



Speech by

Mrs J. GAMIN

MEMBER FOR BURLEIGH

Hansard 4 August 1998

RESIDENT UNIT MANAGERS

Mrs GAMIN (Burleigh—NPA) (6.59 p.m.): I bring to the attention of the Parliament some anomalies suffered by resident unit managers in the costs involved in the running of their trust accounts. There are approximately 950 resident unit managers in this State who hold a restricted real estate licence that enables them to let units within the buildings that they manage. As a result, and like other real estate agents who hold moneys on behalf of property owners, resident unit managers are obliged to operate trust accounts. Usually, large sums of money are held in these accounts on behalf of unit owners.

The owners of these trust accounts do not receive any profit from them in that they cannot receive interest; such interest is received by the Government. I understand that this interest can be set towards compensation in the event of agents defaulting on their obligations. However, despite the fact that owners of these trust accounts receive no profits, they are also charged Government debits tax and bank account fees as well as held responsible for audit costs for the twice-yearly audits that they are obliged to undertake.

Resident unit managers in my electorate have now formed themselves into a subcommittee called Burleigh Tourism as part of the new Burleigh Heads Chamber of Commerce. They have asked me to bring these anomalies to the attention of the Parliament. I will also be making representations to the Treasurer on their behalf.

The group accepts that trust accounts are necessary, as moneys are collected on behalf of others. They accept that they cannot generate profit from these moneys. However, they believe that the cost of maintaining trust accounts is a discriminatory expense to the accommodation industry, as very few other businesses have these expenses forced upon them. The accommodation industry is a huge industry in Queensland. It is now about to go into some tough times as the Asian financial crisis bites. Many members of this Parliament should have a look at their electorates. They should count up how much the accommodation industry contributes to the economies of their areas. I particularly mention Brisbane, the Gold Coast, the Sunshine Coast, the Whitsundays, Townsville and Cairns.

The Queensland Government should be looking at practical assistance for the accommodation industry. The Queensland Government should understand that the accommodation industry is being discriminated against by means of excessive charges on trust accounts which it is obliged to keep by law and by which it cannot profit in any way. I shall be writing to the Treasurer setting out these problems and asking that Government debits tax be removed from accommodation industry trust accounts.

Furthermore, if these accounts are to be audited twice a year, why should the accommodation industry be up for this cost? Why should these audits not be a standard procedure from the Auditor-General's Department? Certainly there will be a cost to Government if the debits tax is removed and the Auditor-General conducts the audits. Why should this cost not be offset against the immense amount of bank interest which accrues to Government from these trust accounts?

Even in a relatively small building complex, the trust account fluctuates between \$10,000 and \$30,000 a month. Rarely would it fall below \$10,000. As I have already said, there are approximately 950 resident unit managers in Queensland. The combined balance of their trust accounts would never

be below \$9.5m and, at the end of each month, could be expected to be no less than \$28.5m. The interest on that sum of money must be immense. Government receives the benefit of that interest and still takes more in the form of tax on transactions.

The imposition of bank fees and charges is a separate issue and I will not address it here. However, I come back to the real points at issue. These are, firstly, that Government debits tax should be offset against this interest and, secondly, that compulsory audit costs should also be offset against this interest.

The subcommittee called Burleigh Tourism is made up of active resident unit managers within the newly formed Burleigh Heads Chamber of Commerce. I welcome the new chamber, which will promote business and tourism in our area. We are fortunate in that we have a wonderful holiday atmosphere and our visitors return from generation to generation to enjoy family holidays at Burleigh. We have a growing industrial and manufacturing base and I commend the new chamber for its initiatives over a wide range of matters of interest and benefit to all its members and to the district in general.
