

Building and Plumbing Newsflash 582

Changes to the *Building Industry Fairness (Security of Payment) Act 2017*, *Architects Act 2002* and *Professional Engineers Act 2002*

Purpose

To advise that new laws introduced through the *Building Industry Fairness (Security of Payment) and Other Legislation Amendment Act 2020* (BIFOLA Act) will commence on 1 March 2021.

What are the new laws?

Building Industry Fairness (Security of Payment) Act 2017

From 1 March 2021, a new trust account framework to support Queensland's ongoing security of payment reforms begins. The trust account framework replaces the Project Bank Account (PBA) framework that has been in place for certain government contracts since 2018.

The new trust account framework:

- Requires only one trust account to be established for each eligible contract, and a retention trust account if cash retentions are held. Only one retention trust account will be needed per contractor.
- Offers further protections for subcontractors by extending the range of work that will be covered by the project trust.
- Gives the Queensland Building and Construction Commission (QBCC) an increased role in compliance and enforcement of the trust account framework.

Phased implementation

From 1 March 2021, the new trust account framework will apply to eligible state government contracts valued between \$1 million and \$10 million. This cohort presently uses PBA.

The trust account framework will be further implemented to eligible contracts as follows:

- **1 July 2021**—government and Hospital and Health Services (HHS) building and construction contracts valued at \$1 million or more.
- **1 January 2022**— private sector, local government, statutory authorities' and government-owned corporations' building and construction contracts valued at \$10 million or more.
- **1 July 2022**— private sector, local government, statutory authorities' and government-owned corporations' building and construction contracts valued at \$3 million or more.
- **1 January 2023**— all eligible building and construction contracts valued at \$1 million or more (full implementation).

Transition of PBA to the new framework

Head contractors currently operating a PBA, or are eligible to open a PBA, can opt to transition to the new trust account framework. This will allow head contractors to achieve the benefits of the new trust account framework.

Further information and Tradie Tours

The QBCC is developing a range of guides and online tools to help contractors understand if a trust account is required or if they will be paid through a trust account and how to comply. Trust account forms and templates will be available on the [QBCC website](#).

The QBCC is hosting a Tradie Tour across the State from 2 March 2021. There will be two information sessions, the first about plasterboard and the second session focusing on annual financial reporting lodgement and new laws for Queensland, including the new trust account framework. To find out more about the Tradie Tours, and to register, visit the [QBCC Tradie Tour website](#).

Architects Act 2002 and Professional Engineers Act 2002

From 1 March 2021, amendments to the *Architects Act 2002* and *Professional Engineers Act 2002* will take effect. The amendments give the Board of Architects of Queensland and Board of Professional Engineers of Queensland improved auditing and investigatory powers which are aligned with those of other building regulators. Other changes improve registration requirements and clarify existing provisions to improve the operation of the Acts.

More information

For more information about the changes visit:

- the [Department of Energy and Public Works website](#).
- the [Queensland Building and Construction Commission website](#).

Contact us

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