



STANDING COMMITTEE ON JUSTICE AND COMMUNITY SAFETY

JEREMY HANSON CSC MLA (CHAIR), MARISA PATERSON MLA (DEPUTY CHAIR), JO CLAY MLA

**Inquiry into referred 2019–20 Annual and Financial Reports and Budget Estimates 2020-21**  
**ANSWER TO QUESTION ON NOTICE**

Asked by Ms Jo Clay MLA: To ask the Attorney-General:

In relation to: **COVID-19 Rent Relief**

JCSAR p18

How long will the COVID rent relief measures last like moratorium on evictions, reduction of advance rent, rent reductions and rent freezes?

What have been the implications of the lessening of COVID rent relief measures on impacted households?

Mr Shane Rattenbury MLA: The answer to the Member's question is as follows:—

**How long will the COVID rent relief measures last like moratorium on evictions, reduction of advance rent, rent reductions and rent freezes?**

The various measures put in place to support residential tenants and landlords impacted by COVID-19 have had different durations, as detailed below.

*Moratorium on evictions*

The ACT Government implemented a 6-month moratorium on evictions for non-payment of rent for COVID-19 impacted households between 22 April and 22 October 2020. The eviction moratorium has now ended. However, the ACT Government put in place transitional measures, as detailed below, to provide a smooth transition out of the moratorium.

*Rent Freezes*

During the period of the eviction moratorium (22 April to 22 October 2020) other support measures were put in place including a prohibition on increasing the rent of impacted households. This 'rent freeze' measure has now ended. However, the (pre-existing) restrictions on rental increases in the *Residential Tenancies Act 1997* (RTA) remain in place.

*Reduction of rent in advance*

The reduction of the maximum amount of rent that can be charged in advance from four (4) weeks' to two (2) weeks' rent is a permanent change to the RTA which was introduced by the *Residential Tenancies Amendment Act 2020* (the Amendment Act). The Amendment Act passed the Assembly on 13 February 2020 and had a default commencement date of 25 August 2020. However, as part of the ACT Government's response to COVID-19, the Attorney-General commenced the provision on 6 April 2020 (earlier than the default date). The provision applied to all periodic tenancies (including



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periodic tenancies commenced before 6 April 2020) from 6 April 2020 as well as any new fixed term tenancies commenced after that date.

The provision did not apply to fixed term tenancies commenced before 6 April 2020. However, under the *Residential Tenancies (COVID-19) Emergency Response Declaration 2020 (No 3)* (the Third Declaration) the ACT Government introduced a provision which reduced the rent that could be charged in advance to two (2) weeks on existing fixed term tenancies (commenced before 6 April 2020). This temporary measure will remain in place until 30 April 2021.

Rent Relief Measures

As part of the ACT Government's initial COVID-19 residential tenancies response measures, the ACT Government introduced a temporary rent reduction clause that allowed landlords of tenants who were suffering financial hardship as a result of COVID-19 to provide their tenant with a temporary rent reduction where this was agreed with their tenant. This provision commenced on 22 April 2020 and will remain in place until 30 April 2021. Rent reductions under this provision are voluntary.

To incentivise landlords to offer rent reductions of this nature, since 1 April 2020 the Government has offered rates and land tax rebates for landlords who reduce their tenants rent by at least 25%. The Government has matched up to 50% of the rent reduction by offering rebates to a maximum of \$1300 per tax quarter (roughly \$100 per week). This is in place until 30 June 2021. The rebate scheme was developed and is administered by Treasury.

Post Moratorium Transition Measures

As noted above, after the end of the eviction moratorium, the ACT Government put in place measures to help tenants and landlords smoothly transition out of the moratorium. They include:

- a transition period which limits evictions on the basis of rent arrears accrued during the moratorium for COVID-19 impacted households in certain circumstances;
- a requirement for the ACT Civil and Administrative Tribunal (ACAT) to consider making a payment order instead of an eviction order for COVID-19 impacted household;<sup>1</sup>
- the continued ability to negotiate a temporary rent reduction;
- the continued ability for a tenant in a COVID-19 impacted household to terminate their fixed-term tenancy agreement early and without penalty;
- continued restrictions on a negative listing being made about a person from a COVID-19 impacted household on tenancy databases;
- the ability for a tenant from a COVID-19 impacted household who had previous ACAT orders suspended during the moratorium to apply to ACAT to vary or set aside those orders.

These measures commenced on 23 October 2020 and will operate until 30 April 2021.

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<sup>1</sup> A payment order allows a tenancy to continue and is an order that the tenant pay their rent plus a specified amount towards the arrears. In other words, it gives the tenant another chance to save their tenancy.



**LEGISLATIVE ASSEMBLY**  
FOR THE AUSTRALIAN CAPITAL TERRITORY

**JACS No. 36**

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Further information about COVID-19 residential tenancy response measures is available on the Justice and Community Safety website: <https://justice.act.gov.au/renting-and-occupancy-laws/residential-tenancies-and-covid-19/information-tenants-and-occupants>

**What have been the implications of the lessening of COVID rent relief measures on impacted households?**

As noted above, a range of 'rent relief' support measures will remain in place until 30 April 2021, including measures which limit evictions and support negotiated rent reductions.

As also noted above, the land tax rebate scheme for landlords who reduce their tenant's rent by 25% or more in response to COVID-19 will be in place until 30 June 2021.

Approved for circulation to the Standing Committee on Justice and Community Safety

Signature:

Date:

15/3/21

By the Attorney-General, Mr Shane Rattenbury MLA