



**LEGISLATIVE ASSEMBLY**  
FOR THE AUSTRALIAN CAPITAL TERRITORY

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**SELECT COMMITTEE ON ESTIMATES 2022-2023**

Mr James Milligan MLA (Chair), Mr Andrew Braddock MLA (Deputy Chair),  
Dr Marisa Paterson MLA

**ANSWER TO QUESTION ON NOTICE**

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**Peter Cain MLA:** To ask the Special Minister of State

In relation to: ACT Insurance Authority

1. Please provide a statement of services provided by QBE (p 119 BS B 2022 – 23)?
  - a. How was this agreement formalised?
  - b. What was the procurement process?
  - c. Please provide the agreement, procurement documents, and related correspondence.
  - d. Does this contract involve other parties?
  - e. Has this contract been renewed for any consecutive periods?

**Chris Steel MLA:** The answer to the Member's question is as follows: –

1 and 1a) QBE provides Builders' Warranty Insurance in the ACT under an Indemnity Agreement with the Territory. QBE provides insurance Services of issuing Builders' Warranty Insurance policies and managing claims under those policies.

This insurance covers a builder's client for smaller residential developments or renovations in a case where a builder is unable to start or finish a job, or their work is defective. Builders' Warranty Insurance is compulsory in the ACT for smaller residential building works valued at over \$12,000.

1b) In 2019, Cabinet agreed to Treasury officials negotiating arrangements with QBE for a three-year period that would be in line with arrangements that already existed in South Australia and Western Australia. Before 2019 QBE was the sole provider of Builders' Warranty Insurance in the ACT, however they decided to exit the market in the ACT. In the absence of any other options that would cover this market, the government agreed to an arrangement where QBE continued to offer the product on behalf of the ACT Government.

1c) The terms of the agreement are commercial-in-confidence. See the above answer in relation to the process.

1d) No. The parties to the Agreement are the Territory and QBE.

1e) Yes. The Agreement has been renewed once from 1 July 2022 for three years.

Approved for circulation to the Select Committee on Estimates 2022-2023

Signature:



Date:

8/9/22

By the Special Minister of State, Chris Steel MLA