



TENANT NEWS

FAIR GO RENTALS – DECENT NOT DODGY

The ACT Greens Attorney General and Energy spokesperson, Shane Rattenbury, is proposing new laws to create minimum standards that would see renters protected from poorly maintained properties.

The *Residential Tenancies Act (Minimum Standards) Amendment Bill 2011* will set specific minimum standards for security, energy and water efficiency, as well as outline other areas for standards such as electrical safety.

"Canberra rents are very high, due to high demand, but some people don't get what they pay for, and are stung with huge energy bills after winter because their house is so poorly insulated," Mr Rattenbury said.

"Most landlords do the right thing, but some rental properties are substandard in terms of energy or water efficiency, or basic security, and tenants are often the ones left to foot the bill.

"Landlords will be able to take advantage of government programs to assist with the cost of increasing the energy efficiency of their properties.

"The three key standards addressed by the bill are:

- **Energy efficiency** - EER 2 by January 2013, and EER 3 by January 2015. These are not high EERs, but changing a house from an EER of 0 to 3 can halve your electricity bill

- **Water efficiency** - can be met by fitting low flow shower heads and taps, and installing a dual flush toilet

- **Security** - the provision of deadlocks on external doors as well as locks on other external openings.

"While a large number of properties rented out are of good quality, and if they are recently constructed, will have a high energy efficiency rating, older houses can be sub-standard.

"Unfortunately it is these houses that end up being rented by those who are on the lowest incomes – the very same people who will struggle with high energy bills.

"The current standard in the ACT Residential Tenancies Act states that a tenant is entitled to live in premises that are "in a reasonable state of repair" and "reasonably clean" – but security and efficiency standards are not included.

"We also want some basic security standards - I think most householders would see deadlocks on the front door as an absolute essential"

The Exposure Draft of the *Residential tenancies (Minimum Housing Standards) Amendment Bill 2011* was tabled on Wednesday April 6, 2011.

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TUACT response

The following was presented at a forum on the Bill:

The Tenants' Union ACT is a community legal centre that operates the Tenants' Advice Service, a free phone advice line for people renting in the ACT. It has been in operation since 1994 and during that time has provided assistance to thousands of tenants and others renting. Through this direct contact with tenants the TU is able to identify common tenancy issues across the ACT. The condition of the property is one of the most common problems we encounter. This is both in terms of problems that occur during the tenancy

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Editor: Deborah Pippen

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The views of contributors to Tenant News are not necessarily those of the TAS or the Tenants' Union ACT and the service does not accept responsibility for the views and opinions expressed by contributors in this newsletter.

CONTRIBUTE!

We welcome and encourage all contributions, great and small, to

Tenant News

This is a newsletter for tenancy issues, stories, thoughts, letters, cartoons...

If you are interested in contributing, call the office for details

02 6247 1026

Or post your contribution to:

PO Box 8, Civic Square ACT 2608.

Or email your contribution to:

TUACT@bigpond.net.au

Remember to include your contact details!

TU Email List

The TU now operates an e-mail list for people wishing to view our new publications—including **Tenant News**—in electronic format.

The list is also used to advise subscribers of important tenancy and housing issues and news. If you would like to join the TU email list send a message to tuact@bigpond.net.au

EDITORIAL

For so long we have asked whether we are ever going to see improvements for tenants in the ACT. As Sobering Stats indicate, rents keep going up and the problems with insufficient supply continue - lack of choice, fear of retaliation when asserting rights and essentially being taken advantage of.... The market is not the tenant's friend.

The failure of the market to ensure consistency of standards in rental properties has finally been addressed by a positive step for tenants with the ACT Greens Bill for Standards in rental housing. The fact that sub-standard properties exist in the rental market should be a source of shame for the ACT community. In this issue we have provided an overview of the Bill and some responses, both from the Canberra community and from the TU. The TU response was presented to a Greens forum at the Legislative Assembly. We urge all tenants and people who know tenants and assist tenants to support this Bill, go to the Greens web-link, write to your MLA. This should be an issue and a Bill that has across government support.

In the meantime we recognise that the reality for many tenants is dealing with inadequate heating during these winter months and we have included some information about how best to keep warm and hopefully keep those bills down.

Standards of properties is one of the many problems encountered nationally in marginal tenancies, as noted in the overview of the National Shelter report on such tenancies. The issues are so clear and the steps for improvement are also clear, sadly it is the lack of political will that keeps these problems alive and these most disadvantaged renters in the most dire of circumstances.

Hangin' on the Line looks at strategies that landlords use in deflecting tenancy problems and provides some insight into how to deal with them.

To finish on a positive note we have finally got the opportunity to show some images from last year's International tenants' Day art competition and exhibition. Here's hoping that this year it will be even bigger and better.



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as well as problems that were present prior to the start of the agreement. The Greens Bill is welcomed by the TU and the tenants enduring sometimes shocking conditions in their homes.

The need for standards for rental properties is not a new issue or problem, nor is it just an ACT problem. In its 2004 report on tenancy legislation across the country, the National Association of Tenants' Organisations noted that –

... the absence of any specific, prescribed content of landlords' obligations in this regard is a major shortcoming... ..

It recommended that residential tenancies legislation should set out specific standards of habitability and energy efficiency.

It is not surprising that these are issues of priority for these jurisdictions, the ones that face cold winters, where the effect of inadequate or lack of heating can be substantial in terms of people's ability to use their homes, their comfort, health and of course finances.

Here, the very vocal negative reaction to the ACT Greens bill has not been surprising but is still disappointing. This Bill is necessary because we have seen that over the years a small section of the rental market has consistently failed to provide properties adequate to the basic needs of people living in Canberra. The effect of this is that people are suffering physically and financially because of the condition of their homes, especially in our long Canberra winters. Imagine sitting in your home during the past week as the temperature plummets with no heating or inadequate heating, and not being able to do anything to improve the situation.

Tenant advocates, other community workers and renters themselves know that minimum standards around heating are desperately needed because

properties inadequately equipped do result in crippling utilities bills, discomfit and even illness.

