

1973

VICTORIA.



ANNO VICESIMO SECUNDO

ELIZABETHÆ SECUNDÆ REGINÆ

No. 8529.

An Act to make Provision requiring Certain Guarantees or Indemnities to be given in relation to the Construction of Certain Buildings and for that Purpose to amend Part XLIX. of the *Local Government Act 1958* and for other purposes.

[18th December, 1973.]

BE it enacted by the Queen's Most Excellent Majesty by and with the advice and consent of the Legislative Council and the Legislative Assembly of Victoria in this present Parliament assembled and by the authority of the same as follows (that is to say) :—

Short title.

1. (1) This Act may be cited as the *Local Government (House Builders' Liability) Act 1973*.

Principal Act  
No. 6299.  
Reprinted to  
No. 7689.

Part XLIX.  
subsequently  
amended by  
Nos. 8149,  
8181, 8291.

Commence-  
ment.

(2) In this Act the *Local Government Act 1958* is called the Principal Act.

(3) This Act shall come into operation on a day or on the respective days to be fixed by proclamation or successive proclamations of the Governor in Council published in the *Government Gazette*.

2. In

2. In section 1 of the Principal Act after the expression " Division 1.—Introductory ss. 916A–918." there shall be inserted the expression " Division 1A.—House Builders' Liability ss. 918A–918R." Amendment of No. 6299 s. 1. Divisions of Act.

3. After Division 1 of Part XLIX. of the Principal Act there shall be inserted the following Division :— Amendment of No. 6299 Part XLIX. New Division 1A.

‘ DIVISION 1A.—HOUSE BUILDERS’ LIABILITY.

918A. (1) In this Division, unless inconsistent with the context or subject-matter— Interpretations.

“ Approved guarantor ” means a body corporate approved under section 918E. “ Approved guarantor.”

“ Approved indemnity ” in relation to the construction of a dwelling-house means— “ Approved indemnity.”

(a) a guarantee referred to in section 918K or 918L ; or

(b) an approved insurance policy—

that relates to the construction of that dwelling-house.

“ Approved insurance policy ” means a contract of insurance approved under section 918M or 918N. “ Approved insurance policy.”

“ Approved insurer ” means a person— “ Approved insurer.”

(a) authorized under the *Insurance Act* 1973 of the Commonwealth of Australia or, if that Act is amended, that Act as amended and in force from time to time, to carry on insurance business ; or

(b) a person, approved by the Governor in Council for the purposes of this Division by notice published in the *Government Gazette*, who carries on State insurance business.

“ Builder ” means a person who constructs, or two or more persons who together construct dwelling-houses, but does not include a person referred to in sub-section (7) of section 918B. “ Builder.”

“ Certificate of occupancy ” in respect of a dwelling-house means a certificate issued in respect of the dwelling-house in accordance with section 929A. “ Certificate of occupancy.”

“ Contract price ” in relation to a contract to construct or sell a dwelling-house means the amount payable under the contract by the house purchaser or purchaser as the case may be. “ Contract price.”

“ Construct ” includes build, erect and place in position and “ construction ” has a corresponding meaning. “ Construct.”

“ Dwelling-house ”

" Dwelling-house."

" Dwelling-house " means a building (whether temporary or permanent) used or intended, adapted or designed for use as a separate residence for an occupier having a right to the exclusive use of the building and containing bathing or sanitary facilities within its bounds but does not include—

- (a) a separate residence that is a portion of a building containing two or more such residences ;
- (b) a building on a unit within the meaning of the *Strata Titles Act 1967* ;
- (c) a building attached to a shop office warehouse or factory and intended adapted or designed for use as a residence for an occupier or caretaker of the shop office warehouse or factory ;
- (d) a building intended adapted or designed for use as an apartment or apartment-house within the meaning of section 220 of the *Health Act 1958*, a boarding house, hostel, lodging house, motel, residential club, residential hotel or residential part of premises licensed under the *Liquor Control Act 1968* ; or
- (e) a prescribed building.

