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HOUSING, BIG BUILD AND MANUFACTURING COMMITTEE

Members present:

Mr CG Whiting MP—Chair
Mr JJ McDonald MP
Mr DJ Brown MP
Ms A Leahy MP (virtual)
Mr RI Katter MP (virtual)
Mr TJ Smith MP (virtual)

Staff present:

Ms S Galbraith—Committee Secretary
Dr V Lowik—Assistant Committee Secretary

PUBLIC BRIEFING—INQUIRY INTO THE MANUFACTURED HOMES (RESIDENTIAL PARKS) AMENDMENT BILL 2024

TRANSCRIPT OF PROCEEDINGS

Tuesday, 2 April 2024

Brisbane

TUESDAY, 2 APRIL 2024

The committee met at 10.49 am.

CHAIR: Good morning. I declare open this public briefing for the committee's inquiry into the Manufactured Homes (Residential Parks) Amendment Bill. My name is Chris Whiting. I am the member for Bancroft and chair of the committee. I would like to respectfully acknowledge the traditional custodians of the land on which we meet today and pay our respects to elders past and present. We are very fortunate to live in a country with two of the oldest continuing cultures in Aboriginal and Torres Strait Islander peoples whose lands, winds and waters we all share. With me today are: Jim McDonald, the member for Lockyer and deputy chair; Don Brown, the member for Capalaba; Robbie Katter, the member for Traeger, who is joining us via videoconference; Anne Leahy, the member for Warrego, who is substituting for Michael Hart, the member for Burleigh, and is joining us by videoconference; and Tom Smith, the member for Bundaberg, who will be joining us via videoconference.

The briefing is a proceeding of the Queensland parliament and is subject to the parliament's standing rules and orders. Only the committee and invited witnesses may participate in the proceedings. Witnesses are not required to give evidence under oath or affirmation, but I remind witnesses that intentionally misleading the committee is a serious offence. I also remind members of the public that they may be excluded from the briefing at the discretion of the committee. I remind committee members that officials are here to provide factual or technical information. Any questions seeking an opinion about policy should be directed to the minister or left to debate on the floor of the House.

These proceedings are being recorded and broadcast live on the parliament's website. Media may be present and are subject to the committee's media rules and the chair's direction at all times. You may be filmed or photographed during the proceedings and images may also appear on the parliament's website or social media pages. I remind people to turn their mobile phones and computers off or to silent mode.

I now welcome officers from the Department of Housing, Local Government, Planning and Public Works.

MCALLISTER, Ms Danielle, Deputy Director General, Department of Housing, Local Government, Planning and Public Works

PARMENTER, Ms Linda, Manager, Department of Housing, Local Government, Planning and Public Works

SAMMON, Mr Damian, Director, Department of Housing, Local Government, Planning and Public Works

WRIGHT, Ms Ange, Executive Director, Department of Housing, Local Government, Planning and Public Works

CHAIR: I invite you to brief the committee after which we will have some questions for you.

Ms McAllister: Good morning, Chair and committee. I would also like to acknowledge the traditional owners of the land on which we meet today, the Turrbal and Yagara people, and pay my respects to elders past, present and emerging. I would like to thank the committee for the opportunity to provide a briefing on the Manufactured Homes (Residential Parks) Amendment Bill 2024, the bill, which amends the Manufactured Homes (Residential Parks) Act 2023 and makes a consequential amendment to the Fire and Emergency Services Act 1990. I am joined by my departmental colleagues.

To begin, I will provide some contextual information and background about the bill before the committee. In residential parks, consumers own their own manufactured home but do not own the land their home is on or hold rights associated with that land ownership. Instead, they rent the land their home is sited on from the park owner. Modern residential parks are typically marketed as lifestyle communities for people aged over 50. The residential park industry has experienced steady growth

over the past 10 years. As at 1 March 2024, there were 203 parks across the state with 25,506 sites home to around 38,000 residents. Over half of all parks are listed as mixed-use, meaning that they have manufactured homes as well as holiday accommodation, caravans or other dwellings, but most home sites—87 per cent of them, in fact—are in purpose-built parks limited only to manufactured homes. While parks have historically been owned by small independent operators, it is now estimated that six operators, each owning nine or more parks, account for almost 40 per cent of all parks and around 60 per cent of all manufactured home sites in Queensland.

