



Speech by

Mark Ryan

MEMBER FOR MORAYFIELD

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PROPERTY AGENTS AND MOTOR DEALERS AND OTHER LEGISLATION AMENDMENT BILL

Mr RYAN (Morayfield—ALP) (5.44 pm): I rise to contribute to the debate on the Property Agents and Motor Dealers and Other Legislation Amendment Bill. Some of the most important and valuable assets owned by people are their homes and their motor vehicles. Most people have heard that the most important thing that they will ever buy is their own home. However, most people have limited experience when it comes to the purchase of real estate or motor vehicles. It is this limited experience which places individual purchasers in a somewhat vulnerable position when compared to the position of a real estate agent engaged by the seller or a motor vehicle dealer engaged by the seller. Ultimately, the seller's agent is not only more experienced in sale transactions for these types of property but is also coming from a position of enhanced knowledge about the nature and character of the property and the sales process. What is more, it is unusual that a purchaser has had the opportunity to seek advice from a legal practitioner about their rights and obligations prior to the execution of a contract of sale. This is particularly the case for people who are purchasing real estate. In my view, it is critically important for those buyers to be afforded protection by the law.

Consumer protection is a necessary component of our legal and economic framework and ensures that those people, who may be at a disadvantage when purchasing certain property or who may be in a vulnerable position compared to the position of a seller or a seller's agent, receive support and assistance under the law. At the same time, it is important that fairness and balance be promoted.

I have spoken before in this place about my passion for the concept of a safety net for vulnerable, marginalised and disadvantaged people. I am pleased that this Labor government has supported, and continues to support, strong safety net protections for purchasers of real estate and other property in Queensland. The amendments contained in this bill maintain consumer protection provisions in respect of residential property whilst at the same time enhancing certainty for sellers, agents and purchasers, removing red tape and promoting balance and fairness for all parties. Clearly, from recent court cases and from anecdotal evidence in the real estate industry, significant uncertainty exists in the residential real estate market concerning the presentation and delivery of residential property sales documents, particularly the warning statement, and the proposed relevant contract.

In the case of residential sales contracts with long settlement periods, such as in the case of sales of lots or proposed lots under a community title scheme, because of some error, often technical or minor in nature, the buyer effectively receives a cooling-off period which can extend for years. This is clearly not the intention of the legislation. It is unfair to the owners of these properties that an intended sale can fall over years after the initial making of the contract merely because the real estate agent made a mistake in not following precisely the requirements of chapter 11 of the act in presenting a proposed relevant contract to a buyer.

Another unintended consequence is that, in the case of an error or noncompliance with the contract delivery requirements, buyers are often provided an opportunity to renegotiate sales contracts on terms more favourable to themselves than previously accepted and agreed to in the disputed contract and

vendors only have the option of accepting these altered terms or losing the sale altogether. The amendments in this bill seek to limit the time in which a buyer may terminate a contract because of some error in presenting the proposed relevant contract without a warning statement. The provision limiting termination action to 90 days from the time that the contract becomes binding on the parties should give buyers sufficient time to consider their position, seek appropriate professional legal advice and take remedial action considered necessary. Allowing termination rights to extend for years is unfair to sellers and promotes disruption and uncertainty in the real estate market, particularly for the sale of lots or proposed lots in community title schemes.

The amendments in this bill are good amendments. They provide greater certainty for the real estate industry; they maintain important consumer protection provisions for purchasers; they remove red tape and provide simplified processes for the presentation of contracts for sale of residential property. These amendments in this bill will enhance the experience for purchasers, sellers and sellers' agents and are, accordingly, welcome and necessary additions to the Queensland economy and the community more broadly. I commend the minister, his staff and the departmental staff for their hard work in respect of this bill. I commend this bill to the House and encourage all members to support it.