

STANDING COMMITTEE ON LEGISLATION

RESIDENTIAL PARKS (LONG-STAY TENANTS) AMENDMENT BILL 2018



**TRANSCRIPT OF EVIDENCE
TAKEN AT PERTH
FRIDAY, 1 MARCH 2019**

SESSION ONE

Members

**Hon Dr Sally Talbot (Chair)
Hon Nick Goiran (Deputy Chair)
Hon Colin de Grussa
Hon Simon O'Brien
Hon Pierre Yang**

Hearing commenced at 9.57 am

Mrs NADA BOND

Assistant Secretary, Park Home Owners Association WA Inc, sworn and examined:

The CHAIR: On behalf of the committee, I would like to welcome you to the meeting. Before we begin, I must ask you to take either the oath or the affirmation.

[Witness took the oath.]

The CHAIR: Thank you. You will have signed a document entitled “Information for Witnesses”. Have you read and understood that document?

Mrs Bond: Yes, I have.

The CHAIR: These proceedings are being recorded by Hansard and broadcast on the internet. A transcript of your evidence will be provided to you. To assist the committee and Hansard, please quote the full title of any document you refer to during the course of this hearing for the record. Please be aware of the microphones and try to talk into them; ensure that you do not cover them with paper or make noise near them. I remind you that your transcript will become a matter for the public record. If for some reason you wish to make a confidential statement during today’s proceedings, you should request that the evidence be taken in closed session. If the committee grants your request, any public and media in attendance will be excluded from the hearing. Please note that until such time as the transcript of your public evidence is finalised, it should not be made public. I advise you that publication or disclosure of the uncorrected transcript of evidence may constitute a contempt of Parliament and may mean that the material published or disclosed is not subject to parliamentary privilege.

Mrs Bond, I note that you have given us a very comprehensive document. I am going to ask if you want to make an opening statement, but perhaps before I do that or before you respond, the committee is going to suggest a way of proceeding today. We have, as you see, about four or five questions for you and you have provided very comprehensive answers, but we thought perhaps if we go through those questions and answers, it will help clarify things in our minds and perhaps raise with you any points that we want clarified, if that is all right for you.

Mrs Bond: Yes.

The CHAIR: Would you like to make an opening statement?

[10.00 am]

Mrs Bond: Well, I have very little to add. I would just say that the rest of our board apologises that they cannot be here. It happens that three are away, two had operations, one was ill, and I am it. But we have worked at the document, which you have all got, collegiately between us. That really says it all, so I have nothing to add to that.

The CHAIR: Okay. Do you want to just go through those paragraphs at the beginning there? That gives us a good background.

Mrs Bond: This background is just in there to state that we are now in a strange situation where we started off representing only caravan park battlers, really, and now we find more and more the people in residential leisure lifestyle villages are coming to us for help and we have ended up representing them as well, but it tends to be completely different points that everyone feels strongly

about. I just put that down. As you see, the majority of our members are still in the old-fashioned caravan parks, which of course are the backbone of the retiree residential sector, really.

The CHAIR: Do you want to start by giving us a summary of your views of the changes proposed by the bill, in particular in regard to the regulation of the relationship between the operators of residential parks and long-stay tenants, including all those concerns you set out in your submission? As we said in our questions, any case studies you can give us are particularly helpful.

Mrs Bond: To be honest, there is really nothing I can add orally that is not written here, and I think it is put more clearly here. I would feel happier with what is written. There is no more I need to add to it. Perhaps some questions?

The CHAIR: Do members have questions to flesh out the answers?

Hon NICK GOIRAN: If I could, Madam Chair, for clarity. Would it be fair for me to describe the members that make up the Park Home Owners Association as the tenants in these arrangements, in contrast to being the operators of the facility that is being leased?

Mrs Bond: Yes, very distinctly. The park operators are, on the whole, the big owners—they own the whole village. We refer to home owners throughout—they are the site tenants. We are site tenants on the land belonging to the park operators.

Hon NICK GOIRAN: So your members do not run the facility; they lease sites?

Mrs Bond: We lease the land, yes. It is that dichotomy. We were so unregulated for so long because we fell between all the different acts.

Hon NICK GOIRAN: So when you talk about this new cohort of membership that has come into your association, particularly with lifestyle villages and the like, they also are consumers, customers, tenants, not the operators of those lifestyle villages?

