



**Steven Miles**  
DEPUTY PREMIER OF QUEENSLAND

WORKING TOGETHER FOR QUEENSLAND

Mr James Nickless  
President  
Strata Community Association Queensland  
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Dear Mr Nickless

Thank you for your letters regarding Labor's policy commitments in the 2020 Queensland election and your policy proposals.

The Palaszczuk Labor Government has put Queensland on the road to recovery by making strong decisions about Queensland's health response to COVID-19 and starting to deliver our economic recovery plan.

Increasingly, Queenslanders have a preference to reside in properties which are the subject of strata schemes. I note in SCA Qld's letter to the Attorney-General and Minister for Justice dated 22 June 2020 you indicate that already, more than 25% of Queenslanders reside in 500,000 lots across the State and there is a clear upward trend in strata community living.

In response to SCA Qld's priorities document, I am pleased to make the following commitments:

### 1. Insurance

In your letter to the Attorney-General and Minister for Justice dated 28 July 2020, SCA Qld requested a commitment to amend the particular requirement to allow an adjudicator the power to make decisions about alternative insurance.

I am pleased to confirm a re-elected Palaszczuk Labor Government will implement amendments to allow an adjudicator the power to approve alternative insurance arrangements. The Commissioner would also be empowered to make Guidelines to assist adjudicators making decisions.

The Palaszczuk Labor Government appreciates that issues affecting insurance affordability and availability in Far North Queensland are highly complex and is sympathetic to the concerns of unit owners, bodies corporate and other property owners who find it difficult to identify insurers prepared to offer affordable insurance coverage.

As SCA Qld may be aware, currently, section 198(4) *Body Corporate and Community Management (Standard Module) Regulation 2020* provides where a body corporate is unable to comply with its obligation to insure relevant buildings for full reinstatement value, it may apply to the Commissioner for authorisation to put in place alternative insurance. The Commissioner may approve alternative insurance if satisfied that the insurance approved is as close as practicable to insurance required under the relevant regulation module that applies to the community titles scheme.

It is important to note that while the BCCM Act and regulations provide for the governance and administration of community titles schemes in Queensland, the BCCM Act does not regulate the insurance industry, competition within the insurance industry, nor the features nor costs of insurance products offered by insurers. The insurance industry in Australia is regulated under the *Insurance*

Act 1973 (Commonwealth) and falls within the responsibilities of the Commonwealth Treasurer, the Honourable Josh Frydenberg MP.

## **2. Protect consumers from defects**

A re-elected Palaszczuk Government will consider developing reform options to strengthen the Queensland Home Warranty Scheme by working with consumers and industry to examine measures including coverage of residential buildings exceeding three storeys.

## **3. Government set requirements for accreditation and education and other matters**

A re-elected Palaszczuk Labor Government will establish a new Strata Legislation working group, to be chaired by the Commissioner for Liquor, Gaming and Regulation and consisting of key stakeholder representatives.

The working group will explore whether regulation of strata managers is in the best interest of Queenslanders and if so, implement an appropriate model of accreditation and education.

The working group will also consider other strata issues, including whether a statutory duty of care owed to bodies corporate by building professionals should be legislated for, dispute resolution, enforcement of caretaking duties, management rights, bullying and harassment of committee members, by-laws and other matters arising out of the QUT property law review.

### Additional Commitment – Scheme Termination

A re-elected Palaszczuk Labor Government will consult on legislation on an appropriate strata termination scheme for Queensland and what is a reasonable termination threshold, with appropriate safeguards and protections for unit owners.

As SCA Qld would also be aware, the Palaszczuk Labor Government has undertaken substantial work to address concerns in the community titles sector regarding administrative and procedural issues experienced by bodies corporate. In that respect, I am pleased to note that we enacted the following new Body Corporate and Community Management (BCCM) regulations under the *Body Corporate and Community Management Act 1997* (BCCM Act):

- *BCCM (Standard Module) Regulation 2020;*
- *BCCM (Accommodation Module) Regulation 2020;*
- *BCCM (Commercial Module) Regulation 2020;*
- *BCCM (Small Schemes Module) Regulation 2020; and*
- *BCCM (Specified Two-lot Schemes Module) Amendment Regulation 2020.*

The new BCCM regulations:

- facilitate electronic voting and attendance at meetings, including the use of 'live' electronic voting and remote personal attendance by teleconference/videoconference;
- facilitate the use of email and other forms of electronic communication for the exchange of information and documents within bodies corporate;
- clarify and improve the list of documents that original owners (developers) must provide to the body corporate to facilitate effective governance of the scheme and
- encourage early identification and remedy of building defects by requiring a body corporate to consider a motion to prepare a defect assessment report at its second annual general meeting.

The Palaszczuk Labor Government appreciates SCA Qld's valuable contribution to the development of the new regulations, which will streamline and modernise body corporate procedures, reduce body corporate costs and enhance protections for unit owners. The new regulations will commence on 1 March 2021, to provide stakeholders with time to prepare for the changes to body corporate governance arrangements.

During the COVID-19 pandemic, we understand that it's not always possible for body corporate committees to comply with relevant rules regarding how meetings are held. As a result, the Palaszczuk Labor Government enacted the *Justice Legislation (COVID-19 Emergency Response – Community Titles Schemes and Other Matters) Regulation 2020*. These changes allowed for flexible meetings arrangements regarding remote attendance, electronic voting and other matters. This regulation ensures that committee actions taken during this difficult time are retrospectively validated.

Labor is committed to improving the way strata regulations affect people's everyday lives, and we are the only party that is committed to this important work. Now is not the time to risk the LNP's cuts. Queensland's ongoing economic and health recovery requires leadership and stability, and Deb Frecklington and the LNP are a risk to our recovery.

I urge you to communicate this message to your members and supporters. Should the Palaszczuk Government be re-elected, we look forward to working with SCA Qld and other key stakeholders to implement these commitments for the benefit of all Queenslanders.

Yours sincerely



**STEVEN MILES MP**  
**Deputy Premier**  
**Minister for Health and**  
**Minister for Ambulance Services**

CC: Member for McConnell  
Member for Townsville  
Member for Cairns  
Member for Barron River  
Member for Mulgrave  
Member for South Brisbane