

14 April 2025

The Committee Secretariat
Legislative Assembly Environment and Planning Committee
Parliament of Victoria



By email: regionalhousing@parliament.vic.gov.au

Dear Committee members,

Submission to the Inquiry into the supply of homes in regional Victoria

Tenants Victoria is the peak body for Victorian renters, and the rental law specialist community legal centre in Victoria. Our vision is for safe, secure and affordable homes for Victorian renters in a fair housing system. We provide information and referrals, legal advice, casework support, representation, financial counselling, and social work services for renters experiencing hardship and disadvantage, each year assisting more than 10,000 individual renters. We also provide rental law advice, support, and training to tenancy and community sector workers, and advocate to make laws fairer for Victorian renters.

We are pleased to provide input to the Legislative Assembly Environment and Planning Committee Inquiry into the supply of homes in regional Victoria, and we thank you for the short extension granted to make this submission.

Renting in regional Victoria

Considering the needs of renters is a critical step in planning for the successful supply of homes in regional Victoria. As of 2021, 143,558 (23.5%) of all regional Victorian households were renting.¹ Of these households, around 117,324 (82%) rented privately, 15,367 (11%) were in public housing and 3,691 (2.6%) were in community housing.² At the time of the last Census, 3.1% of regional Victorian households were living in social housing.³ Having a safe, secure and affordable home is an essential right that is critical for people's participation in the community through employment, education or social activities. However, in 2025 Victoria continues to experience a housing crisis, making it much harder to access this essential right, and this trend extends to regional Victoria.

Currently, conditions in the private rental market are difficult due to high house prices, low rental vacancy rates⁴ (2.1% in regional Victoria in February 2025), large rent increases and a high cost of living.⁵ This is

¹ Australian Bureau of Statistics (ABS) (2021). Rest of Vic. 2021 Census All persons QuickStats. G37: Tenure and landlord type by dwelling structure. [Weblink](#).

² Australian Bureau of Statistics (ABS) (2021). Rest of Vic. 2021 Census All persons QuickStats. G37: Tenure and landlord type by dwelling structure. [Weblink](#).

³ Australian Bureau of Statistics (ABS) (2021). Rest of Vic. 2021 Census All persons QuickStats. G37: Tenure and landlord type by dwelling structure. [Weblink](#); Australian Bureau of Statistics (ABS) (2021). Greater Melbourne 2021 Census Community Profiles. [Weblink](#).

⁴ For comparison, a balanced rental market would have a vacancy rate of around 3%; Powell, N. (2025). 'Breaking point': Melbourne rents hit record highs – again. Sydney Morning Herald. [Weblink](#).

⁵ Victorian Government Department of Families, Fairness and Housing (2024). Rental Report. [Weblink](#); Real Estate Institute of Victoria (REIV) (2025). Residential Rental Market Snapshot – February 2025. [Weblink](#).



Tenants Victoria Level 2, 255 Bourke St, Melbourne Victoria 3000

ABN 36081348227 | ACN 081 348 227

tenantsvic.org.au

Safe, secure and affordable homes

concerning because a significant proportion of renters work in lower-paying jobs, including in sectors that are essential for the functioning of regional and rural communities, such as healthcare, aged care, childcare, disability services, education, emergency services and the agriculture industry. In 2021, the median weekly household income in regional Victoria was \$1386, significantly lower than the median for Greater Melbourne (\$1901) and Victoria overall (\$1759).⁶

Table 1 – Comparison of median weekly rent in September 2024 for a two-bedroom house⁷

Local Government Area	Median weekly rent
Corangamite	\$335
Greater Geelong	\$430
Surf Coast	\$525
Warrnambool	\$460
Golden Plains	\$398
Ballarat	\$360
Greater Bendigo	\$400
Greater Shepparton	\$390
Wodonga	\$400
Bass Coast	\$410
Melbourne metro	\$570

Planning for the future of housing supply in regional Victoria must consider the urgent need for more genuinely affordable rental properties, including private, public and community housing, so that all renters, including essential workers and people on low incomes can continue to live in and contribute to regional communities.

