

CLAUSE NOTES

HOUSING INDEMNITY AMENDMENT BILL 2008

- Clause 1** **Short Title**
The Act is to be cited as Housing Indemnity Amendment Act 2008.
- Clause 2** **Commencement**
The Act commences on a day, or days, to be proclaimed.
- Clause 3** **Principal Act**
The Principal Act is the Housing Indemnity Act 1992.
- Clause 4** **Section 3 amended (Interpretation)**
Amends Section 3 of the Principal Act by omitting the following from the Section”:
- The definition of “claim”;
 - The definition of “Insured” and “Insurer”;
 - The definition of “owner-builder”;
 - The definition of insurance ‘policy’ and the prescribed insurance cover.
- Clause 5** **Section 5 amended (Exclusion of certain building work).**
Deletes reference to ‘owner-builder’ in Section 5(1)(a) of the Principal Act. This section excludes the application of the Act to building work with a value less than \$12,000, or such other amount as may be prescribed by regulation.
- Clause 6** **Inserts Part 2A – Consumer Guide**

Sections 9A, 9B, 9C, 9D, 9E and 9F inserted.

Section 9A inserts definitions of:
-“consumer guide” (a consumer guide prepared under section 10A or 10B); and

- “Director” (the Director of Consumer Affairs and Fair Trading appointed under section 9 of the Consumer Affairs Act 1988).

Section 9B provides that the Director of Consumer Affairs and Fair Trading must prepare a consumer guide which contains information about the operation of the Act and while Part 3 remains in operation, about the scope and limitation of insurance policies.

The Director must publish a notice of the guide having been developed in the Gazette and in the three local newspapers.

Section 9C provides for the replacement of the consumer guide, where a new guide is developed.

Section 9D requires that the Director of Consumer Affairs and Fair Trading take reasonable steps to make the consumer guide available.

Section 9E provides that it is an offence for a builder not to give the property owner a copy of the consumer guide, prior to performing building work to which the Act applies.

Section 9F provides that a consumer guide is neither a statutory rule (under the Rules Publication Act 1953), nor subordinate legislation (under the Subordinate Legislation Act 1992).

Clause 7

Part 3 is repealed.

Deletes Part 3 of the Act relating to the requirement for builders and owner-builders to take out housing indemnity insurance cover for residential building work to which the Act applies.

Clause 8

Sections 20B and 21 repealed.

Section 20B – requires the Minister to publish a list of approved insurers for the purposes of the Act.

Section 21 – allows a person, entitled to the benefit of a policy under this Act, to sue on the policy in his or her own right notwithstanding that he or she was not a party to it.

Both sections are redundant once Part 3 is repealed.