



**PROPERTY OWNERS'  
ASSOCIATION  
OF QUEENSLAND**

*Watchdog of Rental Property Owners since 1916*

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## **Property Owners Association of Queensland (POAQ)**

### **POAQ POLICY POSITIONS**

The Property Owners Association of Queensland (POAQ) represents, protects and promotes the interests of Queensland rental property owners (landlords).

We do this in 3 ways.

1. We maintain a strong voice for the industry by representing landlords and supporting members interests when liaising with the media, government (RTA and Housing Department) and other stakeholders.
2. We promote a professional and ethical approach to the ownership and operation of rental property, informing members of best practice, emerging trends and industry updates through publications, communication and seminars.
3. We support members seeking help through our support line and online resources.

We have been the watchdog for rental property owners since 1914.

Key principles the POAQ believes should be reflected in rental property regulations:

- Fairness between landlords and tenants in respect to laws, disputes and penalties
- The ability of landlords to effectively manage their rental property
- Improving rental supply by incentivising more landlords to invest in rental property
- Reducing risks, costs and regulatory burdens on landlords, which reduces upward pressure on rents
- Freedom of parties to reach mutually suitable agreements
- Landlords disclosing relevant details about the property and conditions of the tenancy, tenants disclosing relevant details about their ability to pay the rent and look after the property.
- Where one or both parties to a tenancy find it no longer suitable, or the relationship is irreconcilable, the regulatory environment should facilitate and encourage parties to go separate ways.

### **Policies and Issues of Concern**

#### **1. Beginning a Tenancy**

##### **1.1 Advertising**

The POAQ does not support mandates on what should or should not be included on advertising. We do encourage landlords to provide as much information as possible, including rent and special terms, to enable prospective tenants to make an informed choice as to whether the property is suitable for them or not.

##### **1.2 Applications**

The POAQ opposes the use of prescribed application forms. Landlords need to be able to collect information relevant to selecting the best tenant, that is the tenant most suitable for the property and the one who can best afford the rent. A prescribed form only allows the collection of minimal information and therefore cannot handle the differing circumstances of prospective tenants. It also disadvantages the very cohort of prospective tenants it aimed to help. An example is an applicant without a rental history, they may be reasons for this such as recent arrivals from overseas, lived with family or others, or they could have owned the house they previously lived in. On any form, an applicant is always free to either answer or not answer a question whether for privacy or another reason, so prescribing a form is unnecessary.

### **1.3 Bonds**

We believe the current 4 week bond cap, to cover both rent arrears and damages, is generally inadequate and presents a risk to landlords, particularly those with new or luxury properties, where tenants have pets or where tenants have a higher chance of falling behind with rent.

### **1.4 Rental Agreements**

The POAQ believes in the principle of freedom of contract between parties with as little regulatory interference as possible. We believe regulation is needed to void rental terms that are very unfair or unconscionable, but it is not needed for ordinary terms, or those that may be exchanged for lower rent for tenants.

### **1.5 Minimum Standards**

Those in the business of offering a property for rent in a know it should be of a good standard in order to attract a better tenant and higher rents. However we oppose any arbitrarily mandated minimum standards as they add extra costs and burdens to owners of older properties. Older properties make up a significant portion of the more affordable rentals on the market, so the cost of minimum standards will be passed on as higher rents leading to fewer affordable rentals. Instead, we believe landlords should adequately disclose known conditions or issues with the property and allow ample opportunity for prospective tenants to inspect and ask questions. Prospective tenants can then make an informed decision as to suitability, and can consider negotiating the rent or seeking an alternative rental property.

## **2. During the Tenancy**

### **2.1 Rent Controls**

The POAQ opposes any forms of control relating to the amount of starting rent or the amount and frequency of increases. Interference in the rental market, or any market, discourages investment. This leads to a substantial reduction in residential rental supply and lowers the quality of housing available, place even more pressure on public housing and homelessness.

### **2.2 Pets**

Pets are an important part of many people lives and landlords should be encouraged to consider tenants with pets, however the decision on whether to accept pets or not should rest with the landlord and not others.

### **2.3 Modifications**

We believe that no modifications should be made to a rental property without the consent of the landlord. Modifications without consent, regardless of the tenants reason, can cause damage and safety issues. This is particularly the case where a tenant performs the modification themselves without a qualified trades person or knowledge the building.

Generally the POAQ does encourage members to genuinely consider requests by tenants, and where

approved provide appropriate conditions and advice to tenants, such as using qualified tradespeople, ensuring the changes are rectified at the end of the tenancy.

## **2.4 Dispute Resolution**

Provisions involving the tribunal (QCAT) are should be fair to landlords, and not open to abuse and weaponisation by tenants.

