

Productivity Commission,

I, Janine Bransden would like to add further to my previous submission:

I am very concerned at the submission made to your enquiry by HIA where they have asked for arbitration to be introduced on a National basis. Arbitration is worse in these disputes than going to court and under no circumstances would I suggest the Productivity Commission recommend that arbitration (which is banned on the mainland for domestic building disputes) ever be reintroduced.

The Premier Jim Bacon wrote to the MBAT about our case, the Attorney General Judy Jackson wrote to them pointing out the problems – we had to abide the MBAT standard contracts - i.e. enter into arbitration should there be a dispute. We spent over 8 years in arbitration and it proved far more costly than the house we had built. During this time the MBAT did not provide any assistance, other than to the builder (MBAT member who was the former President) nor would they send any of their members to inspect our house. The Association closed ranks with the builder and did nothing to help us.

It is my belief that the Trade Associations such as MBA and HIA get money out of Insurance and do nothing to help the consumer.

I understand that HIA (and MBA) continue to provide the building contracts for its members. These contracts are developed with the builder's best interests at heart, and do nothing to assist consumers. HIA and MBA are both associations who exist through payment of fees from its members (builders) and their doctrine is primarily to protect the interest of its members – not consumers. Unless the government or one of its agencies such as CAFT ratifies building contracts to ensure they are fair for consumers, nothing will change. Building a home will be a disastrous affair for consumers when things go wrong with the building process.

The primary focus of trade Associations is to use Government Legislation as a means of income; this is very bad for consumers. As far as Arbitration goes the Associations have a vested interest and this is not a means of solving building disputes for Consumers. Having spent 8 years of our life fighting to save our house we are living proof that Arbitration is a farce and should be abolished, it can be drawn out for years until the consumer is bankrupt and can no longer afford to keep the houses that they are fighting to have fixed! Our contact with Consumer Affairs since 1999 is living proof that the system in place does not work.

Associations do nothing for consumers and Arbitration **does not work** as the Associations have a vested interest in the outcome for their builders.