

Residential Tenancies and Rooming Accommodation (Rent Freeze) Amendment Bill 2022

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Submitted by: Student Accommodation Association
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Submitter Comments:

31 October 2022
The Community Support and Services Committee
Queensland Parliament
Parliament House
George Street
Brisbane QLD 4000
To Whom It May Concern:
Re: Student Accommodation Association (SAA) response to the Residential Tenancies and Rooming Accommodation (Rent Freeze) Amendment Bill 2022
The Student Accommodation Association writes to express its opposition to this bill. It is our association's opinion that the rent freeze and rent increase cap proposals are counterproductive to creating a more accessible rental market to tenants. Our members currently account for over 12,000 accommodation beds in QLD alone and these beds are allocated exclusively to enrolled students. During 2020 and 2021, as a result of COVID-19 and the part or full closure of University campuses, many of these beds remained unoccupied. Those that were tenanted were often rented at a considerable discount to market rates. In 2022, due to the opening of borders and campuses, the student population has rebounded considerably. Thanks to our members continuing to quarantine accommodation exclusively for students, these returning scholars have been able to find high quality accommodation in a competitive rental market. In 2023, we anticipate that Queensland's student accommodation supply will not be able to meet demand and this will result in students having to compete with the broader tenant market for accommodation. In addition to the increasing migration to Queensland and the continuing reduction in broader accommodation supply, the student accommodation sector will not see any new stock come to market in 2023. For the first time in over five years, there are no new student accommodation projects under construction. Queensland requires new investment in student accommodation projects for the following reasons:

- Student numbers will continue to increase for the foreseeable future, due to the high quality of our educational institutions and the Queensland lifestyle. The benefits to our culture and economy due to the influx of students from interstate and abroad are unable to be fully realised if we do not have the accommodation to house them.
- Student accommodation is built exclusively for students. As a result, it reduces the pressure on the broader rental housing market.
- Student accommodation brings jobs and drives activity and revenue to surrounding businesses

At this point in time, it is critical that Queensland attracts investment in student accommodation. The proposed rent freeze and caps will, without doubt, halt all investment in student accommodation in Queensland. With the rising costs of both construction and debt, student accommodation projects will not be viable in a rental market where pricing is artificially controlled by government intervention. Student accommodation rents in Queensland have fluctuated, often in favour of tenants, due to market forces. In order to ensure the future necessary growth of this sector, for the benefit of the broader rental market, we believe the market should be the determining factor and rent setting and we strongly oppose this bill.

Yours faithfully,
Matt Row
Vice President
Student Accommodation Association