

## **Submission: Improving NSW Renting Laws**

**Please note - I wish my name to be removed before my statement is being published.**

I am a 40-years old female working professional and renter in the Sydney Eastern Suburbs. I have experienced massive issues finding a studio/one-bedroom apartment over the last year. I reached the point where I had to couch surf for a few weeks at friends' places with my belongings being in the car I had borrowed from friends who were overseas at that time. I am originally from Germany and came to Australia 10 years ago. I would have never imagined that I would be in a position of not being able to find an apartment as someone who has completed university and is working in academia. It took me 6 months of intensive apartment searching to find one (I looked in 12 suburbs). In the meantime, I was able to move to my friend's place who, luckily, had a spare room. Looking for an apartment in Sydney is like a full-time job. Without the support of my supervisors, I would have never been able to spend that much time preparing apartment applications and going to inspections.

I welcome that the NSW Government is now finally looking into this issue. However, it is shocking that it needs a public consultation for something that the Government should have done already long time ago, in the interest of their own citizen, especially those who do not have the network of people where they can stay in crisis situations. When I read the consultation paper and filled in the survey, it even more highlighted how many things in the renting laws are unregulated leaving the tenants simply without any protection. The concept of 'let the market decide' does and should not be applied to housing!

There are a couple of things that I faced during my apartment search and that I urge the NSW Government to change:

- Probably one of the most important things I recommend the NSW Government to do, is to look at how progressive social-democratic countries like Scandinavia and Central Europe (Germany, Austria) are dealing with rental laws and protecting their citizen.

The other things are NOT listed in order of importance. All of them are important:

- Since we are facing a substantial housing supply issue in Sydney but on the other hand 10% of properties being empty. I suggest the NSW Government is considering short-term solutions as well. For example:

1. Prohibiting Airbnb in residential areas like other countries in Europe and cities in the US have done it
  2. Prohibiting apartments/houses etc. to be empty in residential areas. These have to be rented out to the public.
- I welcome that the NSW Government is discussing built-to-rent properties and social housing but these are medium-term solutions. We need short-term solutions too such as prohibiting Airbnb in residential areas as well as having minimum rental periods of 12 months.
  - There should be a minimum lease period of 12 months!! Other countries like Germany and Austria have a minimum lease period of 12 months. Also, in these countries, the rents are cheaper if lease period is unlimited. Again, please look at other countries.
  - The tenant should be given upfront information about any malfunctions in the apartment. It is not up to the tenant to do forensic inspections before moving in. It would also not be realistic since usually between 20 and 40 people are inspecting the apartment at the same time. For example, I recently moved into my apartment to find out that:
    1. the shared washing machine (operated by Strata) does not wash with hot water (it is not connected to hot water and the part in the washing machine that would heat the water is being removed so that users cannot wash with hot water)
    2. the locks for the windows do not work and the windows do not stay shut and open with wind.

I was never informed about these issues. I contacted the Tenant Union who advised me that the windows needed to be fixed and the apartment needed to "fit for habitation" and due to the washing machine issue, my apartment is not fit for habitation. However, I was also told there is no precedence case for the washing machine issue. Therefore, my chances to win at the tribunal are limited. If I had known this before, I would have not moved in, as I do not have a car and cannot carry my laundry every time to the next laundry facility which is 15 minutes away. There is also no possibility to install my own washing machine in the apartment. Well, the real estate agents are ignoring my emails.

- There should be rental reductions immediately by a certain percentage (advised by law) if something breaks down or is malfunctioning. Rental

reduction should be for the period until the major reduction in use or malfunction is fully not partially restored. This can apply to broken oven, air conditioning, broken down ceiling fixtures, leakages. This rental reduction should not be left up to the landlord to decide on for or against.

- Bond amounts cannot be withheld beyond the cost of damage - the tenant should have opportunity to fix on their own.
- Landlords should not be allowed to rent out apartments for 6 months if they end the lease with the tenant!
- Certainly, eviction period of 30 days is unacceptable. It took me 6 months (!! ) to find an apartment, and I am a working professional. 30 days to find a suitable apartment is impossible in Sydney. Moving in and moving out is also associated with high costs!
- The amount and types of information a tenant needs to submit to real estate agencies is shocking. Some of the information that tenants need to provide are also irrelevant. There should be an exhaustive list of things (advised by law) that the real estate agencies can collect. The information relevant for the landlord includes: (1) Employment evidence and (2) recent payslips. Real estate agencies should not be allowed to collect any other information. There is no reason why they collect private information like bank statement, savings account, over Australian VISA numbers, whether tenants own a property etc. The reason why real estate agencies are collecting this information is simply because they can since it is unregulated what data they can collect. I work in research myself, and we have to go through a rigorous ethics approval process before we are allowed to collect any unsensitive (!! ) participant information. As a researcher, we have to outline why we collect the data, where we store the information, how we destroy the information etc. The same principle should apply to the rental law where the real estate agencies are by law only allowed to collect a minimum amount of information. Bank data and visa data are obviously sensitive data too!
- Tenants have to provide a multiple references from current to previous landlords, current to previous employers, other references. Therefore, I suggest some regulation around being able to provide reviews for real estate agencies who are often doing "dodgy" business. This would be in the interest of the tenants and landlords, as also landlords are often complaining about how real estate agencies go about things.

- Bidding for rentals should be prohibited by law! Tenants are so desperate finding a roof over their head, that they are feeling forced to offer to pay more rent. Auctioning for rents should be made illegal!

I hope the NSW Government is actually going to fix this issue. We need short-term solutions and medium-term solutions!