



the voice of the industry

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Expensive Red Tape Explosion Coming to Queensland Building

The Queensland building industry is heading for a costly red tape tangle if legislation currently before Parliament is passed according to Housing Industry Association.

Mike Roberts, HIA's acting Queensland Executive Director said "there will be 17million new business processes introduced into the Queensland building industry each year if the Building Industry Fairness Bill passes Parliament.

"HIA also estimates that Queensland builders will have to establish 10,000 trust accounts every year to meet the requirements of the Bill's cornerstone initiative; project bank accounts. The Bill proposes that each building project over a certain size would need to have three separate trust accounts established to manage the flow of funds.

"HIA today told the Parliamentary Committee inquiring into the Bill that its enactment could also see builders imprisoned for paying their subcontractors out of the wrong bank account.

"The Committee also heard that the project bank accounts are a clumsy and ultimately ineffective way of securing payment for subcontractors: the overwhelming majority of builders who pay on time will face a huge administrative cost with next to no new protection being available to subcontractors.

"The Government should withdraw this legislation until its own trial of project bank accounts is independently evaluated: the whole of the Queensland building industry should not be used as guinea pigs for this ineffective initiative", Mr Roberts concluded.

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