

REPORT ON PROCEEDINGS BEFORE

**LEGISLATIVE ASSEMBLY SELECT COMMITTEE ON THE
RESIDENTIAL TENANCIES AMENDMENT (PROHIBITING
NO GROUNDS EVICTIONS) BILL 2024**

**INQUIRY INTO THE RESIDENTIAL TENANCIES AMENDMENT
(PROHIBITING NO GROUNDS EVICTIONS) BILL 2024**

At Macquarie Room, Parliament House, Sydney on Friday 2 August 2024

The Committee met at 10:05 am

PRESENT

Ms Jenny Leong (Chair)

Mr Clayton Barr

Mr Tim James

PRESENT VIA VIDEOCONFERENCE

Ms Donna Davis (Deputy Chair)

The CHAIR: Good morning. I thank everyone for coming today to this hearing of the Select Committee on the Residential Tenancies Amendment (Prohibiting No Grounds Evictions) Bill 2024. Before we commence, I acknowledge that we are on the land of the Gadigal people of the Eora nation. I pay respect to Elders past and present, and recognise that this always was and always will be First Nations land. I recognise that housing justice is a key part of the ongoing struggle for justice for First Nations people.

For those of you who don't know, I am Jenny Leong, the Committee Chair. Joining us virtually today is the Deputy Chair, and member for Parramatta, Donna Davis. Here in the room with me is Clayton Barr, the member for Cessnock; and Tim James, the member for Willoughby. Unfortunately, and much to her disappointment, Trish Doyle, the member for Blue Mountains, is unable to be here today but sends on her thanks and support for all the organisations that are appearing today before the Committee.

I thank all of the witnesses appearing before the Committee today, and the many stakeholders and individuals who have made submissions to this inquiry. I recognise that this inquiry focuses on reforms that will impact millions of renters across New South Wales, but also that this inquiry is now happening in the context of a government announcement on Sunday that is setting out the time line for the Government moving on this legislative reform. I say to those appearing before the Committee today that we have recognised it is important for us to be able to discuss that in the context of the announcement made by the Government. It's totally fine for your evidence to relate generally to the terms of the reference and not have to speak specifically to the private member's bill that was the initial instigator of this inquiry. I thank you so much for coming and declare the hearing open.

Ms AMANDA BAILEY, Head of Advocacy and Communications, Faith Housing Alliance, sworn and examined

Ms ELLIS BLAIKIE, Executive Officer, Impact and Advocacy, Bridge Housing, affirmed and examined

The CHAIR: I welcome our first witnesses. I thank you both for appearing today and giving evidence. I note that Committee staff will be taking photos and videos. If you have concerns about that, please do let them know. Can I confirm that you have been issued with a copy of the Committee's terms of reference and the standing orders as relates to witnesses?

AMANDA BAILEY: Yes.

ELLIS BLAIKIE: Yes.

The CHAIR: Did you have any questions about those?

AMANDA BAILEY: No.

ELLIS BLAIKIE: No.

The CHAIR: Would either or both of you like to make a short opening statement before we start with questions from the Committee?

AMANDA BAILEY: Thank you for the opportunity to present to this select committee. Faith Housing Alliance is the peak body representing faith-based organisations, including community housing providers, specialist homelessness services, faith leaders, and faith communities committed to housing justice. Our members also include values-aligned organisations who are supporting increased housing supply. The principle that safe and secure housing is the foundation for individual dignity and community thriving is common to all of our members. Building on this secure foundation, our members also provide a vast array of support services, including emergency relief, financial counselling, mental health and employment, with specialist supports for people with disability, victim-survivors of domestic violence, young people in out-of-home care and people breaking free of addiction.

Our members support many of the most vulnerable tenants in New South Wales through the provision of housing. They are increasingly supporting tenants in the private market who are struggling with finances from increasing costs of living, and also tenants experiencing increased housing stress. To provide greater security to renters, our members support the end to no-grounds evictions for both periodic and fixed-term leases. We see these proposed reforms as critical to the physical and mental wellbeing of private market tenants, correcting a current power imbalance.

Our members are also broadly supportive of the list of reasonable grounds that have been suggested through this Committee and then also the Improving NSW Rental Laws consultation from last year. In consultation with

our community housing provider members, who are delivering more than 15,000 homes for tenants, they also feel that it is important to provide some additional reasonable grounds, the first being in the case where programs are designed to deliver shorter term accommodation and the second where renters' needs change in social housing to support the full utilisation of limited social housing stock. But ultimately they are very supportive. With these fewer additional reasonable grounds, the benefit delivered to New South Wales renters as a whole will be fantastic. We support this Committee's work.

The CHAIR: Ms Blaikie?

ELLIS BLAIKIE: Thank you for the opportunity to provide input into the amendments to the Residential Tenancies Act prohibiting no-grounds termination of residential tenancy agreements. As community housing provider working at the coalface of Sydney's housing crisis, we at Bridge Housing know that a safe, secure and affordable home is the basis for people to do well as part of our broader community. We are both a tenant and a landlord, with 3,600 tenancies under management across Sydney, including 600 that are headleased through the private market. Our view is that tenancy legislation should prioritise and protect people's human right to shelter. We wholeheartedly welcome the removal of no-grounds terminations and its replacement with the list of reasonable grounds as outlined in the bill. We also request the consideration of an additional ground that permits the termination of a tenancy where a household is no longer eligible for a program linked to that property or where a program has ended.

Under the proposed changes there are no pathways to end affordable housing tenancies, for example in circumstances where a tenant no longer meets eligibility requirements. This may be that their income has come to exceed the eligibility or program guidelines. We will see unprecedented new supply of affordable housing coming online over the next few years, thanks to the commitment of both State and Federal governments and a huge amount of advocacy over the last couple of years. It will be really important that the Residential Tenancies Act enables the management of this growing class of housing to ensure that it delivers maximum benefit to our community.

Finally, I would just like to highlight the importance of the NSW Civil and Administrative Tribunal, NCAT, as the critical institution that upholds the rights and responsibilities of both tenants and landlords, as outlined in the Residential Tenancies Act. NCAT must be adequately resourced to address matters promptly, in line with its founding principle to provide the just, quick and cheap resolution of issues. Extended waiting times have a genuine impact on people's lives. A well-resourced NCAT is in everyone's best interest.

The CHAIR: Thank you so much for that. I will ask the first question to you, Ms Bailey, but just to also say to both of you that if you want to take any of the Committee members' questions on notice, feel free to say so. That is fine and we can provide them in writing to you as well. In both of your submissions, you have both stated support for ending unfair no-grounds evictions for both fixed and periodic leases. I wonder, Ms Bailey, why does Faith Housing see that as so critical to do it for both types and in a comprehensive way across the private rental market?

AMANDA BAILEY: Across our members, they're supporting people who come to them in desperate need. We're seeing an increased number of people who have experienced a no-grounds eviction and have very few other options. We see that it is really important to include both periodic and fixed term so that there are no gaps, and it offers support to all New South Wales renters.

The CHAIR: Ms Blaikie, in relation to the unique position that community housing providers are in as both landlords and tenants, on page 2 of your submission you note that some private landlords have used no-grounds terminations to apply unreasonable rent increases, in your experience with headleased properties, but also that your own data suggests that the use of no-grounds evictions is up.

ELLIS BLAIKIE: Yes.

The CHAIR: Could you expand on that a little bit and provide us with some more detail?

ELLIS BLAIKIE: We have seen a 68 per cent increase over the past two years in the number of no-grounds evictions that we have received within our headlease portfolio. We're seeing a significant increase in rents and our view is that in a lot of these cases landlords are using a no-grounds eviction to then be able to apply quite a significant rent increase that can't be challenged at the tribunal. As a landlord, there are sufficient provisions within the Residential Tenancies Act to take action if tenants are not meeting their tenancy obligations, but there is a process and you do need to provide evidence. In our experience, we're often receiving a no-grounds eviction where there might be an instance of tenant behaviour that is impacting other residents. I think it's very important that people follow the proper process and provide really clear evidence that this is the case. A lot of our residents who are housed in the private rental market have come from homelessness, and we have a higher proportion of Aboriginal tenants and tenants with complex needs.

Often it can be discrimination from other neighbours who are not as understanding around people's behaviours or people being a little bit different because of their experiences. That's not a reason to terminate a tenancy, just because someone is a little bit different to you. So we would like to see the landlords that we lease through actually follow the same process that we would follow if we needed to address the behaviours of our tenants. It's also really important to be clear about what the problem is with tenants. We're all adults and we need to be able to have that conversation. If people aren't acting in line with their responsibilities as a tenant under the Residential Tenancies Act and under their tenancy agreement, then that needs to be really clearly stated—how and why they are not meeting those obligations—and then we can work to address that.

The CHAIR: Can I dig a little deeper into that element around the use of no-grounds evictions if people don't feel that tenants are fitting in with the area or neighbourhood?

ELLIS BLAIKIE: Yes.

The CHAIR: In your experience, would you say that the existence of no-grounds evictions is allowing types of discrimination in terms of who is able to engage in the private rental market?

ELLIS BLAIKIE: Discrimination is one of those things that is really difficult to prove.

The CHAIR: Yes, you don't have to tell me.

ELLIS BLAIKIE: That's it. You know it's there, but it's really, really difficult to actually prove. I think no-grounds evictions allow that discrimination. We would see a much tighter management of the private rental market and it would squeeze that out. In our experience, there are more no-grounds terminations for our Aboriginal tenants and for tenants with psychosocial disabilities as well—often people who are very introverted, who mean no harm to anyone else, who might just have slightly different ways of behaving.

Ms DONNA DAVIS: Thank you so much for attending today. I actually spent my evening with a room full of renters from across north-west and western Sydney last night. Much of what is in your submission, of course, was relayed to us at that forum. I appreciate all the work that you do in this space. I know it's pretty trying times. In the submission, Ms Bailey, that Faith Housing have put forward, you mention something that was actually raised last night, and that is the definition of family. Could you please elaborate on what you mean by a clear definition of family? I know, but I think for the record it would be really good, given the realities that we face here in western and south-western Sydney, where we are not talking nuclear families. Would you be able to please elaborate on that? Do you have any feedback on how the future legislation can provide more clarity around the definition of a family?

AMANDA BAILEY: I'm wondering if it might actually be your evidence that referred to the definition of family?

ELLIS BLAIKIE: No.

AMANDA BAILEY: No, it wasn't?

The CHAIR: I think that we have heard from a number but if you want to take that on notice, that's totally fine as well.

AMANDA BAILEY: Yes, that's fine. Thank you.

The CHAIR: Donna, I'm not sure if you could hear, but Ms Bailey would like to take that on notice if that is cool. I don't know if you have another question that you wanted to follow up with.

Ms DONNA DAVIS: Yes, I do. This one is to Ms Blaikie. Your submission stated that the bill should include an additional ground permitting no-grounds eviction if the property is managed as affordable housing and the tenant no longer meets eligibility requirements. I know that this is something that the Rental Commissioner is saying will be considered in a future bill from the Government. What evidence requirements should be stipulated for this additional ground and how long should the notice period be, in your minds?

ELLIS BLAIKIE: In our experience as an affordable housing manager, generally the reason that someone is no longer eligible for that program is because their income exceeds the income eligibility. We conduct annual income assessments where our tenants are required to provide pay slips or evidence of their income. We would use that as the basis to state that they are over the limit. Obviously we always want to work with people, so I think a longer timeframe is appropriate. I think that a period of 90 days would be appropriate for people who are no longer eligible for a particular program.

Mr TIM JAMES: One of the challenges or needs in so many ways incumbent upon us is to establish the overall incidence and prevalence of a no-grounds eviction. We tried to get into this with some evidence the other day. Can I ask you both how many tenancies—I think I heard 3,600 for Bridge Housing—you have, how many

evictions there would be per year, and how many of those evictions would be no-grounds evictions? Feel free to take that on notice of course. If by chance if you're able to break it down by fixed-term tenancies or periodic tenancies, that would be helpful as well. But to the extent you can address it today, that would be helpful. I'd be eager to get an understanding of how prevalent this is. That should, of course, be guiding us in terms of what ought to be the legislative response.

ELLIS BLAIKIE: Of our 3,600 tenancies—our policy and our processes are not to issue no-grounds termination notices to our tenants. There are a myriad of reasonable grounds. We're not going to terminate a person's tenancy unless there is a fundamental problem or they're breaching their tenancy. That is particularly within social housing. Where that is the case, we will follow the tribunal process. I will get those figures for you and I'll provide you with a breakdown. We're a registered community housing provider and, under our regulatory requirements, we've got an eviction threshold.

Of the tenancies that are terminated—so within 3,600 tenancies, we might have a turnover of 100 to 200 per year. Most of those people will be leaving of their own accord. They might be moving into higher care or moving on into nursing homes, or aged care is a common pathway. Some people will be moving to the private rental market or they may be moving to another community housing provider or social housing program, or people pass away. They are probably our predominant exit pathways. Then we would have a very small number of terminations where we have launched that action.

Mr TIM JAMES: With grounds?

ELLIS BLAIKIE: Yes. That would be very small. We generally follow that whole NCAT process. Often, in those cases, we might issue a termination notice. We will go to NCAT. Our process is to get a specific performance order to address the underlying cause. In most cases, we are able to work with tenants. For example, if it is for the non-payment of rent, we will work with tenants. We will agree an affordable repayment agreement and then we will have a specific performance order to maintain that. It would only be if someone then continued to breach that specific performance order. It is a very, very long pathway for us and it requires sign-off at the highest level. Our chief operating officer needs to sign off on any eviction.

Mr TIM JAMES: Just to be clear—I totally understand and respect what you are saying but, in effect, you're saying that for your tenants there are no no-grounds evictions?

ELLIS BLAIKIE: No. We have in one instance that I'm aware of—for an affordable housing tenancy—issued a no-grounds eviction. That was because there was no other pathway for us to terminate that tenancy, and that person had not responded to our ongoing requests to have a conversation and work with them on finding alternative pathways or alternative accommodation. We do receive no-grounds evictions, though, for our headlease portfolio, and that's where we have seen a real increase over the last two years.

Mr TIM JAMES: When you can, it would be great to get some data on that too.

ELLIS BLAIKIE: Yes, absolutely.

The CHAIR: Can I jump in and follow up on that? If you are looking at providing more details, I would be really curious to know—so that is one instance, at least, where Bridge has, on record, used a no-grounds termination. Of the headlease situations, I am curious to know what you then do in relation to those. Does that mean you are also using no-grounds terminations for those? What do you do? I appreciate there might be one that you have instigated on your own, but it would be good to understand if you are using those in those circumstances as well.

ELLIS BLAIKIE: When we receive a no-grounds termination in the private market, we then look for another house for that person, whether that is within our portfolio or whether that is in the private rental market. Our commitment with that tenant is that we have committed to house them. They have a social housing tenancy; they have a tenancy with us. Whether that is in that particular property or we need to move them to another one, we will do that. We don't terminate or end tenancies because we have received a no-grounds termination. But it is obviously still a very stressful process for that person who then has to move.

The CHAIR: Just to jump in on this to ask Faith Housing if you have any comment on the use of no-grounds evictions? I imagine that is where you are going—I don't know. But, just in terms of how Faith Housing and your members use or don't use no-grounds evictions and if you can take on notice giving us any details around that.

AMANDA BAILEY: We can definitely come back to you with more of the specifics, again, but the process that Ellis has outlined is the same for our members. In terms of social housing tenancies, that is not the case. Where there might be the need to seek the administrative process, that is in a very extremely rare situation.

The commitment is always to make sure that someone is housed. So amongst either their portfolio or the broader network, they are able to find alternative housing as well.

Mr TIM JAMES: I'm eager to get as much data as possible because I think there is a real risk here that we are not going to be tackling what is the big issue for renters in New South Wales, and that is supply of rental properties for them to seek to live in and so on—hence the question. The other angle I wanted to come from is—I think both of your submissions make references to or incorporate recommendations, in a sense, specific to community housing. I want to understand, to the extent I can, how much should the sector-specific or more targeted issues that might arise in community housing—how much ought that, in your view, be incorporated into what is the piece of legislation for the whole State? Maybe there is a need for some other way to come at this in a more targeted fashion, if you know what I mean. I welcome your thoughts on that, given the recommendations you have made.

AMANDA BAILEY: Our members were very broadly supportive of these reforms being put through. It was only in going through the detail that they said we can imagine that emerging from this there may be some specific conditions where, if they did need to move through to that NCAT administrative process, it would be useful to have specific reasonable grounds for the circumstance of community housing. Specifically they were around the transitional or shorter term accommodation. Specifically, as well, there's a question around, perhaps in social housing, the full utilisation of the available housing, which we can note is limited, particularly for larger properties of three or four bedrooms. To find housing suitable for larger family groupings is quite challenging. When you have somebody whose family circumstances potentially change, being able to find a property that is suitable for them but also being able to house somebody who that property does suit, was the other circumstance that they raised with us.

ELLIS BLAIKIE: Just to build on that, I guess the rationale for having specific—or, really, considering the social and affordable housing sector is that we're working with the most vulnerable and disadvantaged renters who need the utmost protection and support in order to maintain that housing security. We're also working with a really, really scarce resource that is reflective of a huge public investment. Making sure that this scarce resource is used and managed in a way that promotes the best outcomes for the broader community, as is intended, is fundamentally important.

The CHAIR: I just had a couple of questions that I wanted to clarify. I'm conscious of the time, so feel free to take them on notice if there's more detail you want to provide. In relation to Faith Housing, is it possible for you to give us on notice an indication of the scale of headleasing within your membership, as well? I know that Bridge has provided us with details of yours, and obviously it's easier to provide it for one organisation than it is for a whole network, but if there is the ability to provide us with some detail of what you think is the estimate of headleases within Faith Housing, that would be really appreciated. If there's any data around the kind of experience that your members have had on no-grounds eviction impacting the work that you do, that would be really helpful as well.

In relation to the comments that you made around a property no longer being suitable—for example, if it's a larger property and people moved out—if there are any examples of the policies that your members used to be able to do that and what the procedures are for how that happens, that would be really helpful. One of the things that's being discussed is the ability to improve the way that tenants and landlords are able to negotiate and work out an arrangement; for example, if a property is being renovated and that kind of thing. Potentially we can learn from the types of policies that your members have around navigating some of those things, where there isn't a fault of the tenant, but there is a need to make a move. If there are examples of that, that would be appreciated.

AMANDA BAILEY: Happy to take those on notice and come back.

The CHAIR: The final question I wanted to ask was about the power imbalance. You talk about the power imbalance between landlords and renters. Yet we've heard from others that the system is working well in practice. I just wanted to ask both of you: Do you think the current system is working well in practice, and do you think the balance is right between landlords and renters, currently?

AMANDA BAILEY: Anecdotally, a lot of our members—and this is not in the context of their provision of housing but their broader support via community services. People have shared anecdotally with us the fear reported by renters of potentially feeling uncomfortable being able to raise issues of maintenance for fear of potentially receiving a no-grounds eviction. Also, in the current context, with significant rent increases, almost that sense of fear that's preventing open and productive communication between renters and landlords is something that we're hearing a lot in our broader community engagement as well.