Mrs Bond: That is right, yes. When we talk about park operators, that is the big owners—the whole shebang. Home owners are us. Again, in lifestyle villages, they own their own home but rent the site. That is what we have in common.

The CHAIR: Do you want to just go through the answer you have given us at 1.1? I think members would find that quite helpful. You have given us a concrete example there.

Mrs Bond: Yes. Would you like me just to read it?

The CHAIR: Yes, please.

Mrs Bond: We believe that in the future, the bill as it is should enable a more balanced and a less combative relationship between park operators and home owners, as long as bill 99 is not changed more. But our concern is that for current leaseholders, nothing will change. We detail that in many more situations. We give an example from Serpentine caravan park, which just recently was all in the media. The operator insisted on taking his six per cent per annum rent increase, which was in the lease. We know it is in the lease and you cannot really argue with that, but it had been inserted when it was a reasonable thing. Residents of course, now in 2018, said, “No, it’s not reasonable”, but the operator said, “Well, I’m taking it because I can.” This is exactly the very difficult situation we come up against. But as I said in the beginning in my first comments, the parks owned by family operations or individual operators are the ones who give us—how do I say it?—they are more inclined to stick to what they can do when they can, really. They are the ones from whom we have the most complaints. This example at Serpentine is just typical. It is the attitude of the private owner that is what is so difficult for us to accept and to change. This is why we thought that when you asked about the regulation of the relationship, we commented that the current bill will do nothing to regulate that sort of relationship where the park owner takes what he can.

The CHAIR: So the crux of your concern, here, is that from the date of the proclamation of the bill, that relationship is “substantively fixed” because of the new provisions, but it does not apply to people with existing agreements. Is that a fair summary?

Mrs Bond: It should be fixed from commencement for those signing after that date, but there are hundreds of thousands. Because of the situation of where the residents are, they are expecting to live where they are for the next 20 years —

The CHAIR: And the bill is not retrospective.

Mrs Bond: — and the bill will have no effect for those, plus those are the people who have been battling for 20 years to get this law more just, so they feel that they should have more say than that.

The CHAIR: Okay. You make that point very eloquently, thank you.

Hon NICK GOIRAN: How many members are in the Park Home Owners Association?

Mrs Bond: We have around 600 now. It is always hard to get people. They are pensioners. We are paid up, signed up members and it is all voluntary. We are run by volunteers. But of course there are thousands of people who look to us as their representatives, because there is no-one else. We get calls and requests for help and advice from all over the state, from parks everywhere, from people who are not members—constantly.

Hon NICK GOIRAN: Let us say that there are 600 members. Would all of those 600 members already have an existing arrangement with their operator where they live?

Mrs Bond: They should have, yes. You need to be a park home owner to be in the organisation, unless you are an associate member. Yes; they would have.

Hon NICK GOIRAN: So those 600 members all have an existing arrangement. As I understand your evidence, this bill will not capture those arrangements, so it would only apply to new members of your association, not the 600 members of the current association?

Mrs Bond: Correct, yes.

Hon NICK GOIRAN: They are not, according to you, helped by this bill —

Mrs Bond: That is right.

Hon NICK GOIRAN: —but new members who enter into a new arrangement, might be helped by this bill.

Mrs Bond: It should help, yes.

The CHAIR: Or, presumably, if an existing member went into a new agreement. The key is the new agreement.

Mrs Bond: Yes, absolutely.

Hon NICK GOIRAN: When these 600 members’ current arrangement expires, nothing would stop them from entering into a new arrangement with the operator at which point the new act would apply?

Mrs Bond: This is a sticking point. This is where we go into some detail. Our experience is that the park operator is not going to change something that works very well for him and saves him money. They have been giving people rollover leases for 20, 30 years. They are not going to suddenly change it to a new lease under the new, much more restrictive, conditions. This is why we say thousands will remain on periodic leases indefinitely unless some change is forced on operators.

The CHAIR: Moving on to a periodic lease, in your view, would that not bring them under the coverage of the new act?

Mrs Bond: They are already on periodic leases. One of our board said whimsically the act no longer recognises periodic leases but the majority of people are on them.

The CHAIR: The majority of your members are on them?

Mrs Bond: Yes; about a third of members we know are on periodic leases.

The CHAIR: Can you take us to that part of your response?