People find themselves living in one room for the duration of winter, not being able to use the property they are paying full rent for and are then faced with bills they cannot pay.

Another area where standards are needed is security. Inadequate security affects how a person can use their home and how safe they feel. The lack of appropriate locks can even have more far reaching effects than problems with insurance and feeling insecure, this was demonstrated by a TAS case earlier this year where a woman sought advice on how to have adequate locks installed because her 3 year old son was waking during the night and letting himself out the front door onto the street.

This is not a matter of tenants choosing to rent inadequate properties. There simply is no choice in the ACT market, and many renters are not in the position to pick and choose properties. With vacancy rates decreasing to 1.7% in the last (Dec) quarter and recent reports that Canberra has the highest rents in the country it is clear that there are no alternatives, especially for people needing properties at the lower-priced end of the market.

Basically you take what you can get and then suffer the consequences.

This lack of options also affects the reality of "selecting" a home. Unlike the time a person is able

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MOST CLICKED

1. Autism: an untold story
2. PS job fears as PM talks up pain
3. Greens plan to slug landlords
4. MPs bristle at Rudd revival
5. Man on the run after chase ends in smash

ONLINE POLLS



Q: Rate the proposed Greens law setting minimum efficiency standards for rental properties.

FAIR'S FAIR: Landlords should be providing this anyway.	(34.6%)
MISGUIDED: The extra costs will be passed on to tenants.	(65.4%)

GREENS PLAN TO SLUG LANDLORDS

All these whining landlords fail to mention capital gains once. Getting rich off other people and complaining about it the entire time – poor dears. I'm not worried at all as my investment property will pass easily, and the dollars I spent upgrading will come back with interest when I sell up one day. Very few property investors get into the market to get rich off the rent!

Posted by happylandlord, 6/04/2011 12:02:58 PM

I think this is a great idea! I have lived in some really dodgy rental properties in the past, with dampness causing mould and low energy ratings sending my energy bills through the roof. It's unacceptable and landlords need to take responsibility.

Posted by Simon, 6/04/2011 10:53:49 AM

I'm not at all in favour of any "environmental" scheme which will do nothing but worsen the already difficult problem of high rents and difficulties finding housing, thanks very much.

Posted by Mr Gillespie, 6/04/2011 9:13:25 AM

This recommendation was echoed in National Shelter's 2010 report on tenancy legislation, it noted that –

The condition of some rental properties poses a real risk to tenants, particularly those on low incomes as they are forced to seek affordable accommodation in properties where conditions are substandard and sometimes dangerous. Low income tenants in this situation are often trading off their safety against affordability.

At a state level there has been a long running community campaign—Decent Not Dodgy — by the Victorian Council of Social Services and the Tenants' Union Victoria to garner support for changes. In Tasmania, the Real Estate Institute of Tasmania, Shelter Tasmania and Minister for Consumer Protection, are amongst those to show support for some form of minimum standards for Tasmanian residential tenancies.



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to take when purchasing their home, would be renters find that properties are open for very short periods and that they must go through with all of the other interested people within the space of at most 10 to 15 minutes. There is little to no opportunity to check for elements such as heating, insulation, security and water heating and usage. On top of this even if those elements are not adequate the alternative is often no accommodation, or more expensive accommodation.

Despite the recent federal government home insulation scheme and existing ACT Government rebates and programs such as HEAT, properties in poor condition do definitely exist. Incentives have not been taken up because those landlords see only benefit to tenants not themselves. There is no recognition that this action will increase the value of their asset.

From the TUACTION perspective it is more alarming that there is no recognition that tenants should be able to expect basic standards in their family homes. This is not about solar panels, double glazing and water tanks. It is about basic standards – insulation, deadlocks, water saving devices. There should be no inadequate properties in the rental market, there should basic amenities and then you pay more for something beyond that.

Of course it is different for a property to be bought and sold with 0 EER than to be rented out at this level. A home owner can decide to live with the lack of amenity, or make improvements. A tenant cannot make improvements and must bear the cost of the lack of the basic amenities.

It is very important to remember that while this is a common issue for us and very serious for the people affected, it is not a large-scale problem across the ACT since most properties do already meet the standards proposed. Standards such as these should have minimal to no impact on most property owners yet see a vast improvement for disadvantaged tenants. This ranges from families in inadequately heated or secure properties to individuals with no options but housing such as the "slum" properties identified last year.

It is to be hoped that we will soon see that day when we are dealing only with issues of repairing and maintaining to an acceptable standard, not trying to bring properties up to that basic standard in the first place. At the most basic level, as with any other consumer, a tenant should be able to expect minimum standards for what they are paying for.

The Bill is to be congratulated and supported and then we must turn our thoughts to how to ensure that tenants access these new provisions and not continue to suffer in silence for fear of retaliation. We also need to look at how standards can apply to other forms of rental housing that often accommodate the most disadvantaged people in our community.

The Fair Go! Rentals campaign

Where can I find out more information about the Fair Go! Rentals campaign?

Everyone has a dodgy rental story, and if you'd like to share yours, the ACT Greens would love to hear from you! You can either check out the Facebook page www.facebook.com/FairGoRentals

What if I want to comment on the Bill?

That would be great – we'd really appreciate your input!



The Greens will be taking submissions on the bill until **Friday 3rd June 2011**. You can obtain a copy of the Exposure Draft and the discussion paper by contacting Shane Rattenbury's office at the Legislative Assembly. You can send your submissions by email or post:

Shane Rattenbury MLA
Greens Member for Molonglo and Spokesperson for Attorney-General, Climate Change and Energy
GPO Box 1020, Canberra, ACT, 2600
Rattenbury@parliament.act.gov.au or ph: 6205 0005



THOSE WINTER BLUES

It's all very well to talk about introducing rental standards but by now you may have discovered you have an inappropriate and expensive heating system. For you this is a real issue here and now. Aside from seeking advice regarding repairs/maintenance there are things you can do to reduce heating costs without sacrificing your personal comfort by paying particular attention to:

YOUR HOME: Ensure your home retains the heat you put into it. Insulation, effective window coverings make a difference but may be difficult to have your landlord change, while draught-proofing is something you may be able to do.

