

# Tenure Security and Private Renters in Queensland<sup>1</sup>

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## Abstract

Several studies report that private renters are far more likely to cite lack of security of tenure as a disadvantage than those who rent from the public sector (Foard, et al, 1994; Burgess & Skeltys, 1992). Understanding the role of tenure security in the private rental sector is important given that private rental, in general, has become a “more permanent element of the housing careers of low-, and increasingly middle-, income Australians” (Beer, 1999). The challenge for both policy makers and housing providers is to understand the nature of demand for legal security of tenure across different categories of low and moderate-income renters. This paper provides a framework for exploring the effects of a number of demographic, dispositional and circumstantial variables on the demand for security of tenure including trade-offs that are relevant to these preferences. The paper then discusses some results of preliminary focus groups that shed light on the contexts in which preferences for length of lease and so on are discussed. It is argued that these should form the basis of a further study that addresses tenants’ expectations and practices with respect to security of tenure, and the way these can inform strategies aimed at successful housing (DoH) and building the capacity (FACS) of private renters to achieve this.

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## **Introduction**

This paper provides a framework for examining the importance of “security of tenure” for low- and moderate-income renters in the private rental sector in Queensland, and their capacity to achieve it. The National Housing Strategy’s publication “Housing Choice: Reducing the Barriers” defined security of tenure as:

“(T)he extent to which an interest in, or title to, property is certain or guaranteed. More simply, for owners, purchasers and renters it means a right or continued occupation of a home” (1992:p37).

While various researchers have applied the term “security of tenure” to interpret findings and located the principle within varying frameworks, usage of the term encompasses a common core of meanings that all refer to the provision for continued occupation of a dwelling. In this context, it has become identified with specific initiatives (such as enhancing access to longer-term leases or reforms oriented to just-cause eviction) aimed at promoting key housing policy outcomes such as stability, independence and choice. Thus the first issue to be explored in the study informed by this paper is how different low- and moderate-income private renters experience, perceive and indicate a need for security as continued occupation of a dwelling. Further, however, it is considered important to understand whether and how different categories of renters can achieve the security of tenure they need. It is proposed that this second question will form the basis of further research in this area. The paper first turns to an outline of the context in which low-to-moderate income renters may be seen as vulnerable to the ‘insecurities of the market’. This is followed by an examination of possibilities for intervening in ‘legal security of tenure’ in Queensland. It then examines literature and findings in relation to low- to moderate-income tenants’ socio-demographic characteristics and the way these may influence their experiences and expectations of tenure security in the private rental sector. The paper argues that this provides a framework for an investigation into current demand for security of tenure in this group. However, with reference to focus group data, it is further argued that a more comprehensive model is required to investigate the salience of security of tenure for access to ‘successful housing’ (Queensland Department of Housing), and to inform ‘capacity building’ (FACS) for the achievement of such outcomes.

## **Tenure Security as Problematic: Changing tenure patterns in Australia and the value of the research**

Over the last decade, researchers have identified factors that are currently exerting pressure on the capacity of the private rental market to meet the demands of consumers. Delayed home purchasing combined with increasingly reduced access to public housing, brought about by government policy and economic reforms, has increased pressure on the private rental market throughout Australia to provide accommodation for a larger proportion of the population and for longer periods of time (Beer, 1999; Maher, 1997).

The home purchasing rate has declined by two percentage points in the two decades to 1994 (Yates, 2000), with the decline particularly marked among younger households (Bourassa, Greig & Troy, 1995). Over the decade to 1996, the private rental sector in Australia grew by 34 per cent (or three per cent per annum) compared with 19 per cent growth in home ownership for the same period (Yates & Wulff, 2000). In Queensland, the private rental sector increased by roughly 48,000 households between 1994 and 1999 (Residential Tenancy Authority, 2001) with around 24 per cent of Queenslanders privately renting in 1999 compared to 21 per cent for the whole of Australia (RTA, 2001). Burke (1999) has described these emerging trends as reflecting the tendency for private rental to provide the flexibility and diversity required for the production and consumption requirements of a "globalised market liberal economy".

