



2 November 2012

Civil Fees Review  
Ministry of Justice  
DX SX10088  
Wellington

Email: [civilfeesreview@justice.govt.nz](mailto:civilfeesreview@justice.govt.nz)

Dear Sir/Madam

## **NZPIF FEEDBACK ON THE CIVIL FEES REVIEW CONSULTATION PAPER**

Please find following some comments prepared by the New Zealand Property Investors' Federation Inc (the Federation) in response to the call for feedback on the setting of civil fees consultation paper.

The Federation established in 1983, comprises twenty local associations located throughout New Zealand, and is the national body representing the interests of over 7000 property investors.

The Federation represents and promotes its members' views on all matters affecting investment property and rental-housing issues.

The Federation would like to convey its strong objection to the Ministry of Justice on the proposed new fee for enforcing a possession order obtained in the Tenancy Tribunal

Specifically, paragraph 139 of the consultation paper states:

*139. Currently, a landlord can file a possession order free of charge to evict a tenant from his or her property. Possession orders are enforced as a warrant for the recovery of land and are expensive to execute. A single \$200 fee is proposed for this service..”.*

### **SCENE SETTING COMMENTS**

In considering the matter of fees arising from Tenancy Tribunal orders it would be prudent to appreciate the fact that this jurisdiction is where many of the Federation's members unfortunately and reluctantly have to participate. The reason is primarily to seek remedy to breaches caused by tenants who fail to pay their rent, who cause serious damage to the property or who fail to vacate the property.

Statistics from the Department of Building and Housing show that there are some 48,000 applications<sup>1</sup> that pass through the Tenancy Tribunal annually and over 92% of the applications are from landlords. Seeking orders for unpaid rent is by far the largest occupier of its time.

The 8% balance of Tenancy Tribunal hearings relate to applications made by tenants. It is readily accepted that the vast majority of landlords comply fully with the Tribunal's orders – however, the same cannot be said of tenant compliance.

### **NZPIF IS OPPOSED TO THE \$200 FEE**

Federation members are high users of the Tenancy Tribunal. Therefore, the proposed new fee of \$200 will potentially create an extra financial burden and be a major inconvenience on our members. The Federation would prefer that NO fee be applied to orders obtained in the Tenancy Tribunal.

The Federation's view that the \$200 fee not apply is quiet simple. Landlords and tenants are required under the Residential Tenancies Act to have all bond monies lodged with the Bonds Centre. It is understood that there is \$350 million in residential tenancy bonds under management and the resultant interest earned on those funds, in our opinion, would more than cover or offset and contribute appropriately to the cost of enforcing Tribunal possession orders. It would be inequitable for landlords to be asked to contribute twice.

### **ALTERNATIVE FEE**

In the event a new fee is to apply, the Federation suggests that a more modest sum of \$30 should be about the right level of contribution for the service. We note that the amount of \$30 aligns with the proposed fee for the following tribunals:

- Accident Compensation Appeal Authority
- Accident Compensation Appeals (District Court Registry)
- Human Rights Review Tribunal
- Real Estate Agents Disciplinary Tribunal

**Andrew King**  
**President**  
**Property Investors' Federation of New Zealand Inc**  
PO Box 20039, Bishopdale  
Christchurch

(09) 815-8645  
027 216 1299  
Email: [andrew@andrewking.co.nz](mailto:andrew@andrewking.co.nz)

---

<sup>1</sup> DBH Briefing to the Incoming Minister of Housing 2011