




Speech By
Shane Knuth

MEMBER FOR DALRYMPLE

**BODY CORPORATE AND COMMUNITY MANAGEMENT AND OTHER
LEGISLATION AMENDMENT BILL**

 **Mr KNUTH** (Dalrymple—KAP) (12.58 am): The explanatory notes to the Body Corporate and Community Management and Other Legislation Amendment Bill 2012 state that it amends the Body Corporate and Community Management Act 1997 to adjust contribution schedule lot entitlements to minimise the number of bodies corporate that could be required to undertake the former government's reversion process under the 2011 legislation and to provide a means for the contribution title affected by that to be returned to the lot entitlements that applied under the scheme prior to the reversion process. During the debate on the reversion process in 2011 the Attorney-General attacked the former government over its lack of consultation leading up to those changes.

The committee received numerous submissions that slammed the lack of consultation. In the report on the submissions by the Department of Justice and Attorney-General, the department acknowledged that, while community consultation was not specifically undertaken in relation to the bill, issues and stakeholder views on the contribution schedule lot entitlementment have been widely canvassed in a number of previous consultation processes including a 2008 discussion paper and the draft legislation leading up to the 2011 amendments. This legislation is based on what the Attorney-General himself believes was inadequate consultation conducted five years ago for a piece of legislation the Attorney-General opposed. It is no wonder that there is a lot of community opposition to the bill which is unclear on how fees will now be distributed and fails to account for the inequalities of contribution schedule lot entitlementments that may arise once entitlementments affected in the reversion process of 2011 have been adjusted. Considering the Attorney-General has already flagged a review of broader lot entitlementment issues, including reintroducing a mechanism for adjusting contribution schedule lot entitlementments for a community titles scheme, what is the urgency of pushing this legislation through?

Smaller unit owners who make up 60 per cent of unit owners in Queensland are fearful that this legislation will push their body corporate fees up by 20 per cent to 30 per cent while those in larger units and penthouses could decrease. With regard to the Body Corporate and Community Management and Other Legislation Amendment Bill 2012, many submissions to the bill tell about the huge increase in body corporate rates both prior to and following the 2011 reversion process, depending on how the changes in the legislation affected various classes of unit owners. It seems that whichever way the bill goes there will be a unit owner who will find their body corporate rates rising. The reversion process introduced by the Labor government in 2011 meant that unit holders were paying body corporate fees according to the size of their lot. This bill will see all unit owners pay the same body corporate fee regardless of the size or situation of the unit.

Those on fixed and lower incomes who own smaller units—some 60 per cent of unit owners in Queensland—fear that this new legislation will increase their body corporate fees by 20 per cent to 30 per cent. It is the plight of these owners—mainly retired people either on a fixed superannuation

income or a pension—that is concerning. They bought their units believing their body corporate levies set by the developers would remain stable, apart from yearly CPI increments. If this legislation is passed, they face large increases in body corporate fees as they subsidise the equalisation of larger unit fees. Bodies corporate still have to be funded and it is the smaller unit holders who will pick up the slack. There are submissions from the very elderly—those over 85 years old—who say that they will have to sell their units and use the capital to rent for the rest of their lives.

Honourable members interjected.

Mr DEPUTY SPEAKER (Mr Berry): Order! Member for Dalrymple, just take your seat for a moment. I know the member for Dalrymple has been sitting, as other members spoke, quietly, patiently, stoically, peacefully and contemplatively and I think he now deserves that same respect. So, honourable members, please, respect the speaker while he is standing and listen to what he has to say.

Mr KNUTH: There are submissions from the very elderly—those over 85 years old—who say that they will have to sell their units and use the capital to rent for the rest of their lives, but who will buy their units with such large body corporate levies? No community consultation was undertaken on this bill, which has been rushed through with only a window of just over a month for members of the public to make written submissions. The government needs to prove that it has not been taken captive over this issue by wealthy developers, penthouse owners and large corporate unit owners who are the ones who will benefit from the equalisation of body corporate levies. If the government wants to demonstrate equality and fairness, it would do well to delay the passing of this bill, revert back to public consultation, give a longer term for public submissions and consult more widely on the legal basis for this legislation.