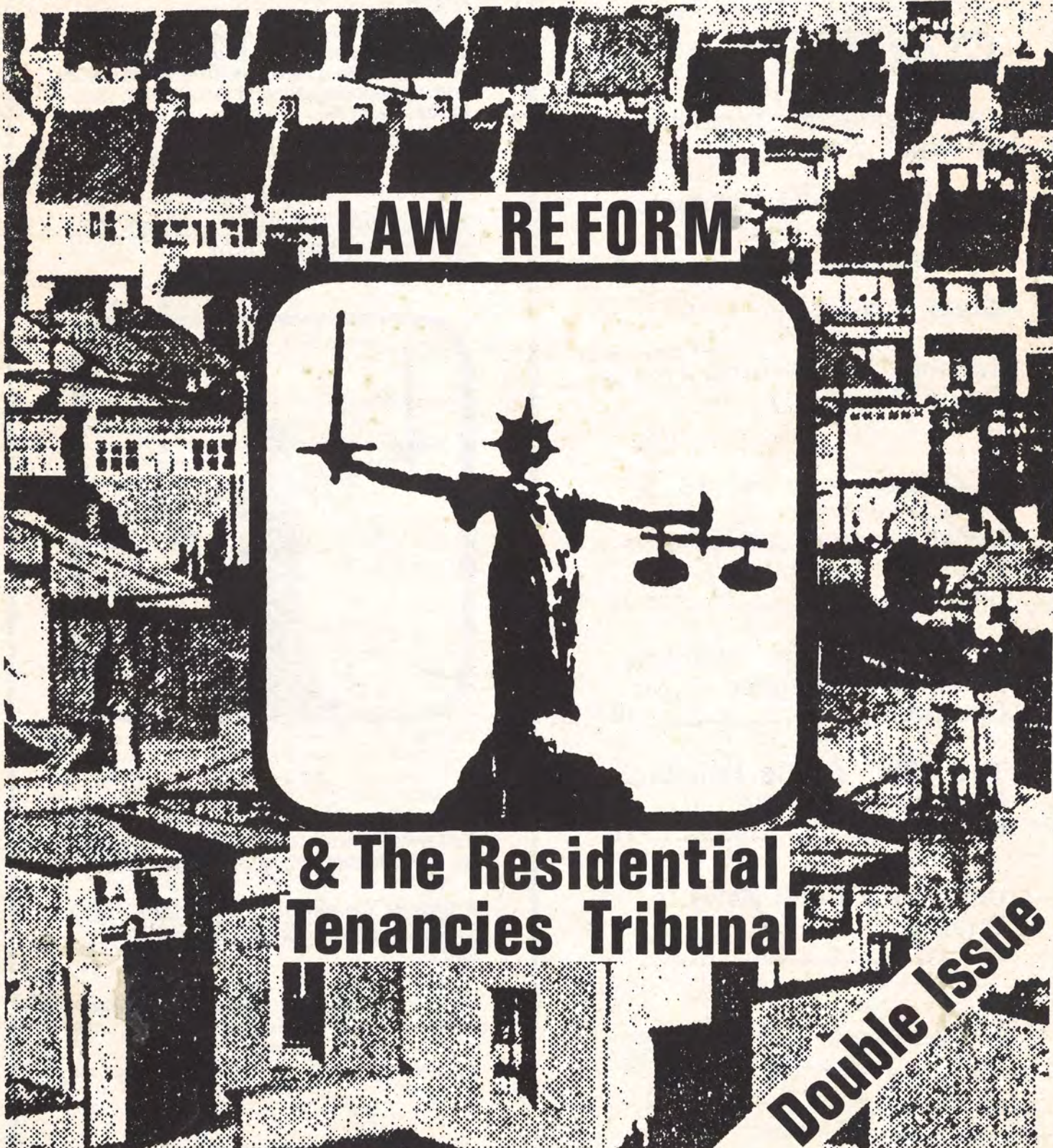


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# NEWS

N.S.W. DECEMBER 1986 Nos. 29 & 30



## LAW REFORM



## & The Residential Tenancies Tribunal

Double Issue



# TENANT NEWS

December, 1986

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*The Tenants Union of New South Wales represents tenants against unfair treatment by property owners and real estate agents.*

*We help tenants to work together for decent, affordable and secure housing by:*

- \*Resourcing tenants advice services*
- \*Lobbying Governments on tenancy issues*
- \*Publicising tenants' problems and rights*

*We believe that good quality housing is a basic human right...This means security of tenure, houses in good repair and protection against excessive rents for all.*

*Solidarity in numbers is the only way that our rights can be fought for and won.*

*Join the Tenants' Union and help fight for tenants' rights in NSW.*



*TENANT NEWS is produced by the Tenants' Union of NSW, 197 George St, REDFERN, 2016. PH 699-7605.*

*Editorial Committee: Meredith Foley, Tracy Goulding and Margaret Cobb.*

*Cover Design and Layout: Katherine Foley*

*Printed by:*



# THE RESIDENTIAL TENANCIES TRIBUNAL ACT

The Residential Tenancies Tribunal Act came into effect in New South Wales on October 1, 1986. The Act is the first stage in the State Government's tenancy law reform package and only covers rents and rental increases. The second stage of the legislation covering security of tenure, maintenance and repairs, discrimination, statutory leases and bonds was due to be released for a period of community consultation in August '86.

Instead, the original proposals approved by Cabinet in March 1986 have been radically watered-down by the latest Minister for Consumer Affairs, Mrs Deirdre Grusovin, and referred to the Housing Sub-Committee for a further period of review. There is still no guarantee that the original bottom line proposals for reform will be implemented or that the community will be given the opportunity to formally respond to the draft legislation.

Supposedly, the reform package was split in order to allow for the speedy introduction of tenancy law reform in NSW. In fact, it has allowed the Government to effectively place the issue in the 'too hard basket' while appearing to address the dire situation of tenants.

