



Input from Tasmanian Residential Rental Property Owners Association

- Firstly, where was the plan? Where was the plan that stated what would happen in a foreseeable (but infrequent) emergency like this? A plan that addressed what would happen with housing, homelessness, and rent and mortgages payment in the event of widespread income losses? There absolutely should have been a plan place but it is evident that there was none.
- There has been silence on the impact of the pandemic on landlords, be it in Government statement and reports such as this. Landlords are people and households too and have not been immune to the challenges the pandemic has presented to the broader community. The failure to recognise the impact on landlords has left landlords feeling unfairly targeted and unheard.
- The Government's interventions in residential tenancies due to COVID-19 have had a dramatic and highly detrimental impact on private rental property owners (landlords), including:
 - landlords now experiencing a severe, deep distrust of the residential tenancy legislative framework and the value of a legal contract in the form of a lease agreement. The Government's ability and appetite to make these previously reliable instrument void has rattled landlords to the core, leaving the majority of landlords questioning the viability for being a private rental provider
 - the inability for landlords to be paid the rent they are fairly owed through the buyer-seller contract they entered in good faith. Landlords have been the only seller that has been forced by the Government to accept deferred payment for their service. The 'burden must be shared' has been spruiked, but this is not the case. Credit card companies are still collecting their repayments, insurances are still being debited, supermarkets are not accepting IOUs – and these are huge companies, not everyday people. In any other time, if a tenant breaches the contact by failing to pay rent then eviction will likely soon follow, but this has not been allowed for the past six months. This inability has essentially made private landlords social housing providers.
 - the inability for landlords to access their property so that it can be used by themselves or their family. We've had landlords who have lost their own job that are needing to move into their own rental property but can't. How is that just, especially when the health aspects of the consideration were under control and movement was allowed The actual owner cannot access their own property as they previously legally could.
 - the inability to inspect their property for several months – without even the ability to require that a video walkthrough occur or dated images be provided so that the state of the property can be seen to some degree while still maintaining social distancing. As a result, there are many stories of landlords cleaning up huge messes

and left with damage that has compounded due to the inability to inspect. Dogs are a key theme – pets coming into homes which breaches their lease. Months of damage – dog faeces ground into carpets.

- the inability to increase rents, even if the rent offered was mutually agreed to be well below market rent for a short 'introductory' period and then increased. Stories of older landlords who 'gave a young couple a go' and wanted to help them get on their feet are common and landlords left locked at unsustainably cheap rent with no ability to increase.
- The above – and more, such as the huge increases in Land Tax experienced by many – have had a significant impact on the attractiveness and viability of being a private landlord. The question must be asked and answered; **does the Government and other stakeholders want private rental to exist?** If the answer is 'yes' then the Government and stakeholders must very carefully consider how much they interfere with the market, the specific changes and deterrents they enforce (even if temporary), and how much pressure they put on landlords and the residential landscape that skews the balance of power from equal to tenant-favouring.
- Tasmania's eviction moratorium legislation was left wide open to abuse. The government knew this risk existed but went ahead anyway, and everyday people have paid a huge price for this. The Government has been silent on this – nothing has been said. As research shows, the protection has been abused – significantly – with everyday people owed thousands by people who have chosen to not pay the rent. The Government must publicly acknowledge this burden that they knowingly shifted to community members and clearly state what action they will take to bring the Tasmanian residential tenancy framework up to speed.

Why are Tasmanian eviction protections being **abused**?

Tasmanian legislation was knowingly left open to abuse.

Simply, "an owner will not be able to issue a notice to vacate for rent in arrears".

Elsewhere...? No eviction when...

Vic - "rent arrears caused by the impacts of COVID-19"

NSW - tenants "are financially disadvantaged by COVID-19"

Qld - a person "suffers excessive hardship because of COVID19 emergency"

ACT - they are "an impacted household"

SA - "due to the loss of income or employment as a result of the coronavirus"

WA - "renters experiencing COVID-19 related financial hardship"

This is unfair and lazy policy.

Tasmanian private rental owners have paid a big and unforgettable price for this decision.

- What has occurred is a lose-lose situation. Tenants are struggling with large debts following them and eviction imminent for many, and landlords are paying bills with no income and forced to accept wear and tear and damage to property again with no income. The relationship between landlords and tenants as a collective has never been more tense. **Why did the Government not accept responsibility for rent arrears (for those with a genuine need) and be the party that entered into a payment arrangement with tenants so the debt could be paid back in a sustainable, HECS-like way.** This would have kept the money flowing, saved the relationship between both parties and protected the trust landlords have in the tenancy Act and the value of a legal contract – the lease.

- Coming out of this first wave and the lifting to the final interventions will bring about further consequences, some likely to be expected, but others may be more of a surprise. Some of the consequences we are highly likely to see as a result of what has occurred over the past six months include:
 - higher vacancy rates and rental prices as many landlords are taking the view that it is safer and wiser to leave a property empty, sell, or otherwise remove the property from the long-term rental sector. And less private rentals mean higher rents and even more pressure on social housing
 - landlords (reluctantly) being hesitant to rent to tenants who work in sectors which are hit hard by situations like this, such as those in tourism, hospitality, travel and also visa holders who are ineligible for Government income support
 - landlords increasing rents to try and recoup some of the losses, such as property damage, lost rent, and insurance premium hikes
 - evictions occurring concurrently (from 3 December) which means more people than normal competing for housing at the same time
 - tenants who have abused the protections being unable to secure private rental because they have been (fairly) named up as parties who took advantage of the protection – word travels far and wide of deceit and entitlement

- The Government should publicly acknowledge that the burden has not been truly shared – landlords have carried a highly disproportionate burden of this by being the only party forced to accept no payment for service

- The Government should cease referring to the Landlords Support Scheme as such this is misleading and inaccurate; the scheme benefits tenants by paying their rent arrears – the tokenistic marketing is not appreciated

- The Government should, with haste, coordinate the development of an emergency housing plan which involves consultation with all stakeholders and has the objective of ensure the actions are not only effective, but also fair and avoid being short-sighted