

# MASTER BUILDER GREAT SOUTHERN

www.mbawa.com

## ALBANY OFFICE

P: 08 9841 6232 F: 9841 6522

E: albany@mbawa.com

W: www.mbawa.com

6 Ashford St, Albany WA 6330

PO Box 1518, Albany WA 6332



Jaclyn and Kiya

**Great Southern  
Chairperson  
David Mexsom**

Wauters Enterprise

**Vice Chairperson**

Wayne Downs

**Treasurer**

Andrew Holmes

## Committee Members

Warren Bennet

Damian Stevens

Brian Hoskins

Mark Taylor

Jason McLennan

Murray Thornhill

Stuart Mark



Principal Partner



## From the Manager's desk....

Since our last edition we have been really busy with revamping the garden and having a display area put onto the window at our office to try and give a better appearance and an inviting entrance to visitors.

The AGM held 5th July 2010 was a hugely successful evening with 70 members and partners attending to see the election of the new committee and the presentation of the Harold Smith Award by Michael McLean MBA Director, Quest Speaker for the evening was Eddie Roe speaking on energy efficiency.

Training is developing nicely with more courses being requested and held, this helps the branch to develop so thank you for your continued support.

The Building excellence is quickly approaching and judging has been completed, all tickets have been sold so it looks like its set to be a fantastic evening.

Some of you will have seen the advertisement in the Wekender Newspaper for the Road Show Expo that is coming up, this will be a informative day with lots of displays and interesting info so please take time out to attend, we have a cafe set up within the Expo so come and join us for lunch we would love to see you.

Sad news Jaclyn is leaving us and is moving to Perth to take up a position with MBA so we wish her lots of happiness in her new career and we welcome Kiya to Jaclyn's position.

Enjoy  
**LINDA GIBBS**  
Regional Manager



GEOFF KIRKNESS, MALCOLM ADAMSON, DALE ADAMSON AND CHARLIE BAGGETTA

*Zvoque Designs*  
Environmentally sustainable  
Building & Design Consultants

Project Management  
Landscapes  
Courtyards  
Entrance Statements  
Architectural Imports  
View by appointment

Phone: 0427 426 222  
zvoguedesigns@gmail.com  
www.zvoguedesigns.com.au

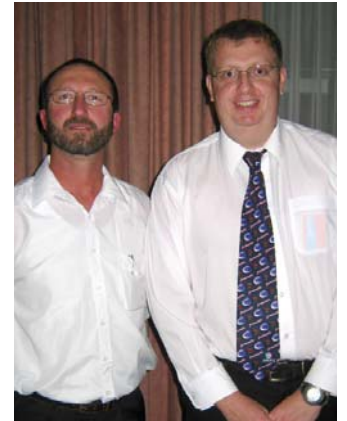


# Great Southern AGM Dinner



MICHAEL MCLEAN, DAVID MEXSOM  
AND GEOFFREY HOLMES

The 5th of July was the Great Southern's AGM and we decided to go all out and make it cocktail. Guest Speakers were Michael Mclean (Director) Eddie Roe (True North Thermal). With an audience of 70 very well attired members and partners and a very special Presentation of the Harold Smith award to Geoffrey Holmes, for outstanding contributions to the Building and Construction industry both through business and community work and the seeing in of the New committee with a number of new faces was a positive start to the new financial year. A great night was had by all that attended.



BRIAN CURLEWIS AND  
STUART MARK



ROS HOLMES, GEOFF HOLMES,  
BETH KIDMAN, ROGER CATIONS,  
DAWN HOLMES, ANDREA TICKLE  
AND ANDREW HOLMES

## Self Managed Superannuation & Property —What a Combination

Property has been used as a vehicle for investment return by Self Managed Superannuation Funds (SMSF) for decades. What has changed in recent times is the ability of SMSFs to borrow to purchase an investment property, using an installment warrant arrangement. This leverage can enable the SMSF to further enhance returns to build your nest egg for retirement

growth on the property while you build your cash balance. With the ability to borrow you could take advantage of the capital growth on the property from the day you make the investment commitment.

