

# tenants' union news

No. 1

10 November 1976

Newsheet of the Tenants' Union of NSW, 118 Regent Street, Redfern 2016  
Telephone 699.4073 (Wednesdays 5.30pm to 9pm only)

This is the first newsheet of the Tenants' Union of NSW. It is being distributed to persons and organisations who are seeking membership of the Tenants' Union and to others who may be interested in its activities.

No doubt those who have already completed application forms are wondering what is happening. There are forty-five of you. The Tenants' Union is seeking registration as a non-profit community advancement society under the NSW Co-operation Act. It cannot approve membership and issue shares until registration is formally approved. Our solicitor has been advised that a registration certificate will be issued within the next fortnight. Some persons have already forwarded payment for their shares. This money is being held in trust by South Sydney Community Aid Co-operative Limited and will be transferred to the Tenants' Union when registration is granted.

## Background to Tenants' Union

The Tenants' Union of NSW grew out of the activities of the Tenancy Working Group of NSW Shelter. Shelter is a national housing consumers' organisation with divisions in each state. The formation meeting of the Tenants' Union was held on 17 August 1976 when nine directors were appointed. A statement was issued at this meeting and extracts appear below:

The Tenants' Union will bring together tenants, representatives of tenants' groups and others interested in promoting a better deal for tenants. All of its stated objects will be pursued through the co-operative efforts of volunteers. However from time to time as funds become available, voluntary activity will be supported by paid workers responsible to the Board. In fact, a submission for funding currently is being considered by the State Government.

The Tenants' Union's initial program follows:

- (1) To promote the establishment of Tenants' Advice Services.

The responsibilities of such services include:

- \* providing advice and information to prospective tenants on all aspects of renting and the relevant laws relating to the landlord/tenant relationship; and,
- \* acting as a tenant's advocate in cases where there is a dispute with the landlord.

- (2) To disseminate information throughout NSW on the rights and obligations of tenants and advice on where to go if problems occur.

- (3) To organise a vigorous campaign of community education through conducting workshops, the media and other means.
- (4) To undertake research work in the area of tenancy and promote longer term solutions.
- (5) To lobby for legislative and other changes which will produce a more equitable landlord/tenant relationship.
- (6) To help initiate and support local tenants' groups.
- (7) To take part in new initiatives in the area of housing.

#### Charges -

- Joining Cost
- \* Individuals : \$1 for a one dollar share
  - \* Organisations : \$5 for five one dollar shares

Annual Cost Following the first Annual General Meeting a service charge may be set to cover incidental expenses for the coming year. It is anticipated that this will be on a sliding scale according to whether the shareholder is a student, social welfare recipient, pensioner, person who is working or organisation.

#### How to join

You should complete the Application for Membership at the end of this newsheet. The list of charges referred to is printed above. Organisations should write for a special application form.