Mrs Bond: It is the very first question—1.2, page 2.

The CHAIR: Do you want to just go through that for us?

[10.10 am]

Mrs Bond: Sure. The question was about different lengths of agreements and obviously trying to tease out why we are so upset about this area of the act. Forty-three per cent, nearly half of mixed use—meaning caravan parks—give only periodic leases, which is 180 days. Thirty-eight per cent are on these periodic leases. Even in the next comment, 56 per cent offer only periodic or fixed-term, 12-month, which is the longest leases go. The thing is, I myself was in a caravan park for nine years. I was on a periodic lease. I had no choice about it, which rolled over. They never told me; it just happened. But no way in the world was the operator prepared to change that even though I was a permanent resident et cetera. We know of people who have lived in caravan parks for 15 years on a 180-day rollover lease. The operator leaves it at that because it suits them.

The CHAIR: It is your view that under the new provisions, once the bill becomes an act, these owners will still be able to operate periodic leases?

Mrs Bond: Yes. So many clauses in the bill, when you read the fine print say, if they are pre-commencement leases, it all remains the same.

The CHAIR: Okay; we can pursue that.

Mrs Bond: We have more detailed notes on that.

Hon NICK GOIRAN: Would your members be satisfied if there was a provision in the bill that confirmed that any renewed periodic lease, that was renewed after the commencement of this bill, captures the provisions of the new bill, of the new act. So by being renewed after the commencement, even if it is a periodic lease, you are still subjected to the new arrangements under the act?

Mrs Bond: Yes, very much so. It would be wonderful.

The CHAIR: That presumably takes us to the next question, which was —

Hon SIMON O'BRIEN: Just before we move off that point, Mrs Bond, is it also the case that for residents—there are very many of them who are already on a periodic lease—that the operator might decline to enter into a new periodic lease just because they would be captured by these new arrangements?

Mrs Bond: Exactly, because they will not want to.

Hon SIMON O'BRIEN: That is the key point that you are making?

Mrs Bond: This is why we say operators might have to be forced to change, otherwise they will keep people on a period lease for 30 years. We will all die in 30 years and the whole industry will be different. All they will do is hang out —

Hon SIMON O'BRIEN: That is really the nub of this particular problem, is it not ?

Mrs Bond: It is.

Hon PIERRE YANG: To clarify that, say people do not want to follow what the park owners require, and if they say, “You have to stick to the old provisions in the periodic lease”, and if the tenants or people who live there, do not want to follow that requirement given by the park owners, people can leave that particular location. Is that correct?

Mrs Bond: Well, yes. This is the argument of the Caravan Industry Association that we can leave, but, again, we put the details—it is not that easy if you are a park homeowner; you cannot just up and leave. If you can buy another site, you are miraculously lucky, and if can you afford to move your home, which is constructed around an old van, which may or may not even be moveable, that all costs you anywhere between \$14 000 and \$40 000 to move, which really is not financially viable. This is the thing. You are just stuck. A lot of the homeowners bought, thinking that was the responsible thing to do: “Okay, I won’t just wait for government housing; I’ll buy my own home. I can afford it”, and then they are in a situation with nowhere to go. If an operator is intransigent, they cannot really move and there are fewer and fewer sites available to move to set up a new home on.

Hon PIERRE YANG: Thank you for that.

The CHAIR: Your comments include both categories of ownership, so people who own the site on which their own home stands and people who own the home—who bought the home as well as the site.

Mrs Bond: None of us own the site—very few.

The CHAIR: Okay, so they are leasing the site.

Mrs Bond: We lease the site. This is why park homeowners seem to hold all the cards because land ownership counts for more than house ownership.

The CHAIR: You lease the site and you may own or lease the home that stands on it?

Mrs Bond: Yes. We all own it in the case of park homeowners and, yes, we have always felt that you are not given any rights or respect as a homeowner because you are only in a caravan park. It is that attitude thing. But you are still a homeowner.

Hon NICK GOIRAN: These 600 members you have in your association, what type of structure are we talking about. You say “We own our home on this site.” What does that look like; what type of structure are we discussing? Is it variable?

Mrs Bond: Have you been to any of the residential caravan parks?

The CHAIR: Is there a legal definition of the home that stands on the site? Does it have to be transportable in some sense?

