

TENANT NEWS



NEWSLETTER OF THE TENANTS UNION OF VICTORIA SUMMER 2010/11

Falling behind: how rent assistance fails renters



wikipedia

By Toby Archer, Policy and Liaison Worker

As rents continue to rise, Commonwealth Rent Assistance continues to fall behind the cost of renting in Victoria.

Assistance to low income renters has not kept pace with Australia's runaway rental market according to a research report prepared by RMIT University and recently released by the Tenants Union of Victoria.

Falling Behind – The growing gap between rent and rent assistance 1995-2009 analyses the relationship between Commonwealth Rent Assistance (CRA) and housing costs in Australian capital cities between 1995 and 2009. CRA is intended to assist low-income renters in meeting their housing costs. However the research finds the real value of this assistance has diminished significantly over time.

low-income renters hardest hit

Policy Worker for the Tenants Union Toby Archer said, "Low income renters are falling behind as their incomes remain stagnant and rents continue to grow. The trend of rent assistance lagging behind rent

increases is universal for all capital cities and household types. Rent assistance covers a much smaller proportion of rent now than it did in 1995."

Median real weekly rents across all Australian capital cities have risen by 41 per cent from \$164 in 1995 to \$232 in 2009. This means the cost of rental housing has increased by 41 per cent **more** than the general cost of living. During that period, the maximum rate of CRA payments has remained relatively constant in real terms.

The median housing price rose by 109 per cent in real terms over the same period. "Increasing house prices has caused an affordability crisis in both rental and home purchase markets by diminishing the chances for renters to move into home ownership," said Mr Archer. With CRA failing to keep pace, low-income renters are forced to struggle harder to bridge the gap between CRA and the cost of rent.

CRA less effective over time

Rent assistance payments have universally lagged behind rent increases in all capital cities and now cover a smaller proportion of rent than in 1995. Perth renters were worst off overall as CRA has not kept up with housing costs fuelled by the resources boom. The effectiveness of rent assistance has been reduced by more than 10 percentage points for all categories of recipients.

For tenants in Melbourne, CRA is now a smaller proportion of the median weekly rent than in 1995. Maximum CRA for singles was 18 per cent of the median weekly rent in 2009 compared with 23.4 percent in 1995.

"Rent assistance is failing Australian renters. It is time the Federal Government reviewed this \$2.6 billion program and ensured it keeps pace with Australia's rental market," said Mr Archer.

The full report is available from Toby Archer, Policy and Liaison Worker. The report details findings for all capital cities.

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falling behind:
CRA fails renters

