

National Electrical and Communications Association (NECA)

2020-21 ACT Government Pre-Budget Submission



NECA ACT Chapter



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About NECA

The National Electrical and Communications Association (NECA) is the peak industry body for Australia's electrical and communications contracting industry, which employs more than 165,000 workers and delivers an annual turnover in excess of \$23 billion. We represent the interests of over 5,200 electrical contracting businesses across all Australian States and Territories.

NECA has been advocating for, and on behalf of, the electrotechnology industry for over 100 years. We aim to help our members and the wider industry to operate and manage their business more effectively and efficiently whilst representing their interests to Federal and State Governments, regulators and principal industry bodies such as the Australian Chamber of Commerce and Industry (ACCI) and Standards Australia.

Our members make an integral contribution to the Australian Capital Territory (ACT) economy – connecting homes, businesses and infrastructure, encouraging investment, improving reliability and security across the energy system and delivering greater environmentally sustainable and affordable outcomes for the community. We view the safety and reputation of the electrotechnology industry as paramount to all tradespeople, consumers and the general population.

NECA is strongly committed to supporting the next generation of electrical and communications contractors. Working with our Registered Training Organisations (RTOs) and Group Training Organisations (GTOs), NECA provides employment and ongoing skills development for approximately 4,800 apprentices across Australia. The majority of these apprentices get the opportunity to gain work experience with NECA's members either directly or via our group schemes. The success of our programs speaks for itself - we proudly boast 90% completion rates across our courses, and approximately one in three electrical apprentices in Australia is a NECA apprentice. We look forward to expanding our training and education footprint with the new facility opening in Fyshwick. This training facility will provide additional capacity to both the ACT economy and social fabric.

Our approach to attracting and supporting entrants to our industry is through a holistic, progressive and high-quality range of industry relevant programs and initiatives including our long-standing scholarship program, NECA Foundation and the Women in Electrical Trades Roadmap. In addition to these initiatives, we also manage and promote industry wide Annual Excellence and Apprentice Awards designed to acknowledge and celebrate achievements and highly distinguished electrotechnology projects, which includes recognition of apprentices and future leaders in our industry. We seek to ensure a diverse workforce, supporting and attracting more women and mature aged people, and promoting trade career pathways for school-leavers.

Electrotechnology industry in the ACT

The ACT has one of the fastest growing economies in the country and the outlook for the building and construction industry remains strong due to significant Government investment into a range of infrastructure projects. As at 2018-19, the gross value of the construction industry in the ACT was \$2.8 billion, which accounts for 6.7% of the gross state product and comprises 5,500 businesses.¹

A key challenge for the electrotechnology industry is the ongoing shortage and declining supply of skilled electrical workers. This is evidenced through a reduction in the completion of electrical apprenticeships across Australia, and the retirement of long term and highly skilled workers, leading to a loss of suitably qualified electricians at both ends of the industry and across the broader building and construction sector. Emerging technologies are driving demand and placing additional strain on the existing workforce. Government support as outlined in this submission is critical to ensure the ongoing viability of the industry and to meet the growing needs of our community.

NECA's pre-Budget Submission identifies the main issues that the ACT Government should address in formulating the 2020-21 Budget. These measures will greatly assist the ACT Government in relation to a number of its priorities including the delivery of infrastructure, future of education and skills needs, sustainable energy and housing renewal.

NECA recommends that the ACT Government make provision in the 2020-21 budget with respect to the following:

- **Non-Conforming Building Products** addressing the significant dangers posed by non-conforming products, also known as the 'cancer' of the electrotechnology industry;
- **Education and Training** improving the school and entry requirements, addressing skills needs, attracting women and mature aged people to trades and promoting the benefits of a career pathway in the electrotechnology industry;
- **Supporting Small Business and Family-owned Enterprises and taxation** including the reduction of payroll tax and supporting small business and a diverse, sustainable and competitive ACT economy including new jobs;
- **Electrical Safety and Energy Efficiency** reforms to protect and enhance safety and the environment of all the community including the introduction of home energy

¹ https://apps.treasury.act.gov.au/data/assets/pdf_file/0010/399979/GSP.pdf/recache

audits and robust policy for emerging technologies;

- **Building regulation reforms** to ensure that the sector remains safe, competitive and effective; and
- **Introduction of a contestable works scheme.**

NECA appreciates the opportunity to engage and contribute to the Budget process, and accordingly thank the ACT Government.

