

# Builders shatter hopes

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Figures obtained by the *Herald Sun* show that more than 20 per cent of consumers have complained about work done by registered builders since 1990.

Building and related complaints made to the Office of Fair Trading and Business Affairs rose by 43 per cent, with 105 lodged in 1995-96 compared with 735 in 1993-94.

Under state law a resume — including three years' building experience, two character references and two trade references — and the necessary insurance are required to become a registered builder.

A qualification that may be as little as a 60-hour TAFE course also is needed.

"The scary thing is that they are telling you if you use a registered building practitioner you will be OK, but that is not the case," consumer advocate Kate Hamond told the *Herald Sun*.

"The majority of

## HOW TO AVOID THE RIP-OFFS

**ENSURE** a solicitor specialising in building has checked your contract.

**CHECK** that the builder is registered with Building Practitioners Board.

**ALLOW** for an increase (up to 15 per cent) in the contract price.

**SEEK** quotes from three builders.

**KNOW** when progress payments are due.

**BE ABLE** to increase loan if variations arise.

**ENSURE** the loan has been approved in writing.

**CONFIRM** council permits.

**CHECK** the builder is financially solvent.

builders out there are craftsmen who wish to do honest work for fair payment."

The director of the Housing Industry Association, Carolyn Lloyd, said Victoria's builder registration system "left a lot to be desired". Ms Lloyd said there was an urgent need for national laws. But she defended the system's ability to check financial irregularities, saying insurance companies provided a "very close credit check".

"My concern is with the builder who doesn't understand his contractual responsibilities and the unqualified people who are in it for the money by not using real builders," she said. "It is cut-throat out there, they have low prof-

admitted that there may be some undesirable builders out of the 11,000 who came across from the old registration system in May last year. The commission employed seven people to check on applications.

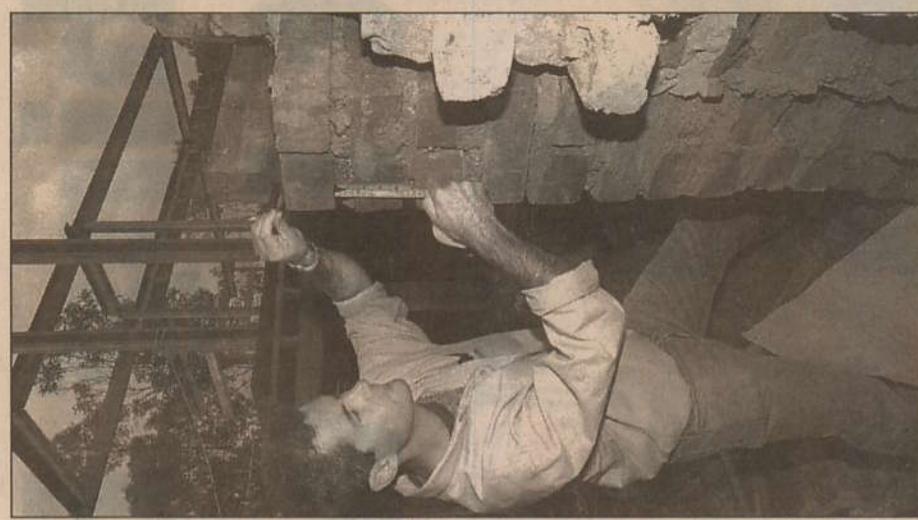
It would take two to three years to get the new system right, he said.

Opposition planning spokesman Demetri Dolis said the government had ignored Opposition concerns about the way builders were registered.

The Building Control Commission's internal report said the new registration system was seriously under-resourced and less efficient than the previous Housing Guarantee Fund system, which it replaced in May 1996.

It recommended a complete review of builder registration in Victoria.

The Act was designed to reduce disputes between builders and consumers with greater mediation and a tribunal as the final appeal body.



# Dreams crumble

THE Steel family learned the hard way when they tried to build their dream home. They lost \$150,000 and were forced to tear down "the little bit of Tuscany" at Mt Martha after the three-storey building literally sank around them in July last year.

"We had steel that wasn't connected, stumps sitting in the dirt, it was terrible," Mr Steel said.

Efforts to obtain compensation through the Domestic Building Tribunal and through insurance companies failed.

"It has taken us six months just to pull the family together," Mr Steel said. But tearing down the old building and deciding to start again on the site had helped to heal the trauma of the past 12 months, he said. A recent campaign on television saying "use a registered practitioner" was a waste of time, Mr Steel said. "It is one thing to have the trauma of going through a dispute with the builder. "But we have been stuffed around by the system."

**Anger:** Paul Steel. Picture: IAN BAKER