

Senate Standing Committee on Environment, Communications and the Arts

Answers to questions on notice

Inquiry into the Energy Efficient Homes Package

February 2010

Question No: 27

Topic: Margaret Coldrake

Hansard Page ECA:

Senator BIRMINGHAM asked:

In relation to Margaret Coldrake, could you please provide information on her background, skills and the cost incurred?

Answer/s:

Ms Coaldrake's background and skills are listed below:

Ms Coaldrake holds a BA (Hons) (University of Sydney, 1977); MA Museum Studies (Distinction) (University Of Leicester, 1986); FAICD, FAIM; 2003 Centenary Medal; 2002 Finalist, ACT Telstra Business Women's Awards - Private Sector Category; Australian National University Women's Re-entry PhD Scholarship, 1996 - 1998; Commonwealth Government Overseas Postgraduate Study Award (Public Service Grant), 1983 – 1985

Experience

February 2008 – present: Managing Director and Principal Consultant Langdale Consulting Pty Ltd

July 2009 – present:

Part time Chief Executive to Minter Ellison Consultants (Canberra) Pty Ltd.

February 2008 – June 2009: full time contractor to Minter Ellison Consultants (Canberra) Pty Ltd

June 1996 – June 2009: Consultant, Minter Ellison Consulting with work covering:

- Corporate governance, risk management and compliance reviews, advice and training
- Organisational review, strategic facilitation and business advice
- Team leader and project manager - legislative implementation and program evaluation
- Editing and online training programs.

Directorships

Langdale Consulting Pty Ltd, 1992 – present; Rhodium Asset Solutions, 2004 - 2008; Audit Committee, Rhodium Asset Solutions, 2004- 2008; Board of Canberra Grammar School Foundation, 2000 – 2003; SAFETRAC Pty Ltd - 2001- 2005; ICOM 98, 1995 – 1998; Cultural and Recreational Industry and Advisory Board, 1995 - 1996

Board appointments

Chair: ACT Project 2000 Community and Culture Focus Group, 1997 – 2000; Australian National Commission for UNESCO Culture Network, 1994-1998; Council of Australian

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Museum Directors, 1993 – 1995. **Deputy Chair:** Exhibition Park in Canberra, 1999 – 2000; ACT Centenary of Federation Committee, 1999 -2001; Australian National Commission for UNESCO, 1994 -1995. **Interim Chair:** ICON Cooperative Multimedia Centre Bid Committee, 1995. **Judge:** ACT Tourism Awards, 1995. **Trustee:** Exhibition Park in Canberra, 1993 – 2000. **Honorary Secretary:** Friends of the Museum of Applied Arts and Sciences, 1986. **Youth Representative:** Australian Federation of Friends of Museums (AFFGM) Executive, 1985 – 1986. **ACT Vice-President:** Institute of Museum and Gallery Education (ACT) 1984 -1985. **Member:** ACT Project 2000 Taskforce, 1997 – 2000; ACT Centenary of Federation Committee, 1996 – 2001; Aichi Expo Advisory Board, Commonwealth Department of Foreign Affairs and Trade 2003 to 2005; Australian - Japan Foundation Board, 1995 – 2001; Governing Board, Centre for Australian Cultural Studies, 1995 – 1996; Australian Science Archives Project Board, 1995; CSIRO Discovery Centre Advisory Committee, 1995; International Council of Museums (Australia) Board, 1993 – 1995; Refugee Week Committee, 1993; Old Parliament House Redevelopment Committee, 1992 – 1995; Museums of Australia (NSW) Committee 1987 - 1988

Professional memberships

Fellow: Australian Institute of Company Directors, 2007 – present; Australian Institute of Management, 2007 – present; **Member:** Women on Boards, 2007- present

Cost

Margaret Coaldrake provided a range of services to the Department in the period April 2009-February 2010. In total she was paid \$106,000.

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Question No: 31
Topic: Cost of the program
Hansard Page ECA:

Senator BARNETT asked:

What is the cost of the program to date and what is the cost to the taxpayer?...Ms Kruk – Senator, if I may, Senator Birmingham has indicated at the outset that these were a broad range of costs in the event of specific problems arising. We are not in a position to give you an accurate figure in relation to any follow-on inspection or rectification works. I think you are aware of that, because obviously the previous agencies would have detailed some of the assistance packages that have been made available to employees. That was the previous testimony, was that not? We are not in a position to give you more detail. **Senator BARNETT**—If you could take it on notice, I would really appreciate it. **Ms Kruk**—I will take it on notice.

Answer/s:

Detailed costings for the foil insulation inspection program and the expanded audit program for the former Home Insulation Program are still being developed. Expenditure to 28 February 2010 for rebates paid under the Home Insulation Program was in the order of \$1.5 billion.

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Question No: 32
Topic: Cost of the program
Hansard Page ECA:

Senator BIRMINGHAM asked:

Were the cost ranges costs to government or costs to the economy? **Ms Kruk**—My understanding is that they were identified as costs to the government—weren't they, Mr Forbes? I stand to be corrected if my interpretation is wrong. **Mr Forbes**—I think they are costs to government, but again I would have to take that on notice to be sure.

