

**Senate Standing Committee on Environment and Communications  
Legislation Committee**

**Budget Estimates 2012-13, 21 May 2012**

**Answers to Questions on Notice**

**Climate Change and Energy Efficiency Portfolio**

<b>Outcome:</b>	1	<b>Question No:</b>	87
<b>Program:</b>	1.2		
<b>Division:</b>	ESPD		
<b>Topic:</b>	Do Something!		
<b>Hansard Page EC:</b>	EC73		

**Senator BIRMINGHAM:** What is the organisation Do Something!?

**Mr Cahill:** Under the guidelines it has to be under 12 months with a connection to a constituency or ability to be able to connect to the target audience, in this regard the SME. I would have to take on notice the length of time that organisation has been operational. Obviously, I do not have the applications in front of me.

**Answer:**

Do Something! is a non-profit organisation established in 2008. Do Something! is involved in the promotion of energy efficiency to small and medium enterprises and community organisations, including delivery of the 'Sustainable Growth' small business guidebook on sustainability and energy efficiency.

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<b>Outcome:</b>	1	<b>Question No:</b>	88
<b>Program:</b>	1.2		
<b>Division:</b>	EED		
<b>Topic:</b>	Tax Breaks for Green Buildings – Key Performance Indicators		
<b>Hansard Page EC:</b>	EC74		

**Senator BIRMINGHAM:** Thank you. I appreciate your candour in telling us that there was that degree of progress. Has the department received representations since the decision of the government to opt for a different policy?

**Dr Kennedy:** I have not received any representations. I would have to consult with my colleagues or take that on notice.

**Mr McGlynn:** Can I just clarify the question? Is it what time and what sort of representations you are asking about? Do you mean since the budget announcement?

**Senator BIRMINGHAM:** Since the policy change became clear.

**Mr McGlynn:** That announcement was made in the budget. Since then I have not seen any representations. I understand that there are likely to be a few.

**Dr Kennedy:** We will take it on notice and consult with our colleagues. You can be sure that neither Gene nor I have had representations.

**Answer:**

As at 19 June 2012, the Department has received four letters addressed to either Minister Combet or Parliamentary Secretary Dreyfus regarding the decision not to proceed with the Tax Breaks for Green Buildings.

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<b>Outcome:</b>	1	<b>Question No:</b>	89
<b>Program:</b>	1.2		
<b>Division:</b>	EED		
<b>Topic:</b>	Australian Sustainable Built Environment Council report		
<b>Hansard Page EC:</b>	EC75		

**Senator BIRMINGHAM:** Can the report can be provided to the committee? I expect the answer will be either a flat no or taken on notice.

**Mr Comley:** We will take it on notice.

**Answer:**

The Chair's Report of the Tax Breaks for Green Buildings Roundtable is available from the Department's website at: [www.climatechange.gov.au/government/initiatives/tax-breaks-for-green-buildings.aspx](http://www.climatechange.gov.au/government/initiatives/tax-breaks-for-green-buildings.aspx).

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<b>Outcome:</b>	1	<b>Question No:</b>	90
<b>Program:</b>	1.2		
<b>Division:</b>	ESPD		
<b>Topic:</b>	Home Insulation Program – Golden Boss Pty Ltd		
<b>Hansard Page EC:</b>	EC75		

**Senator FISHER:** I want to ask about the Home Insulation Program, in particular following up on a couple of answers to questions on notice 87 and 89. They relate to Golden Boss Pty Ltd, the company that was unlicensed but undertook some installations in South Australia. You indicate in your answer to question 87 that the department has assisted Consumer and Business Services South Australia with the investigation into installations undertaken by a Golden Boss under the HIP. How has the department assisted the South Australian department?

**Mr Cahill:** My understanding is that we have provided some information about the overall compliance profile of Golden Boss, but I would have to check that. I can take that on notice.

...

**Senator FISHER:** When did the department become aware that four of the 10 publicly identified installations by Golden Boss were non-compliant?

**Mr Cahill:** We will have to take that one on notice.

...

**Senator FISHER:** In answer to question 89, you indicate:

The Department has engaged with Golden Boss Pty Ltd in relation to non-compliant installations. The appropriate actions have been taken in relation to these instances of non-compliance ...

What actions, when, by whom, how?

**Mr Cahill:** I will have to take that on notice.

...

**Senator FISHER:** If you are taking that on notice, can you indicate how many South Australian homes, if any, have had the appropriate actions taken in respect of the installations?