Meanwhile, the piecemeal reform that has been implemented has placed tenants in a more vulnerable position than ever before:

Tenants are now legally entitled to full rent receipts and 60 days notice of a rent increase. However, there is as yet no clear policy on how these rights are to be enforced and no protection against arbitrary eviction should the landlord choose to find new tenants as a means of implementing a quick and easy increase. The Residential Tenancies Tribunal which was supposedly designed to protect tenants against excessive rents is in fact proving to be a mechanism for institutionalising regular rent increases. Finally, an anomaly in the Act means that tenants are no longer required to agree to a rent increase before becoming legally liable for the increase. This has dire consequences for tenants who can't afford an increase, unwittingly fall into rent arrears and thus prejudice their chances for alternative housing, both public and private.

Once again, the power of the property lobby means that tenants are denied the basic rights and protections granted to all other consumer groups. How long can the rights of tenants continue to be ignored?





# The Residential Tenancies Tribunal Act

## THE RTT ACT - A FEW DETAILS

### \*The Residential Tenancies Tribunal

Under the Act, a Residential Tenancies Tribunal was established with power to declare a rent or rent increase excessive and fix the rent for up to 12 months. Any tenant wishing to challenge a rent or rent increase may apply to have the matter heard by the Tribunal for a fee of \$10 or \$5 concession. Except in special circumstances, tenants must represent themselves but landlords may be automatically represented by their agents.

Claims to the Tribunal must be lodged *within 30 days* of receiving notice of the increase and must prove that the *increase is excessive in relation to current market rates for similar premises in a similar location.*

It is not enough simply to tell the Tribunal that you can't afford the increase. If you fail to provide any evidence of lower rents for similar premises then the magistrate may decide that you have wasted the Tribunal's time and you can be charged costs.

Unfortunately, even if you provide the required evidence there is still no guarantee of success. If the agent or landlord can provide evidence of higher rents for similar premises then your claim will probably be knocked back.

The Tribunal only has power to determine that *existing rents* are excessive if the tenant can prove that goods and services provided at the commencement of the tenancy have been withdrawn eg. if the landlord agreed to mow the lawn or give you access to a garage but has since reneged on this agreement. It may also be possible to argue that "services" have been withdrawn if the premises have been allowed to fall into disrepair since the commencement of the tenancy.

*Tenants cannot be evicted because they have taken a claim to the Tribunal. If a landlord tries to evict a tenant within 12 months of the claim or while an order of the Tribunal is in force, the landlord has to prove the eviction was not sought because of the claim or the order.*

### \*Notice of an Increase

A landlord must provide *no less than 60 days notice* in writing of a rent increase. If you receive notification of a rent increase less than 60 days before the proposed increase is due to take effect the notice is *invalid* and the landlord must give you a new notice allowing for the full 60 days before the rent increase can take effect.

If your landlord refuses to give you the full 60 days notice you can lodge a complaint with the Residential Tenancies Tribunal, Ph. 238-8758. So far, the Tribunal has been slow to act on complaints. If the Tribunal fails to act for you, contact the TU or your local tenancy advice service and/or write to the press or local MP to complain.

### \*Rent Increases During Fixed Term Agreements

Rents may not be increased during a fixed term residential tenancy agreement (eg. during the period of a current lease) unless the agreement provides for an increase. *Watch for this when you sign the lease.*

When the fixed term lease or agreement converts to a periodic tenancy (ie. a week to week or month to month tenancy) the landlord may increase the rent after giving the required 60 days written notice.

### \*Automatic Increases

The rent will automatically increase once the 60 days notice has expired unless the tenant is able to negotiate a compromise rent or lodge a successful claim with the Residential Tenancies Tribunal.

*NB. It is no longer necessary for a tenant to agree to a proposed rent increase before becoming legally liable for that increase. If you don't pay the increase after the 60 days notice then you will go into rent arrears and may be sued for the debt and/or be listed as a bad credit risk.*

The Tenant's Union is currently lobbying to have this anomaly in the Residential Tenancies Tribunal Act amended. It is a basic right under contract law that both parties must agree to a contract before becoming liable to the conditions of the contract. Why should it be different for tenants?

### \*Receipts

Landlords must provide tenants with receipts on payment of rent unless the rent is paid directly into a bank or building society account. If the rent is posted then the landlord or agent must make the receipt available for collection.

The receipt must give full details including the address of the premises, the tenant's name, the landlord's or agent's name, the amount, date and the period for which the rent is paid.

If your landlord fails to give you receipts you can make a complaint to the Residential Tenancies Tribunal (Ph 238-8758). Again, the Tribunal has so far been slow to act on complaints. If they fail to help you, COMPLAIN!

### WHAT SHOULD I DO IF I THINK A RENT INCREASE IS EXCESSIVE?

If you think a rent increase is excessive, you can still *try* to negotiate a compromise rent with your landlord on the grounds that repairs may be required, you've been a good reliable tenant etc. Given the Tribunal's track record to date, this is almost definitely the best course of action. However, the Tribunal's failure to challenge supposedly "fair market rents" also means that the landlord has little incentive to negotiate since the increase would almost certainly be upheld by the 'court'.



## The Residential Tenancies Tribunal Act

If negotiations prove to be unsuccessful, then you *can* apply to have the case heard by the Residential Tenancies Tribunal.

**REMEMBER** - Your application must be lodged within 30 days of receiving notice of the rent increase and if you are to have any chance of success *you* must prove that the increase is excessive in relation to market rents for similar premises in a similar location.

In order to do this you will need:

- \* Evidence of lower rents that are being paid for similar premises in your area. The best way to get this information is to ask your neighbours how much rent they are paying for their homes. If possible, your evidence should include details of addresses, the amount of rent that is being paid, the condition of the premises and the length of the tenancy. It is a good idea to take photographs, if you can, to establish the condition of the premises.

You can also check real estate advertisements, but these will only give you rents for new tenancies which will generally be set at a higher rate than existing tenancies. Also, the RTT Chairperson has indicated that in order to have any weight as evidence, advertisements must be accompanied by details regarding the condition etc of the advertised premises. This means a lot of work - again with no guarantee that it will have any effect.

