




Speech By
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MEMBER FOR EVERTON

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

 **Mr MANDER** (Everton—LNP) (12.25 pm): I rise to make a contribution to the Manufactured Homes (Residential Parks) Amendment Bill and the Residential Tenancies and Rooming Accommodation and Other Legislation Amendment Bill. I have to agree with the minister when she said these reforms are long-awaited. If you think about anything in the housing space, this government's policies have been long-awaited. I wonder whether, when you say something has been long-awaited, you are inferring that someone has been tardy, somebody has not been listening or somebody has not been responding. The way I see it, this government has now been in power for over nine years. We have had three ministers in this space and now, 5½ months before an election, these long-awaited reforms have finally come to parliament. These long-awaited reforms did not go through a process that was thorough enough and would have prevented some of the many amendments the minister has brought today, some of which are quite significant in both bills. I agree with the minister that these reforms are long-awaited. I would ask the minister to look in the mirror and, on behalf of her predecessors and herself, ask why it has taken so long to address these very important issues.

Queensland is in a housing crisis. What we are seeing on our streets, parks and hotels is devastating. It is like nothing that has ever been seen before in this state. That fact cannot be overstated and it cannot be forgotten in this debate in the chamber today. The backdrop and the context to this whole debate revolves around the fact that there are simply not enough houses or homes in Queensland.

Mr Stevens: No planning, no commitment.


Mr MANDER: I will take that interjection from the member for Mermaid Beach: no planning, no commitment. There is a chronic supply issue. Whether you want to rent, whether you want to buy your first home, whether you are looking to upsize due to a growing family, whether you are downsizing in retirement or whether you are vulnerable and desperately in need of subsidised housing—apartments, units, townhouses, attached homes, even public housing—it does not matter the type of property, they are all in short supply in Queensland. That has not happened by accident. The environment the government creates through its policy settings, words and actions has a direct impact on housing supply.

New housing lot approvals have declined by 30 per cent since 2015. Year on year building approvals are down by 34 per cent under the Palaszczuk-Miles Labor government, and this has had a direct impact on household and investor confidence. It has also had a direct impact on people's lives and livelihoods. I will further address those points in my contribution, and I know that my colleagues will as well. It is important to note that the government has opted to debate these two bills in cognate, which is typical of a government that is trying to rush through legislation without giving the appropriate attention that each bill deserves. This is a government that is constantly in chaos and in crisis. The changes in

these bills are not insignificant, yet the government would have us debate both of them as one. It diminishes the importance of each bill and truncates debate on the important issues at hand across each piece of legislation.

I will address particular issues in the Residential Tenancies and Rooming Accommodation and Other Legislation Amendment Bill. The government has announced a series of residential rental reforms across the last two terms of government. There have been legislative changes in some way, shape or form over the past three calendar years.

Debate, on motion of Mr Mander, adjourned.

 **Mr MANDER** (Everton—LNP) (12.43 pm), continuing: First I want to apologise to the school captains of Everton Park State High School and Albany Creek State High School, who are in the dining room enjoying a wonderful lunch, which I thought I might be able to join them for. I apologise that I cannot.

Honourable members interjected.

Mr MANDER: They are eagerly awaiting my return. They are in awe of the wisdom that comes out of my mouth.

Government members interjected.

Mr MANDER: I recommend the scallops for entree!

I will continue to address the Residential Tenancies and Rooming Accommodation and Other Legislation Amendment Bill. As I said, there have been many changes over the past three calendar years. In fact, it is quite hard to keep up with this. That fact alone is a significant problem that causes concern for people who are renting and people in industry groups trying to make sure they understand the lay of the land. The LNP will not oppose this bill. It is far from perfect and there are elements that we have significant reservations with. I will outline those throughout my contribution.

I want to start by saying that we are very supportive of all Queenslanders having the freedom to decide their housing tenure. It is critical that there is a healthy mix of options that exist right across the housing market for Queenslanders to secure safe and stable accommodation. For the market to be healthy, there needs to be a respectful coexistence between lessors and tenants. It has been difficult to watch at times as the government has sought to blame different groups and people for problems of its own making. This does not help. In fact, it makes matters worse. Pitting people against each other or demonising one group at the expense of another will not fix the crisis we have in Queensland—and it is a crisis.

