







2023 Policy & advocacy agenda

2023 is expected to be another challenging year for the construction industry. Building product supply chains and labour availability will continue to face disruption, while rising interest rates and construction costs have put the brakes on demand. We need to expect that more will leave our industry, either forced out through insolvency or choosing to bow out as the challenges become too great.

Over-regulation will continue to hamper productivity. At the same time, the challenge of how best to transition to a low carbon economy will become a more central priority for both government and industry.

Our advocacy efforts will be centred on ensuring the construction industry is well-placed to weather these challenges, as well as making some changes that will see the industry positioned to meet emerging challenges and make our industry a better place to work for all participants.

Specifically we are going to focus on:

- > sustainable businesses
- > better building practices
- > fair and reasonable regulation.

We will do this by tackling a number of key deliverables under each of these areas, while also seizing the opportunity to advance other priorities when and where the opportunity arises.

We will put in place an action plan that is focused on both reactive and proactive advocacy that positions Master Builders as a change leader.

Sustainable businesses

Builders are ready and willing to provide the housing, social and other infrastructure needed. However, for industry to deliver the buildings Queenslanders need, new construction must stack up and builders must make enough profit to sustain their business.

The vast majority of businesses in the construction industry are small or micro businesses. Healthy profit margins, fair risk allocations and sufficient skilled labour to enable timely builds are all necessary for a sustainable sector.

Contracts are placing too much risk on contractors, which cannot be adequately priced up front. Some tendering practices drive a 'race to the bottom' resulting in insufficient contingency, cashflow and profit. Also important is surety in future demand to enable proper planning.

Labour shortages are here to stay so we must attract new people to our industry and work to keep those we already have. This means working to change the profile of our industry so it is seen as a career of choice for those who may otherwise not recognise the opportunity.

It is also important to support the physical and mental health of our workforce. There can be no room for this to be compromised by other agendas.

What we are going to work to deliver in 2023

1. Increase the deposit received for domestic building projects to support contractors' ability to properly fund construction work up front and manage their cashflow.
2. Government publication of a comprehensive Queensland Forward Procurement Pipeline for accurate and timely information on the government's program of building work, in particular infrastructure to be delivered as part of the Olympic preparations.
3. Improve tendering processes and contractual risk allocations in government building contracts and provide Master Builders contracts with better price adjustment mechanisms.
4. Support compliance of the Psychosocial Code of Practice and the mental health of workers.
5. Raise the profile of career opportunities in the sector.

What we are also going to advocate for

- A more streamlined building procurement policy with more flexibility for regional projects and simpler prequalification processes for subcontractors.
- Increasing the supply of new social and affordable housing.
- In conjunction with Master Builders Australia, free access to Australian Standards referenced in the National Construction Code (NCC).
- Position construction as an industry of choice, attracting more people to the industry, including women.
- Greater inclusion of the building sector in the Queensland Energy and Jobs Plan.

Better building practices

Master Builders take pride in the work that we do and the buildings we deliver. What we build and how it is built is always evolving in response to new challenges.

The challenges at the forefront now are the move to 'net zero' carbon emissions and greater resilience in the

face of extreme weather, without compromising quality or affordability. All levels of government are looking for solutions and there are steps that industry can take so that our buildings better respond to these challenges.

We need to ensure that the regulations that govern how our buildings are built are practical and workable and apply at the right point in the building supply chain.

What we are going to work to deliver in 2023

1. Guidance supporting the NCC 2022 energy efficiency and accessible housing requirements that brings clarity to the provisions.
2. A single, mandatory, state-wide Housing Code for greater certainty and efficiency in housing development.
3. Upskilling of the industry through a Master Builders CPD program.
4. Government guidance on what constitutes best practice for client-appointed project manager/contract administrator (superintendent).

What we are also going to advocate for

- NCC 2025 response to the challenges of energy efficiency, accessibility and resilience are practical, workable and do not hamper industry productivity.
- Introduction of industry-wide, mandatory Continuing Professional Development (CPD) scheme, including a New Contractor Program to raise the bar for new contractors.
- Manufacturers and suppliers meet the product traceability and product information requirements of our industry.
- Harness the opportunities for the building industry in the Queensland Energy and Jobs Plan.
- An accepted embodied emissions calculation tool for building products and lower carbon building materials.
- Improved industry productivity including prefabricated buildings and components.







