



Speech By  
**Hon. Meaghan Scanlon**

**MEMBER FOR GAVEN**


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Record of Proceedings, 22 May 2024

**RESIDENTIAL TENANCIES AND ROOMING ACCOMMODATION AND OTHER  
LEGISLATION AMENDMENT BILL; MANUFACTURED HOMES (RESIDENTIAL  
PARKS) AMENDMENT BILL**

Residential Tenancies and Rooming Accommodation and Other Legislation Amendment Bill resumed from 21 March (see p. 852) and Manufactured Homes (Residential Parks) Amendment Bill resumed from 21 March (see p. 854).

**Second Reading (Cognate Debate)**

 **Hon. MAJ SCANLON** (Gaven—ALP) (Minister for Housing, Local Government and Planning and Minister for Public Works) (12.06 pm): I move—

That the bills be now read a second time.

Following introduction, the bills were referred to the Housing, Big Build and Manufacturing Committee for consideration. I take this opportunity to thank the committee, and particularly the member for Bancroft, for their dedicated consideration of both bills. I would also like to thank the organisations and individuals who made submissions, participated in the public hearings and participated in extensive consultation processes that informed development of the bill, particularly individual Queensland renters and manufactured home owners who shared their experiences and views.

In our Homes for Queenslanders plan, the Miles government committed to modernising the housing legislative framework. These bills continue our government's efforts to protect consumers while making sure we maintain diversity in housing supply. The Residential Tenancies and Rooming Accommodation and Other Legislation Amendment Bill 2024 delivers on our commitment in our Homes for Queenslanders plan to strengthen renters' rights and stabilise rents and also meets Queensland's commitment under National Cabinet's A Better Deal for Renters. We have heard and are responding to community concerns about the impact of the current rental market conditions and cost-of-living pressures on Queensland's renting households. The Housing, Big Build and Manufacturing Committee made a single recommendation: that the bill be passed.

I propose to move some amendments to the bill during consideration in detail to address the committee's recommendation and respond to feedback received through submissions to the committee's inquiry into the bill. I propose to move some amendments to clarify aspects of the bill, including clarifying the responsibilities of body corporates when a renter has requested to make a change to the rental property, clarifying that a renter can only be asked to pay reletting costs when they end a tenancy agreement in a way that is not allowed under the act, and clarifying the offence for a person to solicit, invite or accept an offer of more rent in advance than is allowed under the act at the rental application stage or when starting a new tenancy.

I also note concerns raised in some submissions that the proposed amendments to require lessors and their agents to send tenants bills for water consumption charges that they are responsible for paying under the tenancy agreement promptly did not account for circumstances where the supply

authority's billing cycle did not align with the start or end of the tenancy. I will move amendments during consideration in detail to address this concern by allowing lessors or their agents to issue an invoice to the tenant for water consumption based on the tenant's usage during a partial billing period if the rental premises is individually metered and water efficient, the tenancy agreement is in effect for only part of a water supply authority's billing period, a meter reading for the premises is taken at the start or end of the tenancy and recorded in a condition report, the amount of water the tenant is charged for is based on a reasonable estimate of the water supplied to the premises and the rate used to calculate the amount the tenant is charged is consistent with the water supply authority's most recent bill.

The committee considered there was merit in further consideration of the 'exempt lessor' definition to ensure there were no unintentional omissions from the definition. I can confirm that this matter has been carefully considered to ensure appropriate exemptions are in place while protecting the rights and interests of renters. However, this consideration did identify the need for amendments that I will move during consideration in detail to ensure there is a consistent definition of 'exempt lessor' across amendments proposed in the bill and that the exemption is applied to rooming accommodation agreements; if a rental property has been sold within 12 months of the requirement to provide a renter with information about the day of the last rent increase commencing and the new owner does not hold this information, they will not be in breach of the requirement; and exempt lessors are explicitly exempted from the requirement to provide evidence of the day of the last rent increase for the property.

The department's response to issues raised in submissions to the committee indicated further consideration would be given to some elements of the amendments in the bill. Through this process some improvements to these provisions in the bill have been identified, and I will move amendments in consideration in detail to align the retention period for personal information after a tenancy ends with obligations under other legislation; if a provider such as a specialist disability accommodation and student accommodation provider maintains a waitlist, allow a renter to agree to the provider keeping personal information collected from an unsuccessful rental applicant for a longer period; enable personal information to be collected for the purposes of managing the tenancy agreement; and allow renters to request the Residential Tenancies Authority refund them any excess amount of a continuing bond and provide transitional arrangements for the maximum rental bond limit to ensure existing bonds held continue to be compliant with the act.

The statement of reservation included in the committee report raised concerns that the annual rent increase frequency limit implemented from 1 July 2023 was ill thought out. We make no apology for taking this action to help stabilise rents in the private rental market in response to rental affordability and cost-of-living pressures being experienced by the over 600,000 households that rent in Queensland. The bill will apply the annual rent increase frequency limit to the rental property instead of the tenancy so that property owners and agents cannot end tenancies with existing renters and enter shorter leases with new renters at a higher rent to avoid the annual limit.

