The Views of Tenants on Rental Conditions and Tenancy Law in Queensland

A Report on Tenancy Law Reform Focus Group discussions



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for the

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Executive Summary

This report presents the outcomes from a series of focus group discussions held with private renters across Queensland in early-mid 2007. These focus group discussions were undertaken to understand tenants' contemporary experiences of renting, and to provide an opportunity for the Tenants' Union of Queensland to strengthen its understanding of the main issues and challenges in the rental market, as articulated by tenants themselves. The focus group exercises were also designed to consult about law reform issues, and to seek participants' specific responses to the Tenants' Union of Queensland's three central law reform priorities, namely evictions without grounds, rent increases and dispute arbitration.

In summary, most tenants have seemingly found it difficult to attain, maintain and retain good quality, affordable and secure rental housing. Competition for rental housing is high in most places, and this has several related effects for tenants. As well as directly adding to housing costs, the state of the rental market impacts on the time it takes to get the 'right' place, which often means having to rent places that are not 'right' for them. Awareness of this also leads to the importance of being able to stay where they want, and the perceived need to not make 'too much of a fuss' in case it leads to rents increasing, or eviction which places them back onto the treadmill of trying to find suitable rental housing once again.

There was near universal comment on how tight rental markets around the state are, although it was stressed that this was not only a recent phenomenon; in fact things had been difficult for some time. Some of the comments about the difficulties in securing rental premises were actually based on experiences several years ago, suggesting that rental markets have really been tight for a considerable period and that this was structural rather than the result of short run supply demand issues. This also suggests that things will not change quickly either.

It is important to note that although high rental costs are one obvious problem for many tenants, there are in fact other, important issues such as uncertainty and insecurity about the future, inadequate periods of notice, and repairs and maintenance, which are not directly cost related, but which appear to significantly impact on the quality and appropriateness of housing outcomes many renters experience. Thus, another constant point of discussion during the conduct of these focus group discussions related to conditions in the private rental sector in terms of the physical standards of dwellings, the need for repairs and maintenance at the start of and during tenancies, the ability to have those repairs undertaken, and problems with the accurate recording of dwelling conditions at commencement and related disagreements at the end of tenancies and ensuing bond disputes. Incomes or rental market

segments did not seem to make a significant difference to exposure to difficulties, tensions and disappointments as tenants.

In considering the general tenancy experiences of those who participated in the focus group discussions, covering issues around applying for, securing, enduring, and ending a tenancy, the kinds of issues, problems and challenges tenants regularly encounter become clear. Not all of these are negative, but many do highlight the power imbalances present in the rental market and the consequent awareness of vulnerability. In particular, there was an overwhelming sense that tenants are granted inadequate notice time at the end of a tenancy (which is normally a fixed term agreement these days). This creates all sorts of problems in terms of fear and loathing of what might happen as the end of a lease draws near, and panic and stress once when notice is provided.

Despite the common experience of problems at the start, during and at the end of a tenancy, relatively few participants had previously sought the help of independent tenancy advice and advocacy services, such as those available from the Tenants' Union or the Queensland TAAS program. Rather, in seeking out information and advice, it appears that most tenants see their managing estate agents as their main point of contact, and only question this approach when things either don't get resolved satisfactorily, or where the tenants begin to suspect they are not being presented with accurate information.

On the three specific areas of law reform participants were asked to comment on, it is obvious that the issues of 'tenancy termination only with reasons', 'limits on rent increases' and 'appropriate tenancy dispute resolution' are key areas of concern to tenants. On the termination issue, participants expressed the view that the current situation, where in the absence of any breach of agreement, a tenant can be told to leave without any reason being given, is both a denial of natural justice, and also creates problems for people when applying for other rental housing. On this issue, participants were clearly in favour of a requirement for reasons for termination to be provided. They also highlighted the gross deficiency in notice periods at the end of a fixed term lease – currently just two weeks – which can make it near impossible to secure appropriate alternative accommodation.

On rent increases, the participants were all acutely aware and deeply concerned about rapidly rising rents in the rental market, including the capacity for landlords to increase rents between leases without any practical limitations. The clear view from the focus groups was that rent increases should be limited to once a year, and that the formula for how those increases are

calculated should be transparent, and preferably stated at the start of a tenancy. Lastly, on the question of dispute resolution, few of them had had any engagement with the Small Claims Tribunal, making it more difficult for participants to respond in detail to the issues. However, many tenants did indicate that as a principle, they expected the process to be specialist, independent and accessible, and for deliberations and decisions to be made available.

Overall, this exercise has added to our understanding of the situation many tenants find themselves in. It has provided very useful corroborating materials about how today's private rental market operates, the issues and concerns held by tenants, including how tenants view their own prospects in the rental market and wider housing system, and the perspectives and ideas they themselves have for addressing the main issues that confront them as renters. This has proved to be a very valuable venture, as it transpires that a number of practices in the private rental market have changed over the last decade or so, since the present legislation – the Residential Tenancies Act 1994 - was conceived and passed. These changes include increasing rarity of self-managed properties, the use of rolling fixed term tenancies over a previous predominance of initial fixed-to-periodic arrangement, and the use of 'open house' and 'group inspections' for potential applicants for a tenancy. A number of sociodemographic trends and phenomena can also be observed over the last decade. These have resulted in a greater mix of types of tenants in the market, and corresponding motivations and aspirations around renting. Private rental is also no longer a temporary or transitional tenure – it is now a long term housing situation for many people. These were not common features of or practices within the private rental market in the early 1990s when the current tenancy legislation was conceived, designed and enacted.

To conclude, this project represented a rare opportunity for broad dialogue with individual tenants who had not sought advice or assistance. The prevailing summary observation that can be made from these focus groups discussions is that tenants occupy a very vulnerable position in the housing system. This sense of vulnerability is commonly felt, and even where it is not spoken of directly, it is apparent in other ways. The significance of this vulnerability in terms of tenancy law and policy needs to be acknowledged and responded to. An assessment of how well present rental market regulation is placed to respond to contemporary and emerging practices and renter profiles, and future developments in the rental sector, is required. The priority issues for the Tenants' Union – restrictions over evictions procedures, managing rent increases, and improving tenancy dispute resolution – are ones that go to the heart of addressing key issues for tenants as this study has shown.

1. Introduction

During the first half of 2007, the Tenants' Union of Queensland conducted a series of focus group discussions with private renters in eight different locations across Queensland¹. These focus group discussions were principally undertaken to understand tenants' contemporary experiences and perspectives of renting in Queensland. The project represented a rare opportunity for broad dialogue with individual tenants who had not come to the Tenants' Union for advice or assistance, but who were nevertheless keen to tell of their own rental journeys and stories, and to express their own opinions of tenancy law protection now and into the future.

This report details the outcomes of this series of focus groups held with tenants across the State. The chief purposes behind the focus groups were to (a) explore contemporary rental conditions, processes and issues from the experience of renters themselves, and (b) to consult with renters about specific law reform proposals and to test positions advocated by the Tenants' Union of Queensland. The timing of the focus groups was designed to coincide with the review of the Residential Tenancies Act, and the responses from tenants was to be used to inform both the TUQ main submissions on the Review, as well as in related lobbying and campaigning work.

In addition, it was seen that the focus groups would be an opportunity for the TUQ to inform renters of the government's law reform process, and to provide some general awareness and promotion of TUQ services. In practice, the exercises also involved the provision of general community education about tenancy laws, and tenancy law advice on specific enquiries. It could be further argued that the focus groups facilitated citizen participation in public and community policy development processes, which would not otherwise have occurred.

The report is structured around three main parts. Part One (Sections 1-3) provides the necessary contextual information about how the study was conceived, structured and conducted. This material briefly introduces the report and the study, outlines the background to the study, and the processes followed in terms of recruitment and focus group conduct is provided.

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¹ These were conducted between March and May 2007 in eight different locations: Cairns, Townsville, Mt Isa, Gympie, Toowoomba, Logan, Rockhampton, and Brisbane (x2).

The second and major part of the report (Sections 4, 5 6 and 7) summarises the key issues arising from the focus groups, based on a series of discussion points and questions used during the broad discussions. The format of the report is largely designed to allow the voices of the tenants who participated in the discussions, to speak loudest. These sections are accordingly based on a mixture of direct quotes from participants, and summarising and paraphrasing of responses, and related commentary and summary analysis, on a range of issues.

In Section 4, the general experiences of renters are explored in terms of events pre-tenancy and what happens at the commencement of a tenancy. Section 5 examines the issues during a tenancy, and Section 6 looks at what happens at the end of tenancies and beyond, including housing aspirations. Lastly, in Section 7, the views of tenants on three specific law reform issues are considered. These issues cover landlord terminations of tenancies (evictions) where there is no breach of the tenancy agreement, the processes for and regulation of rent increases, and tenancy dispute resolution - and tests responses to current TUQ positions on them.

Part Three of the report outlines the implications of the views, experiences and perspectives expressed during the focus group discussions for tenancy law and regulation, for tenancy and related service provision, generally and for the work of TUQ in particular.