The Queensland government's Housing and Homelessness Action Plan 2021-2025 committed to address concerns about site rent increases and unsold homes in residential parks. This commitment recognised sustained calls from manufactured home owners for reform to the act. The bill before the committee is a result of extensive consultation, data collection and policy development with valuable input from home owners, park owners and industry and consumer advocates. The consultation process involved release of an issues paper and survey in June 2022, with the survey receiving 2,201 responses. There were also many submissions made by stakeholders in response to the matters raised in the issues paper. The data and perspectives provided through this process informed the detailed consultation regulatory impact statement, CRIS, which was released for community feedback in May 2023. In response to the release of the CRIS, the department received more than 2,700 submissions from home owners, park owners, consumer and industry advocates. This feedback helped to shape the final suite of reforms recommended in the bill.

Feedback from stakeholders and analysis undertaken by the department indicated that the act no longer reflects the nature of the residential park industry, leading to an inequitable relationship between home owners and park owners, with home owners bearing a much greater share of financial risk. With limited ability to exercise market power after they move into a residential park, home owners are vulnerable to site rent increases that have often exceeded growth in typical home owner income with many home owners being pensioners on low and fixed incomes. If site rents become unaffordable, home owners have little option but to sell their home. They must continue paying site rent as long as their home is on the market. With a secure income stream from a site rent and with home owners unlikely to be able to relocate their home, analysis indicated park owners face limited incentives to keep site rent increases at affordable levels over time or facilitate sales when home owners seek to leave a park because it no longer suits their needs.

Once all homes in a park are sold, home owners reported a decline in the standard of park maintenance and amenities, eroding the lifestyle that they were paying for and potentially impacting the value of their significant investment in their manufactured homes. Research also indicated that many home owners have entered site agreements without really fully appreciating the extent to which site rent could increase, either because of insufficient precontractual advice or complex site agreement terms, the financial impact of which could not be reasonably anticipated.

With these matters taken into account, the bill therefore includes reforms that can be described under three broad categories: one, limiting site rent increases; two, improving the home sale process; and, three, consumer protection and transparency measures. First, I will describe how the bill will deal with site rent increases. The bill would prohibit market rent reviews from occurring under existing and new site agreements, thereby removing the most common cause of high rent increases for home owners. It would cap general site rent increases at the higher of CPI or 3.5 per cent. The bill will also prescribe that all CPI increases must be based on the All Groups Weighted Average of Capital Cities Index, better aligning growth in site rent with increases in the age pension.

Next, to improve the sales process the bill would introduce a buyback and site rent reduction scheme, reducing the risk of home owners becoming trapped in a park and liable for site rent, including when their circumstances, such as health or aged care needs, require them to live in other accommodation. This scheme provides that eligible home owners would receive a 25 per cent rent reduction when their home has been on the market for 12 months, and park owners would be required to purchase the home after 18 months, subject to conditions outlined in the bill. With respect to the home sales process generally, this would be simplified through removing the ability for home owners to assign rent agreements, including rent amounts, to incoming home owners.

Finally, to improve transparency and consumer protection, the bill would introduce a requirement for parks to publish comparison documents that outline key information regarding site rent, how rent can increase and indicate the amenities and services available in the park. Parks will also be required to develop maintenance and capital replacement plans that show home owners how their site rent is being invested back into the park. There will also be: new requirements for parks to register with the regulator, amendments to improve and modernise termination provisions and a requirement for residents to have the option of at least one fee-free method of paying site rent.

