



Speech by

## Mr BRUCE LAMING

### MEMBER FOR MOOLOOLAH

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Hansard 14 November 2000

#### MCMASTER BUILDERS

**Mr LAMING** (Mooloolah—LP) (10.24 a.m.): Barely six months after the collapse of prequalified builder Designer Steel Homes, which caused considerable financial loss to a number of Queensland subcontractors, this inept Government is at it again. Early reports following the collapse of another prequalified builder, McMaster, put its debt at \$4m, \$2m of which is owed to subcontractors. Regardless of the final outcome, this could have and should have been avoided.

It was not as if there were not enough warning bells ringing a long time ago. Concerns were raised initially right back in January when a seek advice flag was requested on McMaster's file. But despite this flag still being in place in February, a \$1.5m contract was let to the company on the new police station at Edmonton. The seek advice flag was lifted from McMaster in April. But instead of learning a lesson from the Designer Steel collapse and directing that the Edmonton project be successfully completed prior to further contracts, the Minister for Public Works signed off on not one, not two, but three significant projects to McMaster with a total value of \$5m—all within the space of two weeks. Such financial caution is absolutely breathtaking.

The on again/off again seek advice flag was again placed on the file in June, and that should have sent shivers down the Minister's spine, but no. In July, even when the on again/off again warning flag was still flying, we saw the Minister involved in awarding the train control room contract in Townsville to McMaster, apparently ignoring the department's own warning system, which was not lifted until a month later. In August we saw the flag off again and in September, on again, beating the liquidators by just one day. The result of all this is five projects less than half finished and dozens of subcontractors left in the lurch. The on again/off again warning system might have some shortcomings, but these are dwarfed by those of the Minister, who ignored the signals, even when they were in place.

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