



Speech by

Paul Hoolihan

MEMBER FOR KEPPEL

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INALA SHOPPING CENTRE FREEHOLDING BILL

Mr HOOLIHAN (Keppel—ALP) (3.24 pm): I would like to commend the minister for bringing some of these areas of land ownership and land tenure into the 21st century. This shopping centre was originally granted to allow for some development, as were the workers home perpetual leases, for which we passed a bill last year to allow for freeholding.

The current operation of the shopping centre is becoming increasingly difficult because the Department of Housing is, in fact, the owner and oversees the operation of the shopping centre. This bill seeks to bring the shopping centre under the Body Corporate and Community Management Act and to set up a body corporate structure. That in itself is slightly different to how a normal shopping centre operates. Under normal circumstances, a shopping centre has an owner who owns the whole centre freehold and then leases the shops to individual shop owners. This act will allow those people who are currently the lessees on a perpetual town lease to obtain freehold ownership and, under that freehold ownership, will allow lessees to take the land from them. It also sets up in the structure common property, which is a standard type of operation for a building unit. As such, the common property will be owned by all of the freehold owners once they acquire that land.

The interests of lessees and those people who acquire the individual units under the Body Corporate and Community Management Act are protected. The interests of mortgagees are protected. Ultimately, it makes for a structure which allows these people to operate their whole business structure with freehold ownership.

No matter whether it is a perpetual lease or a lease for a given period, the trouble with leasehold ownership is that the lessee is still bound by the terms of a lease. As we heard from the member for Sandgate, in this case any leases, subleases or sub-subleases, which is what can occur with business operations, have to be approved by the minister. It became very onerous in terms of the department in that they had to approve everything. They had to approve the terms of the lease and they had to ensure that all subleases or sub-subleases were in accordance with the head lease.

If honourable members look at the separate schedules in the bill they will see that it sets up excluded land and included land. It will allow proper parking to be arranged and proper operation of the common property. There are some insurance difficulties in relation to that, which I do not wish to touch on today. They are all things about which the lessees or people holding under them have had to deal with the department. Once they own the freehold they are able to operate that freehold in their own right. They are able to operate it to their very best advantage and to the advantage of the community that the individual shop owner seeks to serve. The schedule even makes arrangements for footpath access for the centre. Historically, Inala was a place where a lot of people did not want to go. It had a stigma but it has grown into a beautiful area. This will allow the people who serve those who live there to do so in a better manner.

The valuations, which are being dealt with and which were mentioned by the member for Sandgate in relation to the unimproved capital value, will be no different in terms of the approach taken if anyone wanted to buy a house and land package or a business. Very often people will buy a business and they will buy a business name. In buying the business name and all of the operating equipment in the business they

will also acquire the freehold and they pay a market price. In actual fact, because of the negotiations with the lessees in this instance they have been able to work out an acceptable regime which has been included in the legislation for calculating a fair acquisition price.

There are only 16 shops in the whole area. As we are all aware, there are shopping centres throughout Queensland that comprise literally hundreds of shops. As shopping centres go, this will be a very small area. I have already mentioned that most shopping centres are owned by freehold. I listened to the member for Surfers Paradise and he said that this will make the Inala Shopping Centre operate very like other shopping centres. It will not. It will operate similar to building units. I do not know how many members of the House live in building units, but the common property is controlled by a committee. The committee will be elected so that every one of those lessees, every one of those people who acquire the freehold leases, will be able to have input into what happens with their own shops, with their own centre and with their own application of business principles. So they will be able to run those businesses successfully.

Queensland at the present time is really behind small business. As I said in a speech in the week before last, the real motor of Queensland is small business. Eighty per cent of Queensland businesses are small businesses. This gives all of those people who operate a small business in the Inala Shopping Centre the ability to operate in the best possible manner.

I am aware that the minister and his advisers have negotiated with the current lessees. They are very much aware of the proposals and they are also agreeable to the terms of the act. They are aware that the government is protecting their interests. They are aware that the government, like it does with any other business interest, is caring for Queenslanders and is supporting Queenslanders to run businesses. The end result will be a very well-developed and a very well-run shopping centre that can only benefit the citizens of Inala and, ultimately, those people who live in the immediate area. Once again I commend the minister and his advisers for the bill and the way it has been dealt with. I commend the bill to the House.