




Speech By
Deb Frecklington

MEMBER FOR NANANGO

Record of Proceedings, 26 October 2023

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

 **Mrs FRECKLINGTON** (Nanango—LNP) (4.16 pm): I rise to contribute to the Body Corporate and Community Management and Other Legislation Amendment Bill 2023. I do so while my great friend and colleague the member for Clayfield is currently unable to attend the parliament this week. It gives me great pleasure to act in his stead in relation to the passing or not of the Body Corporate and Community Management and Other Legislation Amendment Bill. I would like to thank him, given I have had one bill in this whole term with the water minister. In one week, this is now the second bill. Thank you very much, member for Clayfield.

On Tuesday I spoke of the value of Queenslanders owning their own home. We want to see more Queenslanders get into their own home. I once again place on record my support for the member for Toowoomba South as Queensland's first shadow minister for home ownership. Many of us know what it is like to save and save to purchase that perfect house, to make it our perfect home—not just how we choose to furnish it or how we choose to paint it but for the memories that are made there through family and friends. We also know what it is to learn the best walking paths around our homes, the best coffee shops and the best local restaurants. We become part of our community and it makes a mark on us. It is not just the act of owning a home that is a great source of pride for many people; it is the home that they have chosen themselves, and it is their right over this property that we on this side of the House take very seriously.

That is why on this bill the LNP will not be supporting provisions for the termination of community titles schemes. While we understand the need to reduce hold-outs from preventing the right redevelopment and renewal, this bill does not offer the protections needed to ensure home owners have their say over their own home. We also want to ensure that people who genuinely love their home and their community, and would be left with few options for staying with that community should that clause of the legislation go through, are simply not characterised as hold-outs. It is easy to make this characterisation, to paint these people as selfish or as greedy investors who are protecting their own interests, but for those who are genuinely in this position—and I am talking about the elderly and the mums and the dads—this bill does not provide protection of their property rights.

Before I go further into other areas of this bill, I would like to raise an issue that is becoming all too familiar. I note the Attorney-General just spoke on this exact issue. It is imperative that we address it. The issue is consultation conducted by the government on the bills that come before this House. The bill was introduced on 24 August and submissions closed on 2 September. That allowed just six business days. That is all the time people had to get their submissions in on this bill. I heard what the Attorney-General said in relation to the property law review and the working group, but that is completely different to open and transparent consultation. It should be open to the public.

Queenslanders do have a right to have their say on all bills in this House, not have consultation classified as closed door meetings. They have a right to have their say. I say to the Attorney-General that it is very difficult to justify such massive changes that affect so many different interest groups. It is

my submission that landholders and property owners would not have had the time to submit to their local members or the committee about their concerns with this bill. That has been obvious and it keeps coming up more and more with this closed door Palaszczuk government.

The provisions around the termination of community titles schemes was a recommendation from the QUT report given to the government many years ago. Yet all the government offered stakeholders on a significant change to this area of law was those six days. The QLS stated in their submission that the short turnaround time highlights the risk of errors in legislation which is passed without adequate time for public scrutiny. We saw it at its worst with the amendments slipped into the Child Protection Reform and Other Legislation Amendment Bill when significant unrelated amendments were moved on the afternoon before the bill was due to pass and within minutes of the opposition members speaking to the bill. It is clear that this government has stopped listening to Queenslanders. Queenslanders are sick of this government talking at them rather than listening to them.

The provisions in clause 7 around the termination of community titles schemes were a key action of the 2022 Housing Summit. One was to 'reform body corporate legislation to allow for terminating uneconomical community titles schemes to facilitate renewal and redevelopment having regard to the New South Wales approach'. The bill retains the existing arrangements for the termination of community titles schemes by resolution without dissent of the body corporate or by order of the District Court. However, it establishes a new process for the termination of community titles schemes in circumstances where there are economic reasons supporting the termination.

The process for termination is laid out in the explanatory notes and has a number of steps to it. It involves the preparation of a pre-termination report containing information to assist the body corporate to decide whether there are economic reasons for termination. There is then a general meeting to decide whether there are economic reasons for the termination, which must be voted on by the majority. If passed, they then must pass a resolution to prepare a termination plan, which is provided to lot owners 120 days before the general meeting in which the final vote for a termination resolution takes place. Seventy-five per cent of lot owners must vote for the motion in order for it to succeed.

While lot owners can dispute the economic reasons resolution by taking the matter to the District Court to prevent the implementation of the termination plan, we know that for so many people the cost of those legal proceedings would not be realistic. Again, it is these people, in particular the elderly, for whom we are concerned today. Owning a home should not be something we take away as legislators. We should not take that away from people apart from in the most desperate situations.

