



May 2017

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News from the Tenants' Union of Tasmania

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TUT Updates

Thank you to Vanessa Goodwin and latest development in funding.

Since our last newsletter in November 2016, business at the Tenants' Union has been running along smoothly. However there have recently been some key matters come to light that may alter that.

We were devastated to hear about the Attorney General Dr Vanessa Goodwin's illness and her subsequent retirement. Dr Goodwin has been a staunch supporter of the community Legal Sector in Tasmania and her passion and drive to ensure that those most vulnerable in our community had access to services was admirable. We thank Dr Goodwin for this support and for her specific financial support via the Solicitors' Guarantee Fund. We wish Dr Goodwin and her family all the best in this difficult time.

We have met with acting Attorney General Matthew Groom and are looking forward to working with him.

On a happier note, the Tenants' Union has been successful in two funding applications to the Solicitor's Guarantee Fund and the Law Foundation Grants Program. These two grants will allow us to focus on increasing our ability to provide information to the community via video on our website and to continue our education program by focusing on introducing tenancy law into the education curriculum and thus allowing

us to target and educate the future renters of Tasmania

The Federal Government recently announced that it will provide 'new' funding to the Community Legal Sector in Australia to the amount of Approximately \$56 million dollars, effectively reversing the 30% cuts that were due to take effect from the 1 July 2017. While it is not clear as yet how this money will be distributed and what it means for the Tenants' Union's funding, we greatly appreciate this step taken by the federal Government and it simply highlights the continuous need for our sector. Prior to this announcement, our State government had announced that they would be 'topping up' our funding to cover the foreseen cuts for a 12 month period and we thank them for stepping in and urge them to move forward with this promise to allow us to provide further front line services.

CLC road trip to the North

From the 27th of February until the 2nd of March we conducted a tour throughout the North of the state, providing Community Legal Education to tenants and other interested parties.

In conjunction with the Tasmanian University Union we had a stall at the O Week expos at University of Tasmania campuses in Launceston and Burnie, handing out Don't Panic booklets and providing basic advice to students – including international students and prospective tenants.

With the help of Launceston Community Legal Centre we ran sessions on the rights and obligations of tenants in George Town and Ravenswood. The session in Ravenswood was attended by a number of local property managers who, like us, were clearly interested in fostering productive and cordial relationships between landlords and tenants.



We also conducted sessions in St Helens and Burnie, providing specific advice and assistance to local tenants. If your organisation is interested in holding a Community Legal Education session, please contact us.

Where to from here?

The Tenants' Union's membership program revised

In 2014 we introduced the Tenants' Union membership program. Since then, 124 people have become members. They have received our newsletter, had access to our online training and have been granted access to news in the member space of our website.

Due to staff changes the responsibility for the membership program within the Tenants' Union has changed multiple times, resulting in more and less active offerings to our members.

To take the membership back to its original purpose, we want our members to have their say. Therefore we have created a survey, which can be found in the memberspace on our website.

If you are a member, we would like to know what attracted you to becoming a member? What areas of our

work interest you? Would you like to become more active in supporting tenants' rights?

To help us steer the membership program up your alley, take a few minutes to respond to our survey.

If you have issues logging in to your member account or finding the survey please email julia_ely@clc.net.au

Pest and Vermin

In late February we advocated for Bill Bryce, a 70-year-old pensioner who is a tenant with the largest Real Estate Agency in Tasmania.

Bill noticed wasps in and around his house. He contacted his real estate agent to let them know that there was a wasps nest either in his house or very close to his house. The wasps were crawling into his bedroom between the rubber cladding holding the window and the wall together. He also expressed his concern that despite the weather in February often being warm or hot, he could not leave his door or windows open as the wasps were flying into his home. Bill asked that the real estate agency come and remove the wasps nest as a matter of urgency.



The real estate agent agency informed Bill that they would be prepared to replace the old rubber cladding between the window and the wall so that the wasps could not crawl into his home, but they would not be removing the wasps nest. Despite repeated requests from both Bill and the Tenants' Union the real estate agency refused, claiming that the removal of the wasps' nest was a tenant responsibility because it was not caused through any fault of the landlord. This view was confirmed in the policies available on the landlord's website.

This is an incorrect interpretation of the *Residential Tenancy Act 1997* (Tas), which clearly provides that a landlord must maintain the property in the same condition as the day on which the tenant moved in. And because all rental properties now have to be rented out clean and in good repair, all tenants should expect that the property is being rented to them, without pests or vermin. In other words, unless the pest issue has been caused by the tenant, for example a mice or ant infestation caused by repeatedly leaving pieces of cheese or honey around the house, the costs of pest control are to be paid by the landlord.



Unfortunately for Bill, if the landlord decides to follow the law he will have to wait 28 days before he can request that Consumer Affairs and Fair Trading order the landlord to remove the wasps nest.

We decided to tell Bill's story in order to raise awareness for the wrong interpretation of the Act his landlord applied. It was then picked up by an ABC news reporter, who talked to Bill as well as our senior solicitor Ben Bartl.

After the story aired on the ABC News on Sunday, February 26, Housing Tasmania removed the wasps nest from his property on

Monday.

While we are happy this particular issue was resolved quickly, we are concerned this story could repeat

itself and cause lengthy processes to enforce what is already regulated in law.

Subsequently, we have send a [letter](#) to Housing Tasmania requesting a change of their policy.

At the time of writing, Housing Tasmania have not changed the information on their [website](#), stating multiple times, that pest and vermin are a tenant responsibility. This is inconsistent with the Act, so even if it was written into a lease agreement, it would not be binding, because the Act prevails.