**Mr Cahill:** I do not have that specific information with me.

**Senator FISHER:** I expect you to take that on notice.

**Answer:**

1. The Department has provided Consumer and Business Services, South Australia with information relating to installations in that state that were identified as being non-compliant with the Terms and Conditions of Registration and Program Guidelines for the Home Insulation Program (HIP). This included inspection results for all inspections carried out on installations conducted by Golden Boss Pty Ltd and complaint information.
2. Regarding the four non-compliant installations of the ten Golden Boss installations that have been publicly identified, three of the four were identified under Home Insulation Safety Program (HISP) safety inspections carried out in February, March and October 2010. The fourth non-compliant installation was notified to the Department by Consumer and Business Services, South Australia in January 2012.
3. The Department carries out compliance audits on installation businesses registered under the HIP. In accordance with its Compliance Framework, the Department reviews information that may indicate non-compliance with the Terms and Conditions of Registration and Program Guidelines, including reviewing installations to ensure that they comply with Australian Standards. Where non-compliance has been found, the Department notifies the installation business and provides them the opportunity to respond. Where an installation business is not able to show compliance, the Department may withhold payment or take recovery action.

The Department notified Golden Boss Pty Ltd of non-compliant installations identified through compliance activity. The first notification to the installer was sent in September 2010, with subsequent letters in April 2011 and March 2012. The Department has managed this matter in accordance with its Compliance Framework. For those installations that have been found to be non-compliant following the review process, payment has been withheld.

4. The Department has notified installers of 5,183 non-compliant installations identified during compliance activity in South Australia. Where safety issues are identified through safety inspections in relation to the installation of insulation under HIP, they are rectified under the HISP. In addition, homeowners are alerted to any safety issues that are identified that do not relate to the installation of insulation under HIP.

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<b>Outcome:</b>	1	<b>Question No:</b>	91
<b>Program:</b>	1.2		
<b>Division:</b>	ESPD		
<b>Topic:</b>	HISP – Transfield		
<b>Hansard Page EC:</b>	EC78		

**Senator FISHER:** And how many homes have been inspected?

**Mr Painting:** Only for the Transfield component, I am sorry, I cannot tell you because it has been consolidated as we go and added to the previous work as well. I would have to take that on notice and give you the total.

**Mr Cahill:** I can tell you the number of inspections to date under the program regardless of the contractors, if you would like. Obviously, if you remember the first phase of the Home Insulation Safety Program, I think PwC was the lead contractor. Then when we put it out to market, Transfield took over that. We are happy to expand on the specifics of all inspections to date.

**Answer:**

Inspections under the Home Insulation Safety Program (HISP) Phase 2 contract with Transfield Services commenced April 2011. As at 31 May 2012 Transfield Services has inspected a total of 56,468 non-foil households and 4,682 foil households.

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<b>Outcome:</b>	1	<b>Question No:</b>	92
<b>Program:</b>	1.2		
<b>Division:</b>	ESPD		
<b>Topic:</b>	Safety Programs		
<b>Hansard Page EC:</b>	EC79		

**Senator FISHER:** Can you provide a consolidated cost that shows apples with apples—the number of houses inspected, whether they are FISP or HISP, and the contract value?

**Mr Painting:** Yes, I can.

**Answer:**

As at 31 May 2012, 203,713 non-foil households have received an inspection and 47,910 foil households have received an inspection.

147,245 of the 203,713 non-foil households and 42,105 of the 47,910 foil households were completed under Interim HISP and FISP, HISP Phase 1 and FISP. The total cost was \$214.36 million (including GST). This includes all inspections and inspection related services.

As at 31 May 2012, 56,468 of the 203,713 non-foil households and 5,805 of the 47,910 foil households were completed under the HISP Phase 2 contract with Transfield Services. The total contract value as currently reported on AusTender for this contract is \$124.09 million (including GST). This includes all inspections and inspection related services. Forecasts suggest that the total contract amount is unlikely to be fully expended.

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**Outcome:** 1 **Question No:** 93  
**Program:** 1.2  
**Division:** ESPD and CSD  
**Topic:** Safety Programs  
**Hansard Page EC:** EC79

**Senator FISHER:** Yes. It is a grand a house, is it not, or a bit over? It is 273 divided by 250. How many calls have been made to the home insulation hotline, say, month by month over the last 12 months?

**Mr Painting:** Month by month, we would obviously take on notice.

**Answer:**

There have been 6,206 calls handled through the Safety Hotline from 1 May 2011 to 30 April 2012 broken down by month below.

