

Mr John Burge
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Body Corporate & Community
Management & Other
Legislation Amendment Bill 2012
Submission 182

5th October, 2012

The Hon Mr J Bleijie MP
Attorney-General and Minister for Justice
GPO Box 149
BRISBANE QLD 4001

RE: Body Corporate and Community Management and Other Legislation Amendment Bill 2012

Dear Mr Bleijie,

After reading your press release regarding changes in unit lot allocations, I would like to make you aware of my concerns regarding this matter.

I am a 67 year old single pensioner living in a unit at Maroochydore. The impact of the recent changes you invoked will have a devastating effect on me and numerous other people trying to survive on the aged pension. For me it means paying an additional \$1,700 per year or \$400 per quarter on Body Corporate fees.

Since purchasing my unit 5 years ago, my body corporate fees have risen from \$5,800 to the current level of \$9,200. At the time of purchase I was told that the fees would decrease by \$1,400 per year, when an improvement loan is repaid at the end of 2013. Then came the initial shock of a \$1,700 annual increase brought about by a legal precedent which enabled Penthouse and upper floor unit owners to contest the level of their Lot allocations.

In 2011 the Labour Party recognised the injustice of this situation and passed legislation to enable the pensioners and low income earners who live on the lower floors of highrise unit developments, to reverse this unfair change which favoured the wealthy Penthouse owners.

On 14th September, 2012 you, for whatever reason, saw fit to reverse this legislation initiated by the ALP. Your actions which will have a detrimental effect on retired pensioners and low income earners appear to have been motivated by a desire to quash a piece of ALP legislation, with little thought of the consequences.

The original Lot entitlements set by developers have existed for many years. Units were purchased knowing full well what those Lot entitlements/fees were and any subsequent change is not right. I for instance would not have purchased my unit had I known the Body Corporate fees would reach their current level, as I can not afford this amount. I have already attempted to sell my unit, without success due to the high Body Corporate fees and am now in a desperate situation.

Lot entitlement levels, just like income tax and general household rates, were set at various levels for good reason. Numerous costs such as extra lift usage, plumbing and electrical to higher floors, as well as exterior building maintenance, were all taken into consideration when determining body corporate fees and these costs are higher for upper level floor units and must remain so.

Your media release mentions the “controversial reversion process”, this was not controversial, it was just. You also mentioned “disadvantaged Lot owners”, what about the unit owners of the cheaper lower floor units who were severely disadvantaged by the initial unfair changes.

You talk about “the amendments turning the system on its head and upping the stakes for owners on low and fixed incomes” . The fact is it decreased the fees of the lower and fixed income owners and only affected the wealthier Penthouse owners, while your changes are definitely having serious effects on low and fixed income earners.

Mr Bleijie, I would ask if you could please review your recent decision and consider the hundreds of low and fixed income people your decision is really hurting.

Yours faithfully

John Burge