- \*Details of your own rent history ie. how long you have been in the premises and how many rent increases you have had.

- \* Details of the condition of your premises highlighting any repairs that need to be carried out.

- \* Details of any hidden costs covered by special conditions in your lease eg. the cost of repairs to facilities, shampooing carpets etc

- \*Your ability to pay the increase or find alternative accommodation. Although the Tribunal is technically not supposed to take your financial circumstances into account, it is important that the Tribunal is constantly reminded of the hardships tenants face.

### SO - IS IT WORTHWHILE TAKING A CASE TO THE TRIBUNAL?

It does take a lot of time and effort preparing a case for the Tribunal and there is little chance of success if the landlord is able to provide evidence of similar premises at equivalent or higher rents. ( The accompanying article on the Tribunal's decisions to date shows just how much the odds are stacked against the tenant.)

However, if you have had a series of large rent increases and your flat or house is in need of *MAJOR* repairs then it may be worth a try.

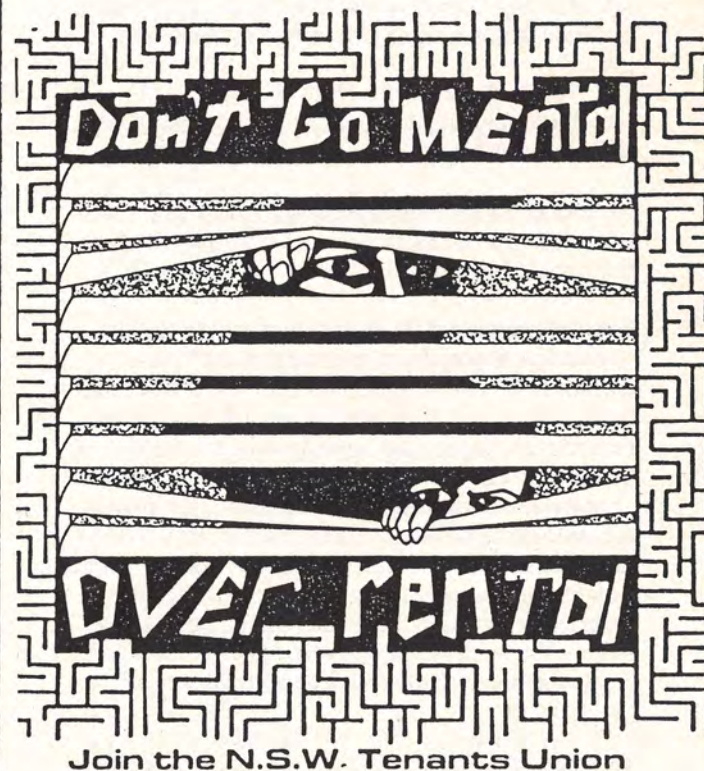
### REMEMBER:

- \*If you are thinking of taking a case to the Tribunal contact the Tenants' Union or your local Tenancy Advice Service for advice and assistance in preparing your case. The Tribunal staff can also be quite helpful (Ph 238-8758).

- \*Though in general circumstances tenants are required to represent themselves at a Tribunal hearing, the Commissioner for Consumer Affairs is empowered to intervene under the Act if he/she deems it "to be in the public interest to do so". Though it is unlikely that the Commissioner will step in, it is worthwhile applying for representation if only to make the point that tenants cannot be expected to represent themselves given the level of expert information that is required. It is also worthwhile in order to make the point that tenants are unfairly disadvantaged by the landlords automatic right to representation.

- \*Stand up for your right to a Tribunal that helps tenants. Join Campaign Action for Rental Reform NOW - Phone 699-7605.

*Tracy Goulding, Tenants' Union*





# THE RESIDENTIAL TENANCIES TRIBUNAL *The First Six Weeks*

The results of the first month and a half of Tribunal hearings confirmed our worst fears about the inadequacy of the RTT legislation and the urgent need for *real* tenancy law reform in this State.

The Tribunal opened on October 1st and commenced hearings a fortnight later. Of the approximately 29 cases heard up to the end of November only three have been found in favour of the tenant; one was negotiated 'out of court' after an initial hearing; 10 have been adjourned and 11 have been dismissed outright.

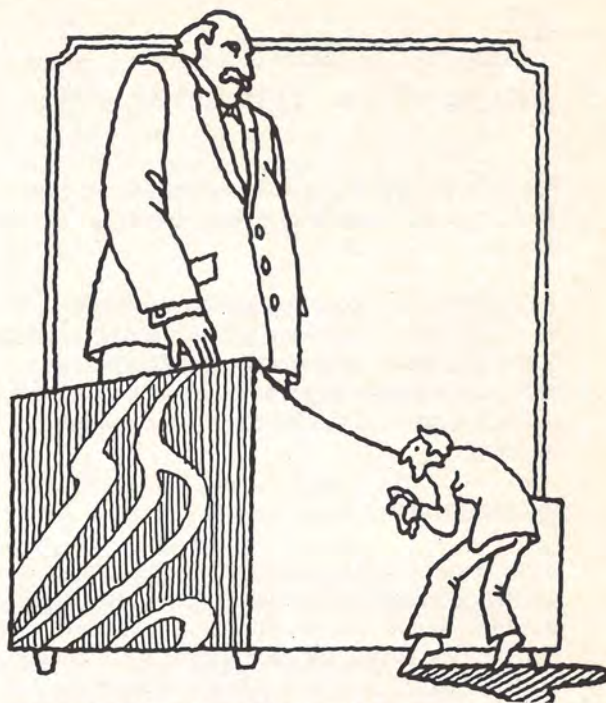
In dismissing the first case, the magistrate, Mr Harley Rustin, stated that he could only accept evidence which related to current market rentals. He couldn't take into account, he said, such things as whether a tenant had repaired a property or could afford to pay the increase. He went on to say that "the Tribunal is not entitled to interfere in the market place."

