

Tuesday, 9 April 2024

Committee Secretary
Housing, Big Build and Manufacturing Committee
Parliament House
by email only: hbbmc@parliament.qld.gov.au



Dear Committee members

Inquiry into the Residential Tenancies and Rooming Accommodation and Other Legislation Amendment Bill 2024

We are writing to you today regarding the Housing, Big Build and Manufacturing Committee's inquiry into the Residential Tenancies and Rooming Accommodation and Other Legislation Amendment Bill 2024.

We support these reforms and invite the Committee to go further to protect renters and improve renters' bargaining position in the housing market.

Even if all these reforms pass, renters remain in a significantly disadvantageous position—with Queenslanders remaining far behind comparable international or even interstate jurisdictions on renters' conditions, security and freedom to make their rental dwelling into a home.

In addition to the proposed reforms in this bill, we would like to see these reforms include an end to "no cause" evictions including at the end of a fixed term or during a periodic lease, an increase in the default length of a fixed term residential tenancy to 24 months, the creation of a rental commissioner, more representation of renters on government decision-making bodies and in consultations, and a public database of historic rents and faults for each property.

It is important to situate these reforms in a broader context. Improving renters' rights is a critical part of solving the housing crisis, but it cannot be considered in isolation.

In our view, the sluggish supply of homes where people want to live, combined with decades of hollowing out non-market (particularly public) housing, has spurred Australia's rental market to a crisis point, with rental vacancy rates at historic lows.

These low vacancy rates significantly reduce the bargaining power of renters in the private market and mean that there is no meaningful safety net when they face surging rents, eviction or retaliation for exercising their few rights.

These reforms must be understood as a vital part of a larger puzzle that facilitates a much greater supply of public, community and private housing in inner city areas and industry policy that sustainably grows our building and construction sectors.

Towards housing abundance

We want a housing system in which everyone—regardless of their job, income, wealth, or background—can afford to live where they want.

We want a world where it's possible to find somewhere in your neighbourhood where you can find a home, put down roots, and have a family—whether you rent or buy.

Greater Brisbane believes that greater private supply is key to increasing renters' bargaining power in the market and will sustainably lower rent and raise housing standards over the long term. Increasing public and non-market housing raises the floor for housing quality and security while providing more people with a safety net when the market does not, or cannot, deliver.

The best long-term solution to the rental crisis is to build tens of thousands more private, public, community, and cooperative homes every year in our cities where there are jobs, services, amenities, and community. Evidence from cities including Auckland suggests that broad upzoning across an entire city is the quickest and fairest way to achieve this.

However, these supply-side solutions to the rental affordability crisis will take years to apply significantly lower pressure on rent prices—and merely improving rental affordability does not address the multitude of other vulnerabilities that the housing market exposes to renters.

This is why regulatory changes are needed to improve renters' positions in the short term and to cushion them from retaliatory or knock-on effects that these other much-needed reforms might create.

There will be people—typically on very low incomes—who fall through the cracks.

Well-defined regulation is both a sword and a shield for these people, whose low market power makes them vulnerable to exploitation but whose economic position means they are unable to access other services.

Any reform of renters' rights should aim to mitigate the fundamental power imbalance between renters and their landlords and improve renters' bargaining position in the housing market.

Overly bureaucratic systems in which renters are expected to know and act to enforce their rights are fundamentally flawed. This is particularly true when vacancy rates are low, and landlords have few incentives to keep around ostensibly “problem” tenants.

Likewise, we believe it is essential that any changes improve renters' bargaining position in the rental market and have appropriate enforcement mechanisms that do not necessarily rely on the renter initiating a complaints process—whether they rent from a private, large commercial, community or government landlord.

While beyond the scope of this bill, Greater Brisbane would also like to note the connection between poor rental conditions, challenges to collectively organising tenants, and Queensland's high rates of unsophisticated “mum and dad” landlords.

A longer-term shift towards larger institutional landlords—whether private, community or public—will improve renters' bargaining position by allowing them to better collectively organise. This shift will also enable Landlords to aggregate their financial risk across more tenancies and over a longer timescale.

General comments

As to the specifics of this bill, Greater Brisbane supports all the proposed reforms in principle. These reforms are moderate and cautious and do not fully correct the continuing power imbalance between renters and landlords. However, they go a long way to improving Queensland's historically poor rental standards.

In particular, we would like to applaud prescribing the application and payment forms. This will help rebalance the informational asymmetry between renters and landlords.

We support these proposals on the codes of conduct, the potential for licensing and stronger duties, and the need for mandatory continuing professional development for real estate agents. These are especially important in light of recent significant breaches of tenants' sensitive personal data and the tragedy on Russell Island last year.

We are particularly concerned about the lack of appreciation for renters' privacy regarding their data and their homes. Accordingly, we believe that mandating continuing professional development with dedicated sessions on rental technology and privacy would help manage feelings of intrusion and insecurity.

We also support Tenants Queensland proposal¹ that this training, licensing and registration regime also extend to individual landlords.

¹ Tenants Queensland. [Submission to the Queensland Government on the Stage Two Rental Reform consultation paper](#). May 2023.

Improving tenure and security

The most glaring omissions from this bill are ending unjust “no cause” evictions, particularly at the end of a fixed-term lease and raising the floor on the default term for a lease.

