Home Warranty Insurance

The Northern Territory Government today announced that it will introduce a Home Warranty Insurance scheme in the Territory Parliament this year.

Planning Minister Gerry McCarthy said that Government would fully fund the establishment of a HWI scheme in the Territory.

“Home Warranty Insurance schemes provide protection where a builder becomes insolvent, bankrupt or dies,” Mr McCarthy said.

“Building your own home is still the great Australian dream and too often businesses can fail and leave Territory families in financial limbo.

“Today the Territory Government was informed that local builder Brolga Homes has become insolvent.

“This and other recent building company failures will impact on home builders and those working in the industry and we need to take effective action.

“We understand that five Brolga homes are currently incomplete and the Government is taking the following action to help affected home builders:

- Establish a dedicated hot line number on 8999 8985 where general advice will be provided with a view of completing their homes;
- Work with the building certifiers involved with these homes to ensure that owners are able to occupy their homes as soon as possible and certification is completed; and
- Contact the five landowners who have incomplete homes to update them on recent developments.

“The Territory Government will seek to introduce the new Home Warranty Insurance legislation in October this year and wants the scheme operational by early next year.”

A Home Warranty Insurance scheme is a last resort insurance mechanism that only becomes effective and provides financial assistance to enable the home owner/purchaser to transfer from one builder to another.

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