive policy making, research and service delivery
- Continue to be a quality-driven, responsive and carer-focused organisation.

At least 2.65 million Australians, including 854,300 people living in NSW, provide ongoing care and support to a family member or friend.<sup>1</sup> People caring for a family member or friend can experience particular challenges with housing affordability and accessibility. This is the case across all types of housing, especially for primary carers, who commonly reside in the same household as the person they care for (79.1%).<sup>2</sup> For many carers, barriers to securing appropriate accommodation in the private rental market include prohibitive rental rates, the costs of evictions and moving, and difficulty finding accessible housing.<sup>3</sup>

In 2018, approximately half of primary carers lived in a household in the lowest two income quintiles, twice that of non-carers.<sup>4</sup> Due to their often limited capacity to earn an income, working age carers are more than twice as likely to rely on a government pension or allowance (24.1%) than non-carers

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<sup>1</sup> Australian Bureau of Statistics (ABS) (2019) *Survey of Ageing, Disability and Carers 2018*, TableBuilder Dataset. Canberra: Australian Government.

<sup>2</sup> Ibid.

<sup>3</sup> Productivity Commission (2019), *Mental Health, draft report*, Productivity Commission, Canberra.

<sup>4</sup> ABS (2019).

(9.2%), with primary carers even more likely to rely on a government pension or allowance (38.4%).<sup>5</sup> The Carers NSW 2022 National Carer Survey found that 5.2% of respondents in NSW could not pay rent or mortgage payments on time.<sup>6</sup> While Commonwealth Rental Assistance is available to assist individuals to meet private rental costs, Carers NSW has previously highlighted that this support is not adequate and is not received to all carers, even though many carers are still in financial distress. Unfortunately, many carers continue to experience rental stress and are paying more than they can afford to maintain sustainable housing.<sup>7</sup> Furthermore, while many carers experience financial strain or may be eligible for public housing, waitlists are extensive,<sup>8</sup> and this may force them into the highly competitive and increasingly unaffordable private rental market.

Where carers and the people they care for cannot be supported by homelessness services or social housing, including as a result of extensive waitlists, the private market may still not be a feasible option. As outlined in the Productivity Commission (2019), *Mental Health Issues* paper, the '30/40' rule is a common measure of housing affordability, which defines housing unaffordability as 'when a household in the bottom two quintiles of the income distribution pays more than 30 per cent of its income in housing costs'.<sup>9</sup>

Anglicare's 2023 National Rental Affordability snapshot demonstrated that based on the 30/40 affordable housing model, only 0.1% of rentals are affordable and suitable for a single person living on the Disability Support Pension, and 0.4% for someone on Age Pension, with the rates of the DSP and Age Pension both comparable to that of the Carer Payment.<sup>10</sup> If carers and the people they care for are required to spend beyond this 30/40 model, placing themselves in rental stress, long-term financial hardship and subsequent risk of unstable housing arrangements and homelessness will continue.

Another challenge for carers is ongoing costs associated with rental instability. Research by the Tenants Union of New South Wales indicates that 80% of private renters have moved house in the previous 5 years, and the cost of moving between rentals is substantially high, and the need to raise large sums for a rental bond can be particularly difficult for carers who are less able to absorb financial shocks. While renters commonly spend a minimum of \$2,520 each household move, and often spend above \$4,075,<sup>11</sup> the Carers NSW 2022 National Carer Survey found that almost one in three (30.2%) respondents in NSW would be unable to raise \$2,000 in a week for something important,<sup>12</sup> meaning that many would not be able to raise the funds to cover moving costs or a rental bond.

Carers NSW acknowledges that the NSW Government is exploring ways of reducing the financial stress brought on when moving between rental properties, particularly by introducing a portable rental bond scheme. Carers NSW believes this to be a promising change that could help carers manage some of the costs of moving between rental properties, but also urges the Government to explore ways of improving rental security such as by outlawing no grounds evictions, instituting rental caps, instituting protections in regards to tenancies that may be available to vulnerable groups, and by

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<sup>5</sup> Ibid.

<sup>6</sup> Carers NSW (2022) *Carers NSW 2022 National Carer Survey*, available at: <https://www.carersnsw.org.au/about-us/our-research/carers-survey>.

<sup>7</sup> Rental Affordability Snapshot (2023) Anglicare Australia, available at: <https://www.anglicare.asn.au/research-advocacy/rental-affordability/>

<sup>8</sup> Expected wait times, Department of Communities and Justice NSW Government, available at: <https://www.facs.nsw.gov.au/housing/help/applying-assistance/expected-waiting-times>

<sup>9</sup> Productivity Commission (2019), *Mental Health, draft report, Productivity Commission*, Canberra

<sup>10</sup> Anglicare (2021) *National Rental Affordability Snapshot 2021*, available at: <https://www.anglicare.asn.au/publications/rental-affordability-snapshot-2021/>, viewed 9 March 2022.

<sup>11</sup> Tenants' Union of New South Wales (2022) *Eviction, Hardship, and the Housing Crisis*, available at: <https://www.tenants.org.au/news/tenants-union-nsw-publishes-special-report-eviction-hardship-and-housing-crisis>, accessed 8 March 2022.

<sup>12</sup> Carers NSW (2022)

ensuring that these policies are carer inclusive, including when they are living with or separately from the person they care for.

For carers supporting people who require support or aids for mobility, renting raises issues of accessible housing. Private rentals are often not fit for purpose for people with accessibility needs, and as such the number of suitable private rentals is typically further restricted. Carers can therefore often face significant challenges of installing housing modifications in rental properties that are necessary for providing care. Additionally, more than one third (37.4%) of primary carers also have a reported disability themselves, more than twice the rate of non-carers (15.3%).<sup>13</sup> These modifications may not be possible in the rental agreement, or NDIS or aged care funding may be denied when there is no guarantee of ongoing tenancy. In this scenario, Carers NSW believes greater investment in accessible social housing is needed to combat the cyclical inability of carers to build savings with inflated rental and moving costs and to ensure that housing suitable to those with specific mobility needs is available. Furthermore, Carers NSW also believes that greater financial support for home modifications is needed to ensure carers and the people they care for can live in secure and safe housing.

Carers NSW thanks the NSW Government for the opportunity to provide feedback on ways to improve the NSW rental laws. Carers NSW believes that carers should be recognised as a priority group who are uniquely vulnerable to the fluctuations in the rental market, and often face significant barriers to stable, secure, accessible, and affordable housing.

Yours sincerely,

Elena Katrakis  
CEO  
Carers NSW

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<sup>13</sup> ABS (2019)