YOUR HEATING SYSTEM: The way the landlord maintains your heater can influence its running costs as much as how you operate it. Learn the right methods, and you could find that your heating system costs you less to run while providing more useful heat.

Seal out draughts Air leaks can account for 15 – 25% of heat loss from an uninsulated home, and create uncomfortable draughts.



Minimise the area to be heated. Doubling the size of the heated area also doubles the heating cost! So close doors to unheated areas, or install curtains across open archways leading to other rooms (get permission).

Use the thermostat correctly. For every degree you increase the thermostat setting, your bill may increase by up to 15%. Set your thermostat at a reasonable temperature of 18 – 20°C for living areas.

Don't leave your heater running on low overnight or while you are out during the day. It is cheaper to turn the heater off while you are out or sleeping, and on again when your return or wake up in the morning. (This pattern of use is not applicable to storage type heating such as in-slab systems which have a very slow response time).

If you have a timer or programmable thermostat set it to turn your heater on and off automatically, say 20 – 30 minutes before rising in the morning or getting home in the evening. And of course, don't forget to turn the entire system completely off if you are going away on holidays.

Run the heater fan on its highest setting for best efficiency and heat distribution. Fans cost only 1 cent an hour to run.

Make sure the landlord maintains their heater. Keep reflectors shiny and free of dust, and clean air-filters regularly. It is also important that servicing of all heaters is done according to the manufacturer's instructions.

Close windows and doors in heated areas while the heater is on.

Close drapes or blinds when you're heating, especially at night. By leaving them open, you're wasting over \$2.00 for each square metre of glass per billing quarter! That's around \$80 per quarter for the average home.

Open up curtains to north-facing windows on sunny winter days to let in the free, natural solar energy to warm your home.

Ceiling fans, heat shifters or personal fans set about 2.1 m above the floor are useful ways to return heat that has risen up to a second storey, or collected at the top of ceilings, back down to floor level again. This can save over 10% of heating costs.

Wear appropriate clothing. Wearing warmer clothing is free, easy and will let you turn down your heater just those few degrees more. Throw an extra blanket on the bed and you can turn off your electric blanket too!

Have an energy audit done and you will receive expert advice about exactly what you can do. Go to www.heat.act.gov.au

If you are having problems with inadequate or poorly maintained heating check out our information on Repairs on the advice pages of our website.



MARGINAL TENANCIES - A REPORT

In March the national peak housing body - National Shelter produced a report following on from their earlier report on tenancy legislation across the country. This report focussed on marginal tenancies - those in boarding houses, caravan parks and other similar arrangements.

Approximately 75,000 Australians live in boarding houses and caravan parks, and the majority of these are highly disadvantaged. While some households choose these forms of housing for reasons of lifestyle or location, they often serve as "housing of last resort" for individuals and households who are on the verge of homelessness.

In the areas of tenancy protection, health and safety standards and licensing of operators, legislation varies widely between states and territories. There are some good models of regulation, particularly of the boarding house industry, but in much of the country regulatory systems are weak and residents receive little legal protection. Even when stronger regulatory systems are in place, many operators are able to avoid engagement with them.

The market in both boarding houses and caravan parks is changing, with newer and comparatively more "up-market" developments catering for households on low to moderate incomes, and the emergence of an unregulated suburban boarding industry which often appears to exploit its residents. Social housing providers have a good record of providing better quality, more affordable boarding house style housing and, to a lesser extent, caravan parks. Their role is crucial in improving the lives of highly vulnerable residents and preventing or responding to homelessness. Policy initiatives in the areas of regulation, supply, social support and research have the potential to make major improvements in the lives of highly vulnerable residents.

Towards a National Agenda

The following is a set of policy recommendations designed to provide a starting point for discussions with Commonwealth and state/territory governments about improvements in the response to marginal tenures.

Best Practice Regulation

The report highlights wide variations in regulation between states and territories, and within them in some cases, including:

- differing levels of protection for tenants
 - differing registration requirements and standards for operators of boarding houses and caravan parks
 - differing levels of enthusiasm and resources for implementing regulations.
- To some extent, these differences may reflect different market conditions. It's hardly surprising that Tasmania, with an extremely small number of permanent caravan park residents, has not expended the effort to clarify their tenancy status. However, some of the differences are simply accidents of history, with tragic incidents leading to stronger regulation. A national approach to regulation can help ensure that tragedies in one state or territory need not be repeated in another. The following are recommendations which would go some way towards improving regulation across Australia.
- *That state and territory governments remain the main regulators of marginal forms of housing such as boarding houses and caravan parks.*
 - *That state and territory governments work with the Commonwealth government and representatives of local governments under the auspices of the Council of Australian Governments to develop a "best practice" model of regulation.*
 - *That this regulatory system include the following:*
 - *protection for the tenancy rights of residents through either stand-alone legislation or amendment of residential tenancies legislation*
 - *consolidation of regulations around health and safety issues including physical condition, fire safety, standard of common facilities and food safety where appropriate*
 - *provisions for licensing operators of facilities, especially where operators live on site*
 - *limits on the ability of proprietors to restrict access to the site and to residents by support agencies*
 - *an approach that addresses issues of the definition of various housing forms and in particular, ways of avoiding loopholes through which proprietors can escape regulation processes for investigation and enforcement of regulations and for providing information and support to residents to exercise their rights.*
 - *That as a starting point, governments examine aspects of current "best practice" Australian legislation such as Queensland's Residential Services Act, the occupancy provisions in the ACT*



Residential Tenancies Act and the new rooming house standards currently being introduced in Victoria.

Social Housing

Social housing organisations have a long history of providing boarding house style accommodation as well as some involvement in caravan park provision. These options are provided using substantial Commonwealth funds. Social housing options are generally better designed and provide an improved physical quality of housing to the private sector, and can also provide their tenants with better affordability, security and more appropriate management.