We strongly urge the ACT Government to consider these policy recommendations when formulating the 2020-21 Budget, given the significant potential boost to the Territory's competitiveness, productivity, sustainability and innovation for the benefit of the community.

1. Non-conforming products

Unsafe and/or non-compliant electrical equipment is costly for businesses and consumers. The professional reputation of our industry is compromised through the weakening of safety standards, property damage and the potential endangerment of human life, as well as potential increased legal liabilities to electrical contractors, when non-compliant products remain on sale.

A key concern for the electrotechnology industry is the lack of Government enforcement, at all levels, against distributors of non-compliant products to ensure quality and measurement of performance to Australian Standards.

NECA believes that all levels of government have a responsibility to regularly and vigorously undertake random product auditing as well as non-compliant product enforcement. It is imperative that Federal and State/Territory Government Departments actively and effectively communicate with each other and all relevant stakeholders to remove and protect the market from non-conforming products and implement an effective batch-testing regime.

In recent years, there have been countless examples of avoidable building defects and product failures that have led to loss of life and damage to property. Despite these incidents, there have been extensive delays in developing and implementing policies to address the presence of non-compliant products in the building industry in Australia.

NECA has been very proactive in seeking to address this issue. In doing so, NECA has joined with a range of leading building and construction industry peak bodies to call for more Government funding and enforcement in relation to non-compliant building products, as part of the current Australian Senate Economics References Committee inquiry into non-conforming building products. NECA eagerly awaits the Commonwealth's response to the inquiry.

Given the size of the building and construction sector, and the extent of economic activity in infrastructure and development within the ACT, it is critical that safeguards are in place to ensure damages do not flow to the industry or consumers as a result of non-compliant building products.

NECA strongly calls upon the ACT Government to:

- stamp out non-compliant electrical component and products in the ACT that fail to meet Australian Standards;
- increase its commitment and resources to ensure a larger number of component and product random batch tests are carried out to assist with the delivery of compliant, safe, quality electrical products for consumers.

1.1. Does it Comply? Campaign

In 2013, NECA in conjunction with Voltimum, one of the world's leading electrical industry information portal and Standards Australia, developed and instigated the [Does it Comply?](#) campaign.

This campaign focuses on the removal of unsafe and non-compliant products across the electrical sector. As part of the campaign, NECA and Voltimum conducted an industry survey to gain an understanding of the seriousness of the issue of non-compliant product and attitudes across the industry towards this problem.

The survey results indicated that over 75% of respondents had seen the installation or sale of non-compliant electrical product in the Australian market. [Does it Comply?](#) enabled the creation of the Electrical Industry Charter, an alliance of major industry partners who are committed to selling and using only genuine and compliant products.

Additionally, NECA advocates that the ACT Government consider recognising the EESS (Electrical Equipment Safety System) database, which is designed to combat the use of non-compliant electrical products. Although EESS is designed to be a nationally operated scheme, it is currently only recognised in Queensland, Tasmania and Western Australia.

Recommendations:

NECA therefore calls upon the ACT Government in the 2020-21 Budget to:

- 1.1 Ensure an improved regime for the auditing of electrical products to verify their authenticity is in place in the ACT;
- 1.2 Expedite progress on mandatory third-party certification of building products and an improved product testing regime;
- 1.3 Expedite uniformed/harmonised laws with respect to Point of Sale via the COAG process;
- 1.4 Commit more funding in relation to random product auditing; and
- 1.5 Consider recognising the EESS (Electrical Equipment Safety System) Database.

2. Vocational Education and Training

Vocational Education and Training (VET) is the lifeline to an efficient, competitive and sustainable workforce in Australia, with trade training integral to the broader sector, our economy and community.

Supporting the VET sector is critical. NECA recognises that the future viability and success of Australia's VET is a shared responsibility, one that should be strongly influenced and informed by industry and supported by Government.

Electrotechnology is undergoing significant change. In the next decade, we are forecasting a strong emergence of new technologies including batteries, solar infrastructure and electric vehicles. These technologies will change the behaviour, culture and attitudes across industry and the community, as well as how we do business. It is critical that the VET system prepares apprentices with the relevant skills and expertise, and that existing workers have the opportunity to re-skill to competitively operate in the new landscape.