step-by-step guide
to ending a tenancy

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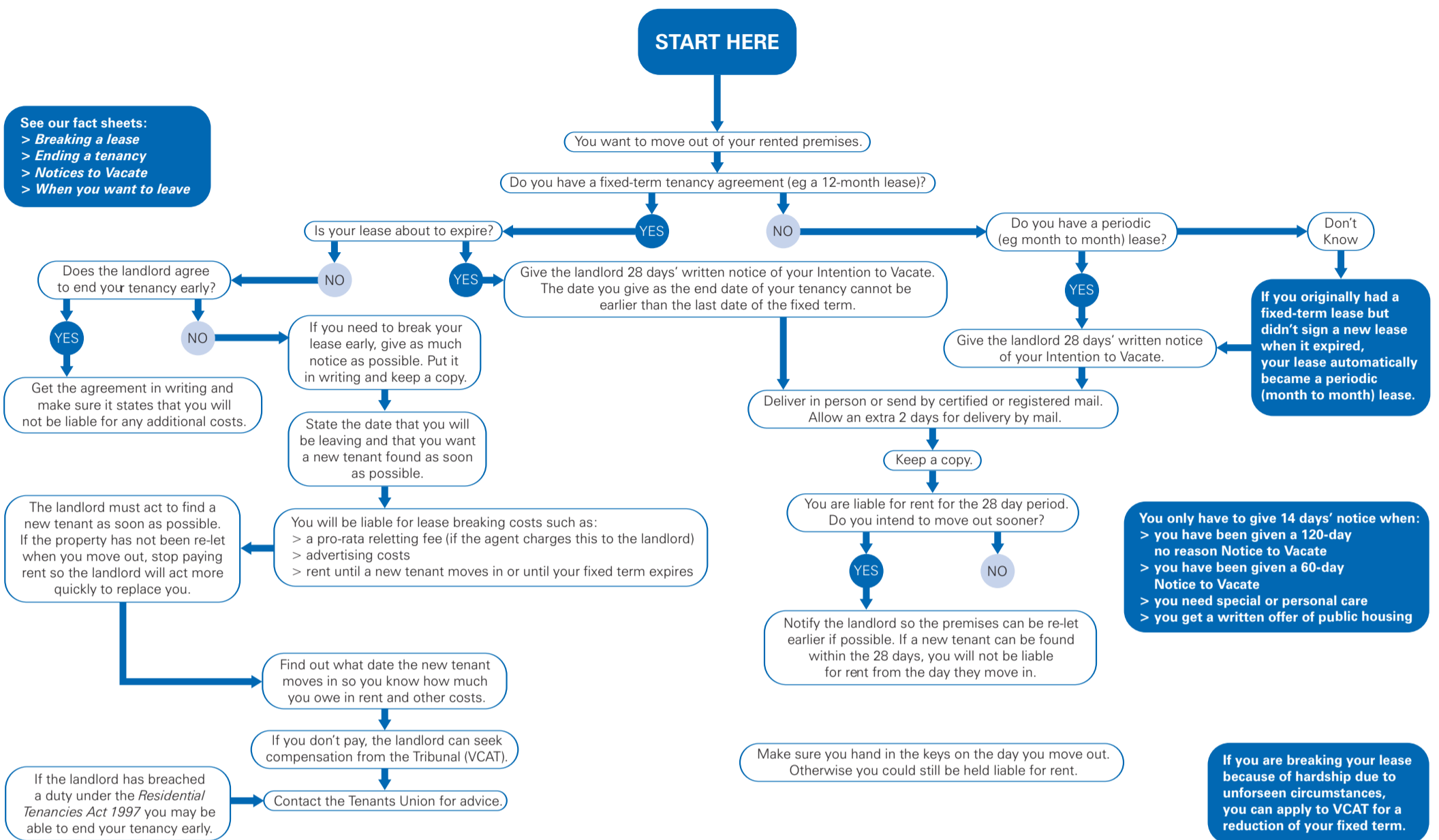
ISSN 0312-987X

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The Tenants Union would like to thank the people who contributed to this issue.

visit our new website at www.tuv.org.au

See our fact sheets:
 > *Breaking a lease*
 > *Ending a tenancy*
 > *Notices to Vacate*
 > *When you want to leave*



see all our step-by-step guides online at www.tuv.org.au

faqs

The Tenants Union's Legal Service answers frequently asked questions (faqs) by tenants in Victoria.

Question: Our dishwasher is old and broken and the blind on my bedroom window is stuck. I've emailed the agent and asked them to fix the problems and I've also phoned them three or four times. I keep getting told that they'll come and have a look but it's been several months now and nothing has been done. How can I make the agent fix the broken things around the house?

Answer: A landlord must maintain the rented premises in good repair. As you've already requested that your landlord make repairs and

they've failed to do so, you should now give the landlord a Notice to Landlord listing the repairs needed. The landlord then has 14 days to make the repairs.

Then if the repairs are still not done, you should write to Consumer Affairs Victoria to request an inspection. An inspector will contact you to arrange a time for their inspection and may negotiate with the landlord to carry out the repairs. If negotiation doesn't work, the inspector will write a report

describing the repairs required and give you a copy.

Once you have a copy of the report you can apply to the Victorian Civil and Administrative Tribunal (VCAT) for a hearing. Attach a copy of the report and a copy of the Notice to Landlord to your application. The Tribunal can order the landlord to complete the repairs.

For more information see our *Repairs* fact sheet or contact the Tenants Union.