" House purchaser."

" House purchaser " means a person who enters into a contract for the construction by a builder of a dwelling-house on land and, where that person sells or otherwise disposes of that land or of an interest in that land, includes a person who is a proprietor, within the meaning of the *Transfer of Land Act 1958*, of that land.

" Purchaser."

" Purchaser " means a person who enters into a contract for the purchase from a builder of a dwelling-house on land and where that person sells or otherwise disposes of that land or of an interest in that land includes a person who is a proprietor within the meaning of the *Transfer of Land Act 1958* of that land.

(2) The definitions of " building " " construct " and " construction " contained in section 917 do not apply to this Division.

(3) A reference in this Division to obligations under a contract for the construction of a dwelling-house includes a reference to obligations included in that contract for the construction of outbuildings walls provision for lighting heating water supply drainage sewerage and other appurtenances of the dwelling-house.

(4) A reference in this Division to defects or major defects in a dwelling-house includes a reference to subsidence and settlement of the foundations of the dwelling-house.

(5) A reference

(5) A reference in this Division to workmanship in relation to the construction of a dwelling-house includes a reference to workmanship in respect of the construction of outbuildings walls provision for lighting heating water supply drainage and sewerage and other appurtenances of the dwelling-house.

(6) A reference in this Division to bad workmanship of a builder in relation to a dwelling-house includes a reference to an event causing subsidence or settlement of the foundations of the dwelling-house for which the builder is liable by reason of section 918c.

918B. (1) Subject to this Division, a person shall not enter into a contract for the construction by him or by him and another person of a dwelling-house in Victoria unless an approved indemnity is in force in respect of the construction of the dwelling-house.

Approved indemnity required in relation to certain building contracts.

Penalty : \$1,000.

(2) Subject to this Division a person shall not enter into a contract for the sale by him or by him and another person of a dwelling-house in Victoria constructed by him or by him and another person unless an approved indemnity is in force in respect of the construction of the dwelling-house.

Penalty : \$1,000.

(3) Sub-section (2) does not apply in respect of a contract for the sale of a dwelling-house in respect of which—

- (a) a certificate of occupancy was issued at least one year before the date of the contract or, where no such certificate has been issued, the construction was completed at least one year before that date ; or
- (b) the construction was commenced before the commencement of this Division.

(4) A person shall not enter into a contract for the sale by him or by him and another person of a dwelling-house in Victoria in respect of which—

- (a) a certificate of occupancy has not been issued ; or
- (b) a certificate of occupancy was issued not more than six years before the date on which he enters into the contract—

unless the contract states whether or not an approved indemnity is in force in respect of the dwelling-house.

Penalty : \$1,000.

(5) Where

(5) Where in a contract for the sale by a person of a dwelling-house, there is a false statement as to whether or not an approved indemnity is in force in relation to a dwelling-house, that person is, subject to sub-section (6), guilty of an offence.

Penalty : \$1,000.

(6) It is a defence to a prosecution of a person for an offence under sub-section (5) if the person proves that he believed on reasonable grounds that the false statement was true.

(7) Sub-sections (1), (2) and (4) do not apply to—

- (a) the Housing Commission appointed under the *Housing Act 1958* ;
- (b) a person required by or under a law of the State or of the Commonwealth to construct a dwelling-house in Victoria ; or
- (c) a prescribed person.

(8) Notwithstanding sub-sections (1), (2) and (4), a contract entered into in contravention of any of those sub-sections shall not be deemed not to be a valid contract by reason only of the contravention.

Builder deemed to have certain liability for subsidence and settlement.

918c. (1) Where, for the purposes of this Division, there is or is required to be in force an approved indemnity in relation to the construction of a dwelling-house, the person who constructed the dwelling-house is, subject to sub-section (2), liable for loss or damage suffered by a house purchaser or purchaser by reason of subsidence or settlement of the foundations of the dwelling-house.