It is important to note that private property owners—over 1.5 million people—own approximately 95 per cent of the rental properties in Queensland. The LNP acknowledges that the overwhelming majority of rental properties are owned by mum-and-dad investors. These people are not evil. In fact, we should celebrate them. If the wrong balance is struck, those mum-and-dad investors will invest elsewhere, and that means fewer places to rent. By demonising some in the housing market, the effect can be to the extreme detriment of others.

Over the course of this term I believe that the balance has not always been struck properly because of the government's willingness to attribute blame to others rather than address the problems itself. There is a very real possibility that this bill as proposed will lead to steeper rent increases for those renting, see a reduction in the pool of rental properties by hurting investor confidence and limit choice for how tenants might want to structure their rent payments, although I think there will now be an amendment to address what we saw as a major weakness with regard to being able to pay rent in advance, if that is what a tenant would like to do.

The minister rightly points out in the explanatory notes—

According to the Australian Bureau of Statistics Consumer Price Index, in the December 2023 quarter, Brisbane's annual increase in rental prices was 8.4 per cent, outpacing the national average of 7.3 per cent.

Let's be clear on this point: Queensland has the worst rental increases in the nation. It is not some conspiracy that every landlord in Queensland has worked together to raise rents more than any other state. The unprecedented competition in the housing market means Queensland does not have enough homes. It is not the fault of the landlords or renters or industry; it is the fault of the government.

I think it is fair to say that the most significant point of contention in the bill is the amendments to control rent increases. The government plans to address this by applying the 12-month limit on rent increase frequency to rental properties rather than the tenancy. It is important to note that, with no

consultation and little notice, the government chose to amend this provision of the Residential Tenancies and Rooming Accommodation Act in early 2023. The changes, which bypassed the parliamentary committee process, inadvertently led to negative outcomes for renters. That decision was ill thought out. The minister owned it in her speech by saying, 'We make no apologies for this. We mucked it up.'

Ms Scanlon: You voted for it.

Mr MANDER: I will take that interjection. The minister is the government. The minister has all the resources of government, all the advisers and all the time, and they mucked it up. Who are the people who are disadvantaged by this? It is the tenants. It was very detrimental to the people they claimed they were protecting.

This bill tries to make amends for the mess the government made the last time it changed these laws. The changes in 2023 followed comments made by then premier Palaszczuk—and this is really interesting to remember—who came out and said that rental caps could be introduced in Queensland. That was on day one. Industry and economists all came out very strongly and reminded people of the detrimental effect that would have on the market and on renters themselves. Then the current Premier, who was the then deputy premier, tried to rescue it. He said, 'There might be caps but we're going to cap it at CPI.' Again, the same people blew up and said that that would have a damaging impact. The Premier then came out and said, 'No. You misunderstood me. I didn't mean that at all.' That is why this was rushed through. The damage to consumer confidence had already occurred because people were wondering what the heck this government was going to do.

A shrinking pool of people willing to invest in Queensland's residential property market will only result in a shrinking pool of available rental properties. The end result is renters paying more each week for their rent, and that is exactly what is happening at the moment. As I said, we are not going to oppose this bill but these never-ending changes that renters and lessors face have to come to an end because it has been damaging for all parties.

At the Housing Summit in October 2022 the Deputy Premier was miffed that 20,000 rental properties had disappeared from the private rental market. He might like to consider his own actions and the actions of the government he has been a part of as to why investors have disappeared from the market. This is what this government does not appreciate. The other thing that is a concern about this policy that has been done on the run is that there will now more than likely be a steeper increase at the 12-month mark, making it more difficult for people to cope with the rental increases that are more often than not inevitable.

I also want to question the government on how a bond portability scheme will actually work in practice, because these questions clearly have not yet been answered. In particular, questions remain over how a landlord may be able to make a claim if the tenant had to move to a new tenancy with the bond. What is really interesting and a point worth expressing is that I do not think the government knows how this is going to work either. Rather than going through a detailed proposal to bring to the House to put through legislation, all the government has done is establish a head of power for a portable bond scheme so all those questions remain unanswered. We do not have any details on how it will work or the practicalities. All of this is still up in the air because it will be prescribed by regulation at some other time.