"It's the supply and demand," he said, "which fairly fixes the rent." !!!!

He concluded by suggesting that a tenant who failed to provide the necessary evidence regarding market rents could be liable for costs.

These comments made it abundantly clear that the Tribunal was not about to establish itself as a bastion of tenants' rights. Not only were the tenant's rental history and economic circumstances deemed to be irrelevant to the case but it seemed the tenant was expected to become an expert on current market rents - not the kind of information your average tenant is accustomed to collecting. (Rustin has since written in a statement defending his decisions that though due weight must be given in a hearing to an agent's superior expertise in the rental market, he does not believe the landlord's automatic right to this expert representation unfairly disadvantages the tenant!)

Worse was yet to come. According to Rustin's interpretation of the Act, the Tribunal is required to base its decision primarily on the general market level of rents for comparable premises in a comparable location. Despite the limitations of this interpretation, it seemed reasonable to assume that a well argued case which could actually provide



evidence of lower rents for similar premises in a similar location would have a good chance of success.

It was to become clear that this was not the case when Sally Taylor from the Parramatta/Auburn/Holroyd Tenancy Advice Service helped prepare a case which was knocked back despite substantial evidence regarding market rents.

Sally was able to prove that units in better condition in the same block were available at lower rents. She was also able to establish that the unit was in need of major repairs and, moreover, that the increase could not be justified in terms of increased costs to the landlord. The magistrate asked lots of questions about the condition of the unit, studied the supporting photographs conscientiously, and generally seemed to pay serious consideration to the argument. The agent responded with counter evidence of a few similar units at higher rents and *the case was dismissed*.

It is clearly not enough, therefore, to provide evidence of comparable premises at lower rents. If a landlord can provide evidence of comparable premises at higher rents then the increase will not be deemed excessive by the Tribunal in terms of market rates.

How can the Tribunal provide tenants with any protection against inflated rents when its decisions are based on the upper limits of an already inflated market?

It seems the only hope a tenant does have is to win by default. It is obviously no coincidence that in all three cases found in favour of the tenant so far, the landlord has provided little or no supporting evidence of upper limit rents.

In two of the three cases the condition of the premises seemed to be a major factor in the magistrate's decision. He made it quite clear, however, that if the agent had been able to provide evidence of premises in a similar state of disrepair at higher rents then the increase would have been allowed. In the absence of evidence to the contrary he



was forced reluctantly to declare that it "was more probable than not that the rent as increased is excessive in terms of the general market" but that in his view, the cases would "probably not have succeeded against more cogent evidence of the type presented in other cases".

Moreover, in both these 'successful' cases the magistrate used his discretion under Section 52(4) of the Act (ie. to "make such other orders as it thinks fit") to allow the landlord to apply to have the order fixing the rent terminated once certain repairs were carried out. It is interesting that these discretionary powers do not appear to be able to be used in favour of tenants.

In the third case, the magistrate declared that though the increase did seem to be excessive at the time of hearing he was persuaded that "the rental market may be undergoing a rapid state of change and that the increase sought may soon reflect the general market." (Talk about hedging your bets!). On the basis of this 'feeling' he determined that the rent should be fixed for a period of *two months* only. Presumably, once this period is over the landlord will be free to implement the original increase from \$140 to \$167 per week. Given the magistrate's attitude, it is unlikely that the tenant would bother challenging the increase for a second time.

As long as upper limit market rents are used as the sole criterion for determining excessive rents, tenants will have little chance of success with the Tribunal. Rather than providing tenants with protection against inflated rents as hoped, it is serving at the moment as a mechanism for institutionalising regular rent increases. It appears, given Mr Rustin's narrowly legalistic interpretation of the Act, that only legislative amendment or successful Supreme Court challenges will see some tenant's rights established.

In order to achieve this, we need support. If you are interested in the campaign for effective tenancy law reform and for a Tribunal that actually helps tenants contact the Tenants Union on 699-7605 and/or write to your local MP or the Minister for Consumer Affairs.

If you are thinking of taking a case to the Tribunal *definitely* contact the TU or a local tenancy Advice Service.

**Tracy Goulding,**  
**Tenants' Union.**  
**December, 1986.**



# GREAT REAL ESTATE LIES

*How many of these have you heard before?*

- \* The owner has no intention of selling.
- \* We'll fix the stove before you move in.
- \* It's not a damp patch - Just dis coloured paint.
- \* The railway line at the bottom of the yard doesn't create any noise.
- \* I have to deduct \$X from the bond for these marks.
- \* Yes, you have no rights.
- \* We might be able to do something after you agree to the increase.
- \* Myself, I don't mind but the neighbours are complaining.
- \* I told the owner weeks ago.
- \* Of course we like children, it's just that it's not safe.
- \* The owner's away!



Courtesy of Sydney Morning Herald



# 3 Reasons Why We Need New Landlord & Tenant Laws



Mrs D. Grusovin,  
Minister for Consumer Affairs,  
3rd Floor,  
1 Oxford St,  
DARLINGHURST, NSW, 2010.

Dear Mrs Grusovin,

## TENANCY LAW REFORM

Tenancy Law Reform is urgently required in this State. ALL tenants are extremely vulnerable to unjust terminations, high rents, inadequately maintained premises and invasions of privacy. Those with children face the additional problem of discrimination. Under the antiquated Landlord and Tenant Act of 1899, there is no protection for tenants in these and similar situations.

At the moment, there is an unprecedented housing crisis in New South Wales with over 66,000 people on the waiting list for public housing. In this situation, the rights of private tenants to secure, decent housing cannot continue to be ignored without serious electoral implications.

WE URGE YOU TO IMMEDIATELY RELEASE STAGE 2 of the Government's Tenancy Law Reform Package for public discussion so that it can be tabled in Parliament without delay.

Yours sincerely,

Name: .....  
Address:.....

