TO: Independent Pricing and Regulatory Tribunal
Re: Review of rentals for domestic waterfronts in NSW

Date: 4th November, 2003

I respond to a recent Sydney Morning Herald article re the 'rental' of waterfront jetties.

As a resident of a private dwelling for 25 years in Lovett Bay (Pittwater,NSW), I bring to the Tribunal two of my major concerns.

(1) The notion of a separate 'market value' for a jetty 'attached to, or part of, a domestic residence is wide open to abuse as the 'value' of the jetty rights is totally dependant on the existence of the property to which it attaches, that is, whilst the property may have a value independent of the jetty, the jetty (unless it is for public use) has no such intrinsic value. To argue that a jetty 'adds' value to the property (as the Herald article does) is spurious because such value is based on the value of the property itself and its location, etc, that is, the value of the jetty is generated solely by the property. As such, it is wide open to place whatever value one dreams up on the jetty license, for such rights are never independently traded and therefore set no comparative values. This is not to argue that they (jetties, etc,) have no value at all, but simply to point out that any value is derived from being attached to a tangible existing entity comprising land and the improvements thereon. Obviously the situation becomes even more complex when the property itself is a protected right in perpetuity (Torrens Title), and the jetty is a permissive and changeable right, which again, materially affects any value that may be placed upon it.

(2)The situation with a property where access is totally dependent on water accessibility is entirely different to properties that have normal road and driveway or walkway access as the prime means of access. Properties such as ours (Lovett Bay, Pittwater) must have AS A NECESSITY some jetty accommodation to enter or leave the property, to provide access for building, maintenance, garbage collection, water delivery (there is no water supply main), septic tank service and maintenance (there is no sewerage main) etc., and to provide emergency access for say, fire, ambulance, police, etc. If it is equitable to charge a 'rent' or 'tax' on the means of access to water-only access properties, there would also be a case for charging property owners with normal road and path access, a 'tax' on their use of the part of footpaths and driveways on 'public' land, as part of the access to each property. Obviously this would not be considered, but the principle is still the same. Just because the only access to a property happens to be by water, does not mean that the resident of such properties should be automatically classified into some 'luxury' or 'elite' category, and as such, 'taxed' as receiving some special or extra benefits. In fact the opposite is the case, where 'water-only' access properties, bear considerably higher costs in obtaining essential services, as well as normal transport and delivery costs for whatever service or commodity that needs to be delivered. (e.g. It is far cheaper - by a factor of at least '50' – to pay water and sewerage rates to Council, as is the case under normal access situations, than to have to install and maintain one's own water and sewerage facilities as a necessity on 'water-only' access properties).

The Sydney Morning Herald headline of "A tax on the jetty set who pay pauper's rents" portrays an unfair bias and misrepresents the situation, particularly in the case of properties that have no alternative access other than by water.

I trust that my submission is given due and fair consideration, particularly in the case of all 'water-only' access properties, where it would be only fair and reasonable to make perhaps a 'special' or separate classification with regard to any (additional to existing 'fees') charges to be levied.

I would appreciate an acknowledgment of my submission.

A hard copy of this submission has also been mailed.

Yours sincerely,
George Shirling