

HOME INDEMNITY INSURANCE — WAYNE HOWLE CASE

5075. Hon Ljiljanna Ravlich to the Minister for Commerce

I refer to your answer to question without notice No. 929, asked in this place on 1 November 2011, and I ask —

- (1) What were the restrictions placed on Mr Wayne Howle's building license here in Western Australia?
- (2) How do these restrictions correlate with the restrictions placed on his license in New South Wales?
- (3) Is the Minister aware of the circumstances in which two families have found themselves due to the unfinished work of Mr Wayne Howle?
- (4) How was Mr Wayne Howle able to have at least one of those families take out Home Warranty Insurance in Western Australia?
- (5) Will the Minister admit that the system fails the consumer in terms of the builder being able to ignore the Orders to Pay from the Building Disputes Tribunal?

Hon SIMON O'BRIEN replied:

- (1) Mr Howle's registration in Western Australia was limited to class 1, 2, and 10a buildings as classified in the Building Code of Australia.
- (2) Mr Howle sought registration under mutual recognition principles because he held a building contractor's registration in New South Wales. In that state builder registration is limited to residential buildings. Mr Howle was limited in Western Australia to residential buildings (classes 1 and 2) and sheds (class 10a).
- (3) Yes. Various pieces of correspondence referring to Home Indemnity Insurance matters relating to Mr Howle have been received since January 2010.
- (4) Home Indemnity Insurance is required under the provisions of the Home Building Contracts Act. A builder is required to provide a consumer with a policy of insurance in the consumer's name before commencing building work. Lumley Insurance provided the relevant insurance cover.
- (5) Orders to Pay made by the Building Disputes Tribunal were enforceable through the Magistrate or District Courts. In response to shortcomings in the previous system of builder registration and consumer disputes this Government has introduced significant reforms through the establishment of the Building Commission.