



SYSTEMATIC ERRORS IN THINKING

The following is an article from 10breakingnews.com UK June 2016, discussing the problems caused UK residents voting with their emotions over leaving the European Union. I believe that this behaviour equally applies to many decisions made by unit owners at meetings....

British voters succumbing to 'impulse, irritation and anger' – and it may lead to Brexit – says world's most influential psychologist

British voters are succumbing to impulsive gut feelings and irrational reflexes in the Brexit campaign with little regard for the enormous consequences down the road, the world's most influential psychologist has warned.

Daniel Kahneman, the Israeli Nobel laureate and father of behavioural



economics, said the referendum debate is being driven by a destructive psychological process, one that could lead to a grave misjudgment and a downward spiral for British society.

"The major impression one gets observing the debate is that the reasons for exit are clearly emotional," he said.

"The arguments look odd: they look short-term and based on irritation and anger. These seem to be powerful enough that they may lead to Brexit," he said, speaking to The Telegraph at the Aundi world investment forum in Paris.

The counter-critique is that the Remain campaign is equally degrading the debate, playing on visceral reactions and ephemeral issues of the day. In a sense the two sides are egging each other on. That is the sociological fascination of it.

Professor Kahneman, who survived the Nazi occupation of France as a Jewish child in the Second World War, said the risk is that the British people will be swept along by emotion and lash out later at scapegoats if EU withdrawal proves to be a disastrous strategic error.

"They won't regret it because regret is rare. They'll find a way to explain what happened and blame somebody. That is the general pattern when things go wrong and people are afraid," he said.

The refusal to face up to the implications of what is really at stake in the referendum comes as no surprise to a man imbued with a deep sense of anthropological pessimism.

His life's work is anchored in studies showing that people are irrational. They are prone to cognitive biases and "systematic errors in thinking", made worse by chronic over-confidence in their own judgment – and the less intelligent they are, the more militantly certain they tend to be.

Unit owners might want to bear this article in mind when making important decisions at meetings. ☐

MANAGERS IGNORING MINORITIES

We continue to see examples of strata and community titled groups poorly served by managers who wrongly believe that they only have to pay attention to the majority.

We have been assisting 2 owners in a 6 unit group. The other four units are owned by a family.

The claim lodged with the Court is that the manager misused his position using the proxies from the family.

The manager is reported to have stated to the minority owners in response to concerns over the manager's running of the June general meeting, that 'The majority of owners made the decisions at the last meeting, and it will be the majority of owners who make the decisions at the next meeting'.

The minority owners reported that the manager made it clear that turning up to future meetings was not important as they will always be outvoted.

At the meeting, the minority owners complained that the manager had called the meeting for 2 days before Christmas. The minority owners complained that this was not convenient, their concerns were ignored.

The matter will be before the Courts shortly.

A previous case saw the Magistrate order that the majority owner not have a vote for a period of 12 months. The Magistrate drew on common law around 'the oppression of the minority by the majority'. The law recognises that the interests of the minority need protecting.

Consensus is important for building long term goodwill in a group. Without it, as in society generally, getting things done becomes fraught with arguments and possible Court interventions. Managers need to help owners at meetings build this consensus through ensuring time is made to hear the concerns of all. Forcing a vote when there is still substantial disagreement can lead to long term enmities.

I strongly recommend that both body corporate managers, and owners, read Michael Teys book Growing Up available at...

<http://michaelteys.com/book>

Cheers

Gordon Russell

ps: Do you have any friends who need to read our newsletter? Ring and we will post one out or they can download it from our website ☐

emergency numbers

Plumbing , Gas, Roof Leaks	8356 2750
Electrical	1300 130 229
Breakins & Glazing	0411 848 398
Police to attend - noise/robbery etc.	131 444
State Emergency Service storm/flood	132 500



CENSUS AUSTRALIA THIS AUGUST

The 2016 census is going digital. For unit owners, going online to complete the Census form will be critical if they live in secured apartment blocks.

The local Special Dwellings Strategies Manager briefed us recently. He explained that apartment blocks and other secured unit groups are difficult for their staff to leave and collect census forms. The following is from the census website...

The Australian Bureau of Statistics is preparing to count close to 10 million dwellings and approximately 24 million people in Australia on Census night.

The 2016 Census will be Australia's first Census where more than two thirds of Australia's population (more than 15 million people) are expected to complete the Census online in August 2016.

New delivery and collection procedures will make it easier to complete the Census online. In the lead up to 9 August, households will receive a letter from the ABS, addressed 'To the Resident', including a unique login and instructions on how to complete the Census online.

Completing the Census online will be fast, easy, secure, environmentally friendly, and help to reduce the cost of the Census to the community.

Paper forms can be requested where needed and must be completed and returned in the Reply Paid envelope provided without delay.

The ABS needs the support of everyone in Australia on 9 August to make the Census a success. Everyone in Australia is encouraged to participate and take advantage of the fast, easy and secure online option.

