

13 November 2019

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Economic Policy Scrutiny Committee
Department of the Legislative Assembly
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DARWIN NT 0801

Via email: EPSC@nt.gov.au

RE: RESIDENTIAL TENANCIES LEGISLATION AMENDMENT BILL 2019

NT Shelter is the Northern Territory's peak body for affordable housing and homelessness. We are a member-based organisation representing a broad range of organisations that provide housing, crisis and non-crisis accommodation, and services to individuals and families across the Northern Territory, many of whom are renters.

We welcome this opportunity to provide a submission to the Economic Policy Scrutiny Committee ("the Committee") on the *Residential Tenancies Legislation Amendment Bill 2019* ("the Amendment Bill").

Comprehensive Reform needed

In May 2018, the Attorney General announced to the Committee that the Government supported the Committee's recommendation of a comprehensive, full public review of the Residential Tenancies Act.

The Amendment Bill, as tabled, does not represent comprehensive reform. The matters dealt with by the Amendment Bill have been described as matters with "some level of broad, basic agreement"ⁱ. This might be an easy place to start but is hardly comprehensive reform. Advocates including NT Shelter have expressed concern and disappointment to the Attorney General regarding the lack of effort made in relation to public consultation and the lack of progress to date on substantive reform to ensure that renting is fair, safe and certain for landlords and tenants alike. The changes that we seek are set out in our submission to the Discussion Paper (attached), are necessary, and are consistent with standards already in place in other states.

There is no reason why the NT needs to continue to lag behind other states in respect of contemporary standards for renting, noting that approximately 50% of Territorians are renters. We set out in our submission to the Discussion Paper the reasons why substantial reforms are needed and how they will favourably contribute towards other initiatives to grow our population and economy in the Territory.

While we are underwhelmed and disappointed at the very limited range of matters dealt with in the Amendment Bill, we note the remarks made to the Committee by Mr Douglas Burns at the Public Briefing on 29 October 2019:

“This Bill is the first of a tranche of reforms to the Residential Tenancies Act 1999, following a review that occurred earlier this year.”ⁱⁱ

What happens from now is important. There has been no indication from Government to date as to the number of tranches of reforms to be introduced and the timeframe for introduction. Our expectation is that the Government clarify its intentions from here to the Committee, setting out a timetable for further reform and an indication of the matters to be dealt with.

We support the position set out in the attached joint statement by a number of organisations, including NT Shelter, as to priority for reform, much of which in our view can be done relatively easily. The introduction of provisions to support victims of domestic and family violence should be at the top of the list – this can make an important and immediate difference to victims by empowering them to make the decisions they need without fear of repercussions to their lease or the imposition of financial penalties.

We now turn to the issues raised in the Amendment Bill.

Pets – Clause 6 Sections 65A and 65B

We support the approach proposed that there be a rebuttable presumption that a tenant can keep a pet. This is consistent with the approach taken in Victoria and the ACT. Pets are an important addition to the wellbeing of many families across Australia, including families who rent.

We share the concerns of Darwin Community Legal Service (DCLS) and others of unintended consequences, including potential breaches for temporary pet visits, and restricted application. The absence of protections for tenants against “no-cause evictions” is particularly troubling and can potentially deter tenants from seeking to exercise their rights conferred under the Act in areas such as the ability to keep a pet. This illustrates why it is problematic to introduce legislative amendments on a piecemeal basis without dealing with more substantive areas of reform.

Pets come in a range of forms, shapes and sizes. While there will clearly be exceptions (e.g. two Irish Wolfhounds in a one bedroom apartment), tenants in apartments should also be able to keep a pet in many circumstances, provided there are no reasonable grounds for refusal e.g. likely adverse impacts on the amenity of the property and other tenants (noise impacts etc.). We note this was a matter of some discussion at the Committee hearing on 29 October and should be clarified. One approach would be for the issuance of guidelines as to what would generally be considered fair and reasonable requests for pets in units and apartments. In our view, a reasonable expectation that a tenant can keep a pet should not

be negated by a strata body corporate rule, unless that rule can be shown to be reasonable in the particular circumstances in question.

Right to Enter Premises – Clause 6, Section 77

NT Shelter supports the submission of DCLS on this proposed area of reform. We are particularly concerned about the provision of forced rights of entry that have the potential for conflict, injury or damage, while excluding landlords or agents from civil or criminal responsibility.

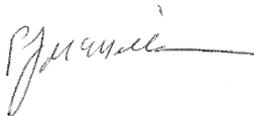
Termination Notices and Notice Periods – Clauses 8 and 9

We have no issue with the proposed change in terminology but note that Section 90 will be the subject of further amendments in the event of changes to notice periods being introduced in a forthcoming tranche of reform. Advocates including NT Shelter, DCLS and others are seeking that notice periods be brought line with National standards, noting that this would be a fairly straightforward and valuable amendment to the current bill.

Termination under the Housing Act – Renovation, Replacement or Demolition – Clause 20 Part 15S

We support the position taken by DCLS on the various sections relating to tenant relocation, transitional accommodation, notice periods etc. as outlined in their submission to the Committee. It is important that natural justice and reasonable notice periods are afforded to tenants, noting the very real barriers for tenants in remote communities to obtaining prompt legal advice and information.

Yours faithfully



Peter McMillan
Executive Officer

encl.

REFERENCES

ⁱ Transcript, Economic Policy Scrutiny Committee, Tuesday 29 October, page 3

ⁱⁱ Op. cit.



Response to Discussion Paper - Review of the Residential Tenancies Act 1999

About us

NT Shelter is the Northern Territory's peak body for affordable housing and homelessness. We are a member-based organisation representing a broad range of organisations that provide housing, crisis and non-crisis accommodation, and services to individuals and families across the Northern Territory, many of whom are renters. A list of the organisations that NT Shelter is proud to represent is outlined at the end of our submission.

NT Shelter receives operational funding from the NT Government through the Department of Local Government, Housing and Community Development.

We acknowledge the Traditional Owners and custodians of country throughout Australia and their continuing connection to land, sea and community. We pay our respects to them and their cultures and to their Elders past, present and emerging. We are also cognizant of the particular challenges they face in respect of their housing needs.

Central Importance of Housing

The provision of housing is a basic human need. It is a need that remains unmet for many Territorians. In terms of housing disadvantage and homelessness, this is acutely and disproportionately experienced by Territorians, with 12 times the national average rate of homelessness. Approximately 3.74% (1 in 27) of the Northern Territory's population sought assistance from Specialist Homelessness Services in 2017-18, compared to 1.2% Australia wide.¹

There is a large body of research on the non-shelter benefits and avoided costs of providing safe, affordable and appropriate housing. The NT Government's work in this space includes the *NT Homelessness Strategy 2018-23*, where for "people who are experiencing vulnerability, we [the NT Government] want to prevent them falling into the homelessness cycle"² and the *NT Housing Strategy*, currently in development. The Department of Local Government, Housing and Community Development

¹ 2017-18 Specialist Homelessness Services Annual Report, *Australian Institute of Health and Welfare* (Feb 2019).

² Pathways out of Homelessness: Northern Territory Homelessness Strategy 2018-23, *Northern Territory Department of Local Government, Housing and Community Development*, page 1.

is currently renewing the *NT Housing Strategy* to respond to significant changes “across the NT economy including a decline in the NT’s economic and fiscal environment, including the broader housing market” and the multiple new programs and strategies commenced by the NT Government aimed at “addressing key service and program gaps” including homelessness, chronic overcrowding in remote communities, town camps reform and new home ownership products, among other measures.