2. Background to the project

2.1. Conceptualisation and purpose

The Tenants' Union of Queensland Inc. is a community-based tenancy advice, advocacy, support and resourcing organisation. It provides a range of services directly to tenants, including tenancy advice, legal casework and advocacy, tenancy law education and information-giving, and referral. The organisation also provides a range of services to support other agencies who work with tenants, including tenancy law training, legal analysis and interpretation, tenancy law publications and education materials. The Tenants' Union also plays a leadership role in promoting and advocating for the interests of all renters in law reform, policy making and rental industry practices development.

Despite daily interaction with renters through its statewide phone advice service, and face to face client work, most of this dialogue between Tenants' Union staff and individual tenants is based around tenancy problems and explicit need for advice and assistance. This gives the organisation a strong and clear sense of the sorts of concerns tenants in difficulty have, and also how well tenancy law works in practice in providing effective solutions and responses to a whole range of situations. The series of focus group discussions reported on here was designed to supplement this daily professional interaction, by allowing for dialogue with groups of renters *who had not* sought advice or assistance.

In other words, this was an opportunity to hear about and explore the experiences of a broad range of randomly selected tenants, to gather their views on contemporary rental conditions and processes, and to test their opinions on some specific law reform positions the Tenants' Union had developed and refined. In many ways, the focus groups were a way of providing a 'reality check' and a grounding on the issues commonly perceived as being key challenges, based on phone advice enquiries and other tenant dialogue.

2.2. Project objectives

The formal purpose of holding the focus groups with tenants in Queensland was to "To engage directly with tenants to inform the Tenants' Union's work, in particular law reform". Although the project had been planned for some time ahead, the final timing of the focus

groups was aimed to coincide with the Queensland Government's review of the Residential Tenancies Act 1994. The information from tenants was intended to be used to inform both TUQ submissions to government on the Review, as well as to feed into lobbying and campaigning work. The focus groups provided the means to incorporate tenants' views and reform proposals into the Tenants' Union's reform agenda.

The aims of the focus groups were to:

- understand tenants' experiences of renting;
- provide an opportunity for the Tenants' Union to compare our understanding of tenants' issues and experiences with those articulated by tenants themselves;
- seek participants' responses (the significance and/or their experience of) to the Tenants'
 Union's law reform priorities and their suggestions to improve tenants' situation in regard to these; and
- inform participants of the government's law reform process.

The objectives of the Project itself were thus to facilitate the organising and conduct of the focus groups, and to support the recording and analysis of participants views and their significance.

2.3. Project management and process

To ensure robustness in the research, small team of Tenants' Union staff project-managed the work overall, and were responsible for the recruitment and events organisation stages. They also in attendance at different sessions to provide tenancy law advice and referral where required. However, the actual focus groups were conducted using an external, specialist facilitator, who was also responsible for assisting with project conceptualisation, focus group session format design, question and process development, transcription analysis and report preparation.

Tenants' Union staff working on this project were Penny Carr (Project Manager, Advisor - various locations), Jemma Donaghey (Recruitment and Event Coordinator, Rockhampton Advisor), Pat Cora ((Townsville, Mt Isa Advisor), and Lynda Sadiki (Cairns Advisor).

The facilitator and technical consultant for each of the focus groups was Dr Tim Seelig.

3. Methodology

3.1. Selection of locations, scale

It was intended to make the series of focus groups as comprehensive geographically as was possible. In the end, final choices were made balancing locational preferences with available time, and resources to support regional events. Accordingly, eight different locations were selected for inclusion in the study, and nine separate focus groups actually conducted: Cairns, Townsville, Mt Isa, Gympie, Toowoomba, Logan, Rockhampton, and Brisbane (x2). This geographic spread provided quite a variety of places in terms of different types of rental markets (inner urban, regional centres, mining towns and tourist centres), with considerable inclusion of places outside of the South East Queensland corner.

Notwithstanding such differences, some level of homogeneity about a range of issues was also anticipated, given tight rental market conditions around the state, and the application of state wide tenancy legislation and rules. This implies a tendency to experience 'diminishing returns' from more than this number of individual focus groups events: the likelihood of issues not previous raised decreases as additional groups participate.

3.2. Tenant recruitment process

The first step in the tenant focus group project was to recruit tenants to participate. As a government authority empowered to, amongst other things, collect, hold and refund bonds, the Residential Tenancies Authority have a comprehensive list of tenants across Queensland.

We were lucky enough in this instance to have some help form the Residential Tenancy Authority. The RTA allowed us to use the details they hold from bond lodgements to send out letters to a randomly selected group of tenants in certain areas.

Obviously the tenants' details needed to be kept confidential. A letter was drafted here which was then sent through to the RTA, who supplied it to Easymail (Australia Post) along with 200 addresses for each area we planned to hold the groups. The Tenants' Union standard letterhead was couriered directly to Easymail to enable the letters to be printed up on them for distribution.

The standard letter sent to the tenants explained the project and asked them to contact us if they were interested in attending, we supplied an email address and a freecall 1800 number which had both been set up specifically for the project.

The focus groups were scheduled to start in the last week of March and finish in the first of May, In order to get the best possible response to the letters we discussed the timeframe for turnaround. Fortunately Easymail were happy to stagger the mail outs. We decided to send out each group of letters three weeks before the groups were to take place. This would give tenants two weeks to register either by phone or email, and allow us in the last week before the groups were to be held, to follow them up in hopes to assure attendance.

To follow up we started with a second round of letters sent directly from the TU to the registered tenants, which included the date, time, address and a map of how to get to the venue of their local focus group. The freecall 1800 number was again supplied incase tenants had any queries about the location of the venue. This number was also diverted over the weekends to one of the attendees (the facilitator or TU employee) to ensure participants had a point of contact if there were any last minute directions needed or cancellations. The last step in the follow up process was a phone call to each tenant just days before each group to confirm they had received the second letter and were still planning to attend the session.

While this process was taking place venues in each chosen area were looked at with one eventually being secured for the focus groups. The only problem that arose in this procedure was that as the groups were all scheduled for weekends one venue needed keys to be picked up and dropped off on weekdays. Fortunately for our close relationship with local TAAS workers in the area we were able to get around this problem with their assistance.

Recruitment Statistics

200 letters were sent out to each area focus groups were to be held with 400 going out over Brisbane, as 2 groups were scheduled in the area. The aim was to register 10 tenants to each group. However after the first group (Townsville) where 11 people put their names down plus 4 as reserves and there were still only 7 attendees, the decision was made to register 12 people to each group plus reserves with hope of 10 people participating per group.

Overall from the 1800 letters that went out 65 (3.62%) were returned to sender. 115 (6.388%) tenants contacted the Tenants Union back, of these 18 (1%) were unable to attend because of the date the Focus group was scheduled and 10 (0.55%) put their names down as reserves. 87 (4.833%) registered to attend the groups with the number of actual participants dropping to 65 (3.62%). Originally the aim was 10 people at each group which would have been 120 (6.66%).

Good responses came from Rockhampton, Logan and Toowoomba all with 6% (12 people) registering for each Focus Group. Overall the attendance was high in these areas each group with 4.5% of the original 200 tenants participating (9 people). Gympie was the only location to have 100% turnout of the 6% registered to attend. Cairns had the smallest number of tenants to register, just 2% (4 people) however they all participated on the day, with Mt Isa just higher with 3%(6 people) registering and 2.5% (5 people) attending.

General observations on the participants

The tenants who participated were drawn from a range of backgrounds, rental histories, and perspectives. A spread of ages, household types, incomes and rental market segments was also captured. Despite the heterogeneity of the participants, some commonalities were quite evident. They were all very reasonable people, who generally wanted to get on with their lives. Renting was their housing situation, but there were clearly not motivated as tenant representatives or activists. This means their views and experiences can reasonably be taken as broadly representative of many renters in the wider population

3.3. Question development

A standardised set of open questions to facilitate semi-structured discussion was developed for the focus groups. These were designed to guide comments and discussion through the various stages of renting, and to elicit views and ideas about the contemporary experiences of tenants. A supplementary set of questions relating to three specific law reform issues were also devised to focus discussion and responses to those particular areas. Unlike the more open-ended structure of the general discussion questions, these were more directive, and included a description of current legislative situations, an outline of the existing TUQ law reform proposals, and a set of questions to test responses and gather supplementary perspectives.

In the main, the tenants appeared comfortable answering the questions they were asked, and in participating in discussion and debate on the issues that arose. As anticipated, it appeared much easier for them to relate responses to their own direct experiences, knowledge and 'frames of reference', than to some of the more abstract questions about specific law reform proposals.

3.4. Focus group organisation

The nine focus groups for this project were conducted between March and May 2007. The sessions were held on a weekend day to allow for maximum participation. Each group was led by the facilitator, and discussions recorded for later analysis and summary. Upon arrival, participants were asked to fill out a demographics form, a consent form and sign an acknowledgment of attendance payment receipt. Participants were also provided with a folder containing a sample 'Tenancy Fast Facts' sheet and information on the review of Residential Tenancies Act.

