



## COVERSHEET

<b>Minister</b>	Hon Chris Penk	<b>Portfolio</b>	Building and Construction
<b>Title of Cabinet paper</b>	Building and Construction Sector (Self-Certification by Plumbers and Drainlayers) Amendment Bill and Building and Construction Sector (Strengthening Occupational Licensing Regimes) Amendment Bill: Approval for Introduction	<b>Date to be published</b>	5 December 2025

### List of documents that have been proactively released

Date	Title	Author
November 2025	Building and Construction Sector (Self-Certification by Plumbers and Drainlayers) Amendment Bill and Building and Construction Sector (Strengthening Occupational Licensing Regimes) Amendment Bill: Approval for Introduction	Office of the Minister for Building and Construction
6 November 2025	Building and Construction Sector Amendment Bills: Approval for Introduction LEG-25-MIN-0218 Minute	Cabinet Office

### Information redacted

**YES**

Any information redacted in this document is redacted in accordance with MBIE's policy on Proactive Release and is labelled with the reason for redaction. This may include information that would be redacted if this information was requested under Official Information Act 1982. Where this is the case, the reasons for withholding information are listed below. Where information has been withheld, no public interest has been identified that would outweigh the reasons for withholding it.

Some information has been withheld for the reason of Confidential advice to Government.

## In Confidence

Office of the Minister for Building and Construction

Cabinet Legislation Committee

### **Building and Construction Sector (Self-Certification by Plumbers and Drainlayers) Amendment Bill and Building and Construction Sector (Strengthening Occupational Licensing Regimes) Amendment Bill: Approval for introduction**

#### **Proposal**

- 1 This paper seeks approval for the introduction of the Building and Construction Sector (Self-Certification by Plumbers and Drainlayers) Amendment Bill (the Self-certification Bill), and the Building and Construction Sector (Strengthening Occupational Licensing Regimes) Amendment Bill (the SOLR Bill).
- 2 I intend to seek approval from the Chair of the parliamentary Business Committee to associate both bills as they have policy linkages, for more efficient use of House time.
- 3 Both bills are classified as a Confidential advice to Government subject to any changes made during the reassessment of legislative priorities process.

#### **Policy: Self-certification Bill**

- 4 The Self-certification Bill amends the Building Act 2004 and the Plumbers, Gasfitters, and Drainlayers Act 2006 to introduce a new opt-in scheme to allow endorsed plumbers and drainlayers to certify that their work complies with a building consent, without the need for an inspection by a building consent authority.
- 5 The Self-certification Bill delivers on the Government's commitment to speed up building in New Zealand by enabling plumbing and drainlaying work to be completed more quickly and efficiently. This is intended to make it easier and more affordable to build houses while maintaining quality and safety.

#### ***Building Act 2004***

- 6 In April 2025, Cabinet agreed [ECO-25-MIN-0052 refers] to amend the Building Act to:
  - 6.1 revise the matters that building consent authorities must accept as establishing compliance with the Building Code under section 19 to include material provided by an approved plumber and/or drainlayer; and

**IN C O N F I D E N C E**

- 6.2 update the good faith liability protections for building consent authorities under section 392 to include reliance on material provided by an approved plumber and/or drainlayer.

*Plumbers, Gasfitters, and Drainlayers Act 2006*

- 7 In April 2025, Cabinet also agreed [ECO-25-MIN-0052 refers] to amend the Plumbers, Gasfitters, and Drainlayers Act to:
- 7.1 introduce an opt-in self-certification scheme for plumbers and drainlayers, for work in simple residential dwellings;
  - 7.2 set out high-level eligibility criteria for plumbers and drainlayers to be able to self-certify that include specified technical competency and knowledge, a minimum number of years of practical experience and a proven track record of regulatory compliance;
  - 7.3 allow for more detailed requirements to be prescribed in secondary legislation made by the Plumbers, Gasfitters and Drainlayers (PGD) Board; and
  - 7.4 allow for licence endorsements, as part of the licensing regime for plumbers and drainlayers.

**Policy: SOLR Bill**

- 8 The Government is introducing changes to the building control system that will transfer assurance and responsibility from building consent authorities to tradespeople. These changes include exempting small standalone dwellings from building consent, allowing licensed plumbers and drainlayers to self-certify, and shifting to proportionate liability.
- 9 To ensure that consumers can have confidence that tradespeople can be held accountable when things go wrong, Cabinet agreed to strengthen complaints and disciplinary measures for practitioners in the sector. This was part of the package on consent exemptions for small standalone dwellings [EXP-25-MIN-0011 refers].
- 10 To help promote this confidence and improve the complaints processes, the SOLR Bill amends the Building Act, the Plumbers, Gasfitters, and Drainlayers Act, and the Electricity Act 1992, to improve complaints and disciplinary processes for practitioners in the sector by making them more efficient and improve Registrar investigative powers.

