

Comment – Myna Australia Pty Ltd

Comment

Feedback is provided against suggested pause of further Project Trust Accounts (PTA) rollout

QLD Productivity Commission Consultation

1. Project Trust Accounts (PTAs) directly address a core industry problem of subcontractors facing lateness or in some cases nonpayment. Is there any better and proven way than PTAs that is more cost effective and impactful to bring assurance to the subcontractors? PTA is indeed better than all the given options.
2. Project Trust Account (PTA) will not just bring confidence to subbies but also to developers and investors as PTA is the best vehicle to control the movement of invested funds in a construction project. Just imagine yourself as an investor or as a subcontractor. PTA rollout will attract more investments in Queensland's construction sector.
3. Trust Account is not new in Australia and is already in place for other professionals like Real Estate Professionals, Tax Practitioners, Lawyers, Conveyancers, Debt Collectors, Motor Dealers, Auctioneers or anyone that holds client's money. And the benefits are proven. By adopting frameworks common in other professional fields, Queensland demonstrates leadership and commitment to creating a fair and sustainable construction industry.
4. Queensland is the first state in Australia to lead and bring this positive change in the construction industry where both investors and tradies currently suffer from mismanagement of funds by some builders and the rollout of PTAs will give hope to participants in other states too. PTAs require builders to adopt higher standards in record-keeping, financial management, and accountability. For eg, a beneficial interest is to be recorded in three business days from receiving the claim from a subcontractor after completion of work under the PTA reforms.
5. Project Trust Account (PTA) will not make it easy for construction companies to misappropriate the funds and then file for bankruptcy as they will be operating the bank accounts (PTA) as trustees and can only draw funds that they are eligible for. Surprised to see that those who are against the rollout can't see this one benefit great enough to surpass any number of negative impacts. PTAs help prevent "phoenixing" and fraudulent practices that undermine public and stakeholder trust, ensuring every party in the supply chain is paid what they are due.
6. Banks, large builders, software providers, most of the associations, consultants are onboard with the current law and the rollout and have worked tremendously hard to bring it to the current stage. Further delay will only demotivate them to support this genuinely great initiative. There are five software currently available to manage this entire PTA and RTA regime:
<https://www.housing.qld.gov.au/news-publications/legislation/building/trust-accounts/assessed-trust-solutions> . While some in the industry have raised concerns about compliance and implementation challenges, Queensland has already responded by providing an extended transition period and supporting the

development of user-friendly trust account software. Further rollout will only attract new software providers to invest more and the benefits will be passed on to the subscribers.

7. If the concern is about very small builders with 5 or less employees, then the rollout should continue for projects above \$3m (phase 3). Recent changes to the cyber security bill mandates businesses with annual turnover of \$3m plus to report to ASD so this \$3M is the right size for the rollout and phase 4 can be scrapped for \$1m plus projects. Phase 3 should NOT be paused.

Conclusion:

By embedding payment safeguards into the structure of every eligible project, PTAs help build a resilient and trustworthy industry—one where subcontractors are paid on time, project funds are handled responsibly, and ethical businesses are better protected against unfair practices. Far from being a burden, they represent a necessary evolution toward a more transparent, accountable, and equitable system for all industry participants. This is once in a lifetime opportunity to bring trust in the construction industry and Queensland Government should not miss it and Queensland should move forward with phase 3 rollout of projects above \$3M. A win-win situation for all.