



Proportionate Liability and Residential Building Work

HIA's Policy Position

HIA supports, in principle, the doctrine of proportionate liability under which damages or liability is distributed by the Courts or Tribunals in proportion to the assessed contribution of each party.

HIA does not support proportionate liability laws applying to statutory warranty claims made by consumers against registered or licensed builders for residential building work unless:

- (a) the builder has relied upon and used plans, designs or instructions provided by the owner (including the developer), the owner's consultants or contractors or other third parties not appointed by the builder and those plans, designs or instructions have contributed to or caused the loss; or
- (b) the owner (including the developer) or the owner's consultants or contractors have caused or contributed to the loss; or
- (c) it is a statutory warranty claim for multi-story residential work where the defendant is not a licensed builder.

HIA otherwise supports, in principle, the doctrine of proportionate liability under which damages or liability is distributed by the Courts or tribunals in proportion to the assessed contribution of each party that breached a duty, contributed to the problem or caused the loss.