⁶ Australian Bureau of Statistics (ABS) (2021). Rest of Vic. 2021 Census All persons QuickStats. [Weblink](#). Australian Bureau of Statistics (ABS) (2021). Greater Melbourne 2021 Census All persons QuickStats. [Weblink](#).

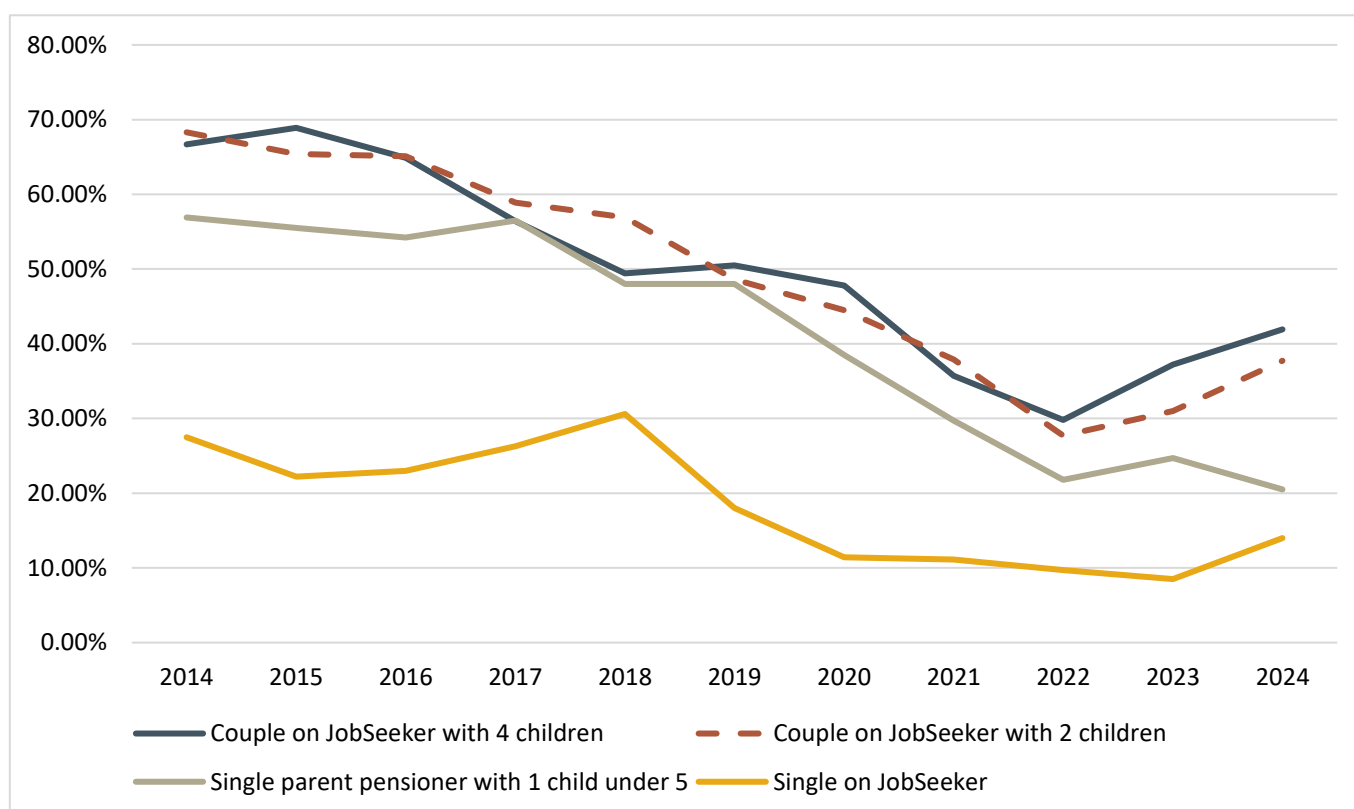
⁷ Victorian Government Department of Families, Fairness and Housing (2024). Rental Report. [Weblink](#).