Each focus group session was broken into two parts; roughly one hour long each. The first part of the session focused on tenants' experiences in renting, while the second half centred on the Tenants' Union's law reform priorities and related issues. Before conclusion of the sessions, the Tenants' Union representative in attendance briefly referred back to tenancy law issues that had been raised throughout the session, and in many cases offered initial advice or referrals to individuals upon request. Participants were also informed about the tenancy law review process. After each focus group had taken place, participants were thanked via letter.

3.5. Focus group write up

Digital recordings were made of each of the focus group discussions, on an anonymous basis so that no individual participant or group of participants could be subsequently identified. These recordings were sent to be professionally transcribed, and then analysed and summarised.

4. Key Discussion Points: at the start of a tenancy

The next part of this Report begins the process of outlining the general tenancy experiences of those who participated in the focus group discussions. These experiences cover the gamut of processes for applying for, securing, enduring, and ending a tenancy, and the kinds of issues, problems and challenges tenants regularly encounter. Not all of these are negative, but many do highlight the power imbalances present in the rental market and the consequent perceptions (felt and normative) of vulnerability.

Section 4 focuses on the first part of this process by looking at the start of a tenancy, and how people have to go about looking for and applying for rental housing, and how easy it is to locate and secure appropriate housing options.

4.1. The process for locating, applying for, and securing suitable rental housing

Generally, participants indicated they experience a high level of competition of rental housing, and that the processes for applying and securing somewhere are onerous and time consuming. Often finding somewhere that really meets the needs of tenants is a matter of luck or timing. While some participants felt that they had eventually managed to secure a place that met their needs, many commented on the poor standard of rental accommodation.

There was near universal comment on how tight rental markets around the state are, although it was stressed that this was not only a recent phenomenon; in fact things had been difficult for some time. Some of the comments about the difficulties in securing rental premises were actually based on experiences several years ago, suggesting that rental markets have really been tight for a considerable period and that this was structural rather than the result of short run supply demand issues. This also suggests that things will not change quickly either.

In terms of how people went about looking for places to rent, there was a mix of approaches (and experiences). The main means of searching for suitable rental premises were the internet, newspapers, through friends, looking in agency shop windows, and getting a list of rental properties from agents. Nevertheless, it is still necessary to find the time and opportunity to actually inspect places in person:

There was a strong sense that getting the right place can take a considerable time:

"It took us a good three months to find our place. We had a lot of trouble ... droves of people at every place, and people bringing in money and applications to see a place that no one had even seen before."

"When I knew I had to move out of where I was, I started looking three months in advance so that I knew I'd hopefully have somewhere by the time I (had to leave)"

Sometimes, this means being available at inconvenient times:

"On the internet yes, and ringing up and trying to make appointments, and appointments are always in the middle of the day when you're at work"

Sometimes it means spending blocks of time looking:

"I've looked on the internet ...my husband was up here looking with friends. They just got the key, looked at a couple of places and chose one."

And sometimes, it is also down to luck, and being in the right place at the right time:

"...this particular house we pulled up to have a look and it did suit the billWe saw a couple of people working in the house so we went in there and said, "We're looking at renting this house, can we just have a quick look around?" And she said, "Well, actually I own it and if you want to come for a look through?" we talked for a little bit and that so she said, "Do you want to come for a walk through?" Then I said, "Actually this would suit us." So she said, "Okay, go down to the real estate agent and tell them that you're the tenant." So I went to the real estate agent and I said, "I've been looking at the house at", they said, "No, before you go any further, we've got two applications on that and we can't do anything until then." And I said, "Well, actually the owner has sent me down here, you might have to be calling them." So that was the way we got this tenancy"

For others, it means being careful and savvy about how to approach the search:

"I was renting with two girls and another guy and we're all uni students and if we (all) went in there three or four ...they won't look at you....but then once I went in with one of the girls and posed and said, "We're a young couple." And then we got a completely different reception. So I think that's quite silly, really, to have to start to do that kind of stuff just to get an application form. And then once you're so far down the track and you've already got a rapport you slip in, "Oh and our friends might, talking to us, they might want to live here." But you have to do that stuff otherwise you just don't even start to get talking to someone."

Growth in the use of the 'open house' for rent.

Many of the participants indicated that they had looked at prospective rental premises under an 'open house' system, where the managing agents set a common time for inspection and enquiries to multiple applicants or interested parties. This is the approach commonly used by estate agents for property sales, and its adapting to the rental market for applications is a relatively new phenomenon. It raises issues for both the sitting tenants, who have to endure this intrusion on their privacy and quiet enjoyment, as well as for prospective tenants who have little power over when inspections can be conducted, and are left with uncertainties about their chances of securing the tenancy:

"'Some real estate agents now are having open house on a weekend where they've got all their rentals. They do half an hour at each place. But if you're a tenant looking for somewhere you pretty much have to follow the tribe from house to house and have a look through."

"They won't actually give you a key to go and have a look on your own. If you're interested in renting a property they'll say, 'This is the open house time on Saturday, come along then, have a look.'

"It's got the stage now where you can't take keys and go and inspect something by yourself. You've got to put your name down on a list and they then have a time where a whole stack of you go off and have a look at the apartment or place or house or whatever it is."

The efficiency advantages to the property managers is clear – it allows them to screen and provisionally assess several applicants in one go:

"Here they have open houses for renting, so they actually give you a time when there could be 20 other people going through that place and if you don't fill in that form right that second then you won't get it and it's very scary"

"I fronted up at one particular place and there was eight other people there."

"there were tons (of people) at every one. And you can tell. They look at you, it's like it doesn't matter what's – they kind of look at you, and you know that the application's just gone in the bin. You just get the feeling, like "thanks" and they'll never look at it again."

Another tenant commented that:

"It's like a lottery isn't it"

In fact, one could question whether this is really akin to a lottery, where the chances of winning or losing are evenly spread, whereas the process described above is more structured than that, giving the agents the opportunity to pick and choose quite deliberatively, and in the process making people feel uncomfortable and demeaned, as well as suggesting (implicitly) than many are wasting their time!

It also raises difficulties for prospective tenants to really get to see what the rental dwelling is like, as one participant explained:

"In the past you had an opportunity to go and have a look at the place yourself. You usually had more than 15 minutes in which to have a look at it and see whether things were really working. What was broken. What real facilities they had. Whereas with this method of someone taking around for an inspection, you've got that 15 minutes. That's it. You're in the door, out the door...."

Along with increasing use of open house inspections for prospective tenants, there is also some emergent use of 'group interview' processes for applicants. This is where the agent makes assessments of applicants while they are conducting an inspection together. Once again, this is a relatively new development in the Queensland rental market.

Getting to the point of submitting an application

Many participants commented on the convoluted processes for making a formal application for a tenancy. As well as being asked for extensive – and often seemingly excessive – amounts of information and documentation, there were many concerns about how long the process took. Sometimes, a written application had to be submitted before an inspection could occur.

"People would be filling out application forms on the steps of the house to be the first one to hand it in. We got to the point where we would fill them out ahead of time.

"Every one (open inspection) I went to, 10, 15 people were putting in applications."

In others it was the other way round, and a prospective applicant would only be 'invited' to apply once they had seen the property (and once the agent had seen them!)

"They make you look at the house first, you have to view the house first. Like physically going in and looking at it, and then they'll ask you for that application form if you're interested, and put in a deposit for it... They wouldn't let you put an application in if you hadn't viewed the property."

"you have to put your name down ... you roll up there with everybody else who's interested in the house.... Everyone tramps through the house. Then they leave from that place, go onto the next viewing. So they usually have a timetable with places that they're showing an assortment of people around. If

you are particularly interested in the place, then you have to race back to the real estate office and make sure that you are the first person to get your application in."

"what I found ... is that you can not put in an application form in, you've actually got to go and inspect, or do an inspection, or sight the place, before you can put an application form in."

"You can get a sigh, "Oh, you can fill out an application form if you want....that's code for, "You're not going to get it."

The requirement for extensive information at application

The volume and range of information was something that participants commented on extensively.

"they were asking me questions that I didn't actually know the answer to and I said, "Do I have to fill out these questions, I think they're really excessive and I don't have the information to answer some of them." And they've said, "Well, if you want to deal with us you have to answer them."

"They would want the most ridiculous stacks of information – they want copies of drivers licence, copies of passports. Copies of three payslips. We came up from Sydney, and no one in Sydney ever asked for this much. One place asked for our email passwords, and that was on their application form. We were like, we're not going to apply with you."

"I was shocked about these application forms, where you have to give away very private details... I had to put my whole life down there."

"I had to fill out an application form, yes, and they wanted to know where I've been to, this, that and the other"

"Even Centrelink doesn't ask for that kind of stuff."

"the impression I get is that they... there is no limit to what they can try and collect and what they can refuse to deal with you."

There were worries about what happens to all this information afterwards:

"They don't have anything that says they won't disclose your information, or they don't sign and privacy declaration or anything like banks do so they can take it and go wherever they want to... what happens to your information when you give such people info?"

