



Speech by

Hon. JUDY SPENCE

MEMBER FOR MOUNT GRAVATT

Hansard 10 November 1998

RESIDENTIAL TENANCIES AMENDMENT BILL (No. 2)

Hon. J. C. SPENCE (Mount Gravatt— ALP) (Minister for Aboriginal and Torres Strait Islander Policy and Minister for Women's Policy and Minister for Fair Trading) (2.41 p.m.): I move—

"That the Bill be now read a second time."

I introduce to the House the Residential Tenancies Amendment Bill (No. 2) 1998. The Bill contains four corrections to sections of the Residential Tenancies Act 1994 that were affected by particular provisions of the Residential Tenancies Amendment Act 1998. These corrections are necessary to redress unintended consequences in the relevant four provisions of the amendment Act. These corrections are minor and technical, and involve no change to the policy positions announced when the amendments to the Act were passed. Their passage is essential in order to ensure the Act operates as originally intended and to ensure changes expected by the residential rental industry are delivered in full.

Members will recall that the Residential Tenancies Amendment Act 1998 was passed with bipartisan support in May of this year. The amendments to the Act commence on 1 December 1998 and apply to all new tenancy agreements signed on or after that date. During preparation of the Residential Tenancies Amendment Regulation 1998, in mid October, to incorporate standard terms for tenancy agreements, it became apparent four minor corrections were required. It was only after intensive legal scrutiny of the legislation that the need for these changes was identified. I have acted swiftly and decisively to ensure the necessary changes are brought before the House to be given effect, and that they will apply from the same date as commencement of the other amendments on 1 December 1998.

As I mentioned, the Bill contains four corrections. I will speak to each of these in turn. Firstly, the Bill clarifies the provision regarding the maximum rental bond that can be charged for a long tenancy—moveable dwellings. The effect of the original amendment to the Act on this issue limits this provision to apply only to tenancies where the lessor is the tenant's employer. The amendments I bring before the House today will ensure the intended outcome, expected by all industry and consumer players, is achieved. This is for a maximum bond, the equivalent of three weeks' rent, to apply to all long tenancies—moveable dwellings—where electricity is individually metered and charged in the lessor's name. Secondly, an adjustment to the water charging provisions is necessary to clarify that a lessor may pass on costs associated with tank water delivered by vehicle to the premises. This is to apply regardless of whether such water is individually metered or not.

The third correction reinstates a provision that has always existed in the Residential Tenancies Act—that application to the Small Claims Tribunal for an abandonment termination order is an urgent application. This was inadvertently omitted from the amendments to the Act in May, when the section was replaced. If this correction is not made, lessors/agents seeking an abandonment termination order from the tribunal would be required to go through dispute resolution as a non-urgent matter before proceeding to the tribunal. This is clearly unacceptable, and hence the need for the amendment to correct this error.

The fourth and final correction is for an amendment to the provision of the Act that currently requires a person instigating a dispute resolution request to provide a copy of the request to the other

party. This was not the intention, and a correction is needed to ensure this task rests with the Residential Tenancies Authority, the independent party charged with resolving the dispute. While this appears to be a procedural matter of apparently minor significance, it is the experience of the RTA that one party notifying directly the other party involved in the dispute can inflame the situation and inhibit successful conciliation. The amendment is necessary to avoid a situation where a dispute might escalate, or jeopardise the safety of either party.

All sectors of the residential rental industry are expecting the changes to the Act that commence on 1 December 1998 to cover the situations identified above. The corrections contained in this Bill will ensure these legitimate expectations are fulfilled. These provisions are reflected in the community education and promotional materials developed by the RTA prior to the corrections coming to notice in mid October, to enable the authority to support the industry in adapting to the amendments.

For these reasons, it was necessary to ensure these provisions also commence from 1 December, and so this requires these four corrections to apply retrospectively. The changes I propose are essential, and will ensure that all tenancies that commence on or after 1 December 1998 operate within the legislative framework agreed between industry, consumers and Government. I commend the Bill to the House.