## **2.5 Retaliation**

Retaliation provisions are all aimed at landlords and are often abused by tenants, these provisos should either be removed or apply to both tenants and landlords

## **2.6 Code of Conduct**

The POAQ opposes any additional regulations relating to codes of conduct. Property managers already have a code of conduct they are expected to follow, and the POAQ expects self-managing landlords to follow a similar and relevant code of conduct. Importantly, if any code of conduct is imposed by regulation on landlords then the same should be imposed on tenants.

## **2.7 Domestic Violence**

Like others in the community, landlords are concerned about rates of domestic violence. Landlords are often directly and negatively impacted, suffering a loss of rental income, damage and criminal acts on their property. However landlords should not be held responsible for the aftermath or face more problems as a result of unnecessary and punitive provisions imposed on them. These provisions only add to the complexity, risk and cost to landlords while offering little in the way of prevention or protection of victims. Our approach is one of education and encouraging landlords take measures to help and support tenants or facilitate one or both tenants to leave the tenancy.

## **2.8 Education**

The POAQ supports and encourages landlords to be well informed about managing their tenancy, regardless if they appoint a property manager or not. We don't believe provisions are necessary, or at lease they should be kept to a minimum.

## **3. Ending a tenancy**

### **3.1 Grounds for Eviction**

The POAQ believes that to effectively manage a property, the landlord must have the ability to evict a tenant for a variety of reasons. It is not possible for legislation to cover all these cases, so a 'no grounds' eviction provisions caters for all other cases. The 'no grounds' eviction has often been involved where the relationship between tenant and landlord has broken down to a point it is not reconcilable. In this case it is more favourable for the tenancy to end and provide for the tenant and landlord to part ways, than for an ensuing struggle that can escalate into a combination of self-help and or repeated and prolonged adjudication, with stress for both landlord and tenant

### **3.2 Lease Break**

A lease is binding on both landlord and tenant, so a fair remedy should be applied if either party breaks the agreement. Since the costs for a landlord for breaking a lease can be considerable, there should also be sufficient remedy payable by the tenant if the tenant breaks the lease. If not, and a tenant can leave any time with little consequence, it leaves few reasons why a landlord would sign a lease.

### **3.3 Bond Refunds**

The POAQ believe the bond claim and refund process should be simple and fast. Landlords should have evidence of claims to avoid disputes. Bonds should be sufficient to cover damage, penalty provisions should apply to tenants where bonds are used to pay rent arrears and the tenant had sufficient notification, unless the landlord agreed in writing beforehand.

## **4. Other Issues of Concern**

### **4.1 Data and Statistics on the Rental Market**

Industry stakeholders and government need accurate, relevant and timely data to enable proper decision making. Decisions should not be reliant on anecdotes and misleading headline grabbing figures. Key data should include who (tenant or landlord) ends a tenancy, the reasons it was ended, and what the tenant and landlord intend to do next.

### **4.2 Land Tax**

The POAQ considers Land Tax to be a tax on tenants, while it is paid by landlords, it is a cost factor that inevitably get passed on to tenants as higher rent. We strongly support easing of land tax on rental properties, in particular those with providing rents in the affordable category or supplying housing to vulnerable tenants.

### **4.3 Council Rates**

Rates surcharges are applied by many local governments on rental properties. There is no justification whatsoever to charge rental properties more than owner occupied properties, as they place no more demand on council services. This is a cost factor that inevitably get passed on to tenants as higher rent.

### **4.4 Adjudication Process**

The adjudication process (QCAT) should be simple, streamlined, fast and impartial. Urgent matters such as warrants of possession should have turnaround times of two weeks from of filing.

### **4.5 Dealing with agents**

The POAQ believes in there should be clear laws and guidelines for the conduct of agents when dealing with both landlords and tenants. The POAQ recommends landlords read and understand (or seek help with) contracts before signing up with managing agents.

### **4.6 Increase in Housing Supply**

The POAQ welcomes any increase in new housing stock. However it needs to be understood that the rental crisis differs from the housing crisis. More new homes available for purchase will not necessarily translate into more rentals if it is not worthwhile for investors. due to unfair laws raising cost and risk.

### **Notes**

- i) Since each tenancy (landlord, property and tenant) has differing circumstances, these issues will not concern or impact landlords in the same way. Some of the issues impact a a wide number of landlords while other impact a narrower cohort. Sometimes even one issue has made a sufficiently severe impact that the landlord either sells or otherwise removes their property from the rental market.
- ii) The effects of change are not immediately apparent. A considerable time lag can occur between the cause, such as a new provision, and the effect such as reduced supply on the rental market
- iii) Issues relating to starting, during and ending a tenancy (1 to 3) and 4.1 involve the Residential Tenancies and Rooming Accommodation Act 2008 (Qld).

For more information on any of the policy positions, please contact POAQ