(2) Nothing in sub-section (1) makes a person liable for loss or damage other than—

- (a) loss or damage not exceeding the sum of \$12,000 or 60 per cent. of the contract price paid by the house purchaser or purchaser under a contract for the construction or sale of the dwelling-house, whichever is the greater, of which the house purchaser or purchaser becomes aware during the first year after the issue of the certificate of occupancy in respect of the dwelling-house and of which he gives notice in writing to the first-mentioned person before the end of that year ; and
- (b) loss or damage not exceeding the sum of \$5,000 or 25 per cent. of the contract price whichever is the greater of which the house purchaser or purchaser becomes aware before the end of the sixth year after the issue of the certificate of occupancy and of which he gives notice in writing to the first-mentioned person within

three months of becoming so aware not being loss or damage of which on reasonable grounds he should have become aware before the end of the first year after the issue of that certificate.

918D. Where a person enters into a contract for the sale of a dwelling-house constructed by him or by him and another person and, for the purposes of this Division, there is, or is required to be, in force an approved indemnity in relation to the construction of the dwelling-house, that person is liable to the purchaser—

Builder to have certain liability on the sale of house constructed by him.

- (a) where a certificate of occupancy in respect of the dwelling-house was issued less than one year before the date of the contract, in respect of loss or damage not exceeding the sum of \$12,000 or 60 per cent. of the contract price whichever is the greater arising from defects in the dwelling-house of which the purchaser becomes aware during the first year after the issue of the certificate of occupancy and of which he gives notice in writing to the first-mentioned person before the end of that year ; and
- (b) in respect of loss or damage not exceeding the sum of \$5,000 or 25 per cent. of the contract price whichever is the greater arising from major defects in the dwelling-house of which the purchaser becomes aware before the end of the sixth year after the issue of the certificate of occupancy in respect of the dwelling-house and of which he gives notice in writing to the first-mentioned person within three months after he becomes aware of the defects other than defects of which on reasonable grounds he should have become aware before the end of the first year after the issue of that certificate.

918E. (1) Subject to this section, the Governor in Council may approve as a guarantor for the purposes of this Division a body corporate that guarantees or proposes to guarantee the performance of the obligations of builders under contracts to construct dwelling-houses in Victoria and guarantees or proposes to guarantee the workmanship of builders in respect of the construction of dwelling-houses in Victoria constructed and sold by them.

Approved guarantor.

(2) The Governor in Council shall not approve a body corporate as a guarantor unless he is satisfied that—

- (a) the body corporate is likely to be able to perform the functions of an approved guarantor ;

(b) the

- (b) the directors of the body corporate are persons of good financial standing and likely to be able properly and competently to perform the functions of directors of an approved guarantor ;
- (c) the body corporate has rules relating to the terms and conditions under which it recognizes or proposes to recognize builders in respect of whose obligations and workmanship it gives or proposes to give guarantees ;
- (d) the terms and conditions referred to in paragraph (c) enable persons satisfying reasonable standards of competence as builders to be recognized by the body corporate ; and
- (e) the body corporate has, or will if it is approved as a guarantor have, in force a contract of insurance approved by the Minister relating to the liabilities incurred by it as an approved guarantor under this Division.

(3) An approval of a guarantor under this section is subject to the prescribed terms and conditions (if any) and to such terms and conditions as the Governor in Council from time to time determines and specifies in the approval or of which he gives notice in writing to the guarantor.

(4) Notice of approval of a body corporate as a guarantor for the purposes of this Division shall be published in the *Government Gazette*.

Registers to  
be kept by  
guarantors.

918F. (1) An approved guarantor shall, in accordance with the regulations (if any) keep—

- (a) a register of builders recognized by the approved guarantor ; and
- (b) a register of dwelling-houses in relation to the construction of which a guarantee given by it under this Division is in force.

Penalty : \$100 for each day during which the contravention continues.

