




Speech By  
**Peter Russo**  
**MEMBER FOR TOOHEY**

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

 **Mr RUSSO** (Toohey—ALP) (4.44 pm): I rise to speak to the Body Corporate and Community Management and Other Legislation Amendment Bill 2023 and the amendments to be moved during consideration in detail to correct a technical drafting issue. The Legal Affairs and Safety Committee in its report No. 56 tabled in this Assembly on 6 October has recommended to the Assembly that the bill be passed. Our committee made a total of nine recommendations as a result of our consideration of the proposed bill, including our recommendation that the bill be passed.

The proposed changes include to allow for the termination of uneconomic community titles schemes—for example, unit blocks—for defined economic reasons with the agreement of 75 per cent of lot owners; to strengthen protection for off-the-plan homebuyers from developers invoking sunset clauses in contracts for the sale of land; to permit bodies corporate to prohibit smoking in outdoor and communal areas; to prevent bodies corporate from blanket banning pets; and to clarify and enhance the ability for bodies corporate to tow vehicles from common property in a timely manner.

The policy objectives of the bill are to deliver a key action of the 2022 Queensland Housing Summit by reforming the Body Corporate and Community Management Act to allow for termination of uneconomic community titles schemes to facilitate renewal and redevelopment; to deliver a 2020 election commitment to implement Body Corporate and Community Management Act amendments to allow an adjudicator the power to approve alternative insurance arrangements and make supporting amendments to complement this change; to modernise and improve the operation of the Body Corporate and Community Management Act in relation to by-laws and other governance issues, including administrative and procedural matters; to strengthen buyer protections under the Land Sales Act by limiting when sunset clauses can be used to terminate off-the-plan contracts for the sale of land; and to make minor amendments to confirm the policy intent of existing provisions of the Body Corporate and Community Management Act, the Building Units and Group Titles Act, the Land Sales Act and the South Bank act, collectively referred to as the 'relevant acts', about the release of deposits paid by buyers under off-the-plan contracts for the sale of land, including the Land Sales Act, or lots in community titles style developments.

The committee received 95 submissions from stakeholders and interested parties. It has been one year since the Palaszczuk government held the landmark Queensland Housing Summit. In October 2022 more than 200 experts and stakeholders were brought together to identify how to address national housing pressures impacting Queenslanders. Reforming body corporate legislation to allow for the termination of uneconomic community titles schemes was a key action identified by these experts and stakeholders. The key takeaway from this reform is that it will allow for uneconomic community titles schemes to be terminated to enable renewal and redevelopment. The opposition would have us believe that this will give unit owners an open door to bully other unit owners and their families out of their homes and push them away from their community. This is not an endorsement for people to be bullied. I repeat: this is not an endorsement for anyone to be bullied.

The bill mentions terminating community titles schemes, and this has caused alarm in certain quarters. I urge against thinking this way. The bill is about renewal and rejuvenation to increase Queensland's housing. Queensland is at a critical juncture in our state's fight against the housing shortage. Old legislative frameworks are no longer suitable and the time for change is now. This process of change involves examining the frameworks of other states and seeing how their reforms have impacted the housing, body corporate and real estate sectors.

I was pleased to see that nearly every stakeholder recognised the grave nature of the housing shortage. This provides a common platform for all stakeholders to work from and identify solutions. Some solutions may seem unorthodox, or outside the box, but it is only with this kind of thinking that we can identify the right changes for Queensland.

The amendment to allow the termination of uneconomical community titles schemes, when passed, proposes to create a mechanism where a community titles scheme can be terminated for economic grounds. Economic grounds include when the scheme is not economically viable, in the case of a scheme of commercial lots, or when it is not economically viable for the body corporate to carry out the repairs and maintenance required to keep the property in good condition. I am at a loss as to why the opposition would want to condemn a unit owner or tenant to live in a property that has become dangerous or is in disrepair due to the sheer cost of maintaining the property which, by the very definition of being not economically viable, unit owners can no longer afford to maintain in good condition.

The opposition must have forgotten that it was under their leadership that social housing was sold for a number of reasons and, at that time, they cited reasons such as properties being no longer fit for purpose or were not cost-effective to be repaired. From 2013 to 2015, under the former LNP government the state saw a reduction of 427 public houses. The explanatory notes further state that the bill aims to provide a balanced approach to termination of community titles schemes, recognising the need to facilitate renewal and redevelopment but also respecting the property rights of individual owners. As such, the bill contains multiple steps before a community titles scheme can be terminated for economic reasons.

The committee noted that most stakeholders broadly supported the proposed new framework for the termination of community titles schemes that were not economically viable. The Property Council saw it as a key measure in removing barriers to the redevelopment of older apartment buildings and delivering increased housing supply in locations well serviced by infrastructure. The Queensland Law Society broadly supports the reforms and states that the scheme strikes an appropriate balance between the ability to terminate uneconomic schemes and the rights of owners. The Real Estate Institute of Queensland found the reforms beneficial and believes they should be progressed. The Strata Community Association Queensland also supported the amendments, stating the bill balances property rights, body corporate governance and public policy in a reasonable and equitable fashion and welcomes the flexibility of the process. I acknowledge there were varying recommendations on its application and its operation. Representatives of the property developer sector supported the scheme generally but recommended opening the scheme termination process to all community titles schemes over 30 years old, removing the economic reasons test.

The damage caused by smoking has long been identified as a problem, with one of the earliest known instances of smoking being linked to ill health going back to the 1950s and 1960s, with major medical reports confirming that tobacco can cause a range of serious diseases. Queensland Health has stated that passive smoking—when someone breathes in tobacco smoke from another person—is a proven health hazard, with more than 600 medical papers linking passive smoking to disease. In its review of Queensland property law, QUT's Commercial and Property Law Research Centre recommended that bodies corporate be authorised to adopt a by-law without dissent that prohibits smoking in common property or a lot's outdoor areas, such as a balcony or courtyard.

The explanatory notes state that the bill proposes amendments based on the Commercial and Property Law Research Centre's recommendation but with modifications. The explanatory notes state that the proposed amendments will support Queensland's smoking laws, which seek to improve health by creating a culture that reduces exposure to tobacco and other smoking products and second-hand smoke, supports smokers to quit and discourages people from taking up the habit. The REIQ, Unit Owners Association of Queensland Inc., Strata Community Association and Strata Solve broadly supported the amendments to the BCCM Act related to second-hand smoke. The REIQ commended the bill for providing clarity to bodies corporate but also outlined reservations, noting that the language used may be too broad. REIQ stated that the adjudication process might become too difficult and onerous for a complainant, who will be required to establish the meaning of terms such as 'regular use' and 'regularly exposed to'. I commend the bill to the House.