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SEAPointE

H O M E S

by Darrell Rogers

Reference: Queensland Building and Construction Commission and Other
 Legislation Amendment Bill 2014

To: The Honorable Committee Members of Queensland State Parliament;
 and, The Honorable Tim Mander and The Honourable Reg Gully (to whom
 I have previously lodged an arch lever bound file of documentation
 with several fundamental mistakes within the QBCC structure which
 shows the discrimination against builders in favour of onerous
 contracts for owners and unreasonable adjudication of subcontractor
 claims). I implore the committee to familiarise themselves with this
 documentation.

Dear Members

From what I have read in the information supplied by my membership group "The
 HIA", we have a severe case of "moving forward to the past". There is very little
 sense or sensibility in some of the changes being mooted for this industry.

Please let me try and summarise my agenda and then I will itemise and explain
 instances and examples which have caused me and, I'm sure, many other builders so
 much angst. We have two basic types of builders in the industry – the hands on,
 experienced, nail driving builders, and the "Queens St" builders who are white collar
 builders with the financial licence but are supported by a nominee to be able to be
 builders.

I was first registered April 22, 1987, #20856, at 24 years of age. I am now 51 years of
 age. I'm on site building everyday. I do my own estimating. I do my own selling.
 The product I sell is me and my 27 years experience as a builder and a total of 35
 years experience as a carpenter. Clients trust me because I know what I'm doing, I
 know what I'm selling. I'm out there in the rain, the cold, the searing heat, the wind,
 all the elements. The good times and the bad. If there is a problem? It stops with me.
 I don't have a salesman, a supervisor or anyone else to blame. But, the good thing is?
 I generally don't have problems.

However, the "Queen St" builder, they can hide from and blame anyone they want!
 It's a long way up to the top of the pyramid.

This is why "one size does not fit all"!

And I'm not saying the "Queen St" builders are untrustworthy in the business. There are immoral people in every business, every job, every government. But you cannot victimise and punish all because of a small minority. And from my point of view, builders have been punished and victimised for too long. I said earlier, we are moving forward to the past! You may think, no we are modernising and fixing a broken system. The answer is no you're not! You are dragging the industry back to the 1980's. I will start clarifying the errors of this bill in point form. I will also add further information that may not have been considered thus far.

I will try to address the major points of order presented by my membership "the HIA" but I am known to wander in thought pattern and can also sometimes be described as colourful or blunt, sometimes arrogant, sometimes and [REDACTED] but generally you won't be left wondering what I am thinking.

1. Powers granted to the QBCC

Disciplinary Action

Rules and regulations cannot be left open ended to the extent that they then become ambiguous and each different person who reads them can find their own interpretation and determination at the cost of an innocent party. There are power seeking, egomaniacal, ladder climbers in every industry, who will stop at nothing to get a conviction against someone to prove their worth in an industry.

A simple example of this is in the Environmental Protection Agency, EPA. They have open ended or ambiguous rules. They can fine a sole trader \$1,000.00 or a company \$2,000.00 for having water on a roads! Because it is presumed you have been washing dirt or waste down a drain! Fair? Not at all!

Also, there is no provision for a builder to seek recourse against a contractor for incomplete or unsatisfactory work. Around 1993, when licensing of carpenters came in, the main principle of this was to gradually licence all trades so they become accountable and responsible for their work. This has never eventuated! If a builder has a problem with a contractor, the builder has to go to QCAT for a slow, often fruitless, and expensive outcome. However the contractor, honest or dishonest, can manipulate their case promptly in "Adjudicate Today". Refer Reg Gully for documentation (RRGFD). We, as builders, need a clear and correct and definite two-way street in disciplinary action!

2. Removal of ability to stop the actions of the QBCC.

The builder must not lose an avenue of right of appeal, to be run roughshod over by the QBCC!

3. Progress payments and certificates of inspection.

Stage inspection certificates from a certifier is ludicrous and unworkable.

The QBCC is targeting this for their own agenda being "Insurance Purposes". It is self preservation on behalf of the QBCC to ensure they don't have excessive payouts

if, by chance, the builder goes broke! There is no thought of protection of anyone except themselves.