<b>Year</b>	<b>Month</b>	<b>Calls Answered</b>
2011	May	1,426
	June	786
	July	608
	August	611
	September	416
	October	834
	November	418
	December	217
2012	January	236
	February	272
	March	202
	April	180
	<b>Total</b>	<b>6,206</b>



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<b>Outcome:</b>	1	<b>Question No:</b>	94
<b>Program:</b>	1.2		
<b>Division:</b>	LSB		
<b>Topic:</b>	Compensation for Detriment Caused by Defective Administration scheme		
<b>Hansard Page EC:</b>	EC80		

**Senator FISHER:** I appreciate that. Thank you. I will move to the Compensation for Detriment Caused by Defective Administration scheme. How many businesses have lodged claims for compensation under this scheme? There was a story on *PM* on 2 April which said that 39 businesses had lodged claims.

**Mr Cahill:** As it relates to the green star insulation program, I understand it is in that vicinity, but I would have to check. I am not sure if it is 38 or 39, but that number sounds broadly right to me.

**Senator FISHER:** My questions are in respect of home insulation. Can you confirm that on notice?

**Senator FISHER:** How many claims have been resolved and how many have been successful in whole or in part?

**Answer:**

1. As of 19 June 2012, the Department has received 40 claims under the Scheme for Compensation for Detriment caused by Defective Administration (CDDA) regarding the Home Insulation Program and associated remedial and assistance activities.
2. The Department has issued preliminary findings in relation to 31 claims. A number of claims are nearing resolution. Claims received more recently will continue to be progressed in order of receipt.

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<b>Outcome:</b>	1	<b>Question No:</b>	95
<b>Program:</b>	1.2		
<b>Division:</b>	LSB		
<b>Topic:</b>	Compensation for Detriment Caused by Defective Administration Scheme		
<b>Hansard Page EC:</b>	EC80-81		

**Senator FISHER:** If those claims are not paid in whole or in part and it is alleged that a business has gone bankrupt because of the home insulation program, can you indicate on notice on what basis you would say that the business did go bankrupt or was wound up if it was not due to its involvement in the home insulation program?

**Mr Cahill:** Subject to the advice of the department's experts in this area, I will take on notice the ability to give you the outcomes of those defective administrations once the final decision has been made, obviously recognising the boundaries of privacy. But I will make sure the information we can give you is correct and is available.

**Answer:**

The Department is considering all claims under the Scheme for Compensation for Detriment caused by Defective Administration (CDDA) in accordance with the CDDA Guidelines, set out in *Finance Circular 2009/09 – Discretionary Compensation Mechanisms*.

The decision-maker will give reasons to claimants when advising them of the outcome of their claim. Those reasons would relate to the requirements of the CDDA Guidelines but would not generally extend to matters outside of the CDDA Guidelines.

The Department would be required to consult with claimants in relation to any third party requests for information about their claim.

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<b>Outcome:</b>	1	<b>Question No:</b>	96
<b>Program:</b>	1.2		
<b>Division:</b>	EED		
<b>Topic:</b>	NatHERS		
<b>Hansard Page EC:</b>	EC81		

**Senator SINGH:** Are they offered in Tasmania?

**Mr McGlynn:** I would have to take that on notice. I would be surprised if they were not, but I cannot actually guarantee at this stage who is offering it in Tasmania.

**Senator SINGH:** Obviously this is a COAG commitment to be rolled out across all jurisdictions.

**Mr McGlynn:** That is right.

**Senator SINGH:** Therefore, the courses need to be available in all jurisdictions.

**Mr McGlynn:** Yes.

**Senator SINGH:** I would be interested to know whether or not and to what extent they are available in Tasmania.

**Answer:**

Nationwide House Energy Rating Scheme training has been offered and courses have been run in Tasmania. Both AccuRate and BersPRO softwares have trainers that have indicated a willingness to train in Tasmania if there is a demand for these courses.

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<b>Outcome:</b>	1	<b>Question No:</b>	97
<b>Program:</b>	1.2		
<b>Division:</b>	EED		
<b>Topic:</b>	AccuRate		
<b>Hansard Page EC:</b>	EC82		

**Senator SINGH:** I notice that there was one distributor of one of the accredited software programs that were available—the AccuRate software. One of the distributors withdrew sale support for that at the beginning of this month. Are you aware of that and what that is about?

**Mr McGlynn:** I am not aware of that. I would have to take that on notice as well.

**Senator SINGH:** I understand it is the Hearne Scientific Software Pty Limited.

**Mr McGlynn:** Yes. They have been the main distributor for the AccuRate tool, which is a CSIRO developed tool. I would have to take that on notice. I am not aware of that.

**Answer:**

‘AccuRate’ is the national benchmark software tool used by Australia's Nationwide House Energy Rating Scheme (NatHERS). It was designed by the CSIRO based on extensive scientific research about the way buildings operate in Australian conditions. In 2011, CSIRO released a new version of AccuRate - Accurate Sustainability (version 2.0.2.13x).

