



Speech by

Mark Ryan

MEMBER FOR MORAYFIELD

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MANUFACTURED HOMES (RESIDENTIAL PARKS) AMENDMENT BILL

Mr RYAN (Morayfield—ALP) (6.26 pm): I rise to contribute to the debate on the Manufactured Homes (Residential Parks) Amendment Bill. This bill seeks to amend the Manufactured Homes (Residential Parks) Act 2003. In the Morayfield state electorate there is one manufactured home park, the Burpengary Pine Village. I enjoy visiting the residents of the Burpengary Pine Village and I look forward to holding my annual Christmas barbecue with them next month. Along with Shirley and John, who are the managers of the Burpengary Pine Village, the residents of the Burpengary Pine Village are important members of our community and I am pleased that this bill will clarify and strengthen some aspects of the current law for their benefit. Although I note that there is always more to do when it comes to legislative reform, I am pleased that some improvement to the current law will flow from the amendments that are before the House today. Nonetheless, I encourage interested and enthusiastic people in my community to continue their push for further reform.

The explanatory notes to the 2003 bill accurately characterise the motivations for not only the original legislation but also, in my view, the proposed amendments that are contained in the current bill before the House. It is important that I highlight one particular section from those explanatory notes. The explanatory notes state—

An underlying problem is the basic tension between home owners and park owners largely caused by differing social and economic perspectives. Home owners are generally on low and/or fixed incomes. They have invested substantial amounts of money in purchasing homes, often for retirement purposes, and need security of tenure for the siting of the home in a residential park at a rent level commensurate with their capacity to pay. Many of these home owners have chosen this lifestyle to maintain their independence rather than seeking access to public housing. On the other hand, park owners have invested significant resources in both time and money in acquiring the land and developing their businesses. Different parks have different income and expenditure streams and park owners are not only seeking a return on their investment but also need to ensure the economic viability of their businesses. The Bill recognises these competing concerns and endeavours to provide certainty for both parties.

It is important to emphasise those objectives of protecting vulnerable people, providing affordable accommodation alternatives to public housing and ensuring the economic viability of the business of the park owner. As such, any reform must be gradual and provide significant opportunities for adjustment for both homeowners and park owners. This bill attempts to strike the right balance between strong, effective laws to protect manufactured home owners and the need to encourage affordable housing alternatives in the residential parks industry.

I note that the main amendments in this bill include inserting a new main object of the act to protect homeowners from unfair practices and enable informed choices by making homeowners fully aware of their rights and responsibilities. This is an important amendment and will not only assist homeowners and park owners in their consideration of the legislative framework but also guide the courts in their interpretation of the act's provisions.

Other amendments include placing new restrictions on the ability of park owners to seek increases in rent outside the terms of the site agreement, improving the presentation of site agreements and stipulating that agreements must be written in plain English, must not contain prohibited terms that unfairly disadvantage homeowners and must not include a fixed termination date. The amendments also include expanding the types of orders that the Queensland Civil and Administrative Tribunal can make to assist

homeowners facing termination of their site agreement, clarifying the definition of a manufactured home by specifically excluding converted caravans and introducing a grandfathering clause to protect homeowners of converted caravans as that term was defined by the Court of Appeal in the Monte Carlo Caravan Park case and allowing a record of residential parks to be established. These are fair and reasonable amendments that advance protection provisions for homeowners and clarify the current law.

Sitting suspended from 6.30 pm to 7.30 pm.

Mr RYAN: As I was saying before the dinner break, the amendments contained in this bill are fair and reasonable amendments that advance protection provisions for homeowners and clarify the current law. It is important for me to note that I have met with the minister on a number of occasions to discuss concerns that have been raised with me by homeowners. The minister is fully aware of my enthusiastic advocacy and my interest in this reform process. I am grateful that the minister fairly and respectfully considered the concerns raised by me on behalf of homeowners. One of those concerns related to the need to clarify and strengthen the consumer protection provisions regarding the process for terminating site agreements. I would like to spend some time now considering how this bill addresses that particular concern.

