

COMMERCE — HOME INDEMNITY INSURANCE

1625. Hon Steve Martin to the Minister for Commerce:

I refer to your correspondence dated 12 September 2023, regarding the Home Indemnity Insurance Scheme (HII), and your specific comment ‘I am advised that extending the retrospectivity conditions of the increased payout amounts would have a significant impact on the scheme’s sustainability’, and I ask:

- (a) since the announcement of the increased payouts, retrospectively applied to 1 June 2020:
 - (i) how many applications have been received;
 - (ii) how many were approved at the enhanced payment provisions; and
 - (iii) at what cost;
- (b) how many applications have been received since announcement of the increased payouts:
 - (i) that were not eligible for enhanced payout provisions;
 - (ii) how many applications were approved; and
 - (iii) at what cost; and
- (c) had all these applications been approved under the revised scheme provisions what would balance of the HII fund be now?

Hon Sue Ellery replied:

- (a)
 - (i) As at 31 August 2023 there were 365.
 - (ii) 231
 - (iii) \$28.5 million.
- (b)
 - (i) As at 31 August 2023 there were 101.
 - (ii) 64 applications have been approved at the original payout amount.
 - (iii) \$5.5 million.
- (c) As at 31 August 2023, \$57,015,671.

While from the above figures it appears the impact on the HII Account has not been significant, it is important to highlight that this could change significantly in a short time based on the number of claims received and processed by QBE. The HII Account must be able to sustain future claims taking into consideration the doubling of the maximum payout amount has increased the amount that could be drawn from the account under each claim.