And many made it clear that there was no option but to complete the forms fully, and certainly no scope for questioning the reasons for some of questions:

"If you bring up that kind of stuff up with them they say, 'Don't worry about it, see you later, please leave, we will call security.'"

Once again, this is all clearly to the advantage of the managing agents, as it screens out potential 'risky' tenants (real or imagined risks!), and creates a significant hurdle which some applicants are bound to fail:

"the agents seem to do great checks on you, you know. They not only find out to make sure that you're employed or you've got a regular income coming in, they phone all your references, they go into your background to see whether you're suitable or not. So they've got the pick because they've got so many people after the same property."

"I am a single mum with two little kids I was actually pregnant and couldn't get a place because I haven't rented for 20 years....none of the real estates would touch me because I had no previous rental records other than in New South Wales 20 years ago."

This means some applicants – even those who clearly have the financial means to pay the rent and so son, have to be 'creative' with how they complete the forms:

"I had sold a house in Sydney and moved up and I wasn't working, I was thinking I could just get the best house, like could afford it ... they asked me if I had a job and I said, "No, I'm just about to write a book if I get a place", which I've done. I didn't have a driver's licence, I had no identification basically, and I just said I wanted to pay out six months, like, and I had to look actually really hard... and then I had to ring up one of my former bosses and say, "Look, I haven't worked for you for four years but how about lying for me on this one?" I had to trick my way in to the place I wanted."

"I had migrated from overseas on a permanent residency here... But when I came here getting a rental place was like a nightmare. Because I didn't have a driver's licence from Australia, it was an overseas licence, so that was one problem. They wanted bank statements, I don't know for what... what that could prove, okay, but that's really a violation of privacy according to me, okay, and they also wanted previous renters. I said, "Look, I just come, I've got my permanent residency, this is my passport, it says you can stay in Australia indefinitely, I'm a professor, so I've worked some years, 18 years prior to this, I've got cash, I will pay you for six months, one year", but no it really didn't work. So I went from one real estate to another and it was the same crappy treatment. There was one of them who told me, "If you want to buy you give me a call back. But you don't qualify for renting.""

Overall, the length of time it took to hear back from agents about applications was the greatest single concern, as this left tenants not knowing whether they should wait for that premises or apply for others, and the legal, financial and other pressures this created. Of course, this dilemma may be played out in the context of having to vacate a rental property, with as little as two weeks' notice in many cases.

"When I put in for a couple they've gone, "Yes, well, if you fill out a form you will probably have to wait maybe two to three weeks, I will be speaking to the owners" "

Tenant: "I had to put in an application form, plus two references, and references

from people who have known me more than five years. They scrutinise

those and they do ring your references.

Facilitator: How long did it take? How did that process work?

Tenant: Took about two weeks. So I was hanging in the air for two weeks, you

know, whether I got the place or not.

Facilitator: So did you only put an application on one place or...?

Tenant: No, I did several.

Facilitator: Several at the same time?

Tenant Yeah."

"We found that it was a cash flow thing. That we couldn't apply for more than possible one or maybe two at the absolute most, because you would have to fork out this money in advance while you were waiting for them to make their mind up."

Tenant 1: "I was looking for a place to rent and you go into the real estate and this

woman gives you a bible to fill out and you fill that out and you don't

actually hear back from the real estate.

Tenant 2: *No you never hear they don't even contact you.*

Tenant 1: No and because I was working full—time and being a single parent they

basically just look at you as if to say well you're not going to live in this

house so we are not even going to read that."

There were also numerous instances of where tenants had been asked to fill out application forms for places where tenants had apparently already been signed up. The applicant is unaware of this at the time, and the only purpose in such situations is for the agents to identify 'suitable' potential tenants for other places, and to screen others out.

In the end, the sheer unpredictability of the situation left many unsure of how best to approach the process of applying for a rental place:

"It's much easier, I think, for families...house than a single person."

"I guess I've been pretty lucky. Single person and haven't had any trouble."

"It's not what you know it's who you know."

One thing nearly everyone was agreed on, however, was that this was an unsatisfactory and frustrating experience:

"The real estates just basically take up and waste a lot of your time."

Paying an application deposit

With all these issues of viewing potential rental properties, submitting applications and hearing back from agents about whether the application has been successful, there was relatively little mention of people having to pay an application deposit payment. It is possible that they are simply superfluous in the context of such processes, especially in an environment where demand exceeds supply. However, there were several examples put forward of where a deposit was required (rather than being an option for the applicant), which led to some financial difficulties and inconveniences in terms of being yet another hurdle to be cleared to secure a tenancy.

"it is very much an impediment to trying to find somewhere because if you've got to put down two weeks' worth of rent before you can put an application in and then they reject your application... then even if you had the money you could go round and put it on four places but if they give you four places then you've got to actually rent four places... it's very much a power imbalance"

"you say politely, "Why do we have to put the money down?" They just say, "Because you have to and if you want to apply for this place that's our policy and you have to do it. If you don't like it go somewhere else."

Concerns about applications being rejected

Participants expressed a variety of concerns about applications for rental housing being rejected, based on their past experiences:

Sometimes the issue is simply about competition:

"when I actually went from the (real estate agent) interview to have a look at the particular unit I was told that there was some... about 15 people that had already applied for it and I've gone well that's shot me right in the foot right from the word go."

"I thought I was lucky because there's only one other who'd looked at the property, the one I got. So he only had a choice of two."

Other times it is about assessments agents are seemingly making about applicants:

"I think we ran into a lot of trouble because we had a baby, and people are a bit like – not necessarily wanting to have kids. I think that's why we got rejected, because we got rejected a lot when we were looking"

"a couple of times previously I've gone for a place where I've been currently unemployed or something and they virtually say no. You're not earning enough or whatever. So the actual personal situation comes into effect with a lot of agents as well."

it's all about profiling you...So they can go to the landlord and say, "Well, do you really want a student who studies this?" And all kinds of questions, like, "Do you have a partner in the house? Are they male or female?" So, "Do you really want a student who is gay?" And they go back with those kinds of questions to the landlord, and I find that is sort of offensive."

Tenant: I lived in my car for nine months. It took me nine months to get approved

for a place.

Facilitator: Had you found places that you would have liked to have rented, but

couldn't get access to them?

Tenant: Yes. I have a registered Queensland health companion dog... Well they

(the agents) just refused. This place (where I rent now), the rent was

raised \$30 a week so I could have my dog.

"I was going in there (estate agent offices) every day, applying. As soon as they knew that I was a disabled pensioner, I was basically shown the door."

The volume of questions and other requirements can also create difficulties:

"Well, everyone who wants to live there has had to fill out one of these forms and provide a whole lot of information and personal information in terms of financial situation and what you do as a job or whether you go to uni or what course you study at uni, how long you're studying, how many subjects, all kinds of really detailed questions, which I found that a bit offensive because it doesn't relate to your ability as a tenant"

"Well, I've had forms, "You must fill in the three previous landlords", I haven't had three previous landlords... And they wouldn't accept the form because I hadn't had three."

"You can stand there and say well I'm not going to give you my bank details. But then they're just not going to let you take the place."

Rent bidding

Although there were only a few direct references to 'rent bidding' or 'rent auctions', a number of participants spoke of experiences which related to how agents go about selecting tenants, which have been described above (group interviews, open houses, requirements for extensive information and so on).

Tenant: "I've seen some ads recently, because I may be moving to the Gold Coast in a

couple of months for work. And they're actually advertising tenders for renters...People putting in the highest bid that they want to pay, and it goes to

the highest bidder. They're actually auctioning off the weekly rent."

Facilitator: *How are they advertising that?*

Tenant: "The title was 'tenants tender'. And if you like that house, you've got to put in

a bid of how much you're prepared to pay, and it would go to the highest

bidder."

While not equating directly with any obvious rent bidding processes, these all add up to circumstances where agents can maximise the opportunity to have tenants attempting to outcompete each other though a variety of factors, including offers to pay more rent. As another tenant said:

"The person that is prepared to pay the most gets the place."

4.2. Comments on the present rental market and conditions of dwellings

Among the participants, there was widespread comment on the poor standard of dwellings, and the conditions in which places are let, particularly in terms of dwellings being dirty, in states of disrepair and so on.

Some tenants were quite polite about this situation:

"I think the quality of the rental stock is really, really poor. If you're talking anything within the realms of reasonably affordable, it's very poor. And there doesn't seem to be a guarantee of standards, which I would really like to see."

"There should be an obligation to keep a property at a certain standard over time."

Others were more direct:

"houses were being advertised for \$350 a week, and I wouldn't let my dog live in the house. Just absolute rubbish. Holes in the floor, you had banisters coming off the steps going outside, and real estate agents are just going,' it's just a rental, what do you expect?'"

"I went through everything because it was in very poor condition. Carpets were filthy, stove, knobs don't work properly, light bulbs blown, garden's a mess. I've got everything down. They just ignored it and didn't do anything. There's mould on the bathroom ceiling. That's the only thing they did, they painted over it. They didn't clean it, they just painted over it....at the beginning, I was putting in complaints, requests to the owners to fix things, but they haven't done anything."