As honourable members are no doubt aware, the Manufactured Homes (Residential Parks) Act regulates a relatively unique property arrangement. The act applies when a person owns their manufactured home but rents the land it sits upon from a residential park owner. The fact that manufactured home owners often invest significant money when purchasing their homes, coupled with the fact that it can be difficult and costly to move a manufactured home to another location, means that the relationship between park owners and manufactured home owners needs appropriate specialised legislation.

The Manufactured Homes (Residential Parks) Act contains a number of measures aimed at providing manufactured home owners with a high degree of stability in terms of their ongoing right to reside in a park under a site agreement. However, this must be balanced by the fact that in most cases residential park owners are private landowners and should be entitled to make reasonable lawful decisions about the use of their property. Under the current act, site agreements may only be terminated without the agreement of the homeowner by order of the Queensland Civil and Administrative Tribunal upon application by a park owner. One of the grounds for terminating a site agreement is that the park owner wishes to use the land for another lawful purpose. If the tribunal makes an order terminating the site agreement because the park owner wishes to use the land for another purpose, the tribunal must also make an order requiring the park owner to pay compensation to the homeowner. Compensation orders are intended to cover the cost of relocating the manufactured home and the homeowner's personal effects to another location.

Notwithstanding that the current legislation makes these arrangements for compensation to be paid to homeowners, in some cases manufactured home owners have expressed concern that there are relatively limited numbers of alternative sites and parks to which the homeowner can relocate. In addition, it can be very stressful for a homeowner, particularly older and less mobile people, to have to relocate and leave their local social and service networks.

While the cases of homeowners having their site agreements terminated are relatively rare, the consequences for homeowners are very serious and very stressful. The bill seeks to build on the existing protections for homeowners by establishing supplementary orders that the tribunal may make if it decides that a site agreement will be terminated. Firstly, the tribunal will be able to consider ordering the park owner to offer the homeowner an alternative site in the park. Of course, this type of order will only be made with the consent of the affected homeowner and where an alternative site in the park is available. Secondly, the tribunal will be able to postpone the day the termination of a site agreement will take effect for up to one year if it is just and equitable to do so. In considering a postponed termination date, the tribunal will have regard to a range of social and economic factors including the homeowner's personal and financial circumstances, the availability of alternative accommodation and the financial impact of a postponed termination on the park owner. The scope for postponed termination dates will take some pressure off homeowners whose site agreements are terminated by providing more time for the homeowner to make alternative housing arrangements.

The existing act and proposed additional measures contained in the bill provide homeowners with a high level of stability in their right to reside in a residential park. However, it is important that people considering purchasing a manufactured home understand that in certain limited circumstances their right to reside in a park may come to an end. For most people, choosing to purchase a manufactured home is a major financial and lifestyle decision. Accordingly, I urge all homeowners and all prospective homeowners to contact a lawyer or advocacy group like CAMRA or MHOA for advice if they have any questions about their site agreement.

I would finally like to note the hard work of my friend and constituent Elaine Bastion. Elaine lives at the Burpengary Pine Village and has been a strong advocate for reform. She is passionate about consumer awareness and is an outstanding advocate for her fellow residents. Elaine has correctly

identified, in my view, a need to improve consumer awareness about concessional GST and its application by park owners. I have spoken with the minister and departmental staff about this particular issue and I understand that they will give thorough consideration to this issue when the standard forms and information packs for homeowners are being reviewed.

Whilst I acknowledge that there is more to do in respect of reform of this industry, it is important to nonetheless appreciate the improvements to the current law contained in this bill. In noting those advancements to the current law, I also note the significant contributions made by community members, community groups, advocacy groups like CAMRA and MHOA, the minister, the department and individual members of parliament. A lot of people have put a lot of effort into this legislative reform and I feel it is important to note those contributions. I encourage those interested people to continue their advocacy and discussions about further future reform.

This bill does improve the current law. It clarifies aspects of the current law and strengthens protections for owners of manufactured homes. Accordingly, I commend the bill to the House and I ask that all honourable members support it.