*If You Ask For  
Repairs*

*If You Can't  
Afford a Rent  
Increase*

*If You Demand an  
End to Continual  
Invasions of  
Privacy*

**A copy of the CARR  
Campaign Kit is  
enclosed in this edition  
of TENANTS' NEWS.  
ACT NOW!  
SPEAK OUT FOR  
TENANTS' RIGHTS IN  
NSW.**

For further information about the campaign contact CARR, C/o The Tenants' Union, 197 George St, REDFERN, Ph. 699-7605.



# TENANCY LAW REFORM

## *This Could Be it!!!!*



Most tenants in this State are covered by the Landlord and Tenant Act, 1899. This Act provides tenants with no rights other than limited security of tenure and the 'right' to move out if the landlord breaches the lease. Its procedures are cumbersome and legalistic. Reform is long overdue.

### DRAFT LEGISLATION

Since 1978, successive Labor Governments have promised to introduce comprehensive legislative reform in this area. Finally, in February 1986, the NSW Cabinet approved draft legislation. At that time, Cabinet also decided to release the draft for six months public comment before finalising the legislation.

Although a compromise which did not allow for 'just cause' eviction or real control over spiralling rents, the draft did suggest a substantial improvement on the existing law.

As originally presented, the new law would have established a Residential Tenancies Tribunal with wide ranging powers and informal procedures. Its power to examine rent increases and to order repairs looked promising, as did protections against retaliatory evictions and discrimination. Minimum standards for the condition of premises and landlord and tenant conduct, inspection records, and specific and lengthy notice provisions all promised vast improvements on the 1899 law.

Unfortunately, it was decided to split the reform package into two parts to protect tenants from landlords seeking to implement 'knee-jerk' rent

increases while the legislation was being finalised. The first stage allowed for the immediate establishment of the Tribunal, the jurisdiction of which would be temporarily limited to excessive rents. The bulk of the reforms were contained in the second stage of the legislation which was due for release in August 1986 ...

### THE GREAT MINISTERIAL SHUFFLE

In that month, NSW faced its third Minister for Consumer Affairs in six months - Deirdre Grusovin. (This coincidentally posed problems for CARR, the tenants' lobby group named in honour of the previous Minister, Bob Carr. Campaign Action for Rental Reform couldn't think of a second appropriate acronym.)

Consultation and negotiation promptly ceased, and CARR began to suspect that the new Minister (influenced by the landlord lobby and the disastrous by-elections in Rockdale and Bass Hill) was having second thoughts about the Cabinet approved proposals. Dire warnings began to emanate from tenant sympathisers within the Government about Grusovin's intentions.

### MAJOR CHANGES

Documents 'mysteriously' appeared at Redfern Legal Centre and the Tenants' Union which caused great concern. The Minister's revised draft and minutes clearly suggested she wanted to water-down or totally eliminate some key elements of the draft legislation approved by Cabinet in February. Some of the more disturbing aspects of her proposals were:



\* A systematic removal of financial penalties for landlords who breach the legislation. (in most cases the only redress left for tenants would be to take civil action which they would usually be afraid to do or unable to afford)

\* A drastic reduction in the period of notice required for no-cause eviction. (Victoria insists on 6 months; Grusovin is proposing only 3. She is not even prepared to consider that the legislation should only allow evictions for a specified just cause!)

\* An unrealistically low limit set for the amount of money which tenants can recover from the landlord for undertaking urgent repairs.

\* No prohibition on discrimination against tenants with children.

\* A 100% increase on Cabinet's recommendation concerning the amount of advance rent that can be demanded. The proposed limit is 4 weeks - more than many tenants are currently paying and well beyond the means of many.

\* A removal of penalties and a serious weakening of provisions restricting invasions of privacy.

Other provisions under attack include those relating to repairs, coverage of caravan dwellers and licencees, and minimum standards for rented premises. The Six month consultation period has also gone.

Over 17 major amendments to the original bill are proposed, not one of which adopts a recommendation of the tenants' lobby. Similarly, whilst some changes are proposed for the new residential Tenancies Tribunal, none address the considerable problems faced by tenants in presenting a successful case to the Tribunal.

## MEETING THE MINISTER

Horried by this attempted backdown, CARR demanded to meet the Minister. Such requests were ignored until just one week before her revised bill was to be put to Cabinet. So, despite the fact that Grusovin insisted everything was still negotiable, it was clear her bill had already been drafted. The delegation left with the strong impression that the Minister had accepted the property lobby's arguments that law reform would lead to automatic disinvestment and a worsening of the housing crisis. This opinion is contrary to the Government's own advice and commissioned studies.

## MOBILISATION

Warned that the Minister intended pushing her draft through Cabinet with possibly less than a week's notice, the CARR campaign swung into action. Politicians were lobbied, media debate initiated and wide support for CARR enlisted from Labor Council and the community sector. Finally, after running a gauntlet of protesting tenants, Cabinet considered the Minister's watered-down proposals on November 12th. The intensity of opposition led Cabinet to defer a decision until the next session of Parliament and more importantly for tenants - to refer the recent proposals to a sub-committee for further review.

## HOUSING SUB-COMMITTEE OF CABINET (HSCC)

The HSCC met early in December. Contrary to normal practice, only the Ministerial members were present. Departmental officers were barred at Grusovin's request. One would not suggest that she took this tack because she is totally opposed to the advice of her own departmental advisors...

The review is nowhere near finished. The next meeting will probably be in late January, as the Committee is supposed to report back to Cabinet in February.

## THE FUTURE

The year ahead will be crucial! 1987 could well be the last opportunity for NSW to see the introduction of reform legislation in this area. State elections are fast approaching, and the future of our Labor Government is nowhere near certain. The Opposition has shown no interest in this issue.

Our new Premier seems serious about wanting to see the new tenancy legislation introduced. However, without considerable pressure, we are likely to simply get compromise legislation which will be much weaker than that in Victoria and South Australia. Such legislation will not provide tenants with the protection they so urgently need.

The Government needs to fully appreciate the electoral repercussions of continuing to alienate its traditional constituency by bowing to the interests of the property lobby over the needs of people forced to seek accommodation in the private rental market. They should remember that tenants vote too ...

