

# Sydney imports a big rental crisis



Iranian immigrant Amin Shariati with his wife Fran and kids Arad, 4, and 9-month-old Ario. Picture: Tim Hunter.

## KATE MCINTYRE

AN influx of immigrants ushered into Sydney — many to fill job shortages in the aftermath of covid — are adding to the city's rental crisis, with many unable to find a place to live.

As the Albanese government increases Australia's migrant intake to record levels, demand for rental properties is rising fast.

Those arriving from overseas are being hit hard by the scarcity of rental homes and skyrocketing cost of living pressures and their numbers are adding to the already dire rental crisis in Sydney.

According to research from real estate data firm PropTrack, buy and rent

searches to Australia from overseas has hit the highest levels on record, up 44 per cent year-on-year.

Rental searches surged 89 per cent in the year to October with 30 per cent of renters looking in NSW.

PropTrack senior analyst Karen Dellow said the rise in overseas property searches indicated a flow-on effect to a rise in international arrivals.

"The return of overseas migrants and investment from foreign property seekers looking to buy and rent out a property will increase demand for rental properties," she said.

"Searches for rental properties on realestate.com.au have seen the biggest uptick since

international borders reopened as most new arrivals are likely to rent before they buy."

In September, the Australian government increased the migration cap for 2022-23 to 195,000 in a bid to help fill labour shortages. While new arrivals are more likely to rent for the first four years, Rate Money specialist mortgage broker Ryan Gair said property ownership was an important goal for migrants.

"It's no doubt in Australia that property is the number one asset to own," Mr Gair said. "Migrants buy into the Australian dream as well."

He said migrants often face several hurdles when getting a home loan, such as not having an Australian cre-

dit report or being unable to use overseas property as collateral. The type of Visa held can also stand in the way.

While 54 per cent of immigrants who moved to Australia between 2000 and 2016 had purchased a home, those who arrived more recently were being hit by higher housing costs and a reduced borrowing capacity, he said.

"We have seen a massive property boom," he said.

"Now on the flip side we are seeing increasing rent."

Figures from SQM research show the number of vacant rentals in Sydney steadily declined from 20,000 in December 2021 to 9400 in October this year while asking rent for all dwelling types increased by more than \$100

a week. Buyer's agent and property data expert Arjun Paliwal said migrants faced a difficult rental market.

He said the increase in migration would continue to affect rental markets in Sydney.

Iranian born Amin Shariati said if he had not been able to buy a home for his young family, he would not feel a sense of security and freedom.

"Having a property is a big deal," he said.

"You feel like a success."

The personal trainer had struggled to get a home loan through a traditional bank as a self-employed migrant but after meeting Mr Gair, who specialises in helping migrant borrowers, he was able to buy an apartment in Lane Cove and is now looking to upsize.

## Right to data will cut price of energy

JOHN ROLFE

ONE of life's least enjoyable and more confusing tasks — finding a cheaper energy deal — is about to get simpler and more rewarding, with consumers now able to make their retailer securely share exact usage information with comparison services.

Amid official warnings that electricity prices are likely to rise by another 56 per cent before the end of next year and that gas providers are gouging, Australia has become the first country in the world to roll out the "consumer data right" (CDR) to energy.

Financial Services Minister Stephen Jones said the CDR would help people who wanted to lower their bills but lacked the time and expertise to work their way through the mind-numbing minutiae of consumption patterns.



Stephen Jones

"This is aimed at smashing the loyalty tax and the busy tax," Mr Jones said.

Experts such as UNSW Professor Ross Buckley have predicted the CDR will trigger a "revolution" in commerce by transforming competition and making it easier to budget and keep a lid on household costs.

The CDR gives households and small business owners secure access to their detailed usage and billing information so they can share it with comparison services that have been accredited by the federal government.

According to the Australian Competition and Consumer Commission, a householder or small business would start by giving consent to the comparison service to access the energy consumption data.

This would trigger an identity check by the existing retailer of electricity or gas, via a one-time password.

The comparison service and energy retailer's websites or apps would then link with each other, meaning the quotes generated will be much more accurate because they are based on real data.