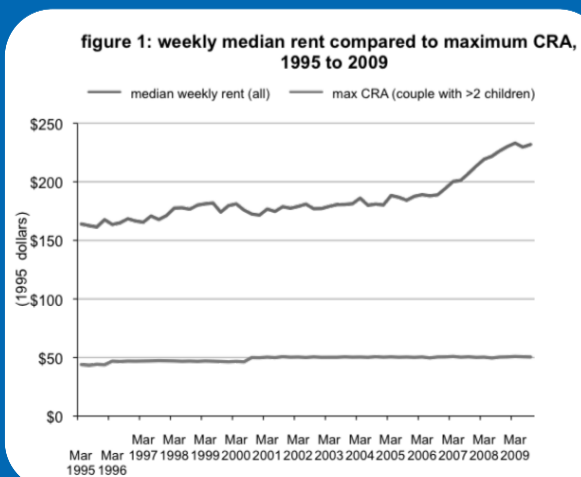
Between 1 July and 31 September 2010 there were 62,061 visits to our website.

The top 5 publications to be downloaded were:

- 1 breaking a lease (3163)
- 2 repairs (2250)
- 3 ending a tenancy (1866)
- 4 notices to vacate (1656)
- 5 when you want to leave (1553)

Visit our website at www.tuv.org.au

the top 5



falling behind: the runaway gap between rent assistance and rents 1995-2009

Sources: ABS (2009; 2010; 2010b), Department of Families, Housing, Community Services & Indigenous Affairs (2010), REIA (2010a; 2010b)

tenant tales

the good...

After renting a property for 18 years, a tenant received notice to vacate and moved out because the landlord had wanted to renovate. According to the tenant, the landlord had always been 'fairly relaxed' about rental payments, and over the last three or more years as their business started going downhill, the tenant and her partner had fallen behind with the rent.

Seeing that the tenant owed \$21,862, the real estate agent encouraged the landlord to take the tenant to the Victorian Civil and Administrative Tribunal (VCAT) to recover the unpaid rent. When the tenant received a notice of hearing she contacted the Tenants Union for advice. Our advocate negotiated with the landlord, and the landlord agreed to withdraw the VCAT application and forego the unpaid rent in exchange for the bond—an amount of \$607.

the bad...

Rooming house operator RNSS Enterprises has been fined \$24,750 after being convicted of 99 breaches of the *Residential Tenancies Act 1997*.

On 16 July 2010, RNSS Enterprises Pty Ltd pleaded guilty in the Dandenong Magistrates' Court to 99 charges relating to 33 separate tenancy agreements for 12 properties, including 10 rooming houses.

The company admitted to using written tenancy agreements that were not in the prescribed form and failing to complete bond lodgement forms or give them to tenants for signing. It also failed to lodge bonds and forms with the Residential Tenancies Bond Authority within the required timeframes.

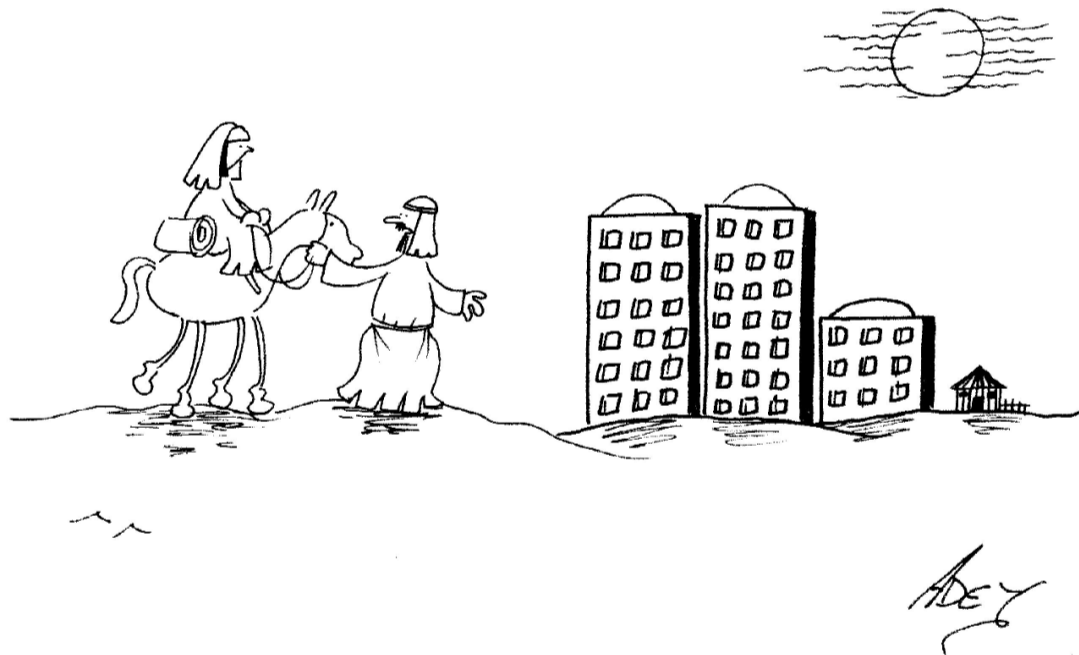
RNSS Enterprises was convicted and fined \$24,750 plus \$1445 costs.