## ACTION

To convince the Government to bring in meaningful reform, we need your help. Politicians need to be made painfully aware of the seriousness of their housing crisis. *Let them know about your tenancy problems and concerns with the current proposals for reform.*

## IF YOUR MEMBERSHIP OF THE TENANT'S UNION MEANS ANYTHING SUPPORT THE CAMPAIGN NOW BY:

- \* Visiting your local MP
- \* Writing letters expressing your concern about the plight of tenants to:
  1. Members of the Housing Sub-Committee of Cabinet ie Walker, Debus, Carr, Crosio, Aquilina, Hills, Booth and Grusovin
  2. The Minister responsible for the legislation, Mrs Deirdre Grusovin, Minister for Consumer Affairs.
  3. The Premier, Barrie Unsworth
- \* Passing resolutions on law reform at local meetings to be sent to the above Ministers.

**REMEMBER: JANUARY MAY DECIDE OUR FUTURE - ACT NOW!**

*Sue Creek, CARR Co-ordinator.*



# A COUNTRY PRAC-TAHRs

*A real estate agent asking us how to evict a tenant, a town with almost all rental housing in the hands of one landlord who has never seen a standard lease, rent rises of 400% in tourist seasons, and bond lodgement the exception rather than the rule.*

These are some of the aspects of working in a non-metropolitan Tenants Advice and Housing Referral Service (TAHRS). The South Eastern TAHRS covers much of the Southern Tablelands, Snowy Mountains and far south coast. There are two large towns in the area with over 25,000 people and numerous small ones with populations under 5,000. With one exception, there has never been a Tenants' Union or Tenants Advice Service in any of these centres.

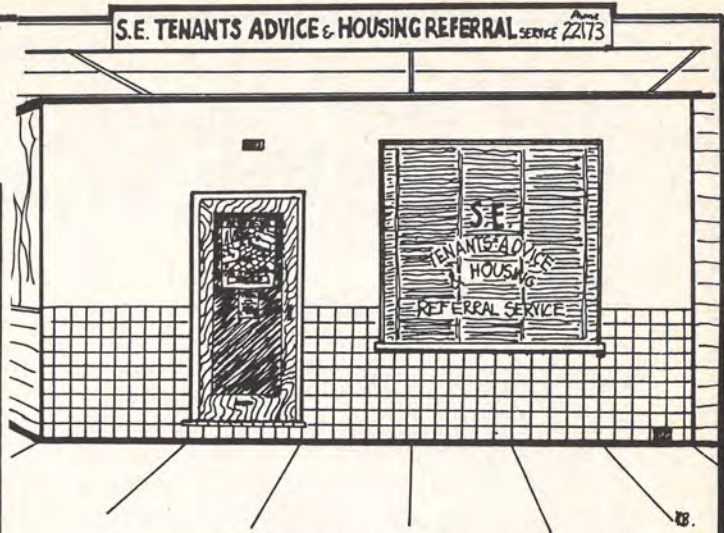
## When is a tenancy problem not a tenancy problem? When it's in the country.

Many standard and dubious practices of landlords which in the city might inspire a tenant's complaint, are in our area often regarded as "just the way things are done around here". In the course of listening to a tenant's grievance about repairs not being done, we might find out, almost in passing, that the bond was not lodged and the landlord invades the tenant's privacy on a regular basis. Yet the tenant may have no idea that these are also issues worthy of complaint.

We are allocating a good deal of time to 'community education' via local media and our developing networks to get out 'basic information on tenant's rights. This is encouraging people to call us about situations that they did not realise they could do anything about. One very basic piece of advice we continually give tenants is to put things in writing. There is sometimes a feeling that written documents indicate mistrust - country people's way of solving a problem is often to have a chat in the main street about it.

SETAHRS is in a peculiar position in several ways. We are a new community service in a region with very few community services, apart from church-based charities and the like. The 'non-government sector' may be a fact of life in Sydney, but it often takes a bit of explaining to local people who tend to think we are a government agency. This assumption has probably given us a bit of extra clout with landlords on some occasions. On the other hand, someone from the Cooma branch of the Liberal Party wrote to the local paper recently saying I should shut up about housing issues, because as a public servant I should give "silent, loyal service to the people of the Monaro."

SETAHRS is the only service covering such a broad geographical area. We have the opportunity to identify and work in the common interests of people from Bombala to Moruya. In the past, there has been little contact between the Coast and the mountains. A



Once a Stock & Station Agents Office, now SETAHRS office in Cooma.

task we have set ourselves is to get a public housing campaign going which will hopefully link up and activate people from Goulburn to Eden.

Tenants in isolated country areas can be in a particularly vulnerable position. Vacancy rates are probably as low as in Sydney, but the usual problems this creates for tenants are exacerbated by the fact of living in small communities where there may be only a handful of landlords and agents. Everyone knows everyone, and landlords quickly get to know about 'undesirable' tenants. Given this, tenants may be reluctant to 'rock the boat', however justified their complaint, for fear of being denied a new place to rent.

This isolation is being overcome a little by our 008 number. We have only had it in operation for a few weeks, but it is being well used already. We are getting a greater proportion of calls from further afield, especially from the coast, where pre-summer evictions are beginning. Many landlords on the South Coast manage their properties like those near the Snowy Mountains. Leases are timed to end just before the tourist season begins, and rents then skyrocket. Tenants who have called us recently from coastal resort towns have at least been reassured to learn that a pushy phone call from a landlord saying they have "till the end of the week to get out" does not constitute a valid notice to quit.

SETAHRS has given information to landlords (even if it is information on where they can get information). There are quite a number of landlords in our area who have no idea about the most basic requirements of letting housing. The biggest landlord in one small town has never used or even seen an REI blue lease - so we sent him one to give him the hint. It is unlikely that he would make contact, voluntarily, with the Rental Advisory Service, or even the REI or POA. SETAHRS is aware of the debate about giving information to landlords, but we recently adopted a policy of doing so in a limited way, if it was clearly in the tenants' interests to do so.