"People are buying these houses (investors)... and putting them out for rentals and they can't physically afford some of the renovation that's needed"

Tenant 1: "If they can't afford to present something reasonable for the market... then they shouldn't be in the market."

Tenant 2: "They shouldn't be doing it but they are. It's not a case of should or shouldn't, they are."

A common situation seems to be that tenants believe that things like carpet cleaning have not actually been done prior to them moving in (even though they suspect the previous tenants have been charged for it):

"Their answer was we've got a receipt for the carpet being cleaned, so they've got their bond back. There's nothing we can do. They wouldn't clean it, they wouldn't look at it. The first inspection someone came in and said oh yes, it is dirty isn't it. And that was the only comment, but they still haven't cleaned it."

"...about carpet cleaning and professional stuff like that, I think there should be some clause some where that actually says when they give the flat out to you that they show you receipts and stuff like that by default that it was done before. So then you accept that it's got to be done at the end of it."

One idea that come up several times was the suggestion of an independent inspection process:

"There needs to be a third party (inspector) because tenants are usually a low power group. Unless you've got a hell of a lot of money, but (even) some here who have said they have money have also had difficulties."

"Maybe (we need) some sort of inspection (service) that's done on properties..."

Other issues also came up relating to provision of a dwelling in good condition:

I think they should have the law that before the new tenant moves in, or at the end of the previous tenancy, not only do they change the batteries in the smoke detectors, but they change all the light bulbs as well."

On condition reports

While only one or two cases of a tenant not being given a condition report arose, a more common concern was that tenants are not given enough time to properly find out and record existing problems in the dwelling

"I've learned to do what the agents do and be really general. "Entire floor scratched. Marks on all walls. Entire ceiling peeling." And I go through and fill the whole thing out so that it's covering my own arse"

"The problem is you've sort of got to live in a place for a couple of weeks or a month to find everything. Like, you've let something really big go and you're there for about three weeks and you look down and think, "Look at that.""

"when you fill out the form when you first move in to say what's wrong with the place and it has to be filled out in a certain amount of time, well I realised when I filled out mine that after the time had gone I found other things that were wrong. And I didn't have enough time to find everything that was wrong."

5. Key Discussion Points: Issues during a tenancy

The main issues during a tenancy which participants drew most attention to were (in order) repairs and maintenance, privacy and entry issues, having to pay the rent in specific ways, and other miscellaneous requirements of tenants.

5.1. Problems with maintenance and getting repairs undertaken

Overall, comments regarding repairs and maintenance were mixed: some people have seemingly had no problems with getting things fixed during the tenancy.

"I have no problems whatsoever - if I want anything done I ring the ring estate and she just says go ahead and fix it."

"maintenance is always done. We were only knocked back on one thing."

"I'm pretty happy with my place. I haven't had any problems.... obviously the longer you stay there, then the chances that some sort of maintenance will have to be done increases. Whether that maintenance is done or not – from past experience – it would be a problem."

"This one's been good, they actually do stuff when things break and fix it or replace it which is a shock. We've never had that before. ... I think we just have a good agent. The other difference is one of the people who owns the real estate, her son is the owner of the house. So that is also probably why they're a bit more to upkeep it rather than just letting it fall to pieces. And that's probably why they actually do stuff."

Others have clearly had the opposite experience"

"safety things have actually been a really big issue for us in terms of our stove which is pretty dilapidated...It has one burner which flares up a massive flare unexpectedly so we obviously can't use that. We have to reach in the back and stick our hand down the back of the gas, the little slot where the gas comes out with a lighter (when) we want to light the oven and that kind of thing. When we first moved in and we discovered the stove was like this, which was over a year ago now, I said, "This stove is unsafe, can you please do something about it?" ... the lady of the agency said, "Oh, no, I don't think there's anything wrong."

"I had a dripping tap for nearly two months until I really got distressed about it, because being water conscious myself, I was saving all the water in buckets and putting it onto the garden. Drip, drip, drip all night! You could hear it."

This sometimes results in tenants effectively giving up demanding repairs:

"I just go to the (real estate) office and filling out requests and ringing them up and complaining. This was when I first moved in nearly 12 months ago, and since then I just haven't gone, because they don't do anything."

"There are times when they're so slow at repairing things, you get to the point where you don't bother to report things because you know they're not going to...(do repairs)"

Of course, this is an issue given that tenants actually have an obligation to make timely reports about repairs. Alternatively, tenants have to go into the agency and make a bit of a scene to get someone round:

"Well I had to keep chasing them up when I first moved in and they only did a couple of things that I asked for. Like the stove was leaking gas and that, because the knobs are loose, so you have to just knock it and gas starts leaking. You can only use one knob. They didn't bother. It took about three weeks to get the bathroom ceiling painted with the mould."

"My landlady, she's living right next door. She's very concerned about her tenants. I'm now ending up just going next door to her because then everything is being fixed very quickly. Whereas when I go to the real estate agent who takes money... No. I'm not very happy. (with the agents). They were really friendly before...but as soon as I signed the contract...."

There was a common perception that so called minor repairs and maintenance were effectively seen as optional by managing agents:

"There are things they won't fix. If they are little, the small things, they don't fix them."

"they take a long time if anything needs repairing, unless it's an emergency. They seem to take a long time to get things rolling"

"if it's serious they usually send someone out pretty quick smart otherwise it's, "Yeah, got to wait for the tradesmen."

"The seal on the fridge is gone. I've reported it three times. So I've just stuck it up with sticky tape. Sometimes the repairs are done really quickly. I don't know how it works. Whether it's who they know that does these things (because sometimes) they'll get it done very quickly."

"The tap was dripping and I had told her (the lessor) and told her and I literally said to her I said hopefully I'm not paying for this excess water and she said are you worried about the money it's going to cost? I said yeah and (Premier) Peter Beattie will boot you for wasting water."

Some of the participants indicated that out of frustration, they simply fix the repairs themselves if they can:

"We fix a lot of things ourselves."

"when I moved in, all these things have been wrong which we have fixed; we've retiled, we've repainted, we've redone everything because it was a hovel it was disgusting."

"I didn't know how to change the tap washer...that was out of my field."

"with maintenance and that -I "ve virtually done it myself ... because I "ve learned it's just no good waiting for them to change a tap washer or fix up your flyscreen."

"my plumbing ...it's fixed now because my nephew, he's studying plumbing, he end up fixing it".

This tenant-DIY approach to repairs presents certain risks to the tenants, as it (a) means they may stop reporting repairs as required, and (b) might become responsible for poor repairs and any damage or injury which follows.

5.2. On pursing repairs further / taking other action

In light of the significant challenges in accessing suitable rental housing, and the difficulties many participants had experienced in getting the agents or landlords to fulfil their obligations, it was clear that tenants are acutely aware of the dangers in pursing repairs further or taking other action against their landlords or agents.

"my son in Brisbane. He was put on a black list because he took the estate agent and landlord to court because the roof was damaged in a storm...his property was badly damaged. When he went to get a new place, he was on a black list. He's now living with his grandmother."

"we're afraid to ask them to do stuff because if we ask them to do too much, they'll put the rent up."

"The last place we lived was an absolute disaster. We had exposed asbestos and falling down asbestos in the shed and the idea of cleaning it up was to close the door and tell us not to go in it. After making a big fuss and having them fix it and change it, we got an eviction notice. It didn't matter, we wanted to move anyway, but it's just funny."

"The thing that I think is a bit off-putting is that, if you start getting involved in any of these sorts of things, it's going — whether you win or lose, it's going to take a lot of time. Usually it means you have to take time off work and often you can't afford to do that. So you think you have to weigh things up and often — well, I can't afford to pursue that. I can't devote the time to it. So you let it go"

This was particularly so when tenants are close to the end of a fixed term lease, and they are keen to remain in the same place:

"we won't do that because if we push any further we simply won't get offered another tenancy agreement and I know how hard it is to get another place." "I've called up (the RTA) and asked questions about procedures and I said we have this problem with our stove and this is what's happened and they said, "Well, fill out Form 64B.. put it in and then they will have to remedy the breach", blah, blah, and then... I said what will happen down the track when they don't offer to renew our lease? Do they have to give a reason, "Because they're trouble makers?" "No, they don't have to give a reason." So I said, "No, I don't want you to post me the form."

"You get the impression that too many maintenance things, or if you push too much you are going to blow it, at the end of it it's going to be, "No, well, we want you to leave."

"while in theory we can fill out some Remedy of Breach form and send it to the RTA, we're not going to do it."

"I'm concerned with my lease coming up that I would really like to complain about the hot water service; I really would like to complain, but no I want to stay there and you just go yeah you just put up with it and you learn to cope with it."

5.3. Privacy and entry

There were several stories of entry and inspections taking place when no letter was received in advance, where tenants suspected that the letters had never been sent. This often led to invasions of privacy and inconvenience to tenants.

"I find that before when it was just me and my partner and you're at work all day, you don't really care so much. But now that I'm home with a child, it's like this is just ridiculous. People turning up without giving us any notice that they're coming."

