

Media Release

The Hon Daniel Andrews MP
Premier



Wednesday, 15 April 2020

SUPPORTING TENANTS AND LANDLORDS THROUGH CORONAVIRUS

The Victorian Government will bring urgent legislation to the Parliament in line with decisions of the National Cabinet to support tenants and landlords through the coronavirus pandemic by reforming residential and commercial tenancy laws.

These include introducing a temporary ban on evictions, pausing rental increases for six months, and providing land tax relief for landlords and rent relief for tenants experiencing financial hardship as part of a plan to help Victorian families and businesses get to the other side of this unprecedented crisis.

Premier Daniel Andrews today announced a \$500 million package aimed at giving certainty to residential and commercial tenants and landlords, while they struggle with the unprecedented economic disruption caused by the coronavirus pandemic – with emergency legislation to be put into the Parliament next Thursday.

The Stage 3 restrictions designed to help slow the spread of coronavirus have had widespread economic consequences, leaving many businesses with no cashflow to pay their rent, and many workers without jobs – making it increasingly difficult for them to pay rent at home.

To get through this crisis, we all have to work together. Partnerships will have to be formed between tenants and landlords, and landlords and their banks – to help people continue to pay the rent and keep a roof over their heads.

Tenants and landlords who struggle to strike a deal over rent reductions will be given access to a fast-tracked dispute resolution service, with Consumer Affairs Victoria or the Victorian Small Business Commission mediating to ensure fair agreements are reached.

To encourage landlords to do the right thing by their tenants, the Government will provide \$420 million in land tax relief. If a landlord provides tenants impacted by coronavirus with rent relief, they will be eligible for a 25 per cent discount on their land tax, while any remaining land tax can be deferred until March 2021.

A new Coronavirus Relief Deputy Commissioner will be established at the State Revenue Office to manage these land tax relief claims.

To provide much needed peace of mind and security, evictions will be banned for residential tenancies for six months, except in some circumstances. Evictions will also be banned for six months for the non-payment of rent for commercial tenancies involving small and medium-sized businesses. Rental increases will also be banned for commercial and residential properties for the same period.

Consistent with the National Cabinet agreement to implement a mandatory code of conduct for commercial tenancies, the Government will also urgently legislate so that eligible small and medium sized businesses can be granted rental waivers or deferrals.

Businesses are eligible for these measures if they have an annual turnover under \$50 million per year and have experienced more than a 30 per cent reduction in turnover due to coronavirus.

The Government will also create an \$80 million rental assistance fund for renters facing hardship due of coronavirus. To be eligible, renters will need to have registered their revised agreement with Consumer Affairs Victoria or gone through mediation, have less than \$5,000 in savings and still be paying at least 30 per cent of their income in rent.

For information about coronavirus visit coronavirus.vic.gov.au or call 1800 675 398.

As agreed by National Cabinet, these new measures will come into effect from 29 March for a period of six months.

Quote attributable to Premier Daniel Andrews

“More than ever, we need to be working in partnership. Landlords working with tenants. Tenants working with landlords. And Government willing to help those most in need.”

Quote attributable to Treasurer Tim Pallas

“This is about supporting tenants, landlords and small business – and making sure that everyone can make it to the other side of this pandemic.”

Quote attributable to Minister for Consumer Affairs Marlene Kairouz

“These are unprecedented measures – but we are facing an unprecedented crisis. With this support, we’ll help tenants cover the rent and keep a roof over their head.”

Quote attributable to Minister for Small Business Adem Somyurek

“This support will help small businesses keep their doors open, keep employing and keep driving the state’s economy.”