While these measures all target specific issues raised by stakeholders through consultation, they also form an interrelated package of reforms to improve consumer confidence in residential parks as a housing option—and a really important housing option. For example, measures to limit site rent increases along with simplifying the sales and assignment process will encourage park owners to set a viable site rent at the outset of a home owner's tenure rather than relying on market reviews to increase rents in unpredictable ways once the park is full and home owners face barriers to moving if they cannot afford to pay. Park comparison documents and the home buyback scheme are intended to encourage healthy competition between parks through transparency and like-with-like comparison, ensure parks are well maintained and rents are fair, and so encourage the resale market and consumer confidence.

Finally, the buyback scheme comparison documents, capital replacement plans and updated termination provisions are intended to modernise the legislative framework and better align it with the broader retirement living market, in particular, retirement villages. The bill acknowledges that a post-implementation review is appropriate and important and requires that the review commence within three years of the amendments commencing. This provision requires that the review consider whether the amendments in the bill have achieved an appropriate balance between industry viability and consumer protection and whether any amendments are required to achieve that appropriate balance.

That concludes my opening statement. Thank you for the opportunity to address the committee this morning. We welcome any questions.

CHAIR: I will start by complimenting the department on the many years of hard work that you have done on this. Thank you for that. I know it has been tricky. I want to put on record my acknowledgement of the hard work you have done. The explanatory notes to the bill, and I found this really interesting, state—

... parks have unique features leading to market failures that adversely impact on home owners, justifying strong regulatory intervention.

You went into a bit of detail as to why market failures would justify that strong intervention. Could you expand a bit more about the unique features of the market failures? This is such an unusual sector where the home owner owns a home that depreciates, but they do not own the land on which the house sits, which does appreciate. Can you talk a bit more about why what justifies that strong regulatory intervention?

Ms McAllister: I will commence and then hand over to my colleagues. As you say, the fact that the home owner owns their manufactured home however continues to rent the land from a park owner is a very unique situation. They are not small investments. An average manufactured home in 2022 was \$518,000, so it is not a small investment. They are not easily moveable. You cannot just put the house on a trailer and move it. They are very difficult to move. Once the home owner buys into that particular park, they are really captured. The cohort that does buy and is marketed to is more the retirement and over 50s living, so they can potentially be a vulnerable cohort with fixed incomes or on aged care pensions and so on. There really are very specific and unique circumstances for manufactured homes and residential parks. With that, I might hand over to one of my colleagues.

Mr Sammon: To extend on what the deputy director-general was saying, a lot of it comes down to that separation of ownership between a very significant asset in the manufactured home and the land upon which that home is sited. It is also worth remembering that there is a relatively limited market for manufactured homes in residential parks. They are targeted towards seniors. They compete against retirement villages in that sense and their advertising and marketing makes comparisons with retirement villages, which have been a feature of the seniors housing landscape for quite some time and are subject to what many people have described as a more significant regulatory regime in the Retirement Villages Act.

Another significant feature is the relatively limited market for homes. Also of great relevance is the requirement to continue to pay site rent until somebody else can be found to buy the home off the home owner who then takes over that obligation. That then provides a stream of site rent income to the park owner that is largely uninterrupted and it is the home owner who bears the risk of making that move into other accommodation, which might be required for aged care purposes, for example.

Ms Parmenter: The only other thing I would add would be to note that quite a bit of the value of the home is in the land that it is situated on. There is value in the site rent agreement; there might be value in the position within the site but also the site itself as well as the amenities and services that the park offers. However, it is very difficult for a home owner to exert any influence over those things because they are not the ones who are maintaining the park and the facilities. That also puts

them in a fairly unique situation because if they paid that up-front cost then, when exiting, they are going to want to recoup that value. However, they may have limited control over some of the factors that will influence whether they will recoup that value or not. At the same time, because they are receiving that guaranteed income, park owners do not have the same incentive to help facilitate timely sales that a home owner would have.

CHAIR: I know that when we do our public consultation this will be the biggest issue, which is the site rent increase limitations. I found it really interesting that rent increases will be capped at 3.5 per cent or CPI, whichever is the higher. Can you explain why it is specified 'whichever is higher'?

