

4 August 2023

Inquiry into the worsening rental crisis in Australia
Committee Secretary
Senate Standing Committees on Community Affairs
PO Box 6100
Parliament House
Canberra ACT 2600

Dear Committee Members

Inquiry into the worsening rental crisis in Australia ('the Inquiry')

Thank you for the opportunity to provide feedback in relation to the above.

About QCOSS

Queensland Council of Social Service (QCOSS) is the peak body for the social service sector in Queensland. Our vision is to achieve equality, opportunity, and wellbeing for every person, in every community.

QCOSS leads the [Town of Nowhere](#) campaign advocating for change to end the housing crisis in Queensland. QCOSS is also a member of the [Make Renting Fair Queensland Alliance](#) and a partner of the national [Everybody's Home](#) campaign.

In March 2023, QCOSS, Tenants Queensland and The Services Union, along with the [Town of Nowhere](#) campaign partners commissioned the report '[A blueprint to tackle Queensland's housing crisis](#)' (The Pawson Report), which clearly outlines the unprecedented housing crisis in Queensland.¹

This submission provides information about the rental and housing crisis in Queensland. It is informed by the Pawson Report, as well as other housing and cost of living research. QCOSS also gathered insights from member organisations to understand how the rental crisis is impacting on low-income households. These insights are discussed further in the QCOSS [State of the Sector](#) 2022 report.

Tenants Queensland, as a leader of tenancy advocacy and services in Queensland, have provided substantial guidance to inform this submission, with additional input from the National Association of Renters' Organisation.

QCOSS' position

QCOSS welcomes the Senate Standing Committees on Community Affairs inquiry into the worsening rental crisis in Australia.

Queensland's current housing crisis has laid bare the vulnerabilities that exist in the rental market. Our frontline services are currently witnessing distressing levels of housing need and the human impacts of the same.

Law reform is required to limit rent increases, prevent no grounds evictions, ensure energy efficiency, and enable tenants to make minor modifications to their home.

¹ H Pawson, A Clarke, J Moore, R van den Nouwelant, and M Ng, [A blueprint to tackle Queensland's housing crisis](#), (2023), Queensland Council of Social Service.



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Law reform alone will not be sufficient to address the housing crisis. QCOSS also calls for action across the housing system to address housing shortages and unaffordability. These actions must include:

- substantial long-term investment in social housing from both federal and state governments
- steps to address cost of living for people who have low and limited incomes, including increases to Commonwealth Rent Assistance and income support payments.

Experience of renters and people seeking rental housing

The full extent and human impact of the housing crisis must remain front of mind as rental reform processes move forward. Just over 30 per cent of Queensland households are renters.² As the housing crises continues to worsen in Queensland, hundreds of thousands of people face escalating levels of housing stress. According to the average caseload numbers of Queensland specialist homelessness services agencies “homelessness in Queensland rose by 22 per cent in the four years to 2021-22, compared with only 8 per cent across Australia.”³

QCOSS member organisations have also provided insight into the housing crisis from the perspective of Queenslanders working in the community service sector:⁴

- “I've been doing this sort of work for about 18 years now, and this is the hardest I've ever seen it... we used to get people walking out of here and we'd help them get a lease in place. That's really hard to do now.”
- “The rental and accommodation crisis is hitting hard, with people now amongst the “lucky” if they are able to secure a tent or caravan.”
- “The growing cost of living, limited rental properties and the increasing cost of rentals has developed a whole new cohort of homelessness with families and employed people not being able to find housing as well as the unemployed. This in turn affects business as there are less employees available for work as they have nowhere to live...”
- “The pressure on people to access or maintain affordable housing is impacting on all other areas of people’s lives. Housing instability has increased mental health presentations, [DFV], financial distress, [and the] inability to afford basic needs such as medications, food, [and] transport.”
- “The cost of housing plays a major part in young people moving forward, especially those who are on Centrelink. They don't get a look in when applying for private rentals.”
- “[the housing crisis] is impacting my staff. I've got staff that have struggled with homelessness. They've been in long term tenancies, had to leave, couldn't get accommodation, so they had to live with family or in temporary accommodation until they could find something. So that's continuing to impact on people who have secure jobs.”