Of particular interest to this study are the findings that the pressure on the private rental market to meet demand does not appear to be spread proportionately across the various categories of rental stock. Mirroring the broader Australian context, Queensland and, particularly, inner Brisbane, are characterised by a dramatic decline of lower-cost housing rental stock (Seelig, 1999; Yates & Wulff, 2000). Compounding the pressure at the low-cost end of the market, especially in the inner-city, is the above-inflation rise in rents across Brisbane and the loss of other low cost options such as boarding houses and caravan parks (Ministerial Media Statement by Robert Schwarten, 2001). Between 1987 and 1997, 48 per cent of the total boarding house stock in Brisbane inner city was lost through closures (Department of Housing, 1999) while there was around a 10 per cent decrease in long-term caravan park stock for South East Queensland between 1990 and 1997 (Severns, 1998).

Arguably, the likely demand for lower cost rental stock in a context of declining supply could impact negatively on lower income earners' capacity to attain successful housing outcomes in this sector. Indirect evidence to support this view is the finding that lower cost rental housing is more likely to be occupied by higher income earners (Yates & Wulff, 1999), a scenario likened to "a "mis-allocation" of dwellings to social groups" (DoH, November 2000). In their explanation of "successful housing", the Department of Housing (May, 2000) note that those people with "sufficient resources balance (successful housing) elements against their needs, make choices and decisions about their housing and often achieve a "successful outcome" for themselves, even when elements of successful housing are missing" (p.3). Thus, income can be viewed as a resource or specific "capital" that the renter brings to the housing market, which has a significant impact on the capacity to attain a "successful housing" outcome.

According to Burke (1999), factors such as those described above, in combination with the nature of investment and management in the Australian private rental market, lead to outcomes that are not consistent with increasing demand for long-term accommodation in this sector. In particular, he points to the processes that lead security of tenure to be seen as a central problem in relation to the performance of the sector in meeting consumer needs:

“Short-term leases are...required in order to maximise the investment opportunities for landlords. This means that the rental sector has no long-term security or certainty, with tenants regularly being evicted to enable sale of the property. This may be of no substantive importance if the sector plays only a transitional housing role for consumers, but if constraints are creating a new role for the sector – that is, one of long-term accommodation – then the residential tenancy environment fits poorly with consumer needs” (Burke, 1999).

Implicit in Burke’s comment is the idea that a set of power relations can work against the tenant’s capacity to access and sustain secure tenure. Whether the process Burke describes impacts differentially across income groups is not known. In any case, statements such as the above raises a question as to the empirical basis of the identification of security of tenure as problematic in the private rental market. Specifically, what needs to be empirically investigated in terms of Burke’s assertion is the importance placed by different categories of tenants on short versus long-term leases and whether length of lease is related to tenants’ notions of security of tenure, and if so, in what way.

The empirical investigation of these questions has the potential to contribute to international, national and state approaches to security of tenure. In its Global Campaign for Secure Tenure, the United Nations Centre for Human Settlements (Habitat) underscores the need for research into security of tenure stating:

“The very concept of secure tenure, for example, will itself have to be defined and benchmarked so that it is measurable, and forms of tenure that are not secure may thus be identified. Such a definition must necessarily be seen as a universal norm, and may not be the subject of regional or national reinterpretation or negotiation” (Cobbett, 2001).

This campaign plans to establish these “global norms” with respect to security of tenure, through a consensus-building process that involves stakeholders. In a modest sense, the present research can be seen as a “regional” contribution to one dimension of this consensus-building process. This project seeks to build an understanding of tenants’ views of security of tenure, how security of tenure figures in tenants’ housing decision-making and what conditions are considered to promote and sustain security of tenure.

At a national and state level, the project contributes in a number of ways to policy questions seeking to respond to the apparently increasing demand for longer term accommodation in the private rental sector in a market that is clearly difficult to negotiate for low- and moderate- income renters. The project will contribute to increased understanding of the nature of the demand for current housing services in the private rental sector, and will help to identify what role if any the Queensland Government may play in increasing residential stability in the private rental sector for those “in housing need”.

