



Speech by

**Miss FIONA SIMPSON**

**MEMBER FOR MAROOCHYDORE**

Hansard 16 October 2003

### **MANUFACTURED HOMES [RESIDENTIAL PARKS] BILL**

**Miss SIMPSON** (Maroochydore—NPA) (5.08 p.m.): I rise to speak to the Manufactured Homes (Residential Parks) Bill and acknowledge that considerable work has been done in consulting with affected stakeholders. I believe that there are many commendable aspects to this bill. I will be raising some issues that have come up in very recent consultation with some of my own park residents. They have some concerns about some developing issues as, obviously, there are a lot of changes in relation to land use. A lot of people are facing the possibility of being shifted from where they are.

I want to acknowledge the policy objectives of the bill, in particular the fact that there will be a new tribunal undertaking the adjudication of issues under this Manufactured Homes (Residential Parks) Bill. This new tribunal will replace the work of the Small Claims Tribunal in these specific issues. It is the Commercial and Consumer Tribunal. It is hoped that this will lead to greater consistency in decision making as particular expertise will be built up in dealing with these particular issues.

We know that people make some wonderful homes within caravan parks or dedicated manufactured home parks. Whether it is a very humble dwelling or some of the more luxurious manufactured homes, they are as much a home to the people residing in them as others who have put down extensive roots in a typical suburban house. They are very much loved. They are a form of security for people. As has also been acknowledged, a lot of people find themselves widowed or, through other family circumstances, living on their own. This provides them with a form of residency where they have company, often very good facilities on site and a lifestyle that means they are not looking after extensive landscaping. They have a very real community within these parks. As has been acknowledged, the potential for conflict also arises due to the nature of the tenure in these parks. These manufactured homes are not easily removed. Contrary to what the previous term 'mobile home' would suggest, they are not extremely mobile. Technically, yes, they are relocatable, but considerable costs are associated with such relocation.

The bill in its policy objectives sets out to regulate the making, content, assignment and ending of site agreements; regulate the sale of an abandoned manufactured home; regulate the variation of site rent; facilitate participation by home owners for a residential park in the affairs of the park; and provide a means of resolving a site agreement dispute. This bill will also declare particular rights and obligations for park owners and home owners. It will facilitate the disclosure of information to prospective home owners about the park. It will also introduce a seven-day cooling-off period after the receipt of information documents.

I want to raise what may potentially be a loophole. Perhaps upon the further advice of the minister we can get some interpretation as to how people will deal with one problem that has been brought to my attention. This relates to those situations where there has not been a formal termination. It is relevant to a park in my area. Some of its tenants have come to me in the last few days. They are concerned because the park owners have told them that there is the potential that the place will be redeveloped sometime in the next 10 years. Ten years may seem like a long time to many people but, in reality, if people have a manufactured home, they have put it down and have spent money securing it on that particular site. They may be 50, 60 or 70 years of age and they believe that that is the last place they will live in. They do not want to move from there but then they find out that the owners of that park have mooted an intention to possibly relocate the residents in the future and to redevelop that site. However, this does not constitute formal termination.

It would be arguable that it is harassment. Some would say it is just providing people with information about what may happen in the future. The difficulty that those residents face is that anybody who may want to buy their particular manufactured home in that park will fairly quickly find out from their potential neighbours that this site is a potential redevelopment site. Yet there is no formal notice to terminate that site agreement.

I ask the advice of the minister's officers in this regard, particularly in relation to issues such as compensation. Maybe I am not reading the bill correctly. I would like to know if they are entitled to compensation where there has been a termination of a site agreement, but it does not relate to a cooling-off period as it involves those people already in residence. Clause 38 states—

On application by the park owner under a site agreement, the tribunal may make an order ... terminating the agreement on any of the following grounds ...

One of those grounds is that the park owner wishes to use the residential parkland or a part of the park on which the site is located for another purpose stated in the application. Clearly, this clause would relate to where there is an application of the park owner in order for that termination to proceed, but the compensation in clause 40 also relates to this subclause 38(1)(f). This is where I seek the minister's clarification. The way I read the bill in this regard, in order for the residents of that park to be entitled to the compensation, the termination agreement would have to have been initiated by the park owner. The problem for the home owner is that if they seek to have a termination of the site agreement because they believe that they are being moved on and they need some security and surety, they will not be entitled to that regime of compensation under clause 40 because it appears to relate only to a termination that is brought by the park owner.

