



MEDIA RELEASE

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CONSUMER ACTION SUPPORTS AFFORDABLE HOUSING CAMPAIGN

The Consumer Action Law Centre, one of Australia's leading consumer organisations, has announced its support for the **Australians for Affordable Housing** campaign launched today.

Nicole Rich, Director - Policy & Campaigns at Consumer Action, said the campaign was rightly focussing on one of the biggest problems facing Australian families – the housing crisis.

"We know that many homeowners are struggling to afford their mortgage repayments and we are seeing rising numbers of loan defaults and home repossessions," Ms Rich said.

"There is no doubt that Government policies and programs have helped property investors and developers at the expense of ordinary families trying to get into the housing market."

Ms Rich said that lenders also needed to take some of the blame.

"We are concerned about reckless lending practices that have seen lenders lower their lending standards in their quest for market share."

"Many lenders don't care if a family can't repay their loan without hardship, as long as there is a home they can sell up as security – and bad luck if all the loan payments to date go to nothing."

Some businesses are actually profiting from the low affordability of housing – lending higher amounts at higher costs.

"We have seen a range of low-doc, no-doc and fringe lenders enter the market as Australian families find it harder to afford to rent or buy a home," Ms Rich said.

"Some of these businesses make a profit out of lending to people who can't otherwise afford housing and are doing it tough. The human cost of these profits should concern us all."

"Lenders need to lift their game and government should act to put a stop to reckless lending that doesn't properly assess if the borrower can repay the loan."

"Exploitative and predatory lending should have no place in our community – government policies to address housing affordability would help put a stop to it."

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