The project links strategically with efforts by both the Queensland Government and Queensland’s Residential Tenancy Authority to “work with industry to ensure compliance with the legislation and to improve the private rental industry’s practices” whilst reviewing the role of government in the private rental sector (The Minister for Public Works and Housing, RTA 2001, p.1). Further, the project’s findings can contribute to RTA’s Client Strategic Priority. During 2001, the RTA plans to undertake a series of stakeholder consultations and agency liaisons as part of its legislative amendment strategy. These consultations are

“(p)art of the RTA’s role is to monitor the operation of the legislation to ensure it provides a fair and balanced framework of rights and responsibilities for parties to tenancy agreements, consistent with government policy and industry and consumer needs” (p.3).

In order to provide a foundation for this inquiry, the paper turns to an examination of the legal contexts in which security of tenure may be addressed.

## **Legal security of tenure**

Sutherland (1992) provides an indication of the relevance of security of tenure with respect to legislation. He relates the notion to rights, privileges and benefits in relation to a dwelling which are “defined by the written contract between the landlord and the tenant, as modified by legislation generally regulating residential tenancies” (p.8). In principle, tenancy legislation in Australia provides for the landlord and tenant to negotiate a mutually agreeable term for a lease. However, in Queensland as elsewhere in Australia, the general “industry standard” is for an agreement to specify, initially, a six or 12-month tenure period (Fixed-term agreement) after which it becomes common practice not to specify any further period (Periodic Agreement). This latter Agreement provides for the tenant to reside in the property for an indefinite period.

While issues associated with the term of a lease have clear implications for security of tenure, Sutherland (1992) considers the legislative provisions for rent increases and termination of tenancy to have the most direct impact on tenure security. For example, unregulated, excessive rent increases can trigger, particularly for low-income tenants, problems of affordability that may threaten tenure security. In Queensland, there is no legislative framework for determining the level of rent nor is there legislative provision for frequency of

rental increases. When signing a tenancy agreement, the tenant agrees to pay the specified rent for the period specified in the agreement. Rent increases can be written into the terms of fixed tenancy agreements, and are effective one month after notification of increase. For periodic tenancies, rental increases become effective two months after notification. If a tenant considers their rental increase excessive, they have legal recourse through the RTA Tribunal. The Tenants' Union points out, however, that this decision on the part of a tenant could lead to retaliatory action by the landlord who may give the tenant eight weeks notice to leave, without grounds.

Tenants' Unions in Victoria and Queensland support Sutherland's (1992) observation concerning the relevance of provisions for the termination of tenancy agreements for tenure security. These agencies point specifically to landlords' rights to terminate tenancies, without providing grounds, as exacerbating the power imbalances between landlords and tenants. It is argued that this power difference is manifested in reluctance on the part of tenants to exercise their tenancy rights, such as rights to repairs, for fear of eviction (Tenant's Union of Victoria, 2000). Both Tenants' Unions also identify this provision as "a serious and significant barrier to security of tenure" (Tenants' Union of Queensland, 2000, "security of tenure and "just cause" termination" in *United Times, Newsletter of the Tenants' Union of Queensland*).

These arguments imply that the main threat to security of tenure presented by such statutory provisions is the high level of arbitrariness that can be exercised by landlords in terminating agreements. Presumably this provision, in turn, influences the extent to which tenants perceive that they can safely plan to stay in accommodation, and assert their rights. Tenants' Unions argue that the current power imbalance, which favours the landlord, should be redressed through legislation oriented to requiring the landlord to show "just cause" in terminating agreements.

An interesting feature of the legislation, however, and one not often discussed, is its potential for safeguarding the tenants' choice to move. The Act provides tenants and landlords with the same right to "without grounds" termination of tenancy agreement. The only point of difference is that, in the case of a periodic tenancy agreement, the tenant is required to give the landlord two weeks notice of intention whereas the landlord is required to give the tenant eight weeks notice.

Termination of a tenancy agreement may result, however, from a breach of the obligations of a tenancy agreement. This aspect of securing continued occupancy of a dwelling does not receive much empirical attention. However, as the National Housing Strategy (1992a) noted, security of tenure is as much a function of rights as obligations. Tenants and landlords have, under the Act, the same rights with respect to registering a breach, requesting remedial action and, if not forthcoming, terminating an agreement.