YOU can ASSIST the TENANTS' UNION  
in the following ways -

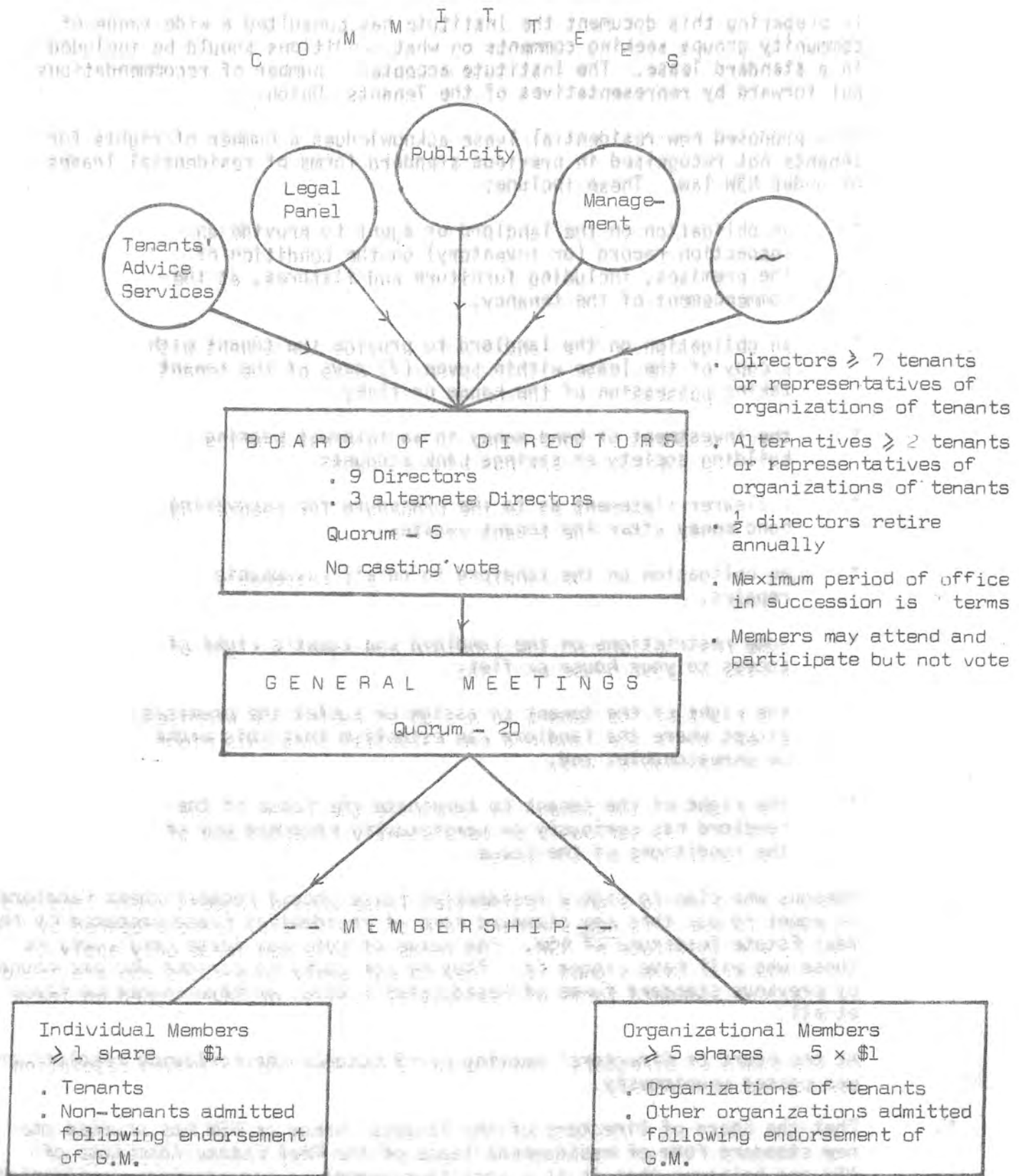
- \* attend meetings
- \* distribute leaflets in your area
- \* clerical/typing/printing
- \* work on a committee
- \* work as volunteer on Tenants' Advice Service
- \* organise a tenants' group in your area



"Being a developer - I developed the cottage."

## JOV Y R TENANTS' UNION WORKS

## ORGANIZATIONAL CHART:



- Number of non-tenants and other organizations which are not organizations of tenants are limited to 15% of membership.
- In addition to shares, there is an annual service charge set by the Annual General Meeting

# REAL ESTATE INSTITUTE PRODUCES NEW LEASE

The Real Estate Institute of NSW is producing a new standard form of residential lease. It will be available for use in 1977.

In preparing this document the Institute has consulted a wide range of community groups seeking comments on what conditions should be included in a standard lease. The Institute accepted a number of recommendations put forward by representatives of the Tenants' Union.