"I'm not really happy with the fact nearly everybody has a key to my unit. It's not only that they have the keys. They use them without telling me. They give it away to the mechanics. They just go in, into my very private rooms. Then I come home and see somebody was in here. I don't even know."

- Tenant 1: *I've been in bed when the real estate agent's just come in... What are you doing? We're just having a look.*
- Tenant 2: I've seen them do that to next door, when I was renting before, and she was in bed. I said, "She's in bed." They said, "No, she's not answering." Then she came out the bedroom. She said, "I was in bed."

"I woke up one morning and there's someone up on me roof replacing the roof and I didn't know about it."

There was also a common sense that inspections every three months was an excessive requirement, which interfered unnecessarily with tenants' quiet enjoyment. Far from being opportunities to expedite repairs and maintenance, these inspections appeared to be more about 'checking up on the residents'.

5.4. Rent payments/increases

Several issues concerning rents were raised, with many participants highlighting direct experience of significant rent increases. Examples were provided of the rent being increased in new lease offers from \$110 to \$185pw and similar rises, often at very short notice. Other participants expressed fears of such increases. The affordability difficulties this situation increases is obvious

"A lot of people don't have a choice if the rents keep going up they are going to have to move... because you can only pay so much rent out of your pension if you want to survive."

"If you're ...on a benefit, your benefits don't change three or four times a year."

There is also a sense that tenants are paying more, but getting nothing extra in return:

"At some point you should be able to say, 'Hang on, you haven't done anything to this place. It may not be dangerous but I've been here for five years and the walls haven't been painted, the roof hasn't been... the tiles haven't been resprayed. Nothing has happened. My rent should go down or you should start doing these things'"

"my landlord said to me that he bought his house three years ago and he's not putting the rent up, the real estates are putting it up."

"I've put in a letter for a request saying, "Yes, the rent has gone up and so how about repairing the property, getting the windows fixed for a start?" ... I haven't heard anything from them."

Other issues of note related to tenants having to pay fees and other costs connected to specific forms of payment.

"Costs me to pay my rent of \$170 a week. It costs an extra \$9.95 to use their system. So I take a cheque in. I've just been informed that they're not going to take cheques anymore."

"about the paying of the rent. They won't accept cash at the office because of break-ins and everything like that, so you have to either send a cheque or a money order. Well I got rid of my cheque account because it was too expensive, so I do a money order. I suggested to them, can we put the money in the trust account? You know, you get a (deposit) booklet. I've done it with landlords in the past.... And I said then you get your rent there on time, it doesn't cost us anything, but they won't accept it. So I can't understand why.... when I first moved in, I got a cheque made out and it was \$5.00 for a check for rent. Five dollars. And now the money order is \$3.50...every fortnight"

5.5. Miscellaneous requirements of tenants

Several other issues were raised in the context of the requirements of tenants, including having to have the carpets pest-controlled every three months, and expectations about care for gardens under water restrictions:

"It's in our lease that we have to water the garden, but we can't water the garden because there's no water."

5.6. Relationship with the managing agent or landlord

While a number of participants said, overall, their rapport with the managing agent or landlord was quite good, many others indicated that the relationship was fraught with tension and that tenants were often left disappointed with agents' or landlords' attitudes:

"We have a very good relationship"; "So at the moment, I'd say my relationship's good."

"This agent that I've got now is very rude, ignorant, does not communicate, does not want to speak on the phone. I've gone there in person trying to sort things out. They don't want nothing to do with you."

"No respect for them (the agents), they don't care. They'll come and do the inspection every three months, just stick their head through the door, write it down, I'll complain about something, they'll note it and that's the last you'll hear of them."

"They don't care about anything. You just don't want to bother even bringing anything up anymore. You just either figure out a way to fix or just live with it, because you know nothing's going to get done. It just seems to be a bit of a waste of paper. Just keep sending letters that nothing gets responded to... So you just pick your battles. When the roof comes down, the letters will start again."

5.7. Satisfaction with current housing situation

While a number of the participants expressed dissatisfaction with their renting arrangements, or with being a tenant, some were more positive in their commentary on present life as a renter.

"Currently, I would say I'm satisfied. Basically because I know where I stand. When I first got the unit that I'm in, I was actually given the booklet.... I was given emergency numbers if something happened after hours. I had a plumber to ring. I had the electrician and some maintenance bloke I could ring. So overall, compared to what I had been used to, I'm quite satisfied with where I am now."

"Even though things aren't perfect, I'd have to say I'm satisfied because I pay a really reasonable rent."

However, there was also a sense of powerless to control things within current tenancies, let alone what might happen beyond that, and the overall vulnerability in the housing system, was quite obvious.

"You're not safe... I've been here a year and a half, great I've fixed the house up for her (landlord) I have done everything that I can because it's my home, I live there, I want it to be nice. But why won't she sign more than a year lease at a time? I mean I'm happy to stay there for another four years; daughter is between primary school and high school; another two years and she will go to the high school and I would love to stay there and make it a nice home."

"Some of the conditions of renting are unrealistic. With not putting things up on the walls. I think there should be a bit more leeway with that... so people can put their paintings up. Because that's home. That makes it home when you've got your little knick-knacks up there and that. Then they say don't put a hole in the wall. You've got this blank empty wall. How boring."

"I'm a bit worried. Like I want long term. I told them when we first went in ... I've got a feeling that because it might be something personal, that she may not like me, she just won't resign my lease, and I'm going to have trouble perhaps getting another place."

"you get the sense now that because the market's so saturated ... if they can find one little thing wrong with you, they'll just boot you out, raise the rent \$50 and relet it to someone else... you're always going to have that feeling of. we can't do anything wrong because they'll just go yes, we're not renewing your lease, not doing anything to the house, not fix anything, clean anything, and just rent it out for \$400 a week instead of \$350, and someone will move in because they're desperate for a place to live."

The implication here was that you get what you pay for, and should then be satisfied with treatment and conditions in that context.

6. Key Discussion Points: At the end of a tenancy

6.1. Expectations at the end of the tenancy

Participants expressed a range of concerns about their prospects as they approached the end of the current tenancy agreements:

"I guess one of my concerns is if you do pursue your rights vigorously, whether they'll put their rent up... At the real estate agency I was going to complain about the lack of things being done. (I had) Them saying, "As a tenant, you really don't have very many rights."

"From experience ...they decide you're not worthwhile keeping as a tenant, they ask you to move."

"I've got a daughter that lives up here. She's got a partner and a set of twins. There's been a few times where they've only managed to have a three months lease or six months lease. When that times come up, they've only been given two weeks to find another place. If you're partner's working and twins at home... With the housing shortage up here at the moment – especially with children – it's pretty hard to ... (find somewhere new)"

"I've only got less than two months left (on the lease). They haven't mentioned anything about renewal. How much time are they going to give me, are they going to renew it, are they going to ask me to leave? I have no idea. They haven't mentioned anything to me yet."

"I just find you don't even want to ask. You don't want to even mention the word renewing lease or anything in case they go oh, that's right, ... you remind them the lease is up, they'll send you the eviction notice."

"I'm already half-packed.... I don't know what's going to happen, so I may as well be prepared, and I need to know if they're going to give me time to look or how much time do I have before somebody has to make a decision"

6.2. Getting the bond back

While some of the participants seemed confident about not having a problem getting the bond back, many others saw looming problems, often based on past experiences or recent interactions with the agents.

"They seem to find the smallest faults and say, look, you're going to have to paint that whole wall....The real estate agent seems to have a knack of finding things that are wrong that wasn't on the original list. It's then 'it's going to

cost this much to get it fixed or that much to get it fixed'. You might as well say goodbye to your bond, even before you apply for it."

"All the stuff of the realms of 'completely reasonable, normal, wear and tear' that's why I'm not confident (of getting the bond back) because I think it's so subjective and you can't really argue back..."

Cleaning seems to be one of the main area of dispute, even when tenants have organised for professional services to come in at the end of a tenancy:

Tenant: After I left the place, I went and got a professional cleaner in. I still didn't get

all my bond back because there was a little bit of dust around the skirting

boards of the bedroom.

Facilitator: How much did they charge you for that? Tenant: It was only about \$30 or \$40, but still.

Facilitator: *Did you try and dispute that?*

Tenant: No, \$30, \$40, I just couldn't be bothered taking a day off – I'm losing a day's

pay. I mean it wasn't worth it.

"The lady next door had professional cleaners come in and top to bottom cleaned it. She had to take them (the owners) to court to get her bond back."

"My daughter got professional house cleansing... had receipts for the cleaning... had receipts for the flea, tick spraying or whatever.... Then the estate agent turned around and said, 'No. That's not part of our problem. We have to get our own people into do it.' She had outlaid \$300 or something to get the cleaning done and the spraying. Then it wasn't good enough for the real estate agent. They had to get their own people to do it. So that money came out of their bond money. It's a no-win situation when it comes to bond money."

"Once was they claimed I hadn't cleaned the top of the stove properly. Another time there was an insect in a window track. They charged me sort of like nominal fees, like \$50 or whatever (for very trivial things).... I couldn't go back and say well I'll fix it. I couldn't go back and check to see if they had fixed it. But I bet they didn't do anything about it. They've – well they've kept \$50. Now if they do that to lots and lots and lots of people, that's a considerable amount of money. "They knew I wasn't in a position where I could just go back and fix it."