Ms McAllister: The permissible site rent increase with the higher of CPI or 3.5 per cent was selected by government during the regulatory impact assessment process as being that balance between a sustainable rent increase for home owners and the continued viability of the residential parks. We also know there was a 2022 survey of manufactured home owners and they actually identified that 3.5 per cent was a median site rent increase for manufactured homes with a fixed percentage increase. That figure was used in impact analysis and is what government has taken forward for the provision of this bill. Is there anything my colleagues wish to add?

Mr Sammon: It would allow site rents to increase with inflation generally speaking. I think they are the two limbs of that limitation.

Mr McDONALD: I might continue on that theme in terms of CPI or the 3.5 per cent. When we consider that costs such as utilities, insurance and council rates have all increased well above CPI, has the department done any modelling to understand the impacts that this change may have over time?

Ms McAllister: There has been some impact analysis done which has been explored. Damian, do you want to go into more detail?

Mr Sammon: That was a subject of the consultation regulatory impact statement, and the department received feedback along those lines from industry stakeholders in particular. It is important to acknowledge that site rents can be set at the outset and there is no limit on what the starting site rent can be. Some site agreements have what could be described as flow-throughs in terms of what can be included in the increase amount. It could be, for example, two per cent plus any increases in rates pro rata across the park—that sort of thing. Potentially such a form of increase could still be devised so long as it complies with the more general limit that we were discussing in response to that last question.

Mr McDONALD: As long as it is under CPI then?

Mr Sammon: It would depend on the site agreement increase mechanism.

Mr McDONALD: Since the market rent review is now being taken out of this, my understanding from industry is that is an opportunity for them to make sure there is a win-win for both sides, the renters and the park owners.

Ms McAllister: That certainly has been the major piece of feedback from the home owners as providing quite unexpected increases in their site rent costs. Market rent reviews generally happen between three and five years, so it is not an annual increase. The feedback from consultation was saying to us that on that three or five years quite an extensive jump happened. We captured that feedback from the home owners in what those increases were. Some of them were quite significant and it is very hard for those home owners to anticipate what those increases might be in order to plan for them.

Mr McDONALD: I think it is pretty well documented that, as I said, the costs of utilities, insurance and council rates have gone up well above CPI. Was any modelling done over a period of time in terms of what the impacts of this decision may be, particularly in terms of the asset value that the park owners would hold, which is directly linked to rent caps or the rent able to be charged?

Ms McAllister: We have a decision impact assessment statement which is the final sort of report. We have the CRIS, as I referred to earlier, which was published last year and now that decision impact assessment statement will be published or has been published—it will go online today or tomorrow. That really goes to the modelling and the analysis of the impact of the proposed amendments.

Mr McDONALD: Manufactured housing is pretty well established across Queensland and offers a diversity in terms of housing opportunity, and quite often many of our vulnerable live in those parks. In terms of homogenising both of those offerings, has the department looked at any modelling as to how that will affect the opportunity of supply now and also investment opportunity for investors in this market in the future?

Ms McAllister: Again, just like the previous bill we were briefing the committee on, these are consumer protections that are put forward in this bill. It is about trying to rebalance the power between park owners and home owners to get that balance right and modify that transparency in this particular sector.

Mr McDONALD: With respect, Deputy Director-General, I understand the consumer protections that are here. What are the incentives in this bill to provide additional housing supply when we are in a housing crisis?

CHAIR: Once again, it is the same question as you asked before. This goes towards government policy. Once again, it may be better directed to the minister or left to debate on the floor of the House. I think the question has been answered in terms of that broader policy that the government is pursuing. Do you want to redirect that question?

Mr McDONALD: Perhaps I should ask then: in terms of the level of housing affordability and housing availability, what aspects of this bill will stimulate housing availability for Queenslanders?

Mr BROWN: Often it is the consumers—

CHAIR: I think it is the same question.

Mr BROWN: I am sure that consumers are confident to go back. I just wanted to answer that question for him.

