



tenants' union of queensland inc

TENANTS WORKING TOGETHER

January 21, 2014

Property Occupation Bill 2013
Submission 019

The Research Director
Legal Affairs and Community Safety Committee
Parliament House
George Street
BRISBANE QLD 4000
lacsc@parliamentqld.gov.au

Dear Committee

Thank you for the opportunity to provide comments on the Property Occupations Bill 2013 (*the Bill*).

Due to our limited time to respond, this submission identifies only issues of broad concern to the Tenants' Union of Queensland (TUQ). Further, we write to represent the interests of residential renters in Queensland (the *customer*) and our submission focuses on the effects of the Bill on renters of residential properties managed by licensees.

Code of Conduct

The TUQ is concerned with the effect of *the Bill* to repeal the current Code of Conduct for property agents and residential letting agents in regard to their *customers*. Whilst the proposed section 235 allows for the making of conduct standards, none are currently proposed. These standards provide important protections for the customers of licensees and must be seen as an integral part of the passage of legislation.

The TUQ calls for the drafting of the updated Code of Conduct to be considered at the same time as the passage of the Bill. Without this, it is impossible to assess the effect of legislative changes for *customers*. The TUQ would hope to be consulted about future proposals regarding conduct affecting the customers of licensees.

Capping of Commissions

The TUQ is opposed to the deregulation of commissions, as per the Property Agents and Motor Dealers Act 2000 (PAMDA) section 579.

The rationale for this removal is that it will put downward pressure on commission prices. This has not been the experience of the TUQ. With the introduction of section 171(c) of the Residential Tenancies and Rooming Accommodation Act 2008, the TUQ saw the concerning introduction of administration and other charges by body corporates and caravan parks where the utilities were provided through an embedded network.

Transparency regarding the on-charging of commissions and fees

Commissions and fees are sometimes passed onto customers by licensees who often attempt to have customers pay these commissions and fees before the cost is borne to their client. The TUQ

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believes this behaviour is common place; it attempts to secure the commission for the licensee rather than seek compensation for cost which may otherwise be imposed on their clients, but without any test of reasonableness required under Queensland tenancy laws.

Customers require a quick and easy path to complain about such actions.

Further, when a licensee seeks compensation from the *customer* for a commission or fee required of their client, the customer should be allowed to see evidence of the quantum and requirements on the client. That is, the *customer* should be provided with evidence that the claimed fees and charges are set out in an agreement between the licensee and their client.

If you require any further information about this submission, please contact me at the address below.

Yours sincerely,

A handwritten signature in blue ink, appearing to read 'Penny Carr', with a stylized, cursive script.

Penny Carr
Statewide Coordinator