




Speech By
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BUILDING UNITS AND GROUP TITLES AND OTHER LEGISLATION AMENDMENT BILL

 **Dr MacMAHON** (South Brisbane—Grn) (3.15 pm): I rise to speak to the Building Units and Group Titles and Other Legislation Amendment Bill. It is clear from the small number of speakers on this bill that this bill is non-controversial. In making basically administrative changes to the Building Units and Group Titles Act 1980 and the Mixed Use Development Act 1993, this bill is one tiny step towards reform of body corporate law in Queensland, when what we need is urgent, meaningful change.

Our housing system is in crisis and body corporate schemes are not immune from this. At least 415,000 Queensland households live in community title schemes and most of these are run by bodies corporate. This includes people living in duplexes, residential unit blocks and high-rise accommodation complexes.

While in many ways our current laws allow for flexible arrangements where people can rent or own their home while sharing common property with other occupants, there are too many issues in body corporate schemes for this government to carry on with business as usual. To be clear, this bill essentially maintains business as usual.

Instead of business as usual, Queenslanders need urgent action on: building management statements; disaster planning; embedded networks; management rights and commissions paid to body corporate managers; the accreditation, licensing and regulation of body corporate managers; bullying in body corporate schemes; dispute resolution, including proper funding for the Office of the Commissioner for Body Corporate and Community Management; and the fact that bodies corporate have no control over residential buildings being used as inappropriate short-stay accommodation.

Building management statements, or BMSs, are an obscure feature of Queensland body corporate legislation which allows developers to retain control of body corporate schemes for up to 25 years with no transparency to prospective buyers about such arrangements. The government needs to step up to stop developers from using building management schemes to take advantage of unit owners. BMSs are being used to circumvent and undermine the integrity of Queensland's body corporate and community titles regime. This serious policy failure is hurting everyday Queenslanders.

Developers of mixed use—that is, residential and commercial—buildings are using BMSs as a legal tool to retain full control of these buildings, long after residential units have been sold. They may use this control to take advantage of residents by ripping them off, locking them into long-term management contracts and potentially evading insurance rules, fire safety rules and obligations to rectify defects. My colleague the member for Maiwar and I have become all too aware of the impact BMSs are having on everyday Queenslanders who have come forward to tell us about terrible situations happening in our electorates.

There are a number of simple reforms the government could make to protect Queenslanders, starting by requiring all sellers to disclose the existence of a BMS to prospective buyers. It could require any new BMSs registered under the Land Title Act to have specific and fair rules enacting democratic

voting systems. Thirdly, the government could create a mechanism for lot owners to rectify or terminate unfair or oppressive BMSs by application to a competent tribunal. Fourthly, it could expand the remit of the Commissioner for Body Corporate and Community Management to cover matters under a BMS, noting that the commissioner's office would need to be adequately funded to perform its functions. Finally, professional registration, accreditation and licensing of strata managers is also required.

This government needs to reform unfair and oppressive BMSs as a matter of urgency. Queenslanders' quality of life and their right to feel safe at home is at stake. South Brisbane is home to hundreds of apartment blocks, many of which flooded in February and are at high risk of future floods. These apartments have been approved by the Brisbane City Council under state government planning laws which have resulted in people, bodies corporate, their homes and possessions being at extreme—

Madam DEPUTY SPEAKER (Ms Bush): Pause the clock. I am going to give you some warning that you are straying from the long title of the bill. I will ask you to come back to it.

Dr MacMAHON: Bodies corporate are now having to deal with the outcome of a broken planning system that has put the profit of developers ahead of the safety and wellbeing of residents. After the 2022 floods hundreds of residents, body corporate managers and I were out sweeping up mud and water from apartment buildings, clearing up flooded goods and supporting residents across the electorate. Many of these apartment blocks lost power for extended periods of time. In many cases this was because electricity infrastructure, transformers and switchboards for big apartment blocks are located in the basement. Many bodies corporate across South Brisbane are now on the hook for hundreds and thousands of dollars for fixing flooded systems and are now looking at options for raising electricity infrastructure. Many of these bodies corporate are now also doing amazing work preparing flood plans specific for their buildings.

It is worth asking: why is it that electricity infrastructure is in the basement, putting these bodies corporate at huge financial risk? From what we understand, it would be the preference of Energex to have this kind of infrastructure not in the basement but at the ground level where it is safely accessible and dry, but developers do not want this. Why would they waste space on ground level electricity infrastructure—

Mr NICHOLLS: Madam Deputy Speaker, I rise to a point of order. Whilst these are significant issues, they are not covered by this legislation which deals with specific amendments to the body corporate legislation rather than planning laws about where substations are located.

Madam DEPUTY SPEAKER: Member for South Brisbane, your contribution is straying again from the long title of the bill. I will ask you to come back to it.

Dr MacMAHON: To clarify, these are issues that are facing bodies corporate in Queensland now.

Madam DEPUTY SPEAKER: I appreciate that, but it is not for discussion as part of the contents of the bill or the committee process. I ask you to come back to the long title of the bill.

Dr MacMAHON: Along with a range of measures to make sure that bodies corporate are not carrying financial and direct risk from future floods, there is a whole range of reforms that I am clearly not allowed to talk about now. I will continue. We need urgent action on embedded networks. Victoria has just—

Ms FARMER: Madam Deputy Speaker, I rise to a point of order. I would like your guidance on whether the member has shown disrespect to the chair.

Madam DEPUTY SPEAKER: Member for South Brisbane, I am going to assume that there was no reflection intended in your comments. I will ask you to stick to your contribution.

Dr MacMAHON: We also need urgent action on embedded networks. Victoria has banned embedded networks and Queensland needs to urgently follow suit. These kinds of networks that occur most commonly in BMSs leave customers vulnerable to high electricity prices and it is often Queensland tenants and owner-occupiers who are—

Madam DEPUTY SPEAKER: Member for South Brisbane, I apologise. If your contribution cannot come back to the bill I will ask you to take a seat.

Mr SMITH: Madam Deputy Speaker, I rise to a point of order. As the member does continue to stray I wonder whether or not a warning might be adequate.

Madam DEPUTY SPEAKER: Member for Bundaberg, I do not need your guidance, thank you. The member for South Brisbane has three minutes remaining. I will let her think about how she can make her contribution relevant. If she cannot, I will ask her to take her seat.

Dr MacMAHON: As with many other people in this place, I have hundreds of bodies corporate in my electorate. I have been outlining issues that are facing people who live in apartment blocks who are part of bodies corporate in my electorate and other parts of Queensland. The reform we have before us today is fine—bringing various different kinds of titles in line. However, there is a whole range of other measures that are not being addressed.

The review of Queensland's property laws has been going on for nearly a decade under two different governments. We really do not need more consultation to tell us that our body corporate laws need fixing. I have outlined a whole range of measures which I will not get to speak about today. We need a government to take action. To be clear, this is about the safety of residents in apartment blocks who are living under body corporate schemes where they do not feel they have a democratic say in what goes on in their body corporate and they do not feel safe in their apartment block.