*Building Act 2004*

- 11 In March 2025, the Cabinet Expenditure and Regulatory Review Committee (EXP) confirmed decisions made by the Cabinet Economic Development Committee (DEV) in May 2021 [refer EXP-25-MIN-0011 and DEV-21-MIN-0086] to amend the Building Act to:

**IN C O N F I D E N C E**

**IN C O N F I D E N C E**

- 11.1 revise the licensing and administrative processes for Licensed Building Practitioners (LBPs), including moving parts of the relicensing process to the Licensed Building Practitioners Rules 2007;
- 11.2 introduce a grace period for licences which are not renewed in a timely manner;
- 11.3 record licences which are cancelled for a disciplinary order on the public register for three years;
- 11.4 establish triaging powers for the LBP Registrar, and allow them to dismiss complaints they deem frivolous or vexatious; and
- 11.5 increase investigative powers for the LBP Registrar.

***Plumbers, Gasfitters, and Drainlayers Act 2006***

- 12 In March 2025, EXP confirmed DEV decisions from March 2021 [EXP-25-MIN-0011 and DEV-21-MIN-0038 refer] to amend the Plumbers, Gasfitters, and Drainlayers Act to:
  - 12.1 remove the restriction on the PGD Registrar from making and investigating a complaint; and
  - 12.2 change the composition of the PGD Board.
- 13 EXP also confirmed DEV decisions from February 2023 to add an empowering provision to prescribe a code of ethics [DEV-23-MIN-0004 refers].

***Electricity Act 1992***

- 14 In March 2025, EXP confirmed DEV decisions from February 2023 [EXP-25-MIN-0011 and DEV-23-MIN-0004 refer] to amend the Electricity Act 1992 to:
  - 14.1 add an empowering provision to prescribe a code of ethics; and
  - 14.2 remove the restriction on the Registrar of the Electrical Workers Registration board from making and investigating a complaint.

**I am seeking approval to associate the two bills**

- 15 As outlined in paragraph 2, these bills require the agreement of the parliamentary Business Committee to associate these bills at all readings.
- 16 I propose that Cabinet authorise me to make any changes required by the Business Committee as a condition for approving the introduction of these bills and treating them as associated.

**IN C O N F I D E N C E**

### **Decisions made during the drafting process**

- 17 As the Minister for Building and Construction I have made minor and technical policy changes to the Self-certification Bill consistent with other proposals agreed by Cabinet on issues which have arisen during the drafting process, as authorised by Cabinet [ECO-25-MIN-0052 refers].
- 18 I have also made minor and technical changes to the SOLR Bill as agreed to by Cabinet in each of the three relevant minutes.

### **Amendments to Cabinet decisions identified during the drafting process**

- 19 Throughout the drafting process for both bills, my officials have identified amendments to previous Cabinet agreements. As part of this paper, I am seeking Cabinet's approval for these amendments to be included as they have been drafted.
- 20 For the Self-certification Bill, the amendments are
  - 20.1 Removing the requirement that self-certification be restricted to simple residential dwellings (as risk depends on the complexity of the plumbing or drainlaying work, not the building) and instead restricting self-certification to plumbing and drainlaying work that meets the following criteria, to be detailed further in regulations:
    - 20.1.1 Routine for an experienced plumber or drainlayer
    - 20.1.2 Not complex plumbing and drainlaying
    - 20.1.3 Poses a low risk to the health and safety of the public
  - 20.2 Removing the requirement that Building Consent Authorities accept self-certification assurance documentation as evidence the Building Code is met when granting a building consent. This material will instead be submitted after the building work is complete;
  - 20.3 Adding a new offence for failing or refusing to surrender an endorsement when required by the Plumbers, Gasfitters, and Drainlayers Board Registrar, giving them the same powers over endorsements they have over licences and registrations.
- 21 For the SOLR Bill, the amendments are:
  - 21.1 Requiring that only hearings, and not meetings, need to be held in public, as it is not necessary to mandate that all meetings are to be held in public;
  - 21.2 Rescinding an amendment to differentiate terminology for relicensing suspensions and disciplinary suspensions, as this can be achieved through non-regulatory avenues;
  - 21.3 Increasing the originally agreed penalty in the Building Act for failure to provide information to an investigator when required to be in line with the

