

**INSIDE: Your Legislative Requirements for Workers at Heights...
and... Are Unit Owners Rates About to Sky-Rocket?**

HUMOUR: The Market

Building Accidents Raise Questions for Body Corporate Managers...

What About the Contractors Who Work at Heights on My Buildings?

Questions are surfacing in the minds of Committee Members and Body Corporate Managers as to the safety of the contractors who scale the outside of their buildings after two major incidents where contractors have fallen from high-rises on the Gold Coast last month.

The first incident occurred on Saturday, 21st June, when two construction workers fell to their deaths from a building in Broadbeach as the platform they were working on became detached from the rooftop. The second, just days later on the 24th June, where a 20-year old window cleaner fell 20 meters while abseiling from a Surfers Paradise building. He escaped the fall with a fractured arm and broken pelvis.

Ongoing investigations by Workplace Health and Safety Queensland may see fines imposed on those holding health and safety obligations who fail to meet the requirements under the Act.

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Are Unit Owners Rates About to Sky-Rocket?

Substantial increases to rates for unit owner's are predicted throughout Queensland after the recent roll out of the Brisbane City Council budget by Lord Mayor Campbell Newman last month. In order to meet the expenses of the extensive budget inner-city unit owners are expected to be hit with rates similar to those of house owners in suburbia.

The new scheme will see some unit owners receive rates bills 700 times the amount of their current bill in order to increase "fairness and equity" between rate payers in the city and surrounding suburbs.

If other local councils were to follow suit and increase rates there would be massive implications for the Body Corporate Industry as owners may consider other forms of accommodation and fees could be questioned.

What exactly is happening in Brisbane?

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Building Accidents Raise Questions for Body Corporate Managers... ***Continued from Page 1***

A spokesman for the Queensland Government's Workplace Health and Safety Department said the two workers who plummeted to their deaths were suspended on a platform similar to the type window cleaners use. These platforms and other suspension materials are common in many high-rise buildings around Australia and are often supplied by the Body Corporate for use by contractors during necessary maintenance and cleaning.

What does this mean for Bodies Corporate?

These two accidents identify the serious nature of the obligations for the Body Corporate, who are designated as the Person in Control of any supplied plant and equipment as well as the common property. Managers are obligated under Section 30 of the W&HS Act 1995 to ensure that all areas of common property are safe to enter/exit, and any plant and equipment under their control is safe to use, operating as it was intended by the manufacturer, installed to the correct design and engineering requirements, and safe and free from hazards during use.

As a Body Corporate Manager dealing with contractors and workers working at heights, your obligations are varied and you may hold more than one obligation under legislation (section 25 WH&S Act 1995). You could be classified as the person in control of the workplace (sect: 30); the person in control of plant and equipment (sect: 34D) and/or the person in control of the electrical installation (sect: 38 Electrical Safety Act 2002).

It is important to understand that you may have different levels of obligation and are responsible for only those that are apportioned to you. If the Body Corporate has a committee member volunteering time to work (e.g. cleaning or painting from a ladder on the common property) then the Committee is the Employer and MUST ensure safe systems of

work for each task that the volunteer is undertaking, and prevent any falls from heights over 2 metres.

When a contractor has workers on site then they are the employer and must ensure the safety for themselves and others.

What if I provide equipment to Contractors working at heights?

It is essential that this equipment is constantly checked and maintained by a relevant specialist (such as the manufacturer of the protection equipment) in order to ensure that no wear and tear is evident.

How do I limit the possibility of falls occurring from my building?

It is unusual for any member of a committee to have at their disposal the documentation required to ensure they clearly understand the complexity of the legislative guidelines and meet the obligations they have. These include linking sections of Workplace Health and Safety Legislation, Codes of Practice, Australian Standards and National Occupational Health and Safety Commission Standards to have this clear understanding of what is required.

Should an accident occur it is important that you have a record of action that shows you have met your obligations under the various Acts and Codes.

At Solutions ie our qualified Risk Assessment Officers can inspect your common property and plant and equipment and provide you with an informative and easy to read safety report to ensure your peace of mind.

The report also includes a Contractor's Safe Working Agreement for your Contractors to sign before they start work on your property to ensure that they are aware of their obligations when working at heights. This will also help to fulfill your obligations under the Act.

For a concise yet easy to read report please feel free to contact us via the details on page 4.

Are Unit Owners Rates About to Sky-Rocket?

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Cr Newman's Rates Revolution – A Summary

Announced on the 11 June 2008, Cr Newman's fifth budget for the Brisbane City Council included rate increases of an extra \$700 per quarter for some inner city apartments.

Planned to be introduced on the 1st of January 2009 the Lord Mayor claims this move will correct the inconsistent system that had been in place previously.

"The previous system had people in less well off areas paying more on occasions than people in expensive CBD apartments", Cr Newman said.

