

Our ref: 1728/PS  
Your ref:

[REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED]

29 August 2014

Dear sir's

On 7 August 2014 the Queensland Building and Construction Commission (QBCC) and Other Legislation Amendment Bill 2014 (the Bill) was introduced into the Queensland Parliament.

The Bill seeks to amend current licensing, demerit points, dispute resolution and insurance provisions under the Queensland Building and Construction Commission Act 1991 (the QBCC Act).

The Bill also seeks to repeal the Domestic Building Contracts Act 2000 (the DBC Act), the legislation which regulates contracting arrangements between consumers and building contractors, and insert new contracting provisions into the QBCC Act.

### **Impractical requirements within the Bill:**

#### Practical Completion

The definition of practical completion contemplates that practical completion has only been reached when all certificates of inspection have been received. This is a fundamental flaw, as the definition fails to consider the delays in receipt of such certificates, as well as contracting scenarios whereby the homeowner may be responsible for completing a portion of the works which require certification. Not only could this delay practical completion and therefore payment, this could extend the Defects Liability period even further. See below

#### Defects Liability period

The defects liability period for minor defects has been extended to two years from the current six months. Considering the scope of issues which may be 'minor defects', a two year defects period is not only excessive but also makes it difficult to distinguish between true defects and homeowner maintenance issues. Builders, especially smaller enterprises do not have the time or the money to enter into conflict with the QBCC. Margins are tight enough within this competitive industry, and I know of no builders that are able to set aside monies for 2 years.

#### Consumer Building Guide

The Bill provides homeowners with the ability to withdraw from a contract at any time if they don't receive the consumer building guide. If the Guide is not given due to an administrative oversight, the consequence is excessively harsh.

As a licensed builder, I consider the above points go against the 'spirit' of a reasonable contract and many smaller builders will be unduly punished years down the line.

Yours Faithfully

Ron Musk

[REDACTED]  
[REDACTED]  
[REDACTED]