ELLIS BLAIKIE: I guess my comments probably relate to—in the Northern Beaches we provide temporary accommodation and homelessness assistance. We have seen a major increase, particularly within the

last year, in people coming to us requiring temporary accommodation and assistance for homelessness. What we've seen is a real shift in the demographics there as well and a shift in the reasons for people seeking assistance. We're seeing far more working families and single parents who are simply unable to afford rents following a rent increase and have then become homeless as a result. This indicates that there is a need for more protections for renters to safeguard people's rights to shelter.

The CHAIR: Thank you both so much for appearing before the Committee today. Thanks for all the work that you and your teams do, for the submissions that you've made and for your ongoing advocacy for housing justice. I'd like to flag that if we have asked you—which we have—questions on notice, we are asking for a very tight timeframe of by Friday next week, if we can get your responses, given that we're required to report back to Parliament. Things are now moving quickly, which is very welcome.

(The witnesses withdrew.)

Mr BRETT WEBB, Manager, Northern NSW Aboriginal Tenants Advice and Advocacy Service, NSW Aboriginal Tenancy Advice and Advocacy Services, sworn and examined

Mr MARK GRIFFITHS, Senior Tenants Advice and Advocacy Officer, NSW Aboriginal Tenancy Advice and Advocacy Services, affirmed and examined

The CHAIR: I'd like to thank our next witnesses, Mr Brett Webb and Mr Mark Griffiths, for appearing before the Committee today. Committee staff will be taking photos and video during this time. If you have any concerns about that, let them know afterwards, because it will be used publicly for social media and other things. I'd like to also ask if you can confirm that you've seen a copy of the terms of reference of the Committee and the standing orders for witnesses.

MARK GRIFFITHS: Yes.

BRETT WEBB: Yes.

The CHAIR: Do you have any questions about that information before we start?

MARK GRIFFITHS: No.

BRETT WEBB: No.

The CHAIR: As part of the formalities, I'd like to ask if you could state the capacity in which you appear today.

BRETT WEBB: I'm from the northern Aboriginal tenancy advice service. I'm the manager there, and I've been employed there for 26 years now. Our boundaries cover from Tweed Heads, down to Lake Macquarie and out to Moree and Gunnedah. They capture the Upper Hunter, the Hunter, New England and the North Coast.

MARK GRIFFITHS: I am based in Newcastle, so we're part of the northern area. We're just an outreach office, and there's only two of us that work in that office. We cover the Hunter area, from Lake Macquarie, up to Kempsey, across to Armidale and out to Narrabri, where we overlap with the Grafton office. I've been in that position now for 23 years. It's good to see the changes that are starting to happen, with the 90 days now.

The CHAIR: Would either of you would like to make a more detailed opening statement or remark before we move to Committee questions?

MARK GRIFFITHS: No, that's fine.

The CHAIR: Before we move to questions, I will let you know that it's completely fine to take any of the questions on notice or provide a brief answer and say you want to provide more details in response to questions asked on notice. The Committee secretariat can provide those to you in writing. I also acknowledge, as I did at the start of the hearing today, that we are on Gadigal land. I recognise that we are doing this hearing in the context of the Government's announcement on Sunday of their own legislative timeframe to introduce no-grounds eviction legislation. I open it up to you in terms of making a response. Feel free to respond generally to the questions rather than just needing to talk to the bill that this inquiry was specifically targeted at. Given where we are at, the Committee as a whole is keen to get people's input and feedback into where we go with these reforms.

I might kick off with the first question, if I may, in relation to the comments that you both made about the very vast areas of New South Wales that you cover. Mr Griffiths, hearing your comments, and I don't know what

the number of renters are in that area off the top of my head, but I imagine that the demand for the two people that work in that region is probably higher. I want to know how you are seeing it on the ground from your perspective in terms of the demand for your tenants advice and advocacy services, and what additional support and resources you think would be needed to be able to ensure that tenants are able to take advantage of and use these reforms and the new security provided under these reforms, and know about them, given the current demand on your services that I imagine exists right now.

MARK GRIFFITHS: Our current area, as I mentioned before, is quite vast. We cover a lot of land councils corporations and Aboriginal housing providers within that area. On top of that, it also includes all the social housing and private housing. The demand is there. At the moment I am spending probably one or two days a week actually at home. The rest of the time we are required to travel to where the hearings are. Now that we have hearings here and an Aboriginal list at the NCAT in Sydney, we are required to be down here for that as well.

For some reason our region gets a lot of tenants that get put onto that list, so it's imperative that we have somebody down here when those hearings are being held—every second week, at the moment, on a Wednesday. When that first started it was only one hearing room that they were using and now they are using two hearing rooms. Quite often it will be either myself or Donna, who is the other person that works in my office, who come down for it. We are running between both rooms because we have people in both rooms, with hearings at the same time. On top of that, we are required to cover Newcastle, Tamworth, Armidale and all of those areas as well. Often neither of us are in the office, being only two people covering that area.

The CHAIR: It's huge. Mr Webb?

BRETT WEBB: As Mark was saying, we have noticed in the Indigenous list we have about two-thirds of the matters in there—usually it's in our geographical area. I can see what Mark is saying because I go through the list—usually about two pages and one for each hearing room. Out of the 34 on in the day, there is probably about 18 in our matters for our area. In regard to the situation we have with the no-grounds terminations, we have seen quite a few, especially from the Aboriginal housing providers. I have seen a couple from the mainstream providers as well but, yes, it's probably something we need to talk about.

The CHAIR: I will pass onto other Committee members, but if you are able to take on notice what additional resourcing support you think would help for your TAASs and for others in terms of this reform change to ensure that communication is being able to be provided to renters, that would be great.

MARK GRIFFITHS: The main issue at the moment is that there is just not enough funding to put on another person in either office.

Ms DONNA DAVIS: Thank you so much for appearing today. I want to ask a fairly general question for both of you to respond to, if you so wish. Do you think that the proposed reform to end no-grounds evictions offers sufficient protections to First Nations people? If not, what additional safeguards would you suggest? There may be some that might already have been implemented in other jurisdictions.

MARK GRIFFITHS: I think it does. When the 90 days first came out, they were being handed out left, right and centre, as we know, to everybody. Because it was across the board, it was open to everybody—so the land councils, social housing providers. I even had a case where Housing NSW tried to use a 90 days and got that knocked back. But over the years I have noticed that they have slowed down, so the protection has become there, especially in the social housing area. There are provisions put out by CHIA, the Community Housing Industry Association, to ask that the social housing providers only use the 90 days on the last resort.

With that and with the previous Minister—I think it was in 2000-and-something—put out a parliamentary statement to say that social housing providers should also look at it as a last resort. Those two things there have been a protection, and I have used those two things to actually get successful hearings on 90 days turned over in tribunals. I think it is something that is there. But moving forward, you know, there still needs to be some protection there for the tenants. As mentioned by the last lady—I forget her name—there is that provision there. I have lost my train of thought. I will come back to it. I will let Mr Webb go.

The CHAIR: That's all right. We will go to Mr Webb, and then we can come back if you want.

BRETT WEBB: The way I have seen it is a lot of Aboriginal landlords were using the section 85, the 90-day no-grounds matters, for breach matters. I mean, I have seen tribunal members sort of say, "You say it is urgent. This issue is urgent with the tenant. Why have you issued a 90 day?" It is the wrong notice to issue when there are clearly breaches. But the removal of the 90 day is probably a very good thing for the Aboriginal tenants because a lot of landlords are using it against Aboriginal tenants as a way of—they see it as assuring themselves of getting termination without going through the evidence-based rules with any other breach notice.

That is how I have been experiencing them. We have seen a few that have been issued out from mainly Aboriginal landlords, but I have seen the odd one or two from mainstream and the fixed-term termination notices. I could give examples of the ones I have seen. I know recently a tenant was terminated for breaches and then they signed the tenant up with a three-month fixed term. Now they are looking to end the tenancy at the end of the fixed term. So it is really when they should have really stayed with the breaches—you know, getting orders for breaches. I think it is not a fair process.

MARK GRIFFITHS: Sorry, I think that is where I was heading as well. I have probably seen a few more than what Mr Webb has, where they have given out the 90 days and then when they haven't got the 90 days through, they have gone back, especially in social housing. They have given the tenant a three-month lease and then given them the end of fixed term at the same time a week later. As we know with the end of fixed term, there is no chance of fighting that.

Mr TIM JAMES: Thank you, gentlemen, for being here with us today. We appreciate it very much. I think you heard me ask the two earlier witnesses a couple of questions. One was around data incidents prevalence, how widespread is this and the extent to which we know it is happening on the ground in real terms. Then, secondly, the question was the extent to which the legislative response here can and should reflect more sector-specific or community-specific challenges and issues and opportunities. I want to come back to you on both of those themes.

Feel free to take it on notice, of course, but do you have any data that speaks to how widespread this is in your communities, among your constituencies, as such? Obviously, it would be good to get a picture of how many tenancies, how many evictions, how many no-grounds evictions and then any breakdown of those by fixed or periodic leases to the extent there is that data. I would be really grateful to have it. I think it would help to inform us as a committee. That is question one. In a moment I will come back to the sector- and community-specific stuff, but I will give you a chance to answer that to the extent you can.

MARK GRIFFITHS: I think it is something that we would have to take on notice. The data we collect is mainly for Fair Trading, with our requirements. With the housing stock that is in our areas, it's something that we'd have to look at in each area per the land councils. The land councils and the corporations and the Aboriginal housing providers—but it would probably be easier to get the community housing providers and what stock they have, because it's readily available. It's something that we'd have to take on notice.

Mr TIM JAMES: No problem. Please do take it on notice. I'm grateful for that. Maybe I can, in a sense, step back, bigger picture, and say in terms of all of the issues that are challenging or confronting tenants, in your experience, how much would these tenancy reforms make a difference relative to other matters of public policy or legislative change—e.g. to be lifting up supply or to be changing standards? There is potentially a whole gamut of reforms that could be brought forth. Where does this sit? This particular change around no-grounds evictions, how important is it? What sort of priority would you attach to it, relative to other reforms? That is recognising, as I think we all do without wanting to put words into your mouth, that the big challenge here is that of supply of rental properties across New South Wales.

MARK GRIFFITHS: With supply, it is something that needs to be addressed. But it's not going to be a quick fix thing, as we know. With the land councils and the corporations, it's really up to them what supply they have and what they get. Most of the time it is coming out of their own budget, what they buy, unless they get a grant from somewhere. With community housing, a lot of the AHO stock that Housing NSW had has gone across to Aboriginal community housing providers. I think the last spot in New South Wales where Housing still hold AHO stock is Newcastle. I'm pretty sure of that. I think it is Newcastle that's the only place in New South Wales now that is holding on to AHO stock, and that's because AHO haven't decided who that stock is going to go across to yet. As for the private sector, that is a whole different story.

Mr TIM JAMES: The other theme, as I've touched on earlier and you've heard me ask it of the other witnesses, is to what extent are the community- or sector-specific issues dealt with through what is a wholesale reform—as in, this would affect residential tenancies all across New South Wales? Or is it that there might be more specific, targeted measures needed, whether in this legislation or in a different legislative or regulatory space? Have you got a sense for that?

BRETT WEBB: In regard to supporting the no-grounds terminations, we're supporting it. Obviously we would support it, but we try and prevent homelessness with people losing their tenancies. That's one of our main aims. Like I said, we've seen our fair share of the 90-day termination notices. Of course we support the removal of it. I don't know whether that answers your question. As for trying to free up things to create more supply, we're trying to prevent people from being homeless and being on the streets. Then they're going back on the waiting list and it makes the list longer. That's probably the answer we can give.

MARK GRIFFITHS: Yes, it kind of does. The only other thing, on what Mr Webb said, is that when people, especially in social housing, are given a termination, even if it's not 90 days, and then they're blacklisted, they've got nowhere to go. Those people are going to be homeless because we know they won't get into the private rental market.

Mr CLAYTON BARR: As the member for Cessnock, you help some of the people that I have the great privilege to serve as well. Thank you for your work. I'm wondering about whether or not there are some hotspots for more evictions than other spots. Maybe that's in bigger centres, tourism destinations or mining communities and things like that. Can you anecdotally or specifically identify some areas where there are more of these evictions taking place than other areas where the demand is not quite there?

MARK GRIFFITHS: Evictions in general or 90 days?

Mr CLAYTON BARR: The no-grounds evictions where a person is just asked to move on and then you probably see that property re-rented at a significant uptick.

MARK GRIFFITHS: At the moment it's happening more in the private market, especially in your area and the Singleton-Muswellbrook area, as we know, with the mines there. As the mines move out, we see it more within the private sector. Landlords will just give the 90 days because they know they're going to get the property back, and then they can either rent it out at a higher rate or move it across, if needed, to a social housing provider who can rent it out for a market rent to a miner and not necessarily give it to somebody who's really in need who is on their social housing waiting list. Some of the hotspots where I have seen the 90 days has been the Singleton-Muswellbrook area. It has now moved out. I've only seen a few of them over the last couple of years within the private market, out around near the Narrabri and Gunnedah area, as the mines moved out to there.

Mr CLAYTON BARR: Mr Webb, can I specifically talk to you, because you've got that coastal strip?

BRETT WEBB: Yes.

Mr CLAYTON BARR: I'm wondering about people being able to secure a tenancy during the winter months when tourism is slower and then maybe being ordered out as we come into spring and summer, when a landlord might want to put it onto the short-term rental holiday accommodation market during the peak period.

BRETT WEBB: I can see what you're saying. I haven't seen it in Aboriginal housing. Predominantly, a lot of our clients are social housing tenants. In regard to the no grounds, I've seen them issued in Tweed. I could go down the coast. I've seen them issued in Maclean, Grafton, Coffs Harbour, Kempsey and Port Macquarie. I have assisted people with the no-grounds terminations down that stretch. The one in Grafton was a private tenancy. The other ones were all land council or social housing ones—mainly Aboriginal housing. You wouldn't say, though, they've been used in certain areas; it's just across the board. I feel that it was used because I think the landlords seem to think that they don't need to go through the processes like a normal breach. I think they may see it as it's more of a, I suppose, they don't have to prove their case as much. That's the way I sort of viewed it.

The CHAIR: I want to ask one final question, which is very much about the context in which we're currently conducting this inquiry, about the potential or the need for transitional arrangements. There have been reports recently, since the Government announced its intentions to legislate this reform and the timing of that, that there's a risk that we'll see a response from landlords to then engage in significant action and evictions, or notices of eviction, between now and when this reform is put in place. I wonder if either of you might be in a position to talk to what you believe could be done to ensure that there are adequate transitional arrangements so that we don't see further impacts on renters in this current, very challenging housing market?

MARK GRIFFITHS: My line of thought down that way is that we know it's coming, so there should be some form of interim legislation put in place so that if 90 days are given from here on in, there should be reason behind it—and not just used as a quick fix to get people out of the property so they can rent them out at a higher rental.

The CHAIR: Thank you so much. If there's any more detail around how you think that should happen in the legislation or any views you have around that, that would be really appreciated, if you want to take that on notice.

BRETT WEBB: Just adding to that, I was a bit concerned about what's going to happen between now until when it comes into effect.

The CHAIR: Yes, indeed.

BRETT WEBB: I'm a bit concerned that—hopefully there's not a flood of 90-day issues, especially from the landlords we deal with.

The CHAIR: If you're happy to take on notice, I guess, from your experience, but also then in terms of how you see that could be done on the ground as a transitional arrangement and what you think the best approach would be, that would be really helpful.

BRETT WEBB: I don't know, Mark, whether you touched on it or not, but we were sort of hoping that if it does occur, if the tribunal members can have some sort of discretion to look behind it.

The CHAIR: Yes. Thank you.

MARK GRIFFITHS: I think the other thing that I really wanted to touch on was that although it's open and they don't use it, there should be a freeze, actually, put on it straightaway with all the social housing providers.

The CHAIR: So potentially looking at what we do in terms of the social housing space, but also then what are the transitional arrangements within the private rental space, and seeing a distinction between those?

MARK GRIFFITHS: Yes.

The CHAIR: The Committee really appreciates both of you coming and appearing before us today. You have taken some questions on notice. The Committee staff will share those in writing with you by the end of the day. It would be appreciated if you could come back to us by the end of next Friday, if that's possible. Thank you for the work that you do, recognising that it is a level of high-intensity and stressful work providing some of the most vulnerable people in our community with housing support and housing justice. Thank you for the efforts that both of you do, on behalf of all of us on the Committee.

(The witnesses withdrew.)

(Short adjournment)

Ms YUMI LEE, Chief Executive Officer, Older Women's Network, NSW Ageing on the Edge Coalition, affirmed and examined

Ms GOHAR YAZDABADI, Chief Executive Officer, Council on the Ageing NSW, affirmed and examined

The CHAIR: Thank you so much to both of you for being here and giving evidence today. I would like to note that the Committee staff will be taking photos and video; if you don't want that to be presented on social media and other forms, please do let them know. Have you both seen the Committee's terms of reference and the standing orders for witnesses appearing at hearings? Do you have any questions about either of those?

GOHAR YAZDABADI: No questions.

The CHAIR: Do either or both of you have short opening statements?

YUMI LEE: Yes.

GOHAR YAZDABADI: Yes.

The CHAIR: Did you want to go first, Ms Lee, and then we'll come to you, Ms Yazdabadi?

YUMI LEE: Thank you for the opportunity to give evidence today. Before I begin, I wish to acknowledge that I'm on the unceded lands of the Gadigal people and pay my respects to Elders past and present, and extend my respect to all First Nations people who may be listening. I'm Yumi Lee from the Older Women's Network NSW, representing the NSW Ageing on the Edge Coalition, which comprises 160 organisations and members, all united to address housing and homelessness issues for older people. We are indeed encouraged by the New South Wales Government's steps to introduce legislation to end no-grounds evictions.

Older people over 55 on low incomes are at increased risk of homelessness, with about 120,000 people in this group in the private rental market in the lowest two income quintiles. Ending no-grounds eviction will provide much needed security of tenure, including for older renters who are among the most vulnerable. The trauma of not having the most basic human rights met, the right to housing, is not fully understood by policymakers. I was meant to appear on behalf of the Ageing on the Edge Coalition with an older woman who wanted to speak about what it was like to receive a 30-day eviction notice. She wanted to tell you how stressful it is to be older, poorer and with ill health, having to deal with finding an affordable place to rent, the expense of moving and the difficulties of packing up yet again. She did finally manage to secure accommodation, but she remains traumatised and stressed and chose not to attend today.

My organisation gets calls for help from older women who are terrified that they are not able to find an affordable rental. Some have to sell their belongings and then try to pack what they can in their car, which has to double as their home. Not having stable, safe, secure accommodation is dehumanising, especially when you are a pensioner and having to compete in a tight rental market. We fully endorse ending no-grounds evictions; however, it is not enough. We must strengthen laws to make owners accountable for ensuring the rental property is habitable. It is a disgrace that renters, including older renters, are living in fear of eviction and do not bring up problems of mould, damp and security with owners, and therefore have to live in substandard housing. Finally, while we applaud the New South Wales Government for making a substantial investment in social housing, it is evidently not substantial enough to even make a dent on the waiting list. Thank you.

