

HIH INSURANCE, HOME OWNERS INDEMNITY INSURANCE

464. Hon BARRY HOUSE to the Minister for Housing and Works:

Many individual builders in Western Australia are still seriously affected by the limited availability of home owners indemnity insurance following the HIH Insurance collapse earlier this year.

- (1) Is the minister aware of this situation?
- (2) If not, why not? I ask this question because there are no excuses. Plenty of evidence is available. I have raised it five times in this House since 1 May.
- (3) Will the minister acknowledge that the State Government's so-called rescue package missed the point for these builders and has not assisted any of them with this problem?
- (4) Will the minister acknowledge that these difficulties are having a serious effect on the housing industry in general as well as on many individuals?
- (5) What does the Gallop Government intend to do about correcting the matter, even belatedly?

Hon TOM STEPHENS replied:

- (1)-(5) The response to the challenges that have arisen for some builders in the Western Australian community has been assigned to my ministerial colleague Hon John Kobelke, who has put before Cabinet a response that has been adopted by the Government and is aimed at being commensurate with the needs that have been identified within the building sector.

Hon Barry House: Which completely missed the mark.

Hon TOM STEPHENS: There is a divergent viewpoint within that sector. I have been the beneficiary of advice from both sides of the sector which are engaged in the public debate of these issues.

Hon Barry House: Why don't you ask some of the builders themselves? I can give you the names of about 30 of them.

Hon TOM STEPHENS: Yesterday I had the opportunity to hear vigorous representation from the Master Builders Association in one of the forums that is available to me as Minister for Housing and Works. They also had the opportunity to discuss this matter in that forum with the Director General of the Department of Housing and Works. We have undertaken to relay those particular concerns once more to the minister with primary responsibility for coordinating the Government's response. It is good to note that the economic forecasts for Western Australia indicate that it is quite a strong housing sector that is -

Hon Barry House: Thanks to the federal Government's \$14 000 first home owner grant.

The PRESIDENT: Order! Members are getting beyond the scope of the question. Perhaps the minister will wind up his answer.

Hon TOM STEPHENS: It is fortunate to be able to note that there is a strong housing forecast figure. It is a situation that will have some problems if the grant is not extended beyond its current lifespan.