In the latter case, the agents were well aware that the tenant had just moved 1,600kms away, and was in no position to return or challenge!

"I've got a friend who's actually a professional cleaner and she went in and cleaned the place for my daughter.... When the real estate wouldn't give her the bond back, she went and fronted them and said, 'I went through that place and cleaned it and da-da-da-da-da.' They gave her the bond back straight away. So they bluff you."

"we've never had a problem with bonds before in New South Wales, and the last house we lived in here (in Queensland), honestly you'd clean it from top to bottom and they'd call you up going' we can't give you your bond back because the place is dirty' - two and a half weeks after we've moved out and given back the keys, they're calling us. You go back and it's like what's dirty? ...there seems to be a lot of people who lose their bonds up here we've noticed. It's scary. I never would have thought that we'd be like oh, we're going to lose part of our bond, and now I'm kind of like, it wouldn't surprise me."

A number of participants also saw the process of trying to get a bond back as a bit of a game, where tenants tend to lose!

"there are hoops you have to sort of jump through there to get the bond back."

"By the time you get the carpets done and things sprayed and then every little thing like all the steam cleaning and dry cleaning....you tend to spend as much as the bond is worth getting it all cleaned to their standard."

"think it depends not so much on how you look after the place...but on what kind of relationship you build up with the person who is managing it, I think that's the most important thing for getting your bond back in my experience."

"I think with the bonds, I think they should have an outsider, that that's all they do and go with the agent or the landlord at the beginning of your tenancy, and then at the end and check everything. I think it would be more that way that they'd probably find solutions. Like somebody that knows the law and the ins and outs, and goes through the place before you get in and after."

"I've just found that if you can take pictures of what it was like when you moved in, it comes to the end of the tenancy and the agent comes in and goes, gee there's lots of holes and fingerprints on the wall, and you're like those were here when I moved in. They think the place was absolutely pristine when you moved in, and of course it wasn't... they think that every bit of damage and dirt is from you. So we've taken pictures of things and just keep them stored until we moved out, and then if it becomes a problem, it will be like, actually, this is what it looked like when we moved in."

6.3. Satisfaction with being a private tenant and future housing preferences and aspirations

"I feel renting is viewed (negatively) both by society and also I think that's reflected in the way policy and legislation is formulated. And I think that needs to change a lot."

"The experience is really quite bad. ... I don't think it's over the top to say it's slightly dehumanising."

On the question of awareness of their rights, participants felt fairly powerless:

Tenant: *I just followed the rules.*

Facilitator: But how did you know what the rules were?.

Female: They are not written down anywhere, so far as I know. So I just believed

what they told me....

"I think a lot of the young kids ... mid-20s ... don't know about tenancy unions or anything like this. They just go with the punches. If the real estate agent says right, this is what's happening. This is the place's condition. Take it or leave it."

"I feel like I'm actually quite aware of what my rights are in theory but in practice I'm aware that it doesn't work that way. In theory if I have a problem I can put a form in and it can get fixed. But I realise that it doesn't really work that way."

Many participants were also expecting to still be renting well into the future, some forever:

"I would like to own my own place but that's ... even with the earning well above average wage that's not going to happen anywhere that I'm interested in living. I wouldn't mind continuing to rent if the system was entirely different, if it was actually recognising that people rent places to live and that renting is also a choice, and a legitimate choice, rather than some sort of second class ... less than a safety net. As something you only do if you absolutely had to."

"a lot of people have accepted the bad and ugly stuff that goes along with being a tenant because they have known no different. Also they feel as though they don't have any power to change the situation. And these are educated people."

"I suspect that, in five years time, I'll still be renting. I'd love to own my own place but reality is I'll still be renting."

"That's what terrifies me that when I retire, am I going to be able to afford private rental? I guess it's going to be three or four years' time, they're going to be higher again."

Facilitator: "Where would you see yourself in, say, two, five years' time, I mean,

would you still be renting?

Tenant 1: *Not by choice.*

Tenant 2: I'm not. I'm going back to Housing Commission, because it's cheaper,

and I really want to go there."

7. Key discussion issues: tenancy law reform

While the previous sections have focussed on the general experiences of tenants as they seek to navigate the rental housing system, this section examines how participants viewed three specific aspects of tenancy regulation which have formed key planks in the Tenants' Union of Queensland's tenancy law reform agenda. These issues concern the process of eviction and the use of 'no grounds' terminations; the adjustment of rents during tenancies, including between fixed term periods; and how tenancy disputes should be resolved.

7.1. TUQ law reform priority 1: Ending termination of tenancies without stated grounds

Current situation

Currently tenants who are at the end of their fixed leases or on periodic tenancies can have their tenancies terminated (ie be evicted) for no stated or apparent reason. This is because, in the absence of a breach of agreement, there is no requirement for specific reasons to be provided. The landlord or agent can simply record 'without grounds'.

The Tenants' Union believes this results in evictions in all manner of circumstances, many unreasonable. The ability to use without ground evictions effectively undermines tenants' willingness to pursue other tenancy rights, due to their concerns over losing their tenancy and home. The effectiveness of the current retaliatory eviction clauses in the Act are limited, since without ground evictions are lawful, and a landlord or agent need only to re-issue notice

Notice periods are short: just 2 weeks at the end of a fixed term lease, and 2 months for a periodic tenancy.

The Tenants' Union believes the Act should establish the sound and reasonable grounds for which a tenant can be evicted and allow evictions only in these circumstances. If a property is to remain the rental market, the tenant is not in breach and other reasonable circumstances are not apparent, why should eviction be allowed? The Tenants' Union believes that if the use of 'without ground evictions are not prohibited, without ground eviction time periods should be substantially increased to discourage their use.

Responses to the argument 'evictions should only occur with grounds'

While a number of participants agreed with the notion that evictions should only occur with grounds at an in-principle level, many also saw problems with enforcement. Others seem to it not unreasonable that lessors evict tenants for a variety of legitimate reasons, but remained concerned about how this works in practice.

"If you're paying your rent on time and keeping the premises up to scratch, then should have a legitimate reason to evict you and it must be a provable reason to evict you.."

"You should have a reason as to why it's been terminated."

"They can give reasons, but whether they're true or not...I mean they say, well, a member of the family wants to move in."

"The reason there should be in writing. If they give you a reason it has to be in writing."

Tenant 1: "'we don't want you there because we're going to get an extra 50 bucks a

week rent'. That's not a legitimate reason to evict a tenant..."

Tenant 2: "They won't say it They'll say the owner's son wants to move in. So how do

you ... prove that the owner's son is not going to move in?"

Tenant 1: "you know, it's a bit unfair. They can say exactly, well, we don't want you

there anymore."

Facilitator: But how does that make you feel?

Tenant 1: Bloody awful.

Tenant 2: *I'd want to know why*.

Tenant 1: Yeah, I think you should be given a reason.

Tenant 2: Because if it's for no other reason than landlord's fed up with you being there,

it's a bit unfair when you apply then for another lease and they turn around

and say, well was your tenancy? And you say, I don't know.

Tenant 1: Yeah, and do they tell when the new owner calls up to check on your

references, do they tell them why you got kicked out?

Overall, the tenants who participated in the focus groups seemed much stronger on the issues of (a) being told what the reasons for eviction were and (b) being given reasonable periods of notice, especially at the end of a fixed term lease.

[&]quot;I just think it's really important to actually give a reason"

[&]quot;If they're terminating your tenancy and not having to give a reason, if you're a good tenant, then I think they should tell you why"

Beyond simply wanting to know what the story is, this was important for many in terms of what they would say to prospective managing agents about why they left their last place.

"you get a question asking you what's the reason you left your last place. It should be fair."

"fyou've got it in writing, right, and you go to look for another rental place, you've got a piece of paper that's signed saying, yes, this place is up for rent. Right, not a problem, hand that over. This place was being sold so it helps me get a rental place next time round."

"if it comes up on your next rental and you suddenly find that you've got a black mark against you and you don't know why you have that mark against you and why they won't rent to you? Because nobody has told you what it is that you are supposed to have done."

Responses to questions about what could constitute appropriate grounds for eviction

Overall, participants found it very difficult to comprehend a situation where only very limited reasons for eviction could be used. This restricted their capacity to provide a range of suggestions about appropriate grounds for eviction.

"Like they're going to demolish the place. That's about the only reason that it should be allowed to evict you, if everything else is right."

"being occupied by themselves or family or doing major sort of work"

"having to give a reason would... be very useful but I think it needs to have some kind of teeth. You can't say you're going to put a house on the market and then not do it."

Responses to questions about appropriate notice periods

The issue of appropriate notice period in the context of eviction was the more important issue for many. Most participants pointed to the two week period at the end of a fixed term tenancy as being totally inadequate.

"When it comes to giving notice, I think they should ... give a longer period of time so that the tenant has got actually time to look around for somewhere else. So instead of being two weeks, it should be a month or whatever....then everybody has the time to actually look for another place."

