

HANSARD 20 OCTOBER 2011

ECONOMICS AND INDUSTRY STANDING COMMITTEE

Tenth Report — “Response to House — Matter of Park Home Residents” — Tabling

DR M.D. NAHAN (Riverton) [10.10 am]: I present for tabling the tenth report of the Economics and Industry Standing Committee titled “Response to House — Matter of Park Home Residents”.

[See paper 4140.]

Dr M.D. NAHAN: In April this year, the Legislative Assembly requested that the Economics and Industry Standing Committee consider the appropriateness of undertaking an investigation into all park homes that have been closed or have collectively evicted long-stay tenants since 2006, to ensure compliance with all aspects of the appropriate legislation. To some extent, this was a follow-up from of the committee’s investigation into caravan parks that was completed in 2009. The committee went about its work in two ways. Firstly, it requested six departments to provide an update on the performance against the recommendations of the earlier report and, secondly, it sought to address and ascertain the questions that the Legislative Assembly asked the committee to find out, particularly those relating to the closure of the parks. The one thing that we did not get was a definitive answer, although I believe we got close to it. The data is improving but we did not get a definitive response, in large part, due to the lack of comprehensive data collection and proactive monitoring.

The Department of Commerce, which is responsible for administering the Residential Parks (Long-stay Tenants) Act 2006, reported that since 2006 five parks have closed, affecting 323 long-stay sites. That is a bit under what I thought was going to be the case but there are a couple of caveats to it. First, the Department of Commerce only responds to complaints. Therefore, some parks might have closed or shut down long-stay sites whose residents or otherwise did not complain. Second, the department only started the compliance assessment in August 2007 when the Residential Parks (Long-stay Tenants) Act came into effect.

We asked the Department of Local Government to undertake a review of all caravan parks. The Department of Local Government identified six additional parks in addition to the list that the Department of Commerce provided that had closed since 2006. There is not a clear reason for the discrepancy. Some of those parks identified by the Department of Local Government may not have long-stay sites or may not have a serious issue but some of the evidence showed that they did. There are discrepancies between the two sources of data. That problem spreads across the industry.

We also wanted to ascertain what parks, particularly those with long-stay sites, were under threat of closure. The Department of Commerce identified six sites—six parks, comprising 584 long-stay sites—that it considered were under threat of closure. The Department of Commerce undertakes proactive monitoring and audits of parks now. It ascertains if a park is under risk by reading the media, listening to scuttlebutt and forming links of communication with people in the parks. This is not a foolproof method. The Department of Local Government identified five additional sites—that is, sites in addition to the ones identified by the Department of Commerce—that were under threat of closure. The names of the local government sites were provided but the names of the parks identified by the Department of Local Government were not provided. It is not clear whether they included long-stay sites. Nonetheless, there appears to be up to 11 caravan parks under threat of closure, a large number of which relate to long-stay sites. The issue that gave rise to this committee report is serious, ongoing and, given the evidence in this report, will probably be with us for a while.

One of the first and most important recommendations is that the Department of Commerce and the Department of Local Government need to get together and liaise as a matter of urgency to ascertain the full list of caravan parks in the first instance and those that are under threat of closure. If government or local government are to help parks, particularly those with long-stay sites that will be closed, we have to know in advance so we can put the processes in place.

There are many positive aspects to the report compared with, say, negative ones. One of them is that the Department of Commerce has stepped up to the plate. It has taken this issue on seriously. During the 2009 report it clearly considered it a serious issue. As debate in this house on the related issue of retirement villages shows, this is a very serious issue. It affects people, particularly those in the lower income span with not too many assets behind them, who lose access to their home for whatever reason in a crowded market—that is, one in which there are not too many alternatives.

