

Media Release

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SUPPORT EXTENDED FOR VICTIMS OF HOME BUILDER COLLAPSES

The Andrews Labor Government will extend the Porter Davis support scheme to other clients of collapsed builders who were left significantly out of pocket due to the actions of their builders.

Several hundred additional families may be eligible for one-off support payments after their builder failed to take out mandatory Domestic Building Insurance (DBI) on their behalf, and then went into liquidation.

Eligible Porter Davis Homes customers who paid 3 per cent pre-deposit money for “tender agreements”, but received no DBI cover, will also have access to payments of up to \$50,000.

In addition to Porter Davis tender deposit customers, the support scheme will be extended to clients of other builders that have gone into liquidation in the past 12 months where the customers have been left without DBI through no fault of their own.

Some customers of Snowdon Developments and Hallbury Homes have had similar experiences to Porter Davis customers and could be eligible for a payment capped at \$50,000. For a person to be eligible under the scheme extension, their builder must have entered liquidation between 1 July 2022 and 30 June 2023.

People who have been affected by the liquidation of a builder in the past 12 months can provide details at vic.gov.au/liquidated-builders-survey. Guidance on how to make an application will be provided in due course.

The first payments to Porter Davis Homes customers under the Labor Government’s original customer support payment scheme will land in the coming days.

Following verification of details with the company’s liquidator, confirmation letters are being progressively issued and payments will be made to customers who paid standard 5 per cent deposits, but were left without cover because the company did not take out mandatory DBI on their behalf.

Refunds for these customers will be paid up to the legal maximum deposit of 5 per cent under the Domestic Building Contracts Act 1995. The Government opened the customer support payment scheme in late May.

Domestic builders must by law take out DBI on behalf of customers when they accept a legal deposit – the Victorian Building Authority (VBA) is investigating the failure of Porter Davis to do so for many customers.

The Government has already announced plans to reform the *Domestic Building Contracts Act 1995*, strengthen domestic building insurance requirements and introduce a new offence with tougher penalties for builders who request deposits without taking out the required insurance.

Quotes attributable to Acting Assistant Treasurer Tim Pallas

“Dreams turned to nightmares for people who should have been protected by their builders, and that’s not acceptable.”

“We’ve backed the original Porter Davis families, and now other hardworking families who have similarly suffered over the past 12 months will have the certainty and confidence they deserve to move ahead.”

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