We will continue to pester (pun intended) Housing Tasmania until they reverse their policy on pests and vermin. They are a landlord responsibility unless the tenant causes them.

An Unsettling Report

Unsettled. Life in Australia's private rental market

Australia is traditionally a nation of homeowners. Yet, in the wake of souring house prices more and more people in Australia rent their home. And this, in many instances is often a struggle. On a daily basis we see people fighting for the most basic repairs to be carried out, having their privacy invaded by intrusive owners or struggling to find a place to live in an overly competitive market altogether.

The first of its kind report *Unsettled. Life in Australia's private rental market*, jointly published by CHOICE, National Shelter and the National Association of Tenants' Organisations finds these issues are not due to the bad luck of the individuals involved, but structural problems.

Here are some of the key findings of the report (with a focus on the situation in Tasmania where it differs from the rest of the country):

A major contributor to stress and housing insecurity for many renters is the very short lease agreements, that remain common in Australia. More than half of all tenants have fixed term leases of only one year duration. Fixed term leases for a longer term are the absolute exception to the rule, only 6% have 2-year leases and 5% hold fixed term leases that run for five years or longer.

20% of all tenants are on non-fixed a term lease. But only in Tasmania is this a positive, because in all other states and territories a landlord can end these leases without giving a reason.

Rents vary hugely across Australia and also across Tasmania. 33% of individuals in Tasmania pay more than \$301 per week in rent and 51% of households pay more than \$301 per week.

Even though rents in Hobart are lower than rents in most other capital cities in the country, relative to income, Hobart is - after Sydney - the least affordable capital city to live in.

Finding a rental property in the first place appears to be a struggle for many: 75% of tenants believe the competition for properties is fierce, 61% had issues while searching for a property in the past five years and 55% worry they have to offer extra money to secure a place.

Renters also find the amount of information required for an application to be excessive (60%) and unreasonable (46%).

A further 62% feel like they cannot ask for changes and have to take what is on offer. This is a particular problem as many properties are in need for repair (38%).

The most common problems experienced by renters are pests, experienced by 27%, doors and windows

that don't close properly (24%) and peeling paint or tiles coming off (22%).

So while many properties are in need of repair, communication with landlords or agents isn't always easy. When requested an urgent repair every fifth tenant waited over a week to get a response. Mind you, urgent repairs are by law meant to be dealt with within 24 hours. A further 23% of renters requesting a non-urgent repair waited over a month for their landlord to reply. In Tasmania general repairs must be completed within 28 days.

But worst of all, 14% of tenants did not complain at all out of fear of adverse consequences, like rent increases, eviction or blacklisting. Fortunately for Tasmanians formal blacklisting is not a common practice here.

Many of those issues arise from the unique setup of Australia's rental market, which is predominantly made up of small investors, who are supported by huge tax concessions. A shift in the funding of housing and laws, which offer tenants greater security would put Australia on a more level playing field with most other developed countries.

Find the report *Unsettled. Life in Australia's private rental market* [here](#).

Find the Shelter Tasmania and Tenants' Union of Tasmania's media release [here](#).

The missing perspective

Why the debate about Airbnb legislation should include tenants

Public debate around share-economy providers such as airbnb and stayz is often framed in terms of mum and dad investors versus big hotel enterprises. However, the debate around who should be allowed to provide short-term accommodation to Tasmania's booming tourism sector conveniently leaves out those people who will be most affected namely renters.

In Tasmania and especially in Hobart rental vacancy rates are currently very low. The Real Estate Institute of Tasmania (REIT) estimated in December 2016, that only 3.4% of rental properties were available to people wanting to rent a property in Tasmania and only 2.5% in Hobart. The vacancy rates for Launceston and the North West are higher at 3.3% and 5.0% respectively.

That means that the chance of finding a property in a particular area, at a particular size, and at a price prospective tenants are able to pay, is fairly grim, especially for people looking to rent in the Greater Hobart area.

It is generally believed that vacancy rates below 3% means that rents are more likely to increase, as there is more demand than rental stock. Further, the Centre for Affordable Housing claims, that "when rental vacancy rates are lower than or close to the equilibrium rate [~3%], even small changes in rental stock can materially affect rents."

While the overall proportion of airbnb, stayz and other share-economy properties in relation to the entire housing stock is low, their location and size are much sought after.

Most share-economy properties are in residential zones. Residential zoning serves the purpose of ensuring that public investment in infrastructure is used by residents not businesses. For a change of zoning, e.g. the establishing of a bed and breakfast people must go through an application process with their local council. It is a safeguard to ensure that local investment actually improves the lives of people who live and work in a particular area instead of small business owners like airbnb hosts.

While more research needs to be done on the impact of share-economy accommodation providers, we do not believe that entire houses in residential zones should be made available to the share-economy at the expense of long-term tenants. We support a limit on the number of nights a property can be rented out through the share-economy for a maximum of 6 weeks. In our opinion, regulation of the share-economy will encourage homeowners to rent their properties to long-term tenants rather than tourists.

Tenants' Union Services

TELEPHONE ADVICE LINE

Monday to Friday*

9.30am to 4pm

1300 652 641

6223 2641

FACE-TO-FACE SERVICE

Hobart

166 Macquarie St

Tuesday, Wednesday, Thursday*

9.30am to 12.30pm



Launceston

By appointment

Call 1800 066 019 or 6334 1577



Devonport

By appointment

Call 6434 8720



**except public holidays.*

ONLINE

www.tutas.org.au

The information in this newsletter is not legal advice. For information regarding a specific tenancy problem, please phone the Tenants' Union on (03) 6223 2641 or 1300 652 641. The Tenants' Union of Tasmania Inc accepts no responsibility for actions based on this information, nor for actions based on electronic translations of this.

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