

LEVEL

TWENTY
SEVEN

C H A M B E R S



Quantum meruit claims following the High Court's
decision in
Mann v Paterson Constructions Pty Ltd

Michael Trim

Liability limited by a Scheme approved under professional standards legislation



Mann v Paterson – the High Court's decision

- "[1] The Court of Appeal erred in holding that the respondent builder, having terminated a major domestic building contract upon the repudiation of the contract by the [appellants], was entitled to sue on a quantum meruit for the works carried out by it.
- [2] Alternatively, if the respondent was entitled to sue on a quantum meruit, the Court of Appeal erred in finding that the price of the contract did not operate as a ceiling on the amount claimable under such a quantum meruit claim.
- [3] The Court of Appeal erred in allowing the respondent to recover on a quantum meruit basis for variations to the works carried out by the respondent, because it incorrectly found that s 38 of the *Domestic Building Contracts Act 1995* (Vic) did not apply to a quantum meruit claim for variations to works under a domestic building contract."

>> *Mann v Paterson* – High Court’s decision (2)

- The High Court was unanimous as to the result – all judges allowed the appeal.
- But differences in reasoning.
- All judges agreed that appeal ground 3 should be upheld.
- Nettle, Gordon and Edelman JJ and Gageler J held that appeal ground 1 should be dismissed but appeal ground 2 should be upheld.
- Kiefel CJ, Bell and Keane JJ held that appeal ground 1 should be upheld.