## IN C O N F I D E N C E

Plumbers, Gasfitters, and Drainlayers Act and the Electricity Act, and separating the offence into two;

- 21.4 Setting a less prescriptive structure for the composition of the Plumbers, Gasfitters and Drainlayers Board, in line with best practice;
  - 21.5 Inserting appropriate powers for the Regulatory Boards (based on those in the Building Act) directly into the Electricity Act and the Plumbers, Gasfitters, and Drainlayers Act, rather than simply referencing Inquiries Act 2013.
- 22 A full list of these amendments and explanations of the changes has been attached as **Appendix one**.

### Impact analysis

- 23 A regulatory impact statement was previously considered by Cabinet at the time policy decisions relating to the Self-certification Bill were sought [ECO-25-MIN-0052 refers].
- 24 A quality assurance panel made up of representatives from the Ministry of Business, Innovation and Employment, and the Ministry for Regulation reviewed the regulatory impact statement. The panel considered it met the quality assurance criteria but noted that the impact assessment was limited by a constrained timeframe which only allowed for an interim cost benefit analysis and limited consultation.
- 25 For the SOLR Bill, exemptions from a regulatory impact statement were sought at the times of Cabinet approvals and were provided on the grounds that they have no or only minor impacts on businesses, individuals, and not-for-profit entities.

### Compliance

- 26 The bills comply with each of the following:
- 26.1 the principles of the Treaty of Waitangi;
  - 26.2 the rights and freedoms contained in the New Zealand Bill of Rights Act 1990 and the Human Rights Act 1993;
  - 26.3 the disclosure statement requirements, a disclosure statement has been prepared and is attached;
  - 26.4 the principles and guidelines set out in the Privacy Act 2020;
  - 26.5 relevant international standards and obligations; and
  - 26.6 the Legislation Design and Advisory Committee [Legislation Guidelines](#) (2021 edition).

### Consultation

- 27 Departmental consultation on the draft bills was undertaken in October 2025. The following departments were consulted:

IN C O N F I D E N C E

## IN CONFIDENCE

- 27.1 The Treasury; Department of the Prime Minister and Cabinet; Ministry for Regulation, Department of Internal Affairs; Department of Corrections; Department of Conservation; Ministry of Housing and Urban Development; Kāinga Ora, Ministry of Education; Ministry for Culture and Heritage; Te Puni Kōkiri; WorkSafe; Ministry for Pacific Peoples; Ministry of Justice; Ministry of Health; Ministry for the Environment; Ministry of Transport; Ministry of Disabled People, Ministry of Defence; Ministry for Primary Industries; Ministry of Social Development; Land Information NZ; Statistics NZ; NZ Infrastructure Commission; Taumata Arowai; Climate Change Interdepartmental Executive Board, Natural Hazards Commission, National Emergency Management Agency, Defence Force, Fire and Emergency, Commerce Commission, Energy Efficiency and Conservation Authority, Office of the Privacy Commissioner.
- 28 The Plumbers, Gasfitters, and Drainlayers Board was consulted on the Self-Certification Bill.
- 29 The following agencies were consulted on the policy proposals approved by Cabinet in April 2025 [ECO-25-MIN-0052 and CAB-25-MIN-0125 refer]:
- 29.1 The Treasury; Department of the Prime Minister and Cabinet: Ministry for Regulation, Department of Internal Affairs; Department of Corrections; Department of Conservation; Ministry of Housing and Urban Development; Kāinga Ora/Consentium, Ministry of Education; Ministry for Culture and Heritage; Te Puni Kōkiri; WorkSafe; Ministry for Pacific Peoples; Ministry of Health; Ministry for the Environment; Ministry of Transport; Ministry of Defence; Ministry for Primary Industries; Ministry of Social Development; Land Information NZ; Statistics NZ; NZ Infrastructure Commission; Taumata Arowai; NZ Public Health Agency; Climate Change Interdepartmental Executive Board, Natural Hazards Commission.

### *The Government caucus and other parties represented in Parliament*

- 30 I consulted with other Ministers in the Government, as well as representatives from the ACT and New Zealand First parties, between 20 and 24 October 2025. Feedback received was incorporated into the bills.

### **Binding on the Crown**

- 31 The bills amend the Building Act, the Plumbers, Gasfitters, and Drainlayers Act and the Electricity Act. These Acts are binding on the Crown (subject to the exceptions in those Acts) which will not be changed by the bills.

