

From: [REDACTED]
To: [Community Support and Services Committee](#)
Subject: Submission to the Residential Tenancies and Rooming Accommodation (Tenants' Rights) and Other Legislation Amendment Bill 2021
Date: Saturday, 26 June 2021 1:22:01 PM

As a Landlord who has recently built two new homes to supplement the rental market, and had horrific experiences having to evacuate three tenants in the first twelve months resulting in substantial financial losses, my opening comment is that legislation regulating the rights of landlords and tenants must be balanced. The desire to favour one over the other is not appropriate, and if that occurs in favour of tenants, there the stated objectives will not be achieved, but rather will have the totally reverse effect, with landlords leaving the market, and further exacerbating the rental situation faced today. Ultimately, the decision for a landlord to invest or not is financial, and if all the risk rests with the landlord, then other investment opportunities will be much more attractive. On an investment basis, the way to mitigate risk is financial reward, which is to increase rent, which again is self-defeating in achieving the objectives of the Bill. Fewer rental properties means more distress.

My concern that the Bill has been drafted with a bias towards tenants is evidenced by the following advice in the Explanatory Notes :

"The Member has developed these amendments based on stakeholder and community feedback including consultation with Tenants Queensland, Anglicare Australia and the Queensland Council of Social Services". Why not also consult industry bodies such as REIQ, POAQ etc?

I readily acknowledge there are rogue landlords, just as there are rogue tenants, however landlords face much more severe financial disadvantage than tenants as the worst thing for the tenant is to be evicted and possibly have a judgment against them which most likely will never be satisfied (and I speak from experience). So the answer is not to introduce an overly heavy-handed response to address the bad behaviour of a small proportion of the rental market. I can only repeat that it must be balanced.

Thinking from the recent past has been that tenants should be entitled to treat their rental property as their home for life, which is totally unrealistic. That fails to acknowledge the other party, the landlord, who has invested their money in the property, and consequently must have the ability to manage their investment in accordance with reasonable and balanced regulation, so that the rights of both parties are protected.

There is no question tenants are now facing massive difficulties securing affordable accommodation, and that some unscrupulous landlords and their agents are taking advantage of that, which is completely unacceptable. I totally support outlawing rental auctions, and that the property must be offered at a set price. However, we must not lose sight of the fact that we live in a free market environment and the market will eventually force those seeking to profit today to meet the market when the shortage now faced is relieved, which will occur. Inappropriate legislation to address a problem at this point in time will not assist in the stability of the rental market in to the future. I am very firmly of the view that the rental difficulty now experienced is exacerbated by Government policy in respect of inadequate supply of land, the cost attributed to Government agencies in developing land for residential purposes, Government stimulus for building which historically always leads to increased property values which perpetuates the rent spiral as higher costs means higher rent to achieve a return on investment, etc. The entire accommodation dilemma, be it for renters or first home buyers, needs to be viewed holistically and addressed on that level, rather than initiating punitive measures for

landlords.

I oppose the proposal that rental increases be restricted to two years, based on CPI. For which 12 month period ? or compounding ? As I have stated, the market is the best place to determine appropriate rent on a long term view, putting aside the current difficulties.

The legislation must be balanced between the rights of the tenant and the landlord as to when a tenancy can be terminated, particularly in respect of sale. Does that mean that a landlord must face bankruptcy because they are unable to dispose of an asset to meet urgent financial obligations ?

It is proposed that landlords commit an offence for issuing a notice to leave on false grounds. There are no similar provisions for tenants who might cause serious detriment to a landlord by breaching a tenancy agreement, such as providing false information about their past rental history.

An obligation is proposed for landlords to disclose more information to tenants at the letting stage, which I do not object to, but the legislation also proposes that the landlord / agent cannot ask certain questions which may be relevant to their considerations when evaluating the risk of accepting a tenant. Should there be an offence for tenants who provide false information on an application for a tenancy ?

I am totally opposed to tenants being able to make modifications to a property they do not own without the consent of the owner. Does the Government want tenants of properties owned by the State to make modifications without consent ?

I respectfully ask the Committee to carefully review the proposed legislation and any changes considered necessary are properly balanced.

Yours sincerely

Greg McCosker

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