One of the benefits of superannuation funds is the low tax environment. If you, as the member of the superannuation fund, is under 60 years of age, the rate of tax levied on your investment returns is 15%. Compare this to a possible 46.5% if you earned that same amount as an individual.

With capital gains on the sale of assets, if the superannuation fund has held the asset for more than twelve months, then the tax is levied on the gain at 10%.

After you reach the age of 60 as a member in pension mode, the tax rate imposed on all fund income, including capital gains is 0%. That's right, your investment returns can become tax free. The pension that the fund is paying you is also tax free.

If the gearing ratio is appropriate, the rent that you receive for the property can cover the running costs of the property including interest. This means that the s u p e r a n n u a t i o n

contributions that are paid to the fund can be used to pay off the property loan. These contributions can be either as a self employed person or if your employer pays the contributions on your behalf. If you can salary sacrifice into your fund, you can effectively get a tax deduction for paying off your investment property loan

If you are interested in exploring how a Self Managed Superannuation Fund could benefit you and your property decision, our team of business professionals at RSM Bird Cameron are available at the following offices to discuss your options:

- Busselton – Fiona Parsons (T: 9752 1406)
- Bunbury – Kingsley Smith (T: 9722 5600)
- Geraldton – Trevor Lake (T: 9920 7400)
- Albany – Joanne Gilbert (T: 9841 2766)
- Kalgoorlie – Bill Franklyn (T: 9021 1499)



LISA WATSON, ANDREA PAGE,  
DENISE AND STEVE AMATO, KELVIN  
CASTLEHOW, GRAEME AND SHARON  
WISE, DONNA RUSSELL, ALLISON  
DEJONGE AND MARK TAYLOR.

If this borrowing was not permitted, then you would have to wait until you had built up enough cash in your SMSF to purchase the property. This could mean that you would miss out on all the possible capital

# Contamination What Should We Do?



DARRYL STEWART  
COMMERCIAL LAW SOLICITOR



MURRAY THORNHILL  
COMMERCIAL LAW & LITIGATION  
DIRECTOR & NOTARY PUBLIC

“...spend tens of thousands of dollars in remedial works for a contamination.”

At HHG we regularly provide advice and representation in relation to legal issues arising out of the discovery of contamination to property. Environmental contamination is unwelcome information for a landowner and any builder, but it is quite common and cannot be ignored. There are hefty penalties for not reporting contamination and many people buying or selling land are unaware of their obligations.

Under the Contaminated Sites Act 2003 (WA), a “contaminated” site is an area of land (including groundwater and surface water), which has “a substance present... at above background concentrations that presents, or has the potential to present, a risk of harm to human health, the environment or any environmental value”.

Examples of contamination include oil and fuel leakages (such as at petrol station premises), and asbestos (where it has been used in building materials, and the materials are no longer intact).

If a site is known or thought to be contaminated, the contamination must be reported to the Department of Environment and Conservation (“DEC”) by:

- the landowner;
- the occupier; and
- the person who caused or contributed to the contamination.

An occupier includes any person who has control over the land at the time the land is known or thought to be contaminated, and this will often include a builder.

Other people can voluntarily report contamination. Failure to report contamination is a serious offence, with fines of up to \$250,000 plus \$50,000 per day.

The Act provides for classification of land on the basis of contamination. Contaminated land may be subject to orders that restrict the use of the land. Alternatively, an order may be made requiring the remediation of the site. Remediation may include reinstating the land, restrictions on access to the land, the removal or dispersion of the source of the contamination and the mitigation of its effect.

This means that the person who has to deal

with the contamination has a costly and involved road ahead. Typically the person who created the contamination will be liable for remedying the problem. But if that person has moved on and cannot be found, the current owner will usually be responsible.

