

**Question on Notice
No. 78
Asked on 4 March 2014**

MR SHUTTLEWORTH asked the Minister for Housing and Public Works (MR MANDER)-

QUESTION:

Will the Minister outline what government reforms are being made to help boost activity and improve oversight in the construction sector and how these changes impact on the Ferny Grove Electorate?

ANSWER:

Reforms within the building and construction industry, one of the four pillars of the Queensland economy, were long overdue. The Newman Government's Ten Point Action Plan outlines the framework to introduce the most significant reforms to the regulation of the Queensland building industry in 20 years.

The reforms will bring about real change in the way the building industry operates and will improve building regulation in Queensland by ensuring that the functions performed by the new Queensland Building and Construction Commission (QBCC) are strategically focussed and balance the interests of the industry and consumers.

In keeping with the Government's commitment to reduce red tape and costs to the industry, there are a number of reforms that are currently being considered by the QBCC. To reduce the regulatory burden and costs to business, a complete review of the current licensing system is being undertaken.

To ensure standards within the building industry are maintained, a framework for undertaking routine checks on building work for compliance with building standards and codes and a review of the role of building certifiers are some of the key reforms which are being considered.

The development of an early dispute resolution service and an internal review function within the QBCC will provide both consumers and builders with a service to resolve building disputes more efficiently and will reduce the need for lengthy and costly legal action.

Construction activity is set to boom across the State, with insurance policy data released by the QBCC showing a 27 per cent increase in two years. These numbers support data from the Australia Bureau of Statistics showing trend dwelling approvals in Queensland had grown by 2.6 per cent in January.

The good news for the 1,698 licensed builders and trade contractors and 14 building certifiers located in the Ferny Grove area is that payment of insurance premiums for residential construction work in the area has risen by 14.7% in 2013 compared with 2012. Building contractors are required to pay an insurance premium for residential construction work when they enter into a contract with a consumer and an increase in insurance premium data is usually a precursor to a boost in dwelling constructions and renovations.

One of the reforms introduced on 1 December 2013 which will benefit the building industry and make it easier for entities such as special purpose vehicles to tender for building projects was a change to licensing for commercial work under section 42 of the *Queensland Building and Construction Commission Act 1991*. From now on, developers of commercial work will not be required to hold a contracting licence, as long as they contract with an appropriately licensed building contractor to carry out the building work.

Other initiatives the Government has implemented to boost building activity include reintroducing the stamp duty concession for owner occupiers and the removal of expensive requirements for rainwater tanks and high end hot water systems.