The recommendations -

- *That state/territory and Commonwealth governments continue to provide resources for the construction of new social housing boarding houses and the acquisition of key caravan parks in good residential locations.*
- *That state/territory and Commonwealth governments fund research and development into innovative, improved affordable rental housing forms to supplement the existing boarding house and caravan stock.*
- *That tenants of these forms of social housing be provided with full tenancy protection using the standards of the relevant state or territory tenancy law, even where residents of this form of housing may not be formally covered by this legislation.*
- *That tenants in these forms of social housing have the option of either transferring to other forms of housing or remaining where they are long-term, reflecting the different preferences expressed by tenants of these forms of housing.*
- *That Commonwealth and state/territory governments continue to support the development of new models of housing (including Common Ground and Foyer Housing models) on the basis that:*
 - *such housing represents an extra choice for tenants, not their only option*
 - *new models be carefully tried and evaluated, rather than adopted uncritically*
 - *the rights of tenants and residents be carefully protected.*

Supporting Private Sector Provision

A good quality, well-regulated private market in alternative forms of housing is an important part of the housing market in most parts of Australia. New developments in the private sector seem to indicate that such housing is moving away from housing the "most disadvantaged" and into the realm of affordable rental or purchase for people on low to

moderate incomes. A number of government policy interventions can facilitate the emergence of this developing market, and cross-government cooperation can help spread these measures around the country in areas covered by state and territory legislation. The following are some key recommendations to address these issues.

- *That the Commonwealth government's proposed tax summit include consideration of measures to better target tax subsidies towards more affordable housing.*
- *That Commonwealth and state/territory small business support programs be targeted at proprietors of marginal housing forms to help improve the quality of management and decision-making in these businesses.*
- *That Commonwealth and state/territory government work together to identify best practice approaches to urban and regional planning for marginal forms of housing.*
- *That energy efficiency and emissions reduction programs be designed to include marginal forms of housing.*

Social and Funding Support

Residents in marginal tenures experience high levels of social disadvantage and are heavy users of social services including income security, health and community support services.

Many of these are either directly provided by the Commonwealth government, or funded by it. There are a number of successful models of providing support to residents in marginal housing, including caravan park and boarding house outreach programs. In many cases these are quite localised and they are often vulnerable to changes in funding priorities, making consistent service delivery an ongoing issue.

Recommendations include funding a program of support for residents in marginal housing, as well as advocacy organisations.

Research and Data

National level data about marginal tenures is patchy and inconsistent, dogged by differing definitions and inadequate data sources. At the same time, research efforts on boarding houses and caravan parks have largely dissipated since the early years of this decade. This means that the state of government and community knowledge of this housing sector lags far behind developments in the housing market, and many policy interventions are designed based on very limited knowledge. Recommendations provide the outline of a research program to improve knowledge about these forms of housing and their residents.

For the full report go to <http://www.shelter.org.au/>



HANGIN' ON THE LINE



The Tenants' Advice Service (TAS) is a call-back service that offers free advice to all ACT tenants (private, public, community) and occupants.

Access the TAS line by calling 6247 2011 between 10 and 11.30am and leaving your details. An advice worker will return your call. While you are waiting you are encouraged to check our website.

"Don't blame me blame the tenants" - the no-accountability approach to being a landlord

Some tenants gave notice and moved out of the house they were renting. Unfortunately, they had overpaid their rent by mistake. They asked for the extra money back, because it was theirs and they needed it for moving costs. The landlord owned several other rental properties in Canberra.

The real estate agent told the tenants they'd have to wait a month to get their money back, because the landlord had a mortgage on the property and so was in "financial hardship". Having already spent their money, the landlord would wait until the tenants in his other properties paid their rent before he paid these tenants back.

Aside from the question of how a landlord can claim to be in "financial hardship" when he owns several properties, it's interesting how the landlord in this scenario made paying back the money the responsibility of his other tenants, rather than acknowledging that it was money that he took, spent and owed.

In general, deflecting blame onto other tenants, or looking to other tenants for a solution, is a useful way for landlords to shirk responsibility. When landlords complain about terrible tenants, it is often accepted as fact, without considering how landlords benefit from spreading this sort of view. Tenants who call us for advice are often shocked that they are being treated so poorly when they are "good tenants", as though landlords and agents are fair and impartial and only "bad tenants" are treated badly. Even as a tenant experiencing issues with your own landlord or agent, it can take a conscious effort to reject the scapegoating of other tenants.

If your landlord says they want to help you, but can't because other tenants are causing problems, you may want to investigate further. If you can talk to the other tenants involved and get their side of the story, sometimes you can see who's really responsible.



A tenant in an apartment had water running through the electrical wiring in his ceiling. After waiting several weeks for repairs, he was told that the reason for the delay was that the tenant in the unit above had denied access to his apartment to fix the source of the leak. Instead of trusting the real estate agent, he went

upstairs and knocked on the door of the unit above. The tenant there had no idea that there was any problem with his apartment; the agent had not even contacted him, let alone requested access for repairs.

Sometimes it's hard to get beyond the idea that other tenants are responsible. The following are some examples.

- The house was dirty when you moved in and the landlord tells you it's because the previous tenants left it that way. You sympathise with the landlord and blame the previous tenants.
- Your housemate used the grill the night before an inspection and didn't clean it out, so you were marked down on your routine inspection report. You get annoyed at your housemate.
- Your housemate moves out but won't pay a "tenant changeover fee", so the agent won't update your bond listing with the Office of Rental Bonds. You blame your housemate.
- You break the lease because of problems with



the property. New tenants looked at the property but backed out before they signed a lease. You're annoyed that the landlord didn't pressure the new tenants to sign a lease fast enough, because you could be liable for rent while the premises are vacant.

But with all these examples, the landlord is either creating the problem entirely, or is passing a problem on to you that they should be dealing with themselves. Actually, you're paying for the premises to be reasonably clean when you move in, that's the landlord's responsibility - there are no valid excuses for making you do the cleaning. On inspection day, the place only has to be reasonably clean having regard to the normal incidents of living, so the landlord is wrong to mark you down for having some grease in the grill.

