

Mr Tom Duncan
Clerk
ACT Legislative Assembly
London Circuit
CANBERRA ACT 2601

Dear Mr Duncan

Thank you for your letter about petition E-PET-040-25 'Keep the Rent Relief Fund', petitioned by Mr Geoffrey Buchanan, and supported by Mr Shane Rattenbury MLA.

Rent Relief Fund

The Rent Relief Fund (the Fund) first operated briefly from late 2021 to early 2022 as a COVID-19 response measure. The Fund was then re-established in April 2023 in response to post-pandemic cost of living pressures. It operated to July 2023 when it closed due to higher than anticipated demand causing the allocated Funding to be fully expended. The Fund was then re-opened again in September 2023 and operated until 4 July 2025.

The 2023-2025 version of the Fund provided private renters experiencing rental stress or financial hardship with a one-off payment of four weeks' rent, up to a maximum of \$2,500. These funds were paid directly to the landlord or property manager to provide immediate assistance in meeting rental payments. 'Rental stress' is defined as spending more than 30% of gross household income on rent, excluding Commonwealth Rental Assistance (**CRA**).¹

Care Inc. (**Care**) was the Fund administrator. Care also provided other supports to applicants (such as financial counselling or referrals to other services) irrespective of whether they were eligible for a grant. The Government acknowledges and thanks Care for the excellent work they undertook in administering the Fund.

Since April 2023, the ACT Government has provided over \$3.7 million in grants and administration funding for the Fund.

¹ Productivity Commission, [G Housing and homelessness - Report on Government Services 2025](#), 30 January 2025, p 20.

Cessation of Fund

The previous iterations of the Fund were established as temporary measures to support Canberrans during the period following COVID-19 lockdowns and then with post-pandemic cost of living pressures. They were not intended to be recurring measures, as it was anticipated that post-pandemic cost-of-living pressures would have stabilised by the end of last financial year.

Further, in December 2023, there was a large amount of allocated funds that were unspent. The Fund was allocated funding in the 2024-2025 financial year to extend its operation for a further financial year however, the funding for the 2024-25 was offset by the rollover of unspent grants funds from the 2023-24 financial year. The unspent funds for the 2023-2024 financial year suggested a decrease in demand for the Fund.

In addition to this, the ACT Government has announced a range of housing initiatives as part of the 2025-2026 Budget designed to alleviate more systemic housing pressures. These are outlined further below.

Cost-of-living measures in 2025-2026 budget

In the 2025-26 budget, the Government committed to spending approximately \$152 million on cost-of-living support for ACT households. These include:

- permanently increasing the Electricity, Gas and Water Rebate to \$800 to eligible recipients (around 40,000 households) in 2025-26;
- providing a one-off payment of \$250 to all ACT apprentices and trainees working in the ACT and an additional \$250 to first-year apprentice and trainees;
- a \$150 registration fee reduction for light trailers weighing 4.5 tonnes or less;
- increasing stamp duty concessions for first home buyers, pensioners, and people with disability;
- establishing a Food Bank Fund to support Canberrans facing financial stress and food insecurity; and
- packages of essential items worth \$200 to first-time mothers in vulnerable households and other families identified as needing support.

The ACT Government also provides a number of measures to assist renters in the ACT, including:

- help finding an affordable rental;
- interest-free loans to pay bonds;
- free home energy checks;
- help reducing running costs; and
- minimum standards for ceiling insulation in rental properties.

In addition to the above, the ACT Government has allocated \$262,142 to the Mobile Debt Clinic in the 2025/2026 Budget. This service, administered by Care, provides a mobile consumer credit legal advice service for people impacted by domestic and family violence, financial abuse, mental ill health, or any other disadvantage. This is another way that the Government is committed to supporting vulnerable members of our community.

