

L.K. & H.M. YOUNG

General Builders

Commercial Diving Services

17 Haddy's Close, Mountain Creek, 4557

QBSA 31479

ABN 35 463 567 324

Website: www.lkhmyoung.com.au



Ph. M 0418 871 231 Fax 07 54784153

Email lee@lkhmyoung.com.au

Tuesday, 4 September 2012

Submission for consideration in Parliamentary committees review of the Queensland Building Authority's Compendence.

To whom it may concern,

Dear Sir/Madam,

RECEIVED

07 SEP 2012

THLGC

Please accept this submission as areas of concern LK and HM Young General Builders have with dealings with the Q.B.S.A.

Lee Young has been a registered Builder since 1992 Projects include residential and commercial work averaging \$1m/year turnover.

Lee Young has been and still is an industry member of Queensland Master Builders Association since 1992

Terms of Reference

1. Whether the performance of the QBSA achieves a balance between the interests of building contractors and consumers.
2. Whether the QBSA could make further changes in order to reduce regulations to lower the cost of building a home.
3. The effectiveness of the Q.B.S.A to provide remedies for defective building work and to provide support, education and advice for both those who undertake building work and consumers.
4. The governance arrangements of and between the board and the general manager.
5. The effectiveness of the Queensland home warranty scheme and its protections
6. Whether the current licensing requirements of the Q.B.S.A are adequate and that there is a sufficient auditing process to maintain proper standards.
7. The number of trades licensed by the QBSA and whether industry groups could take a greater role within Q.B.S.A in terms of licensing standards and procedures for their members.
8. Opportunities for reform of the Authority with a view to enhanced assistance for both industry and consumers.

L.K. & H.M. YOUNG

General Builders

Commercial Diving Services

17 Haddy's Close, Mountain Creek, 4557

QBSA 31479

ABN 35 463 567 324

Website, www.lkhmyoung.com.au



Ph. M 0418 871 231 Fax 07 54784153

Email lee@lkhmyoung.com.au

Executive Summary

LK and HM Young General Builders continue to up skill our staff attending professional development training and seminars on a regular bi-annual basis.

Our team is committed to providing our clients with knowledge, resources and a level of professionalism to maintain our level of ongoing customer recommendations which will always be our main source for future clientele. LK and HM Young will be committed to assisting all committees, organisations or governing groups in offering feedback, and any other assistance that may be required in proposed changes or implementation of legislation or regulations which endeavour to improve the construction industry for both contractors and consumers.

Please accept the following details in summary form in regards to the parliamentary committee's terms of reference for conducting an inquiry into the operation and performance of the Queensland Building Services Authority.

Terms of Reference

1. Whether the performance of the QBSA achieves a balance between the interests of building contractors and consumers.
 - This is poorly achieved by the current office of BSA(refer to details below)
2. Whether the QBSA could make further changes in order to reduce regulations to lower the cost of building a home.
 - Yes, attached details to follow
3. The effectiveness of the Q.B.S.A to provide remedies for defective building work and to provide support, education and advice for both those who undertake building work and consumers.
 - No, refer to attached details
4. The governance arrangements of and between the board and the general manager.
 - Never been made aware of this office management procedure's
5. The effectiveness of the Queensland home warranty scheme and its protections

- **Poorly managed (refer attached details)**
- 6. Whether the current licensing requirements of the Q.B.S.A are adequate and that there is a sufficient auditing process to maintain proper standards.
 - **No comment , not aware of the procedures conducted**
- 7. The number of trades licensed by the QBSA and whether industry groups could take a greater role within Q.B.S.A in terms of licensing standards and procedures for their members.
 - **Yes, refer attached details**
- 8. Opportunities for reform of the Authority with a view to enhanced assistance for both industry and consumers.
 - **Yes, refer to attached details.**

Please be informed that LK and HM Young are fully committed to improving the construction Industry.

I hope that the following detailed analysis of ways to improve the Queensland Building Services Authority will be helpful to the parliamentary committee in considering the operation and performance of the Queensland Building Services Authority.

Please be informed that I will be available if any further clarification of issues, or points identified in the following detail analysis are required by members of the Parliamentary Committee.

Yours sincerely,

Lee Young.



1) Whether the performance of the QBSA achieves a balance between the interests of building contractors and consumers.