The termination plan must provide at least a minimum compensation amount for lot owners. However, our concern is that this bill would push residents out of their community. The Main Beach Association pointed this out in their submission—and I note the many speeches that the member for Mermaid Beach has given in this House on this particular issue—and that is why we stand on this. The Main Beach Association has pointed that out, noting that even with compensation, the variance in levies between a three-storey walk-up and a high-rise apartment building is considerable and will render it impossible for many to afford. There was a substantial variance in submissions, a clear indicator that this clause does not strike the right balance.

The Property Council of Australia supported the change to 75 per cent, but believed the bill is overly complex and contrary to the policy intent, a view similarly shared by the Town Planning Alliance and the Planning Institute of Australia. A number of stakeholders, including the UDIA, do not believe the bill delivers on the policy intent and would like to see it better reflect the New South Wales model, as the Housing Summit key action pointed to. The UDIA stated—

In regard to scheme termination, the Bill does not deliver on the policy intent, which was a commitment made by the government at the Housing Summit. The process created by the Bill is applicable to only a few Community Titles Schemes ... paves an overly convoluted pathway to termination, and as drafted, represents a missed opportunity to deliver on the potential of policy change.

There we have it: the policy intent has been completely missed. That is why we will not be supporting this element of the bill.

The Australian Resident Accommodation Managers Association believes 75 per cent is too low. They would like to see a higher level of about 90 per cent to provide greater protection for those long-term residents who would like to vote against it. Unsurprisingly, it was the organisations representing owners and residents who disagreed with the bill to the greatest extent. I again refer to the Main Beach Association, who think the 75 per cent rule will have, in fact, the opposite effect of freeing up lots in Main Beach, diminishing the housing supply for the next few years given how long construction will take. They also raised the issue that there were no public hearings in two areas with significant numbers of community titles schemes. I point to both the Sunshine Coast—and I know the member for Maroochydore has raised this with me—and the Gold Coast, which also has one of the highest numbers of CTS schemes. Neither of those areas of Queensland had public consultation. That just does not make sense. It simply does not make sense.

The Community Alliance Association was strongly opposed to the bill, stating that they are very concerned that the government, seemingly heavily influenced by the development lobby, is using the current housing shortage to justify—

Mr Russo: Ha! You say that with a straight face.

Mrs FRECKLINGTON: Madam Deputy Speaker, I am happy to start that again. The Community Alliance Association was strongly opposed to the bill, stating that they were very concerned. I note the chair of this committee, a former lawyer, Peter Russo, the member for Toohey, is laughing about the support that he is taking from the development lobby and using the current housing shortage. Here we have in Queensland a current housing shortage but yet we have—

Madam DEPUTY SPEAKER (Ms Lui): Member for Nanango, direct your comments through the chair.

Mrs FRECKLINGTON: Madam Deputy Speaker, we have a housing shortage in this state, yet the chair of this committee is being backed by the development association to tear down the homes of mums and dads in Main Beach, Maroochydore, Sunshine Coast and the Gold Coast. It beggars belief, but that is where we have ended up with the Palaszczuk government. They have completely stopped listening to the mums and dads. They have stopped listening to the home owners. They have stopped listening to the elderly, who are genuinely stressed about this clause. It is obvious the chair of this committee has a tin ear when it comes to the mums and dads and the elderly of this great state.

Mrs Gerber: Hear, hear!

Mr Krause interjected.

Mrs FRECKLINGTON: I thank the members for Currumbin and Scenic Rim for actually listening to those people and submitting that those on this side of the chamber will stand with those people and will be voting against that part of the bill. The Unit Owners Association of Queensland also voiced these concerns. They raised concerns that there is a great potential to see an increase in bullying and harassment, just like we see here in this chamber today, within the community titles schemes due to these changes.

Government members interjected.

Mrs FRECKLINGTON: I will take the interjections from all those members opposite who laugh about bullying and harassment of the LNP. On this side of the House we are not going to stand for it.

The Unit Owners Association talked about the potential bullying and harassment within community titles schemes with these changes. They conducted the UOAQ strata survey and found that 60 per cent of respondents were subject to or witnessed bullying and harassment. This is without the pressure of even getting 75 per cent support for the scheme termination. It is easy to imagine how this issue will only get worse for those vulnerable residents.

I raise all of these views because they deserve to be heard. Queenslanders deserve to have their say. Given the extremely quick turnaround for the consideration of this bill, there was very little ability to genuinely consider how to balance these different perspectives. It is Queenslanders on the ground who are fearing what the change will mean for them.

Government members interjected.

Mrs FRECKLINGTON: I am happy to take those interjections because it is an example of how the Labor government has stopped listening to Queenslanders. It is arrogance of the first order.