This proposed new residential lease acknowledges a number of rights for tenants not recognised in previous standard forms of residential leases or under NSW law. These include:

- \* an obligation on the landlord or agent to provide an inspection record (or inventory) on the condition of the premises, including furniture and fixtures, at the commencement of the tenancy;
- \* an obligation on the landlord to provide the tenant with a copy of the lease within seven (7) days of the tenant taking possession of the house or flat;
- \* the investment of bond money in an interest bearing building society or savings bank account;
- \* a clearer statement as to the procedure for recovering bond money after the tenant vacates;
- \* an obligation on the landlord to do all reasonable repairs;
- \* some restrictions on the landlord and agent's right of access to your house or flat;
- \* the right of the tenant to assign or sublet the premises, except where the landlord can establish that this might be unreasonable; and,
- \* the right of the tenant to terminate the lease if the landlord has seriously or persistently breached any of the conditions of the lease.

Persons who plan to sign a residential lease should request their landlord or agent to use this new standard form of residential lease prepared by the Real Estate Institute of NSW. The terms of this new lease only apply to those who will have signed it. They do not apply to persons who are bound by previous standard forms of residential leases, or have signed no lease at all.

At the Board of Directors' meeting on 19 October the following resolution was passed unanimously.

That the Board of Directors of the Tenants' Union of NSW has studied the new standard form of residential lease of the Real Estate Institute of NSW and believes that it is a vast improvement on any previous residential lease commonly used in NSW.

Further, it

- i. congratulates the Real Estate Institute of NSW on the drafting of this new lease;
- ii. recognises that there are certain issues where there cannot be agreement, for example termination and charges, but acknowledges that this lease reduces many areas of potential conflict, for example bond disputes, repairs, copy of lease;
- iii. believes that further improvement in some areas, particularly termination, is limited by the state of the law and seeks the support of the Real Estate Institute of NSW in pressing for early legislative review of and action relating to landlord/tenant law in NSW; and,
- iv. believes that withdrawing unused R.E.I. 1973 copyright leases from circulation will assist in the promotion of the new lease.

#### "WEALTHY" TENANT FIGURE INCREASED

On 15 October 1976 the Minister for Consumer Affairs and Co-operative Societies gazetted a regulation raising the income that tenants living in rent controlled premises are able to earn before being declared "wealthy". The new figure is \$10,000 per annum. If the income of the whole household exceeds this amount, the rent is increased to at least market rental value.

This ruling particularly affects aged and invalid pensioners who may at some time have children, relatives or friends who are working staying with them. The new figure does not assist those who have already been declared "wealthy" tenants or tenants living in premises not under rent control.

#### SHELTER RURAL AND REGIONAL HOUSING CONFERENCE (October long weekend)

This conference aimed at starting to develop regional housing policies across NSW. Copies of the booklet arising from the conference are available from the Inner Sydney Regional Council for Social Development, 69.7524. During the course of the conference the problems of the tenants of Wickham, a working class suburb of Newcastle, were raised. The Tenants' Union was able to assist these tenants by doing a company search of the offending companies and one of the directors was able to attend a meeting of the tenants and give legal advice.



### MEETING TO DRAW UP MODEL LEASE

The Standards Association of Australia is running a working group on Residential Leases. Two representatives of the Tenants' Union have been participating in these meetings. Discussion has centred around leases proposed by the Tenants' Union of Victoria and the Real Estate Institute of NSW with the aim of arriving at a SAA lease from the two.

### TENANTS' RIGHTS WORKSHOPS

Over the last five months members of the Tenants' Union have conducted workshops for over 160 representatives of tenants' groups, social welfare agencies and state government departments to assist such persons develop a working knowledge of landlord/tenant law and how to assist tenants in difficulty.

### WHY NOT SET UP YOUR OWN LOCAL TENANTS' GROUP!

You only need a group of half a dozen people to set up a tenants' group in your area. Have your group join the Tenants' Union. You may decide to run a Tenants' Advice Service for your local Community Aid Bureau. You can distribute tenants' rights literature in your suburb. The Tenants' Union will run a workshop to train your members on the legal and related aspects of renting and provide resource material to your group to distribute in your area. You can collect information on the needs of local tenants in your area and become a pressure group seeking a better deal for tenants in your area.

