

Rachel Sanderson MP  
State Member for Adelaide

Dear Ms Sanderson

Thank you for your email.

Landlords are very concerned regarding the proposed amendments put forward by Mark Parnell and supported by Shelter SA. The proposed amendments will erode even further the rights of a landlord to manage their own property.

At times a landlord has no other choice but to give a “no cause eviction” eg a disruptive tenant is very difficult to evict. Other tenants and/or neighbours need to provide a written statement or appear as a witness at a hearing, which in this case other tenants and neighbours are reluctant to do for fear of retaliation. Also waiting times for a hearing may be six weeks or more. In the meantime, the breach may have been remedied for the time being eg a no pet policy.

Even though on paper it may appear to be a no cause eviction, landlords will only evict a tenant for a valid reason. It is a costly and time consuming exercise for landlords whenever there is a changeover of tenants and therefore a tenant will only be evicted for a valid reason.

Some reasons why it may be difficult to use the appropriate methods to evict a tenant:

- The rent is always paid 13 days late. A Form 2 can only be served when the rent is 14 days in arrears.
- The water accounts are not being paid promptly.
- The tenant complains about everything.
- The tenant makes it very difficult to do routine inspections.
- The landlord is regularly forced to apply to SACAT for an order to enforce compliance of the tenancy agreement. The SACAT fee is \$70.00 which is an additional unrecoverable cost to the landlord.
- The tenant is aggressive in their manner, rude to the landlord’s family and calls the landlord derogatory names.
- The tenant does not maintain the premises in a reasonable manner. The Tribunal has demonstrated on many occasions that they will not evict a tenant just because the premises are dirty or lawns/gardens are neglected.
- There are times when landlords and tenants need to go their own way before the situation becomes nasty and violent.

It is unreasonable to ask landlords to relinquish their rights to deal with their property as they see fit. Such a proposition would see many landlords sell up and put further pressure on the rental market.

Below are comments from a landlord who has forty years of experience in the rental market.

In my experience, the Residential Tenancies Tribunal and now SACAT leans too far in favour of the tenant to the detriment of other nearby residents in their application of the Residential Tenancies Act 1995 when it comes to disruptive and difficult tenants. So whilst the law may appear reasonable, it is in its application that it falls down. No cause evictions

are a means of taking up that slack. This does not mean that landlords use Section 83 to circumvent the rulings of SACAT.

Mr Parnell's proposal to remove the provision of Section 83 (that a landlord can terminate a tenancy without giving a reason), would mean that a landlord could only terminate a periodic tenancy on grounds specified in legislation by Parliament. It has often been shown that circumstances arise that have not been anticipated in legislation. It would be better to view Section 83 as "termination for any other reason" rather than "no cause". Saddling this provision with the longest notice period gives the tenant the most protection and will also encourage landlords to use other appropriate provisions of the legislation to terminate the tenancy where the circumstances of the case allow.

In support of this proposal, Social Housing Groups such as Shelter SA often put great emphasis on security of tenure. I have been a landlord for almost 40 years and have had a couple of thousand tenants in that time. I have one tenancy over twenty years and a couple over 10. I never cease a tenancy for no cause. The vast majority of tenants do not (in practice at least) value security of tenure.

Further comments from a landlord and former property manager.

Mark Parnell has not (to my knowledge) provided any proof that landlords have evicted a tenant for no reason, and if he has proof, has he ascertained the landlord's version. Unless you have both versions, the argument is not balanced or credible.

If a landlord does not wish to renew a lease, he gives the tenant 28 days' notice prior to the end of the lease (fixed lease). There is no guarantee that the lease will be renewed. Why is a tenant who is given 90 days' notice (periodic lease), more disadvantaged than one being given 28 days' notice.

The suggestion that a tenant has to live in circumstances where the landlord will not repair a roof that is leaking everywhere or not repair a stove is absurd. The tenant can resolve these issues by applying to SACAT or HIA, and SACAT is always happy to give the tenant compensation.

How is SACAT going to handle subtenants. Most tenants simply get friends as subtenants and will not recognise their rights.

A landlord needs rent money to assist in paying the mortgage, rates and taxes, repairs, insurance etc. If a tenant vacates, it may take at least two weeks (conservative estimate) to find a suitable replacement tenant, plus advertising or reletting fees and a general clean up, assuming that the tenant has left the premises in a reasonable condition. At \$350.00 per week for a 3BR house, it will cost the landlord approximately \$900.00 or if using an agent, \$1600.00. Unless we are talking requirements for massive repairs, it is cheaper for the landlord to attend to any repairs than lose the tenant. And in reference to Mr Parnell's allegation, what new tenant would move into premises if the roof was leaking or the stove was not working. I think that there is more than meets the eye when there is an allegation that landlords evict tenants for no reason.

Kind regards  
Landlords' Association (S.A.) Inc.