We have heard from many constituents who are seeing their body corporates let their units become run-down in order to make it easier for them to get through this termination process. We have also seen evidence of real estate agents asserting that this law has already passed and trying to coerce people to sell up now. On this point, I had a constituent contact me. They have owned a property on the Gold Coast for many years. This exact thing happened to them. They had a call from the real estate and they said, 'The Palaszczuk government have changed the law and you are forced to your sell your property to the developer.' It is completely unbelievable.

The ABC reported on the impacts of this change earlier this year in an article titled 'Queensland unit owners fear body corporate law reform could force them from homes in property hotspots'. I am more than happy to table that article.

Tabled paper: Article from ABC News online, dated 14 July 2023, titled 'Queensland unit owners fear body corporate law reform could force them from homes in property hotspots' [1777](#).

I will read some of this article. It states—

Gold Coast unit owner Phil Hoile lives in a three-storey complex of nine units surrounded by apartment towers at Main Beach.

Mr Hoile said he and other unit owners in the complex had refused offers from developers for years, but feared the proposed legislation could open the flood gates and potentially strain neighbourly relations.

Suddenly your neighbours are people that you need to know better because you need to understand their finances ...

If they're under financial stress that's something that could directly impact your life.

The article goes on to describe another owner's experience. It states—

Beverley Robinson said she too struggled to see how a potential redevelopment of her three-level unit complex at Tugun, on the southern Gold Coast, would create more affordable housing.

It all comes down to money and greed, Mrs Robinson said.

She continued—

I get very anxious when I know that there's a unit for sale here because I think it could be an opportunity for developers to come in and take a foothold ...

Mrs Robinson and her husband have owned their ground-floor unit less than 200 metres from the beach for almost a quarter of a century, and have watched developer interest in the area grow in recent years.

She states further—

I could never replace what I have, especially at our stage of life ...

Mrs Gerber: You have met them, Deb.

Mrs FRECKLINGTON: I have met them. I will take the interjection from the member for Currumbin. It breaks my heart that the member for Currumbin's constituents, the Robinsons, are so stressed about this piece of legislation.

It is no small thing to lose one's home. We know how hard it is to find something else affordable within some of these areas. This is more than just about the money; it is about protecting property rights and home ownership. We are not convinced this bill does enough to protect the property rights and interests of owners and we will be voting against this clause.

The other major change in this bill is to provisions around sunset clauses. In terms of the provisions around sunset clauses we must give full credit and pay respect to my great mate and colleague the member for Theodore who has been fighting for this change. He has come up against road block after road block. He has gone up against two attorneys-general. What do we now see? Thank you, member for Theodore, we finally see this happening in this bill. Thank you Attorney-General.

It was the member for Theodore who in December 2021 wrote to the former attorney-general, the now health minister. She came back and said, 'Thanks, but no thanks, member for Theodore.' What did the member for Theodore do on behalf of his constituents? He wrote another letter and I think he again got, 'Thanks, but no thanks.' There was a bit of flip-flopping here and there. The current Attorney-General ended up putting it into this bill.

It was after the advocacy of the member for Theodore and his 4 April 2022 letter to the former attorney-general that the ABC picked this up. They covered this issue in an article titled 'First home buyers "missing out" on property boom as Qld developers strike out with sunset clauses'. I table that article.

Tabled paper: Article from ABC News online, dated 16 April 2022, titled 'First home buyers 'missing out' on property boom as Qld developers strike out with sunset clauses' [1778](#).

In this article it is interesting that then the attorney-general stated—

There has been an increase, I think, in developers utilising these clauses ...

She went on to say—

These sunset clauses are not in the approved Real Estate Institute of Queensland Law Society contract.

Buying a house is a really big decision and I would urge people to know what clauses are in your contracts and make sure you get that legal advice.

Mrs Gerber: Disgraceful; telling them that they should read their contracts.

Mrs FRECKLINGTON: I will take that interjection from a former lawyer. The article continues—

Ms Fentiman said—

Honourable members interjected.

Mrs FRECKLINGTON: Mr Deputy Speaker, I seek your protection.

Mr DEPUTY SPEAKER (Mr Lister): Member for Nanango, you shall have it. Members on both sides, may I ask you to keep your conversations down. It is almost as though we are in question time even though not much is being thrown at the member. Member for Sandgate, member for Jordan and Leader of the House, would you please refrain from your conversations? I can hear them clearly here. We need to give respect—

A government member interjected.

Mr DEPUTY SPEAKER: What was that, member for Sandgate?

Mr HINCHLIFFE: I asked what they were.

Mr DEPUTY SPEAKER: Please keep the conversations down.