Housing initiatives in the 25-26 Budget

The 2025-26 Budget includes more than \$145 million in funding over four years for housing initiatives:

- An additional \$20 million for the Affordable Housing Project Fund, bringing the total funding to \$100 million
- \$90 million for social housing
- \$12 million in planning and land release initiatives
- \$17 million to support renters and homeowners
- \$19 million for frontline homelessness services and emergency supports

These initiatives indicate that the ACT Government is committed to alleviating short term cost-of-living pressures in the community, whilst also taking steps to address housing affordability in the longer term.

The petition

The petition calls for the Fund to be reinstated through the provision of funding in the 2025-2026 ACT Budget. It also calls on the Government to commit to the Fund continuing for as long as there is evidence that it is needed to support the most vulnerable people in the community. The petition seeks to draw the attention of the ACT Legislative Assembly to the ongoing need for a carefully targeted, means tested, and highly effective source of cost-of-living relief and housing support.

Government consideration of evidence relating to the effectiveness of Rent Relief Funds

Reports on the ACT Rent Relief Fund

As part of its responsibilities as Fund administrator, Care reported to the ACT Government on the operation of the Fund. The most recent report from Care, dated 30 August 2025 demonstrates that from 17 April 2023 until 31 August 2025:

- 2208 applications were received;
- 1671 applications were approved;
- 270 applications were declined;
- 116 grants were withdrawn; and
- 31 applications were for a second grant within 12 months.²

The report also indicated that out of the 1671 approved applications, 1374 recipients were for those in a private rentals, 63 in student accommodation, 34 boarding, 165 in share houses, and 35 in community housing.

The report also provided data on how much of a person's income went to their rental payments. It indicated that 31% of grant recipients spend between 31% and 45% of their income on their rent and 25% of grant recipients spend 76% or more of their income on rent. This indicates that grant funding was well targeted and went to individuals and families experiencing a high degree of rental stress.

Other important data provided by Care indicates:

- 57% of recipients also received Commonwealth Rent Assistance (CRA);
- 58% of recipients held a concession card;
- 19% of recipients were on a public housing wait list; and
- 46% of recipients had received a notice of eviction or notice to remedy, were in rent arrears or were in ACAT proceedings.

² Data on applications for a second grant within 12 months was obtained from 1 July 2024.

Impact on grant recipients

Care surveyed grant recipients six months after receipt of their grant. Responses were received from 9.6% of grant recipients, which is a relatively small sample size. However, the survey results indicated that 72% of respondents were still in the same property they had received the grant for, and 48% said receiving the grant had a significant impact on them. These responses indicate that there the Fund created positive medium term impacts for Fund recipients.

In general feedback given to Care, 84% of recipients said that receiving the grant had improved their financial position 'a lot', with 12% saying it improved their financial position 'quite a bit.'

While Care has informed the Government that, in some circumstances, the Fund prevented homelessness by maintaining tenancies, not all tenancies were maintained. Due to the nature of people's circumstances changing, it can be difficult to confirm with quantitative data if the Fund was the crucial factor in maintaining a tenancy for each recipient. It is acknowledged that tenancies can end for a range of reasons not related to a tenant's ability to pay rent, such as needing to move due to change in family circumstances, or a landlord choosing to sell or move into the property.

Qualitative data captured by Care demonstrates that the receipt of a grant substantially decreased stress experienced by recipients. Many recipients reported the positive impacts of less stress and anxiety, being able to focus on other acute issues impacting their lives, and being able to access additional supports (such as financial counselling or referrals).

Other feedback from Care was that the Fund created additional benefits beyond financial relief. Care indicated that one of the strengths of the Fund was that it encouraged individuals in crisis to seek assistance from Care. Care was then able to provide onward referrals, connecting grant recipients with other organisations and support programs – such as financial counselling, legal supports or other emergency relief programs. This more wholistic "wrap-around" service response enabled individuals to address other matters that may have contributed to their financial strain. Care considers that such interventions may encourage future service seeking behaviour. Where individuals are encouraged to seek assistance early, this can prevent future problems from escalating.

This data indicates that the previous versions of the Fund were targeted and a useful measure to temporarily assist people facing rental stress.

