BUILDERS’ REGISTRATION TAKES EFFECT

Territorians facing their biggest financial decision – building a house - will now be protected through new laws ensuring all residential builders are registered.

From 3 July, 2006, the Building Act prescribes that residential building work can only be done by a registered residential building contractor or, in some cases, an owner-builder.

“These initiatives deliver on an important Government election commitment to provide builders’ registration in the Territory’s residential construction industry,” Planning and Lands Minister Dr Chris Burns said.

“Buying a house is usually the largest and most significant financial investment undertaken by any individual.

“The introduction of builders’ registration - followed by home warranty insurance - will provide essential protection for consumers.

“Builders’ registration increases consumer protection while recognising builders as professionals.

“It also provides greater certainty in the building process by requiring that residential building works be covered by a written contract specifying minimum conditions which are designed to provide the consumer with additional protection.

“Furthermore, a building certifier will be required to undertake six mandatory inspections to ensure the building work is being carried out in accordance with the requirements of the Building Act.

“The new building regime is being introduced after extensive consultation with industry, including the Territory Construction Association and the Housing Industry Association, for the benefit of the consumer and the further development of the industry.”

Home Warranty Insurance (covering non-completion for single dwellings and non-compliance for all residential development up to and including three storeys) is to commence in January 2007, subject to suitable competitive products being available in the market.

Home Warranty Insurance will cover the additional expense associated with engaging another registered builder in the event of the original builder not being able to complete the work because of death, disappearance or insolvency.

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