

TREASURY AND FINANCE — PROJECT BANK ACCOUNTS

122. Hon Tjorn Sibma to the minister representing the Minister for Finance:

I refer to Project Bank Accounts (PBAs) designed for the purpose of providing improved security of payment for subcontractors working on government projects, and ask:

- (a) will the Government adopt a policy of providing compensation for those subcontractors who have lost thousands of dollars or, in some cases, millions of dollars, from working on government projects; and
- (b) will the Government expand the policy of PBAs to include all government projects valued at over \$100 million?

Hon Stephen Dawson replied:

The Department of Finance advises:

- (a)–(b) It would be inappropriate for taxpayers to underwrite the commercial arrangements between parties in the building and construction industry. The Government has previously signalled its intent to introduce broader security of payment reforms, and the scope and timing of those changes is currently being finalised by the Minister for Commerce.