This contains all the functions of earlier versions of AccuRate, but also has a series of additional features including streamlined and simplified data entry and more assessment modules. Accurate Sustainability was given full accreditation in 2011 for use under NatHERS. CSIRO announced it would continue to support its previous version of AccuRate for a transition period which expired on 30 April 2012. Information about NatHERS and the accredited NatHERS software tools is provided at: [www.nathers.gov.au](http://www.nathers.gov.au).

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<b>Outcome:</b>	1	<b>Question No:</b>	98
<b>Program:</b>	1.2		
<b>Division:</b>	EED		
<b>Topic:</b>	Trusts		
<b>Hansard Page EC:</b>	EC84		

**CHAIR:** Just before you move on from that, Senator Macdonald, in relation to the trusts, I have an interest in trusts these days. It is not a financial interest but a political interest. Could you provide some more details about the disadvantage that the industry was arguing in relation to the trusts? I would be interested in that.

**Mr Comley:** We can take that on notice, yes.

**Answer:**

Industry stakeholders are strongly of the view that, for buildings owned by Real Estate Investment Trusts (REITs), tax deductions will not induce new or additional energy efficiency retrofits. Due to the flow-through nature of trusts, tax deductions will benefit trust holders individually, and therefore, will not provide an incentive directly to a REIT to undertake energy efficiency retrofits that are additional to business as usual.

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<b>Outcome:</b>	1	<b>Question No:</b>	99
<b>Program:</b>	1.2		
<b>Division:</b>	EED		
<b>Topic:</b>	Australian Sustainable Built Environment Council		
<b>Hansard Page EC:</b>	EC83-85		

**Mr Comley:** He chaired effectively a consultative group to look at the issue. Mr McGlynn could give you the full membership.

...

**Senator IAN MACDONALD:** Sure. I appreciate that, Minister. My question is: why set up these groups to advise if the government then is going to, apparently, take no notice of what they advise? What is the purpose of setting them up?

...

**Senator Wong:** I can take the question on notice. I am sure we will seek to give a response. I do not have any particular knowledge of this committee.

**Answer:**

The full membership of the Tax Breaks for Green Buildings Roundtable was:

- Tom Roper – Chair
- Rob Murray-Leach – Energy Efficiency Council
- Romilly Madew – Green Building Council of Australia
- Peter Verwer – Property Council of Australia
- Angus Nardi – Shopping Centre Council of Australia
- Robert Olde – Property Funds Association
- Angelina Bowden-Jones – Crown Limited
- Jonathon Wood – Crown Limited
- Emma Edwards – Tourism and Transport Forum
- Siobhan Toohill – Stockland
- Rob Green – Westfield Management Limited
- Andrew Bailey – Department of Climate Change and Energy Efficiency
- Hector Thompson – Treasury
- Greg Tracey – Australian Taxation Office

- Peter Van de Maele – Treasury
- Alana Parker – Treasury
- Matthew Clark – NSW Office of Environment and Heritage (NABERS Administrator)
- Secretariat – Gene McGlynn and Rachael Clarke (Department of Climate Change and Energy Efficiency)

During the initial consultation on the design of the Tax Breaks for Green Buildings Program in January 2011, concerns were raised by stakeholders that the proposed tax deduction model would not be effective for Real Estate Investment Trusts (REITs), who own a large percentage of potentially affected properties. Accordingly, the Australian Government extended the consultation process and put in place the Tax Breaks for Green Buildings Roundtable (the Roundtable), which included key stakeholders with the necessary skill set and industry knowledge, to review the relevant issues and assist the Government with the program design.

The Roundtable process was concluded and the Chair provided a report to the Government at the end of 2011. The Chair of the Roundtable was strongly of the view that for the Program to be effective, all building owners should be able to participate, including REITs. For this to occur, the design of the program would need to move away from the tax deduction model. Several alternative models were discussed by the Roundtable participants, including providing the incentive through a grants based model.

The impact of this proposed redesign was considered carefully by the Government. However, the Government has now secured the passage of the Clean Energy Future package, and the carbon price is the key policy for cutting carbon pollution across the economy. Together with measures including the Clean Energy Finance Corporation and Low Carbon Australia, this will provide continuing support for the commercial building industry, along with all industries, to move toward a low emissions future.

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<b>Outcome:</b>	1	<b>Question No:</b>	100
<b>Program:</b>	1.2		
<b>Division:</b>	EED		
<b>Topic:</b>	Australian Sustainable Built Environment Council		
<b>Hansard Page EC:</b>	EC86		

**Senator IAN MACDONALD:** You are an observer to the Australian Sustainable Built Environment Council. On notice if need be—or perhaps you can answer it—did the government fund that council? Did the government ask it to do anything? If so, could you perhaps on notice give me some details of what funding, if any, the government put into the Australian Sustainable Built Environment Council or any program that they are involved in advising government? I am just interested in the government's investment in the advice that they gave. Is that possible to do?