Mrs FRECKLINGTON: The article continues—

Ms Fentiman said Queensland's property rules were under review.

'We are rewriting the entire Property Law Act right now in Queensland and it's been a long time coming—

We all agree with that. We talked about that yesterday. She went on to say—

I hope to have legislation in the parliament at the end of this year or early next year.

We waited until yesterday in actual fact. A month later, in May 2022, the former attorney-general stated in an MPI—

I have arranged for this to be considered as part of the work we are doing on a brand new Property Law Act.

We expected this part to be in a previous bill. She was saying in that MPI how the government will be consulting with buyers and sellers. She was talking about grappling with sunset clauses. She went on to state—

Property law is complex and we do have to take the time to consult, but they are being examined as a priority.

I note that six days is probably not consultation. We will let that slide on this occasion.

When we saw the introduction of the Property Law Bill in February 2023 there was no inclusion in it of movement on sunset clauses. The meaning of priority for the Palaszczuk government is perhaps something those opposite could examine.

We have heard the real impact this can have on buyers. Eighteen months after buying their land, after investing money in drawing up plans for their dream home, paying what always seems to be the endless fees involved, they are contacted by the developer informing them that the developer will be enacting the sunset clause. Can you imagine the devastation and disappointment for a young couple who has saved and done everything they can to put money down on their first home? It destroys relationships. It has destroyed relationships. We have met and spoken with many people, particularly in the more highly populated areas of the Gold Coast, where this is happening more and more. I am devastated for those people, so this change is much welcomed and much needed.

The other point in relation to this clause is that people have the disappointment, they have the heartbreak and they have lost all of their money, but then the developer comes back and says, 'You've got the chance to buy the land again, but now we're going to charge you an extra \$200,000.' It is just criminal. It is absolutely heartbreaking and criminal. This has happened to Queenslanders who are desperately trying to enter the property market. They are trying to get into the property market and the practice of those unethical developers locks them out. We know that it is far from being every developer, but they are important changes to ensure that this behaviour does not continue.

The bill amends the Land Sales Act to ensure sellers can only use a sunset clause to terminate off-the-plan contracts for land through written consent of the buyer or under an order of the Supreme Court or in another way prescribed by regulation. It does not apply to sunset clauses contained within building contract terms, even when part of a linked land and house building contract or a single house and land contract. The amendments will apply retrospectively for contracts that have not been settled to date. We acknowledge that there were a range of views on those amendments, but we have heard the stories of devastation that have impacted young people in particular—anyone of any age but young people in particular. I know the member for Theodore is incredibly passionate about this issue because he has one on one dealt with the heartbreak experienced by these people. The LNP will be supporting that element of the bill and we are very proud because the member for Theodore has championed this part of the bill.

The explanatory notes provide that a review will commence one to two years after the reforms have commenced. The review will consider whether further reforms are required to protect people buying proposed community titles and similar lots off the plan. This is something—and I say this to the Attorney-General—that we strongly support and I note that, prior to this two-year date—even one- to two-year date as of today's date—there could very well be a change of government and it is the right priorities of the LNP that we get home ownership right for Queensland's future. If it is the case that it is the LNP that is elected at the next election—and I sincerely hope for Queenslanders that we are—and

we are elected to government in October next year, we will give a guarantee that the LNP will do that review. I say this to the current Attorney-General: if it is the terrible case that the government gets in again and if the current Attorney-General is to keep that job, we will be holding her to account on that because it is important—

Mr Mickelberg interjected.

Mrs FRECKLINGTON: I take that interjection that we secure our housing foundations, because they are the right priority for Queensland.

In the short time that I have left I note that there are several other changes that are coming. I note that the Attorney-General did speak on those issues and they are not contested by the LNP. I note that other members on this side will be addressing those issues in support of that. The bill makes the change to allow an adjudicator rather than a commissioner to consider applications and I note that this is something that the Palaszczuk government went to the 2020 election on. Even though it is three years past that date, having that eventually come into this bill is welcome.

Mr Mickelberg: Better late than never.

Mrs FRECKLINGTON: I take that interjection: better late than never. The reason is obviously for alternative insurance where they cannot get their insurance in full for full replacement of buildings, and this is a real issue, Attorney-General, and I am pleased to see that change.

This bill brings many significant changes. While we will vote against clause 7 around the termination of community titles schemes, we will not be opposing the remainder of the bill and hope those clauses at least bring more protections for Queenslanders buying homes and living in community titles schemes. We are prepared to act to fix Queensland's housing crisis and see more Queenslanders own their own homes. It should not remain an unattainable goal for many. We have listened and we will act should we be given the privilege of government next year.