Rent increases in regional Victoria

Amid the difficult conditions in the private rental market, rent increases are continuing to make affordability a primary concern for renters in regional Victoria. Data from the Department of Families, Fairness and Housing (DFFH) reveals that in September 2024, the median weekly rent in regional Victoria was \$450.⁸ This data also showed that regional rents rose 6.8% between 2023-2024, following three consecutive years in which regional rents in Victoria rose at rates between 5% - 9% every year, for a cumulative total of 18% over three years.⁹

These changes are part of a larger trend, with DFFH reporting the long-term average annual rent increase over the past 10 years for regional Victoria was 4.7% per year.¹⁰ Amidst these substantial and continual rent increases, real wage growth remains low at 0.3 according to the Australian Bureau of Statistics, on the back of real wage growth rates being negative for the duration of June 2021 - September 2023.¹¹ These rent increases have human costs, pushing more regional Victorians into rental stress and housing insecurity. As a result of being pushed into rental stress, some renters are having to make unfair sacrifices, such as skipping meals, and going without essentials like healthcare in order to pay rent. Others are having to stay in unsuitable and unsafe housing because it is all they can afford, which can have detrimental health effects.¹²

Graph 1 – Percentage of affordable rentals in Regional Victoria¹³



⁸ Victorian Government Department of Families, Fairness and Housing (2024). Rental Report. [Weblink](#).

⁹ Victorian Government Department of Families, Fairness and Housing (2024). Rental Report. [Weblink](#).

¹⁰ Victorian Government Department of Families, Fairness and Housing (2024). Rental Report. [Weblink](#).

¹¹ Australian Bureau of Statistics (ABS) (2024). Wages. [Weblink](#).

¹² Parliament of Australia Senate Standing Committee on Community Affairs (2023). The worsening rental crisis in Australia. [Weblink](#); Better Renting (2024). The Cost of Renting Report. [Weblink](#).

¹³ Victorian Government Department of Families, Fairness and Housing (2024). Rental Report. [Weblink](#).

The need for a ‘fairness formula’

Victoria needs a legislated ‘fairness formula’, to regulate rent increases. Currently, there are rules about how often rent can be increased, and some guidance on deciding whether a rent increase is excessive, but the missing piece is a prescribed method to arrive at the dollar value of the rent increase that is fair to both the renter and rental provider. Presently, if a renter receives a rent increase notice they believe is excessive, the onus is on them to get a rent assessment from Consumer Affairs Victoria (CAV) and then apply to VCAT for an order that rent be capped at a lower amount.

Under the current system, the responsibility falls entirely on the renter to fight excessive or unfair rent increases. This is difficult given the existing power imbalance between renters and rental providers that is currently being exacerbated by the housing crisis and how competitive the private rental market has become. Tenants Victoria regularly speaks to renters who are afraid to enforce their rights, including in relation to challenging rent increases, due to the fear of losing their home and not being able to find another one.

Positive reforms in the recently passed Consumer and Planning Legislation Amendment (Housing Statement Reform) Bill 2024 will expand relevant considerations for CAV to determine whether a rent increase is excessive. However, specific guidance on the fair dollar amount of rent increases is still needed.¹⁴ The government should take the next step and account for what is reasonable and affordable for a renter to pay in order to keep their home – we need to implement a fairness formula that recognises a fair approach for both renters and rental providers. Research, alongside consultation with rental providers, property managers and renters could aid in the development of this fairness formula.

Recommendation 1: Legislate a ‘fairness formula’ to regulate rent increases to ensure more certainty for renters in the private rental market and fairness across the rental sector.

Other rental market conditions (the growing need for more renter support services and social services)

Rental affordability is increasingly a challenge for renters in regional Victoria, particularly those on low incomes and income support payments. As of September 2024, affordable rentals made up 34.1% of all rentals in regional Victoria. Worryingly, these are heavily clustered in properties only affordable for larger households. In the quarter to September 2024, just 78 one bedroom properties were let at a price affordable for a single person on Jobseeker, and 389 two bedroom properties were let at prices affordable for a single parent on a parenting payment.¹⁵ Additionally, Anglicare’s 2024 Rental Affordability Snapshot found that on a single day just 148 or 5.3% of properties advertised in regional Victoria were affordable for people on income support payments, and only one property was affordable for someone on the Disability Support Pension.¹⁶ DFFH also reported that between 2023 – 2024, the number of new rentals advertised in regional Victoria reduced by 5.1%, going from 9936 in 2023 to 9427 in 2024.¹⁷

¹⁴ Victorian Legislation (2025). Consumer and Planning Legislation Amendment (Housing Statement Reform) Bill 2024. [Weblink](#).

