



Speech by

Andrew Cripps

MEMBER FOR HINCHINBROOK

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QUEENSLAND BUILDING SERVICES AUTHORITY AND OTHER LEGISLATION AMENDMENT BILL

Mr CRIPPS (Hinchinbrook—NPA) (7.32 pm): I rise to make a contribution to the debate on the Queensland Building Services Authority and Other Legislation Amendment Bill 2007. The objective of the bill is to amend the Queensland Building Services Authority Act 1991, the Domestic Building Contracts Act 2000 and the Professional Engineers Act 2002, consistent with the prescribed purposes specified in each of the acts.

The Queensland Building Services Authority Act establishes a licensing regime for building contractors and supervisors and a permit system for owner-builders. The act also establishes a statutory insurance scheme to assist consumers who have suffered loss due to defective or incomplete residential construction work. These functions are administered by the Queensland Building Services Authority, known as the BSA. The Domestic Building Contracts Act regulates domestic building contracts for the carrying out or management of domestic building work. The Professional Engineers Act provides for the registration of engineers by the Board of Professional Engineers of Queensland.

The shadow minister for public works and housing affordability, the member for Robina, has addressed the major points in the bill which includes acting on recommendations that came out of the backpacker hostel fire in Childers to improve fire prevention standards. The measures are welcome as a further step to try to ensure that another tragedy of that nature and severity does not occur again.

The Queensland Building Services Authority Act requires building work carried out by a licensed contractor to be supervised by the licensee or an appropriately licensed employee if the licensed contractor is an individual, or an appropriately licensed officer or employee of the company if the licensee is a company. Contractors also have a statutory obligation to ensure building work is adequately supervised. The bill introduces initiatives to try to address the current shortage of licensed supervisors following reports to the BSA that a lack of appropriate on-site supervision is significantly impacting on the quality of building work in the state.

A review of the maximum penalties in the Queensland Building Services Authority Act and the Domestic Building Contracts Act indicates that some of the maximum penalties applicable to breaches of the legislation are disproportionately low when compared to other comparable legislation. To encourage compliance with these acts, the bill proposes that maximum penalties be increased and that a number of new offences should be provided for which will apply to building contractors who provide false documents or information to the BSA, fail to have an appropriately licensed nominee, obstruct a BSA inspector, advertise to carry out building work without a licence or fail to keep documents relevant to obligations under the Queensland Building Services Authority Act or the Domestic Building Contracts Act.

The bill provides for a system of demerit points imposed on licensees who commit specific offences which remain current for three years after the breaches are recorded. A licensee accumulating 30 demerit points over a three-year period may be banned for three years. If they return to the industry and within 10 years of the first ban accumulate 30 demerit points over three years, they face a lifetime ban. Therefore, the incentives to do the right thing are increasing. That can only lead to better standards in the building and

construction industry. To assist the improvement of key building work and contractual standards in the industry, it is proposed that demerit offences should be expanded to include offences relating to failure to rectify defective building work under a BSA direction, failure to pay a statutory insurance premium, failure of a company to have a nominee and failure to have a contract in writing or comply with contractual contents requirements under the Domestic Building Contracts Act.

I hope that these measures provide a strong framework that promotes confidence in the building and construction industry. There is always a need to strike a prudent balance between overregulation and high industry standards. I hope that these new measures do not unnecessarily impose on the overwhelming majority of contractors and operators in the building and construction industry who do complete their work to a high standard. Equally, it is incumbent on the government to ensure that there is a regulatory framework that adequately protects consumers from the minority of operators who do not meet the minimum standards of work undertaken by builders.

It would be remiss of me during the debate on a bill dealing with the Building Services Authority not to make mention of the work of the BSA and the Building Coordination Centre in the wake of Cyclone Larry, which hit far-north Queensland in March 2006. We now know that almost 19,000 building claims were lodged with insurers in the cyclone affected area. That includes homes, commercial buildings and sheds as well as other structures. When we include claims for contents destroyed and damaged, over 27,000 domestic insurance claims were lodged, totalling in excess of \$369 million. Many public buildings were extensively damaged during the cyclone, including 1,146 properties owned by the Department of Housing. The number of schools in the cyclone affected area that sustained damage totalled 91.

The Building Coordination Centre was established in Innisfail to assist with the rebuilding of areas of far-north Queensland between Tully and Babinda and west to the tablelands that were ravaged by Cyclone Larry. It was established quickly after the cyclone but officially opened in April 2006, less than a month after the cyclone struck. The Building Coordination Centre was designed to assist consumers and contractors in cyclone affected areas by streamlining the rebuilding process. The BSA assumed administrative and strategic responsibility for BCC operations, with the reporting function to the Cyclone Larry Recovery Task Force.