**Mr McGlynn:** I would have to take that on notice, but, yes.

**Senator IAN MACDONALD:** Was there some government support in some way or other? Clearly your attendance was a bit of government support.

**Mr McGlynn:** I suppose.

**Senator IAN MACDONALD:** I am sure it would have been very highly valued.

**Mr McGlynn:** I am not sure it is always seen that way. I would have to take that on notice. I believe back at the creation of ASBEC there may have been some government involvement, but I will need to go back and find out.

**Answer:**

The Department of Climate Change and Energy Efficiency (DCCEE), and previously the former Department of the Environment, Water, Heritage and the Arts (DEWHA), has been an observer member of Australian Sustainable Built Environment Council (ASBEC) since its formation in 2004. An annual membership fee has been paid to ASBEC since that time, which was \$5,280 (inc. GST) in 2011-12.

In 2007, DEWHA provided a contribution of \$49,500 (inc. GST) to ASBEC to assist in the production of its report *The Second Plank – building a low carbon economy with energy efficient buildings*.

In 2009, DEWHA paid ASBEC \$4,900 (inc. GST) to organise and facilitate a workshop on promoting net zero energy homes in Australia. DEWHA also paid ASBEC \$15,000 (inc. GST) for the conduct of forums on sustainable buildings in a number of Australian cities.

DCCEE provided \$11,000 (inc. GST) to ASBEC to assist in the production of its report *Preparing for Change: a climate change adaptation framework for the built environment*, which was released on 27 June 2012.



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<b>Outcome:</b>	1	<b>Question No:</b>	101
<b>Program:</b>	1.2		
<b>Division:</b>	ESPD		
<b>Topic:</b>	Solar Hot Water		
<b>Hansard Page EC:</b>	EC87		

**Senator BIRMINGHAM:** ... But, in her absence, what has happened to this commitment from Mr Dreyfus to Senator Milne about the expenditure of these funds?

**Senator Wong:** We will take that on notice.

...

**Senator BIRMINGHAM:** ...

Were there continued discussions, meetings or otherwise when it became apparent that the demand was not as had been forecast by the department?

...

**Senator Wong:** Look, I am going to take these matters pertaining to the discussions between one of the ministers I represent and the crossbenchers on notice, Senator.

**Answer:**

On 6 June 2012, the Parliamentary Secretary for Climate Change and Energy Efficiency, the Hon Mark Dreyfus QC MP, announced, after discussions with the cross benches, that \$44.7 million remaining from the Renewable Energy Bonus Scheme-Solar Hot Water Rebate will be used to support two national programs assisting local communities and low income families to become more energy efficient.

- A new \$24 million Local Government Energy Efficiency Program, which will be established to help local councils install solar or heat pump hot water systems in community facilities.
- An extra \$20.7 million under the Home Energy Saver Scheme to support low income households invest a bigger range of energy efficient white goods and heating and cooling systems.

A provision of \$44.7 million was made in the contingent reserve of the 2012-13 budget papers.

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<b>Outcome:</b>	1	<b>Question No:</b>	102
<b>Program:</b>	1.2		
<b>Agency:</b>	ESPD		
<b>Topic:</b>	Renewable Energy Bonus Scheme – Solar Hot Water		
<b>Hansard Page EC:</b>	Written		

**Senator Birmingham asked:**

1. How many applications were received in 2011-12 prior to 1 March 2012, and how many of these were approved?
2. How many applications have been received on or since 1 March 2012, and how many of these have been approved?

**Answer:**

1. From 1 July 2011 until 29 February 2012, 24,878 applications for the Renewable Energy Bonus Scheme – Solar Hot Water Rebate were received by the Department of Climate Change and Energy Efficiency. At 25 June 2012, 22,602 of these applications have been approved and paid.
2. From 1 March 2012 until 25 June 2012, 5,002 applications for the Renewable Energy Bonus Scheme – Solar Hot Water Rebate were received by the Department of Climate Change and Energy Efficiency. At 25 June 2012, 2,912 of these applications have been approved and paid.

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<b>Outcome:</b>	1	<b>Question No:</b>	103
<b>Program:</b>	1.2		
<b>Division:</b>	ESPD		
<b>Topic:</b>	Charities Maritime and Aviation Support Program		
<b>Hansard Page EC:</b>	Written		

**Senator Boswell asked:**

1. Can the Department provide a complete list of charities and not-for-profit organisations that will receive compensation, through the Charities Maritime and Aviation Support Program, for loss of revenue associated with reduced fuel excise rebates coming into effect from 1 July 2012?
2. Can the Department confirm whether not-for-profit emergency maritime and aviation services – including Surf Life Saving Australia, Volunteer Marine Rescue associations, the Australian Volunteer Coast Guard, the Royal Flying Doctors Service and CareFlight – will be eligible for this grant?
3. Will assistance granted through the Charities Maritime and Aviation Support program be a one-off payment, or will it be a payment every year or every month?

