

Dear Sir / Madam,

I refer to the below inquiry.

Transport, Housing and Local Government Committee inquire and report on the operation and performance of the Queensland Building Services Authority (QBSA) in its regulation of the industry, including the maintenance of proper standards in the industry.

After reading the preliminary material about the terms of reference of the inquiry it appears to me that a major emphasis is on the residential housing sector and the protection of the consumer.

As we generally do not operate in that field, I will not comment other than to say that the criteria for residential builder registration should have the emphasis on trade competency and not on financial strength. If the warranty scheme was left to the insurance industry to underwrite that system would very quickly sort out who will be issued the necessary insurance cover to allow a building permit to be issued for the residence to be constructed and who will not.

My interest is in the commercial field.

I want to simply put to you that there is no need to have any builder registration for persons or companies wanting to operate in the commercial building industry. This is the case in NSW. Commercial building to include residential apartments greater than 2 levels above ground. And if the committee feels a must for a registration regime, then it should simply take the form of a register of those in the industry with a nominal fee with allowance for 5 year renewals.

Commercial building and construction is all about business doing business with business and simply does not have the interface with retail consumers. With all the other regulations and Acts that we have to deal with every working day and taking into account the high level of compliance required, the builder registration as such, is long outdated.

The current system of annual registration and financial reporting achieves nothing and frankly offers zero security to anyone. It is simply nothing more than another impost on business overheads and a total waste of time and money.

The requirement for all the various trade registrations should be scrapped. By allowing all the various registrations you actually aid and abet fools coming into the industry.

The payment protection for subcontractors needs to be framed so as to stop the half cunning mugs inappropriately using it for their own advantage and to try to circumvent contractual obligations. In fact I think if the QBSA is basically going to overlook the residential industry for the protection of consumers, they should not be also acting as trade debt collectors for subcontractors which necessarily means they intervene in the contractual arrangements between principal contractors and sub contractors. Having the mother-in-law in the bedroom is not desirable.

I accept there is a need to protect the subcontractor against unscrupulous principal contractors, but this should not be administered the way it currently is.

I make this submission on behalf of one of my group companies, Electrite Pty Ltd, License number 20805 which has been operating in Queensland for over 27 years.

I am the licensee for the company and also a registered residential and Unrestricted commercial builder in the State of Victoria.

Regards

Lynton W Rose
Chairman