What will also be prescribed by regulation at a later date are the details of what modifications a renter might be able to make to the property. Again, there is no detail on something that could be very, very significant—that is, modifications to somebody's personal property. Most lessors, I think, do not and will not have an issue with reasonable requests, particularly around accessibility—a modest shower rail, for instance, or something else that helps those who need assistance—but, again, there is no detail in this bill. To be frank, I seriously do not think that is good enough. It is not transparent; it seems to be half-baked. I think the government is putting the cart before the horse on this one. One would have thought the government would have properly consulted and worked on this before including it in legislation.

My genuine belief is that they have been in a rush to make it sound like they are doing something so they have stuck it in there and decided they will work out the details later. The same can be said again on another aspect of the bill—that is, the code of conduct. We still do not have anything about the code itself, just that they will work it out at a later time.

Ms Scanlon: You abolished it.

Mr MANDER: I will take that interjection. This code of conduct is so vitally important that this government has taken three ministers and 9½ years to reintroduce it. That is how significant it is. It is so significant that there is no detail on how it will actually work. That is how significant it is; that is how much difference it is going to make. It is absolute lip-service to try to make out that they are doing something. It is all smoke and mirrors which is the constant way this government operates in this space.

There are also some big questions about the limitations on paying rent in advance, and I have mentioned that already. It looks like that may have been addressed. We will have to wait and see the detail when the minister brings that through.

The REIQ made a very detailed written submission to the committee which was reviewing the bill. They pointed out some potential drafting errors throughout the bill—some of which I have already touched on—that may result in negative unintended consequences. The government has ignored the REIQ in the past to their detriment. I hope that they have taken these points on board so we are not back in here in the next term of government making further amendments.

Let me now go to the manufactured homes bill. Manufactured homes and residential parks form an important part of Queensland's housing mix, particularly for Queenslanders over 50. Ensuring the ongoing viability of these facilities is important so that they can continue to be options for Queenslanders to access safe and secure accommodation. Again, the LNP will not oppose this bill. We acknowledge the need to modernise the laws that govern manufactured homes in Queensland. It has become apparent that there are elements that are outdated and are no longer fit for purpose.

In residential parks, consumers own their manufactured home but rent the land its site is on from a park owner. The relationship between the home owners and the park owners is regulated by the Manufactured Homes (Residential Parks) Act 2003. It is a unique tenure arrangement that exists under the act, unlike most others across Queensland. In the lead-up to the 2020 state election, the then housing minister, the member for Springwood, promised a root-and-branch review of the legislation governing residential parks. Since that time, there has been a protracted consultation process undertaken by the government, ultimately resulting in these changes outlined in the bill. It is important to acknowledge the work of the committee and the enormous turnout at the public hearings held by the committee. There are people who are very emotionally engaged in these issues and who feel like they have been ripped off for years, and they are expecting changes to take place.

I want to talk about the site rent increases and laws. The most significant issue in this act is the cap being placed on site rent increases. The bill will cap annual general site rent increases at the higher of the consumer price index or 3.5 per cent. It is critical to note that site rent is a relatively unique cost incurred by residents living in manufactured homes. There is a distinct difference between these properties, which are owned by the residents living in them, and the private rental market. The LNP acknowledges that there were mixed views on this throughout the committee's deliberations. The decision to cap the rent in this manner goes against the government's own objective in the bill, which states that the amendments are to address concerns about site rent increases by ensuring greater clarity and predictability for home owners, particularly for planning and budgeting purposes, as many of these people are on fixed incomes.

Given that pensions are linked to CPI and many of these people are on pensions, there is a very real possibility that pensioners living in these parks could be disadvantaged by the amendments should CPI fall below 3.5 per cent. If the government is planning on intervening in the market in this way, it must be aware of the negative impacts residents could face as a result. I met with many home owner groups and representatives and this is a red hot issue with them. They feel like they have been let down by the government who has not heard what is probably their biggest issue, which is the uncertainty around what the rent increases will be each year. These amendments may well leave residents paying more than they otherwise would have.


