

MEDIA RELEASE

Strata Sector Welcomes Reforms to Queensland Home Warranty Scheme

Thursday, 16 September 2021:

Queenslanders who own lots in a strata high-rise stand to benefit from possible reforms to Queensland's Home Warranty Scheme.

With buildings over 3 storeys currently excluded from the Queensland Home Warranty Scheme, this leaves many strata owners in the lurch. The reform of the Queensland Home Warranty scheme is a huge priority for the state's peak strata body, Strata Community Association (Qld) and in an important development, reform is now on the agenda of the Ministerial Construction Council. SCA (Qld) has been vocal about the expansion of this scheme to include many currently ineligible strata schemes for years and welcomes its inclusion on the Council.

SCA (Qld) President James Nickless was pleased to see the Government acting on this crucial support for the strata sector.

"There are over 500,000 strata lots in Queensland. Mum and Dad investors, downsizers and a large share of first home buyers make up the bulk of strata owners, and most are currently left out of the important Home Warranty scheme. We are grateful the Government is looking to ensure that strata owners are properly covered in the Queensland Home Warranty scheme," said Mr Nickless.

"We have seen what has happened in some other states and overseas where there have been no warranties or insurance scheme in place. Buildings can become condemned with no financial recourse for owners, or there can be tragic building failures posing risks to life, health and safety. People can lose their life savings or even their lives.

"As we see house prices skyrocket across the state, more and more people are looking to strata living as an alternative. However, this may create problems down the road if the scheme is left in its' current form."

"This leaves a major portion of the 1.2 million Queenslanders who live in strata potentially open to the disasters we've seen in other jurisdictions, where buildings are rendered unsafe due to defects and the owners have little or no recourse."

SCA (Qld) will put consumer protection at the forefront of their advocacy efforts and are enthused to be working with the Minister Mick De Brenni to reform the scheme.

"For many Queenslanders, their home is often the biggest investment they will ever make. Consumers are protected from products failing to be fit for purpose in every other sector of the economy. Apartment owners need to have warranties covering their buildings that are at least as good as the warranties covering their televisions and it is vital that this reform recognises this fact by expanding coverage to include buildings over 3 storeys," said Mr Nickless.

"We urge the Queensland Government to take a good look at the scheme and the amount of Queenslanders excluded from this important scheme and do what's best for so many Queenslanders who are getting into the housing market through strata titled properties."

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About Strata Community Association (Qld)

SCA (Qld) is the peak association supporting the state's strata sector, with more than 1,300 individual and corporate members who help oversee, advise, and manage a collective sinking fund balance of \$1.02 billion.

The association brings together people who manage strata schemes, own units or live in strata communities, and those who provide products and services for schemes. We also provide education, advice, and advocacy to enable better understanding of the regulations, obligations and owner's rights.

Strata Community Association (Qld) members represent 323,000 of the 500,000 lots in Queensland. SCA (Qld) was founded in 1984 as the Body Corporate Manager's Institute Queensland (BCMIQ), subsequently joining the other leading state and territory strata institutes in creating a national organisation. Aligning branding since 2002 we now are known as Strata Community Association (Qld).

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