Answer/s:

In the MinterEllison Consulting risk register program costs are expressed as costs to Government.

Question No: 43

Topic: Police investigations

Hansard Page ECA:

Senator BARNETT asked:

Please provide a brief on the status of any police or other investigations into the program and advise the nature of the investigation eg. fraud etc.

Answer/s:

The Department has indicated previously that at the close of the program on 19 February 2010, three matters have been referred to the Australian Federal Police. The Department is not in a position to provide detailed information on ongoing compliance investigations.

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Question No: 55

Topic: Foil Insulation – Inspections

Hansard Page ECA:

Senator BARNETT asked:

How long will the foil inspection program take and what is its estimated cost and when will it start?

Answer/s:

Current arrangements allow householders to organise their own inspection, and this will continue until alternative arrangements are in place to organise the inspections on behalf of householders. These alternative arrangements are currently being finalised. Accordingly, it is not yet possible to determine a completion date or cost estimates for the foil inspection program.

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Question No: 72

Topic: Replacement Program

Hansard Page ECA:

Senator BIRMINGHAM asked:

What risk assessment processes have been put in place for the replacement Home Insulation Program, which the Prime Minister says will be operational by 1 June 2010? Who will undertake them and be involved in them? Who will be involved in stakeholder consultation? Will all Ministers and Cabinet be provided with a copy of the risk assessment?

Answer/s:

The arrangements underpinning the new Renewable Energy Bonus Scheme including the approval steps within government are under development. Appropriate principles of sound major project management will be followed including a thorough assessment of the risks and including the appropriate consultations with stakeholders.

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Question No: 78

Topic: Support for former installers

Hansard Page ECA:

Senator BIRMINGHAM asked:

What proportion of wages will former insulation installers expect to be paid under the support mechanisms being offered by the Government? How much will former insulation installers be paid under the support mechanisms being offered by the Government? How quickly is this support available? When can the first installer expect to receive a financial payment?

Answer/s:

The Department of the Environment, Water, Heritage and the Arts does not have carriage of the Insulation Workers' Adjustment Package. This question should be directed to the Department of Education, Employment and Workplace Relations.

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Question No: 91
Topic: Deregistered companies
Hansard Page ECA:

Senator TROETH asked:

In a briefing paper released by consumer advocacy body 'Choice', it is noted that insulation companies were still advertising the government rebate offer on their websites, despite being deregistered as providers under the scheme.¹ What steps did the Department take to ensure that once insulation companies were deregistered, they ceased operating within the scheme?

Answer/s:

Following the 1 December 2009 changes to the Home Insulation Program, registered installer companies that failed to comply with the terms and conditions of registration were deregistered by the Department.

As part of that deregistration process, installer companies were required to send back all their outstanding work books and notified that they would still be subject to compliance and audit action by the Department.

Following deregistration, installer companies were no longer able to make claims for payment.

If the Department became aware that installer companies were still continuing to advertise to install insulation under the Program, the Department referred these cases to the ACCC for appropriate action.

Deregistered installer companies were also placed on the Department's deregistered installer list. This list was made available on the Department's website at:

<http://www.environment.gov.au/energyefficiency/insulation/homeowners/deregistered.html>

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Question No: 92

Topic: Deregistered companies

Hansard Page ECA:

Senator TROETH asked:

Was it brought to the attention of the Department that deregistered companies were still operating under the scheme, and if so, what measures did the Department have in place to take further action against these companies to ensure they actually did cease operation within the scheme?

Answer/s:

See answer to QON 91

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Question No: 103
Topic: Consumer protection
Hansard Page ECA:

Senator TROETH asked:

Minter Ellison raises several areas of concern with regard to inadequate consumer protection compliance – during the industry and stakeholder consultations that took place, were consumer advocate groups included in these consultations at any stage, on what basis were they selected, and in what form was their feedback sought? Further, what steps did the Department take to convey to registered installers and installer companies information about consumer protection compliance, such as fair trading, and unconscionable conduct?

Answer/s:

The Department held three formal meetings with advocacy groups on 19 February 2009, 15 July 2009 and 29 August 2009. Participants were selected for their representation of disadvantaged and other community sectors. Feedback was invited during these formal consultative meetings and an invitation was made for participants to write to the Department on any aspect of their particular area of interest if they wished to do so.

In relation to instructions to installers, the Terms and Conditions of Registration established a clear framework for consumer protection in that installers were required to use insulation material that met the relevant Australian Standard and was installed in accordance with the relevant Australian Insulation Installation Standard. Installers were required to carry workers compensation insurance, Public Liability (\$10m) and Property Damage (\$10m) insurance.

Amongst other things the Terms and Conditions of Registration also required that installers comply with the Program guidelines (as updated from time to time) and all relevant Commonwealth, State, Territory and local government laws and regulations.

Installers were required to agree to the Terms and Conditions upon registration and again to revised Terms and Conditions by 15 December 2009. Installers who did not agree to the revised Terms and Conditions, were removed from the Installer Provider Register from 16 December 2009.

Installers were reminded of their obligations under the Home Insulation Program through Installer Advisories, which were emailed to every installer and were available on the Department's website.