CHAIR: I think the question has been answered in terms of the objectives of the bill, which are outlined in the explanatory notes, and where that fits in with those broader housing issues. You might want to pursue a different line.

Mr McDONALD: I will go back to rent caps then. Will there be any effect on rent caps to the broader market from this bill?

Ms McAllister: No, this is specific to the manufactured homes sector.

Mr McDONALD: So there are no unintended consequences. This bill will not affect rent caps in the private housing market or department of housing supply?

Ms McAllister: They are not in any other sector apart from the manufactured homes sector.

Mr BROWN: In my area I have a number of manufactured home parks. I recall going to one of them and thinking I was going to a meeting with about five people, and basically the whole park turned up and I ran out of the number of kits I was providing on that occasion. With regard to the consultation process, I know one of the big issues was people finding out about different rent increases, particularly for new people coming into the park, and then their rents getting increased because 'the new norm is now this.' Will the visibility and reporting of those rents help in that regard? Is that what came through in consultation and amendments to the bill?

Ms McAllister: I will again let my colleagues speak to the consultation feedback that came through, but the really key, fundamental aspects of the bill are about transparency and communication. Requiring a park comparison document to be published will really help to enhance that transparency. The bill provides a head of power for the development of exactly what is required in that park comparison document—we will work that out—but that will really help that transparency, as will the maintenance and capital replacement plans, really looking to enhance that so it is not park owners in the backyard comparing what the site rent increases actually are. Do you want to talk to the consultation feedback?

Mr Sammon: I would note that the survey results from 2022 are available on the department's website. They provide a wealth of information that was rolled into the consultation regulatory impact statement that was also released last year and is available on the department's website. The decision impact analysis statement is also available on the department's website for any member of the public to view.

Ms LEAHY: This question is to departmental officers. I note that they talk about a new buyback and site rent reduction scheme. Does the department have any insight in relation to how many individual manufactured homes they would expect would be bought back? Do they have any data on that?

Ms McAllister: At the moment, because the market is so buoyant it is very unlikely that that buyback scheme would be required because homes are turning over. I am not sure if there is any more detail to be added there.

Ms Parmenter: I think in the consultation regulatory impact statement and in the decision impact analysis statement there is information from the survey which did indicate that, as the deputy director-general said, the market is quite buoyant at the moment. The majority of homes were selling

in about three months and another proportion of homes were selling within about six months. The impact analysis that was done in relation to the buyback scheme is based on an average turnover of about five per cent of sites per year, and the fact that most homes in the current period would be sold within a three- to six-month period. Therefore, only a few homes would end up in a delayed sales process that would warrant it. Then, in terms of that scheme, the costs were estimated based on the finance requirements that a park owner would need to enter into to buy back and hold the property until the property could be resold.

Ms LEAHY: We are not the only state in Australia that has manufactured homes and parks. Does this legislation in any way mirror any of the legislation in other states?

Ms McAllister: I was talking to my interstate colleagues on manufactured homes in recent weeks. It appears there is very different legislation and different settings across the nation that govern the sector.

Mr Sammon: That is absolutely right. The residential parks legislation changes from jurisdiction to jurisdiction. It has not achieved the same level of consistency among states and territories as, for example, the retirement village legislation has, quite possibly due to the more recent emergence of residential parks as a seniors living option. The consultation regulatory impact statement contains an analysis in terms of what different states and territories provide for in terms of regulating residential parks, but there really are quite a diverse set of arrangements between states and territories. Some are focused more on what you would describe as a more movable set of structures. Other jurisdictions, including Queensland, have recognised for some time that manufactured homes are not nearly as movable as they used to be. The straight answer to your question is that the analysis was done. It was sort of put into the consultation regulatory impact statement, but there is not a high degree of consistency between states and territories about residential park regulation.

Mr SMITH: I have a couple of questions. I was wondering about the payment of rates. Is the onus on the landowner to pay the rates or do home owners also have to pay council rates in some parks?

Mr Sammon: Would you mind if I took some advice on that question? I just need to be sure.

