



18 August 2023

NSW Department of Customer Service
Better Regulation Division
Regulatory Policy, NSW Fair Trading
Real Estate and Housing Policy

residentialtenancy@customerservice.nsw.gov.au

To Whom It May Concern

IMPROVING NSW RENTAL LAWS – CONSULTATION PAPER

Eastern Area Tenants Service (EATS) is a not-for-profit, non-government organisation providing advice, advocacy and representation to renters as part of the Tenants Advice & Advocacy Program. We provide assistance to more than 2,000 renters in the Eastern Suburbs of Sydney each year. We have daily contact with renters bearing the brunt of the crisis in the NSW rental sector, facing unfair evictions, unaffordable rent increases and living in poorly maintained properties.

We appreciate the opportunity to provide feedback on the 'Improving NSW Rental Laws – Consultation Paper' and hope that the NSW Government will use this opportunity to address the inequality and structural imbalance between tenants and landlords in NSW.

We endorse the submissions made by the Tenants Union of NSW and agree with their recommendations, and we provide additional comments on three issues.

Question 3 – What would be an appropriate notice period for the proposed reasons?

Why is it reasonable?

Our view is that for all new reasons that a landlord may seek termination of a tenancy, 6 months is a reasonable period. In the context of the current rental crisis, in which vacancy rates are low and affordable rentals are rare, a period of 90 or 120 days does not provide sufficient time for tenants to be able to find an appropriate alternative property.

The new reasons proposed by the Tenants Union are situations in which a landlord would have considerable notice and engage in a lengthy period of planning prior to requiring vacant possession of the premises. Where a landlord's circumstances are more urgent (if for instance a family member urgently needed to occupy the home) the landlord can seek termination on alternative basis that are already provided for in the *Residential Tenancies Act 2010*. For instance, a landlord can seek termination under section 93 on the grounds that they would suffer hardship if the tenancy were not terminated.

In providing for adequate notice periods, there should be a recognition that whilst for a landlord the property is an investment, for the tenant it is their home and they need sufficient time to find an alternative place to live.

Recommendation – That the appropriate notice period for new reasons for termination is 6 months.

Section 4 – A new model for keeping pets

We support the Tenants Union of NSW recommendations regarding the keeping of pets.

However, we wish to emphasise that in our view tenants should be allowed to have pets as a matter of right. We do not think that it is reasonable that a landlord should have control over whether a tenant can keep a pet.

The keeping of a pet is not in of itself a matter that causes any disadvantage to a landlord, any disadvantage that might arise would be the consequence of some conduct associated with the animal, such as damaging the property or disturbing neighbours. These matters are already adequately dealt with by other provisions of the *Residential Tenancies Act 2010*, which allow landlords to enforce a tenant's obligations not to intentionally cause or permit damage to the property or not to disturb the reasonable peace, comfort and privacy of neighbours.

Recommendation – That a landlord be prohibited from preventing the keeping of a pet by a tenant.

Question 30 – Other options to address affordability – What do you think about the above options?

Our daily experience of providing advice is that unaffordability is a key issue facing renters. In our view affordability will not be adequately addressed by limiting rent increases to once every 12 months. Unless limits are placed on rent increases, they will continue to be unaffordable and place renters under financial stress and at risk of homelessness.

To adequately address the crisis in affordability, rents should be frozen for the next 2 years and caps should be placed on any future rent increases. In our view, the ACT model locks in unaffordability by a) allowing increases that are more than the rate of inflation and b) allowing landlords to increase rent by the largest amount when renters can least afford it. A cap on increases should be linked to affordability, not measures such as inflation.

Recommendation – Rents in NSW should be frozen for 2 years and caps should be placed on rent increases that are linked to affordability.

Yours sincerely

Martin Barker
Coordinator