

# Explanatory Statement

## BUILDING AMENDMENT BILL 2022

### SERIAL NO. 53

LEGISLATIVE ASSEMBLY OF THE  
NORTHERN TERRITORY

MINISTER FOR INFRASTRUCTURE, PLANNING AND LOGISTICS

#### GENERAL OUTLINE

This Bill amends the *Building Act 1993*.

The purpose of this Bill is to provide the Building Practitioners Board greater scope to conduct an inquiry into the work or conduct of a building practitioner whose registration has ceased, and increase the financial penalties for professional misconduct by building practitioners.

#### NOTES ON CLAUSES

##### **Clause 1. Short Title.**

This is a formal clause which provides for the citation of the Bill. The Bill when passed will be cited as the *Building Amendment Act 2022*.

##### **Clause 2. Commencement.**

This clause sets out how the amendment Act will be commenced. In this case the amendment Act will commence on the day after the day the Administrator gives assent.

##### **Clause 3. Act amended.**

Provides that the amendment Act amends the *Building Act 1993*.

##### **Clause 4. Section 34H amended (Inquiry into building practitioner who is no longer registered)**

Section 34H applies if a building practitioner the subject of an inquiry was registered at the time of the work or conduct being inquired into but, before or during the inquiry, ceases to be registered.

This clause amends section 34H(2) to provide that the inquiry is limited to the building practitioner's work or conduct or both (as the case requires) during the 7 years immediately before the practitioner ceased to be registered.

##### **Clause 5. Section 34T amended (Disciplinary action by Inquiry Board)**

Section 34T(d) is deleted and a new subsection inserted which increases the maximum civil penalty the Inquiry Board may require a practitioner to pay if they are guilty of professional misconduct:

- (i) if the practitioner is an individual – 160 penalty units; or
- (ii) if the practitioner is a corporation – 800 penalty units.

**Clause 6. Section 34Y amended (Disciplinary Action by Practitioners Board)**

Section 34Y(1)(b) is deleted and a new subsection inserted which increases the maximum civil penalty the Building Practitioners Board may require a residential builder to pay if they contravene a decision by the Commissioner of Residential Building Disputes requiring them to rectify defective building work:

- (i) if the builder is an individual – 160 penalty units; or
- (ii) if the builder is a corporation – 800 penalty units.

**Clause 7. Section 168 amended (Regulations)**

This clause inserts a minor note at the end of section 168. It is included in this Bill in lieu of being included in a future Statute Law Revision Bill.

**Clause 8. Part 21 inserted**

This new part is added to provide for the amendments in the Bill to apply to work or conduct which occurred prior to commencement. Specifically, that:

- A. The increased period of inquiry to building practitioners that ceased to be registered also applies in relation to a building practitioner who ceased to be registered before the commencement of the Bill.
- B. The increased amount of civil penalty for professional misconduct also applies in relation to professional misconduct which occurred before the commencement of the Bill.
- C. The increased amount of civil penalty for contraventions of a rectification decision by the Commissioner of Residential Building disputes also applies if:
  - (i) the rectification decision was made before the commencement of the Bill; or
  - (ii) the practitioner's conduct constituting the contravention occurred before the commencement of the Bill.

**Clause 9. Repeal of Act**

This is a standard clause which provides that the amendment Act is repealed on the day after it commences.