



Minister for Housing and Public Works
Minister for Digital Technology
Minister for Sport

Our Ref: HPW 00444-2020
Your Ref: A531988

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19 MAR 2020

Mr Neil Laurie
The Clerk of the Parliament
Parliament House
George Street
BRISBANE QLD 4000

Dear Mr Laurie

I refer to e-petition number 3216-19 titled 'Amend the Queensland Building and Construction Commission Regulation 2018 to have painting and decorating removed from the Queensland Home Warranty Insurance Scheme'. The e-petition was tabled in the Legislative Assembly on 18 February 2020.

The Queensland Home Warranty Scheme (the Scheme) is a statutory insurance scheme that provides important consumer protections for homeowners in Queensland. Most residential construction work undertaken in Queensland must be covered by home warranty insurance.

Building work that is defective or incomplete can be rectified or finished as a result of a homeowner making a claim against the Scheme. The Scheme protects consumers in circumstances such as where a licensee fails to rectify defective work or has become insolvent.

On 28 October 2016, cover under the Scheme was expanded to include work performed within the 'building envelope' of a residence and valued at more than \$3,300. For the first time, standalone painting work became eligible for cover under the Scheme. Expanding these important consumer protections was necessary, as painting work has consistently been identified by the Queensland Building and Construction Commission (QBCC) as one of the most common building defects. For example, during 2018-19 painting work was recorded as having the second highest number of defects of any building work.

Removing coverage for painting under the Scheme would deny a homeowner recourse if a licensee failed to comply with a direction to rectify defective painting work. As it currently stands, a homeowner may claim against the Scheme if a licensee fails to remedy the work. When a claim is approved, the QBCC will arrange for an alternative licensee to complete the work to a satisfactory standard. The QBCC may also seek to recover the cost of rectification work from the licensee responsible for the defective work.

In 2017, following extensive consultation across the State, the Queensland Government released the Queensland Building Plan 2017 (QBP). The QBP provides a blueprint for key reforms to create a safer, fairer and more sustainable building and construction industry. The Scheme is one of the identified areas of reform to ensure it continues to deliver certainty, equity, fairness and transparency for homeowners and licensees.

I trust that this information is of assistance and I thank the petitioners for their interest in this important issue.

Yours sincerely

A handwritten signature in blue ink, appearing to read 'Mick de Brenni', with a long horizontal flourish extending to the right.

Mick de Brenni MP
Minister for Housing and Public Works
Minister for Digital Technology
Minister for Sport