### PUBLIC MEETING ON TENANTS' ISSUES PLANNED

The October Board Meeting of the Tenants' Union decided to call a public meeting in March 1977 to focus on tenants' problems. It is anticipated that recommendations will be presented to this meeting on a process to redraft laws through the Law Reform Commission. Initial organising of this meeting will commence at the November Board Meeting. Keep your eyes open for notices about this meeting.

### PUBLICATIONS

1. 'Your Rights as a Tenant in NSW' - multilingual booklet in English, Italian, Greek, Serbo-Croat, Turkish, Arabic and Spanish 1975 - cost postage only.
2. 'Your Rights as a Tenant in NSW' - updated English version, August 1976 - 50¢ plus postage.
3. 'Tenants' Rights' - a resource book for tenants' groups and social welfare organisations on how to assist persons with tenancy problems, November 1976 - \$3 plus postage 40¢.

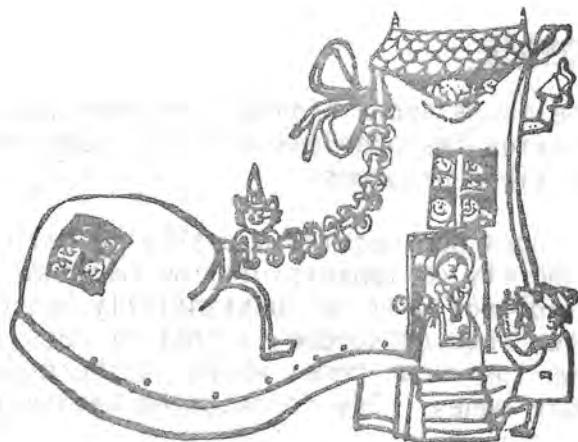
The above publications can be purchased from the Tenants' Union for the amounts shown. They will be available to some groups free of charge.

## RECENT ARTICLES HELD BY TENANTS' UNION

1. Tricia Brown, 'Rent Control in NSW', unpublished essay, Social Studies IV, Department of Social Work, University of Sydney, June 1976 (historical overview of subject).
2. Tricia Brown and Margaret McAllister, 'Landlord/Tenant Law Reform', submission to the NSW Minister for Consumer Affairs and Co-operative Societies, Social Studies IV, Department of Social Work, University of Sydney, September 1976 (Found that blanket rent control as experienced in NSW has detrimental effect on the amount and quality of private rental accommodation. However, finds as invalid, the argument that any form of rent control will necessarily reduce the supply of rental housing.)
3. Kerry Robins, 'Submission for the Establishment of a Bond Fund', unpublished report, Social Studies IV, Department of Social Work, University of Sydney, September 1976 (Proposals on possible uses for interest accruing on bond money if invested in a central fund.)
4. Gim Teh, 'What to do with a Rent Increase', Landlord & Tenant Series, Legal Services Bulletin, Vol. 2 No. 3, October 1976 (This is the latest article in an excellent series on landlord/tenant issues. Extremely valuable reading for persons advising tenants).

## BOARD MEETINGS

The Board of Directors of the Tenants' Union of NSW meet on the third Tuesday of the month at 6 p.m. in the offices of the Australian Council of Social Service, 1st Floor, 190 Cumberland Street, Sydney. All interested persons are invited to attend.



If YOU wish to write a letter or contribute an article to our next newsheet, please write to the Editor, Tenants' Union News, 118 Regent Street, Redfern 2016.

# DRAMATIC 'RENT VOUCHER' TRIAL SOON IN HOUSING

By WARREN OWENS

## Up to 1,000 low-income Sydney families will be helped to find a better home under a Federal Government plan that could revolutionise Government housing programs.

The scheme was announced in this week's Federal Budget, but first details were released yesterday to The Sun-Herald.

Families will receive rent vouchers so they can afford dearer accommodation, in an experiment scheduled to start early next year.