GOHAR YAZDABADI: Chair and Committee members, thank you for the opportunity to speak today. I'm here on behalf of Council on the Ageing NSW. COTA is the leading, peak, not-for-profit organisation representing the rights and interests of people over the age of 50. We are independent, consumer-based and a non-government organisation. We welcome the overdue work being done on no-grounds evictions and the announcement of the bill in New South Wales. But ahead of Homelessness Week next week, the importance of our work lies in the stories of vulnerable people, especially the older people in our State.

Imagine yourself as someone who started renting a property 20 years ago, when you were in your mid-fifties. Our rental system was far more secure then and it was easier to find a property. Ever since, you have been a good tenant who has always got along well with your landlord. Now, all these years later, your landlord passes away and you are told you must move. As well as the usual personal and financial upheaval this brings, you are on a fixed income. A rental market that is hostile to the realities of living as an older person in New South Wales is your reality.

This is what ageism looks like in our housing system today. You are faced with trying to find a new home and coming up with a bond. You are trying to plan to move yourself and your possessions. For anyone, this is a physically and emotionally challenging time. But for someone who is older and frail, you are going to need a lot of support, and you are not sure who is there to help you. You think about applying for social housing, but even then you are looking at a wait time of 10 years, and you'll only be considered a priority when you are 80 years or over. Say you do find somewhere to rent. You're exhausted following the move, and the financial and emotional upheaval that you've been through. You then uncover several apparent problems, either hidden or otherwise. You ask for repairs and, suddenly, at the end of your much-shorter lease, you are asked to leave, with no reason. You learn your lesson: to be silent and invisible, because invisibility is your only chance of survival. The thing is, invisibility equals ageism.

So, again, while we welcome the work underway to prohibit no-grounds evictions, and investments towards more social housing, we're still disappointed at the systematic invisibility of older people in New South Wales. We're still not seeing resources being put in to ensure older people, who have rented since their fifties when there was no rental crisis and they saw an even older generation being looked after by the Government, are now being considered, let alone planned for. Our housing system has failed these people completely. There was no way they could have anticipated or prepared for this situation they find themselves in now. Unhelpful media and other stereotypes of wealthy older people owning homes on top of investment properties is not the reality for many of our COTA New South Wales members and their peers across the State as they attempt to stay active, well and engaged towards older ageing.

Safe, affordable and comfortable housing is a key pillar to ageing well in New South Wales, but this is an even more fundamental pillar to good life that is beset by ageism. Remember, as an older renter, if you complain, you are forced into a long, difficult process that is mostly enacted online and that you are most likely wholly unprepared for and unfamiliar with. You might just think, "What is the point?" COTA NSW looks forward to continuing to shine a light on these issues faced by our older people in New South Wales, and I urge you to keep their situations and experiences at the top of your mind as you continue your inquiry and report findings. Thank you for your time today.

The CHAIR: Thank you both for those opening statements. I might start with the first question. It goes to comments that you were making within your opening remarks. Over the past week, much has been made of the Premier's and the Government's announcement in relation to moving forward on these no-grounds eviction reforms. I note both the Premier and the housing Minister, in comments talking about these reforms, have given specific mention to and singled out young people, and talked about the fact that this will be a welcome reform for young people. I want to ask how the representation, or the misrepresentation, of rental reform as something that just helps young people impacts on the people that you represent. Why do you see it as such a critical reform that's going to benefit older people as well, and that we need to move away from this idea that housing insecurity is something just felt by young people?

YUMI LEE: I think that, in the narrative around housing in Australia, older people are depicted as the problems. They are classified as "boomers". It is so clear in the reporting in the media that the whole problem around housing is attributed to older people who are greedy and hanging on to things and not giving younger people a leg up. It completely obscures the fact that it is a systematic policy failure that has resulted in the lack of stock of affordable housing. Therefore, it is not surprising that, in talking about the rental crisis at the moment, we see that the focus is on helping younger people to stay in their rental properties for longer when, in actual fact, a significant percentage—if I'm not mistaken, a third—of older people continue to rent.

Especially for older women who find that they are having to rent as a result of broken relationships or changes in family circumstances and find that they have to face this absolute horrendous task of finding something affordable at a time when they are at one of the most traumatic times in their lives, because of something else that has happened in their personal circumstance—is therefore completely invisible and not understood. I also think that people don't understand that renting as a younger person and renting as an older person are two completely different things altogether. As Gohar has mentioned, as you get older, your vulnerabilities increase. That includes older health, maybe a little bit of cognitive decline, you are not as strong as you used to be. Having to pack up again and again—the cost of that, the physical exertion, the mental exertion takes a much bigger toll in an older person than a younger person.

GOHAR YAZDABADI: Just to add to what Yumi has said, I think what you've just described is exactly what we're talking about here: the invisibility that is ageism. Narratives that exclude older people and their experiences are exactly the sorts of situations that we find ourselves in when we're looking in policy. We find that older people, time and again, are disappointed that the lens that has been taken when policy is developed is not a lens that is inclusive of all ages, including older people, which is what we would like to see. It is one that is exclusionary to older people, their issues, their plights and the difficulties they face. When they are brought into the policy narrative—it is often a story that's told, as we've mentioned here in this debate—they are portrayed as the landlord and not as the tenant; they are portrayed as the problem, not as part of or as needing a solution. The invisibility is compounded by their vulnerability, which is something that means policymakers need to take extra care when thinking about older people and their visibility in policy.

YUMI LEE: May I please add to what Gohar has said? Over the past few years, the Ageing on the Edge Coalition has been lobbying very hard to get a specialist housing service just for older people. The parliamentary inquiry into homelessness amongst older people aged over 55 has agreed with us that there is a need for a specialist housing service for older people. We developed a business case, research was done, and it was found that for every \$1 you will get \$2.13 back in return. It was a very modest proposal of \$5 million over three years for a pilot. We have been disappointed, yet again, that this initiative has not been funded in the recent budget—absolutely disappointed. It is the one initiative to help older people, to stop them from falling into homelessness, but it was not considered a priority.

The CHAIR: Very disappointing, yes. I now go to the Deputy Chair and the member for Parramatta, Donna Davis, who is joining us via videoconference from her electorate office in Parramatta.

Ms DONNA DAVIS: Thank you so much for appearing today—it's greatly appreciated—and for all you do to support such a vulnerable group of people in our community. Within the rental reforms—and this is a question for both of you—do you have recommendations on how to address discrimination towards our older people, men and women, who are looking for private rentals? One of the things that we are very aware of is that there is a lot of discrimination faced when they are seeking rentals. It is not just about the rental reforms in terms of no-grounds evictions, but securing rentals in the first place, or after there has been an eviction.

YUMI LEE: I can provide a little anecdote to this, and that is when my mother was looking for a private rental—and she is in her eighties—she said that it has been almost impossible, because she said that people are afraid that she will die on them. I think that you can put in legislation that there should be no age discrimination et cetera. However, the enforcement of that will be very, very difficult. It calls for a much more systemic approach to addressing ageism in our community. Putting that in legislation will be one thing that adds to the overall push to change the culture and mindsets, but it will be a challenge—there is no doubt about it.

GOHAR YAZDABADI: I think, while I applaud the Government for thinking about legislative solutions to this problem, it's often the case with many policy positions where it's not a matter of bringing in legislation and, "We will be able to fix things simply through legislation"; it's about looking at systematic ageism in the housing system, standing back and taking a look. When I put in an application for rent, it's done online and I'm competing against people who are able to quickly make those applications and put them in. When I have a problem, I have to go to NCAT and I have to do that online. I have to be able to put in my application online and go through a system that is daunting and where information is hard to access.

When we look at things like the waiting list for social housing, it doesn't start becoming a priority until you're 80 years of age. It's looking at these things, the system that surrounds renting, and making those more equitable and more fair to be able to really solve the problem that we're looking at. COTA NSW is also a member of the Ageing on the Edge Coalition. It's about making sure that there's the proper funding and the proper support that really, quite frankly, only comes with developing and supporting programs that are adequately funded to help older people in these situations.

YUMI LEE: May I please add to what Gohar has said in that if you don't have the supporting infrastructure to enforce legislative reform to change mindsets in culture, it will mean nothing. I'll give an example of the community legal centres that have not received the funding that they need. Where do people go to get the help they need if they want to enforce a right? There has to be that infrastructural support and funding for that.

Ms DONNA DAVIS: Thank you for your contribution.

Mr TIM JAMES: Thank you both for your submissions and presence here today. It's great to see you, and we appreciate your time and expertise. There are two key angles I wanted to come to, consistent with previous witnesses. One is how widespread this is and how much it is happening. What data you might have that speaks to the prevalence or incidence of no-grounds evictions, whether it's in a local geographic, sector-specific—or in any sense—just for us to get a handle on how much this is happening would be helpful for us. In an ideal world how many tenancies, how many evictions, how many of those are no-grounds evictions, how many of those are periodic relative to fixed-term tenancies—and take that on notice, please.

I know there's quite a lot in that, but any light you can shed on how much this is happening in New South Wales—and the reason I ask that is that what's in front of us here is a proposition of significant reform. We need to ensure that it is proportionate and reflective of the actual extent to which no-grounds evictions are happening and affecting people, community, economy and so on across New South Wales. I might let you have a go at that first and then I have a question more around the sector-specific elements, if I can put it that way.

GOHAR YAZDABADI: We have a bit of data from our friends over at the Tenants' Union of NSW. We know that the number of people aged over 50—which is the cohort that COTA NSW represents—calling about no-grounds evictions has almost tripled from 2017. It's gone from 397 calls that year to 1,154 calls. These are people who are probably a little bit more savvy. They're able to find assistance and make those telephone calls. They're able to get in touch with someone to be able to ask about their rights, which is something that we don't see many older people necessarily being able to access. That's just a glimpse into where we're headed now compared to 2017.

Mr TIM JAMES: Sorry, I don't mean to interrupt you. In what year were the 397 calls?

GOHAR YAZDABADI: In 2017.

Mr TIM JAMES: So here we are—seven years later?

GOHAR YAZDABADI: Yes, 2023.

Mr TIM JAMES: Six years later.

GOHAR YAZDABADI: Yes, six years later, we're at 1,154. I will do a bit more digging around some more data for you, but that, I think, is very indicative of how the problem has increased over time, and that's indicative of a tighter rental market where no-grounds eviction is probably a more palatable thing for landlords to be able to use.

Mr TIM JAMES: This is people over the age of?

GOHAR YAZDABADI: Fifty.

Mr TIM JAMES: For context, the overall picture is there are about one million renting households in New South Wales.

GOHAR YAZDABADI: Sure, absolutely.

Mr TIM JAMES: So we've gone from basically 400 to, if you round it up, 1,200.

GOHAR YAZDABADI: I would say 1,200 people seeking assistance. We're talking about people who are savvy enough to be able to find the Tenants' Union of NSW. That's not an easy thing for my demographic, necessarily, to do, to be able to have the confidence to pick up the phone and make that telephone call. I think a tripling in that is a very clear indication that we have a tremendous amount of issues that are becoming more and more pertinent for older people.

YUMI LEE: If I may add to that, I think the Tenants' Union doesn't collect data across the sector. For example, we get older women calling our service saying that they're in danger of losing their tenancy et cetera. All of this data is not collected by a single body. However, I suppose you can get an indication of the scale of the problem by looking at the homelessness data. It is a reflection of the fact that people cannot secure affordable housing. Of course we can understand your concern as to whether ending no-grounds eviction is an extremely drastic and unnecessary measure, but from the perspective of the people who have undergone what it means to be evicted with no grounds, we can say for sure that it is a traumatic experience. Many of us, especially older people, don't have the means to easily find an affordable place. As you know, there is a housing crisis and rental has gone up tremendously compared to the pension.

Mr TIM JAMES: It is a housing crisis. It's largely a matter of supply, which is why I'm trying to think and work and analyse very carefully these potential legislative changes and what they might mean for supply, hence the desire to try to get as much clarity, depth, data and detail on the actual incidence and prevalence of this so as to ensure, as much as we can, that we're not bringing about a response that is disproportionate to the problem, if you know what I mean. It's a delicate balance. Thank you. I appreciate your testimony.

Mr CLAYTON BARR: Thank you very much, ladies. I too wanted to interrogate the data a little bit. I have a question from the Ageing on the Edge Coalition submission. It talks about an increase in the number of older people renting privately. There were approximately 240,000 older renters in 2021, compared to 137,500 in 2011. I want to clarify, when you use the term "older renters" and those numbers, are they individual tenancies? It could be one, two or more people that take out a tenancy that then become one of these renters. Can we clarify whether that's the number of tenancies or the number of individual human beings that are in a renting position?

YUMI LEE: I'll have to clarify that. I'll get back to you on that issue.

Mr CLAYTON BARR: To go across to COTA, I know that in your submission you talk about the dramatic increase in the number of no-ground evictions going from 5,683 in 2017 to—

GOHAR YAZDABADI: On that issue, we've updated our submission and taken that section out of it to clarify further data on that.

Mr TIM JAMES: That was redacted.

GOHAR YAZDABADI: Yes.

Mr CLAYTON BARR: That's an excellent reminder. I'm very sorry about that. I will ask the question in more general terms. Because a lot of aged people are on fixed incomes, can you offer a comment about the portion of no-grounds evictions that you think are taking place because the rent increase is going to outstrip the ability of the aged renter to pay the increase in rent?

GOHAR YAZDABADI: Anecdotally, I can tell you that we run an information line and more and more often we are getting telephone calls from older people that we haven't seen before. People are calling in and asking us questions about things like where they can get food supply. At the moment, for people that are on fixed incomes and pensions, they have a question of is it rent or my prescription this month? Is it rent or is it food on the table? What is it that I'm going to have to give up this month to be able to afford my rent? To me, that's a very clear indication that rent is coming in at a point that it is now a decision between being able to keep a roof over your head and being able to go to the doctor. It's a decision between being able to keep a roof over your head and eating that month. I think that really shows the sort of increases that we are seeing in rent and how they are outstripping people's ability to pay for rent.

Mr CLAYTON BARR: Do you then think that landlords are evicting people with no grounds so that they can increase the rents?

YUMI LEE: Yes, this is what we have heard. Three weeks ago an older woman came to our office and said that she was being evicted because she cannot afford—she was evicted and then she saw that the landlord had raised the rent by \$250.

Mr CLAYTON BARR: There are examples where they see that property back on the market at an increased price?

YUMI LEE: Yes, that's right. She said, "There's no way I can afford that."

The CHAIR: To clarify, if someone is on a fixed income or a pension, they wouldn't have even bothered to ask that person. In a sense, it's another form of ageism. They don't bother asking the person because they know they are not going to have the capacity to earn it and so then they would just evict them.

YUMI LEE: They have no capacity. That's right. The impact on them is quite severe because they find, "Now I cannot live in that area anymore, so I'll have to move to another area. To find somewhere else, I might have to move to regional New South Wales to find something affordable. That is away from my social network and away from my GP."

Mr CLAYTON BARR: Good point. Apologies, COTA.

GOHAR YAZDABADI: Not at all.

The CHAIR: In the comments you were making in response to the member for Willoughby and the discussion around supply—and I'm happy for you to take this on notice—my recollection was that, under the last Liberal-Nationals Government, we had record levels of housing supply as well as getting the latest Census data that gave us record levels of homelessness, and that was where the details around increased levels of housing and security for older women came out. I wonder if there is any data you can provide us around that but also potentially over the last five years or so the amount the pension has been raised compared to how rents have risen in New South Wales. It would be really helpful to be able to assist us to see how this is particularly impacting on older people. I'm happy for you to take that on notice. We don't need the data now so we'll give you the chance to be able to respond to that.

Finally, I'm 100 per cent on board that legislative reform is meaningless if nobody knows the law has changed, and that we need to communicate and educate people around that. What do you see as the necessary infrastructure and resources and funding required to ensure that older people in the private rental market are able to have further housing security as a result of this potential reform? Where and how would you see that resourcing best put in place? I'm happy for you to respond now but also for you to take that on notice if you want to provide further detail of what kind of funding would be necessary.

YUMI LEE: I have a few comments. Of course we will have to come back to you about the hard data. Just a commonsense view of it, the pension has risen according to CPI but rentals have gone up so much more—30 to 40 per cent. There is no way you can keep up. Already our pension rate is pegged below the poverty line. We can't run away from the fact that it is a massive unaffordability crisis now that we face.

GOHAR YAZDABADI: On the issue of the system as a whole, I think where we can really make a difference is the New South Wales Ageing on the Edge coalition's proposal for the Home at Last program. It would be one of the number one things that would be able to make a huge difference, and is a cost effective way of doing so. There are lots of other cost effective ways that we can see support for older people. The age at the moment, as I mentioned, is 80 before you are seen as a priority on the waiting list. Something that we can do that will cost no money is to bring that down and to see that in line with at least 67, where we see the age pension kick in. Outside of that, it is about empowering and finding organisations like COTA NSW, like OWN, to be able to go out there and do what we do best, which is give on-the-ground, grassroots information to our members to inform them and to empower them to take them out of the invisibility that I talked about at the beginning, and to empower them against the ageism that they face every day.

The CHAIR: Given there are specialist tenants advice and advocacy services based on region and different cohorts, do you think there is the need within the private rental market for older people to have specialist tenants advice and advocacy services?

GOHAR YAZDABADI: I would say absolutely, because what we see is that older people are in a unique situation at their time of life. The realities of ageing are that people are older. They do not have the capacity—like many other people in society—to go out and just work harder and get more money. They are facing significant health problems in a health system that is often difficult to navigate. They are facing social isolation and loneliness. All of these sorts of factors brought together brings you veils upon veils of vulnerability and veils upon veils of invisibility.

The CHAIR: Thank you both so much for appearing today. I'm conscious of the time. Thank you for the submissions you have made and for the ongoing work that both of you and your teams and organisations do to support older people in New South Wales, and for your commitment to seeing this reform and housing justice. A copy of the transcript from today will be provided to you so that you can provide any corrections back. In addition to that, the questions that you have taken on notice will be emailed by the Committee secretariat so you can respond to those. We ask that you respond to those by next Friday. That would be appreciated, given the tight timeframe we have.

(The witnesses withdrew.)

Ms NICOLA McDOUGALL, Chair, Property Investment Professionals of Australia, before the Committee via videoconference, affirmed and examined

Mr BEN KINGSLEY, National Board Chairperson, Property Investors Council of Australia, before the Committee via videoconference, affirmed and examined

The CHAIR: I welcome our next witnesses. Thank you both for appearing before the Committee today and giving us your time. I understand you have been provided with the Committee's terms of reference and information about the standing orders for witnesses. Do you have any questions about those?

BEN KINGSLEY: No.

NICOLA McDOUGALL: No.

The CHAIR: Great. Obviously, you are appearing remotely, but there will be video taken of this that may be used on social media. Let the Committee staff know if you have any concerns about that. Do either or both of you wish to make brief opening statements before we move to questions from the Committee members?

BEN KINGSLEY: Yes, I would like to make an opening statement, Chair. PICA thanks the Committee for the invitation to appear at this hearing today. We would also like to acknowledge that, given the current economic environment, we recognise that there are vulnerable members of the New South Wales community who are doing it tough and experiencing rental affordability challenges. We appear here today on behalf of our thousands of members and we're representing the hundreds of thousands of property investors who either live and/or invest their money and time in operating their small private rental accommodation businesses in New South Wales. They are the same everyday Australians who have chosen to invest hundreds of billions of dollars into providing private rental accommodation in the State of New South Wales.