CHAIR: Member for Bundaberg, it may be that there are some instances or very rare instances where they may be liable to pay that, but I do not know if the department has any more information on that. That would be a fairly rare circumstance, I assume.

Mr SMITH: I might give an example in terms of one water meter that is coming in, and then you have people who own the home having to pay the average water cost of the intake around the park but then also having to pay the water rate, whereas those who are renting on the land only pay the average of the water usage of the park.

Mr Sammon: I will expand on that. As people have indicated, depending on the site agreement it is the landowner's obligation, I understand, to meet that requirement to pay for the rates. As I mentioned in an earlier answer, there might be some site agreements that have some sort of either flowthrough of a proportion of the rates or some recognition of increases in rates.

Mr SMITH: Is there any legislative instrument that says the landowner must display the rates each year that they are paying to those who are buying onsite? Does the landowner have to demonstrate the rates being charged each year for the land?

Mr Sammon: There is no obligation under the manufactured homes act. Of course, nobody would know from year to year what the exact amount of rates will be, but there is no current obligation in the act or in the bill about revelation of the amount of rates that would be paid.

Ms Parmenter: We asked survey participants to tell us about the basis on which their site rent was increased, and the vast majority were a combination of CPI and market rent reviews. Some home owners have formulas that are used to calculate their annual increase, which include rates, but they are very much the minority. There were very few of them that we saw. In that case, it would be some sort of formula that would be around the percentage of increase in rates divided by the number of sites. As others have said, there is no requirement specifically for park owners to publish information about those rates. They would normally be covered through site rent on behalf of home owners.

CHAIR: Following on from that, if it was going to be published anywhere, certainly annual rates and water charges may be on the comparison document. That would be on the website. If it was going to be anywhere that would be the logical place to put it, would it not?

Ms Parmenter: Yes, it would be the logical place. There will be consultation in relation to the coverage for those comparison documents and what is thought to be most necessary and useful for home owners.

CHAIR: That may be something we look for in those documents when they come out. I am sorry, member for Bundaberg; over to you.

Mr SMITH: That is okay, Chair. It is a good position to highlight that if there are landowners who are saying, 'The rate increase is why I am therefore putting up site fees', there should be that level of transparency there. That is perhaps something we can discuss at a later date. Is there any data, even anecdotally, around site fees raising at the time that Australian pensions rose? Is there any data that correlates between the increase in the pension and the increase in site fees?

Ms Parmenter: In the consultation impact assessment statement we used the survey data from 2022 to understand the level of site rent increase that home owners have experienced. There was a large response rate, over 2,200 respondents, so it gave us a fair amount of confidence in that data to compare how it tracked against pensions. There is not a single rate increase across the market and averages are not particularly helpful. They are very much determined by individual site rent agreements. What we found was that there are a number of common bases on which site rents would increase at a rate faster than the age pension while others were fairly consistent with it or only slightly higher. Obviously, if you have a CPI-based annual increase it is going to align much more with increases in the pension because the age pension is indexed against a variety of measures, one of which is CPI. If you have a site rent increase mechanism, for example, that is CPI plus a percentage, like two or three per cent, then that is always going to outpace the increase in the age pension. The unknown variable is often the market rent review. There is often a fixed rate increase on most years and then with every three years or five years a market rent review. Depending on where those rent reviews land, if they are at the higher end then that might also result in increases over time that outstrip the pension indexation increase. It is very variable. It really does depend on what is in individual site agreements.

Mr SMITH: This question may need to be taken on notice. Are the owners of these sites in the parks predominantly large corporate entities that are buying up parks around the state and then using this mechanism or is it largely that it has been mum-and-dad investors who have owned a park and maybe it has been passed down? What is the difference between ownership here? Are we talking about big corporate entities or are we talking about a mix? Could we get a response to that on notice, if possible?

CHAIR: I think it would be good if that question were taken on notice. The explanatory notes touched on the concentration of ownership. Would you like more details?

Mr SMITH: Maybe a list of the larger entities that are involved in this, please.