Fair and reasonable regulation

Buildings are delivered through supply chains. There needs to be fair regulation of the entire supply chain to ensure that the playing field is level and those who are responsible are held to account.

Government red tape must be addressed where it is constraining industry without a corresponding benefit. Continual changes to the rules around how buildings are built are adding complexity and costs, hampering productivity.

Project trust accounts have been heralded as the solution to unpaid subcontractors in insolvency. However there is no evidence of any benefit under the Queensland regime, which is costly and cumbersome. Similarly, Minimum Financial Requirements (MFRs) are seen as a means of ensuring licensees are solvent, however again there is no evidence of any benefit to the sector.

What we are going to work to deliver in 2023

1. Further delay the introduction of Project Trust Accounts into private sector projects over \$3 million and over \$1 million to avoid unnecessary business costs for no corresponding benefit.
2. Reform of the Queensland Home Warranty Scheme to ensure that payment of claim decisions are fair to all parties.
3. Reform of the rectification of defective building work process to ensure decisions are fair, proportionate and targeted at all relevant parties.
4. QBCC to reinstate the process of providing guidance on which licence is required for particular scopes of work.

What we are also going to advocate for

- Simplify the Minimum Financial Requirements so that the burden they impose is proportionate to the protection they provide.
- Reform the Queensland Building and Construction Commission (QBCC) and its processes to ensure that its regulation of industry is transparent, accountable, reasonable, reviewable, consistent with the legislation, and otherwise carried out with the highest integrity.
- Only one regulator responsible for workplace health and safety investigations, with a single portal for notifying safety incidents.
- Workable options for funding the rectification of buildings with combustible cladding.
- An early intervention payment dispute system that can address defective work and non-payment without the need for court action. It should extend to cover all work that is completed lawfully and within the licensing framework.
- Security of payment measures and unfair contract provision requirements start at the top of the supply chain with developers and owners.

Future builders

Leading change

Master Builders can enhance its influence by taking a proactive stance and leading change. In order to help realise our agenda, Master Builders will take positive steps to show how the outcomes can be achieved and not just talked about. We will position ourselves as a positive leader for the change needed in our industry.

To do this we will start with the Future Builders Program. A program of positive actions to directly contribute to the outcomes we are working to achieve in the policy agenda.



Master Builder CPD

A continuing commitment to learning will set up builders and trade contractors to be ready to meet regulatory requirements and to have the best business practices.

Members who want to be 'CPD completed' must complete 6 CPD units in a year. This can be achieved at little to no cost by accessing Master Builders events and training.

Advocacy outcomes this will help achieve:

- > Sustainable businesses
- > Better building practices

Industry champions

Skilled labour shortages continue to challenge our industry and we need to attract and retain skilled workers.

Master Builders will provide an opportunity in each region for Industry Champions to promote the sector as a great place to work. Activities of each Industry Champion will be self-governed, but may include attending schools or career expos, influencers events, and other relevant activities.

Master Builders will also work with partners such as Construction Skills Queensland (CSQ) and Women Building Australia to promote the sector as a career of choice, attracting more workers to the sector.

Advocacy outcomes this will help achieve:

- > Sustainable businesses

Renovating to better buildings

Regulatory changes are coming thick and fast for new homes. We believe this change should slow down for new builds and focus in the short term on bringing older buildings up to standard.

Working with existing bodies to utilise existing resources, we will provide guidance for owners and builders on how existing homes can be more energy efficient, accessible and resilient. We will also assist owners to identify builders with expertise in this area.

Advocacy outcomes this will help achieve:

- > Better building practices

Building products coalition

Manufacturers, importers and suppliers have responsibility for compliant, safe and energy efficient products used in building. The information to be provided with building products needs to be provided by these industry participants.

Master Builders, together with other stakeholders, will work with manufacturers and suppliers to improve product information and product traceability.

This will build on the work already done by industry in the National Building Products Assurance Framework.

Advocacy outcomes this will help achieve:

- > Fair and reasonable regulation
- > Better building practices.





Throughout 2023, we will use every opportunity to advocate on behalf of the Queensland building and construction industry and our members, and seek support from the Queensland Government on these key issues.

For more information, email
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The home of building

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With nine offices throughout Queensland, Master Builders regional footprint is unmatched by any other industry organisation in Queensland.

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