While the RTA promotes self-resolution as the preferred option for solving problems between disputing parties, it has, under the Act, broad powers to aid in the resolution of tenancy disputes. Should the RTA be unable to facilitate a satisfactory outcome for either party, the RTA can refer the matter to the Small Claims Tribunal although such action incurs a payment and may involve waiting periods depending on the urgency of the individual claim. Such constraints may deter tenants, particularly low-income earners, from pursuing a matter. As noted previously, Tenants' Unions suggest many tenants believe they will incur retaliatory action from a landlord if they report complaints.

The above review has suggested that the legal possibilities for addressing security of tenure pertained to changes to "no cause" eviction provisions and enhanced regulation of market practices associated with rent increases and length of tenure. However, there is no data on the extent to which these measures are desired by low- and middle-income renters, nor on the extent to which they would indeed provide for "continued occupation of a dwelling" for this group. The next section provides an examination of what is known about the socio-demographic characteristics of private renters in Australia with a view to identifying knowledge gaps with respect to the requirements of different categories of low-to-moderate income renters for legal security of tenure.

### **Socio-demographic characteristics of tenants**

There is an abundance of demographic data on households in the private rental market. For example, couples are the largest private renting group, at 45.3 per cent followed by people living alone (22.7 per cent), single parents (11.9 per cent) and group households, who made up 11.5 per cent of the private rental population (RTA, 2001). Renters are generally younger than the population as a whole. In 51.8 per cent of households renting privately, the reference person was under 35 years, whereas the reference person was under 35 in only 25.3 per cent of all households. Private renters are more likely to have a job. They spend more on housing as a proportion of their income: housing costs represent over 30 per cent of income for private renters, compared with 15.8 percent of income for all households. Median weekly housing costs are \$149 for private renters compared with \$107 for all households.

However, there is no published research that statistically examines these demographic variables specifically in relation to expectations and experiences of security of tenure. Some writers on discrimination would suggest that groups with the least resources to negotiate market relationships (e.g. people of non-English speaking and culturally diverse backgrounds, Aboriginal and Torres Strait Islanders, young people and people with children, particularly single mothers) are more likely to experience difficulties with affordability and legal aspects of security of tenure (San Pedro, 2000). Similarly, low-income earners are presumed to lack security of tenure since they are particularly vulnerable to rent increases (DHHLGCS, 1993: 23). While these relationships are, no doubt, probable, there is a need to empirically test these assumptions and develop a more comprehensive approach to studying the ways in which

different demographic groups experience security of tenure in the private rental market. Further to this, in the interests of policy development, it is important to identify the groups for whom security of tenure is significant. The following section examines what is known about the demand and provision for short- and long-term accommodation in the private rental market. This is then followed by an outline of findings pertaining to reasons for mobility as an indication of the salience of tenure security in housing decisions. The section will highlight the gaps in the literature that will be the focus of this research.

Wulff and Maher's (1998) study of the nature of demand for short-or long-term accommodation in the sector provides a broad context within which to examine private renters' requirements. They see this demand as reflecting different socio-demographic characteristics and orientations. Short-term demand "is believed to come predominantly from young, mobile, households, couples saving to buy a home, or others needing immediate accommodation because of employment relocations or marriage breakdown". On the other hand, long-term demand "arises from households either unable to afford home purchase or access public rental". Generally characterised as marginal or residual, this group consists largely of low-income households, many of whom rely on social security payments" (Wulff & Maher, 1998). They further observe that while short-term transitional participation is often seen as a positive move, which is "on the way to" home ownership, longer-term participation has been assumed to be negative, given that it is seen as a last resort. A further key consideration in shaping private renters' use of the private rental market is the critical role of labour market changes. Malone suggests that the requirements of job mobility may be playing a key role in moves out of home ownership and into private rental tenure. Badcock and Beer (2000) further observe that this trend may be influencing peoples' inclinations towards long-term housing commitments.

Other findings outline the current patterns that apply in Queensland with respect to the nature of leases. In this state, renters are more likely to have a fixed-term lease than in Australia generally. Households on fixed-term leases account for 57 per cent of Queensland's private renters compared with 47.6 per cent for Australia. Of these, Queenslanders are more likely to have six-month leases whereas twelve-month leases are more common for Australian households. Again, though, the tenure and lease preferences of different kinds of renters, and the likely impact on their housing careers is not known.