Impact on Public Housing

The petition asserts there is a shortfall of approximately 5400 social and affordable dwellings in Canberra, including public housing wait times exceeding five years.

From September 2023, Care provided data on grant recipients who were also on the public housing waiting list. The report shows that 19.3% of recipients (from 4 September 2023 to 4 July 2025) reported that they were on the public housing waitlist. This suggests that the Fund supported those on the public housing waitlist to maintain their private tenancies while awaiting allocation of housing assistance.

Local and National data on rental stress

Canberrans have increasingly experienced financial hardship in recent years.³ The Fund has been a key Government initiative to address cost-of-living and housing affordability pressures. Rental affordability for those on low incomes has reportedly been impacting people's ability to afford other essential items like utilities, food, education and transport costs.⁴ The combination of poor rental affordability and other cost of living pressures, creates a very challenging environment for low-income households. It can leave them particularly vulnerable to short-term financial shocks. For example, short-term unemployment, illness, or a relationship breakdown can quickly cause financial stress, and, if not addressed, may result in long-term or entrenched financial hardship or poverty, including falling into rental arrears or being evicted.⁵ Recent research has shown as many as 4 in 10 Australians could not raise \$2000 in an emergency, emphasising the magnitude of this problem.⁶

While general rental affordability in the ACT is relatively better than other jurisdictions due to higher household incomes,⁷ rental affordability for those on low incomes remains poor.

In 2025, the Tenancy Skills Institute surveyed every state and territory in Australia as well as New Zealand on tenancies that were at risk of failing. On average, 4.84% of tenancies surveyed were at risk, which means those people are significantly close to becoming homeless.⁸ The primary risk factor identified by the report was being in rent arrears. Specifically for the ACT residents surveyed, it was identified by 69% of respondents that rental arrears would be the primary reason for a tenancy being at risk of failing in the ACT. Despite these risk factors, The Tenancy Skills Institute Report specifically noted that property managers in the ACT had had high awareness of the Rent Relief Fund, and that good outcomes had been achieved via the program until it ceased in July 2025.⁹

The *Rental Affordability Snapshot: Essential Workers Edition Report* published in October 2025 examined over 51,000 rental property listings and tested the affordability of these against wages of essential occupations to determine whether these workers could afford to rent these properties. According to the report, a hospitality worker could not afford a single ACT rental property.¹⁰

Further, a 2025 report from Poverty and Inequity found that 68% of ACT residents surveyed had a rent increase in the previous year, with only 47% saying they could comfortably afford a 5% increase in their rent.¹¹

The *Everybody's Home 2025 Priced Out Report* states that Australians need an annual income of \$130,000 to afford the average rental, which demonstrates that rental stress has extended beyond low-income earners. The report notes that people earning \$70,000 per annum would have to spend more

³ Select Committee on Cost of Living Pressures in the ACT, Legislative Assembly for the Australian Capital Territory, *Inquiry into cost of living pressures in the ACT*, May 2023, p. 3.

⁴ Community Affairs Committee, The Senate, *The worsening rental crisis in Australia – Final Report*, December 2023, p. 64.

⁵ Community Affairs References Committee, The Senate, *The extent and nature of poverty in Australia*, May 2023, p. 19

⁶ Australian Bureau of Statistics, *Housing and Occupancy Costs*, 25 February 2022; National Australia Bank, *NAB Consumer Insights*, March 2023.

⁷ Real Estate Institute of Australia, *Housing Affordability Report*, June 2025

⁸ *Tenancy Skills Institute*, 'The Next Wave of Homelessness – Research Paper', August 2025, p 3.

⁹ *Tenancy Skills Institute*, 'The Next Wave of Homelessness – Research Paper', August 2025, p 21.

¹⁰ Anglicare Australia, *Rental Affordability Snapshot: Essential Workers Report 2025*, 16 October 2025, p 9.