As TAHRS workers, we suffer a little from the isolation experienced by tenants in our region. This makes us all the more committed to a strong Tenants' Union, with real State-wide representation. Perhaps we need to look some more at ways of increasing the input of country tenants and TAHRSs.

*Simon Rosenberg, SETAHRS.*



## ***Other Local Tenancy Advice and Housing Referral Services (TAHRS) are:***

**Inner Sydney TAHRS (STARS)**  
214 Cleveland St,  
CHIPPENDALE, NSW, 2008.  
Ph. 698-3119.

**Inner West TAHRS (TRAC)**  
Hut 42, Addison Rd. Community Centre,  
Addison Rd,  
MARRICKVILLE, NSW, 2204.  
PH. 550-0938.

**Eastern Suburbs TAHRS (ESTAHRS)**  
285 Anzac Parade,  
KINGSFORD, NSW, .  
Ph. 663-3980.

**Northern Suburbs TAHRS (NTAHRS)**  
3/21 Oakes Avenue,  
DEE WHY, NSW, 2099.  
Ph. 982-8088 / 982-7049.

**Parramatta, Auburn & Holroyd TAHRS (PAHTAR)**  
2/8 Mary St,  
GRANVILLE, NSW, 2142.  
Ph. 637-0528

**Fairfield TAHRS (FAHRS)**  
43 Kenyon St.  
FAIRFIELD, NSW, 2165.  
Ph. 727-9667.

**Newcastle TAHRS (HTAHRS)**  
Rm 1, 61 Scott St.,  
NEWCASTLE, NSW, 2300.  
Ph. (049)26-4304/26-4240

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1st Floor, No 4 Club Lane,  
LISMORE, NSW, 2408  
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**Illawarra TAHRS (TAHISI)**  
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WOLLONGONG, NSW, 2500.  
Ph. (042) 26-1289 /27-1116.

**South Eastern TAHRS (SETAHRS)**  
P.O.Box 862,  
COOMA, NSW, 2630.  
Ph. (0648) 22-173.

**Riverina TAHRS (RTAHRS).**  
1/506 Smollett St,  
ALBURY, NSW, 2640.  
Ph. (060) 41-1799.



## **2ND NATIONAL WOMEN'S HOUSING CONFERENCE - AN UPDATE**

The 2nd National Women's Housing Conference will be held on 21 -24 May, 1987 at the Masonic Centre in Sydney.

Day One (21st May) has been set aside for Aboriginal women and women of non-English speaking background to meet.

A multilingual pamphlet giving details of the conference will be available in the next few weeks. A newsletter (English) will also appear regularly to inform women of developments. The second one will be out before Christmas. Posters, agendas and registration forms will be mailed out in January.

The Conference is to be strategy/action oriented, and the organisers are concerned to involve as many groups as possible in the planning. The Steering Committee has been meeting fortnightly to discuss the broad conference and workshop structure, agenda/issues, speakers, publicity and other organisational details. A specific needs/interest group focus is set for each meeting as a means of both ensuring input and co-ordination of issues and ideas from different groups. The next meeting will be held on 28 January, 1987 and will be looking at issues relating to caravan dwellings.

The meeting will be held at 9.30am -12 noon at the Department of Housing, 3rd Floor, 302 Castlereagh St, Sydney. All interested women are welcome to attend.

Because of printing, translation, and distribution deadlines, the agenda, registration form and other publicity material must be finalised within the next few weeks. Therefore, if you would like more information or you are unable to attend meetings, but have ideas or suggestions about agenda items/issues; structures and processes; speakers; past conference disasters that you don't want repeated etc then please phone Margaret Jenkins (Conference Co-ordinator) on (02) 260-4581 or Suzanne Pierce (Chairperson) on (02) 267-5733.

***Suzanne Pierce, Shelter.***

*The TAHRS Network was established in 1986 under the Housing Department's Housing Information and Tenancy Services Programme (HITS). The Tenants' Union is funded under this programme to resource and co-ordinate the network.*

*Another eight services are scheduled to be set up in 1987. We'll give you a full progress report in the next edition of TENANTS' NEWS.*



# THE NSW CO-OP HOUSING PROGRAMME: ON THE MOVE

The Co-Op Housing Alliance (CHA) was formed in March 1986 by a group of consumers/ professionals in conjunction with the current campaign to establish housing co-ops as an alternative viable state recognized tenure form. During the past nine months, it has often seemed as though the Alliance was working on a treadmill. However, now it does appear that at least the passing scenery is beginning to change. What does seem to be emerging is a more positive commitment from the NSW Department of Housing toward housing co-ops in general.

In recent months there has been a concerted effort on the part of various groups and organisations involved in the Co-op Housing Programme to generate interest in this area within the wider community and to push for a co-op unit to be set up within the Department itself. This initiative would at last bring to a close a long period of procrastination on the part of the DOH and would fundamentally facilitate the implementation of the Programme. It now appears that all the hard work on the part of the Co-op Resources Group, the Co-op Housing Alliance and many community organisations involved in the Co-op Housing Programme has come to fruition with the news that the formation of the nucleus of a co-op unit is likely within the coming year.

Furthermore, it seems likely that the policy guidelines for the establishment of a co-operative housing sector in NSW are about to be approved in principle by the Department. Full Ministerial approval for the policy could mean good news for the many people dissatisfied with the present state of the non-profit housing sector, as the co-op programme is especially designed to meet the needs of the unwaged and those on low incomes.

Funding models have been a major headache in this planning stage. It is imperative to ensure that any funding packages that may be implemented are fully viable and are not just an attempt to shift the financial burden of housing onto the poor.

Public interest in co-ops and funding packages for co-op development has been highlighted in recent weeks by ministerial approval to provide funds for two inner city co-ops, Alpha House and the Compound. This funding will allow for the renovation of buildings which will in turn provide a good quality, self managed, living and working environment enabling the member tenants to exert a high degree of autonomy over their own building and their own lives. The attention focused on Alpha House during its protracted court case against eviction and lobbying for Departmental funding has led to numerous enquiries concerning the ideology and practice of housing co-ops. This has necessitated a definition of terms to explain what exactly a housing co-op is.

