



Kevin Anderson
Minister for Better Regulation and Innovation

MEDIA RELEASE

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FUNDING BOOST AND NEW EMERGENCY MEASURES TO PROTECT TENANCIES

Residential tenants and landlords facing financial hardship due to COVID-19 will receive increased support and greater certainty from the NSW Government's new temporary rental support measures announced today.

The six-month support package includes a moratorium on applications for forced evictions due to rental arrears for those financially disadvantaged by COVID-19, and new requirements for landlords and tenants to enter into negotiations over rental payments in good faith.

Minister for Better Regulation and Innovation Kevin Anderson said an interim 60-day moratorium on finalising existing matters, or making new applications to the NSW Civil and Administrative Tribunal (NCAT) for forced evictions over rent arrears related to COVID-19, sends a clear message that the process is not optional.

"We know many people are worried about meeting their financial commitments at the moment. That is why we need more stability for tenants and landlords while the new Commonwealth income support payments are rolled-out, and landlords talk to their bank about mortgage relief," Mr Anderson said.

Where a household is struggling to make rental payments and has suffered a loss of income equal to or greater than 25 per cent due to COVID-19, there is a new obligation to enter into negotiations with their landlord or managing agent, prior to seeking a forced end to the tenancy.

Tenants will be protected from eviction until NCAT is satisfied that negotiations have concluded. Any unpaid rent will accrue as arrears during this period.

Treasurer Dominic Perrottet said the Government was allocating around \$440 million towards rent relief in the form of land tax waivers or rebates – with the expectation that this would be split approximately evenly between business and residential landlords.

Mr Perrottet said residential landlords would be eligible for a land tax waiver or rebate of up to 25 per cent if they passed the saving on to tenants in financial distress.

"This is effectively a \$220 million commitment in the residential sector from the NSW Government to help encourage both landlords and tenants to reach agreement on rent reductions during this difficult time," Mr Perrottet said.

“It’s also important that tenants suffering financial distress as a result of COVID-19 will not be blacklisted for the accrual of rental arrears during this time.”

Mr Anderson said it was important that both landlords and tenants continued to honour existing agreements to the extent possible.

“No reasonable person wants to end a tenancy right now, which is why we are supporting renters and landlords to negotiate new temporary terms, so tenants keep a roof over their head, and landlords aren’t left without rental income for the next six-months.

“For some people this may be a daunting experience, so to boost available support we’ve announced a one-off \$2.5 million boost to tenancy advocacy and advice services across the state.”

Tenants and landlords will also have access to assistance from Fair Trading and access to the NCAT to resolve matters after the end of the 60-day period:

- NSW Fair Trading’s dispute resolution service will be available to assist if the parties are unable to re-negotiate and agree on new rental arrangements, backed by Fair Trading’s existing legal powers;
- NCAT will be available to make appropriate orders in light of the current circumstances where the parties are unwilling or unable to reach an agreement and action is taken to seek an eviction;
- Action is also being taken to ensure that evictions for reasons not related to rent arrears are also stayed to minimise avoidable housing disruption and movement. The usual periods of required notice under the Residential Tenancies Act will be increased from the minimum of 30 days up to 90 days for terminations due to fixed or periodic leases ending, or other agreement breaches.
- Landlords will however continue to be able to seek to recover premises due to their own genuine hardship. Tenants will also continue to be able to apply to the Tribunal to terminate a fixed-term tenancy on the basis of hardship.
- Tenants will be protected from being added to tenancy databases (or ‘blacklists’) for breaches of agreements resulting from COVID-19 impacts.

“I encourage landlords and tenants to approach this new process with an open mind and an empathetic ear. It is important to learn about each other’s current position in order to better support each other during these extraordinary times,” Mr Anderson said.

Tenants, landlords and agents can find up to date information and resources at nsw.gov.au.

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