¹¹ ACOSS and UNSW Sydney, Poverty and Inequality Partnership report, 'Rights at Risk: Rising Rents and Repercussions' 2025, p 41.

than half their income on the national median rent for a unit.¹² Specifically for ACT residents, the data highlighted a severe affordability crisis. Those earning \$40,000 were found to be spending around 83% of their income on rent.¹³ Even those earning \$130,000 a year are paying around 31% of their income on rent. This means that even those people earning six figures would likely end up in rental stress.

Programs in other jurisdictions

The Government notes that other jurisdictions offer some form of rental assistance for people struggling to pay their rent. However, each jurisdiction differs in its approach to rental support.

Under New South Wales' Rent Choice program, eligible households pay 25% of their weekly household income, and the NSW Government pays the outstanding rent, up to 36 months.¹⁴ The program slowly reduces the subsidy after 12 months, and the recipient may exit the program earlier. In 2023, an evaluation of Rent Choice program found that it is a diversionary program leading people away from public housing.¹⁵ However, it is only intended to be short-term assistance, with the program intended to teach recipients how to become financially independent of the program. The evaluation also found that less than 20% of people exiting Rent Choice subsidies return for further housing support.

Western Australia also has a rental assistance program which was recently evaluated. The program was found to have successfully improved housing stability and financial wellbeing outcomes of recipients six months after receiving assistance.¹⁶ The evaluation report found 89% of surveyed clients who received the brokerage payment (of up to \$5000 or in some cases 50% of future rent costs for maximum three months) reported that they maintained their tenancy three months after receiving a support payment, and 85% maintained their tenancy after six months. The report also found that 90% of recipients reported that the negative impacts of their immediate crisis had been reduced following receiving financial counselling.

The two evaluations mentioned above demonstrate positive outcomes for renters would receive assistance under those programs. However, it is acknowledged that both the New South Wales Rent Choice program and the Western Australian Rent Relief Fund operate substantially differently to how the Fund operated in the ACT.

Similar to the ACT, in Tasmania, eligible applicants can receive a one-off financial assistance payment, capped at 4 weeks rent, and available once every 12 months. However, there is no available evaluation or review on this program.

Noting the positive outcomes for renters in other jurisdictions, the Government considers that there is merit in rental assistance programs which provide support to people on low incomes within our community.

¹² Everybody's Home, *Priced Out: An index of affordable rental for Australian voter*, 18 March 2025

¹³ Everybody's Home, *Priced Out: An index of affordable rental for Australian voter*, 18 March 2025, p 19.

¹⁴ This is subject to exceptions, e.g. different income requirements may apply if a household is at serious threat of family violence: NSW Government, Department of Communities and Justice, *Rent Choice Policy*, 12 September 2023.

¹⁵ ARTD and Taylor Fry, *Social Housing Service Improvement Initiatives Evaluation Final Report - Additional Rent Choice Analysis*, 21 July 2023,

¹⁶ Centre for Social Impact and University of Western Australia, 'Evaluation of the WA Rent Relief Program', March 2025

The Future of the Rent Relief Fund

The Government acknowledges the community has advocated for the continued need for the Fund, due to the ongoing cost-of-living pressures experienced in the community.

Following feedback from service providers and from the community about the impact of the cessation of the Fund, as well as considering the data on housing affordability and cost-of-living pressures, on 1 July 2026 the Government will reinstate a reinvigorated version of the Fund to assist people who are struggling to pay their rent.

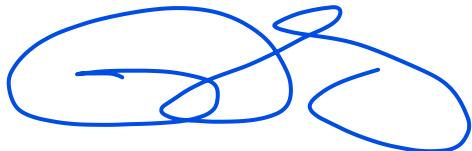
The details of this program are being carefully considered by Government to ensure a comprehensive approach to a complex issue that achieves the best outcomes for the community. On this basis, the ACT Government is pleased to provide ***in-principle support*** to establishing a reinvigorated version of the Fund.

We acknowledge the petition and thank the signatories for their interest in this matter.

Sincerely



Tara Cheyne MLA
Attorney General



Yvette Berry MLA
Minister for Homes and Public Housing