

Article Information

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Security of Payment in Queensland - The changes are on your doorstep...

Come 1 July 2018, Queensland will see the repeal of the Building and Construction Industry Payments Act 2004 (Qld) and the Subcontractors' Charges Act 1974 (Qld). Instead, Queensland will operate under a single consolidated piece of security of payment legislation called the Building Industry Fairness (Security of Payment) Act (BIF).

Come 1 July 2018, Queensland will see the repeal of the *Building and Construction Industry Payments Act 2004* (Qld) and the *Subcontractors' Charges Act 1974* (Qld). Instead, Queensland will operate under a single consolidated piece of security of payment legislation called the *Building Industry Fairness (Security of Payment) Act (BIF)*.

Therefore, principals, contractors, subcontractors and suppliers need to ask themselves "Are we ready for the BIF?", because regardless of the date of the relevant construction contract, from 1 July 2018:

1. Payment claims no longer need to be endorsed under the Act. However, a payment claim must clearly request payment from the party receiving the claim (for example: by the claim stating it is an 'invoice' or state its 'due date for payment');
2. An additional reference date will arise on the contract termination date, where a contract does not contain a post-termination reference date or purports to prevent one from arising;
3. Submission of a payment schedule is mandatory unless a respondent pays the claimed amount during the "response period". A failure to do so may result in disciplinary action and a fine imposed by the QBCC;
4. The time for submitting a payment schedule (i.e. within the 'response period') and the time for submitting an adjudication application have been extended;
5. Claimants are no longer required to serve a 'second chance' notice before proceeding to adjudication if a respondent fails to submit a payment schedule within the "response period"; and
6. Adjudication responses in respect of 'complex payment claims' can no longer raise new reasons for withholding payment that were not already included in the payment schedule.

To know more about how your company can best prepare for these changes, please feel free to contact me directly or see the links to our relevant articles below:

1. [A new fairer way in Queensland - November 2017;](#)
2. [Project Bank Accounts - "What lies ahead?" - December 2017; and](#)
3. [Are you ready for the BIF? - February 2018.](#)