A seller of contaminated land must also disclose that contamination to the buyer. The obligation to disclose classification is a statutory duty. Failure to disclose relevant information prior to a sale could result in significant legal costs, as well as a fine of up to \$125,000. Forms are available from DEC to provide the disclosure to the buyer. The requirement for disclosure also applies to transactions which would result in another person becoming the mortgagee or lessee of the contaminated land.

DEC maintains an online public database of contaminated sites. This information is useful for anyone interested in purchasing property. Further records are available by written application.

Contamination issues are becoming increasingly important for all landowners, buyers and sellers of property, developers and builders and contractors. Imagine what your client will say on finding that they have to spend tens of thousands of dollars in remedial works for a contamination. It is important to ensure proper reporting practices are adopted as soon as possible.

We recommend that MBA members search the register when dealing with commercial or industrial land or subdivisions. Members should also ensure they ask clients and keep a written record in relation to whether contamination has occurred and whether clients have made proper enquiries themselves.

If you or your customers want further information about the contaminated sites legislation or need assistance in dealing with a contamination issue, contact Murray Thornhill or Darryl Stewart at HHG Legal Group.

This is general information only, and does not constitute specific legal advice. If you would like further information in relation to this matter or other legal matters please contact our office at [reception@hhg.com.au](mailto:reception@hhg.com.au).

# Home indemnity insurance

- a compulsory consumer protection

Home indemnity insurance is protection for home owners who suffer loss or damage because of the insolvency, death or disappearance of the builder, where they cannot pursue remedies under the Builders Registration Act 1939.

The product only works if the builder has become insolvent or has died or disappeared.

That's great, but what does it actually do? Well, it protects the home owner against financial loss. The insurers will make good or pay the amount of loss or damage up to \$20,000 in respect to any lost deposit and more importantly up to \$100,000 in relation to the work itself.

The insurance covers residential building work during the construction period and for six years from the date of practical completion.

A building contractor could become insolvent at any stage during construction. In continuing the build, a home owner may incur additional costs to either rectify the work done or to persuade a new contractor to take on the project. The purpose of the insurance is to ensure that the home owner, does not incur any additional costs in getting the work finished.



# Training in the Great Southern

Training in the Great Southern is in demand with members now requesting course to be run, thanks to all members for being so supportive let's keep it going.

Recently EWP and Fall protection training was held here at the Great Southern attached are a couple of photos for interest



KEITH BROWN AND ROBERT EAVES

# Safety Management Plans

Master Builders has been around since 1898 so we know a thing or two about the building industry and what builders and sub-contractors want.

For example, the MBA can assist builders navigate their way through the WA safety legislation requirements of a main contractor on a construction site, where there are 5 or more people working at any one time, requiring a Safety Management Plan (SMP).

Some confusion exists about how much information is needed in a SMP. The regulations are clear but a common mistake is the documentation that supports the SMP should also be included. This common mistake makes SMP's 50 pages or more, bulky and not user friendly. Information such as procedures, checklists and forms when included with your SMP become your Safety Management System (SMS) and can be maintained at the head office or the home office and made available to the Site Supervisor, worker or sub contractor on request.

This is where the MBA can help, because we have an understanding of what is required in SMPs and how they apply in the building industry we offer builders industry based knowledge that works for the builder. As a result, we offer builders a SMP package that is often less than half the 50 pages mentioned above.

By using the MBA user-friendly SMP a builder will save time and money which allows the builder to get on with the job.

Contact Michelle DeGalt-Rohlf – OSH Manager on 0476 9800 for any further information.

## Calendar of Events

<b>August 2010</b>	
Contract Administration	30th August
<b>September 2010</b>	
Quarterly Dinner Meeting	6th September
Contract Masterclass	13th September
Roadshow Expo	17th September
BEA Dinner	18th September
Leadership in OS&H	28th September
Electrical Tool Tagging	18th October
Cords and Plugs	19th October