Changeover fees are unlawful, so the agent shouldn't ask for one, and at any rate the bond has to be lodged with the correct information. And in a break-lease situation, a landlord could attend to any issues with the property that made you want to leave, or if that isn't possible, disclose the issues and charge a rent that is appropriate, rather than try to trick the next lot of unsuspecting tenants into an agreement they don't want.

Part of the problem is that it's often easier to blame other tenants than your landlord or agent. This makes sense if your experience is that it's easier to get your friend to clean the grill than to get the landlord to correct the inspection report, or that it's easier to get a housemate to pay a change-over fee than to get the real estate agency not to charge it. If the other tenants are easier to reason with or less intimidating, obviously you'd rather take the issue up with them than with the landlord.

The problem is, solving issues this way might be easier for you in the short term, but in the long run it makes it easier for landlords to get away with doing the wrong thing. And when you do want to take up an issue up with your landlord, it's much less likely to work if you're also fighting with your housemates.

This logic also applies when you're trying to get something beyond what the law currently says you're entitled to. Even when the landlord has no legal obligation, it's worth thinking about whether your problem is really with the other housemate, or with the landlord. Sometimes it isn't fair or reasonable for you or your housemate to have to

adjust to a problem that the landlord could fix. Co-tenants might get a big electricity bill in the Canberra winter, and the gut response might be to get annoyed at the housemate who uses their heater the most. But we aren't living in the dark ages: we shouldn't have to freeze in our own homes. Houses should be built with a northern orientation, decent insulation and efficient heating, and electricity should be affordable. To have any hope of getting the landlord to install insulation, or getting legislative changes so that they have to, tenants need to work together, not blame each other. It isn't your housemate's fault that the landlord won't install insulation, or that regulations don't require it.

It's unrealistic and unfair to expect tenants to invest in better heating systems, extra curtains, or other measures to overcome poor energy efficiency, especially with such high rents and no guarantee that you can keep living there to enjoy it. If you accept the idea that your housemate is responsible for their lifestyle choices and just needs to make more sacrifices, you make it harder to argue for better regulatory standards. Landlords can take up these arguments to oppose regulatory changes, eg "Why should I install insulation - can't the tenants just wear more jumpers?" "Why should some level of minimum energy efficiency be compulsory - can't tenants just be educated in the small steps they can take to reduce their electricity usage?" The idea that behavioural changes and tenant education are the answer takes the focus away from structural changes that would provide a more effective and fairer solution.

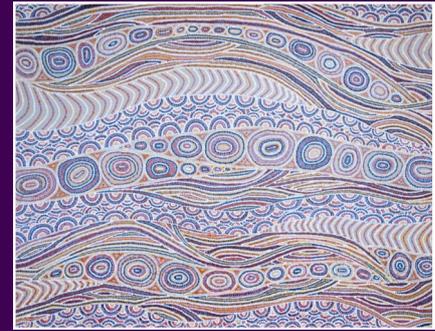
If you can negotiate with your housemate where you draw the line between high electricity costs and comfort, you can share the problem between yourselves in a fairer way. If you can convince your landlord to increase the energy efficiency of the property, you resolve the problem for both of you and any tenants who stay there in the future. And if you can be part of getting better legislation, you help tenants everywhere now and into the future.

It's important to be considerate towards your housemates, but sometimes the best way to help them isn't to make that day-to-day compromise, but to look for a broader long-term solution and work with them for it. Recognising these solutions instead of blaming each other is the first step.

*..with all these examples,
the landlord is either
creating the problem
entirely, or is passing a
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with themselves.....*



1st prize: Madeleine Dornan – "Homeward Bound"



2nd prize: Belinda McDowell – "Mother Earth Creator Rainbow Serpent". Belinda with Mary Porter, MLA



People's Choice Award: Carlsford – "Hans at Home"

Rent or Own it's still my home

**INTERNATIONAL TENANTS DAY
MONDAY 4 OCTOBER 2010**
Annual art show and competition



*Celebrating
the contribution
of Canberra's
tenants through
creative arts*



3rd prize: Novie Creech – "Mining"



Some of the artists at the awards night

Our annual art show continues to grow, celebrating the achievements and creativity of people renting their homes in the ACT as part of International Tenants' Day celebrations.

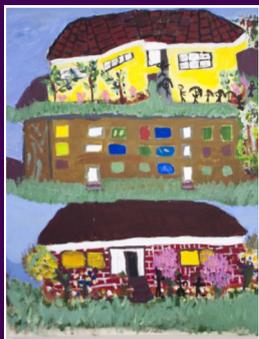
For 2010 we had 49 entrants with a wide range of styles and media represented.

The show was launched by ACT Housing Minister, Joy Burch, and prizes awarded by Mary Porter, MLA. The People's Choice prize and raffle was also a great success.

This year we hope it will be bigger and better. Check our website for details about entries and details. Copies of photos are also available.



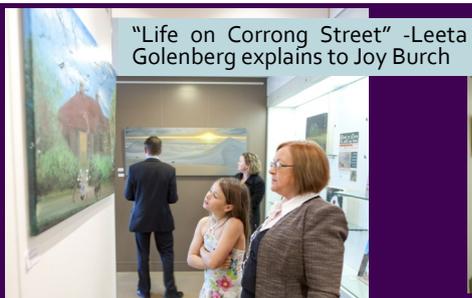
"Dragon" - Derek Shillabeer



"Old Home, New Home" - Lynn



"Street" - Maria Sankey



"Life on Corrong Street" -Leeta Golenberg explains to Joy Burch





Rental agent rip-off

In the article "Rent is through the roof at \$500" (April 7, p1) a major reason for high residential rentals is overlooked.

Having recently become a landlord in the ACT for the first time, I can easily see how rents are higher than elsewhere.

My comparisons are based on actual rental properties in Sydney and Brisbane.