and the ugly!

Boston, USA: Frustrated that her tenant owed her rent, landlord Kara Ferris asked her 16-year-old son to throw her tenant out of his room. The son, along with two other teenagers, burst into the tenant's locked room and literally threw the tenant out of a second-storey window.

The only reason that the tenant survived the fall is that a fire truck happened to be driving past as the man fell from the Elm Street building. The fire fighters came to his immediate aid and rushed the man to Boston Medical Centre. Fire Captain Patrick Dee told police, "It looked like he was thrown out head first".

Police arrested Kara Ferris, age 34, who rented the room to the man for \$100 a week, her 16-year-old son and his two assailants. Ferris and her son are charged with attempted murder, assault and battery to collect a loan, breaking and entering during the day for a felony and two counts of destruction of property, a door.



"It'll be alright, I've done this accommodation on arrival lark dozens of times."

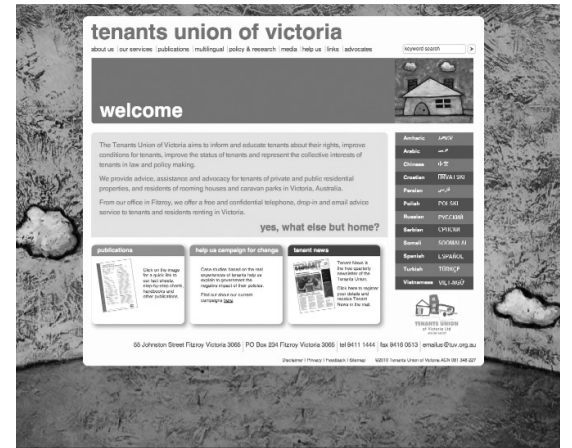
Out with the old, in with the new...

After 26 issues of *Tenant News* in its current printed format—and a fresh new website now fully launched—the Tenants Union is changing the way we produce *Tenant News*.

As of the next issue, *Tenant News* will arrive as a single article on a topical issue, instead of the usual multi-story newsletter that you're reading now. What's more, *Tenant News* will now be delivered via your email address and as always, it will also be posted on our website. So please make sure we have your current email address, and remember you can unsubscribe to the newsletter at any time.

Of course if you don't have regular access to the internet, you can still elect to have *Tenant News* printed and delivered to you by snail mail. To receive the new *Tenant News* in the mail, please complete the coupon on the bottom of the back page of this newsletter and send it in to the Tenants Union.

We hope you've enjoyed our printed version of *Tenant News*, and that you will continue to enjoy the regular production of *Tenant News* when it lands in your inbox.



www.tuv.org.au

The Tenants Union of Victoria is very pleased to announce the launch our new look website. The address is the same, and all of our usual content is there, only now it's delivered in a fresh new format that is not only friendly to look at, it's also much more user-friendly to navigate.