**Answer:**

1. The Department does not have a complete list of charities that may be eligible for assistance under the Charities Maritime and Aviation Support Program (the Program). On advice received from the Treasury, the costings for the Program were based on the assumption that up to 200 Deductable Gift Recipient (DGR) endorsed charities would be eligible for assistance. The Department will publish on its website the details of each eligible charity approved for assistance under the Program as per the *Commonwealth Grants Guidelines*.
2. To be eligible for assistance under the Program, an applicant must comply with all of the following:
  - be a registered charity;
  - be endorsed as a DGR by the Commissioner of Taxation; and
  - the maritime and/or aviation transport activities of the charity for which a payment may be claimed must be in respect to the DGR status.

Eligibility is established through an application process and, as yet, the organisations lists have not been assessed. Only at that point can the Department confirm eligibility.

3. Under the Program, eligible charities are paid their assistance on a quarterly basis throughout each financial year, based on a estimation of fuel use for the upcoming 12 months at time of registration including a midyear review.

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<b>Outcome:</b>	1	<b>Question No:</b>	104
<b>Program:</b>	1.2		
<b>Agency:</b>	ESPD		
<b>Topic:</b>	Home Insulation Program		
<b>Hansard Page EC:</b>	Written		

**Senator Birmingham asked:**

1. Please itemise, by financial year, all expenditure to date on the Home Insulation Program (since its inception) and all associated safety and inspection programs, including total amounts expended and any amounts still budgeted. Please detail in a chart showing all programs, all years and totals to date plus totals still allocated.
2. How much has been or will be spent under this program, and all associated programs, in 2010-11, 2011-12 and 2012-13?
3. Please detail any debts waived under this program, and all associated programs, since inception – the number of debts waived, the total value of debts waived and the average length of time between the debt being incurred and waived.
4. Please detail any outstanding debts under this program, and all associated programs – the number of debts outstanding, the total value of debts outstanding, the average length of time since the debts were incurred and steps taken to recover these debts.
5. In how many premises was insulation installed? How many of these installations required subsequent rectification work and/or removal?

**Answer:**

1. The Home Insulation Program (HIP) incorporates the Home Insulation Safety Program (HISP), the Foil Insulation Safety Program (FISP) and all HIP Compliance activity.

Budget Table:

Whole of Home Insulation Program Review Office Programs Administered Budget and Actuals (\$ millions) as provided in the 2011-12 Portfolio Budget Statement (PBS) and Portfolio Additional Estimates Statement (PAES).

Budget (\$ million)		Actual (\$ million)	
2008-09	36.6	2008-09	64.8
2009-10	1,964.7	2009-10*	1,806.1
2010-11	318.3	2010-11*	59.8
2011-12	217.8	2011-12 (to 31 May 2012)	120.9
Total	2,537.4	Total	2,051.6

**Note:**

- The budgets and actuals above are for the whole of the HIP. This is how the HIP activities are presented in the PBS and PAES.
- Financial year to date actuals for 2011-12 are provided to 31 May 2012.

\* 2011-12 PAES shows actual expenditure for 2010-11 as above, excluding expenses of \$147 million held against the 2009-10 provision and included under 2009-10 actuals.

2. Actuals for the HIP:

- 2010-11 – \$59.8 million, as per the table above;
- 2011-12 – \$120.9 million, as per the table above, as at 31 May 2012. The final expenditure will not be known until inspection activity and contract administration requirements have been completed. It will be within approved appropriation; and
- 2012-13 – \$ nil.

3. While as at 31 May 2012, four debts valued at \$12,400 had been written off, no debts had been waived.

4. The Department has an obligation, as set out in the *Financial Management and Accountability Act 1997*, to pursue recovery of debts owing to the Commonwealth in respect of the operations of the Agency. As at 31 May 2012, 1,668 debts valued at \$24.16 million were outstanding under the HIP and 52 debts valued at \$5.22 million outstanding under the Industry Insulation Assistance Package. The earliest debts were raised in March 2011 with the most recently raised occurring in May 2012. Recovery action follows a process of sending invoices (generally with a covering explanatory letter), reminder letters and outbound telephone calls where appropriate.

The Department has engaged a Mercantile Agent to commence recovery on debts where the Department has not been successful but recovery is possible. If the debtor can provide evidence that supports a reduction or cancellation of the debt, the debt will be cancelled.

