



Building Services Authority

MEDIA STATEMENT

25 January, 2011

Tradies reminded contracts and insurance can't be ignored in rebuild

The Building Services Authority has reminded building and construction contractors that where appropriate they must continue to use contracts and pay insurance premiums during repair and rebuilding work following the Queensland floods.

General Manager of the BSA, Ian Jennings, said work must be done under the appropriate building contract with the owner of the property.

“Even if you are working for an insurance company, you must have the appropriate contract documentation completed. This protects you as much as the consumer,” Mr Jennings said.

He reminded contractors they must pay the appropriate Home Warranty Insurance premium for residential construction work worth more than \$3,300.

“The requirement to pay insurance applies whether you are working directly for a consumer or through an insurance company. The premium is payable on the value of the contract.”

The premium can be paid by phoning the Building Services Authority on 1300 272 272. A PIN number is required to access this service but if you do not have a PIN, you can call this number and the BSA will issue you with one.

Mr Jennings also reminded consumers and contractors that they should not enter into ‘cost-plus’ contracts, where the quote charges for materials plus a percentage for labour.

“Under these arrangements, consumers have little control over final costs and completion times and they will not be able to lodge a non-completion claim under the BSA’s Home Warranty Scheme in the event of a non-completion event.

“I would take this opportunity to again remind consumers to obtain at least two quotes for any work they require.”

Mr Jennings has also reminded owner-builders that they were ineligible for coverage under the Home Warranty Scheme.

ENDS

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