They do this to provide financial security for themselves and their families. In so doing, they also directly inject billions of dollars into State Government revenue coffers via stamp duty and also land taxes, and indirectly by hidden taxes and charges that are passed on to them by developments. These funds go a long way in helping to provide health care, education and public housing for New South Wales. Their actions in running their small businesses also generate income and capital gains income, which also helps to provide that health care, education, infrastructure and public housing across Australia. Finally, if their small business goes well enough, it also means that they will forgo access to government support services such as a pension in retirement, as they will be self-funded retirees.

Throughout the course of these hearings and the many inquiries into the no-grounds evictions and into tenancy reforms in general, there has been no evidence of broad or systemic abuse towards the millions of tenants in New South Wales. Yes, there is evidence of isolated incidents of owners behaving poorly, as there are also isolated instances of renters behaving poorly. But again I reiterate there has been no evidence of systemic abuse. Landlords don't evict tenants for no reason at all. There is always a reason. Yet without any significant research or data into why landlords evict tenants in the first place, the Government of New South Wales is willing to risk reducing current rental supply and reducing demand for future supply. This will only hurt tenants more than it will help them. I look forward to discussing the data with you further at this hearing.

NICOLA McDOUGALL: Thanks for the opportunity to appear today. PIPA's research showed that 12 per cent of investors sold at least one property last year, with 20 per cent selling at least one in New South Wales. Only 24 per cent of those properties were bought by other investors nationally, down from 33 per cent the year before. As a comparison, 40 per cent of investors had sold in Queensland and 31 per cent in Victoria. Those are both States with perceived current or former anti-investor policies and taxes. Our research last year showed that New South Wales was seen as actually quite accommodating of investors. However, Victoria was seen as the least accommodating, and Victoria has the most depressed capital city property market in the nation at present.

Interestingly, South Australia and Western Australia were viewed as the most accommodating for investors last year. Both of these States are experiencing booming property markets, with significant stamp duty and land tax receipts because of it. Our research last year also found that, while the majority of investors had experienced holding cost increases of between 25 to 100 per cent, 83 per cent of those investors had passed on less than 25 per cent of these increases to their tenants. Research also shows that mortgage repayments have increased on average about 60 per cent since the pandemic. To put that into perspective, personally, the repayments on my investment unit have increased by \$1,600 per month and the rent has increased by about \$700 per month. Add in higher body corporate fees and council rates and I have a negative cashflow of about \$1,200 per month from that property, and I am seriously considering selling it.

I have already sold one of my investment properties, and that was bought by a homeowner. The repayments on my home loan have also increased by more than \$2,000 a month. The rent on my investment unit has only increased 22 per cent in the past 11 years, or 2 per cent per year which, as you know, is well below inflation, because of an oversupply of units in that area for a number of years. These sorts of numbers are not uncommon for investors, many of whom have never owned an investment property in a higher interest rate environment. For many the numbers just don't add up anymore.

At the same time there have been a raft of rental reforms over recent years. Our research last year found that 47 per cent of investors who had sold a property in the previous 12 months indicated it was due to governments increasing or threatening to increase taxes, duties and levies. Other reform-related reasons for selling included changes in tenancy legislation for 43 per cent of those investors, rental freezes as well as rental increase limits or caps. While it is understandable this Committee is seeking stability for tenants, as a representative for the property investment profession and for investors, we're also seeking stability in legislation for property owners. Thank you.

The CHAIR: Thank you so much for those opening remarks. I'll kick off the questions but just let you both know that it's absolutely fine for you to take questions on notice or to respond briefly and then say you would like to provide more detail on notice to any of the questions that are asked of you here today. I might, if I can, just start with both of you to ask if you can provide a bit more detail about the memberships of your organisations, the structure of it, how many members you have, are they institutional members or individual members. I guess if you can outline any fees there are involved in becoming members and what the governance structure is, just so we can have a sense of where you both sit in relation to that, and the constituencies that you represent, that would be most appreciated. I might go to you, Ms McDougall, first and then come to you, Mr Kingsley.

NICOLA McDOUGALL: Sure. PIPA is a non-profit membership association, so very similar to other membership associations around the nation for whatever industry. We were actually set up in 2005. The property investment advice sector is not a regulated sector, so we were actually established by our founders nearly 20 years ago as a membership body to help those who were, I guess you could say, the good guys and the good girls in the property investment sector as a profession, which, unfortunately, previously had not had a very good reputation.

We were established to become a membership association where our members voluntarily agree to abide by our code of conduct. They also undertake professional training which is provided by PIPA to raise the standards of the people that are working in property investment advice. Our membership encompasses anyone in property investment advice around the nation, though generally small to medium businesses. We have, for example, buyers agents, selling agents, mortgage brokers, conveyancers, property investment advisers and qualified property investment advisers, if they have completed the necessary training. We have builders and people who are working in property research and analysis. Anyone who is working in property investment advice, and who is working in the profession of property investment, is who we represent.

A key part of our history has long been representing our members at a Federal level because of the lack of regulation in the property investment advice space. That's what we've been doing for the past nearly 20 years. We have hundreds of members across the nation. As I say, they are all small and medium businesses. Often they could be a small buyers agency that might have a couple of staff. They do pay a small fee. Most of our members pay about \$595 a year to become members of our association, and we are completely self-funded.

The CHAIR: Self-funded just through those membership fees?

NICOLA McDOUGALL: And also the sale of our qualified property investment adviser training program which, as I said at the outset, was thankfully established by our founders many years ago because we wanted to raise the educational standards of people who were employed in the sector.

The CHAIR: I will ask a follow-up to that before I come to you, Mr Kingsley. I appreciate you said you have hundreds of members across the country, and there's a diverse scale and size of that. I totally appreciate that.

NICOLA McDOUGALL: Yes.

The CHAIR: I wonder if you could provide some detail of how much of a percentage of coverage you think you have for the sector as a whole? I appreciate that may be a bit of a how long is a piece of string question. But even if you can give me a sense of one sector in New South Wales, what area of coverage would that be?

NICOLA McDOUGALL: It's very difficult because, obviously, our membership is for people who work in property investment advice. It's a very niche part of the industry. Just because someone is a buyers agent in New South Wales, for example, does not mean that they are in the provision of property investment advice. Generally speaking, a lot of buyers agents are working with homebuyers, so they are technically not in the field of property investment advice. Similarly, we have many mortgage brokers as members, but they would be a very small percentage of your general mortgage broker who is out there working day in, day out.

We are quite a niche part of the industry, but we're a vital one and a really important part of the increasing sophistication of property investment advice over the years. We have worked very hard to raise the standards of people who are working in property investment advice. Clearly, we're out there providing consumer protection via increasing the standards of people who are working in the sector because, unfortunately, property investment has long been the domain of spruikers. Part of the reason why we were originally founded nearly 20 years ago was to try to prevent more and more consumers being targeted by spruikers, by creating a subset or an industry body but also a profession that has higher educational standards and more consumer protection for investors.

The CHAIR: Thank you so much for that. Mr Kingsley, did you want to provide your response to that question?

BEN KINGSLEY: Sure. PICA for short is run by property investors for the interests and advocacy of property investors. We are not influenced, as per our constitution, in regard to lobbying groups or anything like that. Our membership is \$5 for one year, paid by the property investor, or \$20 for five years. Currently we have just under 3,000 members across Australia, and that number is obviously growing as we need to do more and more advocacy work for situations like this. Also, for the record, we have associate members. They total 34. They've got no voting rights, but they might be businesses that operate in the property investment space.

The CHAIR: You're relying on those very minimal membership fees, so I'm guessing you're a volunteer-based organisation, is that right? Or you have sometimes paid staff?

BEN KINGSLEY: Yes, no-one gets paid. We've got no government funding, we've got nothing. We run on the smell of an oily rag.

The CHAIR: It seems your membership fees are the same as those for Young Greens wanting to join, so we're aligned on our \$5 membership fee.

NICOLA McDOUGALL: I just add that we are mostly voluntary as well. We do have one 0.8 of a full-time staff member at PIPA. We have a couple of paid contractors but, generally speaking, it's always been volunteers. I will add, actually, we do have a couple of corporate sponsors now as well, which just started last year. But again, it has been very grassroots for many years and run, generally, by altruistic people in the industry who are giving back.

The CHAIR: Thanks, Ms McDougall. If you are able to provide details on notice on the corporate sponsorship and how that works, that would be useful. Mr Kingsley, I'm happy for you to take on notice—it would be really great to get a sense of how many of those members are in New South Wales, if you can provide that breakdown?

BEN KINGSLEY: They are the bulk of our membership. From memory, I don't have it on hand right now, but I think it's around a thousand. I will take that on notice.

The CHAIR: Great, thank you. I might go to the member for Cessnock first for questions, just because I think the Deputy Chair might be having some technical challenges. Apologies, member for Cessnock, I thought you might have also been aware of that. I will come to you first; then I will go to the member for Willoughby and then come to the member for Parramatta.

Mr CLAYTON BARR: Sure. Thank you very much. Ms McDougall, you described your own personal investment situation scenario. I don't want to dig deeper into that; that's your own personal business. But if you could talk more broadly about investors, as you understand it, do people get involved in investing and becoming landlords because they've got some deep interest in housing people or do they get involved and become landlords because they're trying to grow wealth?

NICOLA McDOUGALL: I think the private investor market has certainly increased, clearly, from the mid-90s for a couple of decades there. That may have been because of some of the policies came in at that time. Let's be clear that the ATO data consistently shows that around 70 per cent of investors own one property, so we're not talking about people we often see in the media, stories about investors—and I don't like the using the word "landlord", to be gender non-specific—we are talking about investors that own six or 12 or 20 properties. They are the exception rather than the rule. Most investors are like me; they might own one or two properties. For me as a single woman, I always wanted to be able to probably improve my financial future later on down the line. I don't want to be relying on the pension in retirement. That's predominantly why I have done it.

When we have researched investors—and we do that regularly—the vast majority of people are wanting to do it to be self-funded in retirement so they won't be drawing a pension. It's actually, for them, about being able to improve their financial position over the long term. Thankfully, property investors have become more educated over the years. The property investment profession has become more educated too. That allows investors to make smarter decisions. But fundamentally we are taking all the risks here. I guess like anything, when it's got a

significant amount of money involved—we're talking about hundreds and hundreds of thousands of dollars—clearly there has to be a return at some point.

Mr CLAYTON BARR: Mr Kingsley, did you want to comment?

BEN KINGSLEY: Yes, absolutely. The research is pretty clear: Yes, they're running a small business, whether that's a side business from their day-to-day duties, and they are absolutely looking for a return on that investment. That would be considered as part of a risk-adjusted assessment that they would be making. Ultimately individuals and households can choose to invest in equities, bonds, term deposits and/or direct residential property. We do know from the research that a lot of investors do like to invest in residential property because they can understand it.

Usually there are no significant changes that go on, so they've got reliability in terms of the risk profiling. That is currently under debate, and we can see that in the data now around some of the reform agendas that are going on are causing uncertainty and distrust in terms of the confidence of investors. That's absolutely supported by the data, if you look at the ATO data as well. Make no mistake, it is a choice that they get to make with their own wallets as to where they inject their tens of billions of dollars. We know that predominantly they're around 30 per cent of the marketplace.

Mr CLAYTON BARR: Ms McDougall, I take on board your comment and correction about the term "landlord". I will change my ways as best I can. I apologise in advance if I slip.

NICOLA McDOUGALL: Thank you.

The CHAIR: As a hardcore feminist, I'm fine with "landlord".

Mr CLAYTON BARR: In terms of interrogating your data, for both of you, the correlation doesn't necessarily mean causation. Full disclosure, I'm an investor; I have a couple of investment properties. I've got tenants, the whole bit. There is a whole bunch of things happening in the market, particularly over the last three or four or five years since COVID, that might also play into the increasing number of people selling investment properties to free up—and I think, Ms McDougall, you described a situation yourself personally. I'm having trouble deciphering some of the data without obviously reflecting on the many, many other factors at play in that same time period. Do you have a comment about that?

NICOLA McDOUGALL: In regard to our research that we conducted in 2022 with investors, the number one reason why they said that they sold was to make the most of rising market conditions. In my statement at the beginning when I talked about our research last year, the top reasons why they were selling had shifted within a 12-month period. But in 2022 when we asked them exactly the same questions, the number one reason was to make the most of rising market conditions. The motivations for selling do ebb and change depending on a number of factors, including market conditions. If we think about when our research was conducted last year, market conditions were quite flat, but the year before they were not. There are a variety of reasons why investors sell.

What's important to be clear about here is that, until relatively recently—and I've been on record saying this a few times—no-one actually really took any notice of what investment sales activity was. It was only a couple of years ago when, for example, PIPA—we started doing it obviously and PICA as well but also some of the bigger property data houses out there too—started actually tracking investor sales activity on a greater level because previously there had been an equilibrium, right? Prior to COVID, we saw those vacancy rates generally—there were some local fluctuations depending on various supply things that were happening, but generally we had a really stable rental market, and so no-one really cared about whether investors were selling or buying. But because of the situation, the rental crisis that we have now, this is why we are actually getting all these metrics, all this data available. It actually didn't exist before.

Mr CLAYTON BARR: Ms McDougall, just in terms of the data that you've provided, I can only assume that people were able to choose multiple answers when they responded because it adds up to 180 per cent or something.

NICOLA McDOUGALL: Yes.

Mr CLAYTON BARR: I guess, Mr Kingsley, you mentioned right at the start that some landlords are bad, just the same as some tenants are bad. I've had some bad tenants and it has been a very expensive experience for me, but renters have a register of bad behaviour. Would you support a landlord register of bad behaviour?

BEN KINGSLEY: I'd like to see the detail of it, but I'm not against the idea that it can happen—a name-and-shame site, if it had some sort of independence attached to it. But then you've got the bureaucracy associated with that. I tend to feel like these are small business operators. Their tenant is their client. They want to have a great working relationship with that client. If that client also does the right thing as per the agreement,

then we believe that around 95 per cent of most tenancy relationships are at a satisfactory level in the sense that they get safe and quiet enjoyment of the lease arrangement and obviously the owner gets a reasonable rate of return to obviously be tying that capital up.

I think what we need to understand here is that, as much as the sensationalist quotes that are going on and a lot of narrative around anti-property investor—we take great offence to that; it's insulting and it also creates distrust in future investment into the property space—if you can't get reliable regulations, you're not going to throw hundreds of thousands of dollars at investment property. Let's be reasonable here; in the sense that, what does constitute reasonable grounds? If those reasonable grounds are too unreasonable, the real question: Is it going to be 2 per cent, 5 per cent, 10 per cent or 20 per cent of investors that choose not to invest in, or to divest themselves of, New South Wales?

None of us know the answer to that question but what we do know, through the data, is that there are instances—and I'm talking instances in the thousands of transactions that we're collecting—where the decisions by the Government of the day to provide certain regulations or reforms are seeing some investors tap out, and they're now seeing borderless investing being more and more a thing. I think it's we're naive to think that even if we get uniformity across all States and Territories, maybe because we have a certain political party in power at that time, you're also going to be realising that that tens of billions of dollars of investment that you talk about each year, blowing in from literally—there's probably around 100,000 transactions from investors each year in the property market. Where that money is going to go is to States and Territories that have the most favourable conditions to attract and incentivise them to invest. What you're not going to get, through risk of financial penalty or through the risk of not being in control of your asset—you run the risk of divesting or moving that money from one location to another.

That's what you're attempting here. You're attempting to try to thread the needle in terms of trying to get the balance right between the responsibilities of the landlord—or the small business private rental accommodation provider, as I refer to them—and also the tenant. That's what I'm really concerned about. Could there have also been other tenants that have had bad relationships and are worried about documenting their frustration with their landlord? Yes. But where we're at right now, based even on the data quoted by the Chair, if we're talking about 13,011 evictions, as reported by the NSW Civil and Administrative Tribunal against, say, two million property investors, that's 0.65 per cent of all renters. Let's say we do a ratio of 1.6 per cent people per property. That's 1 per cent. What you're trying to do here is introduce legislation that has absolutely no upside at all for the small business owner—definitely upside for the tenant, potentially, but that's what you're risking here. So if it's 2 per cent—

The CHAIR: Mr Kingsley, can I jump in to clarify on this? I'm finding it a bit hard to understand two lines of thought coming through in your submission and then what's being provided. On one hand, and I appreciate in your opening remarks and your submission, you've said that asking people that are investors—if the relationship is good and if rent is being paid on time, that there's no intention for landlords to evict a tenant. But then on the other hand you seem to be strongly objecting to this reform. I'm finding it difficult to reconcile how simultaneously investors are not doing this already and how putting this protective mechanism in place in legislation to provide renters with more security is going to have these disastrous consequences? I can't reconcile these two things in my head and I wonder if you could take us through the logic of that. Maybe it has something to do with marriage and divorce, as another example, but let's not go there for now.

BEN KINGSLEY: I think the marriage and divorce one is really interesting. When we hear dialogue—

The CHAIR: I said let's not go for there for now; let's go back to the other one first, shall we? If we get time for marriage and divorce later, we can chat about it.

Mr TIM JAMES: He can answer the question however he wants.

BEN KINGSLEY: It's every 10 minutes that that happens, right? They have a loving relationship. Let's go to HR legislation as well, where, in the first six months or 12 months, you can set up a probation period. Under that probation period, the employer does not need to give a reason as to why they've decided not to continue the employment. What we've got to be realistic and have some common sense about is that there absolutely are good working relationships and there are sometimes irreconcilable differences or differences of opinion, or in some cases a difference of ideology, in terms of how this plays out.

How you reconcile this is—you're right that it's not going to be 100 per cent of people just packing up their kit and then leaving the New South Wales property investment market. That is not going to happen. That's not what we're talking about here. But what we are talking about are people who, under behavioural economics, through endowment effect and also through loss aversion—and we know the combination of those two things towards an owner of something—a percentage of them will sell up or a percentage of them will say, "I'm not going

to invest my hundreds of thousands of dollars into this particular market." The question for the government of the day is simple: Do you want to lose 2 per cent, 5 per cent, 10 per cent or 20 per cent? We talk about a million properties, to round it up. That's roughly what is in New South Wales in terms of the rental stock. So that is 20,000 less properties you want?

The CHAIR: About two million people.

BEN KINGSLEY: No. If you look at the Census data and you extrapolate that out from 2021, there were 944,000 rental properties provided by private rental accommodation providers, and if you look at that run rate compared to 2016 to 2021 Census data, you will get over a million in terms of where it should be today. You have the million properties, you have two million renters—that's based on, obviously, the size of number of people inside a property. So you're talking about 2 per cent; that's 20,000. If it's 5 per cent, it's 50,000. We won't know the number because, in a lot of respects, a lot of mum-and-dad property investors don't even know this might be occurring. They will find out in due course. That's the lag effect that we've also seen happen in Victoria, when—

The CHAIR: I appreciate there is a lag. There is a whole issue with the fact that we don't register landlords in this State. There is a whole issue with the fact that you're acting as a small business, for profit, you are doing all of these things but it's completely lacking in any registration or ability to communicate. We saw that during COVID. There is absolutely a need to improve the way that we are collecting that data.

