



Queensland Code of Practice for the Building and Construction Industry

Queensland

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Master Electricians Australia (MEA) is a peak industry association representing electrical contractors across Australia, the majority of which are small and medium sized businesses. We are recognised by industry, government and the community as a leading business partner, knowledge source and advocate. You can visit our website at www.masterelectricians.com.au.

MEA commends the Queensland Government for prioritising productivity and clear, fair standards for all participants in the construction industry. Improving the rights, responsibilities, and obligations under government construction contracts is critical to enhancing efficiency, ensuring equitable treatment across the supply chain, and fostering a positive industry culture.

MEA also acknowledges the Queensland Productivity Commission (QPC) for its thorough review of productivity in the sector, and the Government's prompt action on recommendations arising from that review.

We support the recent removal of the *Best Practice Industry Code* (BPIC), along with the elimination of pre-qualification requirements for subcontractors on Queensland Government construction contracts. The proposed *Queensland Code of Practice for the Building and Construction Industry* (the Code) provides an important opportunity to address gaps left by these changes, update outdated industry practices, and establish a fair, balanced framework. In setting this framework, small businesses are key, as these businesses often face limited negotiation power and a pass-down of risk outside their reasonable control.

The following sections set out our views of how a Code could be implemented and monitored, and the benefits it would bring to the Queensland construction industry.

The Desirability of Queensland to have a Building and Construction Code

The Queensland construction industry is demonstrably lagging in productivity. Developing a new Building and Construction Code is warranted to establish an appropriate balance between principals, contractors, subcontractors, consultants and suppliers; and also for workers.

A well-designed code would provide a clear, consistent framework that supports lawful, safe, and efficient practices across the sector while improving productivity. It would set standards tailored to Queensland's regulatory and operational environment, giving all parties certainty about their obligations and rights.

Key matters for the Code should be:

- Measures to address structural barriers faced by subcontractors such as restrictions on unfavourable or non-negotiable contract terms and unfair risk transfer.
- Management of particular workplace health and safety matters, including work in extreme weather, proportionate incident responses, and criteria for site shutdowns.
- Security of Payment requirements including prompt payments, protection of retention money and non-cash security against misuse.
- Dispute management
- Provisions that seek to minimise administrative burdens and improve consistency across projects.
- Exclusion of any automatic flow-on of head contractor industrial agreements to subcontractors (i.e. 'jump-up' clauses).
- Not expanding legislative right of entry provisions.
- Exclusion of provisions that unnecessarily restrict flexibility, limit competition, or enable disproportionate productivity-reducing practices without a clear and evidence-based justification.
- Exclusion of prescriptive or blanket restrictions that do not reflect the operational realities of construction work, including inflexible limitations or mandates on overtime.

The Benefits of Using a Code Relative to Other Mechanisms Such as Legislation or Regulation

A Code provides a practical and adaptable framework that can respond more quickly to industry developments, emerging risks, and evolving government policies.

Compared with legislation, which tends to be more prescriptive and slower to change, a Code can offer clear guidance on matters such as industrial relations, workplace health and safety, site security, and procurement practices.

The Timing of Implementation of Such a Code

Implementation of a new Building and Construction Code should be prioritised to ensure productivity is not further diminished on Queensland construction projects.

The Mechanisms and Costs of Implementation and Enforcement of Such a Code

Mechanisms

Implementation – Mechanisms are needed to support industry awareness, understanding and consistent application of the Code. Implementation should also include guidance materials, accessible resources, and targeted support for contractors, unions and subcontractors to help integrate the Code's requirements into day-to-day operations.

Monitoring – Utilisation of existing regulatory and procurement frameworks to track adherence in a proportionate and targeted way will minimise implementation costs and industry disruption. Tools such as digital reporting systems, standardised templates, and regular check-ins can make it easier for contractors and subcontractors to comply consistently while streamlining regulator oversight of compliance. Whole-of-project compliance assessments should be undertaken at regular intervals to address any issues.

Enforcement - MEA supports the QPC's recommendation that the Office of Industrial Relations (OIR) should have a clear process to identify breaches and enforce the requirements of the Code. The recommendation's inclusion of low-cost measures, such as 'negative licensing', is supported. Under this approach, enforcement would only be taken against businesses evidencing non-compliance with the Code, rather than requiring all firms to demonstrate compliance upfront. This targeted enforcement reduces administrative burden and costs for businesses, particularly small operators,

while ensuring breaches are addressed effectively. It is important, however, that education is prioritised for one-off or minor breaches before applying stricter measures such as contract prohibitions or other punitive actions.

What is Needed to Make a Code Work Effectively if It Were Introduced to Queensland

For a Building and Construction Code to work effectively in Queensland, several elements are essential. Engagement with industry, education and guidance, and consistent application will be required.

Review and adaptation should also be built in to maintain relevance, address emerging risks, and reflect evolving best practice.

Conclusion

A new Queensland Code of Practice for the Building and Construction Industry presents a timely opportunity to strengthen fairness, compliance, and productivity across the sector. By providing clear standards, practical guidance, and proportionate enforcement mechanisms, a Code can support businesses of all sizes, reduce disputes, and promote consistent, safe, and efficient practices