




The Hon Anthony Roberts MP
Minister for Fair Trading

Ref: FTMIN13/1322

Ms Karen Stiles
Executive Officer
Owners Corporation Network
Level 5
275 George Street
SYDNEY NSW 2000


Dear Ms Stiles

Thank you for the joint submission regarding the review of the *Home Building Act 1989*.

From the outset, let me commend the Owners Corporation Network for its immense contribution to the reviews of the home building legislation and strata and community title law.

In particular, I thank your organisation for its insightful and well argued submissions in response to the *Reform of the Home Building Act 1989* Issues Paper and the *Strata and Community Title Law Reform* Discussion Paper, and its constructive participation in subsequent stakeholder roundtables to discuss the major issues arising from these reviews.

The Owners Corporation Network has been an indispensable participant in the consultation process for these reviews and its tireless advocacy has helped lay the foundation for meaningful reform.

I also commend the Owners Corporation Network for the initiative and goodwill it has shown in working together with the Property Council of Australia and Urban Taskforce Australia to find so much common ground on potential reforms to the home building legislation and the strata and community title laws. Confidence about building quality and the resolution of defects and disputes is in the interests of homeowners and builders alike.

Packages of potential reforms to the home building legislation and the strata and community title laws are in the final stages of development. I can assure you that the agreed reforms set out in the joint submission have considerable merit and have been considered carefully during the development of the reform packages.

As the joint submission correctly identifies, it is critical that any reforms lead to a quicker and more cost effective system of determining and rectifying defects. The reforms must also facilitate the faster and less costly resolution of disputes, with an emphasis on litigation as a last resort.

I also share your view, as articulated in the joint submission, that homeowners must be protected against poor workmanship, shoddy building practices, defective building works and the particularly insidious practice of phoenixing. Homeowners and owners corporations must be afforded appropriate protection – problems with home building work are a major source of complaints to NSW Fair Trading.

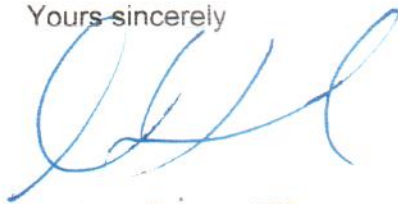
At the same time, however, I acknowledge the need for the reforms to take the pressure off construction and administration costs. To facilitate a healthy and robust residential construction sector in New South Wales, it is necessary to ensure it is not burdened with unnecessary red tape and regulation that needlessly increases operating costs and impedes growth.

I aim to introduce the reform packages into Parliament before the end of this year. There will be further opportunity to comment on the proposed reforms before they become law.

Once again, I thank the Owners Corporation Network for its invaluable contribution to this important reform process.

Should you require further information on this matter, please contact Mr Adrian Pryke in my office on 9228 3291.

Yours sincerely



Anthony Roberts MP
Minister for Fair Trading