BEN KINGSLEY: Yes.

The CHAIR: I hope we'd all agree on that. But the bit I can't understand is the argument that this is not going to be an issue because people are already good landlords, they're already treating their tenants well, they're not evicting them for no reason, the system is working well and, somehow, this reform is going to be so significant that it's going to cause people to evacuate from the market, when you're suggesting that people might not even know that this reform is on the table. I can't reconcile these elements in my head.

BEN KINGSLEY: We can only go by—

The CHAIR: Ms McDougall, I'll come to you first, to let you weigh in. Then I'll go to the member for Willoughby for his questions, and we'll continue on from there.

NICOLA McDOUGALL: In answer to that question, from my point of view, it is also about perception. Property investment is based on confidence. Obviously, there is the financial ability to do it. But generally speaking, most investors are the most active when conditions are favourable. That could be legislation or it could be market conditions. In response to that, it doesn't really matter what the impact of it potentially could be; it's about how it's perceived by investors. If the past few years have shown us anything, certainly in Victoria and certainly here in Queensland, investors vote with their feet when they feel like they're being attacked. Regardless of whether the policy or the reform is a big one or a small one, unfortunately, many investors react emotionally. While there seems to be a cohort out there that think it's great that investors are deserting the market, one only needs to look at the rental vacancy rate around the nation and the fact that it's entrenched to know that—and there are a myriad of issues with the rental market at the moment, but the fact that there are more investors that are selling than are replacing them is a serious problem. And when we have such a plethora—

The CHAIR: Can I pick up on that point, quickly? I think it would be good to get to the bottom of this. Ms McDougall, on page 1 of the PIPA submission, under the heading "How did we get here?" it is stated:

The evaporation of available rental properties did not happen overnight ...

I would argue that houses don't evaporate. They're not evaporating. They're either being bought by another investor or they're being bought by a home owner. I wonder, in your experience, how many houses have you seen evaporate entirely in that space?

NICOLA McDOUGALL: I would have to get back to you on that but just an understanding of how we got here—from 2015 onwards, there were APRA lending restrictions that were in play predominantly because there was a huge number, an abnormal number, of investors active in New South Wales. APRA brought in some lending restrictions. From that moment on, when you look at the ABS data from 2015, you actually saw lending to investors continue to track down for many years. It's only just recently returned to more historical levels. I often say that it's kind of like a perfect storm of factors that has happened to create this rental crisis around Australia and it partly began in 2015 when the normal volume of investors couldn't access lending.

Talking about even myself, for example, sitting here in Brisbane, our property market was very flat. We had falling rents, we had an oversupply of properties, but the lending restrictions that APRA instigated were applied around the nation even though the issue at the time was in New South Wales. So we saw a huge volume of investors who would normally be transacting or getting into the market that just didn't happen. Then obviously we've had a huge number of things happen since then, including COVID—obviously the huge number of overseas

migrants into the country. When you add on top of that all of the investors who have also been selling, it's a situation that we've found ourselves in now. Like many disasters, it has a number of moving parts that have come together at the same time.

The CHAIR: Just to check in with our witnesses, I appreciate we were supposed to finish, but just to give other members questions, are you happy to go for another five to 10 minutes?

NICOLA McDOUGALL: Yes.

BEN KINGSLEY: Yes.

The CHAIR: Thank you both so much. Member for Willoughby?

Mr TIM JAMES: Five to 10 minutes? Alright.

The CHAIR: Not five to 10 minutes just for you. We haven't heard from the Deputy Chair as well.

Mr TIM JAMES: I'm very conscious of that but I note we've been going for quite some time. It is 12.32 p.m. According to our schedule, it's lunchtime and this is now my first opportunity to ask a question. So I do note that with some concern.

Ms DONNA DAVIS: I haven't asked one either.

Mr TIM JAMES: Duly noted. Others have been very enthusiastic in their questioning of these witnesses. Can I first ask about data? Because any legislative response should be proportionate to the problem. I've been trying to ask a lot of witnesses how prevalent this is, how much of a problem it is, how much it is happening in the real world. We heard the other day—I think this is broadly consistent with what you've brought forward to us—there are about a million renting households in New South Wales and there would be 28,000 no-grounds evictions each year. Have you got any sense for data on your side, recognising that came, I think, from the Tenants' Union. To me, that speaks to a concern about the relativity of the proposed response here. I welcome your comment.

BEN KINGSLEY: Tim, I'm very happy to pick up on that comment as well. All of the research and data that we've tried to collect in regard to complaints and the like do not get us past 3 per cent of the total rental pool in terms of this being a serious problem. So even the unreported stuff, if we were to double that or even triple that, none of the evidence that we can find can support less than 90 per cent of rental and small business owners' relationships being acceptable. I'm not saying they have to be great and they're in loving relationships; that's not where we're going here. But that is the point we're trying to make. Is this a sensible, proportionate response with a 180 degree flip of the legislation when a lot of renters aren't necessarily there by choice? There are many renters who rent by choice and also you've got to think about, obviously, that human capital movement and the critical need to have rental supply for growing economies, or whatever that may look like, and obviously for new arrivals into Australia. That is a concern for us in the sense that that is disproportionate in terms of the problem that we're trying to deal with here.

Mr TIM JAMES: If there are no further answers, feel free to supplement. Otherwise, I'll go to my next area of questioning, which relates to what the impact would be—some of my fellow Committee members seem to come back to this notion that properties don't disappear. If they were to be sold on the back of burdensome or unsuitable legislative change, some people keep coming back to the notion that, "The property doesn't disappear, so there's nothing to see here; there's nothing to worry about". But I want to take you to page 12 of the Property Investors Council submission, which I found quite compelling. What this speaks to is the very clear contrast between Victoria and Western Australia. This is ABS lending data.

I just want to clarify—if I've understood this correctly—that this is very current data from the Australian Bureau of Statistics that says how much borrowing has there been for housing finance for investment purposes—namely, for rental properties. You can see in Victoria, over three years, 4 per cent; and you can see in Western Australia, 160 per cent. Those numbers, I don't think, tell a lie. Can I just invite you to unpack that? Some of my Committee members, with respect, will say that correlation is not causation and so on and so forth, but that is a compelling set of statistics. I'd invite your remarks, please, further.

BEN KINGSLEY: That is unequivocal in regard to what we've been talking about, in the tens of billions of dollars that are at risk of future investment into New South Wales or into other States and Territories. Investors, small business property investors, have become more attuned to borderless investing. Technology, buyers agents—those abilities to invest their money interstate. We know there is obviously a lot of activity happening over in Western Australia. I bring to that point—imagine if that investment in future supply didn't arrive, just how difficult that Western Australian market would be, considering that they still have vacancy rates of just over 1 per cent.

I think it's a very clear indication that, ultimately, it's a choice from these small business operators as to where they place their money and how they invest or divest of their current portfolio or interest in property. I think that is what we're talking to here: We're not talking about 50 per cent of the market drying up overnight, but we are talking about tens of thousands of properties at risk. To the question earlier about the evaporation of properties, that is true. That property does not evaporate, but it is not a one-for-one exchange. We need to understand the dynamics of the marketplace. Let me give you a very simple example: If you have a share house with three tenants in that property, and one of those worked very hard to save for a deposit and buy their first home, ultimately that share house still stays in the marketplace, but that new property has obviously then absorbed one of the existing properties that may be available.

That was evidenced also in a presentation recently delivered by the Reserve Bank Deputy Governor, who talked about the population size inside properties. I bring to the attention of the Committee in terms of a chart that was shared—that sourced ABS data—that from 1911 to 2021 the persons per household have gone from around 4.5 people per household to 2.3 people per household. But we are going to see an increase as rents continue to rise because of lack of supply. Those rents will grow and we will see that one-for-one exchange doesn't happen. The property doesn't evaporate, but the dynamics of the market adjust to the economic circumstances. We will see less available rental property and we will see more people in share accommodation based on the affordability. That is the risk of giving the choice to the small business owner of where they invest their money.

The CHAIR: Mr Kingsley, I think, in relation to that, we will also see, as a result of the growing cost of rents, more and more dangers in terms of overcrowding as well, where we see people living in much more overcrowded spaces because people can't afford, on their income, to be able to rent one room. We see them renting or hot-bedding in the inner city because rents are so astronomically high.

Mr TIM JAMES: NSW Labor, in bringing forth its positions, and, with respect, The Greens too—both have pointed to the reforms of the ACT and South Australia, both of which I think have either just come in, or ACT might have come in last year. I want to any invite feedback, comments, insights, observations or otherwise that you would make in respect of those jurisdictions. It's probably too early to be pointing to market effects, but some people here in New South Wales say, "We can do it, no worries, because other people are doing it." I think the Victorian example is really quite stark, and I've just spoken to that. Any observations, please, that you have on ACT and South Australia would be helpful.

The CHAIR: Given the time, I ask that you do it briefly. I'm happy for you to take extra as questions on notice. I'm conscious that the member for Parramatta hasn't asked questions and that the member for Willoughby had another one as well. If we could all be aware of time, that would be great.

NICOLA McDOUGALL: The only thing that I would say to that is you're right, with the data—none of this stuff happens overnight. It does take quite some time for the data to flow through. What's interesting with our research last year in regards to Victoria was the fact that investors were very negative about Victoria, but this was actually before the new land tax regime came into Victoria, so that was mainly based on a raft of rental reforms that happened leading up to that point of time.

BEN KINGSLEY: My comment on the ACT is it's predominantly a no-go area for the land tax costs. Anyone needs to model out land tax. It's absolutely exhaustive in the ACT. They will struggle to attract future investment into that particular market outside of units. In terms of the South Australian legislation, we're deeply concerned about the provision of being forced to sell a property with a tenant in place. That in itself is really damaging, financially, potentially, for the small business owner as well. That is just crazy legislation. Once that legislation becomes more well known, I think you will start to see more hesitancy in terms of investment into that particular marketplace.

Mr TIM JAMES: Given the limited time that I've had and that you've had to answer, please feel free to add to any of these in supplementaries. My final question pertains to a report that so many submissions to date to this Committee has raised: the AHURI report of 2022, by which we're effectively told by a range of stakeholders coming to this Committee that there's not going to be any likely consequence and property owners are very unlikely to be responsive to this potential legislative change. I think one of your submissions has hit this on the head—as I've tried to do, with respect, as well—to say that report was referencing and analysing data from two jurisdictions well before any changes to no-grounds evictions. I think it is barely referable as a credible point for arguments to be made on these matters. Can I just invite your comments on that? Just because it has come up and it is quoted in so many submissions of those who are absolutely in support of what is in front of us as a committee.

BEN KINGSLEY: Yes, I'd like to add to that. Thank you, again, Mr James. We've debunked a lot of the inconsistencies and relevance of that report based on the bonds data, which only went up to 2020. You've got to remember, a lot of the tenancy reforms started to begin from March 2020 and beyond, so to look back and say there's been no impact—and then, obviously, we all need to now simply look at the graph we've got in our report,

referencing the impact of tenancy bonds that are occurring right now in Victoria. They are falling off a cliff. Fifteen thousand less properties in the last 12 months alone demonstrates that data cannot be relied upon. I also make—

The CHAIR: Mr Kingsley, can I ask you to clarify—

Mr TIM JAMES: Can't he just finish the question?

The CHAIR: I just wanted to ask because you said you've debunked a lot of that. Can you provide on notice the research or the details of where that's been debunked? I'd appreciate that.

BEN KINGSLEY: Chair, that's in our report.

Mr TIM JAMES: I'd appreciate it if these witnesses were not interrupted so often.

The CHAIR: Let's not make it something that it's not, member for Willoughby.

Mr TIM JAMES: Just let them finish.

BEN KINGSLEY: Just to be clear, Chair, it's actually in the report. We have taken to task that report as basically being outdated, and we raise our grounds inside our submission in more detail, so I refer you back to our report. In respect of the—sorry, I have lost my train of thought now. What were we talking about?

Mr TIM JAMES: The AHURI report and its credibility, timeliness or otherwise.

BEN KINGSLEY: That's right. Inside there it referenced that 47 per cent of people—and I've heard this also being quoted a lot that just say tenancy reforms has no impact on their position. They didn't understand what sort of tenancy reforms could come in—i.e. minimum standards, animals, minor alterations or all of these types of things. When you're collecting that data way back when, and then you're starting to see the unintended consequences of those new law reforms coming through—including the increased operating and holding costs that then ultimately get passed on to the tenant—it's difficult to say that. But even if 47 per cent said it's unimportant for them or irrelevant for them, 53 per cent are basically telling you that they're aware of it. Again, I refer back to this is not about everyone leaving the market. The question that you're asking yourself is it going to be 20,000, is it going to be 50,000 or is it going to be 100,000 households—i.e., 2 per cent, 5 per cent or 10 per cent—where that money is going to be redirected to other markets?

Ms DONNA DAVIS: After what we've just had asked, it's probably quite relevant that I ask this question that I have been sitting on for a while. In relation to the Australian Housing and Urban Research Institute report, they talk about mum-and-dad landlords and why they sell their rental investments. It states that only 14 per cent of investors surveyed nominated dissatisfaction with tenancy laws as very important in their decision to sell. It states that 50 per cent say it's a good time to sell and realise capital gains; 47 per cent want money for another investment; 36 per cent say rental income was insufficient; and 35 per cent said maintenance costs are too great. Fourteen per cent is significantly lower than those other reasons. Would you like to expand on that? Seeing as though you have already spoken on this, maybe if I hand it over to you from PIPA, if you would like to speak on this.

NICOLA McDOUGALL: Just to clarify, is that research the same one we were talking about from 2020?

Ms DONNA DAVIS: No. It actually says 2022. It's in a publication by AHURI, but it was done by—

BEN KINGSLEY: Just for clarity—

Ms DONNA DAVIS: I really wanted you to comment on the fact that it states that only 14 per cent of investors surveyed nominated dissatisfaction with tenancy laws as very important in their decision to sell.

NICOLA McDOUGALL: I think I could answer that, yes.

Ms DONNA DAVIS: That's what I really want to focus on.

NICOLA McDOUGALL: I would like to provide more information. In answer to a previous question today, I did say that even our own research in 2022 found that the number one reason why investors were selling was to make the most of rising market conditions. It depends on who was doing the research, I suppose. It depends on the questions that are being asked. I'm happy to provide this to the Committee afterwards—the variety of questions that we asked of investors in regard to their selling activity and their selling intentions for the year ahead.

As I say, in 2022 the number one reason why investors were selling was not because of rental reforms; it was because the market was strong. I don't actually know, in regard to the research that we did 2022, how further up some of the other answers were. Certainly, last year, 47 per cent of those investors who have sold said that they were predominantly selling because of the increasing government charges and dues, but also changing

tenancy legislation. As I mentioned before, the market conditions were much further down the list of reasons, because market conditions were very flat at the time.

BEN KINGSLEY: Ms Davis, would you like me to also provide a quick response?

Ms DONNA DAVIS: If you'd like to, yes.

BEN KINGSLEY: Fourteen per cent, based on one million properties in New South Wales, is 140,000 properties that may potentially be falling into that category of those people who take serious intent around that type of rental reform. I have read that report extensively, and I've made many comments in regard to the questionnaire inside that report, which was done prior to a lot of rental reforms going on right around the country. The sensitivity that Nicola speaks to, and in terms of the confidence that is now being possessed, is also then showing up in the ATO data in terms of the actual number of individual property investors across Australia is on the decline. I think that's really important to also clarify there. We agree that this isn't going to stop everyone from investing in New South Wales. But the question for you and for those people looking for future tenancy in New South Wales—if that supply is constrained, that is based on the decisions of these small business operators in terms of where they put their money or where they divest their money from.

Ms DONNA DAVIS: I have one question, if you can be brief or if you are happy to take it on notice. My colleague Mr Barr mentioned having a register of landlords or investors, but particularly landlords, I think, is a more—sorry, I'm not averse to the "lord" bit because having been a lord mayor and not a lady mayor I'm used to it. But a register of landlords. I have met with a significant number of renters in recent times and one of the proposals put forward by some of them was "We do need a register of landlords." Have you ever given consideration to the need for landlords to potentially have an ABN or some type of registration so that we are able to keep track of what's happening in this space?

BEN KINGSLEY: I'm data led. I love collecting data and I love making decisions based on data. Having the idea of tracking who's an investor and which property is an investor and having the idea that if there was an eviction or in terms of the story around what—building that data before we then start making legislation is a terrific way to go in terms of building up and making informed decisions as opposed to the current situation we find ourselves in.

Ms DONNA DAVIS: Sorry to cut you off. I know we're conscious of time.

NICOLA McDOUGALL: I think, as well, obviously for State governments it's within their power to create such a database. It certainly would make it easier to communicate many of these changes directly to investors. At the moment, they are reliant on the professionals that they work with—often their property managers—to pass on this information. Governments make a raft of changes and actually have no way, apart from perhaps the media, of communicating it to the people that it affects the most. While I am mindful of time, I can't help but say that the hearings of the last two days—and we are very thankful of being here. I recognise there have been 25 representatives for tenants and just three of us for property owners.

The CHAIR: If I can make that just really clear, in terms of the representation of submissions that were made, that is reflective of the submissions of organisations that were received. The Committee is only in its capacity to reach out and reflect on what is engaged. Given the evidence that we've seen by Mr Kingsley here today and was submitted, it appears that most landlords actually don't intend and don't want to use no-grounds evictions and so, therefore, a change to tightening that up actually probably won't have a lot of effect on them. Maybe that's why we've seen that level of change.

BEN KINGSLEY: Not quite what I said, Chair, but thank you.

NICOLA McDOUGALL: Agreed. While it might be seen as a minor change, I guess we will find out whether that proves to be the case in the next year or two.

Mr CLAYTON BARR: Can I ask Ms McDougall to take on notice, if you don't mind, how many people responded to the survey that you put out? You might know that number off the top of your head.

NICOLA McDOUGALL: About 1,750.

The CHAIR: I acknowledge that we have gone over time. Thank you for taking the extra time. I am pleased that we were able to have over an hour to discuss and hear from you and your perspectives in this session. I wanted to also let you know that a copy of the transcript will be provided to both of you so that you can provide any corrections to any facts or errors that are required. In addition, the questions that you have taken on notice will be sent to you in writing by the Committee secretariat so that you will be able to respond to those. We're asking if responses can come through within the next week so that we can deal with the tight time line set for us

by the Parliament in relation to this inquiry, given things are moving quickly. Thank you both for your time and for appearing today.

(The witnesses withdrew.)

(Luncheon adjournment)

Mr TIM McKIBBIN, Chief Executive Officer, Real Estate Institute of New South Wales, before the Committee via videoconference, sworn and examined

The CHAIR: Welcome back to everyone to the afternoon session of the public hearing for the Select Committee inquiry into the Residential Tenancies Amendment (Prohibiting No Grounds Evictions) Bill 2024. I welcome our next witness, Mr Tim McKibbin, who is the Chief Executive Officer of the Real Estate Institute of New South Wales, who is appearing via videoconference. Thank you, Mr McKibbin, for appearing before us. Video and potentially images of this hearing will be used in social media and in other communications, so let the Committee staff know if you have any concerns about that. Thank you very much for joining us. Would you like to make a short opening statement before we begin questions?