This potentially may be a loophole. While I note that there are provisions in the bill that deal with unconscionable conduct, I think it would be arguable that someone's future intention to close the park would necessarily be seen as unconscionable conduct. Yet we can see that people would find themselves in limbo. In some regards it is a little bit like when a major item of infrastructure such as a main road is to go through properties sometime in the future but it is not something that is currently under construction. There are policies of government in regard to that infrastructure that allow people to be bought out in hardship. While that is something that is not legally enforceable, it is a policy which is quite regularly implemented.

But what do we do when a private enterprise operation—in this case an owner who has people with tenure—is talking about closing a place sometime in the next 10 years and probably redeveloping the site but they have not formally terminated or commenced that termination process? If my reading of the bill is correct in that regard, I wonder whether it necessitates a formal agreement from the owner to terminate in order for the party to receive compensation for relocation where it is clear that the intention of the owner includes redevelopment sometime in such a time frame.

As I have mentioned, it is extremely distressing. While I do believe there are a lot of very beneficial elements to this legislation, this potentially is quite a loophole. What does somebody do? They are caught in limbo. If people wish to buy that particular manufactured home, they will quickly find out that the place has, if you like, the potential for redevelopment hanging over its head. People do not want to be caught with such uncertainty. Quite a number of people will potentially be affected.

There are some very nice manufactured home parks in my electorate. I opened the fete at Edgewater Village, which used to be in my electorate before the last redistribution moved the boundary to the other side of Petrie Creek. The residents kindly asked me back to open that fete as the honourable member for Nicklin was away and was unable to make it. I was delighted to do that. This is a high-quality manufactured home park. There are many elements of this park that I would like to see replicated in other areas. They have great on-site facilities—quite a significant hall, a bowls club or a bowling rink and a full-size tennis court. It is almost a village in its own right, as the name Edgewater Village would suggest. These types of facilities really need to be replicated and not reduced.

I would like to raise another issue which is not related so much to the bill the minister has before the House. I would like to encourage local government areas to look favourably to where such appropriate developments are allowed to go. It is getting harder and harder for people wanting set up these good-quality manufactured home parks to be able to do so considering some of the difficulties they face with the development process and the length of time that process takes.

I have certainly seen in my own area, as real estate has boomed, caravan parks and other areas that had been home to these types of tenancies under incredible pressure. We have seen even local governments moving to close some of their parks to turn them into open space. But as property values have, in some cases, doubled in the past two or three years, the temptation to redevelop privately owned parks to a higher use is very strong. While one can argue that that is the right of the marketplace, it leaves a lot of people in a very vulnerable situation, particularly if they believed that they would be in that tenancy or in their home for possibly decades.

So, yes, there are provisions in this bill that contain a formal termination, but I think the issue is that, if there is a clear understanding that a caravan park owner or a manufactured home park owner wants to tell people that they intend to redevelop that site, some means of being able to address that in the legislation would be welcome. I would appreciate the advice of the minister and her staff as to how these particular residents would have some recourse under this legislation or potentially under any future amendments.

As this is new legislation and while there has been quite considerable consultation, I would also seek advice from the minister as to the review time frame for the legislation in terms of its effectiveness in addressing some of the issues that we have raised. Obviously, with any new legislation there are always issues as to how to make sure that it is achieving its objectives. I would appreciate advice in that regard as well.

There are now literally thousands of people living in manufactured home parks or caravan parks in manufactured homes. I do not believe that is necessarily a lesser lifestyle option. For people, it is a higher lifestyle option because of the benefits that they gain from living in communities—not having the encumbrance of a larger property and having other people whose company they enjoy living in close proximity to them. Some of the facilities that these parks offer even include transport or the ability to access public transport. That needs to be encouraged. In fact, these parks are another housing option for people who are in the marketplace for a house. They meet a very real need. I commend the objectives of this legislation, but, as I have outlined, I would very much appreciate the advice of the minister in regard to some of these concerns that have been raised with me just recently.