



Inquiry into Annual and Financial Reports 2023–2024

Answer to question on notice

Asked by: Mr Peter Cain MLA

Addressed to: Minister for Planning and Sustainable Development

Reference: Planning

Hearing: 18 February 2025

In relation to: Building and Sustainable Development

Question received: 19 February 2025

Answer Due: 26 February 2025

- (1) What ACT Government support is available to those impacted by the collapse of Imagine Building Concepts Pty Ltd and Imagine Management Pty Ltd?
- (2) What measures are being taken to support the creditors, including employees and subcontractors, affected by the insolvency of Imagine Building Concepts Pty Ltd and Imagine Management Pty Ltd?
- (3) What actions can be taken by the ACT Government to support creditors impacted by a debtor who is seen engaging in expensive leisure activities, such as attending the 2025 Super Bowl in New Orleans, while owing significant debts to local Canberra businesses and subcontractors?
- (4) How will the halt in the Moment townhouses project in Whitlam impact the local housing market, and what steps are being taken to mitigate these effects?
- (5) Can you provide an update on the efforts to recommence work on the Moment townhouses project, and what timeline can affected parties expect?
- (6) Does Mawa Pty Ltd have any building maintenance contracts with the ACT Government?
- (7) Can you detail what standards the ACT Government expect from contractors in paying their employees and subcontractors?

Chris Steel MLA: The answer to the Member's question is as follows:

- (1) Under the *Construction Occupations (Licensing) Act 2004*, where a company enters administration, its builder licence is automatically suspended. The Construction Occupations Registrar suspended the ACT builder licence of Imagine Building Concepts Pty Ltd (Imagine) when it entered administration. Stop Work notices were also put in place on Imagines'

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active building sites to prevent the company from performing building services in the ACT while it is unlicensed. Stop Notices are a preventative measure that protect homeowners and tradespeople from the risks of unlicensed or unsupervised building work being carried out. It is also a public notification for site safety and consumer protection.

Homeowners are encouraged to seek legal advice about the implications of this issue in relation to their contractual rights.

- (2) In general, Commonwealth corporations law, administered by the Australian Securities and Investments Commission (ASIC), governs how an insolvent company is liquidated and how creditors are paid. The process follows a strict order of priority in distributing money, starting with secured creditors who have a direct claim on specific assets, followed by priority creditors, including employees, and then to unsecured creditors, such as suppliers and contactors. Once insolvency is declared, those affected will need to engage with the insolvency administrator or liquidator to navigate the claims process under Commonwealth law.
- (3) Any concerns regarding a debtor's engagement in expensive activities during insolvency, particularly if they are seen to be misusing company assets or neglecting their duties to creditors, would be managed and investigated by ASIC under Commonwealth law, with potential penalties for any breach of fiduciary duties or fraudulent conduct.
- (4) Information on the local housing market is available in the [ACT Land and Property Report](#) and various [Economic Indicators](#) for the ACT, with housing policy initiatives outlined in the [ACT Housing Strategy](#).
- (5) A new building commencement notice for this project was issued in November 2024 to a new builder in relation to this project.
- (6) I am advised that Infrastructure Canberra has no record of any building maintenance contracts with Mawa Pty Ltd.
- (7) The ACT Government expects contractors to comply with the *Building and Construction Industry (Security of Payment) Act 2009*, which entitles individuals in the construction industry to receive timely payment for their work and supplies. Following recent reforms under the Building and Construction Legislation Amendment Act 2023, contractors must adhere to a maximum payment timeframe of 15 working days after a payment claim is made. These reforms aim to improve industry payment practices and support subcontractors being paid on time and in full for their work.

Approved for circulation to the Standing Committee on Environment, Planning, Transport and City Services

Signature:



Date:

26/2/25

By the Minister for Planning and Sustainable Development, Chris Steel MLA