

BUILDING INDUSTRY, INDEMNITY INSURANCE

168. Hon BARRY HOUSE to the Minister for Housing:

The minister will be aware of problems still being experienced by many builders who had their indemnity insurance with the collapsed company HIH Insurance, with the result that many housing projects large and small are still on hold, causing job losses and severe economic effects. Despite repeated requests from the industry for assistance and some action, along the lines of this Labor Government's counterparts in New South Wales and Victoria, why has the Gallop Government sat on its hands and done nothing?

Hon TOM STEPHENS replied:

The member raises an important issue that is, in the first instance, directly attributable to an industry that falls under the regulation of a federal agency which, in the view of many, has failed the Australian community. The responsibility for that failure is sheeted home directly to the Opposition's federal coalition colleagues. The minister with direct responsibility for these issues at state level is Hon John Kobelke, on behalf of cabinet, and ministers such as I who have a particular interest in this issue, and he is coordinating a whole-of-government response to these vital questions. Cross-portfolio work is being done and a response is being considered.