Media Release

MASTER BUILDERS
AUSTRALIA

Labor's Crackdown On 'Phoenixing'
A Step In The Right Direction

Moves to crackdown on 'phoenix' activity, announced by the Australian Labor Party, are a step in the right direction.

"Master Builders is committed to promoting ethical conduct in the building and construction industry. It's simply not in our member's interests for the industry's reputation to be tarnished by a minority of rogue operators who are out to cheat their fellow builders and tradies," Denita Wawn, CEO of Master Builders Australia said.

"The Opposition's commitment to implement a Director Identification Number (DIN) for company directors is supported by Master Builders Australia," she said.

"Master Builders has long advocated for this measure. It's a simple but effective approach that was recommended by the Cole Royal Commission into the Building and Construction Industry and we hope it will make existing laws more effective," Denita Wawn said.

"The victims of 'phoenix activity' are often small businesses and Labor's proposal will benefit the 340,000 small building businesses that make up 98% of our industry," she said.

"But the price of protecting small business must not be an increase in the red tape that burdens our members as participants in what is already the nation's most regulated industry," Denita Wawn said.

"Prevention is always better than cure, and proposals to increase penalties for those who break the law should be balanced against the need to make sure laws are not broken in the first place. Master Builders supports Labor's proposed DIN precisely because it will help regulators make better use of existing laws and resources," she said.

"It's also important to recognise that the majority of small business people do the right thing and Master Builders will seek to work with the Opposition about the detail of their measures, with a particular focus on prevention rather than punishment," Denita Wawn said.

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