TIM McKIBBIN: Yes, thank you. I would. I would like to say that this issue has been with me now for 20 years. I've been at the Real Estate Institute for 20 years in October, and the lack of property in both owner-occupier and rental has been with me for that time. People often say we can't solve the problem overnight. Well, we haven't been able to solve the problem in 20 years. The other thing I would say is that all stakeholders agree that the real problem here—the underlying problem—is a lack of property. What I see—and, with respect, I think this particular issue is treating a symptom of the problem—is a lack of property in our market.

I would also like the Committee to recognise that we're not dealing with a chicken and egg scenario. Before we can have a tenant, we need an investor. We need somebody to decide to invest in residential rental property. We also need to recognise that that person who elects to become a residential rental landlord is an investor. I think that's very important. What investors want, whether it's in residential rental property or any other investment, are essentially three things. They want their asset undamaged. They want it protected. They want the maximum annual return on their investment, and I underline the word "maximum". They want the maximum capital growth for their property. We also need to recognise that residential rental property is only one of numerous investment opportunities that investors have. For people to put money into residential rental property, it has to be the most attractive option in the market—so beating shares and various other investment opportunities. Currently, I hold concerns about that.

I also think that we tend to deal with symptoms of the problem and, in doing so, that we make the problem worse. I think these current reforms, whether or not in your bill, Ms Leong, or in the Government's initiative that was announced on Sunday, will drive investment from the market. The very sad irony will be that the big loser here won't be investors—their money will go elsewhere—but the big loser will be tenants. I would finally recommend that the Committee do as I do and track the rental bonds that come in. Last month—and when I say last month, I'm talking June—we lost 1,200 properties out of the market. We were going backwards last month. On average we have achieved, since September last year, month on month, 218 new properties a month. That's our growth per month. Thank you.

The CHAIR: Thank you so much, Mr McKibbin. We'll now turn to questions from the Committee. Just to let you know, and I'm aware that you have done this before, there is the ability for you to take any question on notice. If you want to provide a brief answer or take something on notice and get back to us, that's totally acceptable and open to you in terms of this questioning process. I might kick off. Mr McKibbin, can I ask you to provide a bit of detail about your organisation's membership model? I am keen to understand, if you could outline for us, how many members you have and who the members are—are they individuals or institutional members? What kind of fees do they pay? Are there any sort of requirements of becoming a member or staying a member?

TIM McKIBBIN: Yes, we are institutional membership. We have around about 2,350, would be my guess, and they are the agencies. You would have an agency on the high street in your suburb; that would be one member. Similarly, Colliers in George Street, with 500 people that work there, would be one member to us. The members' fees are around about \$2,000 a year. That entitles all of the employees of that member firm to become members also, free of charge, and to access our various services. We recently—and I say recently, probably 18 months ago—changed the objects in our constitution. We changed that so that we could better describe what we see as our role. We take the view, and our mantra here is, that we believe that what is good for the consumer

is good for the market and is good for the property services industry. We start with the consumer. We are looking at this problem that way—

The CHAIR: Can I just clarify, is the consumer in this case the property owner who is engaging the agents, or is the consumer the person who is renting or buying the property? Who do you define as the consumer in that context?

TIM McKIBBIN: Both, and I think that's a really good question. Too often we don't recognise vendors or landlords as consumers and they most certainly are.

The CHAIR: Because they would arguably be your clients, the clients of your members, yes?

TIM McKIBBIN: Yes, they are. That is right.

The CHAIR: So just to follow up on that and then I will pass onto the other Committee members and then come back at the end with some other questions, I wondered if you could provide a bit of detail around, if your membership is providing sort of \$2,000 per institutional member, is all of your funding received through that or are there other avenues for funding for the Real Estate Institute?

TIM McKIBBIN: We provide some services. Agency agreements is a big one for us, and also training and some other ancillary things, but the latter is not overly profitable for us. But we support our members in the market with those things.

The CHAIR: That is helpful, because in terms of one of the submissions that we received, it was identified that actually the proposal to end no-grounds evictions—and it was from the Shelter NSW submission, page 3:

The proposal to end no-grounds evictions also goes to the heart of a business model that profits from the churn of renters in and out of tenancies. Real estate agents profit off higher churn in the rental market through listing fees, drafting up contract fees, and the ability to increase rent between tenancies and receive a greater cut on commission.

So in that context, the ability for your members to be able to get a profit and be able to be sustainable in the businesses that they are in, whether they are, as you say, the Colliers model or a smaller agency on the high street, how much of their income is coming from investors that are then leasing out their properties and how does that churn relate? Do you have any comments in relation to that?

TIM McKIBBIN: If we're limiting that question to property management, and I assume we are, then the agent is paid a commission based on the negotiation that they have with their landlord, so the fees are not set. If we are dealing with a landlord that is being paid \$10,000 rent a week, if they are fortunate enough for that—something in lower North Shore, the eastern suburbs—the agent would probably not be receiving 6 per cent or 8 per cent. But if they are in other parts of Sydney, they potentially are.

The CHAIR: Just to clarify, when you say they are not set, the income coming into the agents is going to be dependent on what the rental charge is, so what the rents are?

TIM McKIBBIN: No, the income to the agent is a negotiated figure. I didn't make myself clear, apologies.

The CHAIR: Sorry, the sound is a little bit low. We have you clearly but I just missed that bit of it.

TIM McKIBBIN: So the two examples I gave, if a landlord was receiving \$10,000 a week in rent, as does happen—lower North Shore and eastern suburbs—then the agent would not, I would suggest to you, be receiving 6 per cent or 8 per cent of that.

The CHAIR: I see.

TIM McKIBBIN: It would be negotiated. If the rental was in the hundreds of dollars a week, then they probably would be receiving, say, 8 per cent of the rent paid. In your other question, if there is a churn of rental tenants, so if there is a tenant leaving, a tenant coming in, the agent does charge for that for the work that they perform.

The CHAIR: Great, thank you so much for that.

Mr CLAYTON BARR: Mr McKibbin, good to see you again. Congratulations on your 20 years in the institute. You've probably done about 2,000 parliamentary inquiries, I guess, but we're not paying you for them. I want to go to the question also about the value, as a commodity, to a real estate agency. My understanding is that a significant part of the value of an agency—so let's say Smith's Real Estate in Cessnock—will be the size of their rent roll that they have on the books. Am I somewhere near being accurate in saying that?

TIM McKIBBIN: Yes, you are. It is a considerably valuable asset. In fact—I won't name anyone—there is a bank that will lend against the value of that asset, so it is very highly regarded. It is not uncommon for a purchaser of a rent roll to pay \$3 to \$3.50 per dollar of commission.

Mr CLAYTON BARR: Thank you. You don't have your submission in front of you, do you?

TIM McKIBBIN: No.

Mr CLAYTON BARR: Because there are a couple of graphs that I want to ask about. Maybe I can ask about them in broader terms. There's one really terrific graph there which basically shows that the number of investors selling their properties has been gradually trending upwards, increasing since about 2013, and the number of new people coming in to investments, again, since 2013, has been trending down. That's been solid for, obviously, more than 10 years now. If you cast your mind back 10 years—and we're lucky with your length of experience—what are the conditions over the last 10 years that have caused those trends?

TIM McKIBBIN: I think that there has been a general erosion of the rights of landlords over those times. This is just one that I'm thinking of: People able to walk in and drop the keys on the counter with two or three weeks notice. In other, more tragic, circumstances, they're able to walk in and drop the keys on the counter and be able to leave. If you are dependent on that rent for your living expenses or for servicing a mortgage and these sorts of things, then that can be quite troubling. People are looking for secure investments. One of the most troubling things that I'm hearing now is that property managers are selling their properties. That, to me, is quite concerning of all the things that I hear.

Mr CLAYTON BARR: Speaking of property managers—because I also want to go to that—do you have any knowledge or awareness of property managers who are leaving the industry because they're finding it emotionally quite challenging to be evicting tenants, into homelessness in some instances, because the market is incredibly tight?

TIM McKIBBIN: It's a great question, because we have a national property managers day to celebrate property management. I came up with that idea during COVID and it's still active, as far as I'm concerned, property management. We decided we would pick 24 July as our day because property managers were working 24/7. During COVID we lost about 20 per cent of our property managers; the stress was beyond them. They are in a very, very stressful position now. People come in extremely frustrated that they can't get a property to live in—and it's home. They're absorbing a great deal of stress. Thankfully in not too many cases, but there have been some where property managers have also been threatened by very frustrated people trying to find somewhere to live. You've got 50 people down the street looking to inspect a property and only one of them is going to be successful; the other 49 are going to be stressed.

Mr CLAYTON BARR: Yes. We get some of those people coming into our electorate offices as well, and it really is quite traumatising to be watching people walk into homelessness. The other thing, Tim—I'll finish on this—with interest rates going up at the moment, it wouldn't be unusual to have less people looking to become investors, would it? You've seen the ups and downs over a long time.

TIM McKIBBIN: I think the market probably moves with higher interest rates. The higher the interest rates and the availability of capital will, in part at least, drive the price of property. So if our interest rates were to go up sharply then the cost of capital follows it up, obviously, and it means you can borrow less when you go to the auction, by way of example. So the price of property will come down. That said, the demand is so strong that I don't know that it would follow again in a linear path.

Mr CLAYTON BARR: The demand to purchase property is strong, but not for investors. Is that the difference?

TIM McKIBBIN: Currently—and these are some figures I sourced from CoreLogic—the yield for residential rental is 3.3 per cent. On top of that you have some capital growth, thankfully. But that is your yield, on average, across the State—3.3 per cent. It's not huge, and this concept that we have extremely wealthy landlords ratcheting up rents constantly is a total falsehood when you look at the numbers.

Mr TIM JAMES: Thanks for your submission and for being with us today. I'm not sure whether you happened to tune into the earlier session with the Property Investment Professionals and the Property Investors Council, but I'm going to ask you similar questions to what I asked them. Indeed, I have sought to be consistent across the two days of hearings: one, to focus on data; two, some jurisdictional differences; and three, what may be the consequences if this reform is to proceed. In terms of data, I always take the simple view that any reform proposal should be relatively proportionate to the problem.

I've been trying to get a handle on what is the incidence or prevalence of no-grounds evictions in New South Wales and the best I have come up with so far—and there does appear to be something of a lack of clear data on this—is that, according to the Tenants' Union, there are one million renting households across New South Wales and each year there would be 28,000 no-grounds evictions proceeded with or issued, if I can put it that way. Does

that accord with where you are, that less than 3 per cent of the market would be affected by this problem? And to what extent does this bill represent a proportionate response to that?

TIM McKIBBIN: It's a great question. I can't give you any data on that, because I just don't have it. But what I would say is, of that 28,000, if we run with that—and this is simply just my experience—the overwhelming majority of people who would be seeking to gain possession of their property would be doing that for a very good reason in their own life. Again, there is this demonisation of landlords, which I think is dangerous, that somehow a landlord wants to evict a tenant. When we take a step back from that and think about that, a landlord buys a property to receive rental. Evicting a tenant is counter to receiving rent, so it makes no sense.

What a landlord wants is a tenant in their property who doesn't damage it and pays their rent on time, and pays the appropriate rent. When I say "appropriate", I'm talking about the market rent. That's what they want. When we talk about achieving a market rent, there also seems to be some disappointment—and that's not the right word—in a landlord wanting to achieve that. And yet, if I was to do the rounds of the banks and say, "Who is going to pay me the most fixed interest?", nobody would question that. But it seems to be that if I want to maximise the amount of rent that I'm receiving, my market rent, then that is inappropriate. Again, I think that this way we view landlords is extremely dangerous.

Mr TIM JAMES: Secondly, in terms of jurisdictional differences, it's not altogether easy to compare across jurisdictions in this country, partly because the reforms in the ACT and South Australia are so new. I think ACT is maybe a year old and South Australia has just come in. In terms of having data of consequences, what has happened to the market in those jurisdictions, I don't think there is much yet. But the key contrast, perhaps, that can be drawn out and was drawn out by PICA is the Victorian contrast perhaps most notably with Western Australia.

Just to be crystal clear, in 2021 Victoria introduced prohibition on no-grounds evictions—with one slight exception, but basically that is their position. Western Australia, including recently under a Labor government, declined to prohibit no-grounds evictions and the story of the last three years—I don't know if you've seen it, Tim. If you look at the ABS lending data, which obviously speaks to how much people are investing in rental properties, the growth in the Victorian housing finance for investors has been 4 per cent over the last three years. In WA it has been 160 per cent over the last three years. I just wondered if that accords with your members' experience. Obviously you're the voice of agents rather than property investors but you've got a pretty good handle on it. Your members do. Can I invite what comment you can provide in relation to jurisdictional differences here?

TIM McKIBBIN: If you don't mind, I would like to just correct a little bit of that. I see myself as viewing the market holistically. I think if people aren't viewing it holistically, then they are also somewhat dangerous. We want to see tenants in properties. We want to see landlords receiving it and we also want our members to be living in a vibrant economy. I'm looking at it holistically, not through the lens of my members only. In relation to the data you've just put forward, I haven't seen that, but it would accord with what I see in the market. It would accord that I am seeing people selling. Something that may be of interest to the Committee—again, a different jurisdiction, but in New Zealand they introduced no grounds and they found that it drove investment away, so they had to reintroduce it. Happy to provide the Committee with some further data on that if there is an interest, but that was the experience there.

Mr TIM JAMES: That would be helpful because the Tenants' Union also referenced the New Zealand experience and sought to use it as an argument for this reform currently in front of us. Anything you can provide on that score from your perspective as you see fit would be helpful. My final question pertains to what the response might be of the market in New South Wales if these reforms were to proceed. I draw to your attention—and of course it's your industry body's words. But I understand—I'm sure this holds up in 2024 as much as it did in 2023—that a REINSW survey in 2023 found that over 90 per cent of landlords believed that banning no-grounds terminations would negatively impact a landlord's decision to remain in or invest in residential property.

TIM McKIBBIN: Yes.

Mr TIM JAMES: Has there been any more recent data? Recognising 2023 wasn't long ago, would you assert that that still holds up today?

TIM McKIBBIN: I think so. There isn't any more current data, but we did that survey because this particular issue, this discussion, has been in the market for some time. It was an election promise. I'm aware of that. It makes sense, though, when we apply our mind to it. If you remove a right from the landlord, you are making it less attractive to be a landlord. I don't think it would take anyone by surprise that the data would suggest that, if it becomes less attractive to be a landlord, we're going to have less of them.

Ms DONNA DAVIS: Thank you very much for attending today, especially on your holiday. We know from renters that subleasing is happening, and I'm sure your members are also aware of this happening in the

market. We know that the impact of that activity cuts both ways. Given that fact, do you have anecdotal evidence or data regarding subletting or subleasing, and do you have suggestions on how this could be addressed?

TIM McKIBBIN: I think that there have been some extremely creative solutions out in the market to put a roof over people's heads, with subletting obviously just one of them. Now people are finding it difficult to find property; they're finding it difficult to find affordable property. Visibility of that is regularly a challenge, I think—visibility of subletting. We did have some rather decent entrepreneurs, if we can say, a few years ago. One gentleman leased—I think it was 20-odd properties in the Bondi area and then had them in the holiday and short-term rental market, where the returns are a powerful lot better than in the residential market, and that is a question we can have a look at on another day. But I think visibility of the subletting is going to challenge me to give you a decent response to your question.

Ms DONNA DAVIS: I would be happy if you were able to take that back with you and see if you do have any data or any anecdotal evidence. It would be appreciated. As I said, I know it cuts both ways and it is something that, given what I have heard firsthand, does need to be considered. The other thing I wanted to ask you was would you agree or disagree with the statement that there are residential landlords who have evicted their tenants with no grounds, only to return the property onto the market within days or weeks at a higher price?

TIM McKIBBIN: There are undoubtedly landlords, like tenants, that do the wrong thing. That would occur; there is no doubt in my mind that that would occur. It would be in the minority. Unfortunately, I think a lot of the things that we deal with here, we are focusing on the minority of the problems and giving a solution to the problem that is in the minority and impacting the market globally, which actually causes more problems—at least, in my opinion.

The CHAIR: Can I just clarify that? I just wanted to get a sense of it, because if we think that it is a very small minority, and we think that the majority of agents acting on behalf of landlords are doing the right thing and are not relying on this no-grounds evictions reform, why is it going to have such a significant impact, given that we think it is such a tiny minority of people who might be abusing the current loophole that exists?

TIM McKIBBIN: I haven't seen the Government's legislation; I have seen yours. But one of the things in there said that—

The CHAIR: None of us have seen it yet. Well, I am sure someone has, but I haven't either.

TIM McKIBBIN: Sorry, I withdraw that. I have seen the Government's press release. Let's go with that.

The CHAIR: We all have that. We are working off that. Shall we work off that?

TIM McKIBBIN: Yes. The Government's press release said—and probably the most concerning thing there is they said that you would have to provide evidence. I have tried to get some clarity on that and I can't. I have been told that it will be in the Act. But what does that mean? I gave this example: Let's assume that a husband and wife separate—sadly, it happens every day of the week—and the husband wants to recover possession of the property. What evidence would the husband have to give the tenant? Would he need a stat dec, by way of some example, from the wife confirming that the parties had separated? What else evidence would be required to be given to the tenant?

The CHAIR: What evidence, Mr McKibbin, would you think would be reasonable?

TIM McKIBBIN: I think what would be reasonable is the 90 days notice that we have now.

The CHAIR: I appreciate we may not agree, but I am wondering, in the situation where the Government was going to do that, what you think would be reasonable evidence to be provided?

TIM McKIBBIN: I suppose the evidence, in my view, would simply be that I want the property back for one of the reasons that has been given.

The CHAIR: So it would just be for the tenant to take it on the trust of the landlord? How would you see that then working from a regulation perspective, in terms of Fair Trading and oversight?

TIM McKIBBIN: I accept your point, and I don't have an answer with any precision about it. But what I would say is I'm very concerned what the level of evidence would be—maybe the landlord would give a document to the tenant saying, "I require my property back for personal reasons." But I don't think it is appropriate that the landlord say to the tenant, "My wife and I have separated." Another one that I gave by way of example is—and this was a real-life one—there was a landlord in a regional area who, unfortunately, developed cancer. They needed to have chemotherapy, tried to recover their property to live in Sydney and there was some resistance with that. If we were to use that as the example, would the landlord need some letter from the oncologist to give

to the tenant that says, "I have this particular cancer and I need to be in Sydney to get my chemo"? I think that delving into the personal life of the landlord is not appropriate.

The CHAIR: Thanks, Mr McKibbin. I am aware the member for Parramatta has another question and maybe we will come back to that, because I want to follow up in terms of the personal lives and delving into people's personal lives, just so I can get more clarity around that and we can get the balance right. Member for Parramatta, I think you had another question. Sorry, I thought it was going to be a quick answer in response but we went off on a different track.

Ms DONNA DAVIS: The New South Wales Government is one of the largest landlords in the Southern Hemisphere. One of the commitments that our Government has made—because of years and years of neglect—has been to focus on maintenance, because we know that maintenance is an incredibly important issue for people to ensure that they have quality dwellings in which to live a comfortable life. We know that issues such as mould, no plumbing—there are a whole range of issues. You know what it's like. You've been in the industry a long time.