As a lead player in the training of future and current electricians and contractors through our Group Training Organisations (GTO) and Registered Training Organisations (RTO) across Australia, NECA believes that:

- quality education, skills and training initiatives are critical for the development of the electrical trade;
- Government must ensure that there are adequate opportunities, initiatives and funding to support a diverse workforce, and that the small business sector is incentivised as the major employer to the next generation of tradespeople; and
- Government has a critical role to play in informing school students of their career pathways and opportunities, specifically opportunities found within the trades.

The ACT Government in the 2020-21 Budget should allocate funds to:

- mentor electrotechnology apprentices in order to ensure high quality completion rates of apprentices;
- attract women and mature aged people to trades;
- promote the benefits of a career pathway in the electrotechnology industry;

2.1. Industry Skill-Sets and Mentoring Opportunities

The ACT Government in the 2020-21 Budget should allocate funds for the training of industry supported 'skill sets', particularly at post-trade levels. This responds to the overall drop-off in formal training undertaken by workers in the industry and their preference for shorter training times.

NECA has been piloting the development of a course to be mapped to the 'Develop Strategies to address Sustainability for Electrical Installations' Skills Set with appropriate support materials developed targeting apprentices and immediate graduating apprentices. The course will be delivered in a variety of ways as standalone units that will involve a national trial across a range of sites with a comprehensive examination of materials, course structure and requirements. There is also significant scope to save the ACT Government valuable training funds by raising overall completion rates through measures including the mentoring of apprentices.

2.2. School and entry requirements

School-based apprenticeships are an important pathway for students, and are a good source of apprenticeship applications for the industry and provide a way to screen potential applicants. Some of these courses, however, are too institutionally-based and do not always lead to good vocational outcomes.

NECA therefore considers that there is a need to reform the approach to pre-apprenticeships. Pre-apprenticeships should be encouraged where they meet employer and student needs, particularly where there is flexible timetabling. In some cases, it may be sufficient to use this option for Year 11 students to bridge the gap in academic learning required in off-the-job training.

Employers have only limited understanding of this option and its ability to supplement labour when off-the-job training is being undertaken by full-time apprentices. Attainment of acceptable minimum mathematics skills (at least to sound Year 10 level) is an on-going problem with young applicants.

Recommendations

NECA therefore calls upon the ACT Government in the 2020-21 Budget to:

- 2.1 Allocate funds for the training of industry supported 'skill sets', particularly at post-trade levels;
- 2.2 Allocate funds for the mentoring of electrotechnology apprentices in order to help ensure high quality completion rates of apprentices;
- 2.3 Flexible timetabling for pre-apprenticeships;
- 2.4 The development of practical maths lessons in schools for trade-training aspirants, with involvement of relevant partners in the education systems (including the Australian Association of Mathematics Teachers); and
- 2.5 Additional funding for the provision of further information and education in relation to the trade pathways available for school students.

3. Supporting Small Business and Family-owned Enterprises

Small business and family owned enterprises (SME) are the lifeblood of the national economy and dominate the electrical and communications contracting industry. NECA's 2019 Market Monitor highlights the fact that 79% of businesses within our industry employ less than 25 staff, and the overall trends indicate the number of small business across the nation are increasing.

NECA believes that the challenges faced by SMEs needs to be properly recognised and addressed by all levels of Government. We argue that a range of initiatives could be used to assist small business within our sector to diversify the workforce, encouraging more women, mature-aged people and school-leavers into the industry.

3.1. Incentives to hire apprentices

The ACT Government should consider introducing tax incentives for employers to take on apprentices, particularly for small contractors who form the basis of the electrical industry.

In particular, mature age apprentices are very productive within the workforce and bring enhanced knowledge, maturity, wisdom and experience to businesses within the electrical sector.

NECA advocates that the ACT Government provides tax incentives, by way of payroll tax exemptions, for employers who choose to employ mature age/adult apprentices. This subsidy should match the differential between the hourly rate of a junior apprentice and adult apprentice across each year of the apprenticeship, helping to promote reskilling and cross skilling to take greater advantage of the benefits that mature workers could offer industry.

3.2. Tax mix

Payroll tax is essentially a tax on the employing of Australians and a disincentive to grow small and medium enterprises. Each state and territory maintains separate tax and threshold limits creating further confusion, complexity and disincentives for national businesses.

Given that the ACT Government's objective is to replace inefficient taxes with a land-based tax, consideration should be given to leveraging this reform to reduce the level of payroll tax. This would provide the ACT with a considerable competitive advantage.

