

# Media Release

**The Hon Jaala Pulford MLC**

Minister for Employment

Minister for Innovation, Medical Research and the Digital Economy

Minister for Small Business



Wednesday, 28 July 2021

## COMMERCIAL TENANCY RELIEF FOR VICTORIAN BUSINESSES

The Victorian Government is acting decisively to back the state's small and medium-sized businesses as they emerge from lockdown, facilitating commercial rent waivers and deferrals from today.

Many commercial landlords have done the right thing and offered rent relief – today's announcement goes further and make it a requirement for landlords to help eligible businesses that have endured a serious trading downturn due to no fault of their own.

In a boost to thousands of businesses across the state, the reintroduced *Commercial Tenancy Relief Scheme* will ease pressure by providing rent relief for eligible tenants, while separate support will be provided to landlords who do the right thing by their tenants.

The Scheme will be available to businesses with an annual turnover of less than \$50 million and have suffered a decline in turnover of at least 30 per cent due to coronavirus.

Landlords will be required to provide proportional rent relief in line with a business's reduction in turnover. For example, a business with a turnover of 40 per cent of pre-pandemic levels can only be charged 40 per cent of its rent. Of the balance, at least half must be waived, with the remainder to be deferred.

A mediation service for tenants and landlords will further support fair tenancy negotiations.

Tenants and landlords will be encouraged to enter negotiations directly, with the Victorian Small Business Commission (VSBC) available to provide mediation if parties cannot reach satisfactory agreement. Landlords will not be able to lock out or evict tenants without a determination from the VSBC.

Legislation will shortly be introduced to enact the Scheme, which will be applied from today to ensure rent relief can start immediately.

We will create an \$80 million hardship fund for landlords who provide rent relief to eligible tenants, with further details to be confirmed in due course.

Tenants and landlords can contact the Victorian Small Business Commission for further information on 13 87 22 or visit [vsbc.vic.gov.au](http://vsbc.vic.gov.au).

### Quotes attributable to Minister for Small Business Jaala Pulford

*"Victorian businesses have played a key role in the effort to keep us safe – making enormous sacrifices – and many of them are doing it really hard."*

*"As we emerge from lockdown, this is exactly the right time to provide relief for those businesses that need extra assistance to get back on their feet."*

*"We're calling for good-faith negotiations between tenants and landlords, and the hardship fund will mean landlords who find reasonable common ground will be supported."*

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