

Life on the lease

Janina Waldmann dives into Australia's rental reality, where rising costs collide with cold, inefficient and often unhealthy homes.



Photo supplied by NSW Renter, care of Better Renting from their book *We Live Here*.

Renting is on the rise¹, and it's far from cheap. Despite rents increasing by 22% over the ten years to March 2025², many renters face significant challenges—homes that are freezing in winter, unbearably hot in summer, mouldy, damp and expensive to run.

Results from a citizen science project run by Better Renting paint a bleak picture. Over the summer period from December 2023 to February 2024, Better Renting worked with 100 citizen scientists to measure the temperature and humidity in their rental homes.

In NSW, indoor temperatures exceeded outdoor temperatures 40%

of the time, and humidity was over 65% for more than half the time. Renters in Queensland fared even worse. Queensland rentals were above 28.5 degrees on average for half the time, while about six hours per day were above 30 degrees. Indoor temperatures exceeded outdoor temperatures more than 60% of the time³.

Paying the price for energy-inefficient homes

A renter who wishes to remain unnamed has been living in a rental home on New South Wales' Central Coast with her two young children for five years. She and her kids face brutally hot summers and freezing winters due to the home's lack of insulation.

1 <https://tinyurl.com/53pvv5ef>

2 <https://www.aihw.gov.au/reports/australias-welfare/housing-affordability>

3 <https://tinyurl.com/j2jtzx7b>



A 2025 report by Energy Consumers Australia on energy hardship found that among those meeting two or more hardship indicators, 69% were renters.



“The floorboards drop straight down onto dirt. There are gaps in the floorboards. There is no way to effectively heat or cool the house.” During the peak hot and cold periods, she explains, whole parts of the home are either so hot or cold as to be virtually unliveable.

She’s raised the issue of the floorboards with her rental agent several times, but the property owner won’t pay to have them fixed. They also won’t pay to have a curtain rod installed in her bedroom, so she can hang heat-blocking curtains. Instead, she places thick cardboard against the windows to block out the sun and heat.

Her home has a reverse-cycle air conditioner in the living room, where she and her kids spend most of their time to avoid the parts of the house that are too hot. “They can’t really exist in their bedrooms,” she says. “They can’t actually spend time in the afternoon in summer in their bedroom. It’s too hot.”