Mrs Bond: It is supposed to be but so many of them have been there 30, 40 years; the A-frame has rusted away. This is a difficult point. I have never even thought about that to be honest. I have never been asked for a definition. It is often a caravan around which has been built a hard-stand annex, and a lot of these homes are beautiful. We have taken some of our friends from the Assembly to visit them and without a doubt they all say, “Gosh, we had no idea these parks are so sophisticated.” They are plumbed in, they are electrical, they have the TV antenna, two or three bedrooms. They are like a little cottage home.

The CHAIR: It is not camping?

Mrs Bond: No. That is why we say on our website: “Forget the old caravan parks of last century or Uncle Fred’s fishing shack.” We are not talking about that type of thing. We are talking about a low-cost retirement housing industry that has boomed over the last 20 years.

Hon COLIN de GRUSSA: Just to be clear on this idea that if the owners of the park did not agree to a renew a lease, for example, the idea that they could then terminate that and you would have to move, you have the cost of moving for a start, which you said was between \$14 000 and \$40 000, depending on the size of the home to be moved and that sort of thing.

Mrs Bond: Between \$14 000 and \$40 000, yes. Sometimes there is a plate glass window in the annex—umpteenth thousand to move that.

Hon COLIN de GRUSSA: On top of that, you have to find another location that will enter into an agreement and allow you to move anyway. The ability for you to move somewhere else is very limited. That is what you are saying?

Mrs Bond: Yes.

Hon COLIN de GRUSSA: In that sense they do certainly hold, or you would say, they would hold all the cards in that respect?

Mrs Bond: They hold all the cards.

The CHAIR: Mrs Bond, you go on to talk about the right to apply to SAT. Could you talk us through your response here, even if you just go through what you have provided us in writing?

Mrs Bond: We realise that rent is something that is incredibly hard to legislate; it really needs to be negotiated. In some parks, we have been able to quite constructively negotiate where there is a problem. We realise that we never will manage to get rents connected to CPI in any way but the problem is—again it is in the family-owned or individually-owned caravan parks where money is more of a priority than the care of the residents—they will ask for whatever rent they can and this can become very difficult because most of our homeowners in parks are pensioners. Knowing that we cannot get anything legislated, we would like to be able to go to SAT and argue the case through and we would like more support, if possible, perhaps from Tenancy WA, to help our people go through the motions of going to SAT.

The CHAIR: You do not have that option at the moment?

Mrs Bond: Well, it is there but our people rarely use it, partly because people living in low-cost retirement homes do not have the education or the motivation—just the confidence—to go through the SAT thing. It is very hard. In theory, you can go to SAT with anything, but if it is in the legislation that this is an option, it will be taken up more and used more by people.

[10.20 am]

The CHAIR: You have given us an empirical example here of Koombana Bay. Can you tell us a bit more about that?

Mrs Bond: To be honest, I cannot tell you more about that. One of our committee managed to—it was an unusual situation in that despite a rental clause in their lease—which again had been put in some time ago when the economy was better—they managed to negotiate with owners that that would be changed. It was a high percentage rise each year, and they got that negotiated down to something more reasonable, and the owner managed to accept that and get it changed in the leases. What we have learned is that things can be changed wherever there is enough negotiation, so long as legislation allows it. But, yes, I do not know more facts on that. If you need those facts, I could get them for you.

The CHAIR: I think we are probably okay, but we will come back to you if we want to expand on that subject. If I can interrupt this flow just for a moment, what sort of relationship does your association have with the Caravan Industry Association? Do you have any formal liaison with them? Do you have any forums where you sit down together and talk about issues?

Mrs Bond: No. Our chairman, Ken Mann, has made an attempt to always meet them and be in touch with them and dialogue et cetera. But, no, to be honest, it has been a difficult thing, and there has been no reason for us to have formal regular dialogue so we have not done that. But we would always be happy to dialogue with them.

The CHAIR: So you have not necessarily sought and been refused? There has not really been an issue; you have not seen it as a priority up until now?

Mrs Bond: That is right, yes.

The CHAIR: If we can now work through what I understand to be your concerns, but also your suggested improvements to the bill, and go to item 1.3.2 on page 4 of your response, which is about home sales. Can you talk us through this one?