In 2016, the ABS will:

Produce approximately 327 tonnes of less paper material than in the 2011 Census – equivalent to approximately 231 family sedans

Travel 230,000 less kilometres to deliver household materials than in 2011 Census – equivalent to more than 5 trips around the circumference of the Earth (or 58 return trips between Sydney and Perth)

Use 3,800 kilograms of ink and 16,000 litres of glue to produce household letters, envelopes and forms



Mail 13.5 million letters to households and establishments across Australia

Count all of Australia's 10 million dwellings and 24 million people

Employ around 39,000 temporary field staff across a variety of roles, including up to 500 people to process the data

Scan paper forms as they arrive using industrial scanners operating 12 hours per day, 5 days per week, over 10 weeks, scanning close to 88 million pages

Produce and publish over 3 trillion cells of data as a result of the information collected in the Census.

The Census provides an important snapshot of Australia's people and their housing. It helps estimate Australia's population, which

is used to distribute government funds and plan services for your community, including housing, transport, education, industry, hospitals and the environment.

Australia has a long and proud history of Census taking. Since the first national Census in 1911, Census data has played an important role in charting Australia's history and shaping its future.

Key Census dates:

1 February 2016 – Area Supervisor recruitment begins

2 May 2016 – Field Officer recruitment begins

1 August 2016 – Delivery of instruction letters and forms begins

9 August 2016 – Census night

Mid-2017 – The first results from the 2016 Census released.

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AIRBNB UPDATES

In South Australia some 3000 home owners are undertaking the short term letting of their homes through Airbnb. A large number of these homes are strata and community titled units/apartments.

Short term letting can result in more than a profit for the owners. The following articles address some of the fallout.

Planning Minister Rules on Airbnb Planning Laws

South Australians renting out rooms through the online service Airbnb have been told they will not be forced to seek a development application after a recent court decision.

Late last year, a Victorian judgment raised doubts about whether Airbnb users would need to get an approval as rentals could be considered a "change in use" of a residential property.

The judgment caused doubt as to whether people who rent their residential property for short term stays would now need to seek development approval before doing so.

Deputy Premier John Rau today said he was making it clear that a person's period of stay in a residential property should not constitute a "change in use" under the Development Act.

There are now nearly 3000 Airbnb listings across SA, a number that has more than doubled in the past year. Last year, more than 57,000 guests stayed in an Airbnb in SA. The average length of time Airbnb hosts in SA are renting out their home is around 25 nights a year.

Mr Rau said people doing so will not be caught up in unnecessary red tape.

"South Australians who want to supplement their income by renting their residential property now have the added assurance that they can do so without seeking development approval," he said. "Home sharing is great for tourism in our State and provides alternate accommodation options for anyone who wants to come to South Australia and enjoy what we have to offer.

Airbnb country manager, Australia and New Zealand Sam McDonagh said the decision would help the sector to thrive and provide choice for consumers coming from across the globe.

"The vast majority of Airbnb listings are outside traditional hotel districts so our guests live like a local, spending money at cafes, shops and restaurants not normally visited by tourists," he said.

"This is an opportunity to help grow and diversify tourism and to provide visitors to SA with a unique travel experience in the homes of local residents, beyond the regular tourist hot spots."

June 7, 2016 Daniel Wills State Political Editor The Advertiser

Grattan Institute Report on Airbnb: Need to fine for noise and nuisance - amend articles to take advantage of new laws \$500

The Grattan Institute's Jim Minifie says fines need to be "big enough to make an impact".

Powers to fine Airbnb hosts:

In relation to short-term rental accommodation such as Airbnb, it says "any rent increases caused by the rise of short-stay rentals are likely to be localised or small", and governments should "freely permit all occasional short-stay whole-premise letting".

To limit noise and loss of amenity when people rent out their spaces, the report suggests state governments give owners' corporations (also known as body corporates) more powers to control short-stay rentals, "possibly even the power to ban continuous, whole-premise short-stay rentals if agreed to by members".

The report points out that for all the complaints from body corporates that typically deal with physical property issues and other problems when people live close together, disruptive behaviour is relatively low.



Airbnb, which began operating in Australia in 2009, is the biggest global accommodation platform with more than 66,000 listings, mostly in inner Sydney and Melbourne. Stayz has more than 40,000 property listings

Grattan Inst report link <http://grattan.edu.au/report/peer-to-peer/>

HOW TO IMPROVE & MODEL BEHAVIOUR IN STRATA COMMUNITIES

For those unit owners concerned about leadership in their group we recommend the audio podcast at

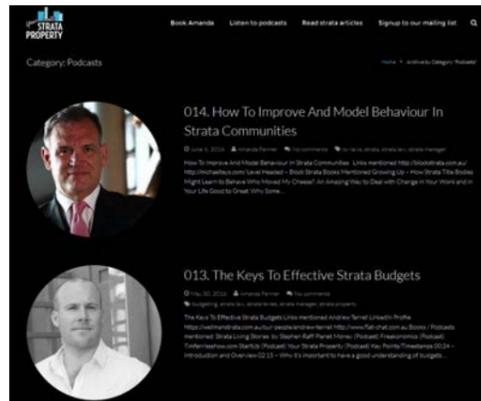
<http://www.yourstrataproperty.com.au/behaviour-in-strata-communities/>

The interviews features Australia's pre-eminent strata lawyers, Michael Teys. Some of the points covered include....

