

**Senate Standing Committee on Environment, Communications and the Arts  
References Committee**

Answers to questions on notice

**Inquiry into the Energy Efficiency Homes Package**

February 2010

**Question No:** 10  
**Topic:** Briefings to Minister  
**Hansard Page ECA:**

**Senator BIRMINGHAM asked:**

Could you confirm that none of the briefings made references to the Minter Ellison report and tell us whether any of them quoted from the Minter Ellison report at all?

**Answer:**

A review of documents logged in the Department's records system indicates that one brief to the Minister referred to the work being undertaken by Minter Ellison but did not quote directly from the report.

This is an updated answer to Question 10.

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**Question No:** 30  
**Topic:** Installer workforce  
**Hansard Page ECA:** 65-66

**Senator BARNETT asked:**

I referred to your submission where you said ‘the installer workforce is estimated at more than double the 6,313 installer businesses’. That is as of December last year. You said you would take it on notice and advise the estimate for now...If you could have a look at the *Hansard* and in any event take it on notice. **Ms Kruk**—I will. I must admit I have not even had time to look at the *Hansard* record of my appearance here, so I will take it on notice.

**Answer/s:**

The Department’s submission was based on an assumption that each of the 6,313 installer businesses would have two installers at a minimum.

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**Question No:** 39  
**Topic:** Consultancies  
**Hansard Page ECA:** 66

**Senator FISHER asked:**

With respect to question 38 specifically provide the details with respect to the Ernst and Young, Price Waterhouse Coopers and KPMG reports.

**Answer/s:**

Ernst and Young was engaged to provide two reports in relation to audit and fraud control as outlined below:

1. Fraud Control Plan and Strategy

Consultancy report was requested on 1 May 2009

The cost of the report was \$36,740.00

2. Audit Plan and Manual

Consultancy report was requested on 15 May 2009

The cost of the report and Manual was \$50,239.20 (\$44,233.20 for the report and \$6006.00 for the manual)

KPMG was engaged to provide two consultancies on the following:

1. Business model options for the Home Insulation Program and targeting hard to reach clients

Report was requested on 9 April 2009

The cost of the report was \$78,157.00

2. Analysis of the insulation industry

Report was requested on 31 July 2009

The cost of the report was \$19,627.19

Price Waterhouse Coopers was engaged as a service provider to deliver audit and fraud control functions. They were not engaged to provide consultancy reports and there are therefore no relevant documents to report in response to this question.

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**Question No:** 46

**Topic:** Number of installers

**Hansard Page ECA:**

**Senator TROETH asked:**

Please advise your estimate of the total workforce in the housing insulation industry. The dept has previously advised it is twice the number of insulation businesses.

**Answer/s:**

See answer to QON 30.

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**Question No:** 52

**Topic:** Deregistered installation companies

**Hansard Page ECA:**

**Senator BARNETT asked:**

Please advise how many installation companies have been deregistered and relevant state and/or territory.

**Answer/s:**

See answer to QON 19.

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**Question No:** 58

**Topic:** Safety audit of homes

**Hansard Page ECA:**

**Senator BARNETT asked:**

With respect to the estimated 80,000 homes with a safety risk and the 160,000 homes with non compliant insulation, what is the audit process and how long will it take to complete and at what cost? Please provide details.

**Answer/s:**

The Minister Assisting the Minister for Climate Change and Energy Efficiency, Greg Combet AM MP, made a detailed statement to Parliament on 10 March 2010 on these issues.

Fuller details of the forward strategy in relation to audits and inspections are under development.

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**Question No:** 67  
**Topic:** Number and percentage of faults  
**Hansard Page ECA:** 74

**Senator BIRMINGHAM asked:**

How many homes and what percentage of all those where insulation was installed under the Home Insulation Program are identified as at risk of having electrified rooves; faulty installation that could cause house fires; inferior or non-compliant insulation products; and inferior or non-compliant installation of insulation products?

**Answer/s:**

The Minister Assisting the Minister for Climate Change and Energy Efficiency, the Hon Greg Combet AM MP, informed the Parliament on 10 March 2010 that an inspection regime which has completed approximately 15,000 roof inspections to date, and over 1,000 desktop audits has identified:

- 66 per cent of installations were fully compliant;
- 7.6 per cent had fire safety hazards;
- 16 per cent had other quality issues including non-compliant insulation product and incomplete installations;
- 0.5 per cent involved potential fraud; and
- 9.5 per cent were unable to be completed for various reasons.

It should be noted that caution must be exercised in extrapolating the results of this sample as it may not be representative of all homes insulated under the Home Insulation Program. The inspections have to some degree targeted installations by firms with a poor compliance record.