



NEWS

Building Services Authority Protecting Consumers

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STATEMENT BY QUEENSLAND BUILDING SERVICES AUTHORITY GENERAL MANAGER, IAN JENNINGS

Queensland Building Services Authority (BSA), General Manager, Ian Jennings, said Queensland consumers in the domestic building and construction industry continue to have the best protection in Australia.

Mr Jennings said consumer and investor confidence was essential in this \$18 billion industry and the Building Services Authority was doing all it could to ensure the industry was free of dishonest operators who damage the industry's reputation for the vast majority of good builders.

He said over the last five years building and construction work insured by the Building Services Authority had increased by more than 50 percent to a record \$7.4 billion annually while disputes had only increased by 6 per cent.

"This is a great result considering the boom we have had in recent years," he said.

"It shows that the systems and regulations we have in place such as life bans from the industry and regular crackdowns on compliance are making a real difference.

"Further good news is that the number of disputes successfully resolved has dramatically increased from a low 44 percent five years ago to 72 percent today."

He said legislation introduced by the Beattie Government in July 2003 was the toughest in Australia and was already cleaning-up the industry.

"These laws help rid the industry of dangerous building work and provide greater protection for Queenslanders from rip-off merchants and phoenix companies (failed companies that resurrect with changed identities)," he said.

"Six individuals had now been permanently excluded from working in Queensland's building and construction industry.

"In addition more than 55 individuals, more than 25 companies have been excluded from the industry for five years and one three year ban for grossly defective work this year."

Mr Jennings said Queensland maintained the only effective home warranty insurance system in Australia.

"The statutory scheme remains the best and most comprehensive home warranty insurance scheme in the country paying out more than \$22 million to rectify defects in 2003/04," he said.

"The scheme continues to protect Queensland consumers if a builder goes bankrupt, goes into liquidation, fails to complete the contracted works for reasons that are not the consumers fault or when subsidence occurs.

"BSA's insurance cover is significantly cheaper and provides greater coverage than those offered throughout the rest of the country.

"In other states this type of insurance has been privatised while Queensland's statutory scheme has remained the envy of interstate regulators, building contractors and consumers.

"In fact other states are now looking to the Queensland model to improve their home warranty insurances systems.

"The privatised schemes in other states have failed to provide market competition, cheaper premiums and benefits for contractors and consumers as originally claimed by the private sector."

Mr Jennings said with the building industry booming in Queensland over the past three years the BSA was well equipped to regulate the industry.

"We are a self-funded Authority with a budget of some \$40 million employing more than 230 hard working individuals to regulate a massive industry.

"We punch above our weight when it comes to our compliance and disputes agenda with the results over many years speaking for themselves."

For further information phone: 1300 272 272