




Speech By
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MEMBER FOR SOUTHPORT

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HOUSING LEGISLATION (BUILDING BETTER FUTURES) AMENDMENT BILL

 **Mr MOLHOEK** (Southport—LNP) (4.20 pm): I am pleased to rise in the House this afternoon to speak to the Housing Legislation (Building Better Futures) Amendment Bill. As we heard from the chair of the committee, there is no doubt that this has been a very rigorous and complex review of the proposed changes. The legislation before the House today seeks to amend the Housing Act 2003, the Manufactured Homes (Residential Parks) Act 2003, the Residential Services (Accreditation) Act 2002, the Residential Tenancies and Rooming Accommodation Act 2008 and the Retirement Villages Act 1999. The three days of hearings that the committee conducted were very informative. At times they were somewhat controversial and they were challenging. There were groups within the public briefings that had very different perspectives on matters. The matters considered within this legislation are, at the very least, significantly complex.

I would like to begin with the comments of one submitter who I will not name, but it is a matter of public record. He described certain aspects of retirement living arrangements, and he said that the biggest mistake he ever made in his life was to buy into a home park. He went on to say that he felt that the place he resided had been granted a licence to rip him off and was a form of legalised elder abuse. He also went on to say that the act introduced by Peter Beattie favoured park owners. He was referring, of course, to the Manufactured Homes (Residential Parks) Act 2003. I share that not to particularly embarrass any side of government but to highlight the depth of passion and the broad concerns of people. That is why it is so important that we get this bill right.

Another submission we received from Associated Residential Parks Queensland Inc stated—

Having reviewed the Housing Legislation (Building Better Futures) Amendment Bill 2017 that was introduced into the Queensland Parliament ... by the Minister ... we must conclude that the admirable objectives outlined—

within the bill—

(which we fully support) simply cannot be met by the Bill in its current form.

They went on to say—

This is because the review of the Act as contained in the Bill is far too limited in its approach and totally misses the point in that it fails to address some of the fundamental flaws, inequities and biases (in favour of Park Owners/Operators) that are embedded in the current Act—

the act of 2003—

and which seriously undermine the very protections and rights of seniors that the statements made above refer to. Some of these are covered in our submission.

They lodged a fairly significant submission. They also presented very passionately, and I think they may have been in the chair's electorate at Kallangur when they came to see us the day we were there. They went on to say—

However, we consider that the Bill in its current form does not introduce the essential reforms to ensure seniors' rights are adequately protected. We believe that the major change promised cannot be achieved through the minimalist approach adopted.

We therefore urgently request that the Bill be withdrawn to facilitate a further and fundamental review so that the above matters can be fully addressed and the "**major shake-up of the industry**" (including limitations on rent increase and the simplification of contracts) as promised actually achieved.

The committee made some 18 recommendations, and I was very pleased to hear the minister yesterday speak directly to many of those recommendations. I am pleased to hear that the minister on many levels is listening; however, I still have some overarching concerns about the bill. As the chair mentioned, some time ago the previous LNP government initiated a significant review of these particular matters, and with the change of government the incoming Labor government effectively sat on these issues for some time. In the review that was presented to our committee in the first year of this government's term one very clear message was delivered to us by the department and those that commented on the review in respect of retirement village living, manufactured homes and home parks, and that is simply the overarching need of people to heed the old adage of buyer beware.

At that time there were a number of brochures produced and, as members, we were encouraged to put them in our offices. They have been distributed to many state government department offices around the state, and I believe that the department of housing also provided that information online and to constituents across the state of Queensland. The overarching concern—and I think it is still a matter of concern—is that if you are considering moving into a retirement village, or if you are contemplating purchasing a manufactured home, or if you are planning to purchase a mobile home in a mixed-use park like a caravan park, then it is absolutely imperative that family members get good advice and they fully consider entry and exit costs and matters like the actual rent that needs to be paid.

On one occasion I visited a particular park on the Gold Coast. The residents there were principally pretty happy with the arrangements; in fact, I would say they were very happy. It was the village at Harbourside near Harbour Town shopping centre. I must confess that, as a member of parliament, I was a little surprised to learn the amount of fees that people in these parks pay on a weekly basis. I always thought that body corporate fees in high-rise apartments or apartment blocks could be expensive, but site fees or body corporate fees—whatever term you want to use—range from as low as \$80 or \$90 a week to over \$200 a week. If you go to a manufactured home park of a more luxurious style where people are absolutely paying for a lifestyle, they are significantly higher. For some average Queenslanders those fees are almost akin to paying rental for a property outright.

I think the message from the department—and the significant message that came out of the review that the LNP conducted previously—is simply that the buyer absolutely does need to beware and people need to make considered decisions. That is why some of the proposed changes in this legislation are so important. One of those is to simplify the contractual arrangements, to provide a template and to introduce a cooling-off period so the agreement cannot proceed if there is either no legal advice or if the purchaser does not sign some sort of formal agreement to waive their rights after a minimum period. I am pleased that the minister has listened to the committee's recommendations in that regard, and I am pleased that those provisions have been included in the legislation.

One of the concerns that I have about the legislation—and I did touch on this in my statement of reservation—is that the one-size-fits-all approach that has been adopted with these changes is not really consistent with the recommendations that came out of the review. I simply want to highlight to the House that, sadly, I think we will have to revisit this legislation again in the future. While there are some good fundamental changes proposed in this legislation and it is important to protect the rights of consumers, my concern is that we have not gone far enough and we have not gone deep enough in considering some of the challenges.