¹⁵ Victorian Government Department of Families, Fairness and Housing (2024). Rental Report. [Weblink](#). ‘Affordable’ here is defined by the Department as within 30% of gross incomes for low-income households.

¹⁶ Anglicare (2024). Victorian Rental Affordability Snapshot 2024. [Weblink](#).

¹⁷ Victorian Government Department of Families, Fairness and Housing (2024). Rental Report. [Weblink](#).

Together this data paints a picture of a tightening rental market in regional Victoria that is very difficult to access for people on lower incomes. As a result of these rental market conditions, many Victorian renters are now experiencing insecure housing, and some face heightened eviction risks and homelessness.¹⁸ These renters need early intervention and access to support services. However, the government has stated that the demand for these renter services is increasing, making it more difficult for renters to access the support they need.¹⁹

The Victorian Government must increase investment in renter support services, social services and early intervention efforts in regional areas to ensure that renters stay housed and adequately supported during the current rental crisis. Multidisciplinary, targeted support services for renters are an important part of the early intervention responses that are needed to prevent homelessness.²⁰ Many tenancy issues can be resolved quickly with assistance from an advocate, and it should be ensured that regional Victorian renters can access such legal assistance in the current housing climate. The work of renter support service providers is essential to ensure that renters know their rights and have access to justice and assistance.

Recommendation 2: Increase investment in renter support services and social services in regional Victoria to prevent homelessness and ensure regional renters have adequate access to support.

The need for more public and community housing in regional Victoria

As established, the private rental market in regional areas is becoming increasingly challenging to access for people on low incomes and income support payments. Many of these renters need public and community housing (social housing). Social housing is affordable, secure housing for low-income households, charging between 25%-30% of household income.²¹

As per the government's eligibility criteria, Priority Access social housing is for people who are homeless and receiving support, escaping or have escaped family violence, have a disability or significant health needs or need to move for health reasons.²² Public housing in particular is, in Tenants Victoria's experience, currently the most secure type of tenancy for low-income renters and larger families on low incomes, including Culturally and Linguistically Diverse families and family violence victim survivors and their children. Social housing stock also helps to put downward pressure on the private rental market, and is an essential inclusion for future regional housing stock.²³

There have been some recent government investments in growing regional social housing stock. The Regional Housing Fund, announced in 2023, committed to delivering 1,300 social and affordable homes in regional and rural Victoria by 2028.²⁴ Recent investments in social housing like this have been welcomed,

¹⁸ Anglicare (2024). Victorian Rental Affordability Snapshot 2024. [Weblink](#).; Pawson, H., Parsell, C., Clarke, A., Moore, J., Hartley, C., Aminpour, F. & Eagles, K. (2024). Australian Homelessness Monitor 2024. Sydney: UNSW City Futures Research Centre. [Weblink](#).; State Government of Victoria (2024). Renter Services Review – discussion paper and feedback survey. [Weblink](#).

¹⁹ State Government of Victoria (2024). Renter Services Review – discussion paper and feedback survey. [Weblink](#).

²⁰ Valentine, K., Liu, E., Veeroja, P., Harris, P., Blunden, H. & Horton, E. (2024). The role of housing providers in supporting clients with complex needs. AHURI Final Report No. 428, Australian Housing and Urban Research Institute Limited. [Weblink](#).

²¹ Housing Victoria (2024). Social housing. [Weblink](#).

²² Victoria State Government Department of Families, Fairness and Housing. (2024). Social housing eligibility. [Weblink](#).

²³ Australian Government National Housing Supply and Affordability Council (2024). State of the Housing System 2024. [Weblink](#).