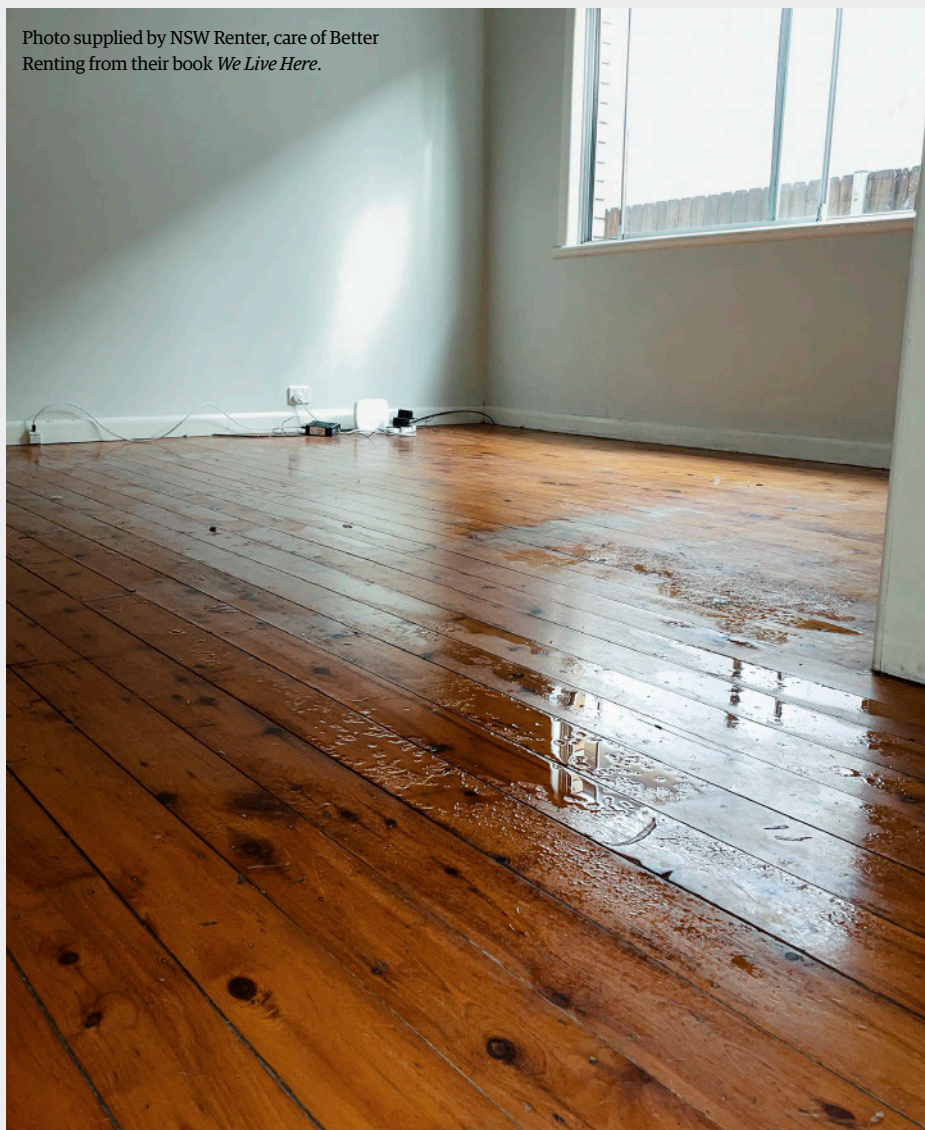
During the day, she moves her home office from the front to the back of the house as the temperature rises, and uses a mister to stay cool.

In winter, the reverse is true. The home, she says, is “unbearably cold,” to the point where she’s forced to run several heaters in the same room. “You can almost feel the breeze coming up through the gaps in the floorboards,” she says.

She’s considering buying a few runners before the winter cold hits this year, but adds: “It seems a bit crazy that I have to do that.”

More rugs and runners would be another

Photo supplied by NSW Renter, care of Better Renting from their book *We Live Here*.



financial outlay on top of what she’s paying to heat and cool her inefficient home. “My energy bills twice a year are extraordinary,” she says. “One extreme cooling bill—aircon bill—and the other one for the heaters... It jumps up several hundred dollars twice a year, maybe more, maybe even doubles.”

She’s not alone in forking out cash to mitigate the effects of energy-inefficient rental homes.

A renter in Sydney’s Northwest, who lives in a house with her partner and two young adult children, has incurred high costs as well. Among them are the rugs, heaters, and pedestal fans she’s had to purchase to keep her home at a liveable temperature, and the \$600 she spent on a dehumidifier in an attempt to curb mould growth in her son’s bedroom.

“I just feel like we’re always out of pocket for simple maintenance stuff. I’ve put rugs in all the rooms to try and insulate the floor,” she says. She’s reluctant to take too

many complaints to the rental agent for fear of repercussions. “I don’t want to ask them because we’re renting, and I feel like it jeopardises our being able to live here and have what we need to live here. And because of the housing crisis, I just feel like we’re in a difficult position.”

When she spoke up about the growing mould issue and her suspicion of a gap in the roof tiles, the rental agency told her the mould was due to her not opening the windows often enough and was caused by condensation. Finally, 12 to 18 months after first reporting the presence of mould, it was professionally treated.

Energy-inefficient rental properties create a vicious cycle: renters are forced to accept homes with poor insulation, no built-in heating or cooling, and potential mould problems, because rentals without these issues are beyond their budgets.

Then, they’re forced to spend even more on do-it-yourself insulation and temperature



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control, all while paying far more to heat or cool their homes than they would if the property were energy efficient.