I will provide one example. Some people purchase luxury homes in manufactured home parks where the price tag is upwards of half a million dollars and in some cases over a million dollars. They are moving into a lifestyle resort and they are fully aware of what they are doing. While the dwellings are by definition a manufactured home or a mobile home, they could best be described as fairly permanent. Compare that with people living in a mobile home or manufactured home in an old caravan park. As we read in one submission, many of these mobile homes were either towed in or craned in 20 or 30 years ago, the wheels were removed, they were mounted on some better blocks and they were connected to power with an extension cord plugged into the side that runs across into one of those typical power towers that you see in caravan parks. There is a significant difference between that type of manufactured home or mobile home park and the more modern versions we are seeing.

I am concerned that those two styles of park, and some variations in between, are being considered in the same section of the act. They are different. We heard from some submitters, and I visited one of the parks on the south side of Brisbane. We heard concerns around the safety of residents in some of these older homes—that some of these older mobile homes that had been towed in or dropped in do not meet current safety standards and the wiring is not always what it should be. In fact, one of the concerns expressed by a park owner was that when many of these homes were established in these mixed-use parks the demand on power was perhaps for a single television and a few small appliances and there may or may not have been an air conditioner attached to those dwellings, but as time moves on the air conditioners and televisions are getting bigger and the other demands in terms of devices and lifestyle are drawing more on power. For those mixed-use parks there are concerns about the adequacy of the safety switch devices in the towers or in the homes themselves. There are also concerns around the embedded network that provides the power. In some parks—many of them have already done this—there is a need to upgrade those embedded networks to meet the modern demands of mobile home park dwellers.

Other issues were highlighted in terms of mixed-use parks. I very briefly discussed one concern with the chair of the committee just yesterday and he made the point that it is probably not relevant to the legislation, but I believe it is a concern that needs to be highlighted. That is, many mixed-use parks were not set up to accommodate or deal with people as they age in place. The exit provisions in these environments may not deal with the fact that an elderly person passes on, leaving a child with a disability or other issues living in that park environment. The operators of one park I visited gave me some fairly concerning examples of day-to-day issues they were having to manage. Tourists were coming in and going out of an afternoon or evening but some permanent residents in the park presented challenging behaviours. Both permanent and short-term residents deserve to have the amenity and a lifestyle they can feel comfortable with, but on occasions they are confronted with the challenging, or even in some cases criminal, behaviour of other residents. Unfortunately, this legislation does not deal with how mixed-use park owners can address those issues. I am not sure that any other legislation really deals with that, either.

I am largely pleased with the minister's response in terms of the recommendations made by the committee. The amendments circulated by the minister seek to address about 70 per cent of the recommendations made by the committee. One area of concern that I still have—opposition members feel quite strongly about this—relates to the minimum housing standards. We are not for one moment suggesting that there should not be minimum housing standards, but our concern relates to the vagaries of what those standards will be. We did receive a very robust submission from the Property Owners' Association of Queensland. We also heard from the REIQ and a number of other organisations. The submission of the Property Owners Association of Queensland submission states—

Whilst we agree that all rental properties have sanitation, drainage and be of suitable standards for renting, the proposed minimum standards as outlined in this Amendment Bill go beyond that. We consider that some of the standards suggested are an upgrade of the property.

I will not go on and read the other comments—I am conscious of time—but they are all there in the submissions. I had hoped that the minister in his second reading speech would provide us with a clear set of proposed standards. I note that he said there will be further consultation on that issue. He has maintained that position throughout the last few months as we have considered this bill and we have made requests of the department and others for further clarification. What concerns me, however, is that, because those standards will be determined under regulation, the first time the parliament will have an opportunity to review those standards will be after they have already come into effect. We will only get to see them through a subordinate legislation report to the committee and then it may well be too late.

I know that others on the other side of the House have suggested that we are being a little paranoid. Good housing supply is critical for all Queenslanders. While I understand the need for minimum housing standards, I also understand that imposing higher standards on landlords and on the providers of accommodation, whether they be not-for-profit organisations or private investors, results in cost impacts flowing through to the consumer—to the tenants—and eventually that leads to higher rents.

Housing standards need to be practical and fair, but the concern of opposition members is that those standards should not be onerous. At one point there was some discussion that there may be minimum room sizes set, for example. I believe in freedom of choice—and freedom of speech, for that matter. For all sorts of reasons people make choices about the cost of rental accommodation and where they live. When we purchased our first house in Broken Hill some 30-odd years ago—some members may well laugh and I will sound like an old-timer telling this story—we purchased an old miner's humpy with a dirt floor in the kitchen, no hot-water system and a very basic shower in the shed out the back.

We did that for a reason. We wanted to spend a bit of time renovating it. We put some basic equipment in to meet our minimum housing standards, but living in that particular dwelling for a couple of years gave us the opportunity to put money aside for our first home and helped to set ourselves up. We chose a lesser housing standard for a very strategic reason in our lives. I think that right across Queensland—possibly near the beach, in regional centres or on cattle properties—some people will choose, for financial reasons or because they love that lifestyle, what some of us may see as an inappropriate housing standard. It is important that we do not go so far with these standards that we start to limit the supply of affordable housing across the state.

There is so much more that I want to say about this issue, but I am out of time. We are supporting this legislation, but we do have reservations about whether it goes far enough. I look forward to subsequent reviews proposed by the minister.