We've also had many more of our publications translated into our 12 languages other than English and uploaded them to the Multilingual section of our website. These include a large number of our fact sheets plus many of our step-by-step guides. Our 12 multilingual languages are:

- > Amharic
- > Arabic
- > Chinese
- > Croatian
- > Persian
- > Polish
- > Russian
- > Serbian
- > Somali
- > Spanish
- > Turkish
- > Vietnamese

Please take a minute to explore our new site, and feel free to give us your feedback via the web feedback address at the bottom of each main page.

websites we love

[www.bsl.org.au/services.
Money-matters.aspx](http://www.bsl.org.au/services/Money-matters.aspx)

Money Matters (on the Brotherhood of St Laurence website) is designed to help people on low incomes better manage their debts and finances.

www.fta.org.au

Fairtrade is about better prices, decent working conditions, local sustainability, and fair terms of trade for farmers and workers in the developing world. Find out where you can purchase your fairtrade products.

www.hoax-slayer.com

Hoax-Slayer is dedicated to debunking email hoaxes and thwarting scams. Received a dubious safety warning in your inbox? Check it out on hoax-slayer before pressing forward. Makes for some very entertaining reading!

www.lawstuff.org.au

An excellent resource for young people, with information from the National Children's and Youth Law Centre about the legal rights and responsibilities of young people. A great site for young people planning to move out of home.

www.notgoodenough.org

Not Good Enough (NGE) is an online consumer forum for sharing good and bad experiences with retailers and other organisations. Ideal for posting about your gripes about your landlord or real estate agent (use the search tool to find the right topic area).

tenancy tips

tip> The High Court has opened the way for around 500,000 Youth Allowance recipients to claim millions in self-education costs as tax deductions. The court ruled in favour of student Symone Anstis, who claimed \$920 in expenses for student materials including textbooks while working part-time and receiving the youth allowance. The High Court has found youth allowance payments are 'ordinary income' and the student's expenses were incurred in earning that income. This decision should help other youth allowance recipients claiming similar deductions.

tip> When you pay a bond, your landlord must give you 2 copies of a Condition report, filled in and signed by the landlord or agent. The Condition Report is conclusive evidence of the state of the property at the time that you moved in. The report will help determine whether or not there are damage or cleaning costs for which you will be liable at the end of the tenancy. Make sure you note any problems (such as carpet stains or cracks in walls) on both copies of the report. If there is not enough space on the form, write 'see attached' and attach a separate sheet before signing and returning one copy to the landlord. Keep your copy in a safe place in case of a bond dispute at the end of the tenancy.

tip> Double glazed windows (windows with two panes of glass with a gap between them) improve your home's heating

and cooling, but double glazing is not an option for most renters. A cheap, temporary and effective alternative is Clear Comfort window insulation (www.clearcomfort.com.au or phone (02) 6161 3570). This is a tough, clear membrane that you can attach to the window frame yourself, using special double sided tape and then shrink to fit with a hair dryer. For renters, the temporary tape lasts 6 months to a year. It is unclear whether this can be installed without your landlord's consent so it is best to get their agreement in writing beforehand. Your landlord may agree to the use of permanent tape, and may agree to cover or contribute to the cost.

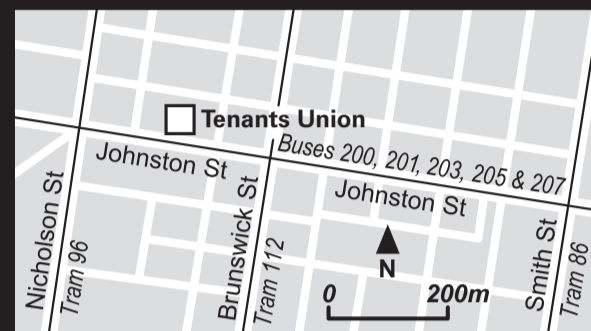
Another option, which shouldn't cause any damage, is simply to tape bubble wrap to the glass.