Similarly, dispute resolution data for Queensland describes the major issues brought to the attention of the residential tenancies authority, outlined in its annual report as follows:

“In the year 1999/2000, the RTA’s Dispute Resolution Service received a total of 14,991 dispute resolution requests, an increase of 27 per cent on the previous 12-month period. Of the requests received, 31.1 per cent were disputes during ongoing tenancy about issues such as rent arrears, locks and keys, broken leases, entry by lessor/agent, breach of notice to leave and repairs. For the same period, the RTA’s Legal and Investigations Unit investigated 1,065 cases of which 21.8 per cent related to unlawful entry of premises, 11.8 percent related to quiet enjoyment and 10.1 per cent related to written agreements. All of these issues could be assumed to have an impact on or jeopardise security of tenure.” (RTA, 2000).

The nature of disputes and problems with tenancies are, indeed, suggestive of issues of security of tenure, but the specific groups affected, the nature of landlord-tenant relationship and the impact of these problems on security of tenure are unknown.

This review indicates insufficient information in extant research for the purposes of identifying private renters’ requirements with respect to security of tenure in its legal sense. This study needs to investigate whether and for whom continued occupation of a dwelling would be achieved through enhanced availability of longer-term leases, amendments to ‘no cause’ eviction provisions, or regulatory strategies associated with rent increases and tenure management practices.

While the identification of legal and regulatory strategies to enhance provision of legal security of tenure is important, it is also necessary to understand the nature of private renters’ needs for tenure security in the broader context of their housing decisions. Private rental tenants are the most mobile of tenure groups and ‘tenure security’ as measured in mobility studies accounts for a minority of moves. Results show that only 17 per cent of private tenants had lived in their current dwelling for over four years compared with 53 per cent of public renters who had done so (DHHLGCS, 1993: 9). However, further work is needed to understand the extent to which these high levels of mobility are attributable to tenure security problems. According to the Department of Social Security (1997: 38) 45.3 per cent of private tenants surveyed reported that the most recent move was a result of the tenant’s own desire with 29.1 per cent citing “other” reasons. 12 per cent of tenants attributed their last move to the landlord with a further 6.8 per cent citing rent as the central reason. On its own, this kind of data is insufficient to address the question of the expectations and experiences of tenure security for different groups of private renters. Further insight is needed into the contexts of housing decisions to provide information on the importance and role of tenure security in broader sets of experiences and priorities.

### ***Mobility, compromises and 'trade-offs'***

One of the primary motivations for the Housing and Location Choice Survey (HALCS) was to investigate the trade-offs people make between affordable housing and other factors such as employment (NHS, 1992a). The survey monitored the various reasons people attributed to moving, new location selections and new dwelling selection. It also explored the compromises and adjustments made by households during and after the selection process. The data obtained from the HALCS with regard to trade-offs is valuable to the current project for two central reasons. First, it provides an account of the range of priorities that security of tenure may be traded-off against. Second, some findings provide the opportunity to raise questions regarding the nature of security of tenure and the way in which it may be masked by and within other factors that influence housing selection.

According to the HALCS the most common "main reasons" for the last move undertaken by Sydney and Melbourne renters include: lifecycle/family influences (17.8 per cent); to increase the size or quality of the dwelling (16.1 per cent); reasons relating to employment (16 per cent); and they had no choice (14.6 per cent). Typically, those who reported having no choice are regarded as having lacked security of tenure. Interestingly, in spite of the fact that 14.6 per cent of moves were forced, there are no reported "main reasons" for selecting the location and the new dwelling that relate directly to seeking security. Access to work places (24.3 per cent), affordability (19.7 per cent), access to services (15.4 per cent) and handy for family and social contacts (11.3 per cent) were most commonly cited by renters as the main reason for location choice. Affordability (34.1 per cent) and availability (32.6 per cent) were the most frequently cited reasons for choice of dwelling. Only a small number of renters reported having no choice in location (3 per cent) and dwelling (1.4 per cent) selection. Extending the "forced move" paradigm to understand "forced selection" as an indicator of a lack of tenure security in the private rental field, it may be said that only a small proportion of renters lack security of tenure in the field. Nevertheless, this perspective ignores the possibility that security of tenure may be interrelated with other factors such as affordability and availability and may also be traded off against other reasons in a complex decision-making process. Burgess and Skeltys (1992: 33-4) identify this possibility with respect to availability:

