



COVERSHEET

Minister	Hon Chris Penk	Portfolio	Building and Construction
Title of Cabinet paper	Strengthening consumer protections in the Building Act	Date to be published	15 December 2025

List of documents that have been proactively released		
Date	Title	Author
November 2025	Strengthening consumer protections in the Building Act	Office of Hon Chris Penk, Minister for Building and Construction
12 November 2025	Strengthening consumer protections in the Building Act ECO-25-MIN-0190 Minute	Cabinet Office
10 October 2025	Regulatory Impact Statement – Supporting mechanisms for proportionate liability in the building and construction sector	MBIE
5 November 2025	Regulatory Impact Statement – Increasing the maximum fine and suspension term for Licensed Building Practitioners	MBIE

Information redacted

YES / NO (please select)

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Some information has been withheld for reasons of Commercial information, Protecting the privacy of natural persons, Confidential advice to Government and Free and frank advice.

In Confidence

Office of the Minister for Building and Construction

Cabinet Economic Policy Committee

Strengthening consumer protections in the Building Act

Proposal

- 1 This paper seeks agreement to strengthen consumer protection measures in the Building Act to support the shift to proportionate liability.

Relation to government priorities

- 2 These proposals support the Government's objectives by improving building sector performance and supporting the Going for Housing Growth programme.

Executive Summary

- 3 In August 2025, Cabinet agreed to change the liability rule in the building and construction sector from joint and several to proportionate liability.
- 4 This will make building easier and more affordable, but owners risk being left out of pocket if a liable party to a building defect is absent or insolvent.
- 5 To address this, I propose to introduce a suite of support mechanisms based off the experience in Australia to mitigate risk for homeowners under proportionate liability, including requiring:
 - 5.1 home warranties for all new residential houses, small to-medium sized apartment buildings and renovations over \$100,000, involving restricted building work¹ and a building consent, and;
 - 5.2 professionals contributing to building design work (e.g. architects, engineers, building designers and surveyors) to hold professional indemnity insurance.
- 6 While consumer protection tools like warranties are available they are currently underused or not well understood by homeowners. Only around 46 per cent of new builds are covered by a home defects warranty, with even lower uptake for renovations.
- 7 While the value of professional indemnity (PI) insurance is well understood in the commercial market, residential homeowners are often not equipped to verify its presence or adequacy when engaging design professionals.
- 8 These proposed support mechanisms take effect alongside the change in liability rule, following a one-year implementation period after enactment of the Building Amendment Bill (Confidential advice to [redacted] to enable market readiness and consumer education.

¹ Restricted building work (RBW) refers to critical building or design work on residential buildings under 10 metres (three storeys) in height that affects the building's structural integrity, weathertightness, or fire safety. Only licensed building practitioners in the appropriate class may carry out or supervise restricted building work.

- 9 In addition to the above support mechanisms, I am also proposing to increase the disciplinary penalties for licensed building practitioners (LBPs) to reinforce accountability and signal that poor practice will not be tolerated by increasing the following:
- 9.1 the maximum fine that can be issued to an LBP from \$10,000 to \$20,000
 - 9.2 the maximum suspension period from 12 months to 24 months.
- 10 I consider that these changes appropriately balance protecting homeowners in the event of building defects with incentivising all parties to take greater responsibility for their own actions.

Background

- 11 In August 2025, Cabinet agreed to change from joint and several to proportionate liability, making parties financially accountable only for their own contribution to defective building work. This removes the burden on ratepayers to underwrite liability of absent or insolvent parties and promote greater sector responsibility.
- 12 This shift is not expected to increase the quantity or frequency of defect claims, but without accompanying consumer protection measures there is an increased theoretical risk that homeowners without warranties may not receive full redress where one or more liable parties are absent, insolvent, or otherwise unable to meet their obligations.
- 13 A recent study of three building consent authorities (BCAs) indicates that the frequency of building defect claims made against councils has been trending down², although this excludes claims against builders or designers. While claim frequency may be low overall, the consequences for homeowners in the event of a defect occurring can be costly and time consuming.
- 14 Cabinet also directed officials to develop options for support mechanisms, including an opt-out home warranty and deposit scheme (ECO-25-MIN-0121 refers).

