

Dear Members of the NSW Rental Law Review Committee,

I hope this letter finds you well. I am writing to propose a comprehensive review of the rental laws in New South Wales (NSW) to address an issue that has been of growing concern for tenants: the practice of rental agencies charging fees. I firmly believe that rental agencies should not be allowed to charge tenants fees. The tenant does not choose their rental agency and does not have the option of changing rental agencies if fees are introduced or excessive. All fees should be charged to the Landlord, as the business relationship is between those two parties. This proposal aims to foster a fair and equitable rental market in NSW, providing tenants with greater protection and promoting a sustainable housing environment.

1. Financial Burden on Tenants:

Charging fees to tenants places an additional financial burden on already stretched budgets. Many tenants struggle to afford rent, utilities, and other living expenses, and adding fees only exacerbates their financial stress. Eliminating these fees would contribute to the financial stability of tenants, allowing them to allocate resources towards other essential needs.

2. Inequality in Access to Housing:

Charging fees disadvantages lower-income individuals and marginalized communities, perpetuating inequality in access to housing. Tenants who cannot afford these fees face significant barriers when seeking suitable rental accommodation, limiting their choices and forcing them into substandard housing options. By eliminating tenant fees, we can create a more inclusive rental market that provides equal opportunities for all individuals.

3. Lack of Transparency and Accountability:

The current system allows rental agencies to charge arbitrary fees without clear guidelines or oversight. This lack of transparency and accountability fosters an environment where tenants are left vulnerable to exploitative practices. A review of NSW rental laws should establish clear guidelines and regulations, ensuring that rental agencies operate fairly and ethically, while providing tenants with greater transparency regarding their financial obligations.

4. National and International Precedents:

Several regions and countries have already taken steps to ban tenant fees, recognizing their detrimental impact on tenants. For instance, in 2019, the state of Victoria implemented legislation prohibiting rental agencies from charging tenants fees, setting an important precedent within Australia. Internationally, countries like Scotland and Germany have also implemented similar regulations to protect tenants. NSW should align its rental laws with these precedents to promote fairness and ensure consistency across jurisdictions.

5. Economic and Social Benefits:

Prohibiting rental agencies from charging fees would have significant economic and social benefits. Tenants would have more disposable income, stimulating consumer spending and supporting local businesses. Additionally, it would improve tenant-landlord relationships, reduce turnover rates, and contribute to the stability of rental markets, benefiting both tenants and landlords in the long run.

Based on the above considerations, I urge the relevant authorities to initiate a comprehensive review of NSW rental laws with the objective of prohibiting rental agencies from charging tenants fees. Such a review should involve consultation with stakeholders, including tenants, landlords, property owners, and rental agencies, to ensure a balanced and effective regulatory framework that protects the interests of all parties involved.

Thank you for your time and consideration. I believe that by addressing this issue, we can take a significant step towards creating a fair and sustainable rental market in NSW. I look forward to the positive changes that will result from this review.