Finally, the committee encouraged consultation be undertaken by the department in the development of the portable bond scheme and rental sector code of conduct, including with other Australian states and territories. I am pleased to confirm for the House that the design and implementation of these matters and the modifications framework is informed by consultation with stakeholders and that engagement with other jurisdictions has already commenced.

I turn now to the detail of the bill. The bill progresses reforms that strengthen renters' rights and further stabilise rents across several reform priorities, including to ban all forms of rent bidding and applying the 12-month limit on rent increases to the rental property, not the tenancy. It improves the process for renters and rental property owners to agree to changes to the rental property. It better balances renters' rights to privacy and property owners' need for access and information to inform decision-making about their investment. It improves the rental bond process. It ensures all utility bills are passed on to renters in a timely manner. It eases cost-of-living pressures by making fees and charges fairer, and it creates heads of power to allow for the establishment of a rental sector code of conduct and portable bond scheme in consultation with stakeholders.

The bill also ensures appropriate processes are in place to manage tenancies that are impacted by the termination of a community title scheme for economic reasons; introduces a mandatory continuing professional development scheme for property agents in Queensland; and removes the requirement for mandatory employee contributions, other than for defined benefit members, in the local government superannuation scheme and changes the name of the trustee and the scheme to reflect a change in the business name of the default fund.

Further, I will move minor amendments during consideration in detail to the Building Industry Fairness (Security of Payment) Act 2017 to ensure the continued effectiveness of the adjudication system.

The bill also amends the Body Corporate and Community Management Act 1997 to provide more notification and certainty about the timing for the ending of leases when a community titles scheme is terminated for economic reasons under the act and to clarify applications that can be made to the District Court about tenancy related issues arising in relation to the termination of a scheme. The bill will also amend the Property Occupations Act 2014 and the Fair Trading Inspectors Act 2014 to establish a legislative scheme for mandatory continuing professional development, or CPD, for property agents and to require individual licensees and certificate holders to complete annual CPD requirements.

Finally, the bill amends the local government superannuation scheme set out in the Local Government Act 2009 by providing local government employees the flexibility to decide for themselves if they would like to lower their employee contributions in response to cost-of-living pressures. The Miles government is proud to deliver on our election commitments to reform the rental bond process and extend entry notice periods and make continuing professional development mandatory for property agents. Only a Labor government will make it fairer, safer and easier for Queenslanders to find, get and keep a rental.

I now turn to the Manufactured Homes (Residential Parks) Amendment Bill. The Queensland government understands older Queenslanders, particularly those relying on fixed incomes like the age pension, are doing it tough and are less able to adjust their spending in response to higher housing costs and other cost-of-living pressures.

Many older Queenslanders value the sense of community and lifestyle benefits offered by becoming a manufactured home owner in residential parks. I have heard from home owners who invest their savings in a manufactured home with the expectation of a secure and affordable retirement lifestyle who instead feel trapped and vulnerable to high site rent increases and unfair business practices. The modern residential park sector is no longer one where it is practical or affordable for home owners to relocate their manufactured home to take advantage of more favourable rents elsewhere.

The Housing, Big Build and Manufacturing Committee noted in its report that the bill contains the most comprehensive reforms brought to the residential park sector in the last 20 years and delivers long-awaited improvements to the rights and protections of many Queenslanders who rely on residential parks to provide safe, affordable and secure housing. I thank the committee for these words, and it is my privilege to be delivering these long-awaited changes to the manufactured home owners who need them. The committee made a single recommendation—that the bill be passed. I propose to move some amendments to the bill during consideration in detail to address the committee's recommendations and respond to feedback received through submissions to the committee's inquiry into the bill.

Following review and the consideration of stakeholder and community feedback, minor clarifications and improvements have been identified. I propose to move some amendments during consideration in detail such as explicitly including direct debit as an approved way of paying site rent and the ability for additional approved payment methods to be specified in regulation; clarifying the requirement to carry over specified terms of an existing site agreement into a buyer's new site agreement will be subject to changes to utility charges under the existing provisions of the act; and explicitly exempting a park owner from committing an offence for failing to buy back the home where there is an unresolved dispute about removing the home from the buyback and rent reduction scheme.

It will also ensure prospective buyers of a pre-owned manufactured home who exercise their cooling-off rights are not liable under either the sales contract or site agreement. It will clarify that, where a CPI increase is to replace a prohibited market rent review as there is no alternative basis included in the site agreement, site rent may increase by CPI on an annual basis. It will extend the timeframes for parties to agree on a resale value from seven days to 14 days to address concerns that the original timeframe was impractical while minimising delays that could disadvantage either party.

The committee commented on additional improvements to the efficiency of dispute resolution. In particular, the committee encouraged the department to consider whether applications to the tribunal seeking extension to the buyback scheme for financial hardship should be exempt from the staged dispute resolution process. Consistent with the department's response to issues raised in submissions, this issue has been considered and I will move an amendment during consideration in detail to include sections 62ZC and 62ZD in the list of matters that are exempt from the staged dispute resolution process under section 116 of the Manufactured Homes (Residential Parks) Act 2003.