### **Creating new agencies or amending law relating to existing agencies**

- 32 The bills do not create new agencies.

### **Allocation of decision-making powers**

- 33 The Self-certification Bill does not involve the allocation of decision-making powers between the executive, the courts, or tribunals.

IN CONFIDENCE

- 34 The SOLR Bill aligns appeal frameworks for the boards under the three Acts amended by the Bill, and also declare that an investigator's decision may be appealed to the appropriate board.

## Secondary legislation

### *Self-certification Bill*

- 35 Associated regulations and other secondary legislation will be required to support implementation of the Self-certification Bill. The Bill includes new or updated regulation-making powers for the Governor-General to prescribe through an Order in Council:

35.1 The definition of self-certifiable plumbing and simple drainlaying that will clarify what work can be self-certified.

35.2 The content and information that must be included in a Certificate of Compliance.

- 36 I plan to seek policy approval on the associated regulations from Cabinet C  
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### *SOLR Bill*

- 37 Secondary legislation will be required to support the implementation of the SOLR Bill:

37.1 Codes of ethics for electrical workers and plumbers, gasfitters and drainlayers will be developed after the SOLR Bill has been enacted. I plan to seek policy approval for these from Cabinet Confidential

37.2 Amendments to the Licensed Building Practitioners Rules 2007 will be needed to support the new relicensing processes in the Building Act. I estimate that these will be tabled in the House Confidential advice

## Other instruments: Self-certification Bill

- 38 The Self-certification Bill gives the chief executive of the Ministry of Business, Innovation, and Employment the power to approve the form of the statutory declaration that plumbing or drainlaying work will be self-certified, which must be filed with a building consent.

- 39 The Bill gives the PGD Board the power to prescribe:

39.1 the minimum standards that persons must meet to obtain an endorsement to self-certify;

39.2 the content, form, fees and levy for the application for a self-certification endorsement and the application for endorsement renewal; and

39.3 the form of the Certificate of Compliance.



## Commencement of legislation

- 40 The Self-certification Bill will have a staged commencement:
- 40.1 clauses 16, 37, 38, 39, 40, 43, and 44, and the MBIE Chief Executive's functions under the Bill, will come into force the day after the date of Royal assent, allowing for the necessary regulations, notices, and registers to be in place before the rest of the Act commences and providing for establishment costs to be funded by the building levy where appropriate.
  - 40.2 all other clauses will commence on 30 June 2026 to prevent professionals being able to self-certify before the scheme is in place.
- 41 The SOLR Bill will also have a staged commencement:
- 41.1 other than clauses 11, 12, 13 and 15, the SOLR Bill will come into force on the day after Royal assent.
  - 41.2 clauses 11, 12, 13 and 15 (which all amend the Building Act) will commence on a date set by Order in Council as they rely on the making of amendments to the Licensed Building Practitioners Rules 2007. However, any part of the SOLR Bill that has not come into force a year after Royal assent will come into force then.

## Parliamentary stages

- 42 The bills should be introduced on the week beginning 10 November 2025 and passed Confidential.
- 43 I propose that the bills be referred to the Transport and Infrastructure Committee of Parliament for the select committee process.

## Proactive Release

- 44 I propose to proactively release this Cabinet paper package and associated Cabinet minute within 30 business days.

## Recommendations

I recommend that the Cabinet Legislation Committee:

- 1 **note** that both the Building and Construction Sector (Self-Certification by Plumbers and Drainlayers) Amendment Bill and the Building and Construction Sector (Strengthening Occupational Licensing Regimes) Amendment Bill Confidential advice to Government
- 2 **approve** the two bills for introduction, subject to the final approval of the Government caucus and sufficient support in the House of Representatives;

### **Building and Construction Sector (Self-Certification by Plumbers and Drainlayers) Amendment Bill**

- 3      **note** that the Building and Construction Sector (Self-Certification by Plumbers and Drainlayers) Amendment Bill amends the Building Act 2004 and the Plumbers, Gasfitters, and Drainlayers Act 2006 to introduce a new scheme to allow qualified plumbers and drainlayers to certify that their work complies with a building consent, without the need for a building consent authority inspection.

