

11 May 2023

## PROPERTY DEVELOPER LICENSING AND SECURITY OF PAYMENTS

**Michael Pettersson, ACT Labor MLA for Yerrabi, today introduced a motion to the ACT Legislative Assembly calling for a renewed focus on introducing a property developer licensing scheme and strengthening security of payments legislation.**

I am pleased that today the ACT Government has agreed to a shorter timeframe for introduction of property developer licensing in the ACT.

Property developers play a critical role in the building and construction industry; however, they are not held to the same standard as other participants.

They are not regulated, and they are not licensed. Canberrans want to see property developers licenced because they want to see the local industry improved and rogue operators shown the door.

Considering recent events, the ACT Government has also agreed to undertake a prompt review of security of payment legislation in the ACT.

Stakeholders have reported to me that the current system to obtain payment of debts is ineffective and not as advanced as other jurisdictions. This prompt review presents a possible opportunity for legislative change to bring the ACT in line with best practice.

The motion passed today, with tri-partisan support, calls on the ACT Government to:

- by the end of 2023, introduce a bill to the ACT Legislative Assembly to set up an Australia-first licensing scheme for property developers that:
  - requires developers to meet a “fit and proper person” test and apply to undertake higher-risk developments (such as apartment builds); and
  - includes a stringent and rigorously enforced penalty scheme, up to and including barring developers from working in the ACT.
- conduct a review of the *Building and Construction Industry (Security of Payment) Act 2009* (ACT) to determine the need for any urgent and simple amendments to strengthen security of payment protection;
- advocate for the federal government to create a strong national security of payments regime; and
- publish the Listening Report on community engagement undertaken as part of the Developer Regulation Discussion Paper by the end of May 2023.

I look forward to seeing a property developer licensing bill introduced by the end of 2023, and the tabling of the security of payments review.

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