If successful, the experiment could lead to the scrapping of Housing Commission building programs within several years.

The Federal Housing Minister, Mr Newman, who will administer the scheme, admitted: "I'm excited at what it may yield."

Proponents of the concept assert that it:

- Enables poor families to improve their accommodation.
- Eliminates the ghetto outlook of many Housing Commission developments.
- Allows families to choose their home near employment, relatives, friends.

- Cuts bureaucratic administration costs.

- Assists the private building industry.

- Benefits those who most need the help.

### \$2m allocation

Up to 1,000 families in Sydney, and in Melbourne, and a lesser number in each of two other capital cities, will take part in the experiment.

Only \$75,000 was allocated for the project in this week's Budget, but that will be used merely for planning expenses.

At least \$2 million is expected to be allocated for the anticipated initial two-year test period.

If the scheme proves successful, it is almost certain to lead to a major restructuring of Housing Commission programs in every State.

Housing Commission

"suburbs" could become a thing of the past, and housing bureaucracies could be sharply scaled down.

The present legal agreement by which the Federal Government guarantees funds for the States' Housing Commission building programs ends on June 30, 1978.

Mr Newman said he hoped to have a solid indication of the likely results of the voucher experiment in time for Federal-State negotiations on the succeeding housing funds agreement.

### US experiment

One potential problem with a rent voucher scheme could be that landlords would increase rents if they knew a tenant family had a voucher.

But this problem has not emerged in the United

States, where a similar scheme has been in operation for several years.

Dr Clark Abt, head of a major sociology company which has just completed an analysis of the American experiment — in eight cities, over four years, at a total cost of \$200 million — said this week it had proved highly successful.

He said the scheme had improved the housing of families and had considerably lowered administrative costs.

Some families in the US experiment were told they must use the Government money to improve their housing; others were allowed to spend the money as they saw fit.

Intriguingly, the "free spending" families spent only one-quarter of the money on improving their housing. The rest was spent elsewhere.

THE SUN-HERALD, AUGUST 22, 1976 3

### COMMENT

The media and a Liberal Minister see this pilot scheme as a panacea for solving the problems of low income renters. This is only one of many possible programs.

It does not require a costly so called experiment to predict that a small minority of tenants will be marginally better off and a similar number of landlords will be substantially better off. The crux of the problem with the proposed scheme is that it does little or nothing to enable people to own their own homes which is the guaranteed way of allowing 'poor families' more money. See forthcoming National Times article for further details.





## STATE GOVERNMENT TO ESTABLISH BOND FUND

# Bid to tap \$37m in tenants' bonds

NSW landlords may soon be forced to pay bond money worth an estimated \$37m into a fund administered by the State Treasury.

The plan is aimed mainly at protecting tenants' rights, but it

will also provide a new source of working capital for the Government.

The Minister for Consumer Affairs, Mr Einfeld, told Parliament yesterday many tenants were suffering because landlords refused to return bonds, even though no damage had been done to their properties. He intended to change

consumer laws so that disputes between landlords and tenants over bonds could be judged by the Consumer Claims Tribunal.

But he believed the bond money should be controlled by the Government, not by the landlords and their agents.

No decision had yet been taken on how the money would be administered if the Government did take control.

It is clear that any such fund would open up a huge new source of finance to the Govern-

ment now that it has committed itself to keeping taxes unchanged.

A fund of \$37 million would earn interest of at least 10 per cent if lent out.

It would be unnecessary to hold all the cash in hand.

An Opposition spokesman said last night there was an obvious loop-hole for landlords in the plan. He said landlords could find a way round such a fund by building the bond money into the rent.



THE AUSTRALIAN Thursday October 14 1976-5

The response of the Tenants' Union to Mr. Einfeld's statement is expressed in the following press statement released to major newspapers on 14 October but not published:

THE TENANTS UNIONS OF NSW TODAY CONGRATULATED THE MINISTER FOR CONSUMER AFFAIRS MR EINFELD FOR HIS STATEMENT IN THE LEGISLATIVE ASSEMBLY YESTERDAY. SPOKESPERSON FOR THE UNION MR SIMON CLOUGH SAID TENANTS GENERALLY WILL WELCOME THE MINISTER'S MOVE TO HAVE BOND MONEYS HELD BY THE GOVERNMENT.