The new scheme will see inner-city owners paying a similar amount to owners in houses in the outer suburbs as unit owners will pay a higher "general rate" which is based on their share of the value of the land that unit block is built.

A new "parity value" will be used where the value of the land reaches \$1 million where the unit complex is built.

There have been various reports in the media that this "capacity to contribute" method is unfair as over 70 percent of inner-city unit sales in the past year have been under \$500,000.

The average Brisbane house owner's rate increase went up 8.76 percent on the 1st of July, 2008, seeing owner occupiers paying approximately an extra \$140 annually.

Investors on the other hand have been asked to fork out an extra 70 percent; putting further pressure on already rising rental prices.

Are the increases worth the proposed spending by the council?

Pro's for Brisbane

The Lord Mayor has stressed that the rates rise is an attempt to restore rate equality throughout the city.

"This is about fairness and equity and ensuring that people in the CBD pay similar rates to people in the suburbs," he said.

The previously favourable rates calculation for inner-city owners meant that they contributed a significantly less amount towards services that everyone can utilise.

Rates revenue will increase from \$1 billion to \$1.2 billion and is budgeted to cover the continuing construction of the Hale Street Link, Clem Jones Tunnel and King George Square Redevelopment as well as general roads upgrades and maintenance, public transport improvements, water leak management and a bushland acquisition program.

With a seemingly ever-present skills shortage in a buoyant construction industry combined with the escalating costs of materials Cr Newman has admitted that construction costs are, "really a major problem for [Council]".

Yet the Lord Mayor promises the extra money collected from the rates hike will be put to good use.

"People can take comfort in knowing that their money is being used to tackle traffic congestion in a way never before contemplated by the Brisbane City Council," Cr Newman said.

But are the inner-city unit owners the one's to target?

Con's for Inner-City Owners

Inner-city owners are frustrated at the astronomical rate increases with a rally held by the disgruntled owners on Sunday 29th June. There have also been various meetings held between the Unit Owners Association of Queensland and Brisbane City Council.

Unit Owners Association of Queensland Vice President Mark Warnock said that he didn't think Council fully understood the ramifications of the rate rise.

"Our philosophy is a unit should not be charge three to four times what a house is charged," Warnock said.

It has been argued that inner-city unit dwellers utilise public resources far less than those in outer suburbs as their need for roads and public transport is reduced and better economies of scale and greater utilisation of libraries and parkways is achieved.

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Are Unit Owners Rates About to Sky-Rocket?

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At a time where Brisbane families are already under financial pressure due to rising interest rates, food prices, petrol costs and higher body corporate management fees these rate rises may push owners to sell due to mortgage repayment pressure.

An owner stated, "We are not luxury penthouse owners, sales contracts are being cancelled already. It will make values plummet".

So what is the solution?

Conclusion

Cr Newman explained, "The nature of residential living has changed significantly over the last decade. The most notable trend has been a rapid growth in the number of CTS developments such as units, apartments and townhouses."

The question is whether or not this trend might be in danger of losing momentum the new rates system is introduced on the 1st January 2008.

What would higher rates for unit owners mean for the Body Corporate Industry if Queensland local councils all adopted this strategy?

Will the benefits and associated lifestyle and image of living in the metropolis be too good to give up for owners and potential buyers? Or if the difference between rates for a unit and a house become comparable will the privacy and spatial benefits of houses increase demand for housing?

On the other hand is this inner-city rate rise just a quick fix for Brisbane City Council to make up funds for a one-off large-scale budget?

What do you think of the Lord Mayor's new rates proposal?

What type of affect do you think it could have on the future of the Body Corporate Industry?

Email us your thoughts at enquiry@solutionsie.com.au

HUMOUR

The Market

Once upon a time in a small village in the midst of a jungle a man appeared and announced to the villagers that he would buy monkeys for \$10 each.

The villagers seeing that there were many monkeys around went out into the forest and started catching them.

The man bought thousands at \$10 and as supply started to diminish, the villagers stopped their effort.

He further announced that he would now buy the monkeys at \$20. This renewed the efforts of the villagers and they started catching monkeys again.

Soon the supply diminished even further and people started going back to their farms. The man increased the offer to \$25 each and the supply of monkeys became so small that it was an effort to even find a monkey, let alone catch it!

The man now announced that he would buy monkeys at \$50 ! However, since he had to go to the city on some business, his assistant would now buy on behalf of him.

In the absence of the man, the assistant told the villagers. 'Look at all these monkeys in the big cage that the man has collected. I will sell them to you at \$35 and when the man returns from the city, you can sell them to him for \$50 each.'

The villagers rounded up all their savings and bought all the monkeys.

Then they never saw the man nor his assistant again - only monkeys everywhere!

And now you have a better understanding of how the stock market works.

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