

Payment disputes and owner building

Important information for owner builders about the *Building Industry Fairness (Security of Payment) Act 2017*

The legislation of adjudication for the quick resolution of payment disputes which was established in 2004 under the Building and Construction Industry Payments Act has changed over to the Building Industry Fairness (Security of Payment) Act 2017. This change took effect on the 17th of December 2018.

Adjudication continues to be faster and a more cost effective alternative than using the court system to resolve payment disputes in the industry.

How does this affect me?

If you become involved with a dispute over money with a contractor or supplier, they may lodge an adjudication application to try to resolve the issue.

How does adjudication work?

When you are issued a payment claim, you are required to either pay the claimed amount in full or issue a payment schedule (it is now an offence to not supply a payment schedule when required) within the time specified in your contract or 15 business days after receiving a payment claim.

If the contractor does not agree with the payment schedule or does not receive one, they may apply for adjudication.

The registry will appoint an independent adjudicator with relevant expertise to make a decision within 10 - 15 business days from the last response depending on the type of adjudication (standard or complex)

The adjudicator may also request further time to make a decision, both parties need to agree for this to happen.

Additionally the adjudicator must provide both parties reasons for a decision including the adjudicated amount and the payment due date.

QBCC has created a valuable source of information called 'Protecting your payment rights booklet' which can be found on our website www.qbcc.qld.gov.au

If you require more information about the process and where to find relevant information, you can contact the QBCC on 139 333.

What happens if I don't pay the adjudicated amount?

It is an offence to not pay an adjudicated decision amount, further the contractor could take a certificate of the decision and lodge it in a court of competent jurisdiction as a judgement debt.

Other consequences include suspension of work or the supply of goods until payment of the adjudicated amount is received.