- ✓ Why it is important for people to learn to behave while living together in Strata communities.
- ✓ What a well behaved and reasonable Strata entity looks like....
 - *Has a good leadership
 - *Has fair expectations of its Strata managers and contractors
 - *Has documented rules and procedures
- ✓ The role of body corporate managers and committee members in Strata community leadership.

- ✓ Some key tips on how to resolve issues within the strata community.
- ✓ Key challenges strata owners face around improving their behaviour in their community and how to overcome them.

The site has many other helpful podcasts



LIGHTING UP YOUR UNIT AND GROUP

It's one of those rare win win situations - save money on your electricity bill, reduce greenhouse gas emission and feel really good about yourself. There are many compelling reasons to change to energy efficient lighting, here's your guide....

With the government legislated demise of incandescent light bulbs, the move to more efficient 'eco lighting' is afoot. There is simply no doubt that the new bulb technology is more energy efficient and in most cases longer lasting.

The challenge is getting building owners to adopt the pay more now to save over the long term thinking required to invest in new bulb technology as sometime this requires a full light fitting replacement.

Commercial owners for whom outgoings are usually paid by tenants, do not have the financial motivation to change fittings. However some tenants will choose an eco-friendly building over one that isn't. It is good corporate social responsibility and it will drive change over the medium term.

What kinds of bulbs are available?

While the incandescent light bulb has served us well for 135 years it is time for a change. Here's some options:-

CFLs..

CFLs (Compact Fluorescent lights) were the first eco lighting on the scene. CFLs use between one fifth and ... one third the energy of incandescents. Many people did not use CFLs to start with, common complaints were - I don't like the white light given off by CFLs and others point out that turning CFLs on and off for short periods considerably affects their useful lives. They take a few minutes to get to fully lit up and are not dimmable.

CFL technology has massively improved with options colour, 'instant-on' bulbs have resolved the slow start up., and seeing the light.

So where do you use CFLs? Indoor areas only where lights are turned on and left on for long periods - offices, hallways and covered car parks.

WARNING - If you break a CFL be aware of the small amount of mercury in them, just open a window nearby and let it air for 10 minutes before cleaning up.

Average cost: \$2 to \$20 Average wattage: 9W to 52W Average life expectancy: 10,000 hours

LEDs

LEDs (Light-emitting diodes) are the most popular new lighting option. When an LED is switched on, electrons and electron holes come together. The result of this process is a release of energy in the form of photons, or light.

LEDs use a fraction of the wattage required to power an equivalent incandescent bulb. For example a 12 watt LED puts out 800 lumens (a unit of brightness for a light source) of light whereas a 60 watt incandescent puts out 880 lumens. LEDs are obviously much more cost effective to run.

Average cost: \$5 to \$25 Average wattage: 4W to 22W Average life expectancy: 20,000 hours

Incandescents

The classic light bulb in a thought bubble is an incandescent stall the way Edison designed them - a tungsten filament trapped within a glass enclosure. Electricity heats the filament to a point where it glows, and you have light.

While manufacture and supply of incandescents is waning, they are available and are not banned you just won't find them in supermarkets anymore.

Average cost: \$1 to \$10

Average wattage: 40W to 150W

Average life expectancy: 1,000 hours

Halogens

Halogens are simply incandescent bulbs with a bit of halogen gas trapped inside with the filament. This gas helps "recycle" the burned-up tungsten gas back onto the filament, making for a slightly more efficient light.

Average cost: \$2 to \$15 Average wattage: 29W to 72W Average life expectancy: 1,000 hours

Which type of light should I choose?

- Look at the amount of usage the light is getting-
 - Is it been turned on and off constantly?
 - Is it only on occasionally for short periods or for long periods at a time?
- From this work out which light type(s) are the best to use.
- Next assess whether the light fittings you have will readily take the new bulb types or if a new fitting is required and take these costs into account.
- Get the fact sheet form the manufacturer of the lights and look at the energy usage (watts) and effective light (lumens) emitted.



• Do a cost to buy and fit and energy/cost saving calculation to work out the payback period or ...

• Just do it anyway for the feel good factor.

BONUS FACT SHEET - lumens

The incandescent wattage equivalents on the packaging of eco-lighting can be misleading (it's all in the definitions used) so here's a better way to do it, look at the lumens. Here's a chart to assist you:-

- 40W incandescent bulb = 450 lumens plus
- 60W incandescent bulb = 800 lumens plus
- 75W incandescent bulb = 1,100 lumens plus
- 100W incandescent bulb = 1,600 lumens plus



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