I am proposing complementary measures to support the shift to proportionate liability and reduce risks for homeowners

Requiring home warranties will close a gap in homeowner protection

- 15 I propose making it compulsory for all new houses, small to medium-sized apartment buildings and renovations \$100,000 or above (GST inclusive), involving restricted building work and a building consent, to be covered by a minimum 1-year defects and 10-year structural warranty.
- 16 I also propose to allow for categories of exemptions from the home warranty requirement, through regulations. For example, self-certified simple residential dwellings³ and work done by owner-builders could be exempted, providing flexibility for unique circumstances.

² Average civil liability at 0.05% of the value of consented building work for three building consent authorities (Christchurch, Hamilton, and Tauranga) between 2017 and 2024.

³ Self-certifiers of simple residential dwellings will be subject to an adequate means requirement (ECO-25-MIN-0052 refers).

- 17 Building warranties enable homeowners to easily access remedies. In contrast, the implied warranty provisions in the Building Act 2004 (the Act) often involve costly proceedings and require liable parties to be present and solvent for homeowners to be successful.
- 18 Having access to a warranty ensures a high-level protection for a homeowner. For example, homeowners are still protected under warranty should defects emerge after a builder's retirement. Without access to liable parties, existing consumer protections and implied warranties are often ineffective for homeowners seeking resolutions. Warranty providers can arrange for alternative builders, while insurance providers issue payouts, to enable the issue to be resolved prior to any costly legal proceedings.
- 19 The New Zealand home warranty market is well-established, with multiple providers offering coverage for deposit loss, non-completion, structural and non-structural defects and, in some cases, design and consequential damage. Annex One provides an overview of the three largest warranty providers.

Requiring home warranties will be more effective than an opt-out scheme

- 20 I have considered, but ruled out, voluntary or opt-out warranty schemes, given the existing market capacity and anticipated expansion of available products. While an opt-out scheme would allow homeowners the choice of forgoing the additional costs of a warranty product, these costs are typically less than 0.5% of the total build cost.
- 21 Voluntary cover risks homeowners opting-out without a full understanding of the financial risks, leaving many exposed to financial hardship without recourse. Behavioural influences – such as optimism bias and present-focus – can mean that some homeowners underestimate future risks and prioritise short-term gains. This makes them more likely to rely on informal assurances, such as a builder's reputation, rather than securing long-term protection through a warranty.
- 22 In contrast, requiring building warranties encourages homeowner responsibility by incentivising them to 'shop around' for the best warranty product. This will also give homeowners confidence that, should something go wrong and their builder is absent or insolvent, they will not bear the full financial burden.
- 23 The proposed requirement for warranties also incentivises improved sector performance, as builders and developers will need to demonstrate that they can meet the eligibility criteria set by warranty providers. In time, this will help to lift overall quality and professionalism in the industry.
- 24 By embedding defects warranty requirements I aim to strike a balance between market-led delivery and regulatory assurance. This supports responsibility from all industry players, deters poor practice and delivers better outcomes for homeowners and the wider public.

The warranty market can scale up to cover the needs of all homeowners

- 25 Officials have engaged directly with major existing warranty providers. All consulted parties expressed confidence in their ability to scale up their coverage under proportionate liability. Commercial information

[Redacted text block]

- 26 Some builders are members of industry bodies (such as the Master Builders Association), but do not currently make use of warranty products. My officials have projected that existing market providers (including industry bodies) will be able to scale towards approximately 70 – 80% of the total market for new consented residential buildings, as their existing members respond to new requirement for building defect warranties.
- 27 The remaining 20 – 30% of residential construction is done by builders who are not affiliated with warranty providers. Under the proposal, unaffiliated builders will need to affiliate with a warranty provider, enter into a subcontract arrangement with companies which are covered under warranties, offer an insurance-based product, or adjust their business model to focus on lower-value renovations.

Warranty providers must be registered and supply monitoring data

- 28 I propose requiring all warranty providers to register with the Ministry of Business, Innovation, and Employment (MBIE) to ensure assurance and transparency. They must attest via independent audit that they meet actuarial and operational requirements and honour claims for a 10-year period.
- 29 Requiring warranty providers to attest to ongoing assessments, dispute resolution and annual external audits during registration will set the standard for new market entrants. Providers of insurance-based products are also subject to the requirements of their insurance underwriters, who must already comply with prudential standards set by the Reserve Bank of New Zealand.
- 30 I am also proposing that warranty providers be required to submit regular, standardised data reports to MBIE to strengthen transparency and oversight in the building sector. The required information and timing will be set out in regulations.
- 31 In addition, I propose that warranty providers be required to publish plain-language information about their products - specifically coverage conditions and exclusions - on a public website. Warranties must also be transferable to subsequent homeowners during the warranty period, provided all conditions continue to be met.

