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Green Party's Open Letter Offers No Real Solutions

AUCKLAND, 30 July 2024—The Auckland Property Investors Association (APIA) is disheartened by the Green Party's recent open letter to the Prime Minister. The letter offers no real solutions and only serves to drive further division in an already tense rental sector.

APIA fully supports creating better living environments and ensuring security of tenure for tenants. These outcomes align with landlords' values, outlook, and interests. "Renting is already so precarious for many," says Association general manager Sarina Gibbon, "we should stop indulging in feel-good policies and talk about how to deliver real solutions that will actually make a difference."

Addressing Green Party's Proposals:

Limiting Rent Increase: The Residential Tenancies Act already limits rent increases to once a year and caps them at market rate.

APIA's solution to rental affordability: Support policies that will lead to an increase in the supply of private rental housing. "Flipping that supply-demand imbalance will give tenants more choice and pricing power," says Gibbon. Support the New Zealand Property Investors Federation's (NZPIF) proposal for a long (fixed) term tenancy which comes with better pricing certainty for tenants.

Rental Warrant of Fitness: Having a separate and parallel scheme to the Healthy Homes Standards (HHS) is inefficient and wasteful. The cost it puts on landlords will only give them more reason to increase rent on tenants. "Before we create more affordability anxiety for tenants, let's figure out if the HHS is working, and if not, how can it be strengthened," says Gibbon. "Because potentially, we are talking about fixing something when we don't even know if it is broken."

APIA's solution to better quality housing: Strengthen HHS compliance oversight and support tenants' ability to make complaints to the Tenancy Compliance and Investigations Team for HHS delinquency. Regulate HHS reporting industry for better consumer certainty and satisfaction.

Landlord Register: We already have a landlord register in the form of the Bond database. While APIA is open to working with the Greens to explore better utility for this database, the Greens have not clearly articulated their intended use. "Just because your name appears on a register doesn't make you a good or a bad landlord," says Gibbon.

APIA's solution to better landlord accountability: Strengthen the Residential Tenancies Act to include meaningful sanctions against genuinely bad actors. Support better landlord education by making it compulsory for all self-managing landlords to take the New Zealand Property Investors Federation RentSkills programme. Regulate property managers to elevate it from a trade to a skilled profession.

Scrapping No-Fault Termination: No-fault termination is an insurance policy and not a given. "You don't buy vehicle insurance so that you can purposely crash your car. Similarly, the 90-day no-fault termination provision is what landlords need to confidently rent to a stranger," explains Gibbon, "Security of tenure has to start with securing a tenancy in the first place."

APIA's solution to better security of tenure: Restore the 90-day no-fault termination provision to give tenants better access to housing in the private rental market, combined with better tenant empowerment under section 54 of the RTA, which protects them from retaliatory termination. "It is baffling that landlord groups are the only ones talking

about section 54 when it literally is a tenant's trump card against bad-faith landlords. I, for one, would love to work with the Green Party to bring better awareness and utility of section 54 to renters," adds Gibbon.

Furthermore, it is unnecessary to make the Prime Minister's private ownership an issue. The Association is sure, as with his counterparts in the Green Party, the Prime Minister is capable of empathy and sound judgment.

APIA remains committed to working with all stakeholders to ensure a fair, practical, and sustainable rental market for both landlords and tenants.

For media inquiries, please contact:
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About Auckland Property Investors Association (APIA)

The Auckland Property Investors Association (APIA) is a leading advocacy group representing the interests of property investors throughout Auckland. Committed to promoting education, advocacy, and networking opportunities, APIA actively shapes policies impacting the property investment landscape. APIA strives to cultivate a supportive environment for property investors while advocating for policies that uphold the rights and responsibilities of both landlords and tenants.