² Australian Bureau of Statistics, Census Data 2021

³ H Pawson, A Clarke, J Moore, R van den Nouweland, and M Ng, [A blueprint to tackle Queensland's housing crisis](#), (2023), Queensland Council of Social Service.

⁴ QCOSS, The State of the Sector 2022.

- “The impact of inadequate and inappropriate housing has significant flow on impact on our demand for services in the DFV space and inability to support people effectively.”
- “[There’s a] significant increase in young people sleeping rough with no hope for accommodation in 2022 or the foreseeable future.”
- “Service providers in the disability field are finding it increasingly difficult to find suitable housing for people with disability.”
- “We have an increased number of people who are over the age of 50, married, with retirement funds, that are facing homelessness. People who have gone into rent arrears because their rent has increased... Our demographic has changed to include a lot of people who should be well into their silver years and happily retiring.”
- “The housing crisis is extreme, and older women are experiencing this in greater numbers than ever before.”
- “Issues with suicide ideation and powerlessness have increased in relation to housing.”

The current housing crisis demonstrates the vulnerability of renters in an insufficiently regulated rental market. As discussed in The Pawson Report, strengthening rental market regulation is one policy option to tackle the housing crisis.

Rising rents and rent affordability

Rent in Queensland is continuing to rise and, as a result, housing is becoming unaffordable.⁵ Rapidly rising prices and rents have significantly damaged housing affordability.⁶

Rent increased 13.3 per cent on average across Queensland during the 12 months to 30 June 2023,⁷ and vacancy rates for rentals remain extremely low at an average of one per cent across Queensland as of June 2023.⁸

Actions that can be taken by governments to reduce rents or limit rent raises

The Queensland Government should limit rent increases by an amount calculated in reference to the Consumer Price Index and include mechanisms to effectively limit frequency of increases. We draw particular attention to the approach adopted in the Australian Capital Territory in relation to rent increases.⁹

Recommendation 1: Fair limits on rent increases

Rent increases should be limited to an amount calculated in reference to the Consumer Price Index, and mechanisms to effectively limit the frequency of increases must also be incorporated.

⁵ H Pawson, A Clarke, J Moore, R van den Nouwelant, and M Ng, [A blueprint to tackle Queensland’s housing crisis](#), (2023), Queensland Council of Social Service, 4.

⁶ H Pawson, A Clarke, J Moore, R van den Nouwelant, and M Ng, [A blueprint to tackle Queensland’s housing crisis](#), (2023), Queensland Council of Social Service, 33.

⁷ Residential Tenancy Authority (RTA), Queensland Government. Median rents quarterly data June 2023

⁸ SQM Research, REIQ Quarterly Residential Vacancy Reports, June 2023.

⁹ *Residential Tenancies Act 1997* (ACT) ss 64A – 70; *Residential Tenancies Regulation 1998* (ACT) s 5A.

Improvements to renters' rights, including rent stabilisation, length of leases and no grounds evictions

Ending no grounds evictions

The Queensland Stage 1 Rental Law Reform process included intentions to end “without grounds evictions.”¹⁰ QCOSS welcomed the end of “without grounds evictions” that were proposed by the Queensland Government. However, during the Stage 1 legislative reform process, “the end of a fixed term tenancy” was added to the Act as a valid circumstance under which a tenant could be sent a Notice to Leave by a lessor.¹¹ Effectively, this means tenants can still be evicted without grounds.

QCOSS recommend ending without grounds evictions.

Implementing this recommendation will increase housing security for renters. It would also support reforms to limit rent increases as it prevents landlords from using without grounds end of a fixed term tenancy to increase rents.

Recommendation 2: End no ground evictions

End without grounds evictions, including no grounds evictions at the end of a fixed term agreement.

Strengthen energy efficiency minimum standards

Energy efficiency minimum standards must be developed and implemented.