- a) I know that many Inspectors employed by the QBSA do not have the professional academic knowledge development to be able to manage and mediate disputes between the stakeholders involved in issues of disagreement. Once an inspector has been requested to attend a dispute between stakeholder's(client-contractor), whether this action was instigated by either the property owner or the contractor, the inspector only address's the property owner's concerns then simply visually inspects the item or element involved in the disagreement then simply makes a decision based on his own opinion.
- b) It has been my experience, that QBSA inspectors will take the easy option to notify the contractor with a notice of direction to rectify, based on his personal opinion. If the contractor disagrees, the decision then must be appealed through the courts.
- c) This clearly demonstrates that in fact, QBSA involvement has only increased the element of frustration between the parties and to achieve a resolution, further costs now have been introduced for both parties having to proceed to court with legal representation to gain a positive solution for all stakeholders involved.
- d) Costs incurred by this incompetent, laissez-faire nature displayed by the QBSA inspectors in their ability to work with both parties to resolve a disagreement, simply sends contractors broke due to legal costs.
- e) These associated costs created by BSA cannot be recovered regardless even if judged in a court of law that in fact the contractor is not responsible for defective work.

2) Whether the QBSA could make further changes in order to reduce regulations to lower the cost of building a home.

- a) Based on my expressed opinion from (terms of reference 1) stated above, the public office of Queensland Services Authority offers no benefit to the construction industry across the entire sector.
- b) I strongly recommend and will support the disbandment of the public office of the QBSA.
- c) As this issue of the interaction of QBSA to resolve building disputes is clearly not within the Professional knowledge required by their employees, disputes always end up being resolved either by legal professionals when the issue concerns contract disagreements or by engaging independent professional legal advice when the issue of dispute is addressing construction law.
- d) I am of the opinion that employees of QBSA Sunshine coast are not qualified professionals within these areas of professions.
- e) It is my view that the disbandment of the QBSA would result in a significant reduction of unnecessary legal costs to stakeholders involved in construction industry disputes due to the fact that the building services authority brings only further costs due to their participation in the process of resolving disputes.

3) The effectiveness of the Q.B.S.A to provide remedies for defective building work and to provide support, education and advice for both those who undertake building work and consumers.

- a) The QBSA provide no remedies for identified defective work. The BSA inspectors simply agree with the consumer, that they feel, based on their own personal opinion, that the contractor has not completed the task in dispute to their standard, no reference is ever made about an Australian standard etc., and then this inspector would issue a direction to rectify.
- b) Within this document of direction to rectify, and from my own personal experiences with dealings with the BSA, they will not and cannot offer suggestions on their personal expectations in regards to rectifying work deemed unsatisfactory by the property owner.
- c) The education programs occasionally advertised and conducted by the BSA for public information seminars, are conducted by BSA staff, who have limited skills in verbal communication, thus endeavour to justify their lectures or presentations with pathetic humour as a way of disguising their lack of public speaking communication training or skill development.
- d) These BSA conducted public seminars are a waste of tax payer's money.
- e) Construction industry training seminars need to be conducted by professionals within these areas of scope, being either contract law or construction law.

4) The governance arrangements of and between the board and the general manager.

- a) No comment. (This is an area that as a building contractor, that I have never been informed or made aware of how this department operates or conducts their business.)

5) The effectiveness of the Queensland home warranty scheme and its protections

- a) I believe that the home warranty scheme is a fund of money collected by the department but then mismanaged by the department in what might appear to bias towards the property owners.
 b) I would consider that a change in this policy, if at all possible, would be for the trade –contractors to continue with their compulsory construction insurance, but also, the property owners to be expected to carry private insurance with their preferred insurance company to cover workmanship carried out by licensed contractors. This way, in the event of a dispute, the issues can be mediated between legal professionals operating in the best interests of all concerned.

6) Whether the current licensing requirements of the Q.B.S.A are adequate and that there is a sufficient auditing process to maintain proper standards.

- a) Only through the parliamentary committee investigation, I would assume that this area could be addressed and recommendations presented to all stakeholders associated with this process.

7) The number of trades licensed by the QBSA and whether industry groups could take a greater role within Q.B.S.A in terms of licensing standards and procedures for their members.

