

Gold Coast

Bull Bulletin



TODAY'S WEATHER

18-28

POSSIBLE SHOWER
OR STORM

FRIDAY, NOVEMBER 4, 2016

\$1.40 incl GST, freight extra

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BLAST FROM THE PAST

THE DAY A NAZI MINE WASHED UP **P5**



CINDY ROCKED OUR WORLD

HUSBAND'S TRIBUTE AT DREAMWORLD FUNERAL **P8**



SOPHIE'S SAD SALE

CHILDHOOD HOME UP FOR GRABS **P7**



How many workers does it take to change a light tower?



Seven workers prepare to install bulbs in a light tower at Metricon Stadium yesterday. Picture: DAVID CLARK

ALP pays minister's \$8000 rates bill while secretly slugging Gold Coast homeowners

NOTICE FOR SOWIE

PAUL WESTON

THE ALP has paid a cabinet minister's \$8000 rates bill while quietly introducing new insurance charges that will hit the hip pocket of unit and duplex owners.

The party stepped in to pay the three-years overdue bill of Agriculture Minister Leanne Donaldson because she could not afford it. Ms Donaldson - who earns \$320,000 a year - last night resigned from cabinet.

Meanwhile, the Palaszczuk Government has introduced new rules for small lot owners that will send insurance premiums soaring by up to 230 per cent above those paid by house owners. **REPORTS P4**

BODY BLOW

State pushes premiums up

PAUL WESTON

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THOUSANDS of Gold Coast apartment and duplex owners will see their insurance premiums skyrocket for simple repairs following changes by the State Government.

Strata Community Australia, after crunching the figures, predicts unit owners will pay up to 250 per cent more than house owners for Home Warranty Scheme cover for minor building work.

The changes target small lot owners – duplexes and unit blocks of up to three storeys – affecting the budgets of almost 35,000 complexes across the State, most of them on the Gitter Strip.

While the changes were designed to protect consumers against dodgy builders, the Government is under fire for not consulting body corporates and multiplying the fees for unit complexes. Body corporate committees which had obtained contracts from trades for residents before October 28 now need to get new quotes.

SCA Queensland president Simon Barnard told the Bulletin: "There are so many ways that this new premium will catch owners off guard. "Without warning, works they had been scheduled will need to be requested, levies in their community will rise and bodies corporate will be unfairly accused of price hiking – all because of a rushed, ill-advised plan to raise revenue."

What the insurance covers - and what it costs

LICENSED contractors must pay the QBCC a premium on behalf of the consumer for the work they carry out. That work has to be valued at more than \$3300.

What is covered includes the building of swimming pools, roof, floor and wall restorations, stairs, ramps and any outside building work is included, along with stormwater drainage and sewerage.

Previously, the premium

was paid as soon as practicable after the contract was signed. Now it must be paid in 10 business days.

Before, the premium was based on the contract price, now it is on the value of the work – the reasonable cost of having the work undertaken. Premiums range from \$172 for \$3300 worth of work to \$1144 for a \$189,000 job. For major jobs upwards of \$3 million, the insurance fees reach more than \$6685.

Under the formula released by the government, SCA calculates that a single lot premium will be \$653.55. But a body corporate with 24 units, under the

new formula developed by the government, will pay \$4300.80 in insurance fees.

Former QI body corporate committee treasurer Ken McCarthy, who heads up a Coast

community titles reform group, was stunned to learn of the changes.

"It is no small coincidence that the insurance premium ranges from 5.2 per cent for a contract worth \$3300 to only 0.56 per cent for a contract worth \$239,000," Mr McCarthy said.

"As the government would know for a small complex, spending \$239,000 on a single contract would be the exception not the rule.

"Therefore the government hopes to capture the maximum revenue from small contracts.

"This is poorly thought out legislation."

Housing Minister Mick de Brenni said the changes had been forced on Labor by legis-

lation passed in 2014 by the previous LNP government.

"Our government delayed implementation of the changes from 2015 to October 2016 after industry requested more time," he said. "I believe that the operation of the Queensland Home Warranty Scheme often does not meet community expectations and is in need of a thorough review."

The QBCC as the industry's peak body maintained the changes to the Home Warranty Scheme were made after an inquiry by a parliamentary committee that the cover had been expanded and "many premiums will go down under the changes".

The vast majority would be within \$70 of the current premiums, the QBCC said.

Tenants to be ones to foot the bill

ALESMA PIDGEON

TENANTS are the biggest losers in the new State Government-driven insurance cash grab.

Changes made to the Home Warranty Scheme mean contractor work over \$3300 will have a new premium applied.

While landlords will be hit with the bill, it is predicted tenants will be the ones left out of pocket.

For Mermaid Beach resident Sheldon Blanshard, a rise in rent means a longer journey to owning his own home.

"Rents are already pretty high on the Coast at the moment and I'm lucky I've got plenty of work and can afford it," the 31-year-old said.

"But I feel for the people who are not financially stable and will probably struggle to pay an increase.

Rentals are already hard to get for a lot of people and higher rents would only push properties out of reach."

He said his rent had increased on his two-bedroom unit by \$50 in the past three years.

"I pay to live near the beach and it suits my lifestyle but if it were to go up a lot, I would have to reconsider where I live," he said.



Sheldon Blanshard is concerned about rents rising to cover the cost of higher Home Warranty Scheme premiums. Picture: JOHN GASS

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INSIDE ROBINAS KITCHEN CLASSIC
Doors thrown open on lavish new fine food precinct. P10

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Labor MP quits over unpaid bills

QUEENSLAND'S Agriculture Minister Leanne Donaldson has resigned from cabinet over an unpaid car registration after the Labor party paid her near-\$8000 overdue council bill.

Ms Donaldson yesterday told parliament her first oversight was not deliberate and apologised to both the Bundaberg City Council and her constituents over the \$7890 bill.

It later emerged the Queensland branch of the Labor party had footed the bill and Ms Donaldson said she intended to repay the favour next week.

Late last night she issued a statement of resignation, saying she had realised her vehicle registration had lapsed last week and she had driven the car since.

"Clearly this does not meet the high standards set by the Premier for all members of her government," Ms Donaldson's statement said.

The Bundaberg MP had previously offered an unreserved apology, admitting there was no excuse.

The Liberal National Party then used question time to pressure Ms Donaldson to admit whether there were other unpaid bills.

Ms Donaldson earns more than \$320,000 a year and reportedly hadn't paid rates on her home for more than three years.

LOTTO

POWERBALL	
DRAW No. 10688, 3-11-16	6
8 40 26 35 23 22	
DIVIDENDS	WINNERS
1st Jackpotted	No
2nd \$102,863.65	2
3rd \$5380.55	40
4th \$176.10	683
5th \$62.50	1468
6th \$38.95	20,563
7th \$26.35	27,245
8th \$13.85	118,805