




Speech By
Stephen Andrew

MEMBER FOR MIRANI

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**RESIDENTIAL TENANCIES AND ROOMING ACCOMMODATION AND OTHER
LEGISLATION AMENDMENT BILL; MANUFACTURED HOMES (RESIDENTIAL
PARKS) AMENDMENT BILL**

 **Mr ANDREW** (Mirani—PHON) (8.04 pm): I rise to speak in the cognate debate, with specific reference to the Residential Tenancies and Rooming Accommodation and Other Legislation Amendment Bill 2024. The stated aim of the bill is to strengthen renters' rights, support private investment, provide better pathways to resolve tenancy issues and stabilise rents in the private rental market.

In relation to the aim of resolving issues in tenancies, it should be noted that the Queensland Civil and Administrative Tribunal Annual Report 2021-22 shows that the number of lodgements relating to tenancy disputes have been trending down in recent years—a trend which predates the implementation of Labor's stage 1 reforms. In 2022-23, 10,398 tenancy lodgements were made to QCAT. This represents just about 1.6 per cent of the 618,442 rental properties in Queensland. Statistically, that is known as a rounding error.

It is evident, therefore, that existing tenancy agreements already provide ample protections for tenants, with a minimal number of conflicts or disputed tenancies in Queensland. This leads me to wonder if the government's exaggerated assessment of the number of disputes was simply a pretext used to justify introducing the bill's stage 2 reforms. Many changes in this bill will significantly and materially disadvantage investment property owners. If lessors are required to meet more onerous requirements and absorb greater financial risk without being able to recoup those costs through rent, many will inevitably leave the market altogether.

It is also important to note that 90 to 95 per cent of available rental stock is owned by private, mum-and-dad property investors who have invested their savings in investment properties as a nest egg for the future. Investing in property is designed as a ladder of opportunity to accumulate personal wealth and is a core principle of Menzies' ladder of opportunity for ordinary, everyday Australians.

Rental properties are investments, just like shares, bonds or rare books. Rental property income is treated like other investments and is heavily taxed. Why then would the government introduce measures designed to reduce the value of a person's assets, which is what the bill and the others like it will do? The fundamental question here is: are rental properties a legitimate form of actual investment or not? What makes the government think that it has a right to simply remove it from the same operation of the free market as other investments? Property owners have rights too and should be free to determine rental charges and frequency of increase for their hard-earned investment based on their own cost increases and risk level.

Many of the bill's changes risk driving these private landlords to exit the sector altogether. A 2023 survey from the Property Investment Professionals of Australia found that 43 per cent of respondents had cited changing tenancy legislation as a reason for selling their investment property, saying it had become too costly or too difficult to manage. Many others mentioned the loss of control over their property and increased compliance costs due to growing administrative and financial burdens. It is just overpowering.

A Queensland government funded study by Deloitte Access Economics looked at the impact of stage 1 reforms and found that the reforms would lead to property owners maintaining less autonomy over their leased houses. In extreme cases, property owners may decide to simply opt out from the long-term rental market, turning instead to alternatives such as short-stay accommodation or retaining the property for their own personal use. This bill's imposition of rent controls will add yet more constraints on property owners, further reducing the supply and cost of housing in Queensland.

The bill seeks to limit the rent increases to 12-month intervals attached to the property instead of the tenancy. Something that never seems to be mentioned when talking about the rental market in Queensland is the fact that the landlords themselves have been hit with massive increases in costs and risks over the last few years. Property ownership in Queensland has been hit with significantly increased cost pressures, including increased interest rates; increased compliance costs for the government's stage 1 reforms; unprecedented supply chain issues impacting construction costs; and eye-watering increases in the cost of insurance—due to the Queensland government's crime epidemic—and property taxes.

Government members interjected.

Mr ANDREW: It is the truth. It is on the news every night. This has left many property owners with little choice—

Government members interjected.

Mr ANDREW: I am not taking interjections. This has left many property owners with little choice but to take action in passing on some of these increased costs to tenants, resulting in higher weekly rents. The reality is that there is a real cost to owning a rental property, including the cost of land tax; council rates, which have gone up in some places in my electorate and outside my electorate by over 100 per cent; insurance premiums; and repairs and maintenance, which have gone through the roof. Even the government will say, 'The cost of everything has gone up 100 per cent,' but people with rentals do not get that opportunity. Loan interest charges increase on an annual basis, but some increase more frequently with interest rates going up almost monthly at one point. Some of these costs have soared on an annual basis over the past few years, particularly insurance, and we know why that is. I just expanded on that.

In truth, renters and landlord interests converge: if costs are lower for landlords, then costs will be lower for renters. It is simple mathematics. If we make renting more difficult for landlords, that imposes more costs on renters and rents will rise—and they will always rise. No-one is saying anything. We should be making it easier, not harder, for people to rent out second properties in order to help boost the housing supply and bring prices down.

I find it interesting that, while the Miles government are more than happy to demonise and punish small mum-and-dad property investors in Queensland, they are silent as a grave when it comes to condemning the ruthless profit taking of the state's trillion-dollar insurance industry. No-one has said a word about that. What about what is in parliamentary petition 4044-24 at the moment? No-one wants to talk about that and how property taxes and all those other things come into play. If there was meaningful change, they would want to change it. No-one is doing anything about it.

Where are the controls and the hard caps on the antics of the insurers or any of the other giant monopolies that today like to prey on the poor and the powerless? Where is everyone talking about it here on the left? No-one is. If you reckon you are going to do it, stand up and do it. Why is it only the small private landholders—most of whom are ordinary Queensland householders trying to get ahead—that governments are prepared to take on and punish in this way? This bill is not about renters or renters' rights. It is about driving ordinary Queenslanders out of the rental market to make way for the giant property conglomerates and institutional investors who are itching to establish the same property monopoly here as they have done in countries all over the world. Let us be honest.

If the government continues to punish property owners, the result will be they will simply sell their investment properties and there will be a decreasing supply of properties available for rent; or, worse, all those properties being sold by small individual investors will be scooped up by large multinational property investment trusts and build-to-rent profiteers that the Queensland government is so closely partnered with it seems. This bill marks the fifth reform to rental laws in Queensland in as many years. No other sector has endured this level of legislative scrutiny and reform over such a short period of time or has been demonised by its own government like this one. The bill purports to improve scrutiny but it does nothing. We are falling backwards. Let us do some real reforms. I ask members to have a look at petition No. 4044-24.

(Time expired)