



Speech By
Brent Mickelberg

MEMBER FOR BUDERIM

Record of Proceedings, 16 April 2024

**HOUSING AVAILABILITY AND AFFORDABILITY (PLANNING AND OTHER
LEGISLATION AMENDMENT BILL; BUILDING INDUSTRY FAIRNESS
(SECURITY OF PAYMENT) AND OTHER LEGISLATION AMENDMENT BILL**

Mr MICKELBERG (Buderim—LNP) (6.04 pm): I rise to address the cognate debate in relation to the Building Industry Fairness (Security of Payment) and Other Legislation Amendment Bill along with the Housing Availability and Affordability (Planning and Other Legislation Amendment) Bill 2023. The two bills seek to address two important and significant issues: ensuring that construction subcontractors get paid each time and addressing the critical need for more housing right across Queensland—two bills that seek to address two important issues but both of which fall short of the mark. They are bills that promise a lot but bills that will deliver very little.

I am going to start with the building industry fairness legislation. We hear that the bill aims—

... to protect 'subcontractor' payments, encourage prompt payment by the trustee of subcontractor entitlements, and reduce the severity of insolvency impacts to subcontractors (who have little other form of legal protection).

That is a sound objective but one that I will show in my contribution this bill will not deliver on. Why do I say that? The evidence is clear that project bank account arrangements have not protected subcontractors when head contractors have gone into liquidation. I know of at least four entities where head contractors have gone into liquidation and subcontractors have not been paid the funds that they were owed by those head contractors.

It has been reported that when builder PBS went into liquidation its project bank account did not have sufficient funds to cover the debts owing to subcontractors who had worked on its sites. I am advised that, despite this, PBS management did not break any security of payment legislation. Nonetheless, despite complying with the state government's security of payment legislation, subcontractors on PBS sites did not receive payment for the services they had rendered and for the money that they were owed. If I look closer to home on the Sunshine Coast, builder NCM fell over early last year. I am advised that NCM was working on state government social housing projects that were required to comply with security of payment legislation. Despite this, subcontractors from my community of Buderim did not get paid for the work that they performed on NCM projects. Contractors who installed flooring, electricians and fencing contractors have all not been paid by NCM for the work they performed—not paid for work that should have been protected by this state government's project bank account provisions and this bill will do nothing to address the reasons why they were not paid.

The explanatory notes talk about the fact that since their establishment project bank accounts, or project trust accounts as they have now been renamed, have—

... secured funds in more than 1200 contracts to the value of more than \$20.7 billion ...

The explanatory notes imply that this was a measure of success for the security of payment regime when in fact the measure of success should be what happens when the head contractor goes into liquidation. Do subcontractors get paid when a head contractor falls over and goes into liquidation?

Does security of payment legislation result, as the minister contends it does, in subcontractors being paid every single time? The answer is it does not. Security of payment arrangements in Queensland are flawed. While this legislation improves some of the regulatory requirements around the regime, it does not address the fundamental failings of these arrangements which means that subbies will continue to not get paid when they should.

I have listened extensively in my capacity as the shadow minister for small business to stakeholders such as Master Builders, HIA, Master Electricians and Master Plumbers and I acknowledge that there are a diversity of views around the security of payment arrangements. The LNP will not oppose the provisions that aim to make life easier for builders and head contractors who must comply with security of payment legislation, but it is my view that the measure of success for any security of payment regime must be ensuring that subbies get paid when a head contractor falls over. If we are going to impose this additional regulation on builders, then surely it must be able to at least deliver on the promise that subbies will get paid.

Turning now to the housing availability and affordability bill, supposedly this bill is going to fix the housing crisis afflicting so much of Queensland, but as is so often the case with this Palaszczuk-Miles Labor state government this bill is more about shifting the blame rather than taking real action. More than 20,000 Queenslanders are now living without a roof over their head because of the failures of this tired third-term Labor state government. We have skyrocketing rents right across the state because we have less land being released for new housing and a Labor state government intent on driving away investors.

After nine years and three state government housing forums, building approvals are down 31 per cent year on year. Even if they can afford skyrocketing rents, families cannot even find a home to live in and the number of people sleeping rough has exploded. Apparently this is success under Labor. I beg to differ. As many members have mentioned, every week my constituents come to me asking for help to get a roof over their head. Sunshine Coast locals Emma and Robert Neil approached me after their lease ended and they found themselves and their three kids without a home. When I and the shadow Treasurer met with them, they had ended up living in a camper trailer in a Sunshine Coast backyard.

Two adults and three young kids living under canvas in a camper trailer is hardly what we should consider as acceptable in Queensland. Through no fault of their own, despite having a good rental history and having the income to pay skyrocketing rents, Emma and Robert found themselves homeless. In response, Emma and Robert have uprooted their family and moved away from the Sunshine Coast to the Darling Downs, not because they wanted to, not to move closer to family or for a job opportunity; Emma and Robert moved away from their friends, their children's schooling and their employment because they could not find a home. That is not good government. In our advanced economy we must do better for people like Emma and Robert. This legislation does nothing meaningful to address that problem.

Any solution to the housing crisis requires collaboration between state and local government; not a dictatorship—collaboration. A Crisafulli LNP state government will work proactively with local governments to protect the character of our suburbs and to improve housing affordability with more land supply. With new development we need more infrastructure like roads, rail and schools to support the growing population, something that this Labor state government has also dropped the ball on. When they cut critical projects like the Mooloolah River Interchange this Labor state government makes it harder for families who want to move to the Sunshine Coast. Trunk infrastructure like roads and rail support a growing population and without that adequate investment in roads and rail we are doomed to fail.

A Crisafulli LNP government will help Queenslanders realise their dream of owning their own home. Home ownership should not be out of reach for working Queenslanders. The last thing that we should accept is that young Queenslanders are giving up on the dream of ever owning their own home. Social housing is an important part of the housing mix, but far too often this state government forgets about home ownership and we should do everything we can to make it easier for every Queenslanders to own their own home and control their own destiny.

The LNP will work with local councils to develop timely plans for the future of every Queensland region. In doing so we will identify what infrastructure and services are needed to accommodate that growth. That is particularly important on the Sunshine Coast. On that note, I want to acknowledge the re-election of my local government representatives, Councillor Ted Hungerford and Councillor Christian Dickson. Christian Dickson was the only councillor on the Sunshine Coast to be elected unopposed, which is testament to the high regard with which he is held in my community. My commitment to both Christian and Ted is to work collaboratively to address challenges like housing affordability. I and my

LNP colleagues will work collaboratively with local council to deliver critical infrastructure like the Mooloolah River Interchange, the Sugar Road-Mooloolaba Road intersection and the Sunshine Coast heavy rail all the way to Maroochydore, because without the road and rail infrastructure the Sunshine Coast needs we will not be able to house the many thousands of people who are moving to the coast every single year. Unlike the current Labor state government, we will listen and we will act because we know that Queenslanders deserve better. It is time to show Labor the door in '24.