

# ACCOUNTABILITY FOR SUBCONTRACTOR DEFECTS PROCEDURE

EFFECTIVE JULY 2022

Following extensive consultation with building industry associations, the QBCC will ensure subcontractors are held accountable for defective building work they perform.

While the Commission has always had the power to direct subcontractors to rectify defective work, principal contractors have largely been held responsible for ensuring rectification of defective work performed under their supervision.

The Accountability for Subcontractor Defects Procedure will ensure all licensees are accountable for their performance. This will reduce the burden of responsibility on principal contractors and provide consumers with peace of mind that work complies with the National Construction Code, applicable Australian Standards and manufacturer specifications.

From 1 June 2015, a subcontractor responsible for defective work must rectify it or face disciplinary action which could result in the suspension or cancellation of their licence.

However, this procedure does not alter or negate a principal contractor's responsibility to properly supervise all building work completed under a contract. Principal contractors who are found not to have adequately supervised work will be subject to disciplinary action.

## Process

- Where a complaint is made by a consumer (or a contractor for contracts on foot at time of lodgement of complaint) to the Commission about defective building work, the Commission will assess and deal with the complaint in line with the QBC Board's Rectification of Building Work Policy.
- The Commission may attend a site as part of its processes to establish whether there is in fact defective building work requiring rectification by the principal contractor and/or subcontractor(s). It is the responsibility of the principal contractor to invite to a site inspection any subcontractors they feel are responsible for the defective work. In the event that the subcontractor is found responsible for the defects then the following process occurs:
  - » Where a principal contractor agrees with the Commission that there is defective building work, and the principal contractor is having difficulty getting the relevant subcontractor(s) back to rectify, then the Commission will consider concurrently issuing a Direction to Rectify to the relevant subcontractor(s), as well as the principal contractor, requiring them to return and rectify the defects.

- » If the subcontractor(s) and/or principal contractor complies with the Direction to Rectify, the Direction to Rectify will be noted as complied with on their public record.
- » Should the subcontractor(s) fail to comply with the Direction issued to them, the Commission will undertake disciplinary action against the subcontractor(s) which may lead to suspension or cancellation of their licence.
- » Where the subcontractor(s) fails to comply with the Direction issued to them to rectify defects, the principal contractor will be required to either rectify the defect themselves or have another subcontractor do that work at the principal contractor's cost.