"f they really are putting it on the market then they should perhaps be have to allow you to stay in it until it is sold"

"If they want you out, you're out... I don't think that two weeks notice is sufficient. Quite often, what will happen is it's two weeks from the date on the letter and it could be languishing in the front of their office for almost a week before you get it. Which means you've got a week to get out."

"If you're working, you can't take time off work to go down the real estate agent to get a key to look at some place. You have to go after work, when they're closed or on the weekends. So I think the time span should be longer."

"They sent me a new lease to sign...didn't sign the lease ...the owner could ask for vacant decision with two weeks' notice without reason.

'I got a letter from a real estate agent, saying they wanted to come for an inspection. This was two weeks before my lease expired. I assumed that I would be rolling it over because I had rolled it over previously. Then they rang me up on the Friday saying 'You're moving out tomorrow, are you?' I said, 'What are you talking about?' 'Oh, we sent you a letter...' I said, 'Well I have not received it and I find that really odd that you would come and do a routine inspection two weeks before I'm due out.' Anyway, I do not believe that they actually sent me a letter. I basically said well there's no way I can be out by tomorrow. You'll have to give me at least two weeks."

"I think all correspondence like that (eviction notices) should be sent registered mail."

"I don't think two weeks is reasonable ... you can't find a place in two weeks."

Participants highlighted the importance of getting a letter from the agents reminding tenants that a lease period is coming up. Tenants commonly don't remember when their present lease is due to expire, which means they rely on information from the agent about the lease and its expiry.

Tenant 1: "We got sent a letter saying the lease was due in six weeks."

Tenant2: "That's what it should be. So you know."

In fact, there was a general sense that at least two months' notice should be provided at the end of a fixed term lease:

"You need a bit more than two weeks....There's no way you'd be able to find a place in two weeks... (you need) at least two months."

"We've got a lease, we get two weeks. The ones that haven't got a lease get two months... how fair's that? I'd like two months...not two weeks"

"if you've got a lease, they only have to give two weeks, but if you're on a periodic, they've got to give you two months. I think it should be the same."

"if they are going to sell the place and you go I've found a place but you're not able to move into it for another two weeks past the end of term, or three weeks, you really should be given that extra time. Especially if the place is just going to be empty."

"Two weeks is a very short period if you've got to get out... you have to fill in so many forms with so many real estates and you could spend hours a day and

days just trying to fill in the forms. And then as it is now, a lot of them will not even get back to you and say sorry the house has been taken you've got to keep ringing them up and it is costing you more and more money all the time."

7.2. TUQ law reform priority 2: Rent Increases

Current situation

Tenants can be sent an offer of a new fixed term with a large rent increase with very limited notice (2 weeks). Tenants on a periodic tenancy need to be given two months' notice of an increase. There are no limits on the frequency of increases, and currently tenants can only challenge the increase if they are on a periodic agreement, and the onus of proof about the increase being unreasonable lies with the tenant.

The Tenants' Union is concerned that it is much easier for landlords and agents to access information be able to justify and defend an increase than it is for a tenant to demonstrate that one is unreasonable. Further, if tenants can't negotiate an agreed outcome, their choice is to be evicted with very limited notice (only 2 weeks is required at the end of a fixed term compared to 2 months at the end of a period), or to absorb the rent increase with limited notice.

The Tenants' Union believes that rent increases should require three month's notice, and the ability to challenge any unreasonable rent increase in the Tribunal should be amended so that the onus of proof about the increase being reasonable is reversed – i.e. the landlord or agent must prove the increase is reasonable. The Tenants' Union also believes there should be a limit the number of rent increases on a property in any year – to one per year.

Responses to argument 'there should be limits on the frequency of rent increases'

Most of the participants expressed considerable concerns about rent levels and rent increases, and there was strong agreement that rent increases needed greater regulation.

Participants clearly supported the argument that there should be limits on the frequency of rent increases, with most of the option that they should be restricted to annual increases:

"I think it should be once a year"

"If you've got a six month lease, it probably shouldn't be until the second, so every 12 months."

Some participants even regarded annual increases as unreasonable if they were not connected to some form of upgrade or improvements to the dwelling:

"Should they be allowed to put the rent up at all if they haven't done anything to the property? Because they're putting it up and they've done nothing, and half the time things are broken and they haven't fixed what you've asked them to fix or maintain what's there."

"I just don't think they should be allowed to raise it just because you've been there for 12 months. It doesn't seem that that should happen."

Responses to argument 'the onus of proof of an increase being 'reasonable' should be reversed'

For most participants, there was agreement that the task of proving whether a rent increase was reasonable or not it should not have to fall to the tenant. However, rather than leaving it up to the lessor to show how an increase was indeed fair, the prevailing thinking among the tenants at the focus groups was that having a transparent basis for increases (CPI, set percentage etc) would be better than the current situation.

"There isn't actually a limit on how much? I was under the impression, obviously wrongly, that they could only put it up a certain percentage."

"I think the amount that they can increase your rent should be fixed or (if) they obviously have factors which they take into account....they should be transparent."

'No more than CPI"

Responses to argument about 'ability to challenge increases irrespective of whether under new fixed term or periodic agreement'

There was no disagreement among participants with the ideas of being able to challenge rent increases regardless of the type of tenancy agreement.

Responses to questions about appropriate notice periods

There was no disagreement among participants with the Tenants' Union of Queensland position of increasing rent increase notice periods to three months.

7.3. TUQ law reform priority 3: Tenancy dispute resolution processes

Current situation

Currently, tenancy disputes in Queensland are heard in the Small Claims Tribunal. Some of the key issues with the Small Claims Tribunal have been:

- A lack of consistency in decisions and processes –
- Approximately 80 SCTs around the state, all separately constituted
- matters of a similar nature are decided differently
- requests about procedural issues such as access to the Tribunal by those assisting tenants.
- Errors of law which have no avenue of appeal;
- Limited avenue of appeal lack of jurisdiction and denial of natural justice. The latter is difficult to prove as there are no recordings of proceedings;
- The closed nature of the Tribunal including the lack of recorded decisions and written reasons:
- Lack of specialisation Magistrates (Referees) hear matters on many pieces of legislation and do not necessarily see tenancy disputes of high importance in comparison;
- Inequity in the matters dealt with;
- SCT will not hear matters of non-economic loss but will hear matters regarding loss resulting from damage and loss of rent.

The Tenants' Union believes there should be a specialist tenancy tribunal, or at least a specialist listing in a broader tribunal to bring about specialisation.

General comments about tenancy dispute resolution processes

Given that most participants knew very little about current tenancy dispute resolution processes in Queensland, and had extremely limited experiences with how the Small Claims Tribunal operates when hearing tenancy matters, it proved difficult to get participants to strongly engage on this issue. Nevertheless, when the present arrangements were outlined, there was broad agreement that a more specialised system would make more sense, and would offer greater certainty and confidence with the process.

In addition to eliciting responses to the Tenants' Union of Queensland law reform positions, participants also raised issues about who could represent the parties in a tribunal, and also about the repercussions of taking action.

"if you did take a matter before the Small Claims Tribunal or any other sort of legal representation, then it shouldn't be a black mark against your name."

"I guess I had a bit of confidence in the magistrate, but it's hard going in their on your own. They had the agent, the new agent, plus the owners. They were there and they had a whole group of people and it was just me on my own. It was a bit scary."

Responses to argument about 'introduce a new specialist tribunal or specialist listing in a broader tribunal'

There was no sense of disagreement among participants with the Tenants' Union of Queensland position regarding the introduction of a new specialist tribunal or specialist listing in a broader tribunal.

'Small claims has got to do with businesses and that. I guess it all gets mixed up together. Yeah. It would make more sense for it to be separate."

Responses to argument about access to 'written reasons from all cases'

There was no disagreement among participants with the argument that written reasons should be provided from tenancy dispute processes. In fact, there was considerable surprise that the tribunal was not already required to provide these.

8. Other outcomes from this project

Although these focus group discussions were originally conceived as tenancy law focussed discussion and consultation exercises, they also highlighted that direct tenant engagement provides a practical means of addressing the latent (and largely unmet) demand for specific tenancy advice and assistance. Indeed, while most of the time allocated to the conduct of the focus groups was spent examining tenants' experiences of and perspectives on contemporary renting, and in the testing of specific law reform positions, these consultation sessions also resulted in the need to provide direct tenancy advice – both collectively delivered community education in the group discussions where clarity of the law was required, and in one to one contacts at the end of each group process.

In addition, this advice giving was generally supplemented by providing information about tenancy services (TUQ, local TAAS, RTA), and making appropriate referrals. Broad awareness of tenancy and community services was quite low, with many participants seemingly having little direct contact with the 'social welfare service world'. The focus group sessions served as a means to deliver general tenancy law education, service awareness and promotion

Lastly, it was clear that the tenants who came to the focus groups welcomed and enjoyed the opportunity, as renters and citizens, to participate in the discussions and to feel like they were having input into public and community policy development processes which affected their lives.