²⁴ Homes Victoria (2024). Regional Housing Fund. [Weblink](#).; Victorian Government Department of Families, Fairness and Housing (2024). Department of Families, Fairness and Housing Annual Report 2023-24. [Weblink](#).

however they have not been of the necessary scale to overcome decades of underinvestment in social housing, and they are insufficient in the face of current demand for social housing in regional areas. Current government projections estimate that regional Victoria's population will rise from 1.5 million to 1.9 million by 2031 and 2.3 million by 2051, and more social housing stock must be built to accommodate both current demand and future demand in the face of this projected population growth.²⁵

As of September 2024, there were 53,554 applicants on the Victorian Housing Register (VHR), the social housing waitlist, demonstrating a massive unmet need for public and community housing in Victoria.

In 2022 UNSW's City Futures Research Centre found that social housing would need to grow by 5.5-6.5% per year to meet unmet social housing demand specifically in regional Victoria, and an additional 45,900 social homes would be needed in regional Victoria by 2041.²⁶ As the private rental market is increasingly not meeting the needs of people with complex needs and very low incomes, ongoing commitments to increase public and community housing stock are needed to accommodate the rapidly increasing numbers of renters facing housing insecurity and the prospect of homelessness.

Recommendation 3: The Victorian Government should increase social housing stock on an ongoing basis to match the national average proportion of total housing stock.²⁷

Recommendation 4: A significant and evidence-based proportion of new social housing stock should be built in regional Victoria.

Disaster preparedness for regional and rural renters – the need more temporary transportable housing

Regional and rural areas across Australia are increasingly vulnerable to climate change and associated extreme weather events including storms, floods and bushfires.²⁸ Disasters have unique housing effects in regional areas, particularly for renters who experience dislocation after a disaster. While there is currently limited Australian research on this topic, US studies indicate that renters are more vulnerable to disasters than homeowners due to lower quality in rental stock and the increased likelihood that renters are on lower incomes and have low or no insurance cover.²⁹

Disaster-related impacts for renters can include the following:

- Damage or destruction of renters' homes and belongings, often resulting in immediate termination of their tenancies if their property is uninhabitable, or loss of enjoyment of their homes as they wait for repairs.³⁰
- Renters whose homes are left uninhabitable often need to leave town immediately to find alternative accommodation.

²⁵ Homes Victoria (2024). Regional Housing Fund. [Weblink](#); Victorian Government Department of Premier and Cabinet (2023). Victoria's Housing Statement: the decade ahead 2024-2034. Accessed 4 March 2025. [Weblink](#).

²⁶ Van den Nouwelant, R., Troy, L. & Soundararaj, B. (2022). Quantifying Australia's unmet housing need: Regional snapshots. UNSW City Futures Research Centre (2022). [Weblink](#).

²⁷ The Housing Peaks Alliance has commissioned new modelling on Victorian social housing targets, and this will be provided at a later date.

²⁸ Prinsley, R. & Hay, N. (2024). Rising risks of climate disasters mean some communities will need to move – we need a national conversation about relocation now. Australian National University (ANU) College of Science and Medicine. [Weblink](#).

²⁹ McCarthy, S. & Friedman, S. (2023). Disaster preparedness and housing tenure: How do subsidised renters fare? *Housing Policy Debate*, vol. 33, no. 5: 1100-1123; Lee, J.Y. & Van Zandt, S. (2019). Housing tenure and social vulnerability to disasters: A review of the evidence. *Journal of Planning Literature*, vol. 34, no. 2: 156-170.

³⁰ Tenants Victoria (2024). Submission to the Inquiry into Climate Resilience. [Weblink](#).

