PROPERTY OWNERS' ASSOCIATION OF QUEENSLAND Inc.
Watchdog of Rental Property Owners since 1916

Housing Crisis likely to continue with ongoing Anti-Landlord Policies and Snubs by Government

Media Release

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By Mark Ignativ

The Property Owners Association of Queensland (POAQ) is calling on the Premier to listen to the voice of Private Landlords after denying representation at the Housing Round Table.

The government continues to ignore private landlords who are the largest suppliers of rental properties. The government cannot pretend that real estate agents and developers, who share some but not all of our concerns, represent private landlords. Sadly, the meetings are also heavily weighted in favour of tenancy and welfare groups, who do well at identifying issues and highlighting problems, but fall short with delivering realistic and practical solutions.

Private landlords are the most vital non-government stakeholder to address the housing and rental crisis in Queensland.

Failure to consult with landlords and respond to their concerns over the past years has directly contributed to the lack of supply and affordability in the rental market, and in particular those affordable rentals needed by the most vulnerable. The government ignored landlords at the round table 6 months ago and the rental crisis is as severe as before. It is nothing short of insanity to repeat the same mistake over and over again and expect a different result.

Large numbers of Private Landlords are exiting the rental market by selling or re-purposing their rental investments, new investors are discouraged with many keeping away from rental property. Key reasons include:

1. Unfair rental laws (recent changes to the Residential Tenancies and Rooming Accommodation Act 2008) that make renting increasingly risky and onerous for landlords, favouring unscrupulous tenants and removing the ability of landlords to effectively manage their property. Particular laws making renting harder centre on eviction grounds, accepting pets, minor repairs, repair orders and minimum standards.

2. The surge in council rates and land tax, imposed by the government on rental properties. Any taxes paid by rental investors above that paid by owner occupiers, is effectively a tax on struggling tenants. These heavy costs on landlords must invariably get passed on to tenants and are therefore now a key factor in the current spike in rental prices.

3. The ineffectiveness of QCAT in handling tenancy disputes and major issues such as evictions and costs in a timely and efficient manner.

4. Continuing threats from governments, including foolish proposals such as an rent freezes or rent caps, interstate land tax grabs, more onerous standards, banning evictions and taxing holiday and empty houses.

Solutions by some stakeholders, centering on more dwellings to be built, will be helpful to owner occupiers but offers little to solving the rental supply or affordability crisis. The government fails to realise that all new dwellings (and sales of existing rental property) will be more than consumed by owner occupiers as a result of population growth. Those currently experiencing rental stress or homelessness will be left out in the cold (or heat) as they are without means to buy these homes, and there will be few private investors prepared to buy and rent to them. Social home clauses in new developments require heavy subsidies or lead to costs passed on to home buyers raising the entry prices of homes even more. Most rental schemes on the table, often with insufficient landlord consultation, are band aid solutions and too convoluted for landlords to be worthwhile. Private investment into rental property remains the best solution with the most efficient and cost effective way for taxpayers is though private landlords.

The POAQ implores the government to stop the ongoing anti-landlord talk fest, and consult with private landlords and other rental suppliers to find a realistic and practical way out of the rental crisis. The solution is simple: encourage private investment back into rental properties.

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