3.3. Attracting more women to the electrical and communications trades

A trades career path is equally attractive and rewarding as a university degree and more needs to be done to attract female apprentices to our sector.

NECA has been proactively addressing the need to attract more women to the electrical and communications trades. With the support of the Federal Government, NECA is currently trialing female mentors in Western Australia. NECA has also undertaken interviews of female apprentices, which found that social media and sports clubs have an important role to play in attracting and educating females on the benefits of electrical apprenticeships.

A strand of NECA's Alternative Pathways Project (APP) is dedicated to assessing ways in which more women could enter the electrical industry. The project has engaged with women through NECA's GTOs and RTOs and discussed ways in which our trade could be viewed more favourably. Initial feedback would suggest that more engagement and information can be shared via school careers advisors as well as via sporting groups, to inform women of the value of an electrical trade.

Better promotion of success stories and best practices will be undertaken, including the use of female NECA Apprentice Award winners, to promote the value and success of our industry.

Funding for female mentoring will be a critical step to delivering more female apprentices across the electrical contracting sector. NECA calls upon all levels of Government to actively promote female trade career pathways and establish a pilot program that seeks to achieve this goal.

Recommendations

NECA therefore calls upon the ACT Government in the 2020-21 Budget to:

- 3.1 Consider introducing further payroll tax incentives for employers to take on apprentices;
- 3.2 Establish a pilot program that actively promotes female apprenticeship take-up;
- 3.3 Provide financial assistance to RTOs and GTOs that undertake pre-apprenticeship programs for industry entrants; and
- 3.4 Provide an employer wage subsidy to employers who choose to employ mature age/adult apprentices.

4. Electrical Safety and Energy Efficiency

Ageing residential housing stock presents serious challenges and safety risks to home owners or renters, as existing electrical wiring including associated equipment may be non-compliant with current industry standards under the Australian Building Code and/or degrading and/or deteriorating requiring remedial action.

NECA advocates in support of regular routine electrical safety checks in residential, mixed use and commercial property to provide a clear signal to property owners with respect to safety/standards adequacy. Such a signal should then give rise to property owners who will act to improve the wiring (and safety) standards of their property. In this regard, NECA strongly supports Home Safety Electrical Audits are carried out at all times by a qualified and licensed electrician.

Home electrical safety checks are encouraged but not enforced across Australian States and Territories. These checks should extend across all forms of housing stock from low-density housing i.e. dwelling houses, medium/high density housing i.e. Boarding Houses, Group Homes, Residential Flat Buildings and mixed-use developments in both the private and public sectors.

NECA believes it is critical that all residential (and commercial) property purchasers are made aware of any wiring or electrical safety concerns upon the purchase of a property. Similarly, that all renters are made aware of any wiring or electrical safety concerns upon entering into a rental agreement. This proposition, which would provide the purchaser or renter with a list of safety awareness issues along with possible remedies and costs, is considered an essential investment in both consumer safety and energy standards of residential (and commercial) stock in the ACT. Safety Electrical Audits would be supplementary to a pest and building inspection and would enable the purchaser to budget for any required remedial works.

As part of the proposed improvements to the current wiring and electrical safety arrangements, NECA also argues that when insurance premiums on homes, residential complexes and buildings are calculated, actuaries should also factor in the age and quality of building cabling or wiring. This insurance would then attract a premium discount for owners who continue to ensure that their property's wiring is safe and fully compliant.

The Tasmanian Government, in consultation with NECA, has developed a pilot scheme for an Electrical Safety Audit program on Government-owned housing. The intention of the pilot scheme is to identify electrical safety risks associated with the normal use of an electrical installation through an inspection carried out by a suitable organisation, overseen by Tasmania's Electricity Standards and Safety (ESS).

Following each inspection, a report is provided to the installation owner that identifies electrical safety risks to be managed and resolved. As undertaken in Tasmania, it is proposed that a pilot scheme be developed in consultation with the ACT Government and NECA.

NECA proposes two approaches to improve consumer awareness and understanding of energy use and consumption:

- The Home Energy Audit proposed will enable property purchasers to undertake an energy efficiency test that provides them with information to help make informed decisions about energy usage, as well as reduce costs by replacing energy intensive and/or inefficient products such as air-conditioning units, pool pumps, hot water systems, washing machines and dryers.
- NECA has identified an urgent need for greater education and information to increase the community's understanding of energy use and consumption within their home, and opportunities to better utilise and minimise energy which in turn will save money for households. NECA proposes to undertake a new education and information campaign in partnership with and funded by the ACT Government.

