

RESIDENTIAL PARKS AMENDMENT (REGISTER) BILL 2011

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Bill introduced on motion by Mr Anthony Roberts.

Agreement in Principle

Mr ANTHONY ROBERTS (Lane Cove—Minister for Fair Trading) [10.09 a.m.]: I move:

That this bill be now agreed to in principle.

I am pleased to introduce the Residential Parks Amendment (Register) Bill 2011. Residential parks are an important part of the housing mix in New South Wales, particularly in regional and rural areas. Most members of electorates outside Sydney would have residential parks in their areas. There are also a small handful of residential parks operating in the Sydney metropolitan area. For instance, there is a tourist park in my electorate at Lane Cove that has a number of permanent residents. The residential park industry has changed significantly since caravan parks first began to operate up and down the coast many years ago. As the name implied, caravan parks were originally designed for people who towed their own caravans to a particular spot, stayed for a weekend or a short while, and then moved on. However, some came to like the idea of park living so much that they decided to stay and rigged up a flexible or rigid annex to the side of their van. This led to the law being changed in the mid 1980s to recognise permanent living arrangements in residential parks.

Today, the residential parks industry offers a broad range of options for tourists and holiday-makers as well as for those who want to live permanently in what are now known as residential parks. Residential parks provide an attractive and affordable lifestyle choice, especially for many retirees. Residents are able to purchase a dwelling in a residential park for much less than it would cost them to buy an equivalent type of home in, say, a retirement village. The dwellings that people are able to buy now in a residential park are very different from those available in the early caravan days. They are more akin to your average suburban home, the main difference being that they are manufactured off site. The close living environment in residential parks provides a sense of community that some people feel has been lost in the cities and suburbs. A lot of residents develop strong networks of support within their park that they value highly. It is important to recognise that some parks also rent out dwellings for itinerant workers, people who have been locked out of the rental market for various reasons and those who cannot afford to buy a home.

The Residential Parks Act was introduced by the previous Government in 1998 to regulate the residential park industry. Yet, for too many residential park operators and residents the current governance framework is confusing and cumbersome, and too often leads to conflict and disputes. In the lead-up to the March election the Liberals and The Nationals gave a strong commitment to improve the governance of residential parks. This included carrying out a thorough review of the Residential Parks Act, in particular, examining ways to license park operators, ensuring better education for new operators and providing options to improve the process for resolving excessive rent increase claims by residents.

The Liberal-Nationals Government is committed to ensuring that the right balance is struck between park residents and operators, so that residents can feel secure within a viable and vibrant industry. Our aim is to provide greater certainty for residents and the industry by simplifying the legislation and ensuring that disputes are resolved more quickly and with less acrimony. I take this opportunity to thank my colleague the member for Albury, who laid the

groundwork for this important policy plan when he was the shadow Minister. Part of the election commitment we gave made reference to establishing and maintaining a register of all residential parks in New South Wales. This bill brings forward that commitment as the first step towards improving the governance of residential parks.

I will now outline the elements of the bill. It is a relatively simple and straightforward bill, with only a handful of provisions. It proposes to insert into the Residential Parks Act 1998 a new part 13A, dealing with the establishment and maintenance of a register. Proposed section 142A will require park owners or park managers to provide certain information about their park for entry in the register. The obligation to provide this information will apply once the owner or manager receives a written request from the Commissioner for Fair Trading along with the approved registration form. Park owners and managers will be given at least 30 days in which to register the required details. This is more than enough time for such a simple and straightforward task. The bill sets out the information that will be captured by the register. This includes the name, address and contact details of each park, as well as the names and contact details of park owners, managers and resident representatives.

Information will be requested regarding the usage of sites within each park, such as how many sites are being occupied by permanent residents, how many people live on those sites and whether they own or are renting the dwellings. Information on the experience, training and qualifications of the park owner or manager will also be particularly useful in considering the issues of licensing and mandatory education. The approved registration form will contain quite specific questions, to ensure park owners and managers are clear on the details being sought. It is intended that the option of registering on line be made available to make it even easier for owners and managers.

Under proposed section 142B, either the park owner or manager will need to notify Fair Trading if they open a new residential park or if there is a significant change to the information they have previously registered. This will apply to events such as the change of name of a park, a change of park owner or when a park closes. Such notice will need to be given within 30 days. This will help to ensure that the register is kept up to date. Proposed section 142C will make it an offence for any person to knowingly provide false or misleading information in relation to the register. This is an important deterrent to the handful of rogue operators who may otherwise have been tempted to dishonestly complete the registration form. The offence and penalty is consistent with the existing offence under section 74A of the Act against any person who knowingly gives a resident or prospective resident false or misleading information.

Finally, proposed section 142D will require the Commissioner for Fair Trading to establish and maintain a register of residential parks recording the information supplied by park owners and managers. The provision also enables a public register of the names, addresses and contact details of all registered residential parks to be made available. This will most likely be in a searchable format on the Fair Trading website. Since becoming Minister for Fair Trading I have met with key representatives from within the residential park industry. I have also visited a number of parks to see firsthand how they operate. In my discussions with them, stakeholder groups representing both operators and residents have welcomed the initiative of a register. A draft of the bill was circulated to key stakeholders for feedback. Faye Urquhart from the Northern Alliance of Park Residents Association said:

I am very impressed that things are starting to happen and that changes are to be made. I have read the draft bill and I do not have any amendments.

Dr Gary Martin, President of the Affiliated Residential Park Residents Association, asserted that the bill is an excellent way forward. The Caravan and Camping Industry Association raised a small number of issues with the draft bill, most of which have been addressed in the final bill. Clearly there is across-the-board support from representatives of both residents and industry for the creation of a register. The introduction of a one-off, simple, low-cost registration system, as this bill proposes, will provide a range of benefits. It will, for the first time, provide accurate statistical data on the size and scale of the residential park industry. We know there are around 950 approved caravan parks and manufactured home estates operating in New South Wales. Many, but not all of these would be residential parks. We do not know which are residential parks, who runs them, where they are or how many people live in them. The creation of a register will provide these answers. More importantly, the register will provide a comprehensive mailing list of those covered by the Residential Parks Act. This will help to ensure that the Government consults as widely as possible on its residential parks policy and that park owners and residents directly affected by the proposals are given every opportunity to have their say during the course of the review.

The register will play a vital role in disseminating information as part of the implementation of the reforms once the review has been completed. It will also play an ongoing role in assisting Fair Trading with its education and compliance programs well into the future. Public access to the names, locations and contact details of all residential parks will assist prospective residents to compile a short list of those parks in which they are interested. There would be few bills introduced in relation to which the benefits so clearly outweigh the costs. The proposal will result in a small, one-off administrative cost for park operators in the time taken to fill out and lodge the registration form. The form itself is expected to be no more than one page in length. This should take most operators all of five minutes to complete.

The Government is mindful that many residential parks are run by small family businesses. The last thing they need in this difficult economic climate is a new fee to pay. Consequently, the bill does not provide for a registration fee to be levied. The small cost associated with setting up and maintaining the register will be met from the existing Fair Trading budget. Overall, this bill will help develop accurate demographic data on the industry and facilitate government consultation with residents and operators on possible reforms to the laws. The establishment of a register is a simple and practical measure that will provide a range of other benefits, as I have outlined already. This is a further demonstration that the Liberal-Nationals Government honours its election commitments and is willing to take action to fix the problems left behind by those opposite. I commend the bill to the House.