A 2025 report by Energy Consumers Australia on energy hardship found that among those meeting two or more hardship indicators, 69% were renters⁴. The indicators used in the study were: spending more than 6% of income on energy bills, finding it 'very difficult' to pay energy bills, experiencing financial stress, and self-reporting behaviour of turning off heating or cooling to save money⁵.

Renters must pick from the best of a bad lot

"We're living through one of, if not the worst, housing crisis in Australian history. So availability and affordability are so inextricably tied to energy efficiency at the moment because renters are really just trying to find homes to live in that are affordable," says Bernadette Barrett, Deputy Director at Better Renting, and a renter herself.

The lack of choice, Bernadette says, means renters are living in homes they would never have considered before, because they're now the best option they can afford.

"What we're talking about are wholly substandard homes that are completely thermally inefficient. They lack any features that would make them comfortable or liveable, especially during extreme heat and winter," she says.

Not only are renters at the mercy of the housing market, but they're also unable to access government grants or rebates to

upgrade appliances or install insulation themselves.

"A lot of the time, we're even told we're not allowed to make changes like putting holes in the wall to put up better window coverings," Bernadette says. "So there's a complete disempowerment of renters to make the homes that they're in comfortable and liveable."

The effects, says Bernadette, are wide-reaching. She's spoken to hundreds of renters in her time at Better Renting, and has heard many, as she puts it, "horror stories."

"I've spoken to renters who have passed out from heatstroke in their homes because they can't get proper ventilation, they don't have air conditioning or other features. I've spoken to renters who have developed incredibly bad chest infections as a result of the cold and mould in their homes, to the point where they've coughed up blood. I've been working with parents who have found their children sleeping on the kitchen tiles because it's the only cool place in the house where they can sleep."

The legal landscape

Only a few Australian jurisdictions have taken steps to address energy efficiency in rental homes. In Victoria, new minimum energy-efficiency standards for rentals come into effect from 2027, phasing in energy-efficient cooling for all rentals by 2030, and mandating ceiling insulation by 2027⁶. The state already requires rental homes to have a fixed heater in the main living space with a minimum 2-Star energy efficiency rating. In the ACT, rental properties must meet ceiling insulation standards⁷.

These jurisdictions are leading the way, but outside them, rental providers are under no obligation to ensure the homes they rent out are energy-efficient, leaving tenants at risk of illness and unable to work, sleep, or raise healthy families.

Renew is undertaking national research to inform advocacy for minimum energy-efficiency standards for rentals across Australia.

Renew CEO Helen Oakey says it is fundamentally unjust that families who rent have no capacity to influence the comfort and safety of their homes in the way most homeowners take for granted.

"Rental providers already have legal obligations on the quality of the homes they

put up for rent," she says. "Those obligations must be extended to include energy efficiency, and suitable heating and cooling. Without that, homes aren't safe for people to live in, and that is untenable. We don't lease out unsafe cars, why would we allow unsafe housing to be leased out?"

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Bernadette confirms that many renters, like those whose stories are shared anonymously here, are anxious about the potential consequences of pushing rental agencies or landlords to make energy-efficient changes to their homes.

"There is that secondary pressure and fear that...even if no cause eviction is banned where you are, that suddenly your landlord wants to renovate your home, or will they increase the rent to a point that you are effectively receiving a financial eviction," Bernadette says.

"So until we close all of these loopholes and put in stringent and comprehensive protections for renters, it is going to be very hard and unrealistic to expect a renter to go and fight for their rights or fight for their home to be made better because there is a very justifiable fear that something bad might happen."

The solution, Bernadette says, is comprehensive minimum energy efficiency standards in all states and territories that are mandated and enforced with penalties for landlords that don't meet them.

"We need to understand that this is more than a box where people put their stuff," she says. "It is a home where we set up our lives. Our homes are the cornerstones of our community, of our personal lives. And if we don't have homes that keep us safe and allow us to live and thrive, our communities and our society lose out." ■

Renew is undertaking research on rental standards across Australia to develop practical recommendations for change—the findings will be shared in the next issue of Renew magazine.

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