A person is considered homeless if their current living arrangement is: in a dwelling that is inadequate; has no tenure, or if their initial tenure is short and not extendable; does not allow them to have control of, and access to space for social relations.³ The *Residential Tenancies Act* has a critical role to play in safeguarding the housing needs of the Northern Territory’s residents, ensuring that tenants are not evicted unnecessarily into homelessness, and providing pathways for people out of homelessness into accommodation. It provides governance over the suitability of dwellings for habitation, security of tenure and safety and control of the living space.

A modern *Residential Tenancies Act* is also able to secure the rights of the landlord. As has been seen in recent updates and comprehensive reviews across Australia,⁴ Residential Tenancies protections have a critical role in balancing the rights of landlord and tenants – ensuring stability and predictability, removing subjectivism.

NT Shelter welcomes the Northern Territory Attorney-General’s *Discussion Paper - Review of the Residential Tenancies Act 1999* and the opportunity to provide our perspectives.

The importance of a strong Residential Tenancies Act

*The RTA doesn’t just define the relationship between landlords and tenants, but on a broader level is a representation of societal values.*⁵

Over 50% of residents in the Northern Territory are living in arrangements managed by the *Residential Tenancies Act 1999* (The *Residential Tenancies Act*). This is the greatest rate of all Australian jurisdictions.⁶ Vacancy rates are extremely tight in some of our cities and regional centres: 0.2% in Katherine, 1.0% in Alice Springs,⁷ and the high cost of living is often cited as a “negative” factor by NT residents – the Northern Territory has the highest average weekly rent in the nation.⁸

³ Australian Bureau of Statistics (2012).

⁴ Including in Victoria, Western Australia and New South Wales.

⁵ Residential Tenancies Act review – Response to Heading for Home final options paper, *Council to Homeless Persons* (2017), page 5.

⁶ 50.3% of all dwellings in the NT rented compared to 30.9% nationally in 2016; 49.1% compared to 29.6% nationally in 2011. Of occupied private dwellings in Northern Territory, 15.3% were owned outright, 29.6% were owned with a mortgage and 50.3% were rented compared with an average of 30% for the rest of Australia (ABS 2016).

⁷ REINT 2013a, p. 26, 30; REINT 2013b p.30, REINT 2018, p.24, 29; *June 2013 used as figures unavailable for Mar 2013 (Cost of Living Report No. 20, Part 2: Housing, *NTCOSS*, 2018).

⁸ \$535 in 2015-16, compared to the next highest of \$440 in NSW and \$381 nationally (ABS Housing Occupancy and Costs 2015-16).

The Northern Territory Attorney-General's review, *Discussion Paper - Review of the Residential Tenancies Act 1999* is an important opportunity, and one that mustn't be missed, for the Northern Territory to be at the forefront of best practice tenancy legislation. For too long the Northern Territory's legislation has lagged behind those of other Australian states. There is no reason why this needs to continue to be the case. The revised Act needs to be contemporary, fair and consistent with tenancy reforms recently introduced in other States to improve transparency and balance the rights of tenants and landlords.

There is nothing different about the Northern Territory that means legislation here should be less enabling, more restrictive, or less contemporary in the safeguards and protections that it provides for landlords and tenants compared to legislation elsewhere in the country.

In our view, there should be harmonised tenancy legislation across Australia. In the absence of this, there is no reason why the NT cannot and should not be at the forefront of legislation in this area, especially as we can draw upon recent reforms introduced following significant debates and evidence provided across Australia.

Encouragingly, the Attorney-General announced the NT Government's support for a comprehensive review of the Act in 2018:

*"That leads us to the committee's last recommendation. The committee recommended that the government undertake a comprehensive review of the Residential Tenancies Act to identify opportunities for improvement and to propose amendments to make the Northern Territory Act more contemporary. As I alluded to in the earlier part of my speech, I am very pleased to say that the government will be doing that. I expect the full public review to be launched later this year and will certainly update the House and make sure that we provide as much information as possible so that the community, key agencies and the community sector and individuals can provide their input into that."*⁹

To that extent, in providing this submission, we do not limit our remarks or otherwise be constrained by the structure of the discussion paper which, in our view, is framed around the state of play in 2010 and the prevailing conversations of those days. Times have moved on. The other states have introduced more progressive legislation. It is time for the NT to do likewise.

Currently, it is widely believed by state and territory tenants unions that the Northern Territory has the most disadvantageous Residential Tenancies Act in Australia. There is no valid reason for this to continue to be so.

The Northern Territory Government has placed considerable emphasis on attracting new residents to the Northern Territory to support the Government's broader economic and population growth strategies. Finding a safe and affordable place to rent, and the renting experience, should be easy for tenants and a

⁹ Inquiry into the Residential Tenancies Amendment Bill 2018, *Economic Policy Scrutiny Committee*, (NTG Hansard, 10 May 2018)

positive experience, one that provides an advantage for attracting new residents to the Northern Territory.

To that extent, critical government wide initiatives: *Family and Sexual Violence Reduction Framework 2018-2028*¹⁰ and *Boundless Possible Population Growth Strategy*, will be positively impacted by strong residential protections. The *2018 – 2028 Northern Territory Population Growth Strategy*, designed to boost the NT’s population and create jobs, has seen “small but significant inroads into boosting our population. It’s a big decision to relocate a family to another state or country and one that isn’t made quickly.”¹¹

About this submission:

This submission has been designed in collaboration with NT Shelter members and network. As a member-based organisation our response to the *Discussion Paper* is framed around our organisation’s knowledge of the state of housing, renting and homelessness in the Northern Territory and the knowledge of our member organisations.

The core elements presented within this response have been designed to promote fairness and equity in the residential tenancies market for both tenants and landlords alike, equally balanced and aligned in common direction.¹² We believe it is critical that the essence of all reforms enacted by the NT Government are enshrined in legislation in the interest of equity, consistency, and stimulating safe, healthy and stable living environments.

*“Codifying these principles will ensure that they are applied more uniformly than is currently the case. This is particularly true for vulnerable clients, whom anecdotal evidence tells us, are less likely to enforce their rights ... and therefore, are more likely to accept the advice of their landlords’ agents, which can be inconsistent with these principles.”*¹³

In the process of preparing this submission we distributed a survey to our members and broader network. There was a significantly higher response rate than for previous member engagement surveys, highlighting the importance of this issue across the non-government organisation sector, with the results from the survey incorporated into our response below.

¹⁰ “This new framework – Safe, Respected and Free from Violence – reflects our combined efforts, knowledge and ideas to reduce violence and work together to achieve safer homes, communities, workplaces and schools” (p10).

¹¹ Targeted Campaign Attracts New Territorians, *NT Chief Minister media release* (19 Aug 2019).

¹² “The research also suggests that the “challenge appears to be to establish some common directions of change rather than reinforce adversarial positions as private renting increases”. Inquiry into the future of the Private Rental Sector, *AHURI Final Report 303, Australian Housing and Urban Research Institute Limited* (2018, p6) in Discussion Paper - Review of the Residential Tenancies Act 1999, *Northern Territory Attorney-General* (2019)

¹³ Residential Tenancies Act review – Response to Heading for Home final options paper, *Council to Homeless Persons* (2017), page 14.

