

The Hon Greg Hunt MP  
Federal Member for Flinders  
Shadow Minister for Climate Action, Environment and Heritage  
PO Box 274  
HASTINGS VIC 3915

22 April 2010

Dear Greg

### **HOME INSULATION PROGRAM**

Pursuant to my letter addressed to The Hon Greg Combet AM MP on 9 April 2010, I am writing in regards to the Government's decision to cancel the insulation component of the Renewable Energy Bonus Scheme. Thank you for responding to my earlier letters – no member of the Government has had the courtesy to respond.

As per my previous letter, Neco Holdings Pty Ltd participated in the now defunct Home Insulation Program (HIP) as installing insulation is one of the most effective ways of reducing household greenhouse gas emissions. However, the early cessation of the HIP almost destroyed us. Today's decision by the Government is likely to destroy us for good.

We currently have \$503,919.88 of insulation stock stored in our own warehouse, and in storage facilities around Melbourne. This insulation stock is now worthless – we can't sell it, and unless it is used within three months it will be past its "use-by" date (if insulation is compressed for too long it loses its ability to "spring back" into shape thereby significantly reducing its thermal properties).

What am I supposed to do with this insulation? Dump it in the local creek? Give it to charity? Continue to rent storage space for the rest of my natural life? Ship it overseas? Incidentally, all of the insulation is wrapped in plastic. Mark my words – insulation batts will be the greatest environmental disaster this country has ever seen – for decades you'll see batts and plastic on roadsides, in creeks, and in forests as a lasting legacy of this Government's failure.

I want the Government to buy back my \$503,919.88 of insulation, to physically take possession of it, and to also reimburse the other \$103,008.57 in costs I have incurred as a result of their incompetence. I have attached an invoice for these costs. I don't want the Government to simply "help meet the cost of retaining insulation stock that was held at the termination of the Home Insulation Program" as per today's press release – that won't help anyone. Buying back is the only option.

I also want the Government to pay me the \$200,000-odd I am still owed for jobs I completed under the HIP so that I can pay my patient creditors. These payments are now several weeks overdue. If only I could take the Government to a debt collector?

I hope you can help.

Yours sincerely

Michael Tempany  
Managing Director

# INVOICE

**To:** Australian Government  
Parliament House  
CANBERRA ACT 2600

**From:** Neco Holdings Pty Ltd  
101-107 Whitehorse Road  
BLACKBURN VIC 3130

**Terms:** PAYMENT OVERDUE

Item	Inc-GST
Compliant insulation sitting in storage (including customs and freight)	\$503,919.88
Labour to unload insulation into offsite storage	\$8,000.00
Transport to take insulation to offsite storage	\$3,520.00
Onsite storage fees for insulation @ \$5,000 per month	\$15,000.00
Offsite storage fees for insulation @ \$6,800 per month	\$9,500.00
Shipping container rental @ \$102 per month	\$347.00
Certification for Insulation Installers that is now redundant	\$11,320
Deposit on insulation materials that is non-refundable	\$29,266.57
Insulation staffing costs waiting for new rebate	\$22,000
Down light covers in stock	\$2,200
Exhaust fan covers in stock	\$1,855
<b>Total Amount Payable</b>	<b>\$606,928.45</b>

**Payment Details:** BSB: 062-033  
Account Number: 10352212  
Account Name: Neco Holdings Pty Ltd