Mrs Bond: This relates to people in leisure and lifestyle villages. It is not an issue, or very little, in caravan parks. So many of them, if not all, in their lease have the clause that only National Lifestyle Villages, for instance, or only the operators, can sell the home. People read, or did not read, that in the lease, but they signed it anyway, and then they are stuck there. As we say, this is cause for a lot of angst, and we get constant complaints, and we have to say to people, “You signed it in the lease.”

The CHAIR: Are these people who are wishing to sell?

Mrs Bond: Wanting to sell, and the operators insist on their right to sell, and do nothing to sell, because they are trying to sell new homes first. For a relative of a deceased person who is trying to sell a home, it is even more difficult, because they say to the park operator, “Please sell the home”, and nothing is done about it.

The CHAIR: Do you have any information about the length of time people are having to wait?

Mrs Bond: We have heard of one woman who for nearly two years paid the rent on her grandmother’s home because it could not be sold. It was an old home. Grandma had died in it. It probably needed a bit of tizzying-up. Nothing was done with it and it still was not sold, and there was nothing we could do to help.

The CHAIR: It was her belief and yours that it was not sold because the owners are selling other properties?

Mrs Bond: Yes. One of our residents was told by the management—that is, the employee of the park operator—“We were told to sell our new homes first; so, sorry, we haven’t got around to yours.”

Hon NICK GOIRAN: On this particular issue with regard to the sale, once again, going back to my earlier point, if the new provisions as proposed by the bill were to apply to your current arrangements, you would be satisfied?

Mrs Bond: It would be wonderful, because the bill says that the right to sell their own home cannot be excluded from the contract. The new bill just says it. Wow, yes!

The CHAIR: Once again, we are talking about people with existing arrangements.

Mrs Bond: That is right, yes.

Hon NICK GOIRAN: The new arrangement will be fine when it comes to this issue of sale?

Mrs Bond: Yes, and should be.

Hon NICK GOIRAN: What about your earlier concern about the unfair rent and the right to apply to SAT? Is that in the same boat?

Mrs Bond: No. Well, even under the old arrangements, still the resident would have the right to apply to SAT.

The CHAIR: But under the new arrangements, they do have the right to go to SAT. That is clearly stated.

Mrs Bond: Yes, it is clearly stated, or certainly I would take that to mean that even an old resident could point that out, "Look, it's in the act now; I have the right." Nobody could stop them, could they, even if they are on an old lease?

Hon NICK GOIRAN: Yes, but, again, I understood your concern on the rent. You want to have the ability for your 600 members to apply to SAT and to challenge unfair rent increases. Your concern is that the bill does not allow you to do that?

Mrs Bond: The bill does not stop us doing that, but it gives no encouragement whatsoever.

Hon NICK GOIRAN: You just want that clarified?

Mrs Bond: Clarified I think, yes,

Hon NICK GOIRAN: Okay.

The CHAIR: If we move to item 1.3.3 on page 4, which is about prescribed standard form of agreement, again, just to continue that point that Hon Nick Goiran was raising with you, is the concern that this will not relate to new arrangements under the amended act or is this a concern in relation to people with existing contracts?

Mrs Bond: No, this is relating to new agreements. We have always argued for a prescribed standard form, because we have found in the past that there are so many varieties of lease and so many things put in or taken out to suit park operators that the whole thing is a jumble. So we have always advocated that, and we are glad to see it is in the new bill. But then we see that the caravan industry is advocating that they want the right to change this and amend this or that, so we put that in later, that we would argue against that, because we are so keen to see that there is a prescribed form. We think that would be fairer and clearer.

The CHAIR: Okay. You have given us a concrete example here.

Mrs Bond: Yes. This was a caravan where the staff were so untrained that they were told that these people own their homes, so management is not responsible for every little thing and you can take that out of the lease. So they took all the things that had park-owner responsibility out of the lease, you know, infrastructure, everything. Most of the residents did not pick this up, because they do not read their leases. This is a particular low socioeconomic area park, actually. But, yes, I have the example there. The staff member damaged a woman's home, and she went to speak to them, and the manager in the office said, "No, that's not in your lease; we can't help you." All the bits about any responsibility for the park operator had been taken out, because they did not understand the lease. So this is the problem. The park I was in, in fact I had no lease for the first two years, because none was offered, and, when it was, it was such a poor document with so many mistakes that I refused to sign it. This really is a problem. If you start messing around with leases and you have uneducated park managers, particularly, you will get this type of thing happening.

The CHAIR: So your view is there is still too much scope under the amended provisions for owners to make amendments?