We draw particular attention to the *Community Sector Blueprint: a National Framework for Minimum Energy Efficiency Rental Requirements*.¹² This blueprint outlines key characteristics that should be present in the forthcoming National Framework for Minimum Energy Efficiency Rental Requirements. This presents a great opportunity to develop a nationally coordinated and consistent approach to the energy efficiency needs of Australia's rental housing stock.

Energy efficiency measures will assist tenants in managing their energy bills, and will help to make homes safer and healthier to live in. Energy efficiency incentives along with regulatory requirements will help to ensure that the transition to a cleaner energy future is a just transition, which does not leave anyone behind.

Recommendation 3: Implement energy efficiency standards

Incorporate minimum energy efficiency standards into the rental reform process.

Allow minor modifications

Allowing minor modifications is a key element for creating safe and healthy homes for many renters.¹³ In particular, for people living with disability, being able to make minor modifications can significantly improve the appropriateness of a home for a person's needs.¹⁴

¹⁰ State of Queensland, A better renting future – Safety, security and certainty, Consultation Regulatory Impact Statement, Review of the Residential Tenancies and Rooming Accommodation Act 2008, Stage 1 Reforms, (November 2019), 7-10.

¹¹ Residential Tenancies and Rooming Accommodation Act 2008 (Qld) s 291, (the 'RTRAA')

¹² Healthy Homes for Renters, [Community Sector Blueprint: a National Framework for Minimum Energy Efficiency Rental Requirements](#), (November, 2022).

¹³ Tenant Queensland, [TQ Submission to Stage Two Rental Reforms](#), May 2023.

Just over thirty per cent of people living with disability live in private rentals in Australia.¹⁵ A person with disability can experience significant barriers to modifying a rental home as many landlords refuse to allow modifications.¹⁶

Allowing minor modifications can provide people with a greater sense of wellbeing and safety. Minor modifications should be included in rental reforms together with a practical dispute resolution process.¹³

Recommendation 4: Allow minor modifications

Enhance renters rights in relation to installing modifications and making minor personalisation changes, underpinned by a practical dispute resolution framework.

Factors impacting supply and demand of affordable rentals

Increase supply of affordable housing

In the face of population growth, the chronic undersupply of housing is escalating the scale of housing stress in Queensland. In the four years to December 2021, Queensland's total person count increased by 6.1 per cent, as compared with only 4.1 per cent for Australia.¹⁷

“Queensland's social housing has also seen a continuing decline in capacity – both in absolute terms and in relation to need; in 2020-21 the volume of annually rising need (new “very high need” waiting list registrations) was some 37 per cent greater than the annual total capacity of the social housing system to house new tenants.”¹⁸

“Social housing dwelling commencements in Queensland averaged only just over 500 during the ten years to 2020 – barely sufficient even to keep pace with public housing demolitions and sales, let alone the significant expansion required to keep pace with the needs of Queensland's growing towns and cities. While Queensland's population grew by 17 per cent in the decade to 2021 social housing stock expanded by just 2 per cent.”¹⁹ The ongoing loss of affordable rental housing due to the expiry of the NRAS program is only compounding the more deeply embedded decline in the private rental market's ability to generate tenancies affordable to low-income renters.

Over several years, and preceding the pandemic, rental vacancy rates have trended down to extraordinarily low levels; there has also been a sharp reduction in rental market turnover, especially affecting non-metropolitan areas.²⁰

While recent announcements by both Queensland and Commonwealth governments to substantially increase funding for affordable housing are welcomed, there continues to be a significant gap between the announced funding and the estimated need for additional housing. Accelerated delivery of housing supply is required at scale. To stop things from going backwards in Queensland, net annual growth needs to be in the region of 2,700 dwellings. To end the crisis, social and affordable rental housing should expand by 11,000

¹⁵ M Gusheh, C Murphy, L Valenta, N Bertrum, D Maxwell, (2021) *Adaptable Housing for People with Disability in Australia: A scoping study*, Australian Human Rights Commission, 2021, 16.

¹⁶ M Gusheh, C Murphy, L Valenta, N Bertrum, D Maxwell, (2021) *Adaptable Housing for People with Disability in Australia: A scoping study*, Australian Human Rights Commission, 2021, 16.

