

## PRESS RELEASE FCCC: Rent Freeze extended to 31<sup>st</sup> December 2021 Friday 1 January 2021

The Fijian Competition and Consumer Commission (FCCC) has extended the rent freeze on residential and ground rents till 31 December 2021.

This extension is based on FCCC's assessment of the FCCC (Rent Increase Restriction on Residential and Ground Rent) Order 2018 (Rent Freeze Order), which was due to expire on 31 December 2020.

"Many Fijians are currently struggling financially, with the COVID-19 pandemic having had an enormous impact on the economy, not just locally, but globally. Our assessment took this into account, in addition to other relevant factors," said FCCC CEO Joel Abraham

"Simply put, the extension means that between the period of 1 January 2021 to 31 December 2021, landlords must continue to not charge rent for letting or continued letting of any premises under residential tenancy, including ground rent, in excess of the rental applicable to the same premises in 2020."

"The rent freeze has been extended to maintain a certain level of control to ensure fair treatment of tenants. Traditionally, the objective of imposing rent controls was to counter inflation."

"However, rent controls in Fiji now serve broader functions, such as consumer protection and ensuring affordability of residential rental properties. This also ensures that the Fijian Government continues to fulfil its obligation of providing access to affordable housing."

The rent freeze was originally put into place on 2 March 2007 and rent that was applicable on a property at 2 March 2007 becomes the base rent and this is the rent that should continue until 31 December 2021.

For newer properties, the rent applicable for the first letting becomes the base rent and any increase thereafter would be subject to the rent freeze in the period stated above. To ensure transparency and accountability, landlords are required to keep copies of letting/tenancy agreement and receipts for up to a maximum of 7 years.

This is to assist with the monitoring of compliance to the rent freeze and other rental matters captured under the FCCC Act 2010. Failure to issue agreements and receipts

is an offence under the FCCC Act and appropriate actions will be taken against those landlords for breaches.

FCCC urges all Fijians to observe the requirements under the Rent Freeze Order and abide by the same, and to contact the Commission for any illegal rent increase or failure of landlords to issue proper agreements and receipts.

For more information/details on this and the FCCC Act 2010, you can visit the FCCC website on <u>www.fccc.gov.fj</u> or call 8921991

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