We know this is not something that is just connected to public housing. This is something that is also connected to—and, again, not all—private housing. We know there are private rentals that are in very fine condition. But we also know that, at the other end of the spectrum, there are private rentals that are very poor, as well. Based on your years of experience, do you have suggestions for what we can do to better ensure better maintenance of these properties? Because one of the reasons that has been provided in that press release is that there could be no-grounds evictions except if there's a need for renovation of the property. You know what I'm getting at. Can you just expand on that, please?

TIM McKIBBIN: It is, obviously, a very subjective issue, isn't it, what is the minimum requirements for a property to be habitable? What the law says is that it to be "fit for purpose", I think is the expression. There have been properties that weren't able to provide security, hot and cold running water and various other things that you would take as just being absolutely necessary. To that extent, we do need to have a standard. You wouldn't expect to have all of the enjoyments or conveniences of a property that you're paying \$500 a week for as opposed to \$5,000.

You potentially could be getting a swimming pool and all the rest, but you would expect, and you should expect, that the property would be fit for habitation. You mentioned mould. Sometimes a property is no longer fit for habitation, for whatever reason—mould being one of them, or the property is damaged in some way. It does need to be fit for purpose. The tribunal has on a number occasions, based on the evidence that it has been given, said that the property is not fit for purpose and was not fit for purpose when a tenant was in there and has ordered that the landlord pay the tenant back all or some of the rent.

Ms DONNA DAVIS: One of the points that I'd raise is that today there has been discussion, while you've been here and with previous members speaking at the inquiry, about no-grounds evictions and what percentage of no-grounds evictions cases there have been. We know as a fact that there are tenants right across New South Wales who are living in buildings that are not fit for purpose, but they are too scared to say anything because of fear that they will be moved on because it is such a strong rental market that landlords can secure alternative tenants, potentially at a higher rental price, and, secondly, if they do say something, no work will happen and it will just be a black mark against them. I'm trying to find solutions. I have got the second highest percentage of renters in the State in my electorate, so I want to see that they don't live in fear of being evicted just because they are living in suboptimal housing. We know that the government of the day is highly criticised if public housing is suboptimal. I think that people would expect the same in the private rental market as well.

TIM McKIBBIN: Absolutely. I couldn't agree with you more. I echo my earlier comments that the property must be fit for purpose. It must be fit for habitation. We can go through that list of security, electricity, gas and hot water systems.

Ms DONNA DAVIS: I think that would be helpful.

TIM McKIBBIN: All of those things must be there no matter what property we are looking at. In relation to evicting a tenant because they have asked for a job to be done, that is already illegal. You can't do that.

Ms DONNA DAVIS: It is illegal, but we know it happens.

TIM McKIBBIN: If the tenant is of the view that is happening, they can go to NCAT.

The CHAIR: Indeed, they do, Mr McKibbin. And then on the way out, they get handed a no-grounds eviction in the lift after something has been ruled in their favour. That's the evidence this Committee has heard, and we have heard it anecdotally before.

TIM McKIBBIN: Again, are we trying to solve a minority problem with a global solution? But they cannot be handed a no-grounds eviction if you can draw a line between their request for works to be done and they went to the tribunal and said, "I asked for these works to be done. They are reasonable and now I have been given a no-grounds eviction," and asked the tribunal to look at those circumstances. There is a retaliatory clause in the Act which prohibits landlords from doing that.

The CHAIR: I am aware of the time and conscious that we have gone slightly over but, if I may, I'll ask a couple of questions. If you want to take these on notice, feel free. The first is if you could provide us with any details of what advice the Real Estate Institute of New South Wales has issued to its 2,350 members in relation to the Government's announcement on Sunday.

TIM McKIBBIN: We are in the process of doing that. I spoke at Wagga on Tuesday and yesterday I spoke at Albury. We are touring the State. We are very concerned, as are my members, that this is going to cause a problem. We can only look at the data. Like I said to you, the growth in residential rental properties currently is nowhere near as many as we have to satisfy demand. This proposal will remove a right from the landlord.

The CHAIR: Sorry, I am aware of the bigger picture. I just want to get down to the specifics and the details in terms of the advice that you are giving your members. I appreciate the bigger picture concerns that you have around it, but when you say that you have told your members that it will cause problems, what kinds of problems will it create in terms of what is the advice you are giving to members to mitigate or address these problems, if indeed these reforms come into place?

TIM McKIBBIN: I haven't been lecturing people that are closer to the market than me. They are obviously a lot better at being property managers than I am. But they will have to deal with this. There will be more people looking for less properties. That is going to be stressful for them. We are acknowledging that. But I think there is an interesting outcome here, and that is that property managers will be even more valuable than they are now. Landlords will want to put a lot of due diligence into the tenant they have put in there because of the concern of their inability to recover possession of their property. There will be concern along those lines as well.

The CHAIR: Given that we are working on a very tight timeframe, maybe I can ask that you take it on notice if there are examples of the kind of advice that some of your members or yourself have provided to your consumers. I think you used the word consumers earlier. That would be really helpful if you can provide examples of that. It's good for us to have a sense of the communications out there, given that we know that there has been evidence prepared before the Committee that we don't have a register of landlords and so we are relying, if you like, on many different channels to get the messages out there.

The final question I had was in relation to the comments that you made around delving into people's private lives. I'm happy for you to take this on notice because I appreciate that it is difficult to talk through the ins and outs of all the legislation verbally like this. My understanding is that section 93, in relation to undue hardship, would have actually addressed both of those case studies that you used—a situation where a landlord was subject to a divorce or a situation where someone was suffering from a serious illness, like cancer. I just wanted to ask if you can take that on notice. It would be great to see if you have examples where you think that there would be a delving into people's privacy that didn't fit with the undue hardship clause that actually would address that.

Finally, on the privacy element, to get the balance right—my understanding at the moment is that, for a tenant to be able to lease a property, they are required to provide details including their Medicare account, pay slips, four references, details of their past rental history, their current rental address, their current employer, their employment status, their income, in some cases their relationship status and a whole range of other personal and private information. Given your concerns about the right to privacy of the landlord, and given the Government's desire to get the balance right, surely the idea of being able to provide a reasonable ground and evidence of that is not tipping it too far the other way?

TIM McKIBBIN: Well, I think there is a different inquiry being made. The first inquiry is in relation to the tenant's ability to meet the obligations, including paying rent, before they go into the property. The second inquiry is in relation to the reasons that a landlord wants to recover possession of their property.

The CHAIR: Whether that is a legitimate reason or not.

TIM McKIBBIN: Yes, well, you're suggesting they can only have their property for a legitimate reason, and I think that's where we have something of a divergence of views. Again, based on my 20 years, it used to be 60 days. It was 60 days, if we go back quite a few years ago.

The CHAIR: I remember. I was a renter in Sydney at that time. I was doing my honours degree and I got a 60-day notice to get out.

TIM McKIBBIN: Okay. So it's now 90 days—or three months, if you prefer. At the time when that was moved, all of the stakeholders were of the view that that was sufficient.

The CHAIR: Thank you so much, Mr McKibbin, for taking the time to appear before the inquiry today. Thank you for the submission that the Real Estate Institute of New South Wales made to this inquiry on behalf of your members. A copy of the transcript of today's hearing will be provided to you so that you can provide any corrections. Any questions that you've taken on notice will be provided in writing by the Committee staff so that you can respond back to those. Given the tight turnaround, we ask you, if possible, to get back to us by Friday of next week, given that we are required to report back to Parliament as a result of this inquiry. Thank you very much for your time, on behalf of all members.

TIM McKIBBIN: Ms Leong, you've asked for the advice that we're giving our members in relation to this. I'm just not sure what that means. Can you give me an example of what you think we would be saying?

The CHAIR: My understanding is that when these reforms were introduced in Queensland, the Real Estate Institute of Queensland provided advice to landlords around this. That was done through their agents—it's through their membership. I wonder if you are similarly preparing any advice. If you are able provide the Committee with details about that, it would be appreciated.

TIM McKIBBIN: Okay. Our advice would be on how it would work, based on the reason for this effort. Thank you.

The CHAIR: Thank you so much, Mr McKibbin. I appreciate it.

(The witness withdrew.)

Dr PETRINA CASEY, Acting Commissioner, NSW Fair Trading, Acting Deputy Secretary, Fair Trading and Regulatory Services, affirmed and examined

Ms TRINA JONES, NSW Rental Commissioner, NSW Fair Trading, affirmed and examined

Ms REBECCA PINKSTONE, Chief Executive Officer, Homes NSW, Department of Communities and Justice, affirmed and examined

The CHAIR: I welcome our next witnesses for the inquiry hearing this afternoon. Thank you for appearing before the Committee to give evidence today. I acknowledge that the Deputy Chair, and member for Parramatta, Donna Davis, is joining us virtually from her electorate office in Parramatta. We have the member for Willoughby here. Unfortunately, the member for Cessnock had a prior clash with a final committee meeting and needed to duck out about half an hour ago, so he isn't able to join us for this final session. The member for Blue Mountains, Trish Doyle, has given her apologies for this session and hearing today. That is for context for you before we start. You're obviously all familiar with the fact that the Committee staff might take photos or videos during this. I assume that you're fine with that; if you're not, please let the Committee staff know. I confirm that you've received a copy of the Committee's terms of reference and the standing orders for witnesses. You don't have any questions about those?

PETRINA CASEY: No.

TRINA JONES: No.

REBECCA PINKSTONE: No.

The CHAIR: Before we go to questions there's an opportunity to make a short opening statement if you would like to do that, either one or all of you?

PETRINA CASEY: I will just make a small one, thank you. I would like to thank the Committee for the opportunity to appear today. NSW Fair Trading's broad statutory responsibilities are spread across more than 30 pieces of legislation, with a specific focus on oversight of the property sector and consumer protection more broadly. This remit includes the work of the NSW Rental Commissioner and the new rental taskforce that Ms Trina Jones will lead as it is stood up over the coming months. Around a third of all people in New South Wales rent their home. Rental vacancy rates remain low across New South Wales, making it more difficult to find a home for many. Median weekly rents remain high, adding to the housing stress across the State. Safe and secure housing is a key building block for a modern economy and stronger communities.

NSW Fair Trading continues to work across government, industry and the community to improve and modernise the rental market. Our work aims to support New South Wales tenants to access a rental market that offers security, quality and fairness, with rental providers able to see that New South Wales market as one that they can invest in with certainty. I'm pleased to appear before the Committee with the NSW Rental Commissioner to discuss the Residential Tenancies Amendment (Prohibiting No Grounds Eviction) Bill 2024 and issues relevant to the Committee's terms of reference. I invite your questions and will look to the Rental Commissioner to speak to how her work impacts specific issues that the Committee may wish to discuss.

The CHAIR: Thank you so much for that. Ms Jones, did you have a statement as well?

TRINA JONES: No, thank you. I am happy to hand over to the Committee.

The CHAIR: Did you have an opening statement?

REBECCA PINKSTONE: I am happy to defer.

The CHAIR: We'll move into questions now. If there's anything you want to take on notice, feel free. That's totally fine. If you want to provide a brief answer and then take some more on notice, that is also completely fine. I wonder if I can go to something that we've been hearing evidence about. Ms Jones, this is probably best placed for you, given that you have probably conducted what is the most comprehensive of survey results in relation to rental reform in recent times. That is this view simultaneously that we're hearing, where this is something that landlords would not do because they use reasonable reasons to evict people and they want to have the tenants in there, versus the other side of that and the fear that renters are living with about the fact that this may occur to them. So it's either a massive deal and going to have a huge reform, or it's not. There seem to be contradictory views about how big or small this is, depending on whether or not you believe that all the landlords are doing the right thing or not. I wonder, from the stories and experiences that you've heard, if you could speak to that?

TRINA JONES: Absolutely. As the Committee would be aware, we've conducted significant consultation in the community. That has included Have Your Say, with over 16,000 survey responses and 400 long-form submissions. From the analysis of those submissions, I then went about speaking directly with renters and landlords. I also held a series of round tables with what you would refer to as technical experts, advocates and industry representatives, and also met with over 60 agencies to talk to the nuance of the difference aspects of the reforms being proposed. The evidence I'm giving is based on those conversations.

What I would say is that this is about the fear of being issued with a no-grounds eviction. What people describe to me is it's like being in a game of chance. That's how renters have described it. You don't know what type of landlord you'll get and so you change your behaviour based on, potentially, a worst-case scenario. That means renters are not asking for repairs. They're not asking for basic requests because they're in fear that they will be issued with a no-grounds eviction. As a result of that, they're living in situations where they can't actually assert their rights under the law.

From the landlord's perspective, when I speak to them they say, "They are the reasons that we would end a tenancy, but sometimes we just use no-grounds eviction instead of telling the tenant why." What happens is the tenant doesn't understand the full reason of why the tenancy has been ended and they think that then they're being subjected to a no-fault eviction. We do also know there are many case studies of where they have been issued with a no-grounds eviction and then the property has been relisted weeks later. Sometimes that's with a rent increase and other times it's not always clear why. People are really left feeling very frustrated as their lives are significantly impacted by this.

Ms DONNA DAVIS: Thank you very much for attending today. It is greatly appreciated. Something that concerns me greatly is the issue of subletting. This is very prevalent right across New South Wales. We know from renters that this is happening. I'm sure that our real estate agents, those that are managing the tenancies, are also very aware that this is happening. In the rental reforms that are being proposed, is there anything that could be considered to be able to try to reduce this type of activity, which is really impacting both landlords and tenants?

TRINA JONES: On the matter of subletting, it's currently not permitted. Renters are not permitted under the law to sublet their premises without the landlord's permission. While this is the case, we know that it still does occur. As you've rightly pointed out, this can mean that there often is a power imbalance between cotenants in the household, and also the landlord is not aware that there's subletting occurring. This is a breach of the Residential Tenancies Act and there are abilities for the landlord to evict the tenants based on that breach through NCAT.

As a result of the instatement of my role, we're looking at opportunities to maximise compliance under the Residential Tenancies Act. One of the ways we're achieving that is through the establishment of the NSW Rental Taskforce. The Government has invested \$8.4 million. The task force will be stood up to do exactly that, taskings

around issues that are impacting compliance in the Residential Tenancies Act. This is the type of thing that the task force can address, but we would need the support of the community because you need to have complaints to support your intelligence.

It's really often subversive when it comes to subletting. But we can also, and we actively do, look at things like Facebook Marketplace and Gumtree and regularly look at those types of listings to identify where there might be people at risk. Just recently there was a case where somebody was renting out a "balcony bedroom" in a balcony in a studio apartment in Haymarket. We were able to notify the strata about that because it came to our attention. These are the types of actions that we can take while also making sure that if there are tenants who are impacted and may be at risk of homelessness as a result of that, we can link them in with the appropriate services for support as well.

Ms DONNA DAVIS: This is to the Department of Communities and Justice but also to the Rental Commissioner. We've had representatives from community housing, and we know that the protections for people in public housing are much more stringent and that there is a stronger sense of protection. But how can no-grounds evictions reform accommodate the specific needs of social housing and transitional housing leases, and should there be specific provisions for these arrangements in the reform?

REBECCA PINKSTONE: From a Homes NSW perspective, we headlease a number of properties off the private market for social housing, like community housing providers do. The difference for Homes NSW is they are used for long-term social housing as part of our portfolio response to people with particular needs that we can't resolve within the public housing portfolio. Community housing providers under contract do use headleasing for a number of programs. I do support the submission from those parts of the industry that perhaps the provisions that we've talked about for affordable housing could also extend to those programs so that there's a very clear grounds for terminating a tenancy when that is outside the scope of the program that they have been funded to deliver under contract to government. I do think that there is the capacity to extend the affordable housing provisions to look at those other programs that government is funding and contracting the different parts of the sector to deliver.

Ms DONNA DAVIS: To the Rental Commissioner, do you have anything you'd like to add?

TRINA JONES: What I would say is that in terms of the headleasing scenario, where a reasonable ground would be given by a landlord or property provider, then that ground can be passed on to the intermediary property provider, which is the CHP in the case of Homes, and doesn't need a different ground. I would say that they are consistent from—what the property provider provides can be given directly through the intermediary. I agree, it's important to consider programs like transitional housing and programs like Youth Foyers when thinking about what types of tenancy agreements might be in place for those agreements that might be two years or more, and how those programs could be considered. Whether they would be considered crisis and refuge accommodation or whether they would be considered part of the affordable housing programs should be a consideration for the Committee.

Mr TIM JAMES: Thanks for being with us. I appreciate your submission as well, Fair Trading. I've tried throughout the last couple of days of the hearings to get some more clarity on a few things. I'll take you through them one by one. Firstly, on data, how much is this happening? How many no-grounds evictions are there in New South Wales? What is the incidence? Prevalence? Ideally, how many tenancies are there? How many evictions per year? How many no-grounds evictions per year? What is the breakdown of those by periodic relative to fixed-term? It has not been an easy picture to get a clear answer on, but the best we've got so far is the Tenants' Union have said there are a million renting households in New South Wales and 28,000 no-grounds evictions per year. I note that represents less than 3 per cent of the market. I always think that any legislative proposal ought to be proportionate to the problem. But can I invite your contributions, please, on data, on real facts, incidence and prevalence of no-grounds evictions in New South Wales?

TRINA JONES: Absolutely. What I'll use is the best proxy data source we have to describe this. I'm going to rely on the end of tenancy survey to describe what we would use to extrapolate what the data might be in terms of the whole rental market. You're correct; there are a million rental properties. What I would use is not necessarily the quantum of properties but the churn of properties in any given year, because that's talking about how many tenancies are ending. We're talking about terminations here, not evictions. That's a separate thing but that's, colloquially, the language that's being used. When we think about the average of the last five years, there are about 320,000 tenancies that end each year. Last year it was 330,000 in terms of the churn, but over the last five years it's 320,000. Of that 320,000 we run a voluntary end-of-tenancy survey. That survey, as I said, is voluntary. What happens is about 10 to 13 per cent of those 320,000 people participate, so we really only have a proxy sample of the rental market.

The next few stats that I'm talking about refer to the people who participate in the survey. Of those who participate, we know that about 73,000 of all the tenancies that end are led by a landlord; they're landlord-led terminations. That's about 23 per cent. Of that 23 per cent, 10 per cent are known to be no-grounds evictions, so 32,000 of the 73,000. That's about 10 per cent. Of all of the tenancies that end, based on that 320,000 figure, would be no-grounds evictions. This is really our way of saying that if that's a sample of the whole quantum, then based on that survey data, that would give us an indication. The challenge with no-grounds, I would say—to the point of how much is the prevalence—is a bit like crime prevention: The fear of it happening is changing people's behaviour. They're actually getting to the point where landlords even say to me they're frustrated that their tenants aren't telling them there's a repair or maintenance issue.

When you talk to the tenants on the other side, or the dispute resolution teams talk to them, they say, "I don't want to say anything because I don't want to get issued with a no-grounds eviction", and the landlord's on the other side going, "I have no intention of issuing a no-grounds eviction", so it's become a bit of a concern for tenants, and, as a result of that, they're changing their behaviour. So even though the stats might tell us that it's 10 per cent that can be extrapolated from the end-of-tenancy survey with all the caveats—that it's a voluntary survey and that we can only use that as our best point of evidence—what I would say is the fear of it is changing behaviour. Because the behaviour is changing, people are generally living with stress and concern as a result of that, so it's impacting a much wider group of people.