Mrs Bond: Yes.

The CHAIR: Let us move to one item 1.3.4, which is about applying to SAT for compensation. This is a different matter to the previous SAT issue you raised. Can you explain this one to us?

[10.30 am]

Mrs Bond: Yes. Compensation has always been and will be a vexed issue. We understand that it is a fearful issue for park operators who do not want to be hit with large compensation claims, but we believe that homeowners should at least be able to apply for compensation. We have given examples elsewhere. Here we talk about the cost of moving, even if you can sell et cetera. At the moment there is nothing prohibiting homeowners from going to SAT, but there is also no encouragement of it or no legislative statement that says, “Yes, you may.” Without that, again, homeowners would be fearful to do it. That is just another point that we would like to see because it is part of respecting a homeowner and giving them some kind of respect due to being a homeowner, I believe.

The CHAIR: That is clear, I think. Let us move on to 1.3.5, which I think you have probably already covered in sufficient detail, unless you feel there is something you would like to add there?

Mrs Bond: No. If Nick’s suggestion were put in, that would answer that one brilliantly.

The CHAIR: Then we move on to 1.3.6, “Management Standards”.

Mrs Bond: Yes. We just put that in for the record; it is not even on the table at the moment. But it is interesting, all of us on the board are all in caravan parks as opposed to lifestyle villages, and when we read the amendments, we said, “These are being written by people who are assuming that you actually have educated businessmen owners and educated management.” Unfortunately, in a lot of these caravan parks you do not have that. These are the battler caravan park, the ones that we began advocating on behalf of. You would not believe the stories—well, you might—of appalling management mistakes and ignorance of the law. I was, myself, involved in a lot of social justice advocacy in the park where I was, and they had no idea of what they were really expected to do. We went to council and pointed out seven or eight things that the owner was responsible for and had no idea about. You have to remember that we are not just dealing with National Lifestyle Villages and their issues; you are dealing with, really, thousands of people—the battlers, the backbone of the really low economic level retirees who really need a lot of support and can be abused, used and, in many ways, just treated badly by bad operators.

Hon PIERRE YANG: Mrs Bond, just to place it on the public record, according to your answer to 1.2, you said that in 2011, according to the census data, 28 466 people were living in residential parks in 15 400 dwellings. By your estimate, how many parks are there in Western Australia?

Mrs Bond: There was a figure in the 2011 census that there were at that time 141 parks. It is very hard to get figures and we have not been able to find more recent ones. There were 141 residential caravan parks in 2011. I am not sure when the National Lifestyle Villages and leisure villages began booming, but I think has been in the last five years, is it not? So that figure would relate to caravan parks, and five or six old-fashioned caravan parks have closed down in the last 10 years, so it could be 135.

Hon PIERRE YANG: Also this data is a few years old.

Mrs Bond: Yes.

The CHAIR: We move to the final part of your answers to our questions, so that is on pages 7 and 8. I must commend you on the job you have done here. You have been remarkably thorough. We deal with agencies who have vast resources compared to you who are not able to go into this degree of detail, so I do commend you on that. The committee really appreciates it. I am sure I speak for all my colleagues.

Mrs Bond: I will tell the board. Thank you.

The CHAIR: You have given us a list of eight points where you agree with the Caravan Industry Association?

Mrs Bond: That is right; yes.

The CHAIR: We will take that as read. Then you go on to talk about several points where you do not agree. Let us take these and make sure we have covered them. I think we have covered most of them. We go to section 42, “Termination of on-site home agreements by park operator without grounds”

Mrs Bond: That is one on which we feel strongly. We do not want this reinstated. It is a great concern to our members. This was part of the draconian legislation, as far as we see it, from the days when park home owners really had no rights at all. We do not see that there is any need for that.

Hon NICK GOIRAN: This is, once again, an example then, that the concern only exists if it is the case that periodic leases are not incorporating the new provisions of the bill.

Mrs Bond: That is true; yes.

The CHAIR: The second point you raise there is section 57B, which I think we have spoken about in some detail. This is the right of the owner to sell their own home.

Mrs Bond: That is right.

The CHAIR: The owner of the home to sell their own home.

Mrs Bond: Yes, that is right; not the operator.

The CHAIR: But you do go on to say that you believe that if the park owners are selling the homes they should be licensed.

