

QLD POLITICS

'Fairness formula' to help landlords, tenants negotiate rent

A "fairness formula" will be used to help feuding landlords and tenants meet in the middle as ructions over the coronavirus impact continue.

Jessica Marszalek, state political editor, The Courier-Mail

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A "FAIRNESS formula" will be put in place to help stubborn landlords and tenants who refuse to negotiate equitable rent reductions come to agreement.

The measures will be put in place following fears by tenants a backflip by the Queensland Government last week to appease angry landlord now leaves them susceptible to property owners and real estate agents refusing to consider their cries for help.

It comes as Housing Minister Mick de Brenni said he expected a tenant's rent should be reduced in proportion to how much income they had lost.



Financially stressed landlord and renters have been told to negotiate fairly.

Tenants Queensland chief executive Penny Carr told *The Courier-Mail* tenants wanted to see a formula put in place that would stipulate what a fair outcome was for people in different circumstances.

She said that without it, there was a power imbalance that would leave renters with no choice but to embark on time-consuming and unwanted fights overseen by the Residential Tenancies Authority (RTA) or QCAT.

"We want to make sure there is an enforceable framework for rent reductions," Ms Carr said.

"We're getting calls from people that are very concerns about paying the rent and they want to (pay rent), they don't want to be anxious about this.

"We want a process that says this is going to happen if you don't negotiate," she said.

That would guide negotiations and would incentivise people to act fairly based on their own circumstances, because a preset outcome would be decided for them if they refused, she said.

Mr de Brenni said a set of "practice guidelines" would be published on Wednesday following the legislation's passage.

It is understood these will include guiding principles for negotiation but are still being worked on with stakeholders.



📷 Tenants Qld CEO Penny Carr



📷 Housing Minister Mick de Brenni

“We’ve made it clear that tenants will only be eligible to negotiate a new rental agreement if they have lost more than 25 per cent of their income due to COVID-19, or they are now spending more than 30 per cent of their household income on rent,” Mr de Brenni said.

“Each tenancy situation is different, but we expect that tenants and landlords will negotiate any new rent and that would be proportional to how much income had been lost by the tenant.”

In an email to landlords who complained to the Premier sent last night, Mr de Brenni said the guidelines would help people reach agreement around the duration of reduced rental agreements and whether repayments were required.

“While we expect most tenants and property owners to come to an agreement, where this is not possible, we will provide a compulsory, free, fair and independent conciliation service to resolve issues,” he wrote.
