



The Secretariat  
Industry Advisory Group (Security of Payment Reform)  
Department of Mines, Industry Regulation and Safety

Via email: [SoPReform@dmirs.wa.gov.au](mailto:SoPReform@dmirs.wa.gov.au)

Dear Sir/Madam

**Department of Communities – Security of Payment Reform – Submission of Potential Impacts**

Thank you for your letter dated 03 July 2018, seeking comment from the Department of Communities – Housing (Housing) on the potential impacts of the proposed Security of Payment Reform in the Western Australian building and construction industry which may impact upon State Government procurement practices.

In the absence of a formal policy position, at this time Housing does not wish to publicly comment on the proposed reform proposals. Giving consideration to discussion items from the workshops, Housing does consider that the establishment of any form of Trust Account or implementation of a fund management mechanism such as Project Bank Accounts should incorporate threshold limits particularly in the areas of residential construction or asset refurbishment.

Housing works closely with the housing industry to significantly increase the supply and diversity of affordable housing in Western Australia.

The implementation of any form of statutory trust or fund management system will have a cost increase impact which will impact the affordability of asset ownership within the Western Australian Land and Housing market.

As per your invitation, both Mr Greg Cash (Assistant Director General Commercial Operations) and Ms Tiffany Allen (Director Land and Housing Construction) are meeting with Mr John Fiocco and the Hon Matthew Swinbourn MLC (17 August 2018). They look forward to further discussing the proposed Security of Payment Reforms and the possible impacts on Housing.

We welcome the opportunity to continue to participate in the Industry Advisory Group – Security of Payment Reform Workshops and will provide formal comment when the formal policy position has been drafted and made available for review and consideration.

Yours faithfully

Ms Theresa Bullen  
Manager Housing Maintenance and  
Contract Performance

Mr David Leszenko  
Manager  
Land and Housing Construction

13 August 2018