



the voice of the industry

FOR IMMEDIATE RELEASE

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\$5000 Building Threshold Stops Shonky Builders

“HIA supports the Upper House, Government and the Liberal Party decision to retain the \$5,000 threshold for building work performed by unqualified backyard builders”, said Stuart Clues, HIA Executive Director.

“The \$5,000 threshold is not a new development, it has been in place since 2004 and accepted as sufficiently low amount as to not expose the consumer to too much damage even if the whole project goes pear shape.

“Owner Builders can still build their own home to any value above \$5,000 provided they are a registered Owner Builder which is completely reasonable”, says Mr Clues.

“It needs to be born mind too that the exposure for consumers by backyard builders is not just the \$5,000 building work that is at risk but the collateral damage to the rest of the house in the process.

“Accredited Builders are held accountable for their work by the Housing Indemnity Act and by WST and may they lose their right to accreditation and to build as a consequence of professional misconduct.

“There is no such recourse for consumers against backyard builders.

“So if a consumer engages a backyard builder to do building work and the project goes pear shape there is no recourse against that person under the Building Act.

‘In this case the consumer is left with the prospect of trying to recover damages through the court system and we all know that whilst \$5,000 is a lot of money to most people..... in legal circles it is not worth pursuing.

“So the consumer is left out in the cold with no recourse.

“The reason the threshold amount is set at \$5,000 is that it is sufficiently low as to enable small renovation work to be done but not so high as to see the public put at risk from unqualified persons performing high value building work beyond their competence.

“To increase the threshold is to correspondingly increase the opportunity for backyard builders to flourish.

“HIA want a professional construction industry in this state where the public can have confidence in those persons who hold Builders Accreditation and have the appropriate apprenticeship, skills, qualifications, insurance and experience and are held accountable for their work.

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“The effect of increasing the threshold amount from \$5,000 is to introduce a free unregulated environment for renovations and extensions where it is purely “buyer beware” and consumers and the public have no effective protection, “ said Mr Clues

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