

23 March 2018

High Hopes for Security of Payment Advisory Group

Master Builders is looking forward to participating in the McGowan Government's first industry stakeholder consultation on Monday (26 March) to review the adequacy of security of payment provisions in the building industry.

Master Builders Director Michael McLean said the Association is keen to ensure the new Industry Advisory Group's scope is broad enough to achieve outcomes that will benefit all industry stakeholders, not just sub-contractors.

"Master Builders believes that security of payment starts at the top of the contractual chain and participants should be protected," Mr McLean said.

"Risk must remain with the parties best placed and responsible for it, and not passed down the chain which is contributing to our current problems."

In the lead up to Monday's meeting, the Association is calling on Federal Minister for Small and Family Business, the Workplace and Deregulation, Craig Laundy, to release the final report from the national review of security of payment laws that John Murray AM was appointed to conduct in 2016.

The final report was delivered to the Federal Government at the end of last year and Master Builders is eager to see its recommendations which will hopefully shed some light on what all jurisdictions can improve upon.

"Recent publicity surrounding security of payment has highlighted fundamental and deep-seated problems within the payment process and nature of contracting," Mr McLean said.

"It is timely for the Review of WA's security of payment practices to thoroughly investigate what the contributing causes are of builders either going broke or not paying their sub-contractors.

"Everyone in the contractual chain deserves to be paid so it is essential that when the consultation process begins next week, all parties in the contractual chain have their role reviewed."

Master Builders has also arranged a meeting with Commerce and Industrial Relations Minister, Bill Johnston, on 4 April to discuss security of payment issues.

For more information please contact:

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