



 A.C.T. LEGISLATIVE ASSEMBLY COMMITTEE OFFICE	
SUBMISSION NUMBER	42
DATE AUTH'D FOR PUBLICATION	27/11/14

**Inquiry into the proposed Appropriation (Loose-fill Asbestos Insulation
Eradication)**

We wish to make a submission to the ACT Legislative Assembly regarding the abovementioned inquiry.

My husband and I, after several years of searching, were successful in purchasing our dream property. We completed the purchase of

in May this year, after it had been placed on the market in early March. It is a 4 bedroom home on a 1286sqm block. Amongst the contracts was a certificate stating that the property had asbestos removed and the letter issued by the government in 2005. Our understanding of those documents meant the asbestos had been removed, but just let any builders or tradesmen know that the removal had taken place. The government letter issued on 18th February was not included in the documentation, therefore we purchased the property in good faith that it was asbestos free.

We purchased the house because we need a bigger home for our teenage children and we utilized it as an investment property with the intention of moving into it within 12 to 24 months. This was to allow us time to complete renovations on our current home and sell it to reduce our debt. We were also planning on renovating the property once we had moved in. The Real Estate agent who sold us the house, disclosed to us after we had agreed to purchase it, that she was selling it on behalf of her de-facto/partner. We do question her integrity regarding the sale of the house, firstly gazumping us up a further \$25,000.00 the morning after she accepted our original offer and secondly because the letter issued on 18th February was not included in the documentation. During conversations with her, while at the property, we had learnt that her partner attended the property daily to feed chickens, collect eggs and collect mail. Reflecting on those conversations, we assume that the February 18th letter from the government was the motivation for the house sale and that it was intentionally kept from the documentation. I have since sighted the February 18th letter and question the failure by the government to ensure an Asbestos

Assessment was not required before the sale of the house. Had it been, we most certainly would not have purchased the property and placed our family or our tenant's health at risk. My children although we have not resided in the premises were exposed to asbestos affected areas while exploring the property. As were other prospective buyers. This should not have been permitted to occur at all, however the government, failed to provide any protections to members of the public regarding the asbestos by providing warnings to prospective purchasers of Mr Fluffy homes. No documentation was added to the ACTPLA file in conjunction with the issue of the February 18th letter and yet the government has declared that any purchases after that date will not receive a valuation like owners who purchased prior to that date.

Our family will be reimbursed what we paid for the house we have only owned for approximately 6 months, regardless of the fact the purchase has incurred costs that include stamp duty, fees and other costings associated with the purchase of a property. The land value has also increased by \$6000.00 since we purchased the property, however we are not entitled to that either. We are currently looking at a financial loss of between \$25,000.00 and \$30,000.00. We are also not entitled to the stamp duty waiver on the purchase of a new property not only because we purchased after February 18th, but also because the only way our family are able to afford to upgrade to a larger home is by placing a property into investment initially. We assume the reasoning behind the government setting this date as a cut off is due to the fact that they notified the public to the Mr Fluffy asbestos, however it is my opinion that they did not do so efficiently, thus failing in their role to safeguard the public in general.

We also would like to draw your attention to the article published in the Canberra Times on August 28th 2014. The contents of the article informed the public that the Chief Minister, Katy Gallagher, while in the role of Industrial Relations Minister was responsible for asbestos. The article stated that

"ACT Chief Minister Katy Gallagher was warned personally and on multiple occasions since 2005 that Mr Fluffy home owners were at risk of coming into contact with the deadly insulation. Documents obtained by The Canberra Times

show that as industrial relations minister responsible for asbestos, Ms Gallagher received numerous recommendations to deliver "explicit", "regular" and systematic warnings to more than 1000 Mr Fluffy home owners that remnant asbestos within their wall cavities posed potential health risk"

The fact that the government failed to disclose information to the homeowners, as well as make it available to the wider Canberra community is unacceptable. We believe the decision by Miss Gallagher not to disclose the advice received by experts since 2005, in relation to Mr Fluffy asbestos, is a failure on the Governments management of this issue. Government responsibility to all affected home owners must go further than the current Voluntary Buy Back Scheme. Ms Gallagher and her government are certainly liable for the current situation and although they have taken steps to rectify their failings, the steps taken do not go far enough. We question why the Commonwealth Government was not approached by The ACT Government to address and update the agreement that was put in place after the Clean up Scheme. Did the ACT Government inaction allow The Commonwealth Government to be released from their legal obligation to Mr Fluffy homeowners? If so, then those who are responsible must be held accountable.

The current voluntary buy back scheme is not flexible and does not provide all affected homeowners with acceptable outcomes. We do not accept that we will incur financial loses or for that matter, not be entitled to the same outcomes as those Mr Fluffy homeowners who will be retaining their land and receive funding for their demolitions and rebuilds. We wish to be included in that group of homeowners. The fact that it will be too expensive for the ACT Government is irrelevant to our family. The ACT Government are liable and must provide acceptable outcomes for all affected by their mismanagement of this situation. We therefore ask that the Government undertake a Board of Enquiry to uncover all details of the mismanagement and hold those responsible to account.

We are aware that there are home owners who are happy to accept the current offer from the Voluntary Buy Back Scheme and believe that because of this, the appropriation bill should be managed in stages to allow those who choose to

move on to do so. In regard to those who do not wish to accept the scheme, they must be afforded more time to allow negotiations and outcomes that are more suited to their families. The lack of flexibility offered with this scheme, we feel permits the ACT Government to pressure families to accept what is offered, under duress. This is unacceptable and immoral. The Taskforce head Mr Kefford advised those who attended the meeting they held at Hawker College, to await the announcement and assured us all that no one would be disadvantaged, either way. I am holding the Government to account for insisting we wait and expect fair and equitable treatment, which for our family is inclusion in the knock down rebuild group of home owners.

Baxter

Baxter