Mr TIM JAMES: So there appears to be, without wanting to put words into your mouth, some correlation there between what the Tenants' Union evidence has brought forward of about 28,000, and yours is 32,000—

TRINA JONES: Yes, I would say that's congruent.

Mr TIM JAMES: We're sitting at around 30,000, so it's about 3 per cent of the market, recognising that that, obviously, is not insignificant. But when you think about it in proportionate terms, and without wanting to invite a comment, there are many ways in which we can improve the rental market in New South Wales, as you well know. There are many ways in which this Government's made a series of commitments—at this stage, largely still commitments, I note—to address these conditions but, in our view, it is overwhelmingly a question of supply. How much is this reform going to make a real, tangible, practical difference relative to the risk that this Committee has heard not insignificantly about today that, in fact, it would serve to reduce supply and make conditions even worse for renters in New South Wales because of the prospective response of property owners in New South Wales?

TRINA JONES: If it's okay, I'll answer that in two parts. What I would first say is on the investment side, there's no statistically significant evidence in any jurisdiction in Australia that has introduced no-grounds eviction that it has a negative impact on their rental market, based on their investor lending, their vacancy rates or direct correlation with price. Based on those arguments, there's no statistically significant evidence for that. On the other question around how much impact will it have, the strongest point of feedback, everywhere I've gone, from renters, industry representatives for renters and academics that are working in this space, I would say, on that perspective, is that this is the foundational change that allows all other rights, existing or future, to be possible because the threat of not being able to assert your rights under the law undermines it so much that you can't actually request the things that you're already allowed to do, and any hope to extend reforms would be undermined by the inability to have security of tenure. Last night I was at a renters' forum in Parramatta and there was a member of the community there who said to me, "If we have safety, we have everything." Their perspective was it was the sense of security that would make such a big difference. Unfortunately, we don't have the broad numbers for that, but the sentiment is very strong.

Mr TIM JAMES: On the point you've just made, when you say there is no statistically significant evidence of the impact upon supply, have you not seen the Tenants' Union submission in respect of New Zealand and what happened there, with one-quarter of property owners attributing their decision to get out of the market to the reforms made in that market? Have you not seen the data brought forth by the Property Investors Council of Australia which shows, on recent ABS data, a statistically significant difference as between Victoria and Western Australia? When you look at those figures, growth in lending to property investors in Victoria—I haven't got it in front of me, but I think it's 3 to 4 per cent over three years, whereas in WA it's about 160 per cent. That is an enormous difference. I'm struggling to see how you would say that you have no evidence of any likely impact upon supply—which is, I think, the most critical question here.

TRINA JONES: Yesterday CoreLogic released a commentary on this particular question and they substantiate that position as well. There are a number of factors in the property market that would be impacting WA's position, Victoria's position, for example. But if you look at the concerns raised to me from some landlords, and some landlords are in support of ending no-grounds eviction—

Mr TIM JAMES: It's about one in five, according to your own survey.

TRINA JONES: Yes, some landlords are in support.

Mr TIM JAMES: One in five.

TRINA JONES: The survey is one group, but also when we got out to speak to people I think there was a particular view from them as well. But I agree, it's not strong support, as it was from renters.

Mr TIM JAMES: It's much more concern than support.

The CHAIR: Maybe we'll let Ms Jones finish.

TRINA JONES: When it comes to the other jurisdictions, New South Wales is leading in investor lending and we're leading the country for new loans for investment in residential dwellings. That is predominantly because we have a strong capital growth market and we have among the lowest rental yields in the country. So our investor market is largely driven by the ability to sell the property for a capital growth return at the end of that retention. Most of our landlords hold their property for less than six years, and so they tend to approach it as a block. That's borne out in the evidence provided by AHURI and also some data that we look at in the bond holdings.

Mr TIM JAMES: Is that the 2022 AHURI report?

TRINA JONES: The regulation report, yes.

Mr TIM JAMES: That report refers to old reforms that are not pertinent to this Committee's consideration. It analysed the 2010 reforms in New South Wales and the 2015 reforms in Victoria, which surely aren't referable in this particular context, because none of those reforms pertain to ending no-grounds evictions. They were far less controversial, simpler, cleaner, neater, easier reforms. I think, with respect, that report is largely discredited in this context here today.

The CHAIR: To be fair, I think you, member for Willoughby, have been attempting to discredit it. But I am not sure that is the evidence that we've heard from others.

Mr TIM JAMES: I think it speaks for itself relying on 15-year-old reform.

TRINA JONES: I can speak to more recent data then, in terms of the jurisdictional data. All jurisdictions that have introduced no-grounds evictions have seen a substantial increase in investment lending as a proportion of their total lending within the States and Territories, and this is between an 18 per cent and 46 per cent increase. The only exception is Melbourne. All capital cities that have introduced no-grounds evictions have seen an improvement to vacancy rates since the reforms were introduced. They're marginal improvements to vacancy rates because supply is constrained across Australia. All capital cities have seen an increase in median rents. That would suggest that there is not necessarily a correlation and that the increase in rents is due to a supply issue. I think there is broad agreement on that. And I think it's important that we note that in Victoria there have been significant changes to their tax regime as well, which could also impact their investor capacity and interest in that market. The key things we look at are investor lending, the vacancy rates and the median rent. For those factors, there hasn't been a statistically significant difference.

Mr TIM JAMES: Do you mind providing—you've referred to the CoreLogic report and I think a few different pieces of information. Are you happy to share that which you've got—

TRINA JONES: Absolutely.

Mr TIM JAMES: —by which you assert that there is no evidence of any likely impact upon supply?

TRINA JONES: That we've seen in other jurisdictions that have introduced it so far? Yes.

The CHAIR: Ms Pinkstone, in relation to the impact of social housing tenants in New South Wales, obviously they are in a situation where—we've heard from community housing providers at that side of the equation around the fact they are both landlords and tenants subject to, if you like, the challenges around no-grounds evictions. But obviously Homes NSW as well are headleasing properties. Can you provide your experiences and insights into how this impacts the work of Homes NSW in terms of providing support for some of the most vulnerable people in our community?

REBECCA PINKSTONE: At Homes NSW we headlease over 3,000 properties off the private rental market across New South Wales. The purpose of that program really is where the current public housing portfolio doesn't meet tenant needs, so there are additional requirements. It may be disability access or the location, so we will use headleasing as a way of supporting vulnerable people to access housing in a timely way. What I will say is that that gives us, like community housing providers managing those programs, a unique perspective as being subject to no-grounds evictions. We do not support no-grounds evictions within the social housing system, both

as a landlord but also in charge of the regulatory system and the contracting regime for community housing providers.

We've been very clear that there are certain circumstances where social landlords will be having to, for example, pass on the no-grounds eviction. The way that we manage that is that all social housing tenants are still social housing tenants. Despite being given the no-grounds eviction, we will go on and re-house those tenants because they're our tenants. We believe that there should be grounds and we should be clear as a landlord when we're evicting residents. We, as the headlease organisation, should be aware of why we are subject to the no-grounds eviction as well. It is used in a marginal way in New South Wales as a pass-through, but it is not supported either through the registrar or through our contracting regime that social providers would be using those mechanisms within the Act.

The CHAIR: Following on in terms of the potential for the benefits, if you like, of this reform going through, what do you see—because obviously we're in a situation where no-grounds evictions will have an impact in terms of the broader housing and rental space. Do you consider it likely that an end to no-grounds evictions would improve the current demand for social housing because of there being more security in the private rental market? How do you see those things playing out?

REBECCA PINKSTONE: I think it's really difficult to make a judgement call about the role that this reform would make within the broader rental market. Any effort to create greater stability for people who are renting in the current housing crisis is a positive one from my perspective. There are 57,000 people on the housing register. The vast majority of those are currently renting in the private rental market and often become homeless, accessing temporary accommodation or crisis accommodation because of an eviction or an inability to sustain the rents. For me, this is a very good reform that would create greater stability for renters in New South Wales, but it needs to be coupled with broader reforms and increased social and affordable housing supply.

The CHAIR: Ms Jones, in terms of the end of tenancy survey data that you were referring to then—thank you for that—my understanding is that the last public release of that data was in September 2022. I understand it used to be released regularly. I don't know if there has been a change as to why that is not released. I'm happy for you to take it on notice but, given that there has been high enthusiasm from many views on that data, can you comment on the public availability of that data or whether there are plans to make that public again?

TRINA JONES: I can confirm that there are plans to make that public again and in an ongoing way.

The CHAIR: Wonderful. Another one on the survey and data-related things, if I can, just quickly. I note that in the summary of the consultation that you undertook, the big survey that you undertook, in some elements of the written commentary about that summary there were distinctions made between property owners and "real estate agents", but then in the summary of the data that was provided it was bundling both the landlords and the real estate agents. I wonder if you could take it on notice and provide the breakdown of those summary pages so that we can have a sense of what the distinction is between the landlords and the agents?

TRINA JONES: Yes, absolutely. I can take that one on notice.

The CHAIR: Maybe this is for you, Dr Casey, or perhaps for the Rental Commissioner—I'm unsure. It's particularly in relation to the consideration that might have been given to what level of community education and outreach and support would need to go along with this reform. Particularly given that we know that in recent memory we have had significant changes that happened as a result of COVID, I'm wondering what was the level of resourcing required to communicate that? Given the significance of this reform, what would then be the necessary resourcing to be able to make sure that people are aware of that? Have you got the necessary funding for that? What does that look like?

PETRINA CASEY: I will make a statement, but I will hand over to Ms Jones, who will be leading that education effort. The Government has committed funding by means of a rental taskforce as well as obviously funding Ms Jones as the Rental Commissioner, really ensuring that in any reforms the education, communication and, importantly, compliance—which Ms Jones has referred to—will happen. That has an \$8.4 million commitment over the next four years. So, to split that up, that's \$2.1 million this year. A portion of that will be on education programs. But, as I said, a big focus of that will be compliance with the reforms, which education is obviously an important part of. I don't know if Ms Jones wants to add to that.

TRINA JONES: No, I think that covers it.

Mr TIM JAMES: When do you expect the rental taskforce to be set up and running?

TRINA JONES: We are up and running with the existing staff we have within Fair Trading, and we are about to recruit for a rental taskforce manager. That will solidify the operations, and then we will start the

recruitment for the other positions that will complement the taskforce. The goal is to set them up with key operations and align those operations to our regulatory priorities over the next 12 months.

Mr TIM JAMES: Two recruitment programs, so it's a good few months away, you'd think.

TRINA JONES: I think, in the coming weeks and months, we should have the rental taskforce established, subject to the talent in the market and the timeframes for their notice periods. But I don't have an exact date.

The CHAIR: In relation to something which I appreciate maybe no-one has the detail behind but that it would be good to get clarity around is my understanding of the wording. When the consultation was done last year, it talked about the "preparation of the property for sale" as one of the reasonable grounds. My understanding is that in the announcement that came out from the Minister and the Premier in relation to that, the specific wording was "where the property is being sold". Obviously I'm not dealing with the vacant possession element that already exists. I'm just wondering if you could expand or provide any detail or thoughts about at what point we are talking about with "preparation for sale" versus "property is being sold". Are they two different stages in a process or is that just a difference in wording? In relation to that, what evidence would be required depending on what stage in that process we were in?

TRINA JONES: In terms of the reasonable ground around preparation or the property being sold, what I can talk to is what we heard from the community. This was a really important one for landlords, property owners and agents who described getting a home ready for sale and the need to align expectations around people's standards of living et cetera. For example, if somebody needed to take pictures of the home for sale, which you would need to do, and it is tenanted, the strong feedback that I heard was that it's difficult to understand if the tenant would have the same standards of living as perhaps the property owner has an expectation on.

That's everything from whether the place is clean—and I'm not talking about to the level where there's property damage or whether they're in breach of the lease. This is about really just about saying the importance that we heard from the community, whereby they felt like it was important to be able to prepare a home for sale as a reasonable ground. They also told us that sale of home was also an important ground for them to have confidence to invest in the market. Those two points of feedback was really strongly received. In terms of the work that's underway on the draft bill, the Government has proposed further consultation with targeted stakeholders is underway to discuss evidence and penalties, and that will be subject to that process.

The CHAIR: Did you want to come in on that as well, Dr Casey?

PETRINA CASEY: No.

The CHAIR: The other one was in relation to the change of use provisions. Can you talk in a little more detail about the change of use provisions?

TRINA JONES: What we heard from people when we spoke to them about this ground was that people wanted to have the flexibility to determine what they might use the property that they had invested in for, whether it be a business, a holiday home, or perhaps use the property on the short-term rental market. People said that they wanted to be able to make that decision over their property. What we heard from renters and people who are leasing properties was they wanted to have certainty if there was going to be a change of use for how long that would need to be so that people weren't chopping and changing all the time and promising them maybe a longer lease and then that not eventuating because the property provider was changing their minds regularly, for example.

Property providers did say to us it was important that they would have that as a reasonable ground so that they could make decisions over their investment, depending on what stage of life they were in and depending on what return they wished to seek from that investment and the way in which they sought that return. That's why this was a particularly strong reasonable ground that was discussed through the consultations. For the consideration of the Committee, I'd pass that information on. Also in terms of the evidence and the types of change of use, again, from the Government's draft bill that will be subject to the targeted further consultation that we're doing over the next couple of weeks to ensure that it's fit for purpose and meets its intended use.

Mr TIM JAMES: I think you mentioned you'd been at a renters forum just last night, was it?

TRINA JONES: Yes, last night.

Mr TIM JAMES: Can I get sense of how many renters forums you've done and how many property owners forums you've done, just so I can get a sense of the overall balance and engagement with the stakeholder landscape?

TRINA JONES: In terms of my stakeholder engagement, last night there were about 70 renters at that forum, and that was the third in a series of forums. They're being run by the Tenants' Union and the Sydney

Alliance as part of their general work and engagement with renters, and I've been invited along. They have also been funded by NSW Fair Trading they've received through the Rental Bond Board grants program. In terms of stakeholder engagement, I've met with the Tenants' Union, I've met with the Tenants Advice and Advocacy Services, I've met with the Public Interest Advocacy Centre, I've met Jordie van den Berg from the Shit Rentals platform and I've met with Better Renting.

In terms of real estate agents, I've met with the Real Estate Institute, Ray White, Laing+Simmons, Harcourts—all the major agents and representatives of landlords—Morton Real Estate and tutor real estate. I've also met with the key analytics groups like LongView, CoreLogic and SQM, and some key build-to-rent and investor groups as well. I've been part of institutional investor round tables where there are representatives of maybe 10 to 15 landlord groups of different types of landlords. In terms of property representatives of that type, I've also met with purpose built student accommodation providers and landlords that provide specific accommodation to students and associated representative groups like Study NSW and the groups that support the renters and the landlords in those groups as well.

In terms of dedicated landlord round tables, we held two of those last year and one of them last week. The one that was held last week, I didn't personally attend. We did it as a form of consumer research and that's because I didn't want to influence the discussion based on my position. I wanted them to be able to have an open and frank discussion about some of the work that we're working on. There's another one is scheduled in a couple of weeks time as well. I try to be—

Mr TIM JAMES: Will some of that be released in terms of the feedback that you're getting?

TRINA JONES: I haven't had a plan to release that in any particular way, but if people think that would be useful, I'll take that.

Mr TIM JAMES: The insights and reflections of those who are supplying rental properties in this market are absolutely imperative. We've spent the best part of two days hearing from people who are pro these reforms, and that may rightfully reflect the balance of submissions to this Committee, but it is so important that we hear both sides of the story with relative balance and as much insight, depth and clarity as possible. That would be very helpful, indeed.

The CHAIR: To that point, I think one of the things that I am so keen to see the data on—I know the member for Willoughby is very keen on seeing the data around separating out the details in responses from the real estate agents versus the property owners. What I found quite interesting about the summary that you provided and hearing from the Real Estate Institute earlier about their consumer model is that their consumers are both the renters and the property owners. In a sense, where and who is opposing this or supporting this and how do they fit? I think there have been some interesting insights in the data that I've seen, at least top line, as to the fact that maybe there's not a clear cut both sides to this. There are actually people who are benefiting from their business model—and we heard that evidence from Shelter—versus the idea of people who are attempting to have more security in terms of how we're dealing with the housing crisis.

TRINA JONES: I would say that we speak to landlords and renters about lots of things. Mostly, we just listen to see what they want to talk to me about or what we're talking to them about. The survey results that we did was the most comprehensive response for that. I would also say that my experience, particularly on no-grounds eviction, is that when you start to talk to people about potential or hypothetical reasonable grounds, there is broad acceptance and understanding for this particular reform.

The CHAIR: Which is great to hear.

Mr TIM JAMES: Can I also mention, without transgressing that which this Committee is, in a sense, from my point of view, regrettably agreed upon, that the survey done in connection with this select committee, we have not been able to share the results publicly. No-one, for these hearings, has had the capacity to reflect upon those. In my view, they are very significant. You probably haven't seen them. You probably should, in my view.

The CHAIR: To be clear, a summary of them was provided to the Committee. Given the tight time line, there wasn't the capacity for the Committee secretariat to be able to prepare them in a publicly presentable way, so we received a brief summary of them. We will refer to the information and the commentary and people's experiences in that within the final report, so that will also be able to inform the ongoing debate and discussion around it.

Mr TIM JAMES: To be clear, from my point of view, there's a neat one-page summary that clearly outlines the responses to that survey. It's very illuminating and should've been part of this Committee's processes.

The CHAIR: You've put that on the record now.

Mr TIM JAMES: It would've been helpful for—

The CHAIR: Thank you to the member for Willoughby—

Mr TIM JAMES: —everyone to receive.

The CHAIR: —but I don't think the Rental Commissioner needs to hear your views on the one-page summary.

Mr TIM JAMES: I think it'd be very useful for the Rental Commissioner to have.

The CHAIR: That's great.

Mr TIM JAMES: It would be very simple for the Rental Commissioner to receive and have the benefit of harnessing—

The CHAIR: We will include the information in the final report. I'm sure, should the Rental Commissioner require more details about the information that we've got, we can absolutely consider that as a Committee and look at how we can best inform that with the way forward.

Mr TIM JAMES: I would like the Rental Commissioner to be responsive to it, but it's pretty hard when she's not getting it until the report is done.

The CHAIR: Thanks to the member for Willoughby for that commentary. We're at the time now when we've finished this session. I thank you all for appearing as witnesses today. I thank and acknowledge particularly you, Ms Jones, as the Rental Commissioner, and you, Ms Pinkstone, as the new CEO of Homes NSW, for taking the time to come here today and for the work that you are doing. I acknowledge and thank Dr Casey for being present here with us as a witness as well.

Thank you and your teams for the ongoing work in preparing the submission and the work you're doing within the public service to be able to advance the interests of us all and the community in New South Wales. Thank you very much for that. I appreciate your time. I'll let you know that a transcript will be provided to you so you can provide any corrections. In addition to that, if you have taken questions on notice, the Committee staff will send a copy of those to you. We're asking people to get back to us by next Friday because we're on a tight time line to be able to report back to Parliament on the outcomes of this inquiry. Thank you very much for your time.

(The witnesses withdrew.)

The Committee adjourned at 15:20.