



NEWS

New Faster Payment System Starts Today

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"Under the new system contractors and subcontractors will be able to obtain a prompt interim payment for work they carry out and for the goods and services they supply without having to enter the court system."

Mr Schwarten said the rapid adjudication system would not extinguish a contractor's ordinary contractual rights to obtain a final determination of a payment dispute by a court or tribunal of competent jurisdiction.

"The significance of an adjudicator's decision, however, is that pending final determination of the payment dispute, the party with the most commendable case, as determined by the adjudicator, retains the monies in dispute," he said.

"This represents a significant shift from the current system where responsibility for enforcing payment has ordinarily been left to the building contractor or supplier of the related goods or services and involved lengthy and costly court proceedings."

Mr Schwarten said an independent adjudicator with relevant expertise and registered to hear disputes would be contracted by authorised nominating authorities.

"As in other States it is proposed private adjudicators conduct the adjudication on a user pays basis," he said.

"The adjudicator must make a decision on the dispute within 10 business days from either receiving the respondent's adjudication response or the expiry of the specified timeframe for receiving an adjudication response.

"An adjudicator must provide to both parties reasons for a decision including the adjudicated amount and the payment date."

Mr Schwarten said the Building Services Authority (BSA) had conducted 25 information sessions across the state throughout August and September to inform industry about the new system.

A letter from the Minister and an information brochure was also sent to all BSA licensees.

Further information is also available on the website www.bcipa.qld.gov.au which has been on-line since June.

Mr Schwarten said the new system complements the reforms already introduced by the Beattie government since 1998 specifically designed to improve the prospects of contractors and subcontractors obtaining rightful payment for work.