It is surprising that something as basic and as seemingly innocuous as the definition of a housing co-operative can be the cause of much confusion and controversy. The confusion results from the enormous variety of organisations that are called co-operatives; the controversy arises as to whether or not some of these organisations are genuinely "worthy" of the name.

One of the jargon terms sometimes used for a housing co-operative is "primary co-operative". This term is used to distinguish co-ops from organisations and agencies which provide services to co-ops and are often referred to as "secondary co-operatives."

Some definitions of a housing co-op suggest that it is essential that the members collectively own their housing. Some insist that all the co-op members must live in the housing, and that all those living in the housing must be members (this is known as a "fully mutual co-op").

Most people would accept that whilst collective ownership and full mutuality may be ideal, they are not essential to a housing co-operative. This means that a housing co-op or primary co-op, can be defined as an association of people exercising collective control over some of their housing.

## Common Equity Co-ops

"Common Equity" refers to the stake which members hold in their co-op. In a common equity co-op, every member holds a redeemable share in the co-op. The value of this share does not increase, so if refunded only the original amount paid is returned. Members of common equity co-ops make no profit from any increase in land prices which might technically increase the value of their housing. Common equity is a popular form of housing co-op in Britain. It is also the form most favoured by the CHA because the housing is effectively owned by the collective, incorporated as an association/company. Ideally the shares should only cost \$1, therefore making membership and consequently housing available to all, regardless of economic status.

## Joint Equity

If a co-op is not a common equity co-op, it will usually be a joint equity or shared ownership co-op. This indicates that co-op members have a stake in the co-op which increases in line with land values. Members in effect make a profit from living in the co-op.

## Lease Co-Ops

A lease co-op is one in which the members do not have collective ownership of their housing, but have an agreement with the owner which allows them to fully manage the premises. Lease co-ops are most commonly set up in situations where the housing is Government owned.



## Sweat Equity

Sweat equity is the term used to describe the "financial worth" members have put into their co-op. This "worth" should then be taken into account when the members seek to purchase the building.

## Secondary Co-ops

The term "secondary co-operative" refers to an organization or agency providing services to primary housing co-operatives. Ideally, a secondary co-op should be a federation of primary co-operatives, which collectively controls the services provided.

"Secondaries" assist groups in the initial stages of setting up a co-operative. This co-operative development would include explanation of the co-operative principles in relation to housing, assistance with the development of a constitution or set of 'house rules', incorporation and submission writing. In effect, the secondary co-op aims to help developing co-ops find their way through the tangle of housing legislation and bureaucratic procedures.

Secondary co-ops employ professional workers to carry out jobs on a co-ops behalf. By employing workers through a secondary co-operative rather than directly, resources and expertise can be pooled between several primary co-ops.

At the present time, there are no secondary co-ops in NSW to provide this much needed service. However, the Co-op Housing Alliance is lobbying at the

moment for funding to assist with the formation of a Co-op Housing Resource Centre. Ideally this would include a shop front office to provide interested groups (especially those with limited resources) access to information and expertise which is at present not easy to obtain. (Especially if one has a horror of dealing directly with bureaucracies.) Hopefully, the centre would also play a community education role to inform local communities of housing alternatives.

At a recent meeting at the Housing Department, it was revealed that Director Michael Eyres has agreed to the establishment of a trust to provide some of the legal structures necessary for the establishment of co-ops. This trust would be external to the Department and would ensure that titles remain collective co-operative property so that they can not be used for property speculation. He also agreed to the proposal that a senior officer and deputy from the Department be appointed within the coming year to examine the viability and operations of a NSW co-operative housing programme.

So it seems that at long last, a co-op housing programme with the aim of providing a secure tenure form for low-income earners may be realised in the foreseeable future.

*Zanne and Chris on behalf of CHA.*  
For further information phone 660-7520.

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# UNDER ONE ROOF

## News in Brief...

### Stamp Duty

As from 1st January, 1987, the stamp duty payable on leases will be set at a flat rate of \$10 plus 50 cents for each copy. Stamps are available from Post Offices, so there will no longer be any need to send leases to the Stamp Duties Office. Overall, this should be good for tenants, as they should receive a stamped copy of their lease much faster than before. However, tenants paying very low rents may find they are paying slightly more stamp duty than previously.

### RELOCATION OF RENTAL BOND BOARD

The Rental Bond Board is to be based in Liverpool when the Department of Housing moves late in 1987. This will seriously disadvantage the bulk of Sydney's tenants who are concentrated in the east and inner west. Angry letters to the editor etc may encourage the Government to change its mind ....

### ELECTRICITY CHARGES

As of 1 March, 1986, the Electricity Development (Amendment) Act makes it an offence for landlords to levy separate charges on tenants where there is no private metering of electricity. Local Courts can

impose a penalty of up to \$2,000 and make an order for the landlord to refund the levy to the tenant. It is a similar offence to charge a higher rate than that charged by the Electricity Council. The Act also covers caravan dwellers and boarders etc.

### CARAVAN PARKS AND CAMPING GROUNDS

The Local Government (Movable Dwellings) Amendment Act, 1986 and Ordinance No. 71 came into effect on 1 December, 1986. The main changes under the new legislation relate to minimum standards for the construction, maintenance and operation of caravan parks and movable dwellings. Ordinance 71 makes long term residence in caravan parks legally permissible and provides for minimum standards for this kind of accommodation.

### INTERNATIONAL YEAR OF SHELTER FOR THE HOMELESS

1987 is International Year of Shelter for the Homeless (IYSH). Whether the Government will regard this as just another public relations exercise or as a chance to actually do something about the current housing crisis remains to be seen. One immediate initiative is to help fund a National Tenants' Union Conference which is to be held in March, 1987. For a full report on the IYSH programme see the next edition of *TENANTS' NEWS*.





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