

MEDIA RELEASE

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16 November 2015

Rental Stress in the East outlined in new housing affordability report released by ECLC

Eastern Community Legal Centre (ECLC) will release a report on rental stress in the East of Melbourne at their AGM on Tuesday 17 November 2015. The report that documents the work of the Centre's Tenancy Advice and Advocacy Program (TAAP) uncovers extensive rental stress in Melbourne's Eastern Metropolitan Region (EMR).

ECLC CEO Michael Smith explained that some people could be surprised at how widespread rental stress was in the region.

"While Melbourne's East is sometimes perceived as affluent, four municipalities have rental stress significantly higher than Melbourne's average (24.9 %): Maroondah (26.8%), Monash (27.8 %), Whitehorse (27.8%) and Yarra Ranges (30.3%)" said Mr Smith.

Since its commencement in August 2012, ECLC's TAAP has assisted in more than 924 separate tenancy matters. Due to the limited resources stretched across the region, the service targets the most disadvantaged tenants facing a number of vulnerabilities including disability, family violence and mental health issues. This vital advocacy and legal assistance can be the difference between maintaining a tenancy and facing homelessness.

Housing affordability is at a crisis point across Australia. Between 2002 and 2012, house prices rose nationally by 69% while average earnings increased by only 57%ⁱ. Priced out of house ownership, the prospect for tenants was even grimmer. During this period the average nominal rent increased by 75.8% for houses and 91.8% for other dwellings (mostly flats/apartments)ⁱⁱⁱ.

The report illustrates how the chronic shortage of affordable housing has changed the way Melbournians live. With the rise of rental prices there has been a sharp rise in the prevalence of shared households— whether through housemates or rooming houses. These housing trends have created a number of new challenges for both tenants and landlords and the legal frameworks that exist to protect them, primarily the Residential Tenancies Act 1997 (RTA).

"Issues of co-tenant disputes and rent arrears in this new economic climate really outline the need for immediate amendments to the RTA to reflect the issues facing tenants today," said Mr Smith.

For further media information and interviews, please contact:

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ⁱ Australian Bureau of Statistics (2011) Census of Population and Housing, catalogue number 2010.2, ABS, Canberra

ⁱⁱ National Shelter, 2014, 'Housing Australia Fact Sheet', www.shelter.org.au, pg. 9

ⁱⁱⁱ Ibid, 2014.