

16/02/2010

Senator the Hon Jan McLucas
PO Box 2733
Cairns Qld 4870

Dear Senator;

I note the Senate is conducting an enquiry into the insulation rebate scheme Wednesday 24 Feb 2010. I wish to submit the following correspondence for consideration.

A&B Mintec has been involved in the insulation and construction supply industry for 20 years. The Energy Efficient Homes Program offering householders a \$1200 rebate to insulate their home is an excellent initiative to stimulate jobs in the depressed building industry and to save energy and costs for homeowners. This is the worst slump in the construction industry in our region that we have seen since our inception. Without this excellent initiative we may remain viable while the economy and construction industry recovers from the World economic crisis.

Since the introduction of the EEHP AB Mintec has invested significant capital and employed 4 extra staff to undertake work. I feel without the EEHP we may well have had to reduce staff numbers by four and even then viability would be a real concern. I provide the following, an example of how this outstanding initiative has assisted our and I am sure many other similar businesses. At the height of the GFC all our staffs were faced with two options, 1. Face an uncertain future or 2. Accept a reduction in wages by 10% in an effort to assist our business to scrape through the GFC. Our staff accepted the 10% wage reduction. The introduction of the EEHP has such a significant positive impact on our business that we were promptly able to return our existing staff to their full wage entitlement as well as employ four new staff members. THIS CAN BE DIRECTLY ATTRIBUTED TO THE EEHP, specifically the insulation program.

A&B Mintec is deeply concerned to see our industry and the EEHP scheme so badly criticized by the recent media coverage and some ill informed comments from many people. This program has the tightest standards we have ever had to follow in the industry. The communication from the government has been absolutely clear about safety issues and we ensure that all our partner installing companies are well informed and completely understand the requirements. We find it hard to understand how any installer could risk the life of any staff member, in our opinion this is a few

greedy new entrants into our industry where their only desire is to get rich quick. The behavior of this minority is totally unacceptable but the Government is not to blame in my view. Businesses with less than honorable intentions are very difficult to control and will always become involved in opportunities to make what they believe is "easy money", it does not matter which political party creates these initiatives there will always be someone who seeks opportunities without consideration on honorable and professional business practices.

This Program is delivering real benefits to the community. It has been challenging getting set up to meet the standards and level of demand but we have done that now. This is no time to stop the program just as all the issues have been sorted out. I am therefore writing to let you know the impact of any premature closure of the insulation rebate or any reduction in the rebate value being offered. It would have a major impact on my business and employment in your electorate. I would be forced to lay off 4 employees and it would cost me in excess of \$80,000 in stock and profitability which would potentially endanger my whole business.

I encourage you to support the EEHP to it's conclusion.

Yours sincerely

Brenda Messervy
Manager