




Speech By
Samuel O'Connor

MEMBER FOR BONNEY

Record of Proceedings, 13 October 2021

HOUSING LEGISLATION AMENDMENT BILL

 **Mr O'CONNOR** (Bonney—LNP) (3.52 pm): At the outset of my contribution to the Housing Legislation Amendment Bill 2021, for full transparency I would like to declare that I receive rental income from a unit in Biggera Waters, which is of course declared as required on the Register of Members' Interests. The LNP will be supporting this legislation, but we will be moving amendments where we think the right balance between tenants and property owners has not been achieved.

One of the biggest issues on my part of the Gold Coast is the housing crisis. COVID has made it much worse, but over the past couple of years I have regularly heard from people who can no longer afford the rent they are paying or the rent increase imposed and they cannot secure another property in our area. Others have felt discriminated against when refused a property. Many more have to move to other parts of the Gold Coast or even, tragically, away from our city because it has become too unaffordable. That needs to be a consideration in this debate, but it is important to remember that there are many other factors that have led to this situation: lack of supply; local government planning settings; site availability; having the right areas of a city zoned correctly; the cost of construction; and a lack of public housing availability for vulnerable people. We should also not forget that many of these were issues long before COVID saw people from the southern states move to Queensland. That migration has just made the crisis worse.

As well as people struggling to rent, I have spoken to property owners and managers with concerns about renting out their properties because they have had massive damage inflicted by previous tenants. There is generally a very small minority of those who do the wrong thing and do not care about the consequences, but these owners feel changes could undermine their property rights. Prospective owners as well are concerned that they will not have genuine rights over their property, and that undermines their desire to invest in property in Queensland. I think there are improvements that can be made but—and I think this is the phrase of the debate—we need to get the balance right. We need to give renters more control over their homes without undermining property rights.

I think it is also important to remember that the owners of the properties we are talking about generally earn less than those of us in this chamber. They are not the top end of town. Of those choosing to invest what they have saved into a house or apartment, nearly two-thirds have a taxable income of less than \$80,000. Over 70 per cent of them have just one investment property. These are aspirational Queenslanders. They are just trying to get ahead by putting what money they have in a relatively modest investment. In this debate we need to ensure that we are not favouring one group over the other. I believe it is possible to make changes that will benefit both renters and property owners.

In terms of my electorate, I am proud of the fact that Bonney has more renters than most others; that is, over 46 per cent of the residents in my part of the Gold Coast are renting. As such, this bill is of great importance to many of my constituents. I thank the many people who have taken the time to share their views with me both for and against aspects of this legislation over the past few months.

Before I get into the bill before us I would also like to express my disappointment that the government is not including amendments to the Manufactured Homes (Residential Parks) Act. I represent several parks covered by this piece of legislation, including Seachange in Arundel and Pine

Ridge Caravan Park and Settlers Village in Coombabah. I have had many issues with the current settings raised with me. At one park in particular the residents struggled with a difficult manager who caused them a lot of stress. We had excellent support from Tenants Queensland, and I would like to thank them for what they did for the residents of these parks, but they deserve to have this legislation improved.

One of the big changes before us is the additional proposed grounds for ending an agreement. These new grounds include: if a fixed-term tenancy agreement is due to expire; to vacate premises for demolition or development; to allow significant repair or renovation works to be undertaken; if it is subject to a change of use; if the owner or their immediate family needs to move in; if it has been sold and vacant possession is required; and to vacate the premises in preparation for a sale. The lessor must provide the specified information to the tenant when ending a tenancy agreement, and they are liable if they provide false information. For example, if they say they are going to sell and then re-list the premises for rent within six months, it would likely attract an offence.

This was generally agreed to by most stakeholders, but questions were raised as to whether they should remove the ending of a fixed-term lease as grounds to end a tenancy. The belief was that this continues to undermine housing stability for vulnerable people in particular. Many of these changes make sense and in most cases will allow for the landlord to end a lease on reasonable grounds; however, where there are tenants who cause disruption and difficulties for owners I do not believe QCAT provides a simple pathway to resolve the situation. To exacerbate this by removing the clause to end a tenancy at the end of a fixed-term tenancy would unfairly shift the balance to the tenants, with owners feeling they have very little control over their own properties.

Tenants would continue to be able to end a tenancy without-grounds: if the required two-week notice period is given; if at the start of the tenancy the rental property is not fit for the renter to live in; if it is not in good repair or does not meet the prescribed minimum housing standards; if the lessor has not complied with a repair order of QCAT within 14 days; or if a co-tenant or co-resident passes away. The bill also proposes to make permanent the provisions under the COVID-19 regulation to allow more flexible arrangements for renters experiencing family and domestic violence.

This is something that my electorate is sadly far too familiar with. Every year the Southport Magistrates Court sees around 2,500 to 3,000 domestic violence order applications. These amendments are incredibly important for the safety of those in these vulnerable situations, and I very much welcome the flexibility they will offer. When faced with the dangers of a violent relationship, going to QCAT to end a tenancy agreement or prevent a violent partner from causing more damage or injuries is completely unrealistic. People going through this have a right to feel they can leave quickly without bearing the extra financial burden of excess rent, losing their bond or any extra stress. That should be minimised.

While many of the additional minimum standards are fine, the change to increase costs that can be authorised by the renter for emergency repairs from the equivalent of two weeks rent to four weeks rent is a large increase, and I would like further clarity on how that was arrived at. In the end, it is the owner who will have to pay for these repairs, so they should be more in control of what is spent.

The amendments around the keeping of pets move the onus to the landlord to provide a substantive reason as to why the tenant cannot have a pet. They go beyond providing a framework for the tenant and owner to come to an agreement by creating the assumption that the tenant should be allowed to keep a pet. I understand that for many people pets are part of their family or they may have been unable to have a pet because of their rental situation. Ultimately, having a pet is an individual choice, just as how someone wants to use their property is an individual choice as well. I would support changes that allow for a wider scope of reasons for a landlord to refuse, so I believe what we have before us does not resolve this in the best way.

The amendments to the Retirement Villages Act will exempt freehold resident operated retirement villages from existing statutory buyback requirements. This is an important change needed for these retirement villages to provide certainty going forward. While the Deloitte modelling provided on the impact of these reforms concludes that they will lead to a minimal increase in the costs for owners, I do not believe that this adequately factors in the change in perception this could have for those considering investing in property in Queensland.

Now more than ever we need to increase our housing supply and ensure we are not doing anything to disincentivise investing in the Queensland property sector. These new laws have many commendable aspects, but I support the amendments to tweak some of the areas in which I do not think they get it right. I want everyone to feel secure in their home. We need to work to get the balance right, giving more confidence to tenants but still leaving fundamental rights in the hands of property owners.