



21 August 2017

Act review continued

The site fee saga:

In our previous paper dated 20 August instant we suggested a star rating system for residential parks similar to motels and hotels which sets a standard for like accommodation for motels and hotels. Therefore, and with the standard of residential parks now well beyond the original relocatable home park genre, a star rating system is necessary to stop the rorting and overcharging of site fees currently based on comparing site fees in other parks.

This method of keeping site fee prices high in residential parks is described by the ACCC (Australian Competition and Consumer Commission) as a "Cartel". According to the ACCC, "A cartel exists when businesses agree to act together instead of competing with each other. This agreement is designed to drive up the profits of cartel members while maintaining the illusion of competition".

This illegal activity mirrors the practice of the site fee increase regime which is openly based on comparing site fees with other parks. This is not competition. What makes this whole issue so much more important is that the Queensland Government openly promotes this "Cartel" activity.

Originally, this illegal practice was left to QCAT as per section (70) (3) (a) of the Act but in the amended version of the Act dated 1st December 2014, secreted away in the Dictionary at the back of the Act is the following:

Market review of site rent means a review of site rent the outcome of which is decided by comparing 1 or both of the following:

- (a) The site rent payable for a site in 1 or more residential parks; or
- (b) The rent payable in other residential accommodation.

Apart from the Government promoting "Cartel" conditions by comparing site fees with other parks. It, the government, suggests comparing with any other type of residential accommodation in the rental market obviously meaning renting a home somewhere in suburbia. Taking an analytical view of this directive, just think of the different types of rental accommodation in suburbia. High rise units, flats, double story homes, single story homes as an example but more importantly, "location" which is all important in setting rents. It's a kaleidoscope of confusion. How could any government pass such biased legislation to favour the few?

It is understandable that corrupt businesses would combine to form a "Cartel" but we have very real problem when government actually legislate to defeat the law in such a way. What is written hear is just the tip of the iceberg.

It appears that this government has deliberately declared war on the seniors of this State. The question is, can we trust them now to deal fairly with us in the review?

ARPQ Committee