For advice on your tenancy problem, phone our advice line or drop in to the Tenants Union.

drop-in advice hours

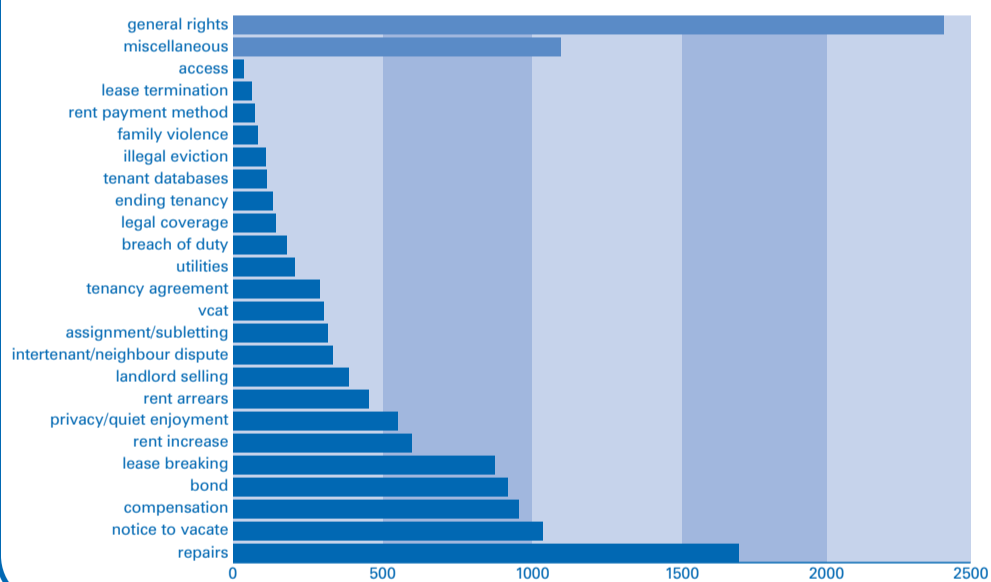
	Mon	Tues	Wed	Thurs	Fri
9.00am–4.30pm	✓	✓		✓	✓
1.00pm–8.00pm			✓		

The Tenants Union drop-in advice service is at 55 Johnston Street Fitzroy (between Nicholson and Brunswick Streets) Melway ref 2C A7



the rent report

2009/10 enquiries by primary problem type to the Tenants Union



telephone advice hours

☎ 9416 2577

	Mon	Tues	Wed	Thurs	Fri
9.00am–4.00pm	✓	✓		✓	✓
1.00pm–8.00pm			✓		

raise the roof

Raise the roof is the official radio show for residential tenants in Victoria. On the first Wednesday of each month from 6pm–6.30pm, our experts discuss tenancy news, legal issues and policy updates, and bring you special guests and laid-back tunes. To be a guest or give us your feedback phone the Tenants Union on ☎ 9411 1444.



Tenants Union of Victoria membership form

Members receive a free copy of the *Tenant's Handbook* and a subscription to *Tenant News*. Full members receive a copy of our Annual Report and an invitation to our Annual General Meeting. Full + members receive all these benefits plus access to our Lease Advice Service.

This form is for individual tenants only (owners/organisations must contact the Tenants Union for a full membership form).

Name

Postal address

Postcode Phone ()

Membership fees – Please tick the appropriate box. All fees include GST.

Membership	1 year	3 years
Associate	<input type="checkbox"/> \$25	<input type="checkbox"/> \$65
*Full member	<input type="checkbox"/> \$35	<input type="checkbox"/> \$95
*Full + member	<input type="checkbox"/> \$50	<input type="checkbox"/> \$135

* To be a full member or a full+ member you must be a residential tenant.

Signed Date / /

Please return this form with your cheque or money order to Tenants Union of Victoria PO Box 234 Fitzroy 3065

Tenant News snail mail delivery option

As of 2011, *Tenant News* will be delivered by email and posted on our website. However we understand that not everyone has access to the internet. If you would like to receive *Tenant News* in print form, please provide your details below and return this coupon to Tenants Union of Victoria PO Box 234 Fitzroy 3065. You can also phone ☎ 9419 5577, fax 9416 0513 or email us at tenantnews@tuv.org.au

If you'd like to become a Tenants Union member, please return this form together with the membership form on the left.

Name (optional)

Current address

Postcode

Previous address (if you have moved)

Postcode

Tenant News is available online at www.tuv.org.au