

**Subject:**

RE: Submission - Terms of Reference Inquiry into the proposed Appropriation (Loose-fill Asbestos Insulation Eradication) Bill 2014-15



A.C.T. LEGISLATIVE  
ASSEMBLY  
COMMITTEE OFFICE

SUBMISSION  
NUMBER

419

DATE AUTH'D  
FOR

15/12/14

**From:** Collins

**Sent:** Saturday, 29 November 2014 11:18 PM

**To:** Committees

**Subject:** RE: Submission - Terms of Reference Inquiry into the proposed Appropriation (Loose-fill Asbestos Insulation Eradication) Bill 2014-15

Dear Committee Members,

This report in the Canberra Times is deeply concerning, it appears that as a result of submissions to this inquiry the Chief Minister has taken to publically threatening victims to take the current deal or face compulsory acquisition on lesser terms. The Government has also made it publicly clear that they intend to make as much money from the eviction of victims as possible.

<http://www.canberratimes.com.au/act-news/act-chief-minister-reiterates-her-determination-to-demolish-every-mr-fluffy-house-20141128-11was4.html> .

This behaviour may be common in oppressive regimes in other parts of the world but has no place in Australia.

As stated in other submissions there should be on immediate enquiry including the investigation of the current behaviour of the Ministers and in particular the Chief Minister which should include the current treatment of innocent victims.



The majority of Mr fluffy victims have clearly stated they have no issues with the houses being demolished they just do not want to be financially disadvantaged by something that was not of their making.

The ACT Government should be publically apologising to victims for this behaviour and cease the bullying of victims immediately.

Sincerely,  
Collins

canberratimes.com.au

**The Canberra Times**

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## ACT Chief Minister reiterates her determination to demolish every Mr Fluffy house

Kirsten Lawson

Published: November 28, 2014 - 11:30PM

Chief Minister Katy Gallagher has restated her determination to demolish every Mr Fluffy home, and warned home owners that if they don't take up the offer by June next year they could face compulsory acquisition.

Also on Friday, it was revealed that Treasury expects an average increase in value in the Mr Fluffy blocks of 25 per cent once they're rezoned to allow dual occupancy. The figure makes it clear why many will be out of the reach of homeowners who want to return to their blocks.

Ms Gallagher told an Assembly inquiry into the Fluffy buyback that she had received "very clear legal advice" that properties could be acquired compulsorily. The Government would have to provide just compensation, but that compensation "would not necessarily be the same" as the buyback offer now on the table, she said. The Government would be pressing people close to the deadline in June to ensure they understood the implications of rejecting the offer.

Asked for detail later, her office said under the buyback properties were valued as though they were free of asbestos, whereas a compulsory acquisition would take account of the asbestos. The buyback also included waiving stamp duty on a replacement home.

Ms Gallagher told the inquiry that there was "no other way" than demolition, even for homes with very little contamination. "Yes, it might be little but they are contaminated," she said. "They therefore are worth less than the market value and at some point in time somebody else is going to have to deal with it, and they have Mr Fluffy stamped all over their file."

She was speaking in the face of 54 submissions to the inquiry, some from families pleading with the Government to let them stay, and some from people who say no contamination has been found in their home and they don't see why it should be bought and demolished. Many home owners want the right to buy back their land at the same price they are selling it to the Government under the buyback.

But the Government plans to rezone most of the blocks to allow dual occupancy, which will substantially increase the price – and help defray the costs of the scheme. Homeowners will have first option, but they will have to pay market price.

Treasury expects an average increase in value of 25 per cent under the new zoning. As many as 771 of the 1021 blocks will be rezoned, so long as sites allow it.

Ms Gallagher said she expected to net an extra \$90 million or \$100 million by the rezoning. She told the inquiry the Government expected to be \$300 million to \$400 million out of pocket by the time it had sold the land - and if it didn't rezone, the picture would be worse by as much as \$100 million, or \$660 for every household in the city if the amount was added to rates.

Treasurer Andrew Barr said even with the rezoning, the scheme was at the outer limit of affordability, making the next two budgets "some of the most challenging ever constructed" since self-government.

The Government expects a \$600 million blow out to its deficit over the next two years as a result of the scheme.

Mr Barr said the scheme was compassionate and dealt with the problem "in a way that we can just afford".

"The scheme that the Chief Minister has put forward is at the upper edge of affordability for the territory and any greater loss is borne by other taxpayers. That's the reality of this," he said.

"There are a myriad of ways to be more generous but I must say sitting in the position of Treasury I am very very conscious that this is other people's money we are talking about here. Whilst we have endeavoured to be as generous as possible recognising all the issue that people confront, there are economic and financial issues that confront the territory and the territory budget and every other ratepayer."

Mr Barr also revealed that where Fluffy homes are near public housing, the Government will look at joining the properties and redeveloping them. But he said it would be "premature" to assume any public house next door to a Fluffy house would be demolished and redeveloped. The opportunities would be rare, he said, and would depend on the state of the public housing and alternative accommodation for tenants.

Asbestos Taskforce head Andrew Kefford said the Government would clear Fluffy homes of contents when it took possession to avoid looting, and would maintain gardens to ensure the empty homes did not become derelict while they awaited demolition.

*This story was found at: <http://www.canberratimes.com.au/act-news/act-chief-minister-reiterates-her-determination-to-demolish-every-mr-fluffy-house-20141128-11was4.html>*