Mr Whiting: Rubbish.

Mr MANDER: It is not rubbish; it is true. I will take that interjection from the member for Bancroft—who has manufactured park homes in his electorate. It is not rubbish. He is saying that the claims by home owners are rubbish.

Mr Whiting: Claims by you!

Mr MANDER: I am quoting the home owners, and the member for Bancroft says they are rubbish. They are not rubbish. These amendments could leave residents on fixed incomes vulnerable, given that CPI may dictate their pension which might only increase by two per cent but the rent site increase will be 3.5 per cent.

Debate, on motion of Mr Mander, adjourned.

 **Mr MANDER** (Everton—LNP) (3.00 pm), continuing: Before the debate was adjourned, I was speaking about the fact that the increase in rent for manufactured home owners will be 3.5 per cent or CPI, whichever is higher. That is going to cause some distress for people on fixed incomes. On the other side, park owners and managers generally raised concerns with some of the provisions of the bill; namely, caps being placed on site rent. There was a general consensus that caps may: prevent them from covering increases in expenses; require cost-cutting to maintain profitability in some circumstances; and stifle investment in the future growth of the manufactured homes sector. These are genuine concerns that the government must be able to balance.

There were also genuine concerns raised throughout the committee's inquiry in relation to there being no restriction on the extent to which park owners can increase site rents on new site agreements. I do acknowledge that this can be quite complex, but there is potential here that some residents may struggle to sell their homes as a result of these new laws. It could also potentially create a sense of disharmony and an uneven playing field in individual parks, and that should not be underestimated. Whether it is perceived or real, many residents feel there is a power imbalance between them and park owners. This is not just dreamed up. I think many residents do feel this way because of some of the outdated laws governing the homes in which they live. It is why the LNP does not oppose the bill. Changes to modernise and update these laws are necessary.

That said, I do want to point out that a large number of residents living in manufactured home parks do have positive experiences in their engagement and interaction with park owners. Similarly, many park owners and managers also expressed that they enjoy respectful and productive relationships with the residents in their parks. Ensuring that more residents are able to share in these positive experiences should be a priority for the government. That does lead me to some of the things the review has not covered, and they are very important issues.

Some of the concerns raised by residents and other stakeholders related to conflict resolution, financial transparency and the conduct of owners and residents alike. I want to go back to this power imbalance, because you cannot simply move from these places. Some of these properties are now worth up to a million dollars, and although technically they can be moved, practically they cannot, so people feel stuck there. Most people are very happy to be there, but I heard from quite a number of different home owners that when they get into some sort of dispute about a maintenance issue, or something to do with the upkeep of the park, or something that was promised, if they get a stubborn, uncooperative park owner, one of the terms they heard quite often was, 'If you don't like it, leave.' That is not a very productive way of trying to have a harmonious relationship with your tenants and it causes enormous frustration for home owners. It is really important that at some time in the future this issue is addressed so that conflict resolution and compliance issues can be managed far more effectively than they are at the moment. They are largely being ignored in this bill.

We also consistently hear from residents about their frustration with the QCAT process. That remains a key concern. These are normally older people, and the last thing they want at this stage of their life is conflict and trying to navigate something they are not used to but which park owners deal with every day. That is something we really have to address in the future. Many residents also want greater visibility on the viability and expenditure of the parks in which they live—that is a fair enough request—balanced with not being burdensome to operators. I think that, in choosing not to address these issues as part of these legislative changes, the government has missed an opportunity for sensible and seasoned reform.

From my reading of the bill, there will be a review in three years time. That review will be incredibly important to enable a proper evaluation of the changes that have come about. It will also be an opportunity to address some of those issues. We will not oppose the changes being proposed, but there are some issues we are very concerned about, particularly in the residential tenancies act, with regard to impacts on investor confidence. If that weakens, the very people the government is trying to assist will be the victims. The outcome of that will be fewer houses, which means higher rent and more people looking for a home. On that note, I conclude my contribution.