

Media Release

The Hon Daniel Andrews MP
Premier



Friday, 22 September 2023

MORE HOMES CLOSER TO WHERE YOU WANT TO LIVE AND WORK

Regional Victoria is growing. By 2051, around 2.3 million people will call it home.

But across our regional and rural areas, it's getting harder and harder to find a place to live – whether you're buying or renting – and that's one of the biggest challenges our regions face in attracting and keeping workers.

Over the last five years, rents in regional Victoria have skyrocketed by 40 per cent and the number of new lettings fell by 3.7 per cent in the last financial year.

Victoria's Housing Statement kicks off the critical work our state needs to do to create jobs, help businesses grow and build more homes in rural and regional Victoria.

Across Victoria, there are more than 36,000 short-stay accommodation places, and more than 29,000 of those places are entire homes. Almost half of all short-stay accommodation places are in regional Victoria – a staggering 46.7 per cent.

These are places that cannot be used for longer-term accommodation or rented out on fixed term agreements – so it makes sense that they should provide some benefit toward the places that can.

To help ease housing pressure across regional Victoria, the revenue generated from a new *Short Stay Levy* will go to Homes Victoria, supporting their work building and maintaining social and affordable housing – with 25 per cent of funds to be invested in regional Victoria.

By expanding Victoria's Development Facilitation Program, we'll boost critical housing supply in regional Victoria.

We'll streamline the planning process for significant regional housing developments which are worth at least \$15 million and deliver at least 10 per cent affordable housing, including build-to-rent projects.

We're also investing \$150 million in a Regional Worker Accommodation Fund to provide new housing options for regional communities where key workers are struggling to find affordable places to live.

The package also brings together a raft of reforms to protect renters' rights and boost the number of rental options available to Victorians – at a time when the housing market is incredibly tight across regional areas.

With more people in Victoria renting than ever before, it's inevitable that the number of rental disputes has increased, too. In the 12 months to March 2023, more than 44,000 disputes were added to VCAT's Residential Tenancy List – and VCAT currently has a backlog of almost 24,000 tenancy matters.

But renters shouldn't have to end up at VCAT to have simple repairs done, or to get the money they're owed. VCAT should be a last resort for tenants and landlords, not the first stop.

We'll establish *Rental Dispute Resolution Victoria*, providing a one-stop shop for renters, agents and landlords to resolve tenancy disputes over rent, damages, repairs and bonds. It'll have a clear pathway to settle issues in a faster, fairer and cheaper way – freeing up VCAT for more serious or complicated matters.

Every real estate transaction involves significant financial investments and legal complexities, and renters often rely on agents to provide accurate information and advice.

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Yet, in the 2022-23 financial year, CAV received 64,752 contacts about renting matters and 4,514 contacts about other property-related matters – comprising 20 per cent and 1.4 per cent of all contacts to CAV in that year respectively.

We'll introduce ongoing professional development for real estate industry professionals – including agents, property managers, conveyancers and owners corporation managers – lifting standards and skills for real estate agents, encouraging ethical conduct across the industry and giving renters the peace of mind they deserve.

We'll provide greater security to renters by preventing landlords from opportunistically raising the rent after they've evicted a renter on their first fixed term lease. If agents or landlords are issuing a new first fixed term lease after they've evicted previous tenants on their first fixed-term one, they'll have to offer the property at the same rent for at least 12 months – and we'll make it an offence to do otherwise, with compensation options for breaches.

To ease the cost of living pressures many renters face, we'll create a portable rental bond scheme where tenants can carry their bond from one property straight over to another – rather than having to pay a new bond each time.

In the current competitive housing market, we're seeing people make their own unsolicited bids – either to pay more weekly rent or to pay more than four weeks in advance – to try and give their applications a competitive edge. One in 5 prospective tenants have been forced to offer above the advertised rental rate to secure a property.

We'll level the playing field for renters by closing this loophole and banning all types of rental bidding for good – making it an offence to accept bids and introducing tougher penalties for agents and landlords who break the law.

We'll give renters more certainty by extending notice of rent increases and notice to vacate periods to 90 days, and we'll standardise rental applications to save renters time and give them a clear idea of what they can expect to be asked for during the application process.

We'll also limit the kind of information agents or landlords can keep on file, and how long they can keep it for, better protecting renters' privacy and data.

Rounding out the renters' package, we'll support the 5 per cent of renters under the most serious rental stress with a \$2 million *Rental Stress Support Package* through the Victorian Property Fund – backing the work of organisations who provide legal assistance, financial information and advice, and advocacy services.

In July, we announced a new \$1 billion Regional Housing Fund to deliver more than 1300 new social and affordable homes across regional Victoria – on top of the \$1.25 billion we're already investing in our regions through the Big Housing Build.

Quote attributable to Premier Daniel Andrews

“Regional Victoria is booming – and so is demand for homes across our regions. We know the best thing we can do to make homes more affordable is to build more of them, and that's exactly what we're doing.”

Quote attributable to Minister for Consumer Affairs Danny Pearson

“Victoria already has the strongest rental protections in the country, but when it comes to protecting renters' rights, we're doing more to make sure they get a fairer deal.”