More Homes More Opportunity



Gabrielle Williams MP

Minister for Consumer Affairs

Wednesday, 30 October 2024

MORE RIGHTS MEAN MORE RESPECT FOR EVERY RENTER

More homes mean more opportunity – and for renters, more rights mean more respect – that's why the Allan Labor Government is building homes everywhere and making renting fairer with a new raft of reforms.

Minister for Consumer Affairs Gabrielle Williams visited a household of renters in Clifton Hill today to announce the Labor Government will do six things to make renting fairer for you:

- 1. Stop landlords making dubious bond claims without evidence show us the receipts
- 2. Ban 'no fault' evictions so you can't be kicked out of your home for no reason
- 3. Ban the extra fees that get charged when you pay your own rent including on 'rent tech' apps
- 4. Ban apps from charging 'background check' fees for rental applications applying should be free
- 5. Cap the cost of breaking a lease so no one pays an eye-watering amount in compensation
- 6. Make it clear that if you need an extra key or fob for your apartment you get one

The Labor Government has implemented more than 130 rental reforms to restore fairness and respect for renters everywhere – this makes it six more. Victoria is leading the nation.

And the Government is going all-in on building more homes, so there'll be more properties available for you to rent where you want to live – near the things you need, the lifestyle you lead, and the people you love.

End dodgy bond claims

So many renters have a story about their bond being withheld for no good reason. Sometimes they've been told there's damage to a wall or floor, but there's no photos provided and no receipts for repair attached.

If the damage isn't real, then that's shameful. But even if the damage is real, you still deserve to know it's been properly recorded and costed by someone who knows what they are talking about.

The Government will stop the culture of dubious bond claims by mandating requirements for evidence – and imposing financial penalties for people doing the wrong thing.

More detail will come when legislation is introduced to Parliament, but the bottom line is: if you make people pay costs that aren't real, then you'll be the one paying.

Give me a reason

All remaining 'no reason' notices to vacate in the Residential Tenancies Act 1997 will be removed. It means 'no fault' evictions for fixed-term agreements won't be permitted, full stop.

You can still be evicted for the usual reasons such as damage, not paying rent or if the owner is moving back in.

But with this change, you can't be kicked out without a valid reason – and certainly not just because someone wants to put the home straight back on the market to bump up the rent.



This is a big change for people at the end of their first fixed term lease – and it goes further than previous commitments in the Housing Statement which banned rent increases between successive fixed term leases.

Pay what you owe - nothing more

More and more renters are paying on third-party 'rent tech' apps. These platforms can make paying rent more convenient, but if there are hidden fees and charges, you're paying more than what you owe.

There is currently a fee-free option required under the law, but often this is made highly inconvenient for the renter – like having to pay in person at the Post Office.

That's why Government will ban someone charging you a fee just for paying your rent – regardless of the payment method used. Whether you're paying digitally or in person, you should just be paying what you owe.

No fees for background checks

It's hard enough to find a good rental property in the housing crisis – it isn't fair if you must pay an extra fee as part of the application process just because the agent or provider wants to check your rental 'blacklist' history.

The Government will prohibit a rental provider, their agent or a third-party app from passing these costs onto you. If an agent wants to check a residential tenancy database (which a tenant can do themselves for free once a year) they can do so, but at their own cost.

Limit on lease break fees

If you break a rental agreement, the rental provider is entitled to some compensation for lost rent. But this should a fair and reasonable amount – not something that breaks the bank.

For fixed term rental agreements of five years or less, Government will legislate a cap: for example, targeting one week's rent based on the proportion of remaining months of the agreement, up to a maximum four weeks in total.

If that's in place and applies to you, then you won't pay more than four weeks for breaking your lease. Government will do further work with renters and industry before legislating, to confirm the right limit.

The dreaded missing fob

If you live in a secure apartment building, losing your fob can be a disaster if you weren't allowed a spare one. Government will change the law, so when you request an additional electronic key or security fob for you or someone who lives with you, the agent should provide it – and can't unreasonably deny it.

It will also be an offence under the law for an electronic key or security device to be terminated unless it's part of the process of terminating a rental agreement.

What's next

These reforms will be introduced to the Victorian Parliament in stages over the next 12 months, with some – including the ban on no reason notices – before the end of the year. Further reforms are on the table, too.

The reforms build on the work the Labor Government is already doing to protect renters – including launching Rental Dispute Resolution Victoria, creating a portable bonds scheme, and establishing the renting taskforce to crack down on dodgy landlords.

These are just some of the announcements the Government is making this month about more homes, more opportunity and more rights for renters, buyers and owners. To see more, visit vic.gov.au/more-homes.

Quotes attributable to Minister for Consumer Affairs Gabrielle Williams

"Renters' rights are all about respect – that's the principle that we are trying to bring to the rental market through more than 130 reforms, and that's why we are leading the nation on it."

"By banning fees and charges on rental payments and applications, and cracking down on unfair bond claims, we're putting more money back in the pockets of renters."

Media contact: Alan Padgham 0418 783 688 | alan.padgham@minstaff.vic.gov.au

Quotes attributable to Tenants Victoria CEO Jennifer Beveridge

"Tenants Victoria welcomes these measures to better protect the rights of renters – who make up almost 30% of Victorians – in their homes. After all, housing is an essential service and a human right."

"Extending the ban on no-reason evictions gives renters more security. It puts them on a more even footing to request repairs, for example, in the knowledge that rental providers cannot ask them to leave without a reason under the law."