

## **Tenant activism: the emergence of the Tenants Union of NSW**

by Robert Mowbray, Tenant Advocate, Older Persons Tenants Service

Today just under 30 per cent of Australians live in rental housing. One hundred years ago the figure was over half, but in the second half of the twentieth century the proportion in home ownership increased due to the massive subsidisation of this tenure by the federal government, largely through the taxation system. Today, 24 per cent live in private rental and 5 per cent live in social housing where the main players are state housing authorities and, increasingly, not-for-profit community housing providers. In the 1950s social housing developed as an alternative to home ownership, but from the 1970 it increasingly was targeted to the most needy and in recent times no longer guarantees the expectation of a life tenure for new tenants.

Residential tenancies legislation is a state government responsibility but, in all States of Australia, it provides little security of tenure because, when the fixed term of the agreement expires, landlords are able to evict their tenants without having to give a reason. Fixed terms generally are no more than 6 or 12 months.

In addition to poor security of tenure, housing affordability is a major problem in the private rental sector, with only one affordable, available dwelling for every five low-income household. At the same time there are one quarter of a million applicants for social housing.

State-wide tenant organisations have existed across Australia since the middle of the 1970s and their major focus is lobbying for a better deal for both private and social housing tenants. This discussion looks at the emergence of the Tenants Union in New South Wales, which is the most populous of the States within Australia. However, the situation is not dissimilar in other States.

The earliest reference to a tenant organisation in New South Wales is the Rent Payers Association who campaigned for fair rent legislation in the period 1910 to 1916. During the Depression of the 1930s houses in the coal fields of were declared 'black' and left to rot because of unfair evictions by landlords. The Unemployed Workers Movement in Sydney employed tactics that included occupation and sieges. The situation became volatile and there were major confrontations between large numbers of tenants and police carrying batons and guns. This forced the State Government of the day to introduce a law postponing evictions where there was hardship.

During the 1950s and 1960s the source of tenant power was their potential, not their actual activity. Legislation which was a legacy of the Second World War controlled rents and restricted evictions, and tenants wielded political influence through their concentration in certain electorates. However, with the phasing out of this legislation and

the growth of home ownership, tenants declined as an electoral force. New tenants outside of rent control legislation were not easily identifiable as a voting group.

By the early 1970s these new tenants comprised the bulk of tenants across New South Wales. The Australian Government Commission of Inquiry into Poverty at the time reported that landlord and tenant legislation across Australia was in many respects unfair to tenants, particularly the poor and disadvantaged. Indeed, a major report to the Poverty Commission stated that the law contained grave deficiencies that needed to be remedied in the interests of tenants. The Poverty Commission's report acted as a fillip to tenant activists and Tenants Unions emerged in a number of States.

In 1976 The Tenants Union of NSW was formed to act as a spokesperson for tenants across the State. It grew out of a working group of Shelter NSW, a fledgling housing organisation at the time. Early members of the Tenants Union of NSW were activists drawn from a variety of backgrounds. Initially it focused on establishing a network of tenant services across the state and campaigning for consumer rights-style reform legislation along the lines advocated by the Poverty Commission. It increased its visibility by distributing posters, leaflets, car stickers and t-shirts, running stalls at festivals, seeking regular media coverage and giving talks to community groups. It was part of a coalition that campaigned around a report called 'Reforming a Feudal Law' as a blue-print for new legislation. A model residential lease was promoted. Other campaigns around tenancy law reform included one called 'Campaign Action for Rental Reform' or CARR for short, a cheeky play on the name of the then Minister for Consumer Affairs. Tactics such as rent strikes kept the issue of tenancy law reform alive. There was a struggle to save the tenancies around a large Sydney public hospital which decided to bulldoze half its stock and sell off the rest. There were campaigns on broader issues of housing justice, including the setting up of a Tent City. Early campaigns ran in tandem with one run by resident groups to save large tracts of inner Sydney housing seen as slums from being demolished by the state housing authority (which were retained but now are totally gentrified).

It wasn't till 1987, ten years after the establishment of the Tenants Union of NSW, that residential tenancy law reform was introduced in New South Wales.

Today the Tenants Union of NSW is the State's peak non-government organisation for people living in rental housing. It relies largely on legal aid (Commonwealth and State funding) and a small part of interest that accrues on the lodgement of tenants' rental bond and real estate agents' trust funds (State funding). It is a specialist community legal centre with its own legal practice in residential tenancies law, and is the primary resource body for the State-wide network of twenty-three Tenants Advice and Advocacy Services. It is recognised by both Government and industry groups as a major stakeholder with whom to negotiate.

Unlike some of the tenant organisations in Europe, Tenants Unions across Australia do not enjoy mass membership. This is because the bulk of tenants in Australia are tenants of private landlords and the types of landlords who dominate in this market are small

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scale individual investors (some referred to as ‘mum-and-dad’ investors) with one or two properties, attracted to rental property investment by tax breaks. Indeed, Australian Bureau of Statistics reported that in June 1997 (at the time of its last survey on this topic) one in fifteen income units (comprising singles and couples) living in private dwellings across Australia were investors in residential rental property. This is a huge proportion of the population who are landlords. To organise tenants and sustain their membership where there are so many landlords has always been a daunting task, even though the Tenants’ Union of NSW is committed to as broad a membership as possible.

But it is for this same reason that Governments are reluctant to introduce reform legislation that provides increased security of tenure. Small scale individual investors in the private rental market usually have their eyes on the long term capital growth picture. In Australia rental properties are enmeshed in the owner-occupied market. This means the rental investor’s ability to sell the property with vacant possession on the owner-occupied market is crucial in order to maximise capital gain. This works against the legislative provision of increased security of tenure.

Yet, lobbying for law reform that promotes increased security of tenure remains a major objective of the Tenants Union of NSW. This may only become achievable when the types of landlord who dominate the rental market become large institutional investors, such as entities financed through superannuation funds; with a distinct rental housing market in which rental housing stock is traded as such. Australian workers have over one trillion dollars in superannuation assets. Australians have more money invested in managed funds per capita than any other economy. In recent years a powerful coalition comprising peak social service, union, housing industry and community housing bodies has been lobbying for superannuation funds to invest in affordable rental housing, but so far with limited success. Certainly, a proportion of these funds directed to community housing providers would help address the affordability problem for low-income households.

In the meantime, tenant activists across Australia will continue to chip away ...

*Other versions of this same article with photos have been published in ‘Global Tenant’ (April 2013), the quarterly magazine of the International Union of Tenants, and ‘Around the House’ (no. 92, March 2013), the newsletter of Shelter NSW.*

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