

AUSTRALIAN CAPITAL TERRITORY  
LANDLORD AND TENANT ORDINANCE (NO. 2) 1973

EXPLANATORY MEMORANDUM

Rentals for domestic premises in Canberra have risen considerably since 1 January 1973 and, unless some legislative barrier is erected, could be expected to continue to increase to even higher levels.

The proposed Ordinance will amend existing provisions so that future rents of domestic premises that were let on 1 January 1973 are to be "pegged" to the rents paid at that date. Any increases desired by a landlord above that level would have to be determined by the Rent Controller under the existing provisions of the Ordinance.

Where premises have been let since 1 January 1973, the lessor would be permitted three months from the date of commencement of the Ordinance to seek a determination by the Rent Controller of the fair rent for the premises.

A landlord of premises let after the commencement of the Ordinance would be required to seek within 28 days of the letting a determination by the Rent Controller of the Fair Rent.

Where, as a result of rents payable after the commencement of the Ordinance being set at rents paid at 1 January 1973, a tenant has overpaid his rent e.g. by paying in advance for a period in which

the Ordinance commences, he is to be permitted to deduct that overpayment from later rent payments.

Provision is also made for the amended Ordinance to prohibit payments in the nature of key-money or goodwill in respect of business premises. The Ordinance already has that prohibition in respect of domestic premises and the new provision is an interim measure until a more comprehensive Ordinance dealing with business rents can be submitted.

The existing level of maximum penalties under the Ordinance are increased from \$200 to \$500, as being more equivalent to the alternative penalty of six months imprisonment.

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Minister's Initials