(2) An approved guarantor shall permit a person to inspect a register kept by it for the purposes of sub-section (1) at any time during ordinary business hours at the principal place of business in Victoria of the approved guarantor or at such other place as is prescribed for the purposes of this section.

Penalty : \$100.

(3) An approved guarantor shall, on the reasonable request of a person, issue a certificate in accordance with the regulations

(if

(if any) signed by a person authorized by the approved guarantor in that behalf certifying, as the case may require—

(a) whether or not a person named in the certificate is recognized as a builder by the approved guarantor ;  
or

(b) whether or not a dwelling-house specified in the certificate is a dwelling-house in respect of the construction of which a guarantee given by the approved guarantor under this Division is in force.

(4) The production of a register or part of a register required to be kept by an approved guarantor under this Division certified by two directors of the approved guarantor as such a register or part shall be *prima facie* evidence—

(a) that it is such a register or part ;

(b) of the recognition by the approved guarantor of a builder specified in the register or part ; and

(c) of the giving of a guarantee under this Division by the approved guarantor in relation to the construction of a dwelling-house specified in the register or part.

(5) A certificate issued by an approved guarantor under sub-section (3) is *prima facie* evidence that matters referred to in sub-section (3) and specified in the certificate are true.

918G. An approved guarantor—

(a) shall not make revoke or alter rules for the recognition of builders without the consent of the Minister ;

(b) shall not without the consent of the Minister make revoke or alter terms and conditions, whether as to the contents or form of building contracts or otherwise, with which it requires or proposes to require builders recognized by it to comply ;

(c) shall furnish to the Minister reports returns and documents in accordance with the regulations ; and

(d) shall comply with the terms and conditions to which its approval as a guarantor is subject.

Penalty : \$1,000.

General obligations of approved guarantor.

918H. Where an approved guarantor ceases to have in force a contract of insurance approved by the Minister relating to the liabilities incurred by it as an approved guarantor under this Division, the approved guarantor shall forthwith—

(a) notify the Minister ; and

Approved guarantor to maintain in force a contract of insurance.

(b) take



- (b) take steps to enter into another such contract of insurance.

Penalty : \$100 for each day during which the contravention continues.

Builders to give notice to guarantors of contracts.

918i. (1) A builder recognized by an approved guarantor under its rules shall give notice in writing in or to the effect of the prescribed form to the approved guarantor—

- (a) of each dwelling-house in Victoria that the builder constructs ;
- (b) where he enters into a contract for the construction of a dwelling-house in Victoria with a house purchaser, of that contract ; and
- (c) where he enters into a contract for the sale to a purchaser of a dwelling-house in Victoria constructed by him or by him and another person, of that contract.

(2) A notice of construction of a dwelling-house shall be given not later than 14 days before the commencement of the construction.

(3) A notice of entering into a contract to construct or sell a dwelling-house shall be given not later than 14 days after the date on which the builder enters into the contract.

Penalty : \$500.

Approved guarantor to be deemed to have given certain guarantees.

918j. Where a builder recognized by an approved guarantor—

- (a) enters into a contract with a house purchaser for the construction of a dwelling-house in Victoria ; or
- (b) enters into a contract for the sale to a purchaser of a dwelling-house in Victoria constructed by the builder and in respect of which—
  - (i) a certificate of occupancy was issued not less than one year before the date of the contract ; and
  - (ii) the construction was commenced after the commencement of this Division—

the approved guarantor shall be deemed to have given a guarantee under section 918k to the house purchaser or under section 918l to the purchaser, as the case may be, in relation to the construction of that dwelling-house by the builder.

Guarantee in relation to construction contract.