Over the last a few years the arguments for and against a wide range of legislative changes have been run across the country in a number of jurisdictions, by both conservative and labor governments. Rather than reinvent good work already done or put it aside because it is expeditious to maintain the status quo, we should draw upon the far ranging, equitable and sensible provisions introduced in other States such as Victoria.

This review is an opportunity for the Northern Territory to develop best practice and national standards in terms of developing evidence based common rights and responsibilities for tenants, landlords and their agents. That's the least that we can do for both tenants and landlords alike, ensuring that everyone has their rights and responsibilities established and protected.

Our approach in this submission is to highlight what we see as the most important areas of reform, namely, those that ensure that the renting experience of tenants is fair, reasonable, and progressive. This does not detract from other required changes to the Act to bring it in line with contemporary standards. Other organisations, including legal and consumer advocates, are better placed to comment on some of these matters. To the extent that we do not comment exhaustively on some areas of reform, or do not refer to some issues at all, does not negate their importance.

Summary of Key Areas for Reform and Recommendations

1. APPLICATION OF THE ACT

a. Exclusions from the RTA: All tenancy arrangements should be included under the *Residential Tenancies Act*, where there is an implied understanding that residents can permanently reside at the facility, subject to the *Residential Tenancies Act*.

b. Accessibility: The Northern Territory *Residential Tenancies Act* must be written in such a way as to ensure its structure and language are as easily accessible as possible to the Northern Territory's diverse cultural and ethnic constituencies.

c. Amalgamation of relevant legislation: All legal provisions related to residential tenancies in the Northern Territory should be amalgamated into the *Residential Tenancies Act*.

d. Education: As a purchaser of rent products, tenants residing in properties managed under the *Residential Tenancies Act* must have their rights championed by Consumer Affairs NT or Commissioner of Tenancies with a focus on renter experiences in the private rental sector. This enables identification of systemic issues with the law and practices that could inform future policy, regulatory responses, education programs and resources, and improved dispute resolution services.

e. Honesty and accuracy: Landlords and agents in the Northern Territory must be required to act with honesty and integrity.

2. REMOVAL OF NO GROUNDS EVICTIONS

No grounds evictions must be removed from the Northern Territory's *Residential Tenancies Act*.

3. CENTRALISED and INDEPENDENT BOND BOARD

A centralised, independent Bond Board must be established in the Northern Territory.

4. PROTECTIONS FOR TENANTS EXPERIENCING DOMESTIC VIOLENCE AND FAMILY VIOLENCE

Protections for tenants experiencing Domestic Violence and Family Violence must be enshrined in the Northern Territory's *Residential Tenancies Act*. Specifically, by empowering tenants who are living in fear with options to stay or go; either by applying to the courts to have a violent family member removed from the tenancy agreement or by providing evidence of FDV to their landlord so they can leave safely and without penalty.

5. PROTECTIONS AGAINST DISCRIMINATION

Protections against discrimination must be enshrined in the Northern Territory's *Residential Tenancies Act*.

6. MINIMUM STANDARDS

The Northern Territory's *Residential Tenancies Act* must prescribe minimum standards of general amenity, safety and privacy and require greater responsiveness from landlords and/or their agents to respond to repair and maintenance requests. Climate control measures must also be included.

7. REPAIRS MUST BE CONDUCTED IN REASONABLE TIME AND PROCESS

The Northern Territory's *Residential Tenancies Act* must provide clarity around the timing and processes for actioning of non-urgent and urgent repairs, and certainty that landlords or their agents will be diligent in following up and keeping the tenant informed.

a. Urgent repairs: Urgent repair responses must be responded to immediately.

b. Non urgent repairs: Non-urgent repairs must be addressed by the landlord or their agent within 14 days.

8. PROHIBITION OF LEASE BREAK CLAUSES

Lease break clauses and fees must be removed from the *Residential Tenancies Act* and a landlord is only entitled to compensation for losses reasonably and actually incurred as a direct result of the tenant's breach of its obligations under the Act due to early termination.

9. LONGER TERM LEASES

Longer term lease options must be made available and proactively encouraged under the *Residential Tenancies Act*. Long term lease agreements support tenants and landlords to tailor the terms of a lease agreement of more than five years and agree up front on matters including rent increases and minor changes to the property.

10. NOTICE PERIODS

- a. **Non-renewal at end of fixed term contract:** 90 days' notice is required to terminate a tenancy agreement at the end of its contracted term, so long as the termination date specified on the notice does not reduce the fixed-term tenancy period.
- b. **For rent increases:** Increase the period of notice for rent increases from 30 days to 60.
- c. **Tenant initiated notice of end of lease:** 14 days' notice is required.

11. LIMITING RENT INCREASES

- a. **Frequency of Increases:** Rental increases must be limited to once per year.
- b. **Rate of increase:** The rent increase must be based on one of the four options provided in this submission.

12. ALLOW PETS IN RENTAL PROPERTIES

The Northern Territory's *Residential Tenancies Act* must establish a general right for tenants to keep a pet provided they first seek written permission.

....

Key Areas for Reform and Recommendations in Detail

1. Application of the Act

a. Exclusions from the RTA

All tenancy arrangements should be included under the *Residential Tenancies Act*, where there is an implied understanding that residents can permanently reside at the facility, subject to the *Residential Tenancies Act*. This includes retirement villages and nursing homes, shared Specialist Disability Accommodation, Aboriginal housing in remote and urban communities; public housing properties, managed and long term supported accommodation.¹⁴

Any arrangement where a property is provided on an ongoing basis should be subject to the *Residential Tenancies Act*. Having clear and consistent rules regardless of who the owners or tenants may be will promote clarity and remove unnecessary complexity for both landlords and tenants.

Charitable purpose facilities like transitional housing, homelessness and crisis accommodation that do not imply that residents can permanently reside at the facility and where the premises are provided for the purposes of providing emergency shelter or accommodation should continue to be excluded from the *Residential Tenancies Act*.

¹⁴ See, for example, Technical Issues Paper Protections for Residents of Long Term Supported Group Accommodation in NSW, *NSW Government* (January 2018).

89% of NT Shelter members either “Strongly agree” or “Agree” that where there is an implied understanding that the tenant can live permanently in accommodation, they should be provided the protection of the *Residential Tenancies Act*.

b. Accessibility

The Northern Territory *Residential Tenancies Act* must be written in such a way as to ensure its structure and language are as easily accessible as possible to the Northern Territory’s diverse cultural and ethnic constituencies.

The *Residential Tenancies Act* and Residential Tenancy Agreements must be written in a structure and language that is easily accessible to the particular tenant. That is, they must be written in Plain English and translated to the main foreign and indigenous languages of the NT. These must be provided to landlords and their agents free of charge. Accessible language and translation is critical in:

- providing detailed information to a culturally and linguistically diverse person;
- improving community knowledge of available services, resources, rights and entitlements;
- reducing or eliminating the need for an interpreter.¹⁵

Pre prepared universal tenancy agreements must also be provided free of charge to landlords. NT Shelter believes the cost of purchasing a blank tenancy agreement from REINT could lead to situations in which self-managed landlords inadvertently breach the *Residential Tenancies Act* and impinge on the rights of the tenant through, what it currently and anecdotally common practice, copying and utilising Residential Tenancy Agreements off the internet or otherwise. It’s the landlord’s burden to get this right.

c. Amalgamation of relevant legislation

All legal provisions related to Residential Tenancies in the Northern Territory must be amalgamated into the *Residential Tenancies Act*.