- a) Whilst the QBSA assumes the role of charging all trade contractors a yearly fee to be a recognised licensed trade contractor, no support is offered to the sub-contractors' even though they pay yearly fees, and total responsibility for all trade related issues is directed at the principal contractor commonly known as the Licensed Builder.
 b) Thus, what is achieved by having licensed trade contractors?
 c) Industry groups as an example HIA, QMBA should be the sole consultancy organisation providing education, training, professional advice and independent governing body to ensure sound professional interpretations of disputes and or assistance as required, developing a more equitable resolution between all stakeholders within the construction industry.

8) Opportunities for reform of the Authority with a view to enhanced assistance for both industry and consumers.

- a) The only recommendation I believe is available is complete dissolution of the department of Queensland Building Services Authority and replace this service with a new body group to assist the construction Industry with specialized professionals available for training, education, dispute management in these described scopes of professions.

Please accept the following correspondence as LK and HM Young personal grievances with Queensland Building Services Authority in the staff employed by the public industry.

Whilst I accept that the following comments may be outside the terms of reference set by the parliamentary committee's scope of issues to investigate, I would like to believe that the following points will be taken into account when the committee starts proceedings in regards to identifying and resolving QBSA lack of competency in their ability to provide to the Construction industry positive outcomes for all stakeholders involved.

All the following details, information and facts can and will be supported by Historical data and other professionals within the industry as asked for clarification by the Parliamentary Committee.

I personally have always found the staff employed by QBSA, to be unskilled in areas of expertise, and often making rude and unfounded statements.
It is a known fact that QBSA employees demonstrate bias, rudeness, bad behaviour and incompetent decisions always favouring the property owner.

During My dealings with the QBSA, in all capacities, whether, being employed by the BSA to rectify works completed by other trade contractors, or endeavouring to work with the BSA to resolve disputes with the public, I have always been harassed, threatened and been presented with unreasonable options which the BSA intends to enforce regardless of true underlying facts of the dispute.

Please peruse the following statement of fact and please informed that all the following issues can be justified and supported by other professionals within the industry.

On several occasions, I have been contracted by the BSA to perform rectification work on their behalf.

This work, as in accordance with BSA instruction to proceed, has always been ambiguous, unfounded by independent professionals, thus then interpreted by me as an avenue open to the BSA to cause more conflict with property owners and costing the principal contractor further amounts of money to then be passed on to either the owner or the contractor held responsible for the faulty work.

The simple fact, that the BSA has this power, can be foreseen as scam to perform work by a preferred supplier thus costing the principle contractor hard earned money in compensation payable to the BSA to re-inburst their preferred trade contractor.

This whole process is a scam abused by the BSA to minimise their legal liability for rectification work performed on the behalf of an identified trade contractor's defect.

I have been present on numerous occasions, on the behalf of Principle contractors, where a complaint has been made to the BSA in regards to defective work.

During these site meetings, attending myself by request and in support of the principle contractor, Bsa staff present at these site meetings, have made outrageous statements about the installation of structural elements within s structure, for me, then to inform the BSA, that they in correctly advised the principle contractor of minimum standards required.

During this exchange of correction by me to the BSA, the staff clearly expressed to me that they were not aware of these every important manufacturers specifications in regards to exposure to the elements, to which I was then asked and did provide to the BSA staff, the correct manufacturers specification for elements to be protected as required.

This simple fact once again highlights the incompetence and lack of academic knowledge obtained by staff employed by the BSA.

After this correspondence was passed on to the regional office of the Sunshine coast, clearly explain the minimum environmental protection elements required for this structural element, did I ever receive any further correspondence form the regional office thanking me for educating them in this area of expertise.

Over the 20 years that I have recognised as Licensed Builder, it has only been since early 2006 that I have had arduous encounters with staff of the QBSA.

Please note actual staff names have not included in the following information but can be supplied and supported when and if required

Details of events in 2006

1. Back in 2006, I had a dispute with a property owner, where this client expressed to the BSA, they required the attendance of a BSA inspector to visual inspect items of concern. During this process, which included six items of dispute, the BSA inspector, checked and explained to the property owners, that in fact, out of six reported defects, he was only able to agree with one item.

I then went on explain to the BSA inspector that this defect was not in my scope of works as clearly defined in signed contract agreement with the clients.

This did not change the decision of the BSA inspector, and soon after, notified me in writing a direction to rectify.

Once receiving this notice, I was now enforced to proceed to a legal professional to lodge an appeal with QCAT to clear this situation. Judgement was made, I was found not to liable for the defective work and left the court room with a court order justifying the decision.

