

17 December 2019

Hon Mick de Brenni MP
Minister of Housing and Public Works

Email: hpwdts@ministerial.qld.gov.au

Dear Minister

Subject: Rental Reform

Thank you for the opportunity to provide feedback on the rental reform roadmap and regulatory impact statement.

Master Builders welcomes the work on rental reform. The supply of affordable housing is dependent on strong and diverse rental sector.

Since the announcement of the possible reform options, however, builders have begun to voice their concerns. Members have already reported a decrease in enquiry from investors looking to build in Queensland. We are concerned therefore that, as currently proposed, the reforms will cause investors to leave the market.

In Queensland, private investors are responsible for supplying the bulk of rental accommodation. Over the past 12 months \$6.5 billion was loaned to Queensland households for investment dwellings.

At the same time, demand for residential construction is weak. Building approvals are down 28% on the previous 12 months. Lending to households for investment dwellings, while significant, is the lowest it has been since records commenced back in 2002. Now is not the time to put in place additional barriers to residential investment.

We ask that as you move through the process of finalising the reform program that you quantify the likely impact on investment in new housing and include this as a key criteria in your final decision making.

Regards

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