To ensure that landlords and tenants understand their rights and responsibilities under the *Residential Tenancies Act*, and to remove confusion and ensure more common understanding and balance in knowledge/expectations between tenants and landlords, it is vital that:

- Anti-Discrimination clauses must be expressly mentioned in the *Act*;
- Domestic and Family Violence protections must be expressly mentioned in the *Act*;
- Minimum Standards must be expressly outlined in the *Residential Tenancies Act*;

¹⁵ About Interpreting and Translating Service NT, *nt.gov.au* (Accessed 20 August 2019).

d. Education

As a purchaser of rent products, tenants residing in properties managed under the *Residential Tenancies Act* must have their rights championed by Consumer Affairs NT or Commissioner of Tenancies, with a focus on renter experiences in the private rental sector. Consideration to these experiences can help identify systemic issues with the law and practices that could inform future policy, regulatory responses, education programs and resources, and improved dispute resolution services.

Consumer Affairs NT should review all sources of information for market participants, to ensure they have access to high-quality, effective educational tools that help them to understand their rights and obligations. Rental application forms must also be required to include a prescribed information statement that educates applicants, landlords and agents about their rights and responsibilities¹⁶ including around unlawful discrimination, Domestic and Family Violence protections, minimum standards and the process to report urgent and non-urgent repairs.

All participants in the residential tenancies market need to be made aware of their rights.

e. Honesty and Accuracy

Landlords and agents in the Northern Territory must be required to act with honesty and integrity. Landlords and their agents should be prohibited from inducing someone to enter a residential rental agreement by misleading or deceptive conduct (for example, if the agent tells a prospective renter that the house has a high-speed internet connection, when the agent knows this is not the case).¹⁷ Before entering into a residential rental agreement, the landlord should be required to disclose:

- any ongoing proposal to sell the property;
- any ongoing mortgagee action to possess the property;
- that the landlord has a legal right to let the property (if they are not the property owner);
- details of any embedded electricity network;
- any other prescribed matters, such as the presence of asbestos.¹⁸

Mirroring recent changes to the Victorian *Residential Tenancies Act*, NT Shelter supports the introduction of a new Rental Non-compliance Register for landlords and agents to be established and maintained by Consumer Affairs NT or Commissioner of Tenancies. This will enable renters to identify those who have previously breached their obligations under the *Residential Tenancies Act*. A listing for the landlord or the agent will be made if NTCAT has made a compliance or compensation order in respect of a breach of duty under the Act, or if the landlord or agent has been convicted of an offence under the Act.

¹⁶ Residential Tenancies Amendment Bill 2018, *Parliament of Victoria*, Reform 10.

¹⁷ Residential Tenancies Amendment Bill 2018, *Parliament of Victoria*, Reform 12.

¹⁸ Residential Tenancies Amendment Bill 2018, *Parliament of Victoria*, Reform 13.

2. Removal of no grounds evictions

No grounds evictions must be removed from the Northern Territory's *Residential Tenancies Act*.¹⁹

No grounds evictions allow landlords to evict a tenant without giving any reason, even when the tenant has paid their rent on time, looked after their rental home and the landlord wants to keep renting it out.

No grounds evictions undermine “the whole notion of security of tenure”²⁰ and have a “chilling effect on renters’ behaviour [which] ...can lead to an unwillingness to request repairs... ultimately leading to run down properties and diminished enjoyment of their home.”²¹ For the landlord, “if tenants fear ‘no reason’ eviction for requesting repairs, the property will deteriorate, reducing its value and ability to generate income.”²² 14% don’t report at all.²³

These 'no grounds evictions' mean that renters can be forced out of their homes for asking for basic repairs, or for questioning a high rental increase, or simply because their landlord doesn't like them. This creates a climate of fear and means that people don't exercise their legal right to live in a safe, well maintained home environment.²⁴

In a 2019 report on NSW renters’ experience of ‘no grounds’ evictions, renters told the Tenants Union of NSW that the potential for a ‘no grounds’ eviction has a profound impact for them. 60% of renters reported ‘no grounds’ evictions significantly affected how they interacted with their landlord. Just over 75% of renters told the Union they held back from asserting a right or reporting a problem because they worried about receiving a ‘no grounds’ eviction.²⁵ No grounds evictions also disproportionately impact people with disability. National research also shows that 16% of people with disabilities who rent have been served a no-grounds eviction as compared to 9% of other Australians.²⁶

78% of NT Shelter members consider it to be “Very Important” or “Fairly important” that no grounds evictions are removed from the *Residential Tenancies Act*.

From a landlord’s perspective, the cessation of no grounds evictions means more certainty, and assurances that the property will be able to be maintained to a high standard. The long term benefit of a tenant feeling confident to report on issues, even minor issues, in the property they are residing, is that repairs and maintenance are more likely to stay up to scratch and the landlord won't have to wait until a final or exit inspection date to discover problems or issues in the property. A delay in notification may result in a delayed timeframe for repairs to be made, and, as the *NT Government's Discussion Paper*

¹⁹ In accordance with Question 2(b) in Discussion Paper - Review of the Residential Tenancies Act 1999, *Northern Territory Attorney-General* (2019).

²⁰ CAALAS/NAAJA Response to 2010 Discussion paper, in Discussion Paper - Review of the Residential Tenancies Act 1999, *Northern Territory Attorney-General* (2019).

²¹ Residential Tenancies Amendment Bill 2018, *Parliament of Victoria*, Reform 69 and Reform 70.

²² Discussion Paper - Review of the Residential Tenancies Act 1999, *Northern Territory Attorney-General* (2019).

²³ Disrupted: The consumer experience of renting in Australia, *Choice, National Shelter & NATO* (2018).

²⁴ Make Renting Fair: It's Time to End 'No Grounds' Evictions, *Redfern Legal Centre* (2016).

²⁵ Lives Turned Upside Down, *Tenants' Union of New South Wales* (2019).

²⁶ Disrupted: The consumer experience of renting in Australia, *Choice, National Shelter & NATO* (2018).

suggests, “the property will deteriorate, reducing its value and ability to generate income.”²⁷ Throughout a tenancy, landlords remain able to evict a tenant where that tenant has breached the terms of their contract, or when adequate notice before the end of a fixed term period is provided.

3. Centralised and Independent Bond Board

A centralised, independent Bond Board must be established in the Northern Territory.

The Northern Territory is the only jurisdiction without an independent bond authority. While arguments have been made regarding the “lack of solid evidence that such a scheme was either necessary or required in the Territory,”²⁸ the Commissioner of Tenancies has noted that tenants generally do not know their rights under the legislation, and as such do not routinely seek return of bond moneys through the Commissioner... It is however not entirely uncommon for the landlord or agent to retain the bond.²⁹

An independent, centralised bond board must be established to ensure transparency and fairness in dealing with the return of bond money, reduce delays and resources associated with bond disputes and bring the Northern Territory up to modern standard and in-line with other jurisdictions.

72% of NT Shelter members consider it “Very important” or “Fairly important” that a centralised bond board is established in the Northern Territory. Key themes running through member comments of members is the need for certainty for both landlords and tenants, and consistency in application of the legislation.

NT Shelter members note:

An elderly couple who rented privately could not get their bond back and due to it being a verbal agreement had no way of challenging the landlord who was a former friend unless they engaged a lawyer at a cost they could not afford.

Bonds are rarely ever returned for things such as dust on skirtings or a handprint on the wall. Very minor things that can be easily fixed.

