

**ASK JIMMY**

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## Flat Chat

Jimmy Thomson



### New broom – sweeping changes?

SO WE'LL soon have a new Fair Trading minister – a position we have, in the past, called a “training wheel” ministry. If Fair Trading ministers are any good, they usually get moved on to something more prestigious; if they're rubbish, they keep their heads down until they're replaced by another hopeful.

Is there any reason to expect anything different from the likely new Liberal minister, Greg Apin? Well, he seemed to have a grasp of the issues in opposition and if this government really is about integrity, transparency and looking after ordinary people, we might hope for a radical overhaul of strata law.

If minister Apin really wants to improve matters, the first thing he should do is find a new home for Strata. For Pete's sake, why are we ruled by the same department that deals in broken toasters and dangerous toys? High-rise strata units are the fastest-growing housing sector, the choice of the majority of first-time (inexperienced) home owners and the biggest single



investment most people will ever make. But they have less real consumer protection – and by “real” I mean effective and achievable – than the purchasers of a badly made cuddly toy.

So let's move it into Planning or Housing; anywhere away from the paper-shufflers of Fair Trading and the Consumer, Trader and Tenancy Tribunal. Second, there should be a

legal obligation on executive committees and owners corporations to enforce their bylaws, as happens in Victoria and Queensland.

If owners don't like their bylaws, they can change them. But there is so much frustration among strata residents whose bylaws offer them protection but whose ECs think keeping the peace means doing nothing. Finally, we need new

building defects to be assessed by independent surveyors reporting to the government.

Expecting ordinary owners to battle multinational developers through the Supreme Court just to get what they paid for is like telling the smallest kids in school to fight the bullies to get their lunch money back.

There's nothing “fair” about that, minister.

### Renter's Rant

#### The good, the bad and the grubby

A lot of renters (and investors) love having on-site managers in their buildings. The good ones are there when you need them, looking after the building while avoiding the petty politics of executive committees.

But there is a downside. One consequence of the grubby practice of developers pre-selling management rights to their new buildings is that unit owners are locked into 10-year contracts, often paying excessive fees so that the managers can recoup the money they paid to the developers in the first place.

Those payments are inevitably sheeted back to renters.

North of the border, strata laws are pro-on-site managers and encourage the pre-sale of management rights. Alarming there's a push from Queensland commercial interests to bring NSW laws in line with theirs, including revisiting the 20-year management contract.

Griffith University on the Gold Coast is running a discussion forum on a website related to its strata and community title conference this year.

Asking whether we need different regulations for different developments, the forum (see [strata-and-community-title-2011.ming.com](http://strata-and-community-title-2011.ming.com)) provides a look into a world where short-term rentals are king and owner-occupiers are often on the outer.