Deposit protection products are readily available in the existing market

- 32 As directed by Cabinet, officials examined whether a deposit security scheme could reduce financial risk for homeowners when a builder fails to start or complete work.
- 33 I am not recommending progressing this work, given the range of existing deposit protection products in the market, and potential impacts on business cashflows. While analysis by Deloitte indicated that a deposit scheme could safeguard some homeowner deposits that might otherwise be lost, there would be an estimated annual reduction of the construction sector's contribution to GDP by approximately \$100 – 400 million due to negative effects upon capital availability for building firms.

Requiring professional indemnity insurance will improve sector accountability

- 34 Most building design professionals – architects, designers, engineers, and surveyors – already hold professional indemnity (PI) insurance, particularly in the commercial sector. However, gaps in coverage reduce accountability for design-related defects. I consider that all professionals involved in building design should be financially accountable for their work and hold PI insurance, individually or through their firm.

- 35 To align with the warranty proposal and avoid unnecessary compliance costs, I propose PI must be held by a professional if:
- 35.1 the building work (including new builds and renovations) has a total contract value of \$100,000 or more (GST inclusive), and;
 - 35.2 they are contributing, through advice or services, to the design of the building work, including ensuring compliance with the Building Code, and;
 - 35.3 they are not operating under an owner-builder exemption or on behalf of a territorial authority (TA) or building consent authority (BCA).
- 36 Secondary legislation will be used to define the scope of work covered, enable requirements to be set relating to conditions or adequacy of the insurance, and to set associated disclosure obligations to support consumer protection.
- 37 Compulsory PI would apply to both commercial and residential work, with particular importance for residential builds where homeowners often lack understanding of professional responsibilities and warranties typically exclude design defects.
- 38 As PI insurance is widely held, this proposal is not expected to significantly increase costs. The Insurance Council of New Zealand has advised that PI insurance for design and structural professionals is available and competitively priced. The proposal is broadly supported by peak industry bodies across all professions.

Offences are required to ensure compliance with the new requirements of the liability support structures

- 39 To ensure appropriate oversight of the home warranty market and ensure that new entrant providers meet basic prudential standards, I propose that operating a home warranty scheme without registration by MBIE be an offence. I also propose that making false or misleading statements relating to a home warranty product whether to the regulator or to consumers, be made an offence.
- 40 I propose new offences be introduced for design professionals who do work that is required to be covered by PI insurance without holding that required insurance, or fail to disclose, or make false or misleading statements about their cover.
- 41 I intend that these penalties will align with comparable existing offences within the Act (see Annex Two).

The industry needs continuity in the event of future market disruptions

- 42 New Zealand's insurance market relies on overseas reinsurers, who may withdraw if systemic building defects emerge or following major shocks such as natural disasters.
- 43 To manage risks to building sector continuity if sufficient insurance coverage is unavailable, I propose to enable, via Order in Council, the temporary suspension of requirements for building warranties and indemnity insurance. This suspension would be used where circumstances arise that make the requirements unworkable, with reference to criteria prescribed in regulation, for example:
- 43.1 The withdrawal of warranty and/or insurance providers from the New Zealand market;

- 43.2 A substantial increase in warranty or PI insurance costs; or
 - 43.3 Other developments that materially affect the availability of these products.
- 44 A suspension could be imposed at any time, for up to two years, and be extended or revoked, with each extension limited to a maximum of two years.

Increasing penalties for licensed building practitioners (LBPs)

- 45 To ensure proposed liability changes are effective, it is essential that LBPs act professionally, ethically, and responsibly when carrying out or supervising building work. LBPs can be held to account through the disciplinary process administered by the Building Practitioners Board, and strengthening this process is necessary to hold LBPs accountable.
- 46 While most LBPs meet high standards, there are cases of negligent or dishonest behaviour - such as cutting corners or misleading clients - that undermine the system. These actions can result in serious consequences for consumers, including costly repairs, legal disputes, stress, and temporary relocation.
- 47 The current penalties for LBPs have not changed since the regime was first introduced in 2007 and are now insufficient to provide a deterrent for serious misconduct. The maximum fine is \$10,000, and the longest suspension period is 12 months.
- 48 To reinforce accountability and signal that poor practice will not be tolerated, I propose increasing:
- 48.1 the maximum fine that can be issued to an LBP from \$10,000 to \$20,000;
 - 48.2 the maximum suspension period from 12 months to 24 months.