In NT we have had greater control due to the fact that agents have held the bonds - unfortunately not all agents are ethical and can hold these longer than they should. In WA the administration (lodgments and disposals) is now fully electronic and a process that used to take up to 6 weeks can now be done in a matter of days. There is better oversight by having a third party administering the bonds.

²⁷ Discussion Paper - Review of the Residential Tenancies Act 1999, *Northern Territory Attorney-General* (2019).

²⁸ Issues Paper – Development of a Central Bond Board Holding Scheme in the Northern Territory, *Northern Territory Department of Attorney-General* (March 2015).

²⁹ Issues Paper – Development of a Central Bond Board Holding Scheme in the Northern Territory, *Northern Territory Department of Attorney-General* (March 2015).

In establishing a centralised bond board regard must be taken to the most efficient administrative standards available. The provisions around the Victorian *Residential Tenancies Bond Authority (RTBA)* including how refunds are processed, charged and managed, are notable.³⁰

4. Protections for Tenants Experiencing Domestic Violence and Family Violence

Protections for tenants experiencing Domestic Violence and Family Violence must be enshrined in the Northern Territory's *Residential Tenancies Act*. Specifically, by empowering tenants who are living in fear with options to stay or go; either by applying to the courts to have a violent family member removed from the tenancy agreement or by providing evidence of Domestic and Family Violence to their landlord so they can leave safely and without penalty.

Unfortunately, 48% of all requests for support from the Specialist Homelessness Sector in the Northern Territory are due to Domestic or Family Violence reasons.³¹ Empowering families to maintain accommodation decreases further trauma, disadvantage and poverty. 97% of our members consider it "Very important" or "Fairly Important" for the *Residential Tenancies Act* to provide protections for tenants experiencing Domestic and Family Violence.

Our members feel strongly about the need for such protections and have shared their insights and perspectives on the negative impact of the current lack of protections:

I have managed properties where couples have separated due to domestic violence and do not have the affordability individually. This results in rental stress as the remaining party tries to maintain the rent to avoid breaking the lease - when they fail to do so they end up with a black mark against their name. This in turn pushes them back to living with someone (may or may not be the ex-partner) as they cannot get a property alone.

I have many [case studies]. Specifically, tenants have been evicted due to anti-social behaviour and property damage which have resulted from DFV. Financial abuse also impacts tenants' ability to pay their rent on time and as a result they are evicted and also incur a debt and possible blacklisting.³²

In line with national standards; recently enacted legislation in WA³³, NSW,³⁴ and Victoria³⁵, provisions must be incorporated into the Northern Territory *Residential Tenancies Act* to deliver better outcomes for victims of Domestic and Family Violence and to provide clear guidelines for landlords and their agents when confronted with a tenant experiencing or perpetrating Domestic or Family Violence.

³⁰ Residential Tenancies Bond Authority, *Consumer Affairs Victoria* (Accessed 16 Aug 2019).

³¹ 2017-18 Specialist Homelessness Services Annual Report, *Australian Institute of Health and Welfare* (Feb 2019).

³² NT Shelter survey: NT's Residential Tenancies Act Review - Your priorities, *Members response* (Aug 2019).

³³ The Residential Tenancies Legislation Amendment (Family Violence) Bill 2018, *Western Australia* (2018).

³⁴ Residential Tenancies Amendment (Circumstances of Domestic Violence) Regulation 2018 (NSW) (the Amendment Regulation), *New South Wales*, (2018, commenced 28 February 2019).

³⁵ Residential Tenancies Amendment (Circumstances of Domestic Violence) Regulation 2018 (NSW) (the Amendment Regulation), *New South Wales*, (2018, commenced 28 February 2019).

Specifically, to enable NTCAT to consider family violence related applications and adjudicate on decisions that will:

- enable a victim to end their interest in a tenancy agreement upon giving a lessor a notice of termination on the grounds of family violence along with required documentary evidence;
- enable NTCAT to terminate the perpetrator's interest in a tenancy agreement where the perpetrator is excluded from the premises by way of a court order, or where the court is satisfied that the perpetrator has committed family violence against the protected tenant during the tenancy period;
- enable NTCAT to assign liability for injuries other than personal injury, for example damage and unpaid rent, to the perpetrator if the damages and unpaid rent arise as a result of family violence during the tenancy agreement;
- enable NTCAT to apportion disposal of a security bond to the victim tenant if it is appropriate in the circumstances to do so;
- enable the victim tenant to change the locks on the premises without first having to obtain the permission of the lessor;
- enable the tenant to affix any prescribed fixture, or make any prescribed renovation, alteration or addition to the premises to prevent the perpetrator's entry onto the premises or to prevent the commission of family violence; and
- make it clear that NTCAT may order that a person's name and personal details be removed from a tenancy database if the circumstances giving rise to the listing result from family violence.
- protect victims of domestic and family violence from being unfairly listed on tenancy databases where the listing is a result of the perpetrators actions.

The benefits for landlords was articulated in discussions around Western Australia's *Residential Tenancies Legislation Amendment (Family Violence) Bill 2018*. As stated, "while the legislation is victim-focused, Consumer Protection believes there will be clear benefits for landlords, including less abandonment of premises, which can leave the landlord having to deal with the hassle of abandoned goods and taking former tenants to court."³⁶

While some legislative protections already exist in the NT,³⁷ these must be specifically incorporated in the *Residential Tenancies Act*. Landlords and agents must be also educated on the issues surrounding DV and benefits of a more supportive community as aligns with section 1d, above.

³⁶ Residential Tenancies Legislation Amendment (Family Violence) Bill 2018, *Western Australia* (2018).

³⁷ For example: Section 23(2) of the Northern Territory's *Domestic and Family Violence Act 2007* enables the Local Court to remove a person from a tenancy agreement where there is a court based Domestic Violence Order in place preventing that person from accessing the premises, or alternatively, remove a protected person from the lease if the protected person no longer wishes to reside at the premises.

5. Protections against Discrimination

Protections against discrimination must be enshrined in the Northern Territory's *Residential Tenancies Act*. Specifically, by explicitly prohibiting landlords and their agents from unlawfully discriminating against potential or current tenants when:

- refusing to let a property to an applicant
- refusing consent to modifications, sub-letting or assignment, or
- issuing a notice to vacate.³⁸

Discrimination is a common issue our members raise in regard to supporting clients to access and gain housing in the private rental market. Members have told us:

I have witnessed blatant discrimination whereby non-Aboriginal potential tenants are considered over Aboriginal potential tenants.

We have tried to assist First Nations people and people with a disability to get housing and once they [the landlord or their agent] see the person, we know in Alice Springs they will not be rented to. There are no protections for people and the Landlord has all the power in a market that has so many people trying to rent privately.

Anti-discrimination plays a huge factor in our program. When we first delivered the services the agents were quite reluctant to head lease properties to our company. Some agents see us as only sub-letting to those with low income or of different culture and this can be a barrier for our company to pursue the program.

With several attempts to get indigenous clients into the private rental market through real estate agents, there are all these "extra" forms to fill out and the answer is always that they were not successful in their application

We have one agent who refuses to work with us taking our company as head lessor or reviewing our applicants' applications because of their views of what we deliver within our company. This particular agent had tried to 'blame' the Residential Tenancies Act for their reasons why they won't allow companies to sub-let houses/units.

While racial discrimination has been particularly highlighted in members' responses, it is critical that protections are enshrined against all types of discrimination – disability, race, religion, gender, or previous history/current association with a community support service or similar. 89% of NT Shelter members believe it to be "Very important" or "Fairly important" for Anti-Discrimination measures to be enshrined within the *Residential Tenancies Act*.