...it could mean that the selection of a particular dwelling was the end point of a multistage process involving the decision to move, the defining of housing requirements, and the selection of an area and a dwelling within that area. Given this complex process, it may be difficult for movers to articulate a particular dwelling-related reason for moving. (Burgess & Skeltys, 1992: 34)

The multifarious nature of the process through which people make housing related decisions is likely to shelter or mask many reasons and factors that influence decisions. While Burgess and Skeltys recognise this with respect to dwelling-related reasons, it is potentially applicable to reasons pertaining to any aspect of the housing selection process. Following from this, reasons

and trade-offs made by renters may not always be clearly articulated or identified.

The HALCS attempts to monitor the extent to which compromises are made in location and dwelling selection. Among private rental households, 56.3 per cent claimed that a compromise had been made when selecting their current dwelling. The size of dwelling was the most frequently made “main compromise” among this group (14.2 per cent). Other compromises included style of house (6.1 per cent), access to services (8.3 per cent), access to work (7.9 per cent), family/social contacts (6.3 per cent), and size of land (2.2 per cent). 11.3 per cent of households renting privately cited other reasons not specified in the available data (Burgess & Skeltys, 1992: 35). Notably, all the compromises identified relate to relatively fixed and stable housing attributes that are easily recognised and measured by householders. That is, they are likely to have been consciously weighed up in terms of what was optimally desired and the actual outcome. Compromising on clearly defined wants and desires is a significant dimension of housing related decisions. Nevertheless, there is arguably another dimension of the trade-off process whereby other, less tangible influences play an integral role.

While the data on trade offs and compromises provides a valuable foundation for the current study, it is also clear that more information is needed on the specific demographic, attitudinal and behavioural characteristics of renters in relation to their housing decisions. For example, recent Queensland data point to the role of affordability problems that are likely to be most acute in high rent areas. (DoH, November, 2000). Around 50 per cent of social security recipients in Brisbane inner city pay between 30-50 per cent of their income on housing costs. Only 20 per cent of recipients pay less than 30 per cent of their income on housing costs and just under 30 per cent pay more than half of their benefits or pensions on housing (DoH, 1999). This form of “extreme housing need” is concentrated within the very young and, to a less degree, the very old (DoH, 1999). In their report on public housing in Australia, Foard et al report that reducing housing costs was a key reason given by households moving into public housing. However, recent policy initiatives in Queensland reflect an attempt to address affordability issues within the private rental market by application of incentives and subsidies. Suggested approaches to promote the affordability and appropriateness of private rental housing for low-income households include legislation reform, planning and building regulation, education and awareness raising about market issues, taxation and subsidy mechanisms and direct market intervention through the Brisbane Housing Company (Ministerial Media Statement by Robert Schwarten, June 13, 2001). In line with this kind of initiative, it is important to understand the significance of tenure security for groups such as younger and older people and the specific ways it may contribute to the alleviation of housing need within the private rental sector.

The empirical investigation of these questions will provide important information on the demand for 'security of tenure' in its legal sense amongst a group that is seen as vulnerable to the 'insecurities' of the private rental market. The survey instrument developed as part of the project will explore this demand across different categories of private renters in the context of their housing careers and mobility decisions. While the results of the survey are not yet known, however, aspects of the findings from two focus groups conducted to inform the design of the survey instrument are outlined below.

### **Preliminary Findings: Focus Groups of private renters**

Interviewees for the study will be drawn from the RTA's bond lodgement database. Approximately 300,000 bonds, Queensland-wide, are lodged with the Authority. The database includes the name of the tenant(s) who has(have) paid a bond to a landlord/agent which, in turn, has been lodged with the Authority. While the database includes tenants in a broad range of dwelling types, only those tenants renting between one to four bedroom houses, flats or townhouses will be sampled. Dwellings with more than four bedrooms could include boarding houses, which is a tenure type with a significant number of attendant issues in its own right and unable to be addressed within the scope of this study.

