

Media Release



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RENT FREEZE WILL NOT FIX THE RENT CRISIS

REIA President, Mr Hayden Groves, has implored the Federal Government ahead of Budget 2023 to keep their eye on the prize of helping renters, and avoid knee-jerk policy reactions like rental freezes and rent controls.

“Let’s focus on the things we can do now to help renters with the current crisis.

“One of the obvious things the Federal Government must do this Budget is lift Commonwealth Rent Assistance which over the past 20 years has simply not kept pace with the cost-of-living.

“The second thing we must do is build more rental stock. This will be achieved in part through the Housing Accord and the Housing Australia Future Fund.”

Mr Groves said that focusing on the Greens rent freeze snap and fiddling with rental prices, whilst well intentioned, will do nothing for rental supply now or into the future.

“The introduction of a rental freeze would have far-reaching consequences with renters as the biggest loser.

“It has a sexy short-term effect for politicians but as the market adjusts the consequences turn out to be dire.

“We know from international experience that rent freezes or controls will immediately reduce rental supply, discourage institutional and private investment in housing and reduce investor income needed to improve existing rental stock for essential things like heating, cooling and energy-efficient improvements.”

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