The threat of retaliatory, arbitrary and even just unexpected evictions has a destabilising effect on renters and puts additional stress on our housing market. Similarly, short rental terms increase uncertainty and make renters feel anxious, insecure and unrooted.

These issues can be considered together on the basis that they both inflate rates of involuntary displacement from renters’ homes while reducing renters’ ability to enforce their own rights.

Renters must move far more often than owner-occupiers. In a regulatory context that incentivises high rental turnover and assumes any rental is temporary rather than a long-term home by default, renters bear these moving costs repeatedly.

A report found that in the last five years, four in five private renters have moved, one in three have moved multiple times, and one in ten have moved at least once every year—and over a third of those moves are involuntary, a proportion that is likely to grow as rent increases accelerate.²

These moving costs are a financial shock: upfront deposits, bonds, removalists, cleaners, and often crossover rent weeks—and, increasingly, extra fees for applying for rentals, requesting maintenance, or paying rent through “renttech” platforms.

Another recent report found that in NSW, the cost of moving house is at minimum \$2,000 per person, with the average closer to \$3,500 per person.³

Reforms that aim to improve rental affordability need to address the causes of involuntary moving—whether uncertainty, poor housing conditions, or evictions—and smooth out the price peaks associated with moving.

² Jemima Mowbray, [‘Eviction, Hardship and the Housing Crisis’](#) (Tenants Union of NSW, 22 February 2022) 45-46 quoting the Australian Bureau of Statistics’ [Housing Mobility and Conditions](#) dataset and Steven Rowley and Amity James, [‘The private rental sector in Australia: Public perceptions of quality and affordability’](#) (Research Report No. 18/18, Bankwest Curtin Economics Centre, October 2018)

³ Jemima Mowbray, [‘Eviction, Hardship and the Housing Crisis’](#) (Tenants Union of NSW, 22 February 2022) 26-31

Improving transparency

Renters' poor bargaining power is underlined by a lack of consistent and unbiased data on the state of the rental market. While recent academic work has improved this gap, we continue to have poor and inaccessible data on the state of rental housing.⁴

In particular, we lack frequent and granular data on local rents and market changes despite renters' enforcement of their rights relying on access to this information. This informational asymmetry is a manifestation of the fundamental power imbalance between renters and landlords.

Combining this with this bill restricting the information landlords can gather on rental applications creates an opportunity to centralise and aggregate rental data—giving renters, researchers and the public real-time information on the rents and conditions that applied to each individual property and within comparable markets.

Improving renters' representation

As we have previously called for nationally⁵, it is critical that tenants have a formal voice in government. A renters' voice⁶—whether that is a rental commissioner or independent agency—needs not merely to provide advice but be prepared to initiate their own investigations into industry and individual wrongdoing as well as to agitate for systemic reform on behalf of renters as a cohort.

This voice should be an ombudsperson, a regulator and a reform commissioner all in one, for the simple reason that renters cannot reasonably be expected to advocate for themselves and to enforce their own rights when the reward is mere compliance and the risks are eviction, rent rises or blacklisting.

⁴ Emma Baker, et al, '[An Australian rental housing conditions research infrastructure](#)' (2022) 9(1) *Scientific Data* 33; See also the Melbourne Institute's [Journeys Home](#) and [Household, Income and Labour Dynamics in Australia](#) surveys and the Australian Bureau of Statistics' [Survey of Income and Housing](#) — particular for population level data on composition and consumption.

⁵ Abundant Housing Network Australia, [Submission No. 64 to the Senate Standing Committee on Community Affairs](#), *Inquiry into the worsening rental crisis in Australia* (4 August 2024), 5-7 and 21-24

⁶ Department of Communities and Local Government UK, '[Citizens of Equal Worth: The Project Group's Proposals for the National Tenant Voice](#)' (White paper, January 2009); and Department of Communities and Local Government UK, '[Regional and national tenants' organisations](#)' (Consultation report, October 2010)

We also believe that renters are often excluded from decision-making spaces, including government boards and advisory bodies, roundtables, consultations, surveys, and, indeed, Parliamentary inquiries.

This exclusion is rarely intentional and can be a function of renters' economic circumstances, their more frequent displacement than owner-occupiers, and the fact that decision-makers tend to be homeowners.

Therefore, renters need not just a formal voice in government but more channels where they can be heard.

Every government body that governs rental regulation and housing supply, affordability, planning or development should include representatives for renters and renter associations. These representatives should be actively targeted and recruited to ensure that any housing-related consultation accurately reflects the broader population's proportions of housing tenure.

At a minimum, the body that drafts the forthcoming real estate industry code of conduct should have an equal balance of renters and their representatives to real estate industry representatives.

There is a lot more work to do to make renting fair in Queensland. Ensuring renters are in the room when decisions get made will be key in making sure this work continues.

Without a significant increase in both public and private housing supply, renters will continue to suffer growing rents and housing anxiety and no rental regulation can fix that. It will take mass building projects and an ambitious planning reform agenda that upzones our expanding city and makes it more affordable.

In a future where renters' bargaining power is built up through much greater supply of private and non-market housing and through regulatory settings that support renters' collective organising and enforcement of their rights, we are far less likely to see a repeat of the rent price spiral we are experiencing at the moment.

This bill should pass—but many of this bill's ambitions will be compromised until no-cause evictions are ended for good and renters' voices are appropriately represented in decision-making spaces.

Yours sincerely

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