NECA's proposals seek to ensure the community is better placed to understand their homes and make informed choices and decisions that could save hundreds of dollars on their energy bills, as well as increase their understanding of their carbon footprint.

Recommendations

NECA therefore calls upon the ACT Government in the 2020-21 Budget to:

- 4.1 Introduce new mandatory Electrical Safety Audits, undertaken at the point of sale, or prior to entering into a new rental arrangement on all residential and commercial properties;
- 4.2 Work together with NECA to develop a pilot Electrical Safety Audit Scheme to identify electrical safety risks associated with the normal use of an electrical installation within selected public housing properties;
- 4.3 When insurance premiums on homes, residential complexes and buildings are calculated, actuaries also factor in the age and quality of a property's cabling or wiring. Home/property insurance would then attract a premium discount for owners who continue to ensure that their property's wiring is safe and fully compliant; and
- 4.4 Partner with NECA to undertake a new education and information campaign funded by the ACT Government.

5. Building Regulation Reforms

NECA is appreciative of the ACT Government's efforts in respect of building regulation reform stemming from the Improving the ACT Building Regulatory System Review, and we understand that as at December 2019 many of these reforms have now been completed.

Going forward, we believe that the following should be prioritised as the ACT Building Regulatory System Review moves to fruition, to enhance the building regulatory system in the ACT generally.

5.1. Retention Trust Money Account legislation

Retention money is money retained out of money payable by a head contractor to a sub-contractor as security for the performance of obligations of the sub-contractor under the sub-contract.

Retention trusts are designed to safeguard sub-contractors from the loss of this money in cases where the head contractor experiences financial difficulties. NECA is strongly supportive of a requirement that retention trusts be established in order to provide protection to sub-contractors owed payments.

Our preferred option is that trust funds should be established by head contractors. This has the advantage of protecting sub-contractors in the event of insolvency.

Additionally, another advantage is that this option minimises the risk of principal contractors using the funds for purposes other than paying sub-contractors. NECA members have reported that this is a significant issue, with head contractors in some cases using funds earmarked for sub-contractors for speculation in the short-term money market.

Legislation introducing a low cost, Retention Money Trust Account scheme should be established across all State and Territory jurisdictions, including the ACT, similar to those available in the real estate industry and legal profession. The scheme should be administered by a Government department to reduce cost burdens and create a level playing field for industry.

5.2. Threshold for retention trust scheme

The New South Wales Government has amended the Building and Construction Industry *Security of Payment Act 1999 (NSW)* such that head contractors must now establish trust accounts to hold retention money under subcontracts for projects with a value of at least \$20 million. This regulation came into effect on 1 May 2015 and affects contracts entered into after this time.

NECA NSW had however argued for a significantly lower threshold of \$1 million, as this would provide SME electrical contractors with much greater protection. This is appropriate given the fact that the majority of businesses in the industry are in fact SMEs.

This lower threshold of \$1 million is particularly appropriate for the ACT, given the smaller average size of construction projects in the ACT compared to NSW.

5.3. Administration of the retention trust scheme

In our view, this should be administered by the ACT government, in order to reduce the administrative burden on business as well as create a known and level playing field via a consistent and transparent approach. The interest earned by the investment of the funds held in trust could be used to recoup the costs of the scheme.

5.4. Automatic return of retention money to sub-contractors

NECA advocates that, at the end of the 12 months defect liability period, the head contractor should automatically return the money to the sub-contractor. This would free sub-contractors from having to make an application to have the retention returned.

5.5. Payment withholding requests

In New South Wales, changes to the Security of Payment Legislation in 2012 now allow sub-contractors to serve a payment withholding request (PWR) on a principal at the same time it serves an adjudication application on the respondent/contractor.

Upon receiving a PWR, the principal must withhold from any amount payable or that becomes payable to the respondent/contractor which includes an amount in respect of the work done/services provided by a claimant/sub-contractor, an amount commensurate to that claimed by the claimant/sub-contractor. If the principal fails to comply with this request, it will become jointly and severally liable with the respondent/contractor for the amount owed to the claimant/sub-contractor.

