

AUSTRALIA, Queensland

Organisation: Tenants Queensland Inc.

Rapporteur: Penny Carr, CEO

E-mail: ceo@tenantsqld.org.au

Tenure structure, 2013-2014, Housing Occupancy and Costs

Owner occupied housing: 63%

Rental housing: 36% (31% for all Australia)

(i) social rental: 4%

(ii) private rental: 31%

(iii) others: 2%

Australia has no national rent control. Tenancy law is administered by the states. Queensland has the highest percentage of renting households of any state or territory in the country except for the Northern Territory. This figure is set to increase, with population growth of 10.7% predicted to 2021 (ABS, 2011) and declining home ownership affordability.

Across Queensland, 77.4% of tenants rent from private landlords or real estate agents, though the proportion is significantly higher in some areas, notably in Brisbane.

Initial rent – regulated or unregulated?

The initial rent is unregulated, and tenants cannot challenge the initial rent, except for social housing tenants.

Rent increase, for sitting tenants, when and how?

There are no limitations to rent increases.

In Queensland the lessor can increase the rent once every 12 months.

No motive is necessary.

Periodic leases: Rent increases must be in writing with 2 months 'notice.

However, if the tenancy agreement is being renewed at the end of a fixed term, no notice is required if the tenant agrees to the increase by signing a new agreement - which agents usually oblige them to do. The rent still cannot be raised more than once every 2 months.

Can tenants challenge rent increases?

If the tenant considers the increase excessive, they can apply to the Tenancy Tribunal to have it reviewed. This rarely happens as tenants need a lot of market information in order to make the challenge. Tenants may also be locked in anyway to a fixed term agreement if the tribunal does not agree - depends on whether they have a fixed term or periodic agreement to start.

Most importantly these applications are not made because tenants are worried about a retaliatory without ground notice to leave.

Periodic leases: Tenants must apply within 30 days of receiving the notice of an increase.

Fixed term leases: Tenants must make an application to the Tribunal within 30 days of signing the new fixed term agreement. However, if the application is not successful, they will be locked into the fixed term agreement at the rent increased rate.

The tribunal considers the following issues in deciding the application:

- (a) the range of market rents usually charged for comparable premises;
- (b) the proposed increased rent compared to the current rent;
- (c) the state of repair of the premises;
- (d) the term of the tenancy;
- (e) the period since the last rent increase - if any;
- (f) anything else the tribunal considers relevant.

Costs? Applications fees to the Tribunal are dependent upon monies involved. However, most of these applications would be free.

Duration of lease

Most commonly they are 6-month fixed term agreements but this is negotiable between the parties and does sometimes vary.

In other Australian states there is a propensity towards 12-month ones.

Fixed term agreements become automatically periodic agreements if not ended either party by the end date.

Periodic agreements continue until one party or the other terminates the agreement. However, in Queensland not many real estate agents allow tenants to remain on a periodic agreements and seek back to back fixed terms of 6 – 12 months.

Notice periods

Notice to tenants from the landlord is 2 months if it is without grounds.

For other specified grounds the notice period is even shorter.

Security deposit

4-week's rent.

Bond disputes are very common.