CHAIR: Instead of reading it out here—I know the answer to that question is pretty quickly available—that could be sent through to the committee.

Ms McAllister: Absolutely. We have a snapshot of the industry across the state that we can provide and are happy to table for the committee. As I mentioned in my opening statement, there are 203 parks across the state with 25,506 sites and about 38,000 residents. That was as at 1 March. We are seeing that there is a growing shift in the sector where, rather than parks being owned by small independent operators, we have six operators that now own nine or more parks which account for 40 per cent of all parks and about 60 per cent of all manufactured home sites in Queensland. We are seeing the market ownership shifting in the industry. I am happy to table the industry snapshot.

Mr SMITH: Thank you. I am more after the names of each entity and, if possible, the amount of rent increases. That may be something the department could deliver. The names, at least, would be good.

Ms Parmenter: We would be able to provide the names, but the amount of rent increases is something that we do not know, except to the extent that we can relate some of the survey responses from 2022 back to home owners in particular parks. It is not otherwise transparent for the department at this point. That is part of the purpose of comparison documents and the registration requirements, which will give a lot more visibility of those sorts of matters.

Mr Sammon: The summary answer to the question about the large operators is that 80 per cent of new sites in parks are owned by a relatively limited number of large operators.

CHAIR: You can either email it through or you can table it here. Member for Bundaberg, we shall get that information for you. In regards to removing a seller's option to assign a site agreement, does that conflict with the requirement to carry over beneficial terms from the seller's site agreement?

There seems to be a slight conflict there. I certainly applaud the ability to carry over beneficial terms, but at the same time I can understand why we are removing that seller's option to assign holus-bolus a site agreement. Is there a conflict between those two? It is a difficult one.

Mr Sammon: The bill provides that market rent reviews are no longer going to be permissible, including in existing site agreements. There was an earlier question about the impact on park owners. What the bill does do is recognise that site rents may need to be adjusted to meet the market, and the bill recognises that that would happen at the point of sale. What the explanatory notes describe is a scenario where, once a person moves into a park, they are a home owner; they have a set of requirements that will be more certain in terms of what their site rent increases are likely to be. However, in recognition of changing markets, at the point of sale the park owner would be able to set a new incoming site rent. As the DDG mentioned at the start of the presentation, this goes to the nature of the package of reforms working in concert with each other in terms of, for example, the maintenance and capital replacement plans and the buyback requirement, including the site rent reduction scheme, all operating together to ensure into the future parks have site rents that are able to meet the market.

CHAIR: Thank you for all of that.

Mr McDONALD: Do you have draft regulations that the committee could see or when would those regulations be available—before the bill goes to parliament or after?

Ms McAllister: Timing would be a matter for government to make those calls.

Mr McDONALD: In terms of what Mr Sammon just mentioned about the prices, did the department conduct any modelling with industry or talk to or consult with industry about the impacts these changes will have on their investment decisions going forward?

Mr Sammon: Certainly the consultation regulatory impact statement attracted a lot of interest from park owners and park owner groups, and they made their submissions. That is reflected in the decision impact analysis statement as well.

CHAIR: To wrap up, we will signal that we would be interested in seeing council rates and the water rates featuring in those comparison documents. One thing we probably will be chasing up is specifying perhaps that a home owners' committee can take a dispute for that park to QCAT; they can take that up on behalf of the park itself. I could not see that in the legislation. That may be something we can chase up later. Is it featured in the legislation that the home owners' committee is recognised as being able to take a dispute to QCAT on behalf of all residents in that park?

Mr Sammon: That is not in the bill.

CHAIR: No. I will chase that up myself. There being no further questions, that concludes the briefing today. We do not have any questions taken on notice now that that information has been tabled, as the member for Bundaberg wanted. Thank you to the secretariat. Thank you to Hansard. Thank you to everyone who has participated today. A transcript of these proceedings will be available on the committee's webpage in due course. I declare this public briefing closed.

The committee adjourned at 11.37 am.