Implementation

- 49 These proposals require amendments to the Act. Support mechanisms will be included with other reforms, such as self-certification of entire builds, through the Building Amendment Bill that is expected to be introduced in early 2026. [REDACTED]
Confidential advice to government [REDACTED]
- 50 Increased penalties for LBPs will be progressed through the Building and Construction Sector (Strengthening Occupational Licensing Regimes) Amendment Bill. The Bill is expected to be introduced to the House in November 2025.
- 51 I recommend a one-year implementation period for the support mechanisms and change in liability rule to enable a smooth transition to proportionate liability while ensuring market readiness and consumer protection. MBIE will work with warranty providers, insurers, and the industry to establish reporting and publication requirements and monitor uptake and claims data. Public education campaigns will raise awareness of the new liability rule and available consumer protections.
- 52 The implementation period will commence upon enactment of the Building Amendment Bill. This will enable registration of warranty providers to commence within three months of legislation.

Cost-of-living Implications

- 53 These proposals will not directly impact daily cost of living for New Zealanders. However, homeowners will pay for warranty products they might not otherwise purchase. A defects warranty on a \$500,000 build (GST inclusive) costs between \$1,200 and \$2,750 or, between 0.24% and 0.55% of a build, respectively.
- 54 Sector participants without access to a home warranty product will face added costs, for example fees for Master Builders or Certified Builder membership range from around \$1,000 to \$4,000 annually, based on business turnover. Builders can also register with Stamford Insurance, for a current one-off audit fee of \$1,850. The cost of PI cover varies depending on work undertaken but typically ranges from \$1,500–\$3,000 per year – again, a cost that only falls to a small group within the sector.
- 55 These costs are justified given the system-level benefits, especially for homeowners when defects occur. Greater uptake of these products should increase competition for provider market share, improving product choices for consumers at lower cost.

Financial Implications

- 56 Enhancing the existing warranty and insurance markets ensures that financial implications for the Crown are confined to ongoing implementation efforts such as registration of warranty providers, monitoring and data collection, enforcement, engagement with industry and information and education campaigns around the warranty and insurance changes.

Legislative Implications

- 57 This paper seeks agreement to include support mechanisms within the upcoming Building Amendment Bill and also seeks agreement to draft regulations. [REDACTED]

Confidential advice to government [REDACTED]

Impact Analysis

- 58 The Regulatory Impact Statement (RIS) for support mechanisms for proportionate liability in the building and construction sector is attached at Annex Three. A quality assurance panel made up of representatives from MBIE and the Ministry for Regulation reviewed the RIS, and considered it met the quality assurance criteria.
- 59 The RIS for increasing penalties in section 318 of the Act is attached at Annex Four. A quality assurance panel made up of representatives from MBIE reviewed the RIS. The panel considered it partially met the quality assurance criteria, and noted that the impact assessment was limited by a constrained timeframe which only allowed for limited consultation and a narrow scope of options.
- 60 The Climate Implications of Policy Assessment (CIPA) team has been consulted and confirms that the CIPA requirements do not apply to these policy proposals, as the threshold for significance is not met.

Population Implications

- 61 There are no population implications arising from this paper.

Human Rights

- 62 There are no human rights implications arising from this paper.

Use of external Resources

- 63 Finity delivered actuarial advice on warranties under proportionate liability, including analysis of Australian schemes. The Research Agency (TRA) undertook workshops and scenario testing with unaffiliated builders to understand implications of potential warranty and deposit protection. Deloitte advised on deposit protection options.
- 64 These findings informed development of the Regulatory Impact Statement for support mechanisms for proportionate liability in the building and construction sector.

Consultation

On building warranties and indemnity insurance

- 65 MBIE consulted warranty and insurance providers, including the two largest guarantee providers (Master Builders and Halo), Stamford Insurance (current Lloyd's coverholder), the largest volume builder, and a prospective guarantee provider. Consulted providers indicated that they can increase their product range and scale up operations in the lead up to the rule change taking effect.
- 66 Departmental consultation was undertaken with Department of Prime Minister and Cabinet, Treasury, Ministry for Regulation, Ministry of Housing and Urban Development, Ministry of Justice, and Department of Internal Affairs.
- 67 Treasury preferred the proposal for an opt-out home warranty scheme, and was less supportive of making either home warranties or PI insurance compulsory, suggesting that mandatory warranties could risk higher costs, reduced building supply and negative impacts for unaffiliated builders and market innovation.
- 68 The Ministry for Regulation support mandatory warranties for building work over \$100,000, and suggested opt-out warranties for building work between \$20,000 and \$100,000. The Ministry for Regulation recommended disclosure requirements as an alternative to requiring PI cover.