918k. (1) A guarantee given under this section by an approved guarantor to a house purchaser in relation to the construction of a dwelling-house by a builder has effect as a contract of guarantee under which the approved guarantor agrees to guarantee to the

house purchaser the performance of the builder's obligations under the contract for the construction of the dwelling-house and under which the liability of the approved guarantor for the default of the builder is the liability to make good loss or damage suffered by the house purchaser by reason of the default being—

- (a) loss or damage not exceeding the sum of \$2,000 or 10 per cent. of the contract price whichever is the greater where the builder fails to fulfil his obligations under the contract by reason that—
  - (i) he has become a bankrupt within the meaning of the *Bankruptcy Act* 1966–1970 of the Commonwealth of Australia or, if that Act is amended, that Act as amended and in force from time to time or has committed an act of bankruptcy within the meaning of section 40 of that Act ; or
  - (ii) being a body corporate, it is commenced to be wound up ;
- (b) loss or damage not exceeding the sum of \$10,000 or 50 per cent. of the contract price whichever is the greater where the builder fails (otherwise than by reason of an event referred to in paragraph (a) ) to complete the construction of the dwelling-house to a standard to enable a certificate of occupancy to be issued ;
- (c) loss or damage not exceeding the sum of \$12,000 or 60 per cent. of the contract price whichever is the greater where, by reason of bad workmanship of the builder, defects appear in the dwelling-house and the house purchaser gives notice in writing to the builder and to the approved guarantor of those defects before the end of the first year after the issue of the certificate of occupancy ; and
- (d) loss or damage not exceeding the sum of \$5,000 or 25 per cent. of the contract price whichever is the greater where, by reason of bad workmanship, major defects appear in the dwelling-house after the end of the first year after the issue of the certificate of occupancy and before the end of the sixth year after the issue of that certificate and the house purchaser gives notice in writing to the builder and to the approved guarantor within three months after becoming aware of the defects.

(2) A reference in sub-section (1) to the commencement of winding-up is a reference to commencement of winding-up as determined under the *Companies Act* 1961.

(3) A reference

(3) A reference in paragraph (d) of sub-section (1) to major defects does not include a reference to defects of which on reasonable grounds the house purchaser should have become aware before the end of the first year after the issue of the certificate of occupancy.

(4) For the purposes of the *Arbitration Act* 1958 a contract of guarantee under this section shall be deemed to include a written agreement to submit differences to arbitration.

(5) A guarantee under this section has effect subject to such terms and conditions not inconsistent with sub-section (1) as are prescribed.

Guarantee in  
relation to sale  
contract.

918L. (1) A guarantee given under this section by an approved guarantor to a purchaser who enters into a contract with a builder for the sale by the builder of a dwelling-house constructed by the builder has effect as a contract of guarantee under which the approved guarantor agrees to guarantee to the purchaser the workmanship of the builder in relation to the construction of the dwelling-house and under which the liability of the approved guarantor for bad workmanship of the builder is the liability to make good loss or damage suffered by the purchaser by reason of bad workmanship being—

(a) where a certificate of occupancy in respect of the dwelling-house was issued less than one year before the date of the contract for the sale, loss or damage not exceeding the sum of \$12,000 or 60 per cent. of the contract price whichever is the greater where, by reason of bad workmanship of the builder, defects appear in the dwelling-house and the purchaser gives notice in writing to the builder and to the approved guarantor of those defects before the end of the first year after the issue of the certificate of occupancy ; and

(b) loss or damage not exceeding the sum of \$5,000 or 25 per cent. of the contract price whichever is the greater where by reason of bad workmanship of the builder major defects appear in the dwelling-house after the end of the first year after the issue of the certificate of occupancy in respect of the dwelling-house and before the end of the sixth year after the issue of that certificate and the purchaser gives notice in writing to the builder and to the approved guarantor within three months after becoming aware of the defects.

(2) A reference

(2) A reference in paragraph (b) of sub-section (1) to major defects in relation to the dwelling-house does not include a reference to defects on which on reasonable grounds the purchaser should have become aware before the end of the first year after the issue of the certificate of occupancy.

(3) For the purposes of the *Arbitration Act* 1958 a contract of guarantee under this section shall be deemed to include a written agreement to submit differences to arbitration.

(4) A guarantee under this section has effect subject to such terms and conditions not inconsistent with sub-section (1) as are prescribed.