The amendments are designed to work anywhere up and down the contractual chain, and therefore the obligations on a contractor would vary depending upon where that contractor sits in relation to the party entitled to issue the PWR.

A PWR must be served by a claimant/sub-contractor who has made an adjudication application for a payment claim and include a written statement by the claimant in the form of a statutory declaration that it genuinely believes that the amount of money claimed is owed to the claimant by the respondent. Upon receipt of a PWR, the Principal Contractor must retain out of money that is or becomes payable:

- The money owed downstream to its immediate subcontractor (which is the respondent in the adjudication), the amount of money to which the payment claim relates; or
- If the amount of money owed by the Principal Contractor is less than the amount to which the claim relates, retain that amount.

5.6. Security of payment – progress payment claims

Electrical contractors are often the last in the credit line to receive payment for work completed, in the event of a construction firm facing financial difficulties. Worse still, in cases where the company falls into receivership, electrical contractors often do not receive payment at all. Of critical concern to NECA is that the majority of electrical contractors are SMEs – small family owned and run businesses.

Further, it is arguably the case that of all sub-contractors, electrical contractors provide the highest value inputs by way of fixtures, fittings and labour – therefore making electrical contractors the most vulnerable with respect to payments in the event of receivership. In other words, electrical contractors are at a greater disadvantage than any other sub-contractor.

NECA therefore strongly advocates that a maximum time period for payment of a progress claim should be legislated at 14 calendar days. If the ACT government considers that this 14-day timeframe is too short, then certainly no more than 28 calendar days should be legislated. This latter timeframe is as per the recommendations of the Inquiry into Construction Industry Insolvency in NSW ('Collins Inquiry').

5.7. Project bank accounts

NECA advocates that the Environment and Planning Directorate considers the merits of project bank accounts (PBAs) for selected government sector construction contracts in the ACT. PBAs have the potential to complement security of payment laws. The use of PBAs for contract payments was trialled on selected government sector construction contracts in NSW.

A PBA is a bank account opened and maintained by the head contractor, into which the principal deposits contract payments. Simultaneous payments are then made from the PBA to the head contractor and sub-contractors (including suppliers and consultants). The difference between a PBA and a 'normal' bank account is that a PBA has trust status established through a Trust Deed.

Due to its trust status and the simultaneous payment of moneys to the head contractor and sub-contractors, the PBA offers a higher level of protection for sub-contract payments than traditional payment mechanisms.

The purpose of the PBA arrangement is to ensure, as far as possible, that money paid to the head contractor for work undertaken by sub-contractors is passed on promptly. The trust status of the PBA prevents money paid to the head contractor from being used for other purposes or, in the case of a head contractor's insolvency, being available to an administrator or liquidator.

In the NSW trial, consistent with the *Building and Construction Industry Security of Payment Act 1999*, the principal has 15 business days to pay against a valid payment claim from the head contractor. Funds must therefore be released from the PBA within 15 business days after the payment claim is served. The bank must receive the signed authorisation in time to comply with this requirement.

A trial in the ACT could be informed by the NSW trial. Alternatively, the ACT Government could maintain a watching brief on the results of the NSW trial once it has been completed and then make a decision on whether or not to introduce PBAs in the ACT.

Recommendations

NECA therefore calls upon the ACT Government in the 2020-21 Budget to:

- 5.1 Adopt the approach of Queensland, New South Wales and Victoria in respect of mutual recognition and the electrical sector. However, this must not dilute safety standards and technical expertise;
- 5.2 Introduce mandatory retention trusts to provide protection to sub-contractors owed payments;
- 5.3 Ensure the threshold for the retention trust scheme be set for construction industry project work to a value of \$1 million;
- 5.4 Ensure the retention trust scheme be administered by the ACT Government, with the interest earned by the investment of the funds held in trust, which could be used to recoup the costs of the scheme;
- 5.5 Ensure at the end of the 12 months defect liability period, the head contractor should automatically return the money to the sub-contractor. This would free sub-contractors from having to make an application to have the retention returned;
- 5.6 Payment Withholding Request legislation that allows the Principal/Head

Contractor to be more easily served with a claim for payment – should be adopted in the ACT and across all other States and Territories;

5.7 Ensure a maximum time period for payment of a progress claim should be legislated at 14 calendar days; and

5.8 Consider the introduction of project bank accounts for government construction contracts in the ACT, in light of the results of the NSW trial, or alternatively conducts its own trial of PBAs.