³⁸ "Applicants and renters in these circumstances will have a right under the Residential Tenancies Act to seek compensation if they have suffered loss as a result of this unlawful discrimination." Residential Tenancies Amendment Bill 2018, *Parliament of Victoria*, Reform 9.

While some legislative protections already exist against Discrimination in the NT,³⁹ these must be incorporated within the *Residential Tenancies Act*, in line with the prevailing national standards. Landlords and agents must be also educated on their rights and responsibilities regarding the implementation of anti-discrimination practices. All parties must be aware and informed of their rights and responsibilities.

Systemic Discrimination – The WA Experience

“Race is another factor that affects a person’s ability to access low cost, appropriate and adequate dwellings.

The Equal Opportunity Commission has done extensive research into this area through its section 80 inquiry into the impacts of private and public housing on Aboriginal and Torres Strait Islander people and people from ethnically diverse backgrounds.

The inquiry found that policies and procedures in both public and private rental markets made it especially onerous for Aboriginal and Torres Strait Islander people and people from ethnically diverse backgrounds to access and maintain suitable housing.

In the private rental market especially, the Commission’s research found that bias, rather conscious or unconscious, on the part of a homeowner or property manager, made it difficult for Aboriginal and Torres Strait Islander people and people from ethnically diverse backgrounds to have their rental applications even considered.”

Source: Commissioner for Equal Opportunity, The Government of Western Australia, August 20019 e-bulletin

6. Minimum Standards

The Northern Territory’s *Residential Tenancies Act* must prescribe minimum standards of general amenity, safety and privacy and require greater responsiveness from landlords and their agents to respond to repair and maintenance requests. Climate control measures must also be included to ensure properties are safe, secure and liveable.

While the NT’s current tenancy legislation requires properties to be provided and maintained in a specified state, and that premises must be fit or habitable throughout the tenancy, these provisions are very loosely defined. There are certainly cases of tenants living in premises that are in a substandard condition. As noted above in the discussion around establishing a centralised bond board, tenants may be fearful of requesting repairs and maintenance in case the rent is increased or tenancy is ended as a consequence. The below criteria must be inserted into the legislation to bridge the gap between the sole

³⁹ Northern Territory *Anti-Discrimination Act 1992*.

current requirement to provide the premises in a clean condition and reasonable criteria for stability and security and landlords to be able to plan.

In line with the prevailing national standard,⁴⁰ NT Shelter is advocating for the following basic minimum standards to be upheld in all properties accommodating tenancy arrangements managed under the *Residential Tenancies Act*. The minimum standards are:

- a vermin proof rubbish bin;
- a functioning toilet;
- adequate hot and cold-water connections in the kitchen, bathroom and laundry;
- external windows that have functioning latches to secure against external entry;
- a functioning cooktop, oven, sink and food preparation area;
- a functioning single action deadlock on external entry doors;
- functioning heating (and cooling⁴¹) in the property's main living area;
- minimum insulation; and
- window coverings to ensure privacy in any room the owner knows is likely to be a bedroom or main living area.⁴²

While all these minimum standards must be adhered to, specific mention must also be made of the need to legislate minimum climate control measures within the *Residential Tenancies Act*. With rising summer heats and recent deaths in the ACT linked to low-quality housing,⁴³ minimum standards for climate controls in rental properties are essential.

90% of NT Shelter members consider it “Very important” or “Fairly important” for climate controls to be classified as essential household items, thus requiring an urgent response from landlords to repair requests. In some locations at certain times of year the necessity of these minimum standards being upheld moves into the health and wellbeing space due to extreme temperature increasingly being experienced across the Northern Territory.⁴⁴ NT Shelter members have stated:

Addressing support to cope with extreme temperatures, particularly in remote communities should always be classified a priority.

⁴⁰ Parliament of Victoria Parliamentary Debates (Hansard) *Legislative Assembly* (9 August 2018 at p2735); and Residential Tenancies Amendment (Review) Bill 2018, *New South Wales* (2018).

⁴¹ The Northern Territory Department of Local Government, Housing and Community Development’s *Property Management Policy* (2018) provides some guidance on climate requirements across the Northern Territory: “In accordance with the National Construction Code, the Northern Territory is divided into two discrete climatic regions, tropical and arid. Tropical regions (zone 1) are classified as hot humid summers and warm winters and arid regions (zone 3) are classified as hot dry summers with warm winters. As a minimum standard for new premises, the department provides mechanical cooling in zone 3 premises and ceiling fans in zone 1 premises.” (p 3).

⁴² Parliament of Victoria Parliamentary Debates (Hansard) *Legislative Assembly* (9 August 2018 at p2735).

⁴³ Unsafe as Houses: Cold-housing deaths in the ACT, *Better Renting* (12 Aug 2019).

⁴⁴ Northern Territory wet season the hottest on record and the driest in 27 years, *Helen Davidson in ‘The Guardian’* (1 May 2019).

Disability participants are severely compromised if temperature control is inadequate. It also affects the wellbeing of carers supporting them. We have had staff faint while supporting participants in Alice Springs during summer due to inadequate air conditioning. This puts both the participant (who could not self-support at all) and carer at risk.

In our town camp sector where heating and cooling swampy's are not always well maintained - we have tenants who have illnesses and have to be taken to Alice Springs Hospital due to their air coolers not working substantially.

Recent court rulings, for example, *Various Applicants from Santa Teresa v Chief Executive Officer (Housing)* [2019] NTCAT 7, “heavily suggests that, in relation to minimum standards, actual habitability, and diligent repairs and maintenance, the NTCAT had little difficulty in applying Part 7 to determine whether or not a premises is maintained to an appropriate standard, and when compensation might be expected.”⁴⁵ It is not enough, nor appropriate to rely on the courts in this way. “Legislation is, at its heart, an instrument of communication.”⁴⁶ This review presents an important opportunity for the Northern Territory Government to inscribe such standards into the law and strengthen the *Residential Protections Act’s* role as a centralised reference point.

General measures must be placed on an owner of property to ensure that the premises are safe and suitable for human habitation, and where the premises are rented, the premises are to remain so throughout the tenancy.⁴⁷ Tenants must also be obliged to take reasonable steps to comply with the landlord's actions relating to ensuring the premises are safe and suitable for human habitation and ensure that the premises are maintained in a reasonable state for the purposes of human habitation.⁴⁸

7. Repairs must be conducted in reasonable time and process

The Northern Territory’s *Residential Tenancies Act* must provide clarity around the timing and processes for actioning of non-urgent and urgent repairs, and certainty that landlords or their agents will be diligent in following up and keeping the tenant informed.

Whether you live in a town with one real estate agent, or a larger urban centre, all tenants are entitled to timely responses from their landlord or agent for repair and maintenance requests. Landlords and their agents must be accountable. Set procedures must be followed when dealing with urgent or non-urgent repairs and tenants must continue paying rent even when they are waiting for repairs to be done.

As an extension of the need for minimum standards to be established and enforceable, landlords have a responsibility to provide and maintain tenancies in a suitable state of repair, and that where repairs and maintenance is required, this is responded to in a timely way. There are “several factors which influence the timing of non-urgent repairs, such as the nature of the fault, how it impacts the ordinary occupancy

⁴⁵ Discussion Paper - Review of the Residential Tenancies Act 1999, *Northern Territory Attorney-General* (2019).