In the ACT, real estate agents charge an 11 per cent management fee, compared with 6 per cent in Sydney and Brisbane. They also charge double for providing monthly statements, \$100 for six-monthly property inspections (\$0 in Sydney), \$100 for lease renewal (\$0 in Sydney) plus fees for advertising for a new tenant (\$0 in Sydney) – and the list goes on.

Of course the landlord passes on these costs through higher rent.

A further cost is the ACT land tax on all rental properties – \$0 in Sydney. A quick analysis based on a weekly rent of \$400 reveals that over a year landlords in the ACT pay twice as much as a Sydney landlord for the same service. In dollar terms, landlord costs in the ACT are approximately \$76 higher per week than in Sydney (this includes land tax).

Of course these costs are passed on to tenants through the rent.

Notwithstanding the ACT land tax, what justification do residential property managers have to charge more than double than elsewhere in Australia for exactly the same service? The answer is simple – they are ripping off landlords and tenants.

Ian Webb, Evatt

Canberra Times editorial, 6 April

TALES FROM THE TAS LINE:

Things you wouldn't dream could be true.....

Compassion, what is that?

When a tenant with multiple sclerosis had a house inspection she was told in no uncertain terms by the real estate agent that she was not allowed to use her crutches on the timber floors inside the house. The tenant felt this was unfair but endeavoured to do her best to comply with the agent's directions. Time to ring TAS.....



BUT wait there is more.....

The spite clause

A new term coined by a tenant expressing outrage at a landlord issuing a 26 week notice to vacate without grounds after she told her them that she was advised by TAS that they had no right to charge her water bills because the property was not separately metered.

A word of caution from ACAT:

In a written ACAT decision, the Member noted:

..... there is neither presumption nor fact that agents are a repository of wisdom and a font of knowledge.

They continue -

It is up to the tenants to "second-guess" - or at least to guard their interests by enquiry and thorough knowledge of their rights.....



TU Update

As the gap between Tenant News issues highlights, we have been focussing on work other than newsletters.

SUBMISSIONS AND POLICY WORK

Issues we have been working on:

- The ACT Greens rental standards Bill
- the need for a review of the residential Tenancies Act;
- Marginal tenancies;
- Article for Parity on rent increases and
- Energy efficiency.

INFORMATION AND TRAINING

We are nearing the end of revamping the website. Once up and running it will be much easier to navigate and use.

We ran our annual "DV and Tenancy workshop - No Place Like Home" with other community legal centres. We also did numerous presentations and training for student groups and workplaces. Contact our office if you would like to organise a tenancy presentation.

Our publication "Crowded House" continues to be popular on campuses across the ACT. We still have bulk copies that can be distributed. Contact the office if you need copies of this, or our tenancy or occupancy kits.

TENANTS' ADVICE SERVICE

A very significant amount of our time recently has been concentrating on ensuring the advice line is covered and assisting tenants. As with other small organisations, being a staff member down for whatever reason has a significant impact on our ability to maintain our level of service.

In the last quarter the most common issues dealt with through TAS have been:

- Bond disputes
- Rent increases
- Termination by landlord
- Repairs
- Termination by tenant ("breaking the lease")

One trend we have seen growing through the advice line is problems with occupancies. This is an alarming but not surprising trend and one that adds pressure to the need for changes in the RTA to ensure that the law properly protects vulnerable people. Watch the next issue of Tenants News for more.

Our service continues to struggle to manage the overwhelming demand for assistance and keep people aware of our limitations. We continue to operate a callback service but it is now restricted to people leaving messages between 10 and 11.30 am Mon - Fri, and 6 - 7pm on Tuesdays.

We hope to be able to expand our service to an extra advice worker and if this is achieved we will be able to expand the advice service.

STAFFING

Sad news for our small organisation was that our wonderful solicitor Sandra Alonso recently left us for the bright lights of a Commonwealth department. Sandra was our first principal solicitor as we made the move to our own legal practice. She was tenacious in her advocacy work for ACT tenants and will be greatly missed.

We are currently recruiting for a new solicitor, check our website for details.

INTERNATIONAL TENANTS' DAY ART SHOW

As the photos on page 10 demonstrate the 2010 ACT celebration of ITD was once again a success.

Information will soon be distributed about this year's completion and exhibition. The exhibition will be from 28 September to 7 October encompassing ITD on Monday 3 October.

The theme is "Sharing a Bond". So it is time to start thinking about your artwork.

Information will be distributed widely and available on our website once it is printed.

JOIN THE TU

SEND IN THE MEMBERSHIP FORM FROM THE BACK OF THIS NEWSLETTER



GLOBAL TENANT

The following is sourced from the International Union of Tenants' newsletter "Global Tenant".

In this issue there are articles on England, Sweden, Finland, France, Poland, Spain, Austria, USA, Bangladesh and even Australia.

To see the full issue and/or grab a subscription go to www.iut.nu.

IUT theme for 2011 - Affordable rental homes for the young!

Delayed adulthood as a social phenomenon produced by housing conditions is a problem that employment and social policies should take seriously, in terms of the potential negative effects it can have on family life, fertility, labour market mobility and employment rates.

In the EU, in 2008, 51 million, or 46 %, of all young adults aged 18–34 still lived with at least one of their parents. The share of young adults, 18–34, living with their parent(s) varies from 20 % or less in Denmark, Sweden and Finland, to 60 % or more in Bulgaria, Slovenia and Slovakia. It exceeds 50 % in 16 Member States.

In France, 48 % of young people aged 18–30 lived at home, and in Spain 78 %. Contrary to the Danes (20 %) and the British (21%), the Spaniards do not consider it a major problem. In Spain most people will not leave home before they have finished university. (Cecilia van de Velde, 2009)

Similarly, a report from First European Quality of Life Survey: Social dimensions of housing (2006), compares young people age 18–24 in the EU 25. In Italy, Portugal and Spain, only 3–8 % of young adults age 18–24 lived independently, while in Sweden and Finland 62 % lived independently, followed by Denmark 59 %, Germany 48 % and the UK 46 %.