There are many reasons why this is unworkable and should not be introduced –

a) Clients have a responsibility to inspect each stage draw before signing and sending to the financial institution.

b) Financial Institutions already have an avenue of inspection via valuers.

c) Certifiers are not readily available to do such inspections.

d) Our certifier is in Gympie, most of our work is North Brisbane. This is very inconvenient for all parties. (As an example, on 14/8/14 we requested that a final inspection be completed on a job in Margate, our certifier advised that it could not be completed until 22/8/14 as they would not be available until then due to a conference for all certifiers. The work flow of a builder is hampered by many things, weather, lack of trades, lack of supply etc. Do not hamper it more with waiting for inspections of each stage to be completed. This will only cost the builder more, and therefore the end user, the client!)

e) We used to use a local certifier and he was taking his approved approval time of up to 30 days for certification of new plans. Our current certifier takes around 3 days.

f) Refer (e). an act like this opens up too many avenues of corruption, delays and expense.

g) Back in the early days of being a builder, pre 1993, the QBSA changed building stage percentages to be universal across the board. Because banks were being unscrupulous in payments and valuations and builders were also claiming for things that were not done or even commenced. A couple of examples –

3gi) I was building a \$68,000- house at Kippa Ring. At practical completion, one week before handover, the valuer for [REDACTED] could only see \$18,000- of work done. I was still owed \$50,000- at Practical Completion. Banks would take up to a month to process payments.

3gii) On another job which was situated on a hill – slab had been completed, steel columns in place, \$5,000- worth of earthworks done, the base stage claim was around \$12,000 - \$14,000-. The [REDACTED] valuer could only see fit to pay \$4,000-, because they couldn't or didn't include earthmoving, council fees etc as part of the claim.

I know these two examples are differing to the QBCC's intentions, however, the onus should simply not technically be the responsibility of the Builders. The Builder works too hard to get held up for money at any stage because of a personal opinion.

Perhaps the QBCC should make a minimum building cost per square metre to prevent builders underselling or under advertising, but this would be as unworkable as this current proposal.

The change as stated is only for the sole purpose of insurance protection for the QBCC.

h) Further, there should be allowances made in contracts for partial claims due to unforeseen circumstances. For example, I am currently being held up waiting on around \$145,000- on two jobs, one is at Practical Completion and the client changed her mind on carpet, her new selection isn't due for arrival until tomorrow. We have been waiting 2 weeks to handover. The second is, I booked a bricklayer nearly 5 weeks ago to start a job Thursday two weeks ago. He started, the day after the agreed

booking. So all is good?? He goes home for the weekend, has an argument with his wife on the Saturday about other major builders not paying him, Workcover chasing him for money etc. His wife took his children and left him. I couldn't get hold of him Monday (I thought he might have taken his show holiday? As it was Redcliffe's show holiday and that's where the job is). His boys showed up Tuesday to inform me, his wife had left him and he was not laying bricks because he was too upset and depressed. So I had to find another bricklayer, which isn't easy, if another bricklayer has already started the job. But I've got a bricklayer to start tomorrow, finally! It was supposed to be one week ago, but we haven't stopped progress on the house! Even with no money coming in on this job, we are at fixing stage inside, Gyprock up, doors and architraves etc delivered yesterday.

i) I may be an exception to other builders, but don't take us back 30 years to help protect the QBCC and it's insurance company. Modernise claim draws to allow for unforeseeable circumstances. Builders are people too, and have rights and have a right of protection.

4. Foundations Data

This doesn't affect my style of building as we are not mega builders in new estates. And Foundations Data should be available prior to commencement of works. The mitigating factor here is the soil tests should be for the lot or site, not for the person whose name is on the report! We have had instances where clients have bought a block of land and the vendor provides a soil test on the site, but because it is not in the new owners name, engineers refuse to accept it! Thus causing additional time delay and expense for the new owners.

5. Extensions of Time

This is a very nasty clause. Do not tamper with It! It is near impossible to get client variations/changes signed let alone extensions of time signed. The onus should be on the client to be diligent and act within a reasonable time, otherwise it remains deemed that they accept the said variation/change or extension of time. I don't go over time on my buildings because I don't overload my workload as the majors do. As our advertising says "We don't want to build everyone's home, just yours".

6. Practical Completion

From the day I started building, contracts classified, and should still do, that Practical Completion is accepted when a house is reasonably fit for habitable use.