⁴⁶ Statutory Interpretation in Australia 8th edition, *D C Pearce & R S Geddes, LexisNexis Butterworths* (2014, p 146).

⁴⁷ South Australia, *Housing Improvement Act 2016*, Subsections 34(1) and (2)(a).

⁴⁸ South Australia, *Housing Improvement Act 2016*, Section 34(2).

of the premises, and the availability of the appropriate trade service or parts⁴⁹ and the time it can take for some repairs is on occasions out of the landlord's control. However, it is the responsibility of the landlord to ensure the repairs are undertaken - requests sent out and followed up in a timely manner and to keep the tenant updated on the progress of the repairs.

a. Urgent Repairs

Urgent repair responses must be responded to immediately.⁵⁰ Urgent repairs are generally specified as posing a danger or likely to cause undue inconvenience should they not be dealt with immediately. Such as a dangerous electrical fault or a blocked or broken toilet.⁵¹ The existing scope of urgent repairs should be expanded to include a breakdown of a heating or cooling appliance (New South Wales, Victoria and Tasmania made specific reference to hot water and heating services in their respective emergency repair lists⁵²), or the safety-related obligations such as a functioning smoke alarm, pest infestation and (development of) mould caused by the building structure.⁵³

NT Shelter supports recommendation/consideration 11 in the Discussion Paper to "consider amending section 63(2) to list water heaters, air-conditioners and household heaters as items which the emergency repair provisions apply.

Tenants, landlords and their agents must be educated on their rights and responsibilities, as aligned with section 1d, above.

b. Non urgent repairs

Non-urgent repairs must be addressed by the landlord or their agent within 14 days. A reasonable response could include creation of a work order with a third party for repairs and maintenance and advice of this back to the tenant.⁵⁴

8. Prohibition of lease break clauses

Lease break clauses and fees must be removed from the *Residential Tenancies Act* and a landlord should only be entitled to compensation for losses reasonably and actually incurred as a direct result of the tenant's breach of its obligations under the Act due to early termination.⁵⁵

Consumer protections will be enhanced through the operation of an independent bond board where there is an onus on the landlord to demonstrate reasonable loss.

⁴⁹ Discussion Paper - Review of the Residential Tenancies Act 1999, *Northern Territory Attorney-General* (2019).

⁵⁰ Urgent repairs, *Consumer Affairs Victoria* (Accessed 20 Aug 2019).

⁵¹ Rental rights you didn't know you had, *Choice* (30 May 2018).

⁵² Section 62 *Residential Tenancies Act 2010* (NSW); section 3 *Residential Tenancies Act 1997* (Vic); section 33(6)(e) *Residential Tenancy Act 1997* (Tas).

⁵³ Residential Tenancies Amendment Bill 2018, *Parliament of Victoria*, Reform 54.

⁵⁴ Non-urgent repairs, *Consumer Affairs Victoria* (Accessed 20 Aug 2019).

⁵⁵ In line with recommendation 2a in Discussion Paper - Review of the Residential Tenancies Act 1999, *Northern Territory Attorney-General* (2019).

As has been noted by others, “the RTA should not be deliberately punitive..... as per other sections of the RTA, lease breaking costs should compensate for loss, rather than impose penalties.”⁵⁶

As recently argued in the ACT: “capping a landlord’s right to recover only the actual financial loss is likely to lead landlords to refuse to include a break lease clause in the agreement and to instead rely on the provisions of the Act and their rights under contract law.”⁵⁷ Education is necessary so these boundaries are well known.

NT Shelter members have told us:

Landlords/REAs often ignore their duty to mitigate everyone's potential losses when lease is ended early.

Lease break situations can be hard to calculate the cost of until the new tenant start date is identified in the NT. WA actually has a form where the figures are inputted and must be signed for when the notice to break lease is given - no sign off by the tenant = no lease break. This way the tenants know the exact costs of the lease break, the only item that fluctuates is the rent owing as this would depend upon when the property is re-leased. In my experience across NSW, NT and WA this seems to be the method tenants best understand.

Many stay in dangerous or compromising situations because they can't afford to lose their bond or pay a lease break fee.

9. Longer term leases

Longer term lease options must be made available and proactively encouraged under the *Residential Tenancies Act*. Long term lease agreements support tenants and landlords to tailor the terms of a lease agreement of more than five years and agree up front on things like rent increases and minor changes to the property.⁵⁸ With Commercial leases in the Northern Territory currently provides for an initial three year term, it seems reasonable to suggest that similar options for more stable and secure lease agreements for both tenant and landlord can be included in the *Residential Tenancies Act*. Information to support both tenants and landlords to decide whether this option is appropriate for their circumstances must also be made available.

63% of NT Shelter members consider it “Very important”, “Fairly important” and “Important” for long-term lease agreements to be made more accessible. An NT Shelter member told us:

⁵⁶ Residential Tenancies Act review – Response to Heading for Home final options paper, *Council to Homeless Persons* (2017), page 14.

⁵⁷ They’re here, *Bradley Allen Love Lawyers* (Accessed 20 Aug 2019).

⁵⁸ Residential Tenancies Amendment Bill 2018, *Parliament of Victoria*, Reform 28.

Short leases provide significant anxiety for our participants and also increased expense when we are required to move property frequently. It also places participants at risk of homelessness as in some markets, such as Alice Springs, there are very few properties available and no affordable options.

10. Notice Periods

The Northern Territory's *Residential Tenancies Act* must set out an increase in the notice periods for evictions at the end of fixed term contract, rent increases and tenant-initiated notice of end of lease. The Northern Territory currently has the shortest notice periods of any Australian jurisdiction (For example, a 42-day notice period on no grounds evictions for periodic agreements⁵⁹) and must be brought up to the national standard.⁶⁰

a. Non-renewal at end of fixed term contract

We submit that the appropriate provision should be 90 days' notice for termination of a tenancy agreement at the end of its contracted term, so long as the termination date specified on the notice does not reduce the fixed-term tenancy period. This applies to fixed-term tenancy agreement of between six months and five years (short-term lease). The termination date on this notice must be the same as the end date of the fixed-term tenancy agreement.

b. For rent increases

We believe that 60 days' notice should be required for rental increases.⁶¹ A 60-day notice period for a rent increase is nationally consistent and adequate. It allows an acceptable amount of time for a tenant to negotiate with a landlord or agent, consider paying the increase, or relocating.

c. Tenant initiated notice of end of lease

We believe that 14 days' notice should be required for a tenant-initiated notice of end of lease. The 14-day notice requirement tends to balance the interests of landlords and tenants without unduly restricting a tenant's right to choose where they reside.⁶²

⁵⁹ The next lowest is 60 days in South Australia, *Residential Tenancies Act 1995*, section 83; and up to 120 days in Victoria *Residential Tenancies Act 1997*, section 263.

⁶⁰ Landlord giving notice to vacate, *Consumer Affairs Victoria* (Accessed 20 Aug 2019).

⁶¹ In line with recommendation 6e in Discussion Paper - Review of the Residential Tenancies Act 1999, *Northern Territory Attorney-General* (2019).

⁶² Discussion Paper - Review of the Residential Tenancies Act 1999, *Northern Territory Attorney-General* (2019, p56).

11. Limiting rent increases

The Act should be amended to ensure that rental increases are limited to once per year and anchored to a reasonable rate of increase.

a. Frequency of Increases

Rental increases must be limited to once per year. The landlord must give the tenant 60 days' notice in writing before each rent increase, except when it is based on a fixed dollar amount.

b. Rate of increase

The rent increase must be anchored and based on one of the four options listed below.