¹⁷ H Pawson, A Clarke, J Moore, R van den Nouwelant, and M Ng, [A blueprint to tackle Queensland's housing crisis](#), (2023), Queensland Council of Social Service, 12.

¹⁸ H Pawson, A Clarke, J Moore, R van den Nouwelant, and M Ng, [A blueprint to tackle Queensland's housing crisis](#), (2023), Queensland Council of Social Service, 17.

¹⁹ H Pawson, A Clarke, J Moore, R van den Nouwelant, and M Ng, [A blueprint to tackle Queensland's housing crisis](#), (2023), Queensland Council of Social Service, 12.

²⁰ H Pawson, A Clarke, J Moore, R van den Nouwelant, and M Ng, [A blueprint to tackle Queensland's housing crisis](#), (2023), Queensland Council of Social Service.

dwellings annually.²¹ To achieve this, a long-term comprehensive plan and significant investment in social housing is required from both federal and state governments.

Recommendation 5: Develop a long-term social housing plan

The Commonwealth Government should develop a National Housing Strategy, while Queensland should develop a credible 10-year plan to end the housing crisis.

Other related matters

Income support

There are approximately 1.18 million Queenslanders currently receiving income support. In addition to this figure, there are many thousands of children in Queensland who live in households reliant on income support.

It is well established that the current rate of JobSeeker is below the poverty line. The financial distress being experienced is expressed by frontline community sector workers in rural areas of Queensland:

- “Sometimes the decision is whether to buy chilled food or not as [people] can't afford to keep the fridge on. We decided to extend the scope of financial assistance to include gas bottle refills so clients could cook on their BBQ. We have been supporting homeless families with tents and gas camping supplies.”
- “Clients are going without medication, food, [and] school resources for their kids to pay electricity bills.”

QCROSS released the 2022 Living Affordability in Queensland report exploring cost-of-living pressures faced by low-income households.²² This report found that among the modelled households none “...have sufficient income to meet any unplanned expenses or emergencies. They cannot make meaningful savings and are highly vulnerable to increasing levels of debt, often from predatory lenders... For many households on low incomes and income support payments, financial stress and vulnerability are not one-off transient experiences but persistent and entrenched. With the right policy settings and adequate income support, it is possible to minimise deprivation and break cycles of disadvantage.”¹⁷

Income support and rent assistance must be substantially increased to bring them into parity with other Commonwealth pensions, so that people who are reliant on government payments are lifted out of poverty and their housing stress is reduced to prevent further instances for homelessness and housing insecurity.

Recommendation 6: Other system changes

Immediately provide a substantial increase in Job Seeker and rent assistance payments to lift people receiving government payments out of poverty and improve housing affordability.

²¹ H Pawson, A Clarke, J Moore, R van den Nouwelant, and M Ng, [A blueprint to tackle Queensland's housing crisis](#), (2023), Queensland Council of Social Service.

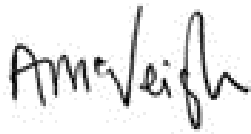
²² Queensland Council of Social Service, Living Affordability in Queensland, (December, 2022), https://www.qcross.org.au/wp-content/uploads/2022/12/Living-Affordability-in-Queensland-2022_FINAL.pdf

Conclusion

Approximately 300,000 Queenslanders currently have unmet housing need.²³ Inadequate supply of housing in Queensland has exposed the need to better regulate the private rental market. Without government intervention, the cost of renting will continue to increase, and many Queenslanders will not have access to affordable, secure and appropriate housing. Law reform is required to limit rental increases, prevent no grounds evictions, ensure homes are energy efficient and enable tenants to make minor modifications to their homes. In addition, governments at all levels must work in concert on mission driven housing plans that deliver accelerated housing supply and seek to end housing need in Australia.

Thank you again for the opportunity to provide the submission. If you have any questions, please contact Aimee McVeigh, Chief Executive Officer at aimee@gcoss.org.au.

Yours sincerely



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²³ H Pawson, A Clarke, J Moore, R van den Nouwelant, and M Ng, [A blueprint to tackle Queensland's housing crisis](#), (2023), Queensland Council of Social Service.