918M. (1) Subject to sub-section (2) the Governor in Council may approve for the purposes of this Division a contract of insurance under which an approved insurer agrees to indemnify a builder against the liability referred to in sub-section (2) that may be incurred by the builder to a house purchaser with whom, during a period in respect of which a premium in respect of the policy is paid, he enters into a contract for the construction of a dwelling-house in Victoria.

Approved insurance policy in relation to contract for construction.

(2) For the purposes of sub-section (1), the liability of a builder to a house purchaser under a contract for the construction of a dwelling-house in Victoria is liability in respect of—

(a) loss or damage not exceeding the sum of \$2,000 or 10 per cent. of the contract price whichever is the greater, suffered by the house purchaser by reason of the failure of the builder to fulfil his obligations under the contract where the builder—

(i) has become a bankrupt within the meaning of the *Bankruptcy Act* 1966–1970 of the Commonwealth of Australia or, if that Act is amended, that Act as amended and in force from time to time or has committed an act of bankruptcy within the meaning of section 40 of that Act ; or

(ii) being a body corporate, is commenced to be wound up ;

(b) loss or damage, not exceeding the sum of \$10,000 or 50 per cent. of the contract price, whichever is the greater, suffered by the house purchaser by reason that the builder fails (otherwise than by reason of an event referred to in paragraph (a)) to complete the dwelling-house to a standard to enable a certificate of occupancy to be issued ;

(c) loss

- (c) loss or damage not exceeding the sum of \$12,000 or 60 per cent. of the contract price, whichever is the greater, arising from defects in the dwelling-house of which the house purchaser becomes aware during the first year after the issue of the certificate of occupancy in respect of the dwelling-house and of which he gives notice in writing to the builder before the end of that year ; and
- (d) loss or damage, not exceeding the sum of \$5,000 or 25 per cent. of the contract price, whichever is the greater, arising from major defects in the dwelling-house of which the house purchaser becomes aware before the end of the sixth year after the issue of the certificate of occupancy in respect of the dwelling-house and of which he gives notice in writing to the builder within three months after he becomes aware of the defects, other than defects of which on reasonable grounds he should have become aware before the end of the first year after the issue of that certificate.

(3) A builder who has an approved insurance policy with an insurer shall, on or before entering into a contract with a house purchaser to which the policy relates—

- (a) give to the insurer in writing brief particulars of the contract ; and
- (b) give to the house purchaser brief particulars of the approved insurance policy.

(4) Notice of approval under this section of a contract of insurance between a builder and an approved insurer shall be published in the *Government Gazette*.

(5) A reference in sub-section (2) to the commencement of winding-up is a reference to commencement as determined under the *Companies Act 1961*.

Approved insurance policy in relation to contract of sale.

918N. (1) Subject to sub-section (2) the Governor in Council may approve for the purposes of this Division a contract of insurance under which an approved insurer agrees to indemnify a builder against the liability referred to in sub-section (2) that may be incurred by the builder to a purchaser with whom, during a period in respect of which a premium in respect of the policy is paid, he enters into a contract for the sale of a dwelling-house in Victoria constructed by him and in respect of which—

- (a) a certificate of occupancy was issued less than one year before the date of the contract ; and

(b) the

(b) the construction was commenced after the commencement of this Division.

(2) For the purposes of sub-section (1) the liability of a builder to a purchaser under a contract for the sale of a dwelling-house in Victoria is liability—

(a) in respect of loss or damage not exceeding the sum of \$12,000 or 60 per cent. of the contract price whichever is the greater arising from defects in the dwelling-house of which the purchaser becomes aware during the first year after the issue of the certificate of occupancy and of which he gives notice in writing to the builder before the end of that year ; and

(b) in respect of loss or damage not exceeding the sum of \$5,000 or 25 per cent. of the contract price whichever is the greater arising from major defects in the dwelling-house of which the purchaser becomes aware before the end of the sixth year after the issue of the certificate of occupancy in respect of the dwelling-house and of which he gives notice in writing to the builder within three months after he becomes aware of the defects other than defects of which on reasonable grounds he should have become aware before the end of the first year after the issue of that certificate.