On Licensed Building Practitioner (LBP) regime penalties

- 69 MBIE consulted on increased penalties for LBPs with BCAs and industry bodies in September 2025.
- 70 Feedback generally supported an increase in penalties but also noted that there are other barriers to filing a complaint, such as the difficulty of getting a complaint heard by the Building Practitioners Board, and the length of time the process takes.
- 71 BCAs also highlighted the administrative burden preventing them from issuing infringement notices using powers under the Act.

Communications

- 72 I intend to announce the decisions taken in this paper in due course, via a press release from my office or through a media standup.

Proactive Release

- 73 I intend to proactively release this paper, subject to redactions consistent with the Official Information Act 1982, within 30 business days of decisions being made.

Recommendations

The Minister for Building and Construction recommends that the Committee:

Home warranties

- 1 **Note** that requiring home warranties (either guarantees or insurance products) will provide more effective consumer protection than an opt-out scheme;
- 2 **Agree** to amend the Building Act 2004 to require homeowners to purchase home warranties for all new builds including residential houses and small to-medium sized apartment buildings and renovations \$100,000 or above (including GST) that involve restricted building work and a building consent;
- 3 **Agree** that all building warranty providers must register with the Ministry for Business, Innovation and Employment;
- 4 **Agree** that providers must publish plain-language information about their products on a public website;
- 5 **Agree** to require home warranties be transferable to any subsequent homeowner during the warranty period, provided all conditions continue to be met;
- 6 **Agree** to amend the Building Act 2004 to enable regulations to be made to specify:
 - 6.1 categories of exemptions from the home warranty requirement, such as self-certified simple residential dwellings and work done by owner-builders;
 - 6.2 the requirements warranty providers must attest to for registration, including their ability to meet actuarial, operational and reporting requirements;
 - 6.3 the information warranty providers must provide to the Ministry for Business, Innovation and Employment, and the specified interval;
 - 6.4 the plain language publication requirements for warranty providers, including coverage conditions and exclusions;
- 7 **Agree** to not progress deposit protection proposals given the existing range of deposit protection products in the market;

Professional indemnity insurance

- 8 **Note** that requiring professional indemnity insurance for those contributing to the design of building work (e.g., architects, designers, engineers and building surveyors) will strengthen sector accountability and provide additional consumer protections;
- 9 **Agree** to amend the Building Act 2004 to enable the introduction of compulsory professional indemnity insurance for professionals contributing (through advice or service) to the design of building work with a total value \$100,000 or more (GST inclusive);
- 10 **Agree** to exempt owner-builders and professionals operating on behalf of a territorial authority (TA) or building consent authority (BCA) from the requirement;
- 11 **Agree** that the Building Act is amended to include regulation-making powers to specify the scope of advice or services for which professional indemnity insurance must be

held, any requirements relating to the conditions or adequacy of the insurance, and any associated disclosure obligations for professionals;

Suspension of warranty and PI insurance requirements

- 12 **Note** the risk to the building and construction sector if home warranty and professional indemnity insurance products become unavailable or cost prohibitive;
- 13 **Agree** to enable, via Order in Council, the temporary suspension of the requirements for home warranty and/or professional indemnity insurance, where circumstances arise that make the requirements unworkable with reference to criteria prescribed in regulation;
- 14 **Agree** that a suspension can be imposed at any time, for up to two years, and be extended or revoked, with each extension limited to a maximum of two years;

New offences and penalties for warranty and PI requirements.