Some manufactured home owners have expressed concerns about how the limit on site rent increases will operate and its effect on more favourable bases that may be included in home owners existing site agreements. I want to assure manufactured home owners that the amendments in this bill will not override more favourable bases for increasing rent in existing site agreements. It will act as a ceiling to ensure no home owner will experience an increase in site rent that is more than CPI or 3.5 per

cent, whichever is higher. The cap does not prevent lower increases occurring and signals the government's view that a stronger regulatory response is necessary to protect manufactured home owners from being taken advantage of.

Through the consultation process leading to this bill, the experiences of home owners have established a clear and compelling case for reform. The bill rebalances the relationship between park operators and home owners, including providing for a more equitable share of financial risk between the two parties. The bill achieves this objective through three broad reform categories.

Ninety-six per cent of manufactured home owners receive some form of government payment. Over 53 per cent receive a full aged pension. Of these households, over 60 per cent are on incomes under \$40,000 per annum. Common methods of increasing site rent, particularly market rent reviews, have driven increases that have significantly exceeded growth in home owner incomes. Home owners told us of their rents increasing by up to 30 per cent as a result of a market rent review. These issues are symptoms of a sector in which home owners carry a disproportionate share of financial risk in their relationship with park owners. To provide immediate relief to home owners experiencing significant cost-of-living pressures and to provide future home owners with much greater certainty and the ability to predict their expenses when they purchase a manufactured home in a residential park, this bill will ban market rent reviews and limit site rent increases to CPI or 3.5 per cent, whichever is greater.

Home owners raised concerns about issues with the sales process for manufactured homes, including delays in securing a sale, and issues with the efforts of park operators in facilitating sales. Delayed sales can cause further financial stress for home owners if they need to move out of a park because of affordability or where they need access to capital to secure alternative accommodation. As a retirement focused industry, it is common for manufactured home owners to need to transition into aged care, which itself imposes significant financial challenges.

While a manufactured home remains on the market, park operators are guaranteed payment of site rent regardless of whether they have maintained the park's amenities to a standard likely to attract buyers. There are currently few safeguards for home owners in this situation and limited incentives for park operators to assist people to sell their home, either directly through the sales process or indirectly through maintaining their park, especially once all the homes within a development are sold. To improve the sales process, this bill prevents delays in the sales process, provides much needed additional rights for consumers and incentivises park operators to encourage and facilitate sales.

Home owners also told us they have been attracted to purchase a manufactured home by discounted site rents and other inducements while a park is under development, only to later experience steep site rent increases through market rent reviews while standards, services and amenities in the park decline once all the homes are sold. We also heard about conflicts of interest that arise where park operators are acting as sales agents for a home but are incentivised to sell new developments, as the site rent for existing homes are guaranteed. There have also been issues with assigning rent agreements and home owners being given 'take it or leave it' site agreements with no capacity to negotiate. The bill includes measures to enhance consumer protections and increase transparency, including stronger requirements regarding precontractual disclosure for prospective residents, more options for paying site rent, greater transparency regarding operating costs for existing home owners and a robust set of considerations and options for QCAT to consider when determining whether to terminate a site agreement.

Through this bill, the Miles government is improving fairness and transparency for the 38,000 Queenslanders who already call residential parks home and the thousands more seniors who will consider parks as a retirement living option in the years ahead. I would like to acknowledge the advocacy of manufactured home owners along with many members of parliament on this side who have raised their concerns with me and the government to ensure we are here debating these laws today. The reforms proposed in these bills include strong regulatory intervention to protect manufactured home owners and make renting in Queensland fairer.

Additionally, the bill amends the Building Industry Fairness (Security of Payment) Act 2017 to ensure the continued effectiveness of the adjudication system. Adjudication provides a cost-effective and efficient alternative to court for resolving payment disputes in the building industry. A recent Supreme Court decision called into question the technical validity of an electronic form used by the building industry in these disputes. We have listened to the building industry and are moving swiftly to resolve this issue. These technical legal amendments ensure stability and certainty for the construction industry by ensuring previous adjudication applications remain valid.

Through these bills, the Miles government is protecting vulnerable consumers and acting to slow the rapid increase of rents in the private rental market and site rent increases in residential parks. Those opposite have suggested that consumer protections that promote secure, affordable housing for

Queenslanders are inconsistent with the objective of housing supply. In reality, we know it is quite the opposite. Consumer protections and fairness in the private rental market and residential parks sector will provide investors, seniors and operators with the confidence to invest in these forms of housing. All parties in the private rental market and residential parks sector can and will adjust to a fairer, better functioning market, which is exactly what these bills will help create.

I look forward to continuing to work closely with stakeholders across the private rental market and residential parks sector to develop the regulations needed to support the implementation of the reforms progressed in these bills. I commend the bills to the House.