

10 August 2023

Renting in Queensland
Department of Housing
PO Box 690
BRISBANE QLD 4001

By email: rentinginql@chde.qld.gov.au

Dear Minister

Discussion paper: Ensuring the annual rent increase frequency limit is effective

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 all Queenslanders.

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

Tenants Queensland, as a leader of tenancy advocacy and services in Queensland, have provided substantial guidance to inform this submission.

QCOSS' position

QCOSS welcomes the opportunity to provide feedback on the Queensland Government's discussion paper 'Ensuring the annual rent increase frequency limit is effective' (the 'Discussion Paper').

Queensland's current housing crisis has laid bare the vulnerabilities that exist in the private rental market. Regulation forms part of the solution to provide housing that is affordable, suitable, and secure.²

QCOSS supports the reform proposed in the Discussion Paper because it will help to achieve the government's policy aim of limiting the number of times rent on a property can be increased to once per year. However, to ensure the private rental market is fair, further reform is required to limit the amount rent can be increase by and to end no grounds evictions.

We discuss this position in further detail in response to consultation questions:

- How effective would the potential reform be to achieve the reform objective?
- What other options or approaches could government consider taking to address the issue?

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.

² 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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How effective would the potential reform be to achieve the reform objectives?

Strengthening rental market regulation is one policy option to tackle the housing crisis.³

QCOSS commends the Queensland Government for recent amendments to legislation that aim to stabilise rents by extending the frequency rents can be increased to 12 months. This is an approach that has been useful in other jurisdictions in Australia and overseas.⁴

QCOSS is concerned about reports of landlords avoiding the annual rent increase frequency limit by ending tenancies when the lease ends and entering a new lease at higher rent with new renters. As stated in the Discussion Paper, “this practice undermines the policy intent of the annual rent increase frequency limit and increases rental insecurity and homelessness risk for those impacted.”⁵

Implementing the proposed amendment to apply the rent increase frequency limit to the rental property, not the tenancy agreement, will prevent this identified practice from occurring.

QCOSS supports this proposed change as it will assist with achieving the original intent of limiting the frequency of rent increases to once per year.

Recommendation 1: Implement the proposed change to apply rent increase frequency limit to the rental property, not the tenancy agreement.

What other options or approaches could government consider taking to address the issue?

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.⁶ Rent in Queensland is continuing to rise and, as a result, housing is becoming unaffordable.⁷ Rapidly rising prices and rents have significantly damaged housing affordability.⁸

Rent increased 13.3 per cent on average across Queensland during the 12 months to 30 June 2023,⁹ and vacancy rates for rentals remain extremely low at an average of one per cent across Queensland as of June 2023.¹⁰

Limit rent increase amounts

The Queensland Government must limit rent increases by an amount calculated in reference to the Consumer Price Index and include mechanisms to effectively limit increases. We draw particular attention to the approach adopted in the Australian Capital Territory in relation to rent increases.¹¹

Recommendation 2: Rent increases should be limited to an amount calculated in reference to the Consumer Price Index, and mechanisms to effectively limit increases must also be incorporated.

Ending no grounds evictions

The Queensland Stage 1 Rental Law Reform process included intentions to end “without grounds evictions.”¹¹ 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

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 Department of Housing, Discussion Paper: Ensuring the annual rent increase frequency limit is effective, (2023), Queensland Government.

⁵ Department of Housing, Discussion Paper: Ensuring the annual rent increase frequency limit is effective, (2023), Queensland Government, 3.

⁶ Australian Bureau of Statistics, Census Data 2021

⁷ 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.

⁸ 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.

⁹ Residential Tenancy Authority (RTA), Queensland Government. Median rents quarterly data June 2023.

¹⁰ SQM Research, REIQ Quarterly Residential Vacancy Reports, June 2023.

¹¹ Residential Tenancies Act 1997 (ACT) ss 64A – 70; Residential Tenancies Regulation 1998 (ACT) s 5A.

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.¹² 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 ending of a fixed term tenancy without grounds to increase rents.

Recommendation 3: End without grounds evictions, including no grounds evictions at the end of a fixed term agreement

Conclusion

Approximately 300,000 Queenslanders currently have unmet housing need.¹² 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. QCOSS supports the implementation of the proposed amendment, contained in the Discussion Paper. However, further reform is required to make the private rental market fair, including limiting rent increase amounts, and preventing no grounds evictions.

Thank you again for the opportunity to provide the submission.

Yours sincerely



Aimee McVeigh
Chief Executive Officer

¹² 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.