- 15 **Agree in principle** to introduce offences for non-compliance with home warranty and professional indemnity insurance requirements, subject to further feedback from the Ministry of Justice as to their appropriateness during the bill drafting stage;
- 16 **Agree in principle** that penalties for these offences will be consistent with those for similar existing offences within the Building Act 2004;

Changes to Licensed Building Practitioner penalties

- 17 **Agree** to increase the maximum fine that can be issued to a licensed building practitioner by the Building Practitioners Board to \$20,000, and the maximum term of licence suspension to 24 months;

Legislation and implementation considerations

- 18 **Agree** that home warranty and professional indemnity insurance requirements will be enacted alongside the change in liability rule, one year after commencement of the Building Amendment Act;
- 19 **Agree** that registration requirements for warranty providers will come into force three months following commencement of the Building Amendment Act;
- 20 **Authorise** the Minister for Building and Construction to issue drafting instructions to the Parliamentary Counsel Office to give effect to Cabinet decisions in this paper via the Building Amendment Bill and the Building and Construction Sector (Strengthening Occupational Licensing Regimes) Amendment Bill;
- 21 **Authorise** the Minister for Building and Construction to make decisions, consistent with the proposals in these recommendations and the overall policy described in this paper, on any issues that arise during the drafting process;
- 22 Confidential advice to government
[Redacted]

Authorised for lodgement

Hon Chris Penk
Minister for Building and Construction

Annex One: Current market conditions for building warranty products

There are currently three major home warranty product providers in the New Zealand market. These providers are either guarantee or insurance based.

- **Guarantee-based providers:** are member schemes available only to members of major industry bodies (Certified Builders' Halo Guarantee and Master Builders' Master Build Guarantee). Directly remedy the situation by sending the builder (or a replacement builder) back to fix the defect.
- **Insurance-backed providers:** are backed by overseas reinsurers, such as Lloyd's. Provide payouts to homeowners, with the insurer managing the resolution process. These products are currently only provided by Lloyd's coverholder Stamford Insurance.

Note of correction: the total cover for the Halo Residential Guarantee (structural and non-structural) is \$1m, not \$10m as stated).

	Master Builders Guarantee	Halo Residential Guarantee	Stamford Insurance
Liability exposure	Builder only	Builder only	Assumed any liable party
Commercial information			
Loss of deposit	\$50k or 10% of sum insured	Not currently covered ⁴	\$200k or 10% of sum insured
Non-completion	\$500k or 20% of sum insured	Not currently covered	\$200k or 10% of sum insured
Non-structural defects	2 years cover for \$1m or up to sum insured	2 years cover for \$250k per claim / \$10m total, or sum insured	2 years cover for \$2.5m or up to sum insured
Structural defects	10 years cover for \$1m or up to sum insured	10 years cover for \$250k per claim / \$10m total, or sum insured	10 years cover for \$2.5m or up to sum insured
Design defects	No cover	Covered as above	Covered as above
Consequential damage	No cover	Covered as above	Covered as above

⁴ Confidential advice to government

Annex Two: Overview of existing offences and penalties

This table outlines proposed offences for non-compliance with home warranty and professional indemnity insurance requirements, alongside similar existing offences under the Building Act 2004. It provides examples of comparable penalties, with final penalty levels to be determined in consultation with the Ministry of Justice.

Proposed offence	Similar existing offence in the Building Act		
	Offence	Section	Maximum fine (NZD)
Home warranties			
Operating a warranty scheme while not registered by MBIE	Offence to misrepresent status as product certification body	s 272G	\$300,000 for individual \$1,500,000 for body corporate
	Offence to misrepresent status as a modular component manufacturer	s 272ZI	\$300,000 for individual \$1,500,000 for body corporate
Making false or misleading statements relating to a warranty product	Offence to make false or misleading statement	s 369	\$20,000 for individual \$60,000 for body corporate
Failure to report administrative information about warranty uptake and claims to the regulator	Offence to fail to provide information or documents	s 207B	\$20,000 for individual \$60,000 for body corporate
Failure to meet plain language requirements	Building contractor must provide information before residential building contract entered into	s 362D	\$2,000 infringement for not providing disclosure information

Professional Indemnity Insurance			
Carrying out design work without the required professional indemnity insurance	Falsely claiming to be a licensed building practitioner and carrying out that work	s 314	\$50,000 for individual
Failing to disclose professional indemnity insurance	Building contractor must provide information before residential building contract entered into	s 362D	\$2,000 infringement for not providing disclosure information
Making false or misleading statements relating to indemnity insurance cover	Offence to make false or misleading statement during disclosure	s 362D	\$50,000 for individual \$150,000 for body corporate
	Offence to misrepresent product certificate	s 272H	\$300,000 for individual \$500,000 for body corporate

Annex Three: Regulatory Impact Statement: Supporting mechanisms for proportionate liability in the building and construction sector

Annex Four: Regulatory Impact Statement: Increasing the maximum fine and suspension term for Licensed Building Practitioners.