The supply of a Form 15 then 16's is the greatest load of [REDACTED] and paper pushing and buck passing that I have ever seen. I have been using the same engineer for my whole career and my boss before me did, but he is perennially slow in supplying certificates. There are also other companies who are on the job some 2 days before handover and can't supply certificates until installation.

The collection of Form 15's and 16's is just self preservation of the QBCC to put all the onus purely on the Builder! Form 15's say something will comply, Form 16's say something has complied! What a load of nonsense! You see major companies importing from China and other countries that somehow get compliance and then duly fail! What's the point of all these useless certificates?

Don't hold up builders entitlements!

7. Consumer Building Guide

The owner gets plain English contracts and specifications. The opportunity to seek legal advice. None of which is worth a pinch of shit! Because as I was told in QCAT when a cash client ran out of money (RRGFD) and couldn't pay practical completion; contracts are only as good as the person signing them! I thought what good is any paperwork? Why give more ammunition to someone who is already a protected species.

Owners must be held accountable for reading all paperwork and putting their signature to it! I don't know of anyone personally that have ever had a gun put to their head to sign a building contract!

Why don't owners have to supply an IQ Test result proving they are smart enough to sign the documents supplied to them. Builders aren't out to rip people off. But the structure of building contracts is designed to protect clients no matter their intentions, good or bad. Plain English contracts are designed to simplify everything for everyone!

Why can't a builder have the right to walk out of a contract with profit percentage if the client becomes suspect or unreasonable etc.

7. Defects Liability

You have got to be kidding me! 6 months is more than enough time. The client still has 6 years to question the QBCC if in doubt. As builders, our houses are subject to every element. We build to the design and structure of our engineers and draftsmen. However, our houses are controlled by nature, flood, drought, moisture content etc. I've built houses in severe drought and have had plenty of space/gap around doors, then 2 years later, we get flood or moisture conditions. All the doors, jambs, framing absorb and hold moisture. Then the doors won't close! Not because anything has failed, but the elements have affected the moisture content. I've gone back voluntarily and planed doors down and painted to make them work (this was required on one job only).

But! The point is! Houses are controlled by nature. Defects, if not seen in the first 2 months should never be recognised. We have a system prior to handover, where we red dot defects. My son, who is 24 years old and also a registered builder, goes through the house marking up. I then follow him through the house marking up. I then go through the next day at a different time in different light conditions to find as many defects as possible. Once the defects have been rectified, we check again. Then we go through the house with the owner.

As I said 6 months is more than enough! If in doubt, the client still has recourse through the QBCC.

Houses are not made by machines, they are made by hand. I put my heart and soul into my houses. I build because that is my passion. We have to warrant things made by machine that the suppliers won't even warrant for more than 90 days. Is the

QBCC going to ensure suppliers and contractors are going to come back and rectify defects or faults?

Are the QBCC going to give builders the same automatic rights of recourse that they give owners and contractors? No matter what! We are all equal human beings! Kings, Queens, Prime Ministers, Councillors, Roadworkers, Builders, Owners! We are all human. We all make mistakes. I don't believe too many try to make mistakes deliberately.

But I must re-iterate ~~we~~ must have equal rights of recourse and immediate recourse. A builder can't make easy complaint, about an owner or a contractor. Give us the same rights as each other!

The QBCC have their own personal agenda. Make the QBCC as accountable as Builders. You don't hear our complaints because there is no one allocated to listen!! Not even our own membership group is of assistance in this instance.

Please see sense and sensibility on the ridiculous changes proposed in this bill. For the sake of the sanity and already far too high depression rates of builders in this industry, get rid of the aforementioned changes to the bill and start helping builders instead of burying them deeper and deeper in bullshit and red tape.

Come down on those not complying, the majors who are employing unskilled labourers, working under the licence of one person with a Trade Certificate.

Censure the majors don't undersell their presumed starting price.

Send QBCC staff out to display homes and other builders to study their sometimes underhanded tactics to solicit jobs. Also, investigate the untrustworthy owners. I can't say it enough! We should have equal rights to owners. Contracts are not balanced. They are onerous and this completely unfair!! Do not give owners/contractors more rights!

Yours sincerely



Darrell Rogers
21/8/14