

10 April 2024

Committee Secretary  
Housing, Big Build and Manufacturing Committee  
Parliament House  
George Street  
Brisbane Qld 4000

By email: [hbbmc@parliament.qld.gov.au](mailto:hbbmc@parliament.qld.gov.au)

To Whom It May Concern,

**RESIDENTIAL TENANCIES AND ROOMING ACCOMMODATION AND OTHER LEGISLATION  
AMENDMENT BILL 2024**

Q Shelter welcomes the opportunity to provide a submission on the Residential Tenancies and Rooming Accommodation Act 2008 (RTRA Act) which is aimed at strengthening renters' rights, providing better pathways to resolve issues in tenancies, and other emerging and important matters in the private rental market.

**Background**

As part of the Queensland Government's Stage 2 rental law reform consultation in April-May 2023, Q Shelter consulted with its members and the wider housing and homelessness system, and in response to the Options Paper issued by the Queensland Government, made a submission on behalf of the sector. In July – August 2023, there was a further consultation period on limiting the frequency of rent increases to which we made a further submission. Both submissions are included here as **Appendix 1 and 2** and form part of our overall response to the Bill currently before the Committee as the recommendations remain current.

**Support for rental law reform**

This letter outlines support for the Bill and highlights some areas of additional reform considered essential. These additional areas of reform seek to address the decreasing affordability of rental homes and to address the impacts of poor security of tenure because of no-cause evictions.

**Rental law reform**

Q Shelter supports the proposed reforms in the Bill.

1. Making it easier for renters to install modifications they need to live safely and securely in their rental home and to have confidence their privacy is protected
2. Protecting renters' privacy by requiring 48 hours entry notice and a prescribed form to be used to apply for a property
3. Establishing a portable bond scheme to allow renters to transfer their bond when relocating from one rental property to another

4. Helping to stabilise rents by banning all forms of rent bidding and applying the annual limit for rent increases to the rental property not the tenancy
5. Limiting re-letting costs based on how long is left on a fixed term lease
6. Ensuring renters have a fee-free option to pay rent, and choice about how they apply for a rental property and receive utility charges
7. Setting clear expectations through a new rental sector Code of Conduct to foster appropriate and professional practices in Queensland's rental market.

#### **CPD for property agents**

Q Shelter supports the introduction of mandatory continuing professional development (CPD) for property agents in Queensland.

8. Establishing a legislative scheme for mandatory continuing professional development (CPD) for property agents.

#### **Further items not included in the draft Bill or requiring further clarification and consideration.**

Q Shelter proposes the following recommendations and additional areas of reform to achieve a fair, secure, accessible, and affordable private rental market:

##### **A limit to excessive rental increases:**

1. Develop a clear, transparent, and formalised process for determining annual rental increase amounts in Queensland, which prevents excessive rental increases.

A model where rent increases are limited to CPI or a regulated amount that follows inflation, or another agreed measure (An example of this in practice, is in the Australian Capital Territory, where the prescribed amount for a rent increase is 110% of the percentage increase in CPI for rents. That is, a lessor can increase the rent on a property by 10% *more* than the increase in the CPI).

##### **Further tenant protections:**

2. Remove the landlord's ability to end a tenancy simply due to it being the end of a fixed term agreement
3. Investigate the introduction of minimum renting standards in Queensland. This could form part of the rental sector code of conduct or be implemented through a rental price regulation framework, as is done in other jurisdictions.

##### **Energy efficiency:**

4. Introduce mandatory energy efficiency measures so that tenants are not paying more for energy than owner-occupiers.

##### **Consideration of community housing providers (CHPs):**

5. Ensure that community housing providers are considered and remain an exempt lessor.

## **Additional information**

### *Community housing providers*

We understand that community housing providers (or CHPs) are considered exempt lessors.

This is critically important, as rents for tenants of community housing are determined by the household's income, meaning that rent amounts can change as the household income varies (up and down). For this reason, CHPS must be exempt from laws that restrict adjustments to rent within a 12-month timeframe.

Incomes can fluctuate for various reasons such as transitioning to a different benefit or pension or as children age or move away for example. Flexibility in the timing of rent adjustments helps CHPs to accommodate changes in tenants' financial situations.

### *A limit to excessive rental increases*

Q Shelter reiterates our standing position expressed in the Stage 2 Rental Law Reforms submission recommending that the Queensland Government take this opportunity to create a clearer and transparent process for managing rental increases. This would be a policy that applies to all rental properties and could potentially be modelled on existing frameworks such as those applicable in the ACT. For tenants to be protected from unfair or unreasonable rent increases, Q Shelter's position is that increases to rent must not be higher than inflation, in any 12 months. The consequence of unrestricted rent rises is that people on lower incomes are excluded from housing in the private rental market, causing a surge in demand for subsidised housing products.

### *Code of conduct*

Q Shelter welcomes and supports the introduction of a rental sector code of conduct. The code of conduct is an opportunity to improve the overall operating environment and standards across the rental system.

Currently, many tenants are afraid to request repairs in case their lease is not renewed (e.g., broken hot water systems, air conditioning systems that do not work) but often do not raise these concerns with property managers for fear of not having their lease renewed at the end of their fixed term, or rent being substantially increased. We reiterate our position that ending a lease based on the end of a fixed term amounts to a 'no grounds' eviction and undermines the security of tenants. A significant power imbalance still exists in the system, despite the changes introduced as part of rental reforms in Queensland.

### *Energy efficiency standards*

Additionally, rental homes can often have poorer energy efficiency standards, compared to some owner-occupied homes, with a Brotherhood of St Laurence study (2022) finding that renters pay 8% more on energy bills when compared to owner-occupiers living in similar homes.<sup>1</sup> With little incentive for property owners to improve the energy efficiency of their investment properties, renters are more likely to be living in energy stress. A code of conduct is one way of improving the basic standards of rental accommodation. In addition, other jurisdictions, such as the Netherlands use a points-based system for determining rent, linking rental increases to the amenity and services provided in a dwelling (such as air conditioning). A points system could be investigated as part of creating a framework for determining rental increases, as recommended above, or at the very least form part of basic minimum standards for rental accommodation in the private market.

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<sup>1</sup> [Power pain: an investigation of energy stress in Australia | Brotherhood of St. Laurence \(bsl.org.au\)](https://www.bsl.org.au/power-pain-an-investigation-of-energy-stress-in-australia)

**Further Contact**

For further details about this submission, please contact Q Shelter's Policy and Strategic Engagement Manager, Jackson Hills (07) 3831 5900 or at [Jackson.Hills@qshelter.asn.au](mailto:Jackson.Hills@qshelter.asn.au).

Yours sincerely

A handwritten signature in black ink that reads "Fiona Caniglia". The signature is written in a cursive, flowing style.

**Fiona Caniglia**  
Executive Director  
Q Shelter

**Appendix 1**  
**Stage 2 Rental Law Reforms in Queensland**  
**Q Shelter Submission (29 May 2023)**

**Appendix 2**

**Ensuring the Annual Rent Increase Frequency Limit is Effective  
Q Shelter Submission (11 August 2023)**