The focus of this study is the impacts of security of tenure for low- to moderate-income renters. As the RTA database does not include information on income level per tenant or household unit, decisions taken to optimise the inclusion of low- to moderate-income renters in the sample are as follows:

- Sampling from the RTA database would be confined to postcode areas which demographic data characterises as predominantly low- to moderate-income areas; and
- Within these postcode areas, only sampling from among those tenants whose rent level is below the 75<sup>th</sup> quintile for flats, houses and townhouses.

Respondents for both the focus groups and the survey will be sampled from the regions of inner Brisbane and Ipswich. Inner Brisbane has a higher proportion of incomes towards the low end of the spectrum and a higher proportion of private renters compared with the wider Brisbane City and Queensland as a whole (DoH, 1999). As well, average rents in Brisbane inner city are not only higher than rents in either Brisbane City or Queensland, they have increased at a much faster rate, across all dwelling types (DoH, 1999). Further, unemployment levels, which are suggestive of low-incomes, were slightly higher (11 per cent) for Brisbane inner city than for Brisbane City (8 per cent) and Queensland (10 per cent). Thus, sampling private renters from the inner suburbs of Brisbane is likely to optimise the chances of interviewing low- to moderate-income renters.

Ipswich has a population of approximately 80,000 people and is situated on the outer western edge of greater Brisbane. While traditionally a blue-collar city, the city is undergoing a transition as indicated by its growth in white-collar industries and the recently located University campus. Ipswich has a higher proportion of low-income earners than Brisbane although a higher proportion of persons in middle-income categories when compared with Queensland figures (ABS, 1996). Compared with figures for Queensland overall, the rate of labour force participation in Ipswich is slightly higher. The tenure mix in Ipswich reflects national averages with around 68 per cent homeownership, private rental at around 21 percent of total tenures and public housing at 6.2 per cent.

Brisbane inner city and the Ipswich area also contain a substantial proportion of public housing stock. While other areas within the greater Brisbane area and the south-east corner of the state also contain a concentration of public housing many of these areas are currently the subject of other housing research programs. To reflect the geographical areas of interest for the survey (inner Brisbane and Ipswich), a focus group was undertaken in each area. A target of 8 participants was set for each focus group. To optimise the representation of low- to moderate-income groups, sampling was undertaken: a) within the postcode area with the lowest median weekly rent for each target area (e.g. Brisbane inner city and Ipswich CBD to Redbank); and b) among tenants whose rent level is below the 75<sup>th</sup> quintile for that geographical area.

For each of the two target areas in this study, the Residential Tenancies Authority (RTA) randomly generated a list of one hundred possible participants and contacted those participants by letter to advise of the research and the possibility that they may be asked to take part in the focus group. The letter advised that those participating would receive \$20.00. The payment was offered as an incentive to cover expenses incurred in attending the focus group and as recognition for time contributed.

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The following section reports on focus group data exploring renters' orientations to specific aspects of legal security of tenure. While of course the findings are not statistically generalisable, it is worth noting that respondents generally preferred the notion of six-month leases. However, the focus group data was most useful in identifying the daily contexts to which these preferences respond. Consider the following responses:

**Extract 1**

**Young single unemployed male: Ipswich**

maybe having more of an open contract like if you want to leave, if something happens where you **have** to leave before your six months are up you shouldn't **be** penalized for leaving. Like if you try'n get out of a contract now you're penalized for it and that really sucks for, for people who are renting you know because **they** can't control circum- circumstances, well not all circumstances anyway....I can understand why from a owner's point of view that they don't want someone coming and leaving **at will** but they've gotta be more flexible at the same time.

**Extract 2**

**Married female with children, late 20s home owner in regional Queensland, renting in Ipswich for husband's employment reasons**

I've found that a lot of places we've been in sign up for *six months* and then you know we'll discuss it I think whether or not we're going to stay there or, or move on. I've never had any trouble **renewing** a lease.... I think (six months) is probably a good idea to start with. Because you might find out in a month's time that you're not comfortable there or it's not exactly what you wanted. Or in **their** case you know they might be planning to sell the house or you know maybe **they** need the house for something else.

