



the voice of the industry

FOR IMMEDIATE RELEASE

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MEDIA RELEASE

Proposed Building Laws the Wrong Approach

The Housing Industry Association (HIA) has expressed serious reservations about a Bill that was recently introduced to the Legislative Assembly, which will make directors of building companies personally liable for rectification orders or financial penalties.

The *Building and Construction Legislation Amendment Bill 2019* is currently being considered by the Legislative Assembly Standing Committee on Economic Development and Tourism.

“The potential pursuit of company directors personally is a drastic overreach, and is really only in response to the actions of a small number of individuals,” said the ACT and Southern NSW Executive Director of the HIA, Greg Weller.

“This approach will undoubtedly affect investment decisions and the impact on the many small building businesses in the ACT that do the right thing. With home building already flourishing over the border, the ACT government should not make it harder to do business in the capital.”

“It is also a real concern that the laws are proposed to apply to projects already completed.”

“What cannot be ignored is that the introduction of these laws is a response to building quality issues that have manifested over some time. The Government needs to recognise that they play a critical role in managing and enforcing these laws and real change will only come from a partnership between industry and government.”

“There are also a number of issues around the interaction between the new laws and the current laws that we do not think have been properly canvassed. Where a builder becomes insolvent during a project, residential building already has the unique access to Home Owners Warranty Insurance, which provides a guarantee of completion, unlike other building projects.”

“HIA is also disappointed that while the government has obviously been considering these changes for some time there was no direct consultation with industry or the community prior to the Bill being tabled in the Assembly.”

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