The Northern Territory Government is to introduce builders licensing and Building Indemnity Insurance.

Infrastructure, Planning and Environment Minister Kon Vatskalis told Parliament today the recent collapse of Jamac Homes is deeply concerning and that the Government is moving toward major reform measures on these matters.

"The first is the introduction of builders licensing," Mr Vatskalis said.

"This Government is determined that licensing will be introduced and the legislation and scheme are being prepared.

"We will be finalising this in wide consultation with the industry. No good builder need fear this legislation.

"We will ensure that all assistance possible is available to people who are not comfortable with paperwork or who speak English as a second language."

Mr Vatskalis said the Government is also to introduce Building Indemnity Insurance.

"This is something the industry has been calling for for years," Mr Vatskalis said.

"There are some complications with this because of the national problems with insurance but I am confident we will overcome these problems.

"This Government has been pursuing this option since it came to power and it will be produced for public comment over the next few months.

"It is my intention to take it out to industry, unions and the public in a widespread consultation process and I would like to establish a committee made up of these stakeholders to assist that public consultation process.

Mr Vatskalis said it is likely the legislation will be ready for submission to parliament early in 2003.

"This Government is an action government," Mr Vatskalis said.

"We have responded to the industry and we are taking the necessary action.

"It should have been introduced years ago, but our predecessors failed to bite the bullet, they took no action at all.

"I deeply sympathise with the people caught up in this current problem.

"I am hopeful there will be something for them when this particular case goes through the legal examination it must now be subject to."