- More intense and frequent weather events remove properties from the rental market or leave them uninhabitable for long periods – in regional areas this creates hyper-local renting crises that flow on to nearby communities and further tighten the broader rental market.³¹
- Natural disasters can result in a surge of people needing rental properties temporarily, placing further pressure on already challenging rental market vacancy rates and affordability in regional areas – and this is further exacerbated by the current housing crisis.³²
- Former owner-occupiers who lose their homes may find themselves temporary or permanent renters, adding to the competition to find an affordable home.³³
- Dislocation of renters can lead to more people needing to go onto the Victorian Housing Register, placing further pressure on social housing supply and wait-times in the affected region.³⁴

The National Housing Supply and Affordability Council reported last year that as disasters increase, provision of temporary housing for renters is becoming more of a necessity, as displaced renters usually cannot live in a caravan or other temporary dwellings on their original property after a disaster.³⁵ As such, a focus on disaster preparedness and response for renters is therefore necessary in planning regional housing supply.³⁶

Increasing the stock of temporary transportable housing that can be rapidly deployed to accommodate renters while their homes are repaired or rebuilt will help to keep them connected to their communities and stay long-term.³⁷ A focus on this temporary stock, along with more affordable rental housing in regional centres and social housing needs to be a focus for future increases in regional housing stock.

Recommendation 5: Increase stock of temporary transportable housing that can be rapidly deployed to accommodate renters while their homes are repaired or rebuilt in the event of a disaster.

Recommendation 6: Ensure that temporary transportable housing is of an adequate standard, and that consumer rights policies apply and exit plans are in place, providing renters with some certainty and ability to forward plan.

Establish a fit-for-purpose alternative disaster renting law framework

Current rental laws were not developed to address climate challenges and do not reflect what is happening on the ground for renters following disasters. For example:

- Urgent repairs must be completed as soon as possible but often take months, or even years.
- There is uncertainty around when a property is unfit for habitation or merely requires repairs.

³¹ Tenants Victoria (2024). Submission to Plan for Victoria. [Weblink](#).

³² Kroen, A., Barnes, E., Hartley, C., Dodson, J., Butt, A. and Pawson, H. (2025). Integrating housing policy, settlement planning and disaster management. AHURI Final Report No. 435, Australian Housing and Urban Research Institute Limited, Melbourne. [Weblink](#).

³³ Tenants Victoria (2024). Submission to the Inquiry into Climate Resilience. [Weblink](#).

³⁴ Ray, Trudi (2023). Housing Re-set Required for Regional and Rural Victoria. Published in Parity Magazine. [Weblink](#).

³⁵ Australian Government National Housing Supply and Affordability Council (2024). State of the Housing System. [Weblink](#).

³⁶ Kroen, A., Barnes, E., Hartley, C., Dodson, J., Butt, A. and Pawson, H. (2025). Integrating housing policy, settlement planning and disaster management. AHURI Final Report No. 435, Australian Housing and Urban Research Institute Limited, Melbourne. [Weblink](#).

³⁷ Tenants Victoria (2024). Submission to Plan for Victoria. [Weblink](#).

- Renters who wish to preserve their chance of returning to their homes must continue to pay rent, despite often not being able to live at the property (and often being required to pay for alternative accommodation elsewhere).
- Renters and rental providers are often required to terminate the tenancy in order to limit legal liability. Termination however not only finishes the tenancy but often also impacts the renter's ability to continue living in their town and remain connected to their community and support networks. Losing renters after a disaster also contributes to population decline in regional and remote towns, undermining community resilience.

We recommend that government consider introducing an alternative disaster renting law framework to apply to rental properties significantly impacted by a disaster, including:

1. More responsive, fit-for-purpose renting laws for disaster declared areas and impacted rental properties including clearer and fairer laws regarding terminations, evictions, repairs, and rental payments.
2. Independent processes for property inspections and expert assessments to rapidly determine safety, habitability, repairs required and fair rent adjustments.
3. Disaster-specific dispute resolution resources and processes including CAV Director Guidelines, priority pathways at VCAT and Rental Dispute Resolution Victoria (RDRV), and trauma-informed training for inspectors, mediators and tribunal members.

The framework could be designed to align with government climate change risk mitigation and adaptation policies, helping disaster-impacted renters to remain or quickly return to their communities, and strengthening community resilience in regional, rural and remote Victoria.

We would be pleased to provide further input to assist government to design such a framework.

Recommendation 7: Establish a disaster renting law framework that supports disaster-affected renters to remain living in their homes or return faster after a disaster, to facilitate better long-term outcomes for renters, rental providers and regional and rural communities in the event of a disaster.

Yours sincerely,



Cameron Bloye,
Acting Chief Executive Officer