5. The objective of the safety inspection program was to identify and if necessary rectify safety issues related HIP insulation installation. Risk profiling conducted by CSIRO ensured that the highest risk households were targeted and offered an inspection. The percentage of HIP related safety issues (predominantly electrical) identified at the time of a Safety Inspection, for non-foil households, has ranged from 20 to 22 per cent.

All foil households were offered a Safety Inspection and provided with treatment options regardless of whether there was a safety issue identified. The householder could choose from the following treatment options: 'no action', 'foil removed' or 'safety switches installed'. As a result, the percentage of safety issues identified in foil households cannot to be accurately determined.

**Senate Standing Committee on Environment and Communications  
Legislation Committee**

**Budget Estimates 2012-13, 21 May 2012**

**Answers to Questions on Notice**

**Climate Change and Energy Efficiency Portfolio**

<b>Outcome:</b>	1	<b>Question No:</b>	105
<b>Program:</b>	1.2		
<b>Division:</b>	ESPD		
<b>Topic:</b>	HISP and FISP		
<b>Hansard Page EC:</b>	Written		

**Senator Birmingham asked:**

For each of the Home Insulation Safety Program (HISP) and Foil Insulation Safety Program (FISP), over the life of each program:

1. How many inspections were carried out? At what total cost?
2. What has been the maximum cost of a single inspection?
3. How much was budgeted and spent on travel?
4. How many installations, and what percentage of installations, were identified as faulty as a result of the inspections? What, if any, other trends have been identified?
5. How many staff were employed? What were the numbers of permanent and contracted staff?

**Answer:**

1. The total number of Safety Inspections completed, as at 31 May 2012, are for foil 47,910 and non-foil 203,713. The total cost as at 31 May 2012 is \$335.26 million (inc. GST). This includes all inspections and inspection related costs.
2. The maximum cost of a single inspection under the Safety Inspection Programs to 31 May 2012 was \$3,399.51 (inc. GST).
3. The Home Insulation Safety Program (HISP) and the Foil Insulation Safety Program (FISP) budget is a component of the Home Insulation Program (HIP) appropriation. Although the budget is internally allocated to operational functions for the purpose of management, accruals and forecasting, that is, inspection costs, travel and management costs, there is no dedicated budget for these functions of the Safety Inspection Programs.



The following table provides a summary of estimated internal allocations and expenditure as at 31 May 2012 in relation to all Inspection-related travel. Please note:

- in previous financial years, the total amount of expenditure replaces any previous estimated internal allocations in that financial year;
- for the current financial year, the estimated internal allocation is as detailed in the table; and
- the Safety Inspection Programs are demand driven and as such cost assumptions are made using historical Safety Inspection Programs data.

*Home Insulation Program (Administered) Internal Budget and Expenditure –  
Inspection-related Travel*

<b>Program Element</b>	<b>2010-11 Budget</b>	<b>2010-11 Expenditure</b>	<b>2011-12 Budget</b>	<b>2011-12 Expenditure</b> (as at 31 May 2012)
HISP Phase 1	\$3,433,082	\$3,433,082	Not Applicable	Not Applicable
FISP	Nil (included in inspection costs)	Nil (included in inspection costs)	Not Applicable	Not Applicable
HISP Phase 2	Nil	Nil	\$20,203,488	\$3,793,462*
<b>TOTAL</b> (excl. GST)	<b>\$3,433,082</b>	<b>\$3,433,082</b>	<b>\$20,203,488</b>	<b>\$3,793,462</b>

\*Due to a delay in receiving invoices from the Service Provider, this figure is the amount paid for Inspection-related travel as at 31 May 2012. The estimated total cost of Inspection-related travel up to and including May 2012 is \$12m (excl. GST).

4. The objective of the safety inspection program was to identify and if necessary rectify safety issues related HIP insulation installation. Risk profiling conducted by CSIRO ensured that the highest risk households were targeted and offered an inspection. The percentage of HIP related safety issues (predominantly electrical) identified at the time of a Safety Inspection, for non-foil households, has ranged from 20 to 22 per cent.

All foil households were offered a Safety Inspection and provided with treatment options regardless of whether there was a safety issue identified. The householder could choose from the following treatment options: 'no action', 'foil removed' or 'safety switches installed'. As a result, the percentage of safety issues identified in foil households cannot be accurately determined.