The Department of Commerce has undertaken a series of proactive compliance visits. In 2010 and 2011 it has visited 90 different caravan parks and ascertained that it is complying through a checklist according to the act. It is quite comprehensive. If it finds an anomaly or lack of compliance on a specific issue, it institutes monthly audits and revisits. It has committed to expanding the number of parks that it will audit in the future and also having random audits over time. It has set up a good process. Over this two-year period the department found 51 separate issues of noncompliance by parks. Most of those related to the failure of the parks to pass on information or the failure of long-stay recipients to receive that information. If there is no pressure, people living

in long-stay parks appear to be lackadaisical in certain incidences to ascertain their rights and obligations of both parties. In 11 instances, formal contracts with the long-stay sites were not signed or completed. Again, in about half the instances it was because the people living in the long-stay sites were not interested in doing so. Overall, DEC found pretty effective compliance with the act and is satisfied that there is not widespread breaching of the act or that where there is noncompliance, compliance is improving, not in a major manner. When noncompliance was brought to the party's attention, it was quickly and effectively remedied.

During the debate that led to this committee report, there was a lot of widespread concern by members in this house that the act in question was not being effective. We did not investigate that. We asked whether, on the evidence provided, we should undertake a review of the act. The Department of Commerce, off its own bat, has decided to move forward the review of the Residential Parks (Long-stay Tenants) Act. It was scheduled to be undertaken after five years; that is, in 2012. It is being undertaken now. The Department of Commerce is undertaking a review of the act. When that is completed, perhaps the house can consider what other actions it or this committee should undertake. In short, the committee decided not to pursue a further review of the Residential Parks (Long-stay Tenants) Act at this time or until the house requests it, and we suggest that at the earliest that would be after the Department of Commerce completes its review.

We used this request from the house to review more widely our 2009 report. We called in six government departments that had relevance to the act and that had recommendations for action in an earlier report, and gave them a check-up. This committee has not done that before but given the nature of the importance of this issue and the recurring concerns expressed in this house about some aspects of it, we thought it was a worthwhile exercise. On a positive note, some of the departments have taken it on with vigour, more than we expected. Some have taken it on with more vigour than they initially did when they responded. Some departments are dragging the chain. Indeed, when the 2009 report was first released, most of the responses were noted. The responses from most of the departments were lukewarm to tepid. In fact, the majority of the departments have taken it on with some vigour. The Department of Commerce has performed admirably. One of the key issues with the caravan parks, long-stay sites and the retirement villages is that the problem really springs from when residents invest into or move into the parks. The committee held the view more widely that many people bought into a caravan park without recognition of what they owned, what they were buying and what the tenure of the arrangements were, even though they could find it if they searched. There were a range of reasons for this. Some of them were sold by real estate agents. Some people were not aware of these things. Some people made assumptions that were incorrect.

What we needed was a good document that was vigorously presented and clear, and that stated in no uncertain terms—particularly for long-stay sites—the responsibilities and rights of both parties. The Department of Commerce has done that. It has prepared and distributed that document, and it is enforcing its distribution to new and old tenants so that they are clear about these issues, particularly that when a person goes onto a long-stay site, they do not own the land and there are limits to the tenure, unless otherwise specified. This document is quite good. In the debate yesterday there was reference to the Department of Commerce's Seniors' Housing Centre, which I went along to the opening of. It is a very effective tool, and we urge all members of Parliament to obtain a briefing on that. The only thing I might add is that access through the website is a bit, let us say, difficult, particularly, I think, for seniors, because the Department of Commerce's website has so much material on it that one might get lost trying to get to the Seniors' Housing Centre area. It could be made more efficient. I think the Department of Commerce is doing a fine job.

The major focus of the committee's earlier report was tourism. There are issues with long-stay sites, but caravan parks are still fundamentally about tourism. They provide an essential piece of infrastructure, particularly for low-income people and grey nomad tourists. It is a very important issue. We urge the Western Australian Tourism Commission to take leadership on that. The evidence it gave during the inquiry, and its response to the report, was, again, tepid; it did not take the bait. Well, it has changed. Without question, the Western Australian Tourism Commission is making caravanning a priority and undertaking a systematic policy of finding out what exists and developing a policy, and it is linking with other department and agencies on it—that is a big tick for it. It is undertaking an audit of all caravan parks, which should be finished by the end of this year, and it is active on a whole range of fronts, including planning and other areas, to make sure that if caravan parks are closed, replacements are found.

