



21st August 2014

Response to Queensland Building and Construction Commission and Other Legislation Amendment Bill 2014

Thank you for the opportunity to provide input to the legislation.

Overall the AWCI supports the introduction of the amendments and highlight below some areas that require further consideration.

Division 2 Direction to Rectify

We agree with the provisions for the Commission to direct rectification. However there needs to be a link between the party responsible for the defect and the party that is served the direction to rectify. For example :- A wall is found to be cracked and requires rectification. The cause is structural but the cosmetic plasterwork is affected. The builder is directed to rectify and they in turn require the plasterer (and other trades such as the painter) to rectify the wall. In this situation it should be done as a paid variation - because their work was not the cause of the defect.

It would not be beneficial if the builder can direct the sub contractor to undertake rectification work or cosmetic fixes at their own cost and then have the sub contractor have to argue through the courts for compensation when they were not responsible for the defect.

74B Disciplinary Action

The AWCI agrees with the inclusion of clause (n) failure to pay a sub-contractor as grounds for taking disciplinary action against a licensee. It is part of the logic for having a license – i.e. the licensee is required to fulfill all duties reasonably expected of them.

Practical Completion.

AWCI is concerned with the definition of practical completion being when all certificates of inspection have been received. We see this as problematic given the potential for delays in receipt of such certificates.

Defects Liability Period

Whilst we could not note the specific provision we understand that there is a proposal to extend the current defects liability period from six months to two years.

We do not support this as it expands the overlap between defects and maintenance issues. Resources will be increased substantially trying to determine if an issue raised by a homeowner is a defect or related to maintenance and normal wear and tear of the dwelling. The majority of defects are going to be evident in the first six – twelve months.

We would appreciate being involved in further discussions as the legislation is finalized.

Yours sincerely

A handwritten signature in black ink, appearing to read "Doug Smith". The signature is fluid and cursive, with a small dot at the end.

Doug Smith
Executive Officer