In Central and Eastern Europe a general shortage of affordable housing, combined with tradition and culture, has resulted in a situation where many young adults, 18–34, stay with their parents. In Slovakia only 4 % lived on their own in 2008, in Poland 5 % and in Czech Republic 15 %. Consequences may be the effects this can have on their professional careers, on the establishment of their own way of life, and delayed childbirth.

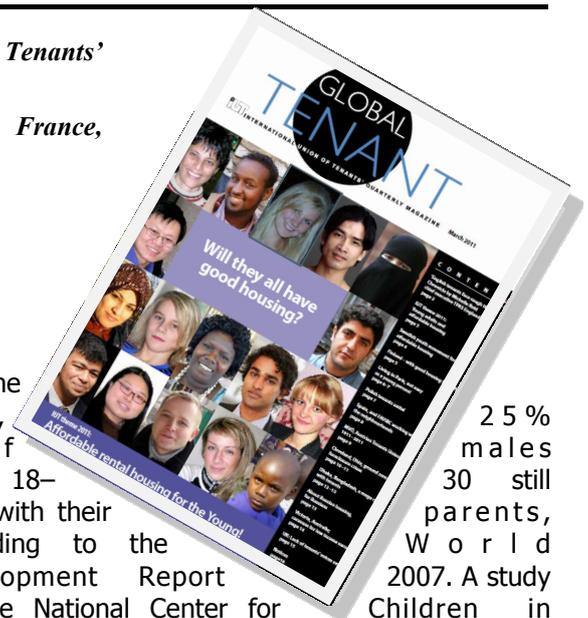
The median age at which young men left their parental home in 2005 varies from around 21 in Denmark and Finland to 30–31 in Bulgaria, Greece and Italy and 32 in Croatia. For women, the average age is lower in all countries, varying from 20 in Denmark and Finland to 27–28 in Greece, Spain, Italy, and Slovenia.

In the USA, 25 % of males aged 18–30 still lived with their parents, according to the World Development Report 2007. A study by the National Center for Children in Poverty showed that in 2009 53 % of Americans between 18 and 24 were living at home, compared with 47 % in 1970. Likewise, the Center reports that young adults in the US are also delaying marriage and starting a family. In 1970, the median age for a first marriage was 21 for women and 23 for men, compared to 26 for women and 28 for men in 2009.

In Canada, 58 % more young adults, 20–29, lived with their parents in 2006 compared to 1981, from 27,5 % to 43,5 %. (Statistics Canada 2006) 'Boomerang kids', is a term in Canada that describes an adult child who has left home at some point in the past to live on their own and has returned to live in the parental home. This return can be due to completed studies, divorce, or unemployment – or lack of affordable housing. In 2001, almost 25 % of all adult children living with parent(s) were boomerang kids in Canada.

In Australia the trend is similar. The Australian Bureau of Statistics reports that in 2006, 23 % of Australians aged 20–34 years were living at home with their parents, compared with 19 % in 1986. For men aged 18–34 years in 2006–07, the median age of first leaving home was 21 years, and for women around 20. A report from AIHW, Young People and Children in Social Housing (2010), also said that three out of four young Australians in social housing lived in single parent families.

Affordable and sound rental housing, combined with the flexibility, is what many young adults prioritize when asked about their housing expectations and desires. IUT urges all its members and associates to raise the issue of young adults and lack of affordable rental housing with their national and local decision- and policy makers. And, do not forget to mark October 3, International Tenants' Day, in your calendars! - Magnus Hammar, IUT





SOBERING STATS

Or this could be, tell us something we don't know.....The following figures are from *Market Facts*, the quarterly residential property report from the Real Estate Institute of Australia.

Data provided by *Market Facts* relates to the December 2010 quarter (Oct—Dec). None of the figures are very surprising, however they are useful in supplying a picture of rents across the country, and the ACT. Figures for the March 2011 quarter are not expected until mid June.

It must be noted that these figures are based on advertised rents and are from an industry publication that views increases in housing and rental prices as a positive outcome. It is also important to note that these are average figures and do not reflect the number of properties available at a certain rent.

The National Picture

Rents - Over the December quarter, rents increased across the country. It is interesting to compare the change in average rent against the general CPI change for the same period, it was 0.4%, and the average weekly earnings was 1%. Over 12 months the CPI increased 2.7% and the AWE 3.7%. On the basis of these general figures, it is clear that we are yet to see any direct impacts of various governments' affordable housing measures.

Over the quarter rents for 3 bedroom houses remained unchanged in most capital cities, except for Sydney, Darwin and Canberra.

City	Median Weekly rent 3 b/r house (annual change)	Median Weekly rent 2 b/r unit (annual change)
Canberra	450 (7.1%)	420 (2.4%)
Sydney	400 (8.1%)	435 (8.7%)
Melbourne	330 (3.1%)	340 (6.3%)
Brisbane	350 (2.9%)	335 (1.5%)
Adelaide	310 (3.3%)	260 (4%)
Perth	370 (-1.3%)	360 (2.9%)
Hobart	330 (0%)	275 (3.8%)
Darwin	545 (-4.4%)	414 (-3.7%)

City	Vacancy rate	Annual change (%)
Canberra	1.7	0.7
Sydney	1.4	0.1
Melbourne	2.4	0.8
Brisbane	3.4	-0.4
Adelaide	0.9	-0.3
Perth	3.2	-1.5
Hobart	2.2	0.1
Darwin	2.3	-0.7

Houses City zone	Median \$/week	Change over quarter %	Change over year %	Lower quartile \$/week	Upper quartile \$/week	
Inner Central	2 b/r	450	3.4	1.1	375	480
	3 b/r	500	0	7.5	450	550
	4 b/r	700	6.1	55.6	535	782.5
Inner South	2 b/r	390	n/a	11.4	380	406.3
	3 b/r	450	0	5.9	425	495
	4 b/r	630	18.9	23.5	487	687.5
West & North	2 b/r	375	n/a	7.1	365	416.3
	3 b/r	430	0.6	7.5	400	460
	4 b/r	530	1.0	10.4	490	580
Outer South	2 b/r	n/a	n/a	n/a	n/a	n/a
	3 b/r	425	3.7	3.7	390	450
	4 b/r	540	3.3	3.3	488.8	582.5

BE AWARE that these are not figures that should be the sole basis of a rent increase. Rent increases are regulated as to how often they can happen and what might be excessive.