**Extract 3**

**Single Male, employed approximately 30, inner Brisbane.**

I think six months is good. It's good for the landlord, and it's good for you. You can **test** the situation.

**Extract 4**

**Single Male, student early 20s inner Brisbane**

Yeah, umm I think six months with an option to continue on a six monthly basis is good because it works for both people. 'cause where we were living **first** we had a six month lease and after six months, one the circumstances of the people living in the house changed and two no one really liked the house ((*laughter*)) So, like we just said yeah, like one of the people went interstate and so that was just the dy changing, dynamics of the group so we just went, moved into a new house.

**Extract 5**

**B single female,30s, self employed inner Brisbane**

**N Single female parent 25+ Inner brisbane**

B: Well I had a lease but what they were saying was that, that at that time that the lease was umm, NO actually it was due to expire like, in about three months time but they actually gave me *notice* to leave. Said, you know, you've got so, so long or whatever.

N: They have to have good reason=

B: [I know=

N: [=to break your lease

B [=And, and that's the whole thing, I, I mean, we negotiated and we solved it. What I'm getting at is that there are, there are processes that they should have gone through. And they just said, the agent just rang up and said Oh, you know, you've gotta leave, you've gotta leave by such and such and I'm just going *hello*.....

N: I think too, sometimes they forget that it's your home. It's *their* house but it's your home. And, you know, everyone has a *right* to *run* their home the way they want to so long as it's not infringing on, you know, the rights of the *owner* who's, you know, who owns the house.

**Extract 6**  
**Married male late 20s: Ipswich**

You have to **believe** what th- they tell you going into it. There's no cooling off period..... How do you know what's there until you live there for a little while? .... because (.) you can move next to Charles Manson and you *wouldn't* know. In this case it's like I just had **no** idea what, what was going on about the house until ...my wife she was in hysterics and tears and you know I couldn't get out of it

While a number of the respondents nominate six month leases as suited to their needs, it is the respondents' emphasis on flexibility and negotiation which provides important information on the contexts in which legal security of tenure is discussed. The responses in extracts one four and six point to the importance of contingency in the lives of people in the private rental market. Respondents advocate six-month leases or more flexible lease arrangements because of the salience of the possibility of changing circumstances for them. In extracts two three and six, we find an additional emphasis on the need for a shorter lease initially in order to assess the suitability of aspects of the dwelling and locale, in the words of the respondent in extract three to "test the situation". The expressed needs for "testing the situation" and the emphasis on "changing circumstances" point to the importance of an unfolding and evolving understanding of the needs for legal security of tenure with respect to specific agreements. However, the respondents in extract five overtly point to negotiation with landlords as integral to their experience of legal tenure security. Their responses illustrate the way factors such as their level of competence and confidence in negotiating with landlords, their expectations of security and of their rights as tenants are invoked as relevant to their assessment of measures pertaining to legal security of tenure.

## **Conclusion**

This paper has reviewed literature and findings for the purposes of informing a study of the demand for legal tenure security in Queensland. It is clear that while security of tenure is seen as potentially problematic in the private rental market, particularly for vulnerable groups, there has been very little empirical testing of this assertion. This paper has pointed to specific areas where knowledge gaps exist in relation to this question. It has further outlined some results of focus group data that shed light on the contexts in which demand for legal security of tenure is discussed. Thus, While the results of the focus groups have assisted in the development of the survey instrument designed to explore the demand for legal security of tenure, the contexts in which renters discuss tenure security also suggest the need for additional research outside the scope of the current study. The current study makes a vital contribution to an indication of the way legal measures may provide an appropriate framework of rights and responsibilities for different categories of renters. However, the legal philosopher Hart reminds us that laws cannot fully provide for their interpretation and application. While the law and policy may be designed to provide for security of tenure, to what extent are different categories of renters able to achieve it? In policy environments that emphasise 'successful housing' and 'capacity building' to reduce social and

economic marginalisation, it seems appropriate to argue for further research that investigates the contexts in which renters may achieve security of tenure. An appropriate model and research design for this future project is currently under development.

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