Mrs Bond: That is right. Yes. As we have said there, we believe that park owners should not be selling homes, but if they insist on doing it, at least if they had to be licensed and the employees dealing with it had to be better trained, it might mean the matter was dealt with better.

The CHAIR: Yes, indeed. We then move to section 10A which I think you have spoken about—that is, the prescribed forms not being changed by operators.

Mrs Bond: That is right.

Hon NICK GOIRAN: There certainly was a provision once upon a time—I would have to refresh my memory whether it is still the case—that if you were a corporation or a company and you wanted to appear in court, the corporation or the company had to have a solicitor or a lawyer representing them, because who is a company? It is different if it is a person. So, using that as some type of context or background, would it be acceptable to your association if the park operators, if they are to sell and they are not a real estate agent themselves, that they are obligated to use one—so use a person who is licensed to sell such things?

Mrs Bond: It could help, but it still does not have anything like the motivation that a homeowner has when he is paying rent week by week. Also it would probably end up in more charges for the homeowner, would it not? I am not sure that is the answer we would be looking for.

Hon NICK GOIRAN: I imagine that operators, if they are obligated to be licensed, would want to pass on that licensing cost in some fashion?

Mrs Bond: Of course, yes; and if the staff are instructed to sell new homes first before second-hand ones, the problem would remain.

Hon SIMON O'BRIEN: Mrs Bond, I have a sense of déjà vu here, because this is an identical question that was confronting retirement village residents—that question of who arranges the sale, with

what degree of zeal and all the rest of it, and who you engage, if anybody, to promote the sale and so on. What I will undertake is that when we are examining the department, when they come in, I think it is an issue that we could probably raise with them and ask for their comment with reference to the issue that related to retirement villages, because it is an almost identical situation. We might learn a bit from that. I will undertake to do that. That will be on the record so you can examine it yourself later.

The CHAIR: We move to your comments about section 10B(4), in particular, terms in long-stay agreements. You say you do not want section 10B(4) deleted, but you would accept the alternative amendment suggested by the Caravan Industry Association. Can you explain that to us?

[10.40 am]

Mrs Bond: We saw this as the caravan industry again just wanting to have more flexibility with the leases, which we protest in principle. If we keep section 10B in, there is some limit on it. But, yes, we would accept that as a compromise. We would accept paragraph (4) that they put forward.

The CHAIR: And section 10C, “Long-stay agreement binds park operator’s successors in title”?

Mrs Bond: We have no objection to that; we just do not know why the park operators feel they need that in there because we do not agree with their argument.

The CHAIR: But the outcome you can live with?

Mrs Bond: Yes.

The CHAIR: You have got no objection to that wording.

Finally, 12(1)(e), “Restrictions on amounts park operators may charge”.

Mrs Bond: Where we have said “We do not see the need for this”, we mean we do not see the need for this change which is mooted by CIAWA. We query that they want to include the words “reasonable profit” because we just feel that leaves it too open to misuse.

The CHAIR: In the middle of page 7 of your submission under “We do not want this reinstated”, you say —

The ability of operators to exercise ‘without grounds’ termination under the current Act is **of great concern to our members** and we welcome its removal under the proposed Bill.

However, the removal only applies to site-only agreements. Are we reading that —

Mrs Bond: Site-only agreements; sorry, now you have got me confused. We all have site-only agreements because we own our home but we are leasing the site.

The CHAIR: That is the reason. That is the explanation; thank you.

Mrs Bond: I had to think!

The CHAIR: We can work with that. Thank you.

That is the end of our formal questions. That brings us to the end. Thank you very much. We really appreciate what you have done.

Mrs Bond: Thank you for your time and interest.

The CHAIR: I have a formal closing statement to read to you. Thank you for attending today. A transcript of this hearing will be forwarded to you for correction. If you believe that any corrections should be made because of typographical or transcription errors, please indicate these corrections on the transcript. The committee requests that you provide your answers to questions taken on notice when you return your corrected transcript of evidence. I do not believe there were

any. As we are on a tight time frame, if you had taken questions on notice you would have had to get them back to us by 5 March. In relation to the transcript, if you want to provide additional information or elaborate on particular points, you may provide supplementary evidence for the committee's consideration when you return your corrected transcript of evidence.

Thank you very much for coming in. It has been very much appreciated.

Hearing concluded at 10.43 am
