

## **MEDIA RELEASE**

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### **ACCREDITED CERTIFIERS CAUTIOUSLY WELCOME NSW GOVERNMENT ACTION ON INSURANCE CRISIS, BUT MORE WORK NEEDED**

The Association of Accredited Certifiers (AAC) has cautiously welcomed the NSW Government's decision to temporarily accept Professional Indemnity (PI) insurance policies with cladding exclusions, but has condemned the failure to include companion measures to protect consumers and certifiers.

The decision comes as almost all insurers have left the market, refusing to offer PI insurance cover to Accredited Certifiers.

For Accredited Certifiers to maintain their registration, the law in NSW states that they must hold PI insurance policies free of exclusions.

**Temporarily allowing cladding exclusions will hopefully prevent the construction industry from grinding to a halt, but raises more issues that need immediate solutions.**

AAC CEO, Jill Brookfield said this first step by the NSW Government leaves consumers and certifiers exposed and far more needs to be done in the extreme short term.

"We welcome this positive first step from the NSW Government, which will hopefully mean insurers come back into the market," Ms Brookfield said.

"However, the failure to introduce other complimentary measures, such as consumer redress and protection for certifiers, leaves all parties exposed. The NSW Government needs to provide a solution to protect consumers and certifiers, and must ensure Accredited Certifiers in NSW have the same liability protections as their counterparts in local government and other jurisdictions.

**"We also have to address the historic liability that Accredited Certifiers are still exposed to – this is vitally important.**

"Without Accredited Certifiers, the construction industry in NSW will grind to a halt."

**Ms Brookfield also welcomed last week's [comments](#) from the Victorian Premier Daniel Andrews regarding the potential for state governments to become insurers of last resort.**

"Premier Andrews' comments are very welcome and reflect an appreciation of the seriousness of this issue," Ms Brookfield said.

"It is imperative that the NSW Government explores a similar option in NSW with immediate effect."

The AAC CEO added that further long-term reforms will be needed to address the skewed liability burden on Accredited Certifiers in the NSW construction industry.

"The Government's discussion paper released last week is welcome but we must ensure we don't simply extend the framework that has led to the current insurance crisis faced by Certifiers into other disciplines in the future.

“A comprehensive and government-backed insurance solution needs to be considered to protect consumers and practitioners going forward as part of any reform package.”

To find out more about the role of Accredited Certifiers and AAC, visit:

[www.accreditedcertifiers.com.au](http://www.accreditedcertifiers.com.au)

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