



Speech by

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MEMBER FOR SURFERS PARADISE

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INALA SHOPPING CENTRE FREEHOLDING BILL

Mr LANGBROEK (Surfers Paradise—Lib) (3.14 pm): It is my pleasure to rise to speak on behalf of the Queensland coalition to support the Inala Shopping Centre Freeholding Bill 2006. I take this opportunity to thank the minister for the briefing that was provided to me yesterday by his staff members Esmae Reid, Director-General Natalie McDonald and Damien Lavercombe.

The bill seeks to give the existing holders of state housing perpetual town leases in the Inala Shopping Centre the opportunity to acquire freehold titles in respect of their leased lands under a self-governing community titles scheme upon payment of an amount equal to an agreed unimproved value of their lands, thereby enabling the state to terminate its involvement in the management of the centre.

Back in the 1950s the then Housing Commission, now the Department of Housing, planned the Inala Housing Commission project, the biggest project of its kind at the time. The Inala estate was considered a model development and the commission's largest, as I have just said, with plans for a parks system, recreational spaces, educational facilities, government agency offices, a highly connected system of grid street patterns, a library and a shopping centre, or the Inala Civic Centre as it was known during the planning and building stages.

I requested a research report from the Parliamentary Library for which I was very thankful prior to having received the briefing from the minister's staff. One of the things that could not be explained in that research report was why the Housing Commission, as it was at the time, decided to get the land for a shopping centre instead of doing it obviously as it would be done now, whereby people would build a shopping centre and would tenant it in the normal way that developers might sell off land to a shopping centre group. But as it happened, this was what was done. The old Housing Commission had special powers to acquire and lease land for various purposes under the State Housing Act 1945 and, in specific respect to shopping centre development, section 22B provides guidance. Subsection (2) states—

- (2) Where land is surrendered by the commission to His Majesty as aforesaid ... the Governor in Council may ... demise by a lease in perpetuity or for a term of years that land to the person or body corporate to whom or which the commission has satisfied the Governor in Council it is desirable to make the land available.
- (2A) The capital value of land demised under subsection (2) shall be such sum as the Governor in Council ... shall fix.

Basically it was setting up a scheme of perpetual leases and the Queensland Department of Housing, known as the Queensland Housing Commission when it acquired the land in 1949, began seeking tenders for leases for business sites in the Inala Civic Centre in 1962. Applications were invited for perpetual town leases for sites in the civic centre for the erection of business premises and the conduct of the businesses therein. Now the Inala Shopping Centre consists of 20 perpetual town leases under the Housing Act 2003, a public road which is used as a car parking area and freehold land vested in the state. For many years the department has been the de facto manager of the centre. In that role it has had to waste its administration, time and money on providing services such as car park maintenance, security and cleaning of common areas.

Another more specific example of an administrative burden relating to the centre is the requirement that the minister approve all subleases. I know that the minister has found that to be an onerous and

inappropriate task—that is, as I said, approving all subleases—and one that he as minister has wanted to sort out for a long time. I understand that because of the structure of the Inala Shopping Centre it has taken a lot of work to get to this stage. He is quite happy for the Department of Housing to be divesting itself of this responsibility to manage a shopping centre. As I said, these managerial duties are not consistent with the department's core activities and that is why the bill is needed.

As I previously said, it has been a complex process to get to this point. The coalition furthermore supports this bill because it understands that the current lessees have agreed to the conversion of the centre to a layered community titles scheme whereby the existing leases will be cancelled and the lessees will purchase freehold titles to their lots. The coalition would have had reservations if sufficient consultation had not occurred. However, it is confident that sufficient time and negotiations have been embarked upon, allowing lessees to obtain legal representation and advice.

By bringing the centre under the Body Corporate and Community Management Act 1997 the lessees, who are a two-tiered body corporate structure, will be able to control expenditure within the centre and make collective decisions relating to the management and future of the centre. Body corporate structures are common in multiownership shopping centres and are proven to work in serving the surrounding communities. The coalition supports any measures to ensure Queenslanders who live in our public housing facilities, including the approximately 1,700 homes in Inala—originally there were around 4,000 dwellings under the Housing Commission and there are 1,700 left because many tenants were encouraged to buy their own properties, something that we would certainly be supporting—have essential services nearby which hopefully will be secured or maintained with the passage of this bill.

The breaking of the shackles from the department should empower the new body corporate to develop the centre to its potential. I have not been out there, but I understand some improvements could certainly be made. Previously, there was no great incentive for the owners of these shops to improve them, given they did not have freehold title to the land. Now they will be able to do that. They will be able to develop the centre to its potential because, as with freehold title, the lessees now have every incentive to improve the centre and its service to Inala.