### **Building and Construction Sector (Strengthening Occupational Licensing Regimes) Amendment Bill**

- 4      **note** that the Building and Construction Sector (Strengthening Occupational Licensing Regimes) Amendment Bill amends the Building Act 2004, the Electricity Act 1992 and the Plumbers, Gasfitters, and Drainlayers Act 2006 by strengthening licensing and disciplinary processes for practitioners in the sector;

### **Legislative process**

- 5      **note** that, throughout the drafting process for both bills, several drafting changes were identified that require amendments to Cabinet decisions, which are outlined in **Appendix one**;
- 6      **agree** to rescind the original Cabinet approvals, and agree to the new amendments referred to in recommendation 5;
- 7      **agree** that a new offence will be added to the plumbers, gasfitters, and drainlayers regulatory regime for failing or refusing to surrender an endorsement when required by the Registrar;
- 8      **note** that I will be seeking approval from the parliamentary Business Committee to associate these bills at all readings;
- 9      **authorise** the Minister for Building and Construction to make any changes required by the Business Committee, as per paragraph 2 and 15-16.
- 10     **agree** that the bills be introduced on 11 November 2025;
- 11     **agree** that the bills be:
- 11.1   referred to the Transport and Infrastructure Committee for consideration; and
- 11.2   enacted **Confidential** (subject to approval to associate), or as soon as practical thereafter.

Authorised for lodgement

Hon Chris Penk

Minister for Building and Construction

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## Appendix one: Amended Cabinet approvals

Cabinet minute	Original approval	Amendment	Reason
<b>Building and Construction Sector (Self-Certification by Plumbers and Drainlayers) Amendment Bill</b>			
ECO-25-MIN-0052	Only plumbing and drainlaying work in simple residential dwellings can be self-certified.	Only plumbing and simple drainlaying work that meets the following criteria can be self-certified: Routine for an experienced plumber or drainlayer Not complex plumbing and drainlaying Poses a low risk to the health and safety of the public	Plumbing and drainlaying risk arises from the complexity of the plumbing or drainlaying solution, not the complexity of the building.
ECO-25-MIN-0052	Building consent authorities must accept self-certification assurance material as establishing compliance with the Building Code under section 19 of the Building Act 2004.	<i>Rescind amendment</i>	The self-certification Certificate of Compliance will be filed with the building consent authority as part of the process of issuing a Code Compliance Certificate, which is not covered by section 19. Rescinding this amendment achieves the intent of the Certificate of Compliance.
<b>Building and Construction Sector (Strengthening Occupational Licensing Regimes) Amendment Bill [EXP-25-MIN-0011 refers]</b>			
DEV-21-MIN-0086	All meetings and hearings should be held in public.	Only hearings must be held in public.	It is not necessary to mandate that all meetings are to be held in public.
DEV-21-MIN-0086	Amend the Building Act so that different terminology is used to differentiate between licences suspended for failure to renew and those suspended for disciplinary reasons.	Rescind amendment	It is intended that this will be achieved through a non-regulatory approach instead, such as reformatting the display of the register.
DEV-21-MIN-0086	It will be an offence in the Building Act to not provide information when required, with a penalty of up to \$2,000.	One offence for failure to provide information, one penalty for failure to adhere to a notice. Fines for offences are now set at \$10,000 for an individual and \$50,000 for any other case.	Brings the offences and penalties in line with the relevant equivalent offences and penalties in section 147F of the Electricity Act and section 99 of the Plumbers, Gasfitters, and Drainlayers Act.

IN CONFIDENCE

**I N C O N F I D E N C E**

DEV-21-MIN-0038	Amend the structure of the PGD Board to be: one plumber, one gasfitter, one drainlayer, and seven other persons including one person registered or entitled to be registered with any licence, two people who represent consumer interests, one person who represents skills the Board requires, and three other people who meet the three previous criteria.	The structure of the PGD Board will be at least five, but no more than 10 people, including at least one plumber, one gasfitter, one drainlayer, and two people who represent consumer interests.	The original approvals were prescriptive, which goes against best practice and creates a risk that the Board may not need composition requirements. The proposed approach imposes a flexible restriction on numbers, together with statutory criteria that the Minister must take into account.
DEV-21-MIN-0086 DEV-21-MIN-0038 DEV-23/MIN-0004	The Electricity Act and the PGD Act be amended to update the powers of the Boards for the purposes of conducting a hearing to remove reference to the Commissions of Inquiry Act 1908, and instead refer to relevant powers in the Inquiries Act 2013.	Appropriate powers for the Boards (based on those in the Building Act) to be inserted directly into the Electricity Act and the Plumbers, Gasfitters, and Drainlayers Act, rather than referencing the overall powers in the Inquiries Act 2013.	This more modern approach tailors the Board powers proportionately to the matters they deal with.

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