5. As at 31 May 2012, the Safety Inspection Programs employed a total of 37 staff: 32 ongoing and 5 non-ongoing.

**Senate Standing Committee on Environment and Communications  
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**Budget Estimates 2012-13, 21 May 2012**

**Answers to Questions on Notice**

**Climate Change and Energy Efficiency Portfolio**

<b>Outcome:</b>	1	<b>Question No:</b>	106
<b>Program:</b>	1.2		
<b>Division:</b>	LSB		
<b>Topic:</b>	Green Loans Program – Claims for Compensation		
<b>Hansard Page EC:</b>	Written		

**Senator Birmingham asked:**

1. How many claims for compensation in relation to the Green Loans program has the Department received
  - a) This financial year?
  - b) Over the life of the program?
2. How many of these claims for compensation, and to what value, remain unresolved?
3. What has been the total value of compensation both claimed and paid?

**Answer:**

1. The Department has received the following number of claims under the Scheme for Compensation for Detriment caused by Defective Administration (CDDA) relating to the Green Loans Program:
  - a) Two claims were received during the current financial year (2011-12); and
  - b) Fifty-nine claims have been received in total in relation to the Green Loans Program.
2. Two claims, with a combined value of \$3,816,437, are yet to be finalised.
3. As at 30 June 2012:
  - a) the total value of compensation claimed through the CDDA Scheme in relation to the Green Loans Program is \$37,314,572.68; and
  - b) payments totalling \$7,108.68 have been made under the CDDA Scheme in relation to the Green Loans Program.

**Senate Standing Committee on Environment and Communications  
Legislation Committee**

**Budget Estimates 2012-13, 21 May 2012**

**Answers to Questions on Notice**

**Climate Change and Energy Efficiency Portfolio**

<b>Outcome:</b>	1	<b>Question No:</b>	107
<b>Program:</b>	1.2		
<b>Division:</b>	ESPD		
<b>Topic:</b>	Green Loans Program – Fraudulent Assessments		
<b>Hansard Page EC:</b>	Written		

**Senator Birmingham asked:**

How many cases of fraudulent assessments under the Green Loans Program, over its life, have been identified by the Department? What actions have been taken in response to any fraudulent assessments having been identified?

**Answer:**

As at 20 June 2012, there were three Green Loans program-related cases referred to, and under assessment by, the Department's Investigations and Intelligence Branch for further investigation for possible fraud or serious non-compliance.

Where a suspected instance of fraud or serious non-compliance arises, the issue is assessed to determine the most appropriate action. The Department employs a range of actions in these cases including debt recovery and referral for investigation and possible prosecution.

One of the cases has also been referred to a state law enforcement agency for further investigation. As these cases remain ongoing, it would be inappropriate for the Department to comment any further.

**Senate Standing Committee on Environment and Communications  
Legislation Committee**

**Budget Estimates 2012-13, 21 May 2012**

**Answers to Questions on Notice**

**Climate Change and Energy Efficiency Portfolio**

**Outcome:** 1 **Question No:** 108  
**Program:** 1.2  
**Division:** ESPD  
**Topic:** Green Loans Program – Expenditure  
**Hansard Page EC:** Written

**Senator Birmingham asked:**

How much has been or will be spent under this program, and any associated programs, in 2010-11, 2011-12 and 2012-13?

**Answer:**

Administered Expenditure for the Green Loans Program (\$millions)

2010-11	2011-12	2012-13
\$61.552	\$0	\$0

Administered Expenditure for the Financial Assistance Scheme (\$millions)

2010-11	2011-12	2012-13
\$1.856	\$2.403	\$0

Administered Expenditure for the Training Assistance Scheme (\$millions)

2010-11	2011-12	2012-13
\$0.575	\$0.149	\$0

**Senate Standing Committee on Environment and Communications  
Legislation Committee**

**Budget Estimates 2012-13, 21 May 2012**

**Answers to Questions on Notice**

**Climate Change and Energy Efficiency Portfolio**

<b>Outcome:</b>	1	<b>Question No:</b>	109
<b>Program:</b>	1.2		
<b>Division:</b>	ESPD		
<b>Topic:</b>	Green Loans Program - Debt		
<b>Hansard Page EC:</b>	Written		

**Senator Birmingham asked:**

1. Please detail any debts waived under this program, and any associated programs, since inception – the number of debts waived, the total value of debts waived and the average length of time between the debt being incurred and waived.
2. Please detail any outstanding debts under this program, and any associated programs – the number of debts outstanding, the total value of debts outstanding, the average length of time since the debts were incurred and steps taken to recover these debts.

**Answer:**

1. Nil.
2. As at 28 June 2012 there were 26 outstanding debts under the Green Loans Program with a total value of \$0.84 million. The majority of all debts were raised in the 2011-12 financial year.

As at 28 June 2012 no further debt collection activity has been undertaken. However, with the engagement of the mercantile agent, recovery action will continue in the 2012-13 financial year.