



MEDIA RELEASE

February, 2025

Other states need to learn from Victoria's mistakes to avoid another rental crisis.

In February 2021 the Australian Landlords Association (the ALA) warned that Australia faced a rental crisis, and provided a [white paper](#) to explain why, few listened. Then Australia was plunged into a rental crisis which caught many by surprise. In March 2024, the ALA released another [white paper](#) highlighting that the biggest risk in property investment was now government policy and warned states not to follow Victoria's continued hostility toward landlords.

Victoria is now seeing what the ALA predicted, with over 20,000 landlords having exited the market in the last 12 months. According to Suburban Advice, this exit combined with a continued increase in immigration will see rental increases as high as \$200 per week in Melbourne in 2026.

According to ALA National President Andrew Kent "People need to stop blaming individual landlords for the rental crisis. Hostile government policies have driven up the costs of providing rental properties, leaving landlords with the choice of either selling their property or increasing the rent. Either way it has a negative impact on renters with fewer houses and higher rents. People need to look beyond the politics of housing and understand the practical implications of these policies".

Kent went on to say, "There is also danger in Federal Politics, with nearly half of all rental properties being provided at a loss, i.e. the cost of providing the property is less than the income from the rent, the removal of negative gearing would see even more landlords leave the market. Particularly at a time when cost of living is hurting everyone, many landlords are struggling to wear the negative gearing on their property."

"There are approximately two million landlords in Australia, with the majority having an income of less than \$80,000 a year. By profession the largest cohort of landlords are teachers, followed by nurses, miners, trades people, retirees and small business owners. The only way that negative gearing makes sense is if the value of the property increases over time. Which is another source of bad news for Victorian landlords where property prices have been flat or falling."

“Victoria has made a mess of the rental market, even if the current Victorian government won’t acknowledge its mistakes, other governments and policy makers throughout Australia have the opportunity to learn from them and avoid making things worse for landlords and renters.”

“It is unfortunate that housing and rental policy has become a political battleground as it deprives property of the stable and predictable government policy needed for long term investment. Rather than demonizing landlords, politicians should look to align the volume of public housing with immigration policy to address the growing gap in this area. This has resulted in the volume of public housing halving as a percentage of population in the last 20 years.” Said Kent.

For further information or media enquiries please contact:

Australian Landlords Association

Ph: +61 3 9108 4266

E: admin@australianlandlords.com.au

W: www.australianlandlords.com.au