

**Tab K – Home Building Insurance – Comparison of Australian schemes**

Jurisdiction	New South Wales	Queensland	Victoria	Western Australia	South Australia	Northern Territory	Australian Capital Territory	Tasmania
<b>Legislation</b>	<i>Home Building Act 1989</i>	<i>Queensland Building and Construction Commission Act 1991</i>	<i>Building Act 1993</i>	<i>Home Building Contracts Act 1991</i>	<i>Building Work Contractors Act 1995</i>	<i>Building Act 1993</i>	<i>Building Act 2004</i>	Not applicable
<b>Insurance scheme</b>	Home Building Compensation Scheme	Queensland Home Warranty Scheme	Domestic Building Insurance	Home Indemnity Insurance	Building Indemnity Insurance	Residential Building Insurance (RBI) cover	Residential building insurance (RBI) or Fidelity fund scheme	Scheme was abolished on 1 July 2008
<b>Type of scheme</b>	Mandatory	Mandatory	Mandatory	Mandatory	Mandatory	Mandatory	Mandatory	-
<b>Product type</b>	Policy of Insurance or approved alternative indemnity products	Policy of insurance	Policy of insurance	Policy of insurance or corresponding cover	Policy of insurance	Authorised RBI Policies approved by the Minister or Fidelity certificates	RBI Policies or Fidelity certificates	-

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<b>Insurance provider</b>	Government (icare hbcf), or private insurers or alternative indemnity product providers licensed by SIRA (none currently in market)	Government monopoly (QBCC)	Government (VMIA), or general insurers (e.g. AssetInsure Pty Ltd), Lloyd's underwriters, or an insurer specified by the Minister (s. 137AA of the Building Act 1993)	Private insurer with Government reinsurance (QBE) or Fund approved by the Minister	Private insurer with Government reinsurance (QBE)	Approved insurer or approved fidelity fund scheme (Master Builders Fidelity Fund)	Approved insurer or Master Builders fidelity fund	-
<b>First resort or last resort</b>	Last resort	First resort  If a compliant through QBCC's dispute resolution process cannot be resolved, claim may be paid out, provided it meets other criteria ie. time frame, proper contract termination	Last resort	Last resort	Last resort	Last resort	Last resort	-

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		Builder may be pursued for debt recovery.						
Value of work above which insurance is required	\$20,000	\$3,300	\$16,000	\$20,000	\$12,000	\$12,000	\$12,000	–
Insurance cover amount	<p>Minimum \$340,000 for a single policy of insurance covering both non-completion and defects (currently the only product offered in NSW)</p> <p>OR</p> <p>Two policies of insurance: one offering at least \$340,000 cover for the construction period; and a second policy offering at least \$340,000 of cover for the warranty period</p>	<p>Prior to practical completion:</p> <ul style="list-style-type: none"> <li>\$200,000 for non-completion, defects, vandalism and theft; and</li> <li>\$200,000 for fire or storm.</li> </ul> <p>(for duplexes these amounts are reduced to \$100,000 per dwelling)</p> <p>Post completion:</p> <ul style="list-style-type: none"> <li>\$200,000 for defects</li> </ul> <p>There are specific limitations in relation to</p>	<p>\$200,000 on policies issued before 1 July 2014, or \$300,000 on policies issued on or after 1 July 2014. This is inclusive of all defective, incomplete and other losses claims</p> <p>(Claims for incomplete work limited to 20% of the building contract price).</p>	<p>Up to \$100,000 for completion or rectification work</p> <p>Up to \$20,000 for loss of deposit.</p>	\$80,000	<p>NT Fidelity Fund provides \$200,000 for non-completion and defects.</p> <p>(Claims for incomplete work limited to 20% of the building contract price)</p>	\$85,000	-

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	(Claims for incomplete work limited to 20% of the building contract price).	<p>common property for multi-unit properties (see Queensland Building and Construction Commission Regulation 2018, Schedule 6)</p> <p>From 28th October 2016, optional additional cover to can be purchased up to \$300,000.</p>						
<b>Period of cover</b>	<p>Non-completion: up to 12 months after failure to commence or cessation of the work.</p> <p>Major defect: 6 years after completion.</p> <p>Non-major defect: 2 years after completion.</p> <p>(Note: some claims can be</p>	<p>Non-completion: within two years from the day works commence, and within three months of the day the contract ends</p> <p>Structural defects: 6 years and 6 months from the payment of the premium.</p>	<p>Structural defect: 6 years from completion or termination of the contract.</p> <p>Non-structural defect: 2 years from completion or termination of the contract.</p>	6 years from practical completion	5 years from completion	<p>Non-completion: 90 days after a prescribed event such as the day the builder completely ceases to carry out the work.</p> <p>Non-structural defect: 1 year after the last day of construction period.</p> <p>Structural defect: 6 years</p>	5 years from the date of occupancy	-

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	lodged after the insured period, as an 'extended claim' (up to an additional 6 months) or a 'delayed claim' (up to 10 years after the completion of the work).	Non-structural defects: 6 months after practical completion.  Non-completion: 2 years from the termination of the contract or payment of premium.				after the last day of construction period.		
Coverage for building multi-units more than 3 storeys high	Excluded from 31 Dec 2003	Excluded	Excluded from 10 Apr 2002	Excluded from 19 Apr 2002	Excluded from 1 Sep 2002	Excluded	Excluded	-
Maximum excess payable	\$250	-	No fee for a claim made between 3 -12 months after completion or for non- completion,  \$500 for a claim made between 1 and 3 years,	\$500	\$400	\$500	\$500	-

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			\$750 for a claim made between 3 and 5 years  \$1000 for a claim made more than 5 years					