



Building Services Authority

MEDIA STATEMENT

11 March, 2011

Building contracts essential for post-cyclone rebuilding work

The Building Services Authority has reminded home owners preparing to undertake repair and rebuilding work following Cyclone Yasi to use a building contract.

BSA General Manager, Ian Jennings, inspected areas devastated by Cyclone Yasi earlier this week and said it was important that home owners followed the correct steps during the rebuilding process.

He said any residential building work worth more than \$3,300 must be done by a licensed contractor and must be accompanied by a contract.

“Residential building work worth more than \$3,300 must be accompanied by a contract, upon which the appropriate Home Warranty insurance premium must be paid, thereby protecting both the contractor and the consumer,” Mr Jennings said.

“This contract must be between the homeowner and the builder, not between the homeowner and their insurer or project manager.”

Mr Jennings reminded consumers about the BSA’s new Natural Disaster Repairs Contract, for repairs to a home, duplex or home unit needed as a result of a natural disaster.

“The new contract concisely and clearly outlines each party’s obligations and responsibilities, fairly representing the competing differences between owner and contractor.”

“It is designed for projects such as the repair of damaged floorboards, partially damaged walls and minor repairs to kitchens, and while it is designed for use after natural disasters, it may be that consumers require the BSA’s Minor Works or Major Works Contract instead.”

The new contract is free to download from the BSA website or from BSA offices.

Mr Jennings said there were a number of other simple rules for consumers to follow when engaging a contractor to do repair or rebuilding work:

- Always obtain at least two quotes for the work
- Check the contractor’s licence number against the BSA’s free online licence search. This will reveal what work they can and can’t do, the licence history and any conditions placed on it
- Never pay cash upfront
- Never pay for incomplete work
- Never waive your right to a cooling-off period, and never enter into a ‘cost-plus’ contract, where the quote is based on a charge for materials plus a percentage for labour.

He said consumers could obtain further information about rebuilding following natural disasters from the BSA website –

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<http://www.bsa.qld.gov.au/SiteCollectionDocuments/Home%20Owner/Fact%20Sheets/H%2009%20-%20Natural%20Disasters%20-%20BSA%27s%20Tips%20for%20Rebuilding.pdf>

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