

We received a hard copy of the Discussion Paper on Monday.

By way of background, the Master Builders Association of NSW is the oldest industry associations in Australia, having been founded in Sydney in 1873. Our function is to provide core services, such as Industrial, legal & Contracts, OH&S and Training services to our members who are predominately contractor, manufacturers and suppliers in the residential, commercial, civil and industrial construction sectors. We also own and operate a major group apprenticeship scheme. Making representations to the three tiers of government and their agencies, on behalf of our members is also a fundamental task of the association.

Having considered the contents of the Paper, we are of the view that our members would not be directly impacted by the outcome of the review, other than where they are involved as property owners. Consequently, we do not see it as appropriate to make a formal submission on the Discussion Paper. However, I provide the following comments which may be of assistance to the review.

### **Options to address price structure issues between houses and multi-premise residential dwellings.**

The growth projections as outlined in the Discussion Paper identify an increasing upward trend for multi-premise dwellings across the four utilities. Master Builders expects this trend to continue if there is to be a real attempt to address the ever increasing demand for housing which is overwhelming the level of supply. NSW building activity is currently at levels equal to the 1950's.

Consequently, we concur that the pricing disparity between freestanding houses and multi-premise dwellings will continue to widen. Furthermore, we expect to see freestanding houses incur greater costs over individual multi-premise dwellings in responding to NSW BASIX requirements for the reduction in use and more efficient use of potable water. The same can also be said where in time there will be an increase in the inclusion of grey and black water systems within freestanding residences. Therefore such costs must be considered when considering options for addressing pricing disparity between free standing houses and multi-purpose dwellings.

It would appear to us that Option 2 is the preferred approach, whereby all residential premises would incur a common service charge.

We also are of the view that vacant land should be exempt as headwork contributions have already been paid in many instances as part of the sub-division and development process. These charges are passed on in the purchase price of the vacant land and further contributions should not be made until the property is connected, otherwise we would see it as double dipping.

### **Residential sewerage service charges**

Our preference is for Option 2, to charge all residential customers a standard sewerage charge. This appears to be the simplest option and provide the least impact on consumers.

Once again we reflect the same position in respect of vacant land as raised above.

In regard to non –residential price structures, we feel we are not in a position to make comment in regard to this part of the Discussion Paper..

Regards,

Peter Meredith  
Director - Housing

**Master Builders Association of NSW**

---

Street Address  
52 Parramatta Road  
Forest Lodge NSW 2037

Postal Address  
Private Bag 9  
Broadway NSW 2007

T: 02 8586 3513  
F: 02 9660 3700

[pmeredith@mbansw.asn.au](mailto:pmeredith@mbansw.asn.au)  
[www.mbansw.asn.au](http://www.mbansw.asn.au)