

TASMANIA

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**HOUSING INDEMNITY AMENDMENT BILL  
2003**

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# **HOUSING INDEMNITY AMENDMENT BILL 2003**

*(Brought in by the Minister for Justice and Industrial  
Relations, the Honourable Judith Louise Jackson)*

## **A BILL FOR**

### **An Act to amend the *Housing Indemnity Act 1992***

Be it enacted by His Excellency the Governor of Tasmania,  
by and with the advice and consent of the Legislative  
Council and House of Assembly, in Parliament assembled,  
as follows:

#### **Short title**

1. This Act may be cited as the *Housing Indemnity  
Amendment Act 2003*.

#### **Commencement**

2. This Act commences on the day on which this Act  
receives the Royal Assent.

#### **Principal Act**

3. In this Act, the *Housing Indemnity Act 1992*\* is  
referred to as the Principal Act.

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\*No. 49 of 1992

**Section 3 amended (Interpretation)**

4. Section 3 of the Principal Act is amended by omitting “\$50 000” from the definition of “the prescribed insurance cover” and substituting “\$200 000”.

**Section 5 amended (Exclusion of certain building work)**

5. Section 5(1)(a) of the Principal Act is amended by omitting “\$5 000” and substituting “\$12 000”.

**Section 12 amended (Requirements of insurance policies)**

6. Section 12 of the Principal Act is amended as follows:

- (a) by inserting “(1)” before “A policy”;
- (b) by omitting paragraph (c) of subsection (1) (as renumbered);
- (c) by inserting the following subsection:

(2) If the builder has failed to complete the building work and after due search and enquiry cannot be found, the amount of insurance cover is not to exceed one-fifth of the contract price.

**Section 20 amended (Restrictions on payment under building work contracts)**

7. Section 20 of the Principal Act is amended by omitting paragraph (b) and substituting the following paragraphs:

- (b) in the case of a payment made before the commencement of building work having a value of less than \$20 000 or such other amount as may be prescribed, is not more than 10% of the contract price; or
- (c) in the case of a payment made before the commencement of building work having a value of \$20 000 or more or such other amount as may be prescribed, is not more than 3% of the contract price.