

From: andris blums [andrisdg@yahoo.com]
Sent: Sunday, 3 February 2008 5:42 PM
To: Irvine, Jill
Subject: PC email 3: Any one listening /Tasmanian press release

Victorian ministerial staff and others in the loop ,to read ,consider and for the brave at heart to break ranks and tell their emperor's that his/her clothes are thread bare and a future of lonely policy nakedness is in the offing

Not a bad 2 months Dec 07 / Jan 08 so far in exposing BUILDERS WARRANTY INSURANCE as a fraud on consumers .

The Productivity Commission draft report Dec 07 call for a complete revamp and suggested the Qld model

NSW legislative council committee report Jan 08 is less than wholesome about the current arrangements and a further inquiry re the current tribunal arrangements is in the wind

NSW OFT release a 2nd set of garbage financial figures re BWI to 30/6/07 ,that purport not to tell a whole load of falsehoods re the operations of the current junk insurance arrangements

And now we have Tassie opting out

Interesting times we live in . A much abused traditional chinese saying .

So which state is the next cab of the rank to ditch this CONSUMER FRAUD and take up the challenge of the direction things are pointing to ,That is IMPLEMENTING the QUEENSLAND MODEL .

Can we confidently predict on past performance of all the recipients of this email ,who on past performance are apparently in full agreement with , i.e. Mr Norton of the building commission whose position can be paraphrased as 'there will be no change or advice to the minister for change ,except over my dead body ' ,will you with Mr Norton continue to dig deeper into the trenches as practising recalcitrants and confuse public policy outcomes based on the public good and demonstrable cost benefit analysis to the public with the defence of the indefensible based on grossly obscene profits accruing to vested rent seeking private interests

All these events/reports lead inexorable to the QLD MODEL

So will Vic be the last cab of the rank going no were even after ,if it happens a council inquiry as foreshadowed eventuates this year in Vic or will Mr Norton and all the ministerial staff /public servants see the light and tell their ministers and the premier that the game will soon be up and Vic consumers [VOTERS]are not perpetual mugs and expect and deserve better than the current PRIVATISED FRAUD arrangements masquerading as consumer protection

Yours Andris Blums

A NOTE TO MR NORTON

Dear Mr Norton is a considered personal reply to the issues possible from you on

behalf of the building commission and the broader voter public you also serve . That would mean excluding from the equation the vested rent seeking interests whose junk insurance is detrimental to the public good and which the building commission to date has defended and supports vigorously in it's defence of the current BWI arrangements .

It would be appreciated if your considered reply canvasing all the current policies in place re BWI which are currently defended without any evidence as to their public good or benefit based on comparative cost benefit analysis of the alternatives or Qld model .

If that is not possible please kindly indicate what recalcitrant steps you intend to recommend to the minister to delay the inevitable .That is the junking of the sale of junk insurance on behalf of vested interests that are a fraud on the public and commonly known as BWI

If as on past performance the only defence every recipient of this email has in the ministerial decision making loop in defending the fraud is silence and denial ,so be it .

Mr Norton ,surprise me ,your colleagues and the people you purport to service including your masters ,by a considered reply to me in which you advise me and the public you purport to serve that the building commission has reconsidered its intransigence on the issue and is now in favour of reform and will support the reform proposals in the Productivity Commission draft report on the issues

Leaving aside the issue that I am entitled to the courtesy of a considered reply from many of you reading this email , Possible Mr Norton to get such a response from you by the end of Jan 08

Possible is a word I use advisedly in India .In India if the word is not used as a pre fix to a request the chances of it happening are slim, but with the pre fix possible is used the success rate often exceeds 90%.

So is this the time to be lucky,a reply advising that the public good will prevail or is the cone of silence and policy denial on behalf of rent seeking vested interests to persist while the policy edifice crumbles and is dismantled in the other states .

A reply possible by the end of Jan 08

P.S. To whom it may concern or feels brave all replies will be gratefully appreciated as even a rent seeker the HIA ,who are to embarrassed to be truthful about the commissions they receive on BWI policy sales have stated in the press reports of today 17/1/08 that they have lobbied for -I suspect the puroposes of retaining some of there undisclosed commission cash flow - that junk insurance to be voluntary not mandatory

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Government Media Statement

16 January 2007

STEVEN KONS

Minister for Justice

Scrapping of Mandatory Housing Indemnity Insurance

The Minister for Justice and Workplace Relations, Steven Kons, today announced plans to scrap the mandatory housing indemnity insurance scheme.

Mr Kons said the scheme would be replaced with a range of other measures that would better protect consumers.

"Currently home owners who are having their house built are required to pay high premiums to take out the insurance which they believe guards against building defects.

"On average, this costs more than \$1500 for a project worth between \$200,000 and \$250,000.

"Consumers are then left thinking they are covered if something goes structurally wrong.

"But because housing indemnity is last resort insurance, claims can only be made if a builder dies, disappears or becomes insolvent, and if a builder disputes an allegation of faulty work, the consumer can be left with little recourse.

"A legislatively mandated scheme of last resort insurance is simply not good enough for Tasmanian consumers. It risks leaving families with an unsaleable or devalued house due to faulty workmanship and little recourse.

"This insurance does not provide the resolution or security that people expect nor peace of mind.

“It is not the sort of insurance cover that the consumer thinks they are buying, and often leaves home owners with no option but to turn to the courts, which can be both time-consuming and costly.”

“Many Tasmanians aspire to build their own home, and the State Government wants to ensure that these people remain in control of their investment by having access to proper recourse and advice should they experience problems into the future.”

Mr Kons said the insurance scheme for residential building work would be phased out in Tasmania during the next 18 months.

“Replacing it will be a new statutory framework, which will include a program allowing the resolution of disputes between consumers and builders as an alternative to the courts.

“The Office of Consumer Affairs and Fair Trading will administer this program to quickly and equitably deal with complaints between consumers and builders.

“It will include a quick response approach to deal with issues as soon as they emerge and will establish powers to make rectification orders to remedy faulty workmanship.”

Mr Kons said the new framework would mandate the use of standard form contract provisions and also include the parties having to agree to variations in writing for all residential building work.

“In the short term, the Housing Indemnity Act will be amended to mandate the disclosure to the consumer that housing indemnity insurance is a last resort scheme.

“We will also require that consumers are given a fact sheet advising them of their rights and responsibilities,” Mr Kons said.

Mr Kons said while he expected the insurance industry to be critical of this decision, the State Government was acting in the best interests of consumers.

“We have acted responsibly by undertaking consultation on this issue, and the recent Productivity Commission Report supports this move to give Tasmanians a fairer system and greater protection,” Mr Kons said.

Contact:: Rohan Wade 6336 2443 or 0417 051 255

<http://www.tas.gov.au>

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