The BCC helped consumers manage their rebuilding process and negotiated conflicts in relation to repairs or rebuilding being undertaken on their homes. The BCC facilitated insurance and building industry activities by coordinating application and lodging processes, and creating close working relationships between a variety of parties and stakeholders in the insurance and building industries. The BCC monitored the availability and consistency of building services associated with demolition and construction activities and assisted with the licensing of many former and retired tradesmen throughout the region who wanted to make themselves available to assist in the rebuilding process. Indeed, I personally contacted Tom Sergeant from the BSA in Cairns only days after the cyclone. He was in a car with Ian Jennings, the General Manager of the BSA—

Mr Schwarten:—who is here tonight.

Mr CRIPPS: He is indeed. With your indulgence, Mr Deputy Speaker, I will take one moment to recognise Ian Jennings, the General Manager of the BSA. He is in the advisers' box tonight giving some advice to the minister. Ian and Tom were in the car on the way down to Innisfail with a view to ascertaining how the BSA was going to establish an immediate presence in the cyclone-affected area. Ian should be very proud of the way the BSA has distinguished itself during the recovery process. I am sure that the minister is quite pleased with the BSA as well.

I asked Tom on the phone for assistance to reissue a BSA licence to a qualified plumber who had been engaged in another profession for several years. I could hear Ian Jennings in the background issuing instructions from the driver's seat for Tom to make sure that the plumber was at the Queensland Country Women's Association hall at Innisfail at 10 o'clock the next morning with his qualifications. Sure enough, the plumber did front with his qualifications and after they had all been verified, he was duly issued with a BSA licence. That plumber immediately set about undertaking his share of the mountain of work repairing roofing, guttering and downpiping that had been ripped away from homes and business premises, and repairing bathrooms that had been destroyed after roofs had been lost amongst other things.

As locals know—and on this point I am sure that the member for Mulgrave, the Minister for Main Roads and Local Government, would agree with me—the BCC operations were very successful in the recovery area. They were eventually permanently located in the Innisfail Country Women's Association hall until recently when they moved to more appropriate premises. That arrangement was volunteered by the ladies in the local branch for which everyone who has benefited from the work of the BCC is grateful.

The success of the Building Coordination Centre in Innisfail in assisting the communities affected by Cyclone Larry has provided an excellent model for recovering from any large-scale disaster and will likely serve as a good blueprint for any future emergency responses that present similar challenges. The Building Coordination Centre is still operational in Innisfail and will be until later this year, as I understand it.

The BCC continues to support and provide assistance to the region in relation to the rebuilding processes, which are still ongoing. The BCC has assisted thousands of consumers and the BSA has literally inspected thousands of work sites. Literally tens of thousands of homes were damaged in an area that is about half the size of Tasmania as a result of Cyclone Larry. It was an enormous undertaking by the BCC. I would like to acknowledge the huge effort of the BSA in establishing and maintaining the BCC as a one-stop shop for construction and building insurance issues in the recovery process.

Regrettably, some unfortunate incidents occurred during the recovery and rebuilding process that involved unscrupulous building contractors who took advantage of people in the cyclone-affected area. These dubious characters created unnecessary headaches for the BSA and the BCC. I certainly wrote to the minister for public works and housing in relation to a particular incident in which a BSA licence was issued to a certain company. The licence nominee's signature was forged to obtain the licence and, subsequently, that company undertook substandard works on cyclone-damaged houses. That is very regrettable.

The BSA and the BCC delivered an outstanding and professional service to the communities in the cyclone-affected area, playing a pivotal role in ensuring that significant progress has been made in the recovery process and allowing rebuilding efforts to be progressed, despite many incidents of adverse weather conditions in the area during 2006 and a shortage of skilled tradesmen in the area. I was anxious to ensure that the indiscretions of a handful of rogue operators did not reflect on the very committed and professional performance of a vast majority of tradesmen and contractors in the cyclone-affected area as well as on the BSA and the BCC. To this end, I am encouraged that the bill provides for stiffer penalties for individuals or companies engaged in such activities.

Having placed on the record my thanks and admiration for the work of the BCC and, in particular, the BSA in assisting communities in my electorate and across the cyclone-affected area in the wake of Cyclone Larry, I am pleased to support the bill.