

The Senate

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Standing Committee on Economics

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Australia's mandatory last resort home  
warranty insurance schemes

Interim Report

May 2008

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# Senate Standing Committee on Economics

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# Home Warranty Insurance

## Interim report

1.1 On 19 March 2008 the Senate referred the following matter to the Standing Committee on Economics for inquiry and report by May 2008:

Australia's mandatory Last Resort Home Warranty Insurance scheme, including:

- (a) the appropriateness and effectiveness of the current mandatory privatised Last Resort Builders Warranty Insurance scheme in providing appropriate consumer protection and industry management;
- (b) the reasons for and consequences of the ministerial decisions relating to the removal of consumer protection provisions in respect of Corporations Regulation 7.1.12(2);
- (c) the ramifications for the future supply of this insurance product following the draft recommendations from the Productivity Commission report released in December 2007;
- (d) any potential reforms and their costs and benefits which may lead to appropriate consumer and builder protection and improved housing affordability; and
- (e) any related matters.

1.2 The Committee has received 61 submissions. The submissions raise issues which the Committee wishes to investigate further.

1.3 The Committee has resolved to provide its final report to the Senate by 16 October 2008.

Senator Annette Hurley, Chair

1 May 2008