I proceeded to the regional office of BSA to request a meeting with the regional manager, where he clearly stated to me, whilst they will instigate a complied with notice on my license history records, available for all the public to see, BSA would not change their opinion that the direction to rectify was wrong and would be left on my license history and further increasing my yearly license fee by \$100.00.

In my view, this action by the BSA demonstrated gross incompetence which has an ongoing negative financial effect on my business.

2. Later in 2006, I was requested by BSA to carry out works on their behalf on another builder's poorly constructed duplex located on the sunshine coast.

After receiving their list of elements that required rectification, I proceeded to analyse their prepared list of works to be rectified, associated a cost element to each task and then informed the BSA of my scope of works aligned with their scope of works and associated break-up of costs.

BSA then informed me to proceed with the rectification.

Now ready to supply, rectify and carry out work to fulfil my contract obligations with the BSA, within the first day onsite, elements of this structure were clearly incorrect as defined by the BSA inspector.

What started as minor works to rectify grew to completely demolishing the locked up home and starting from scratch, resubmitting architectural and associated engineering's to the current building certifier for approval, indicating in writing to the BSA and the private certifier that the home had been built on the existing property with incorrect site boundary offsets and very poor elements of construction incorporated into the structure.(further details are available as required)

This home was still completed within my proposed time schedule, but to this day, and addressing this issue with BSA staff, I cannot gain a reasonable answer from the BSA as to how poorly their assessment of works to be carried out was so incorrect.

Details of events interacting with BSA 2010.

1. During the process of adding an addition to an existing home at Tanawha, I had a disagreement with the property owner.

Cordially, I contacted the qmba, to seek whether they could assist with mediating a group discussion with me and the client.

Further to this process, I invited staff of the sunshine coast regional branch to attend so as to ensure they had written and verbal discussion notes of this mediation.

This meeting was held at the local branch of Queensland master builders association.

Whilst, during this mediation, several compromises were made by me to satisfy the client, BSA staff members present were once again rude, making unrelated statements and effectively reducing the positive outcomes agreed upon by the main stakeholders. Myself and the property owner.

After this meeting, whilst leaving the building, the client approached me out of good faith indicating to me how intimidated he felt and belittled by the BSA attending staff.

I did explain to the client, let's just forget about their rude behaviour, and I intend to move forward to resolve these agreed elements he was not happy with.

This task was completed, I informed the BSA to contact the owner, so as to schedule a time between the BSA inspector and the property owner.

BSA did attend the site, the complainant was not home, the BSA inspector conducted his visual inspection, found another item that appeared not to be completed thus making his own opinion without consultation with me or the property owner, a notice to direction to rectify an item that was never in dispute.

On receiving this notice, I arranged to attend a meeting at the regional office, to gain clarification of this new item. The painting of an external door.

I immediately disagreed with the BSA decision to notify me, placed a call to the property owner, requested a further site meeting with BSA staff, myself, regional manager for QMBA and a structural engineer.

The item to be discussed was the painting of this door. Upon arrival of the arranged meeting, the BSA inspector visually inspected the door.

The door was painted, and I requested the owner to inform the BSA, who was responsible for painting this door.

In front of several attendees, the property owner clearly expressed all parties at the site meeting, that it was his task to paint the door to which he had completed.

When I expressed my concern, to then regional manager of the BSA that this was a notice to rectify placed on me that once again, I had proven in front of all attending parties that this notice was unjust, fraudulent, and needs to be removed from my license history.

In front of all attending parties, the regional manager of the BSA clearly stated for all to hear, "**OH, come on Lee, get over it, it just adds another \$100.00 to your yearly licencing fee.(emphasis added)**"

After hearing this verbally expressed by the regional manager of the sunshine coast BSA office, whilst I was infuriated by this rude and insulting remark by this building services expert, I managed to control my anger and simply walk away from these obvious Neanderthal's.

From this point on, I have lost complete faith in the ability of BSA staff to be able to conduct their business in a professional manner.

The last item on this report which occurred in 2010 and is still ongoing, I would emphasise is the most infuriating, and the best example of the incompetence of the B.S.A. staff in Queensland.

1. An event in occurred in 2007, where I was requested by electrical contractor, who I had a social relationship with, to assist him constructing a roofed patio at his then defacto partner's home.

