



**Matt Kean**  
Minister for Innovation and Better Regulation

## **MEDIA RELEASE**

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### **CLOSING LOOPHOLES FOR CERTIFIERS**

Building and development certifiers are facing the toughest penalties to date, under laws that aim to clean up the industry and give confidence to the community and homebuyers.

Minister for Better Regulation Matt Kean said the reforms passed in Parliament this week would allow the NSW Government to come down hard on dodgy operators.

“We’re closing a number of loopholes that shonks were taking advantage of, under the old legislation, and making it harder for them to rot the system,” Mr Kean said.

“For example, it wasn’t illegal to have a conflict of interest in a project, but we’re now making that an offence with harsh punishments.”

Changes in the *Building and Development Certifiers Bill 2018* include:

- New compliance and enforcement powers for the Secretary of the Department of Finance, Services and Innovation to monitor compliance, and have the right to suspend or cancel a certifier’s registration and take immediate disciplinary action;
- Strengthening the Code of Conduct and introducing provisions where certifiers must not have a conflict of interest, such as a pecuniary interest in a development;
- Fines of up to \$110,000 for body corporates and \$33,000 for others who don’t have adequate insurance;
- Extended licence durations from one year, to up to three or five years for certifiers who do the right thing, under approval from the Secretary; and,
- Certifiers will have the right to seek a review of any disciplinary action through the Tribunal to ensure an appropriate appeals process is in place.

“Under the tough penalties, certifiers who issue false or misleading certificates, or accept a bribe, could face a maximum penalty of \$1.1 million and/or two years imprisonment,” Mr Kean said.

The reform is in addition to ongoing consultation around the appointment of certifiers, with submissions on that Options Paper open until the end of October.

“We want to reinstall public faith in the work of certifiers because they have a very important job, and that’s exactly why we’re cracking down on the industry,” Mr Kean said.

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