

**Submission  
No 63**

## **INQUIRY INTO THE SUPPLY OF HOMES IN REGIONAL VICTORIA**

**Name:** Heather Holst  
**Date Received:** 31 March 2025

Dear Committee members,

I would like to offer a few statistics on renting and some observations from particular projects undertaken by my Office that I hope will be useful to the work of the Committee.

I was appointed by the Victorian Government in 2018 to provide independent advice about the needs of renters. This includes residents of rooming houses, social housing, caravan parks, residential parks and specialist disability accommodation as well as private renters. My role is essentially to champion the rights of Victorian renters, identify key issues and recommend changes to policies, laws and services.

Regional Victoria has long had a smaller share of rental housing than metropolitan areas. At the 2021 ABS Census, 21% of regional Victorian households rented as compared to 28% of metropolitan households. Nevertheless, some regional cities do have as high a proportion or close to it as metro Melbourne.

<b>LGA</b>	<b>Rental households as % of all households</b>
<b>Ballarat</b>	28%
<b>Wodonga</b>	28%
<b>Mildura</b>	27%
<b>Greater Geelong</b>	25%
<b>Swan Hill</b>	25%

Source: Renting in Victoria. Snapshot 2024 (forthcoming)

After many years of the average rental being 'acceptable' in affordability terms i.e., the amount of income spent on rent was 20-25%, the pandemic years saw affordability worsen in regional areas but improve in Greater Melbourne. Over the last 2 years, affordability has consistently declined across both metropolitan and regional areas.

Renters have been affected both when moving to a new tenancy that is likely to be more expensive than when last let, and by rent increases in their existing homes. As of March 2024, the number of newly advertised rental properties was 20% lower in regional Victoria than the 10-year averages for those areas and 24% lower in metropolitan Melbourne.

The situation for Aboriginal Victorians is more constrained again. 51% of households that include an Aboriginal person rent their home. I have been working with the Aboriginal Housing and Homelessness Forum that oversees the implementation of *Mana-na Woorn-Tyeen Maar-Takoort* on the private rental aspects of improving the rental experience. I would like to draw the

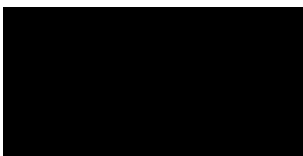
Committee's attention to the 14 recommendations that have the support of the Aboriginal communities of Victoria and that we are working together to implement: [The Aboriginal Private Rental Access Project | Commissioner for Residential Tenancies](#).

People living in rooming houses is another key area of rental vulnerability. While rooming houses tend to be associated with Melbourne, there are many rooming houses in regional cities and towns as well. Greater Geelong has almost as many registered rooming houses as Greater Dandenong – 127 and 132 respectively. La Trobe City has 32, quite comparable to the City of Maribyrnong with 43. While well-run rooming houses are an important option for lower income single people, some residents find themselves stuck in rooming houses, just able to afford the rent but not able to obtain the support services or to make the move to a more suitable type of housing for their needs. Compliance to the standards for rooming houses is the joint responsibility of local councils and Consumer Affairs Victoria, and it is important that all local councils are aware of this and able to fulfill their role.

The final area that I would like to draw to the Committee's attention is residential parks. These are generally marketed to older people as a safe, affordable retirement living option where a person can downsize by buying the unit and leasing the land and common facilities. They are a quick growing part of the housing picture, but we do not have accurate figures at the moment for the size of this sector. The parks are regulated under Part 4A of the *Residential Tenancies Act* and are mostly located on the edges of Melbourne and in regional towns and cities as the land lease village model requires some space. Many residents have reported problems with escalating fees and other unfair terms. I am currently investigating this sector in partnership with Consumer Policy Research Centre in order to brief the Minister for Consumer Affairs in the coming months about reform options.

I hope that these few points are of assistance to the Committee, and I would be very pleased to provide further information as required.

Yours sincerely,



Dr Heather Holst

Commissioner for Residential Tenancies