THIS MOVE MEANS THAT AN IMPARTIAL PARTY CAN HOLD THE BOND RATHER THAN THE LANDLORD. MR CLOUGH ALSO STATED THAT ACCESS TO THE CONSUMERS CLAIMS TRIBUNAL WOULD BE VERY VALUABLE PARTICULARLY IF THE LANDLORD HAS TO SHOW PROOF AS TO WHY THE BOND SHOULD BE WITHHELD RATHER THAN THE CURRENT SITUATION WHERE BONDS SEEM TO BE WITHHELD AT THE WHIM OF THE LANDLORD.

THE TENANTS UNIONS HAS HAD DISCUSSIONS WITH MR EINFELD BUT WOULD BE SEEKING FURTHER TALKS TO SUGGEST POSSIBLE USES FOR THE FUND. MR CLAUGH SAID THE UNION WAS PARTICULARLY KEEN TO SEE THE FUND USED TO PROVIDE SOME MEANS OF ASSISTING PEOPLE TO RAISE BONDS AND ADVANCE RENTS IN CASES WHERE THEY COULD NOT AFFORD THIS COST.

THE UNION ALSO SAW FUNDING FOR A TENANCY ADVICE SERVICE COMING FROM THE BOND FUND INTEREST. OTHER POSSIBLE USES FOR THE FUND COULD BE MONEY FOR NEW HOUSING INITIATIVE, SUCH AS LOW COST HOUSING COOPERATIVES, HOUSING REHABILITATION, AND SOME FORM OF INDEMNITY FOR LANDLORDS WHOSE PREMISES ARE BADLY DAMAGED.

The Tenants' Union is preparing a Discussion Paper on how a Bond Fund might work. It will be seeking a meeting with the Minister to discuss its proposals.

CO-OPERATION ACT



## TENANTS' UNION OF N.S.W. CO-OP. LTD.

Application for Individual Membership

Surname ..... Mr  
(Use BLOCK letters) ..... Mrs .....  
..... Ms

Given Names .....

Address .....

.....Postcode .....

Address to which notices are to be  
sent if different from above .....

.....Postcode .....

Phone, if any .....

Occupation .....

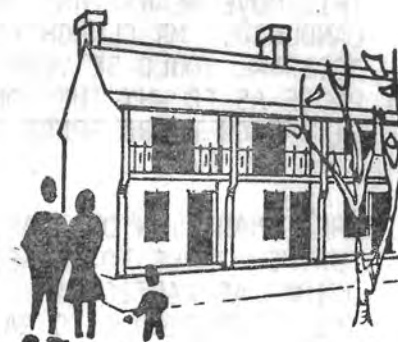
Tenant of Residential Premises? \*\* Yes ☐ No ☐

- \* I wish to apply for membership and be allotted one share.
- \* I lodge in accordance with the rules one dollar (\$1).
- \* If this application is approved and one share is allotted to me, I agree to pay all charges required by the Society, a list of which has been supplied to me, and agree to be bound by the rules of the Society, and b, any alteration registered in accordance with the Co-operation Act.
- \* I am over/under the age of eighteen years, having been born on the ..... day of ..... 19....  
(Strike out the word which does not apply)

Signature .....

Witness .....

Date ...../...../.....



\*\* Note - 'Tenant', for the purposes of membership, includes any person or persons with whom a tenancy or licence agreement has been made whether expressly or otherwise in relation to residential premises, their families and other persons who are sharing such rented premises, and boarders and lodgers.



PLEASE RETURN FORM TO: Secretary, Tenants' Union of N.S.W. Co-op. Ltd.,  
118 Regent Street, Redfern, N.S.W., 2016