CHECK OUR WEBSITE OR RING TAS IF YOU GET NOTICE OF AN INCREASE



Other Dwellings City/Zone	Median \$/week	Change over quarter %	Change over year %	Lower quartile \$/week	Upper quartile \$/week
Inner Central	1 b/r	420	6.3	345	465
	2 b/r	480	6.7	420	530
	3 b/r	555	2.8	500	615
Inner South	1 b/r	305	3.4	280	345
	2 b/r	370	-2.6	330	420
	3 b/r	450	0	415	520
West & North	1 b/r	360	0	320	380
	2 b/r	375	1.4	350	405
	3 b/r	425	1.2	400	470
Outer South	1 b/r	360	n/a	320	380
	2 b/r	375	-6.3	350	405
	3 b/r	425	3.7	400	470

Despite showing a decrease in median house rents, Darwin remains the highest for rent for a 3 bedroom house, while Adelaide recorded the lowest rent for this type of dwelling. For other dwellings, Sydney recorded the highest and Hobart the lowest.

Vacancy Rates - An industry benchmark vacancy rate is considered to be a value of 3.0% (i.e., 3% of rental properties are vacant). Rates lower than 3.0% indicate strong demand for rental accommodation, whilst rates higher than 3.0% are generally considered to reflect an oversupply of rental accommodation. Vacancy rates give an overall and very general picture, they do not measure vacancy levels in relation to different rent levels, that is, they do not show the level of affordable dwellings.

Over the year states and territories varied in vacancy rates changes. Brisbane and Perth are still both above the industry benchmark rate. However there has not been corresponding drops in rents overall. Darwin vacancy rates nearly reached the industry benchmark, yet it still retains the highest rents in the country, demonstrating the vagaries of vacancy rates and median rents.

The Canberra Story

Canberra maintains its unenviable position as being amongst most expensive locations in the country. There has not been a fall in rents since March 1998. The REIA claims this reflects the high median weekly family income, and therefore that such rents are affordable. The TU would argue that these figures demonstrate a severe shortage of affordable housing that has to be addressed.

The vacancy rates for rental properties in the Australian Capital Territory did increase slightly overall over 12 months, this was likely due to more apartments being completed, however as noted

above there was no corresponding decrease in rents.

What does this all mean?

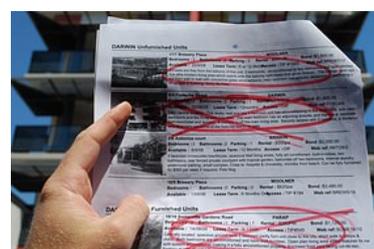
If affordable housing means paying 30% of income then ACT tenants when paying average rent of \$450/week should be on receiving income of \$1,500 and the Canberra AWE is \$1,243. So, even people on the average wage are paying more than 30%. Combine this with a quick look at "allhomes" to see how many houses there are available at that rent and there are two properties. An affordable rent for a person on the average wage is \$373. Currently there are 71 1-bedroom properties, at that rent or below, 24 2-bedrooms, 4 3-bedrooms out of 1,382 listings.

This position has not improved from our last issue of Tenant News. It continues to mean that there is no choice in the ACT market and this effects whether tenants feel they can bargain or assert their rights. It also demonstrates that ACT rents are increasing due to market forces and not linked to landlords' costs as asserted by the detractors of rental standards.

What can be done?

In the long term, increase the supply of affordable housing and social housing to balance the market.

In the short term, improve protections in residential tenancy and other related laws to address the imbalance.



TENANTS' UNION ACT

JOIN NOW & STRENGTHEN THE UNION'S VOICE ON HOUSING ISSUES

Name:	
Phone:	
Address:	
Email:	
Membership:	<input type="checkbox"/> Full member (Only tenants and occupants can be full members) <i>Please circle what type of tenant you are:</i> Private Public Community Other: _____ <input type="checkbox"/> Associate Member <input type="checkbox"/> Organisation
Declaration:	I agree to abide by the aims and objectives of the Tenants' Union ACT Inc.
Signature:	
Date:	

Annual Subscription

\$11.00 Waged \$2.20 Unwaged

\$11.00 Share house (Number of tenants:)

\$55.00 Organisation

Subscription is for a financial year and is GST inclusive.

Your application must be ratified by the TU management committee. Any inquiries can be directed to 6247 1026.

Please return your subscription and this form to

Tenants' Union (ACT) Inc., PO Box 8, Civic Square, ACT 2608.

The Tenants' Advice Service (TAS)

TAS is a free service for all ACT tenants. It is managed by the Tenants' Union ACT and funded by the interest earned from bonds lodged with the Office of Rental Bonds.

What we offer:

- Tenancy **advice** and **information** through our **advice line (6247 2011)**
Mon - Fri, leave a message between 10 - 11.30am and Tues 6 - 7pm. We will return your call
- **Workshops** and **presentations** on tenancy issues, rights and responsibilities. Free to community groups and organisations, school groups etc. Targeted to tenants, people who will become tenants or those who work with tenants
- Leaflets and other **printed information** on common tenancy problems/issues
- Tenancy **website:**
www.tenantsact.org.au
- Articles for newsletters, tenancy information stalls and displays

**For further information call
6247 1026**

Tenancy Tips Leaflets:

- Tenancy in the ACT: a General Guide
- Finding Somewhere to Live
- Access and Privacy
- Bond
- Defending an Eviction
- Ending a Tenancy & Breaking a Lease
- Eviction in the ACT
- Making a Complaint about a Real Estate Agent
- Rent Arrears
- Rent Increases and Reductions
- Rent Increases: Formula & Figures
- Repairs
- Sale of Premises
- Tenancy Databases
- Evidence Checklist for the ACAT