

21 April 2008

Committee Secretary
Senate Economics Committee
Department of the Senate
P.O. Box 6100
Parliament House
CANBERRA ACT 2600

Dear Committee Secretary,

SUBMISSION TO SENATE INQUIRY INTO HOME OWNERS WARRANTY SCHEME

I write to support a review of the equity of the Home Owners Warranty Scheme. The existing building warranty scheme only provides insurance if a builder dies, absconds or becomes insolvent. The policy does not provide further consumer protection. In the event of the need for rectification of faulty work a consumer is required to pursue legal avenues.

Under the insurance obligation requirements many Victorian builders were forced out of the industry or were restricted in the volume of work that they were able to undertake albeit with highly successful industry records over 30/40 years.

I understand that there are other models of insurance which might provide better consumer protection and which also do not oblige consumers to pay massive premiums for little benefit.

I would be happy to speak further to these remarks.

Yours sincerely,

A handwritten signature in black ink that reads "Murray Thompson". The signature is written in a cursive, flowing style.

Murray Thompson M.P.
Member for Sandringham