




Speech By
Meaghan Scanlon

MEMBER FOR GAVEN

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**BUILDING INDUSTRY FAIRNESS (SECURITY OF PAYMENT) AND OTHER
LEGISLATION AMENDMENT BILL**

 **Ms SCANLON** (Gaven—ALP) (2.19 pm): I rise to support the Building Industry Fairness (Security of Payment) and Other Legislation Amendment Bill. The Palaszczuk government knows that in order for Queenslanders to have secure, stable and well-paid jobs the industry they work in must be fair, safe and sustainable. It is not unreasonable to expect that when you do a job, when you deliver a service, you get paid. For subcontractors in the building and construction industry, this often is not the case.

This industry employs approximately 240,000 Queenslanders and contributes around \$46 billion to our state's economy. It is an industry that needs confidence and certainty of work, but when dodgy bosses and shady operators withhold payment there can be serious consequences. So many tradies in my community have found themselves without pay from shonky companies. I have previously spoken about a Nerang business that was left \$88,000 out of pocket and had to let 30 staff go after they were left empty-handed following the collapse of a well-known building company.

In 2017 the Palaszczuk government consulted widely with industry and the community to seek feedback and later released the Queensland Building Plan, which committed to reforms across 10 key areas. I thank the minister for continually coming down to the Gold Coast and listening to subcontractors in my community. The government has delivered a significant number of these reforms, including: the first phase of project bank accounts; strengthening minimum financial requirements; a new Plumbing and Drainage Act; and comprehensive legislation to address nonconforming building products.

This bill further delivers on our plan by introducing a project trust framework, which enhances the present project bank accounts. This new framework requires head contractors to only open one project trust account per project and one retention account per contractor where cash retentions are withheld. Currently, three accounts must be established per contract if cash retentions are withheld, so these changes are focused on streamlining administration. The QBCC will take on a greater oversight role which will reduce the workload of principals. The benefits of the project trust framework will be extended to private sector and local government contracts; however, acknowledging COVID-19 has caused significant economic disruption, the implementation will occur gradually to give head contractors plenty of time to prepare.

The bill also introduces the requirement for head contractors to produce a supporting statement with every payment claim they make to their principal. This will declare to the principal that the head contractor has met their obligation to pay subcontractors on the job. If they have not paid the subcontractors and there could be a legitimate reason why they have not, the reasons must be stated. Failure to provide the supporting statement or including false or misleading information will attract a penalty. This reform is a recommendation of the Building Industry Fairness Reforms Implementation and Evaluation Panel and Special Joint Taskforce as a way of deterring contractors from making false declarations.

This bill also makes it clear that it is a certifier's primary duty to act in the public interest, thus avoiding potential conflicts of interest with a client. Finally, this bill will strengthen regulators' oversight of architectural and engineering professions by providing stronger investigation and oversight powers to their governing boards.

For too long Australian tradies have been ripped off, taking a significant toll on families, particularly on the Gold Coast, both financially and mentally. As the minister mentioned in his introductory speech, suicide is the leading cause of death for Australians between the ages of 15 and 44. Between 2001 and 2013, over 2,500 men in the construction industry took their lives; 562 of these were men in Queensland. Research commissioned by Mates in Construction found that construction workers were at a higher risk of suicide than most and that a lack of job security was a key contributing factor to poor mental health. We on this side of the House believe that if you do the work you should get paid on time, in full, every time. I commend this bill to the House.