One of the problems with the Western Australian Tourism Commission is, again, the information issue. There are four different departments using different focuses to collect information on existing parks and what they do. The Department of Local Government has completed a review; it is not comprehensive—certain local governments failed to respond—it has not been updated, and it is not linked with the reviews undertaken by Tourism, the Department of Commerce, or, for that matter, the Department of Housing. The Department of Local Government appears to be reluctant to take on the leadership role in this information collection and dissemination task; we would argue strongly that it is its role because it has the legislative power to ask local governments to provide the information that, under law, it must have. We urge the Department of Local

Government to take a leadership role—not a dominant one—and to go to local governments and collect the data and disseminate it. In that sense, the Department of Local Government is dragging the chain on this issue.

The Department of Planning is another agency that the committee made reference to in its report. It has a very important role, because when it goes out there and does structure plans on a regional basis, its task is to identify the priorities of land use and try to identify land for various purposes. Let us face it, if it does not do it, there will not be new caravan parks to replace old ones. It also has a responsibility for developing local tourism plans, which we thought was a very effective mechanism for local governments to identify which parks to protect, which parks to allow to have long-stay sites, and which parks to be relaxed about. The Department of Planning showed, if anything, a diminished priority in finding and procuring land for the long term for caravanning. To be honest, caravan parks are not a priority for local planning departments. Also, there has been no progress on the Department of Planning's tourism plan. I would urge the minister to tell his department to get its act into gear on this issue; it is, again, dragging the chain.

One of the departments I thought was going to do, in my assessment, very little after the tabling of the first report was the Department of Environment and Conservation—well, I was wrong. The Department of Environment and Conservation has a large amount of land that is perfectly suitable for caravan parks. It has expressed some reluctance and difficulties in getting additional land for multiple uses, which it does have, but it has taken this on, on various fronts, to try to provide greater access for a variety of caravan and camping facilities on its sites, and it is working with third parties to facilitate that. It is doing an excellent job.

The Department of Housing is not the main player in this; its role is mainly in the area of trying to provide low-cost housing and adversity resources. The current minister, who was the Treasurer when we released the earlier report, is showing a great deal of open mindedness on this issue. The Department of Housing is considering, rightly, caravan parks and long-term sites, and what are called lifestyle villages, as an alternative mechanism, and the department is looking at options. It is also examining the possibility of the state purchasing caravan park sites, particularly long-stay sites, but the problem is that it entails huge amounts of money, because possible alternative uses for caravan parks are highly lucrative.

In the two minutes I have remaining, I would like to make a comment about so-called lifestyle villages. Western Australia has a very rigid planning system that is focused on building comprehensive cities or conurbations, and it actually discourages diversity. One thing that has sprung up is lifestyle villages, which are basically for over-45s or over-55s. They keep things low cost, they are manufactured homes, and they are focused on developing a community of people with a common interest. One of the central aspects of the business plan for these villages is to keep it low cost, and they have found that the way to do that is to buy caravan parks. That is one of the reasons caravan parks are being taken over. But these lifestyle village-type organisations provide, in my view, an essential element of the housing mix, particularly for low-income people and retirees. I think there is a disdain in the agencies for these villages, but we must, I think, embrace them as an element to providing low-cost housing, particularly for retirees, and we can do that without diminishing the services provided to the residents. One of the key elements is to allow, through the Department of Planning, the rezoning of rural land for lifestyle villages. Our earlier report recommended that one way to do that was to have the regulation of lifestyle villages under the Residential Parks (Long-stay Tenants) Act 2006.