(3) A builder who has an approved insurance policy with an insurer shall before entering into a contract with a purchaser to which the policy relates—

(a) give to the insurer in writing brief particulars of the contract ; and

(b) give to the purchaser brief particulars of the approved insurance policy.

(4) Notice of approval under this section of a contract of insurance between a builder and an approved insurer shall be published in the *Government Gazette*.

918o. (1) The Governor in Council may by notice published in the *Government Gazette* revoke an approval given by him under this Division.

Revocation  
of approval.

(2) Unless the Governor in Council otherwise declares in a notice of revocation given under sub-section (1) the revocation does not affect the liability of an approved guarantor or approved insurer under a guarantee given or contract of insurance entered into before the revocation.

Director of approved guarantor guilty of certain offences.

918P. Where an offence against this Division is committed by a body corporate a person who is a director of the body corporate is guilty of an offence against this Division punishable as the first-mentioned offence is punishable.

Minister may grant exemption from s. 918B (2).

918Q. The Minister may declare that the provisions of sub-section (2) of section 918B do not apply to a specified person in respect of a contract for the sale of a specified dwelling-house.

Regulations.

918R. The Governor in Council may make regulations for or with respect to—

- (a) exempting a building or building included in a class of buildings from the operation of this Division and prescribing the extent of the exemption ;
- (b) exempting a person or person included in a class of persons from the operation of this Division and prescribing the extent of the exemption ;
- (c) approving a body corporate as a guarantor for the purposes of this Division and prescribing terms and conditions to which an approval is subject ;
- (d) prescribing the forms of registers, certificates and notices ;
- (e) prescribing reports returns and documents to be furnished by an approved guarantor to the Minister and the times at which such reports returns and documents shall be so furnished ;
- (f) prescribing terms and conditions to which guarantees or guarantees included in a class of guarantees given under this Division are subject ; and
- (g) generally, any matter or thing which is by this Division authorized or required to be prescribed for giving effect to this Division.'

Amendment of No. 6299 s. 929.

4. After sub-section (3) of section 929 of the Principal Act there shall be inserted the following sub-section :—

Building permits.

“(3A) Where a regulation made under this Part enables a council or other person to grant a permit for the construction of a building, the council or other person shall include in the permit—

- (a) a statement to the effect that where a planning scheme or interim development order under the *Town and Country Planning Act 1961* is in force, work authorized by the permit shall not be commenced until all other permits consents and approvals required before the commencement of the work by or under that or any other Act have been obtained ; and

(b) where

(b) where the permit relates to the construction of a dwelling-house within the meaning of Division 1A a statement to the effect that Division 1A of Part XLIX. of the *Local Government Act 1958* applies and that the builder constructing the dwelling-house is required to comply with the requirements of that Division relating to the giving of guarantees or indemnities."

5. After section 929 of the Principal Act there shall be inserted the following section :—

Amendment of  
No. 6299.  
New s. 929A.  
Certificates  
of occupancy.

" 929A. (1) Where a council of a municipal district receives notice in writing from a builder that he has completed the construction of a dwelling-house within the meaning of Division 1A in the municipal district, the council shall cause an inspection to be made of the dwelling-house and, if it is satisfied that the dwelling-house is suitable for occupation, shall cause to be prepared and issued to the owner of the dwelling-house a certificate of occupancy in or to the effect of the prescribed form.

(2) The inspection of a dwelling-house and preparation and issue of a certificate of occupancy under sub-section (1) shall be made or done within such periods (if any) as are prescribed.

(3) Nothing in sub-section (1) or (2) restricts or affects the making of regulations that are not inconsistent with those sub-sections for or in relation to certificates of occupancy in respect of dwelling-houses."