




Speech By
Hon. Tim Mander

MEMBER FOR EVERTON

Record of Proceedings, 7 August 2014

**QUEENSLAND BUILDING AND CONSTRUCTION COMMISSION AND OTHER
LEGISLATION AMENDMENT BILL**

Introduction

 **Hon. TL MANDER** (Everton—LNP) (Minister for Housing and Public Works) (11.38 am): I present a bill for an act to amend the Housing Act 2003, the Queensland Building and Construction Commission Act 1991, the Residential Tenancies and Rooming Accommodation Act 2008 and the Residential Tenancies and Rooming Accommodation and Other Legislation Amendment Act 2013 for particular purposes, to repeal the Domestic Building Contracts Act 2000, and to make minor and consequential amendments to the legislation mentioned in the schedule. I table the bill and explanatory notes. I nominate the Transport, Housing and Local Government Committee to consider the bill.

Tabled paper: Queensland Building and Construction Commission and Other Legislation Amendment Bill 2014 [[5657](#)].

Tabled paper: Queensland Building and Construction Commission and Other Legislation Amendment Bill 2014, explanatory notes [[5658](#)].

Construction is one of the four pillars of the Queensland economy, employing around one-quarter of a million Queenslanders and contributing around \$60 billion to our economy each year. The government is committed to stimulating economic growth and we are doing our part by reducing red tape and regulatory requirements. The proposed legislative changes will enable the Queensland Building and Construction Commission, the QBCC, to provide greater balance between the needs of consumers and licensees by providing more clarity around the management of disputes and establishing new processes to resolve them more efficiently.

The legislative and policy amendments for consideration include removing disciplinary proceedings against licensees or those who are dodgy builders from the Queensland Civil and Administrative Tribunal, QCAT, which will simplify the process with disputed outcomes subject to internal review by the QBCC and external review by QCAT. This means that, if a licensee wishes to have the original decision made by the QBCC reviewed, they can ask the QBCC to conduct a review of the decision rather than going to QCAT. However, the right to appeal any decision made by the QBCC directly to QCAT will be maintained.

The bill will clarify the minimum requirements for domestic building contracts and introduce two levels of contracts based on the value of the work being done. This will protect consumers against things such as contractors demanding excessive deposits or taking advantage of the fact that consumers do not have a lot of experience when it comes to negotiating contracts. The two-tier system will mean that the smaller projects are not as heavily regulated as bigger contracts, meaning less bureaucracy and less red tape.

The bill amends the licensing system so that people only need to renew their licence every three years, instead of every 12 months. Again, that is another big cut to unnecessary red tape.

The bill will introduce a demerit point system and heavier sanctions for dodgy contractors. This will be a significant deterrent to those trying to get around the rules but also helps protect builders who do act honourably, and they are by far the overwhelming majority.

The bill introduces an early intervention dispute process. This free service will allow the QBCC to mediate disputes within 28 days of them being lodged. In the past, disputes could drag on for months or sometimes years. This gives people peace of mind that any disputes that arise could be resolved quickly and that they can get on with their renovation or construction project quickly without having to resort to QCAT.

The bill empowers the QBCC to direct rectification when consequential damage occurs on adjacent residential sites. This means that, if your neighbour is having excavation work done and it undermines a retaining wall on your property, the QBCC can intervene and order the matter to be rectified. Currently, its hands are tied in those types of disputes.

The bill expands the Queensland Home Warranty Scheme to cover new swimming pool construction and manufactured homes, introducing optional additional cover and clarifying scheme provisions to provide more certainty for consumers. At the moment, people can spend hundreds of thousands of dollars building a house which is covered by the Home Warranty Scheme, but if they splash out on a swimming pool separate from the construction of the house and it turns out to be defective, they do not have a leg to stand on.

The bill proposes the introduction of amendments to improve the effectiveness of the commissioner and the commission as a regulator. These include allowing the QBCC to sort out defects under the Home Warranty Scheme while domestic building disputes are actively in QCAT. This is a big change and will be a huge win for mums and dads who have taken the plunge on building a new home. As things currently stand, if there is a dispute over defective building work, owners can be left waiting for months on end while the dispute works its way through QCAT before they can get money through the Home Warranty Scheme.

The bill extends the grounds for disciplinary action to include the failure of a contractor to pay a subcontractor in accordance with the contract. This is a huge win for all subbies who want and deserve security of payment.

The bill clarifies that the Supreme Court has the power to grant an injunction to restrain unlawful behaviour by a person that would constitute an offence under the QBCC Act and other related acts. This means people who continue to breach relevant laws can be made subject to an injunction that, if breached, can result in severe penalties, including imprisonment.

The bill gives QBCC inspectors additional powers to obtain identification information such as a person's date and place of birth. At the moment, building inspectors have no power to compel people to give their correct identity. The industry regulator cannot even be sure whom it is talking to when trying to investigate dodgy work practices. Dodgy builders often work under false names, sometimes multiple false names. These changes will make the QBCC a more effective regulator, because it will make it easier to identify people who are operating unlawfully. Inspectors also will be able to obtain this information if they suspect that the person has committed an offence, not just under the QBCC Act but also under legislation associated with the QBCC Act, such as the Building and Construction Industry Payment Act 1974, the Subcontractors' Charges Act 1974 and the Building Act 1975.

The bill will improve the way that the QBCC gathers evidence about unlicensed contracting and other serious offences, including phoenix directors operating behind other licensed building companies. The changes will allow the QBCC to access data from other government agencies and statutory bodies, such as Fair Trading.

This government also has a strong plan for social housing reform. The need for the non-government sector to play a greater role in the direct delivery of services is a key part of our plan. The government's Housing 2020 Strategy sets a number of objectives for the achievement of this goal, including the transfer of 90 per cent of public housing stock to the community housing sector by 2020.

The bill proposes amendments to the Housing Act to help facilitate this transfer, including: giving approved providers access to essential information held on the housing register and in the department's property and tenancy management database; giving the chief executive the ability to delegate certain functions to providers; extending the current statutory obligation on clients to update housing service information and not to give false or misleading information to providers; and allowing providers to maintain records on the housing register.

To address concerns about the management of confidential information, a further amendment to the Housing Act will ensure providers are bound to the same privacy and confidentiality protections that apply to the department. We want to ensure that the tenants are not caught up in the bureaucracy of this change. An amendment to the Residential Tenancies and Rooming Accommodation Act will provide a mechanism for new tenancy agreements to be granted without tenants having to resign. This will address also adverse GST impacts as a result of the transfer of public housing tenancies.

First Reading

Hon. TL MANDER (Everton—LNP) (Minister for Housing and Public Works) (11.46 am): I move—

That the bill be now read a first time.

Question put—That the bill be now read a first time.

Motion agreed to.

Bill read a first time.

Referral to the Transport, Housing and Local Government Committee

Mr DEPUTY SPEAKER (Mr Krause): In accordance with standing order 131, the bill is now referred to the Transport, Housing and Local Government Committee.

Portfolio Committee, Reporting Date

Hon. TL MANDER (Everton—LNP) (Minister for Housing and Public Works) (11.46 am), by leave, without notice: I move—

That under the provisions of standing order 136 the Transport, Housing and Local Government Committee report to the House on the Queensland Building and Construction Commission and Other Legislation Amendment Bill by 8 October 2014.

Question put—That the motion be agreed to.

Motion agreed to.