The tight rental market in the Northern Territory can leave tenants, particularly those living in housing stress and without adequate income, in a relatively powerless situation when it comes to negotiating rental increases. Tenants must be protected from arbitrary and extortionate rent increases which may not relate to market prices and may actually serve to increase them. Landlords must know what rent they can expect, so they are able to plan accordingly.

The national standard of options is:⁶³

1. The Consumer Price Index (CPI). View the [Consumer price index rates page on the Australian Taxation Office website](#)
2. The Statewide Rent Index (SRI). View the [Rental report by the Department of Health and Human Services](#)
3. A fixed percentage increase
4. A fixed dollar amount.

12. Allow pets in rental properties

The Northern Territory's *Residential Tenancies Act* must establish a general right for tenants to keep a pet provided they first seek written permission. Should the landlord object, they must apply to the Northern Territory Civil and Administrative Tribunal (NTCAT) for an order stating that the landlord's refusal was not unreasonable under the circumstances. The onus will be on the landlord to get approval from NTCAT to refuse consent to a pet, once they have received the request from the renter. Tenants must keep the property in reasonable condition.

⁶³ Rent increases, *Consumer Affairs Victoria* (Accessed 20 Aug 2019).

Pets provide important emotional and social support to their owners. 69% of NT Shelter members consider it to either “Very important”, “Fairly important” or “Important” for tenants to be able to share their home with their pets.

While currently pets are not explicitly denied in the Northern Territory’s *Residential Tenancies Act*, it is common practice that landlords or their agents routinely include ‘standard’ pet clauses in leases prohibiting pets at the premises.⁶⁴

Nationally, common standards are emerging regarding how the “issue” of pets is approached, with the exact parameters having recently been discussed at length in Victoria. Three options were considered through the recent review of the *Residential Tenancies Act 1997* (Vic) to address the issue of allowing pets. These included:

- 1) providing for a separate pet bond;
- 2) the inclusion of optional pet consent clauses where the tenant agrees to professionally clean or fumigate the premises if the pet causes damage; or
- 3) render ‘no pets’ clauses unenforceable where they unreasonably limit or prohibit the keeping of pets.

The *Residential Tenancies Amendment Act 2018* (Vic) adopted the third option, establishing a general right for tenants to keep a pet provided they first seek written permission, which we believe should be adopted in the NT.⁶⁵ Guidance will be issued to help landlords and tenants understand the types of situations where it may be reasonable to refuse consent and an outgoing tenant may be required to undertake cleaning and fumigation if there is pet-related damage to the property that goes beyond fair wear and tear. This is consistent with their existing duty not to damage the property and to leave it in a reasonably clean condition,⁶⁶ with any call on the traditional bond for a failure to do so at the end of the tenancy.⁶⁷

We believe there’s a case to be made that there should not be a requirement for a pet bond, consistent with the approach taken in Victoria.

More recently, the ACT⁶⁸ has introduced similar amendments, shifting the onus and restricting a landlord’s right to decline a tenant’s application for the keeping of pets on the premises where there is provision in the tenancy agreement allowing the landlord to do so. A landlord may impose conditions, but these conditions may only relate to the number of animals or the cleaning or maintenance of the premises. For

⁶⁴ Discussion Paper - Review of the Residential Tenancies Act 1999, *Northern Territory Attorney-General* (2019)

⁶⁵ Having regard to the type of pet, the nature of the premises, whether refusal is permitted under another Act, and any other relevant consideration: Section 61 *Residential Tenancies Amendment Act 2018* (Vic).

⁶⁶ <https://www.vic.gov.au/rentfair-rental-reforms-victorians> the Territory equivalent being the section 51(1)(a) requirement to “not maintain the premises and ancillary property in an unreasonably dirty condition”.

⁶⁷ Discussion Paper - Review of the Residential Tenancies Act 1999, *Northern Territory Attorney-General* (2019).

⁶⁸ Australian Capital Territory, *Residential Tenancies Amendment Bill 2018* (No 2).

any other conditions or for a landlord to validly refuse the tenant's request, the landlord must apply to the ACAT for approval.

Queensland⁶⁹ is undertaking stakeholder consultation on the topic.

⁶⁹ Queensland Government 'Have your say' portal, *Renting with pets* (2018).

Our Members

NT Shelter is proud to work with and represent a range of organisations and individuals who make a significant contribution each day to the lives of people for whom housing is unaffordable or inaccessible. Our members are specialist providers of services relating to housing and homelessness. Their focus is on low to moderate income Territorians who have a wide range of social and affordable accommodation needs, including crisis, transitional, short term, low cost, and supported housing. They also provide professional services to support people who are homeless or at risk of homelessness.

Anglicare NT	CatholicCare NT	Australian Red Cross
The Salvation Army	Enrich Living Services	Central Australian Affordable Housing Company
Tangentyere Council	TeamHEALTH	Mission Australia
Julalikari Council Aboriginal Corporation	YWCA Australia Darwin Region	Yilli Rreung Housing Aboriginal Corporation
City of Darwin	Larrakia Nation Aboriginal Corporation	Somerville Community Services
Women's Safety Services of Central Australia (WoSSCA)	Ironbark Aboriginal Corporation	Tennant Creek Women's Refuge
Darwin Community Legal Services	Disability Advocacy Services	Venture Housing Company Limited
YMCA of the Northern Territory	Council for Aboriginal Alcohol Program Services	Mental Health Association of Central Australia
St Vincent de Paul Society (NT)	Dawn House	Life Without Barriers
Kalano Community Association		

Make renting fair, safe and certain.

More than 50% of Territorians rent.

Reform of tenancy law in the Northern Territory is long overdue. Our legislation is over 20 years old and our laws lag behind those of all other Australian states and territories.

The current Territory Government committed to a comprehensive review of tenancy legislation in 2018. The CLP supported this position, and the independents in parliament have also called for reform. Now we are concerned this commitment is faltering with an approach that is piecemeal and insubstantial.

Fair tenancy laws are essential to attract and retain people in the Northern Territory. Most workers, families and students who come to the NT initially rent, as they assess our Territory lifestyle. These early experiences are crucial to their decision about longer term commitment to the Territory.

Fair tenancy laws are also central to aiding in housing homeless people that currently struggle to gain access to housing. Equitable laws also reduce the mental stress caused by packing up and moving a home.

Secure and certain tenancy arrangements guarantee a consistent return on investment in a falling housing market. Consistent laws protect both tenants and landlords. This makes renting fair, safe and certain.

We, who support the tenants of the Territory, see the impacts of unfair, uncertain and unsafe housing every day. We call on the Territory Government to honour their commitment to comprehensive reform of Tenancy Laws. We urge them to urgently commit to addressing the following issues:

- An end to evictions without good reason
- Protection for victims of domestic violence living in rental accommodation, enshrined in the *Residential Tenancies Act*
- Establishment of an Independent Authority to hold all bonds
- Legislative underpinning for reasonable rents and minimum standards of housing
- Regulation of fees and charges (such as break lease fees), so that they are not unreasonable and unfair.

Territorians expect fairness in their housing arrangements. At the very least, this means bringing rental laws in the NT into line with those that already exist in other Australian jurisdictions. This will help Territorians to live purposeful, productive lives and to contribute to the growth of our economy and our community.



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