Three years after construction, the property owner decided to make changes to the roofed patio and removed all roof sheeting resulting in the frame collapsing whilst he was on top of it. The BSA was called to the site and the BSA agreed that the collapse was due to the owner removing the roof sheets. However, 12 months later, the owner later produced an ambiguous photo indicating that he had not removed the roof sheets. Yet at the first site meeting the roof sheeting was clearly stacked neatly at the side and only the frame was in disarray. Due to this photo and the complaints to BSA by the property owner the BSA decided to issue me with a notice to rectify.

I tried to have an earnest conversation about the validity of this direction with the BSA, based on 1 suspicious photo which had been discredited by three engineers, but they told me their hands were tied. My opinion is this is another example of the BSA's laissez-faire attitude. It was easier for them to issue the direction than continue to be badgered by the property owner.

I was then forced to appeal this decision through QCAT, BSA represented by their legal representatives, to which I was then informed that in contract law, it was my mistake not to follow through with getting the amended engineering's documented and supplied to the certifier.

The BSA had directed me to fully rebuild the roofed patio in accordance with the original building approval, to which during the qcac compulsory conference, the BSA legal representatives became aware that I was not responsible for the completed structure.

The legal representatives for BSA then informed their client BSA, that I could only be liable for the erection of the frame itself, and any other works could not be deemed by responsibility.

I then agreed with a compromise with the BSA just to go back and re-instate the frame system in accordance with the approved drawings as documented as comprise agreement. Included in this agreement was a date set for me to complete, however, one of the main disputable elements of this agreement was that whilst I was agreeing to re-construct the patio roof frame in accordance with the approved drawings, I was never to attend site, or contact the owners, but to ensure that I employed qualified carpenters to supply the labour to re-build the roof frame structure.

I did bring to the attention of BSA officer, that this was an agreement, which verged on stupidity, myself not being able to monitor the construction however, it was the only way the BSA officer could get the property owners to agree to the proposal.

So at the end of the compulsory conference, I signed agreed to the mutual arrangement to resolve this problem, and immediately moved forward, ordering materials and organising tradesmen to erect the roof patio frame.

This construction happened, in accordance with the approved drawings, please note, the approved architectural did have omission of crucial engineering elements, to which I contacted the engaged engineer to please inform the workers onsite, the necessary connections required.

The engineer did do this, then when the roof frame was completed, I asked the sub-contractors to meet the engineer onsite for visual frame inspection.

This frame inspection was carried out, the engineer issuing a form 16 indicating all elements were correct and also supplied the property owners with the satisfactory engineering frame inspection.

This all occurred in approx... November 2011.

Early 2012, BSA contacted me again, informing me that they had now received another complaint from the same property owners about this roofed patio frame, indicating to BSA, that they felt that the structure still seemed unstable.

BSA, I assume, then arranged another site inspection, to which then they organised an independent structural engineer to assess the structural integrity of the roof frame and produced a report to the BSA that the roof frame was in their opinion, not stable or sound. Was in or around march or April 2012.

Since receiving this report, BSA then forwarded the report onto me, suggesting that they would appreciate my thoughts on the new engineering report.

I documented my reply to BSA with the assistance and cost of a barrister, indicating to the BSA that I had fulfilled my agreement with them, re-constructing the roof patio frame strictly in accordance with the building approval, ensuring engineering clarification if elements seemed to be missing in detail.

Since this correspondence from me to the BSA, they have now notified me of my inability to comply with our mutual agreement made at the compulsory conference and placed a notice to rectify on my licence history records and labelled the notice that I have not complied with the agreement.

Further to this issue, they have now informed me, that they may, expect reimbursement of costs to totally rebuild the roofed patio based on their independent engineers report which it completely different in such elements as size of steel posts, further bracing elements etc., as opposed to the original building approval.

This whole situation has now left me to seek further legal advice, incurring further costs from legal professionals to once again, defend myself from intimidating, and poorly managed affairs of the Queensland Building Services Authority.

This whole debacle demonstrates the Queensland Services Authority using intimidation and unfounded allegations which will eventually send me broke just endeavouring to prove my innocence.

I request that the parliamentary committee, please use the above detailed facts, in conjunction with their inquiry into the operation and performance of the Queensland Building Services Authority.

Yours Sincerely

A handwritten signature in blue ink, appearing to read 'Lee Young', is written over the 'Yours Sincerely' text.

Lee Young.

30th August 2012 mobile 0418871281