

CONCRETE IQ

Concrete IQ is the official newsletter of Master Concreters Australia

ISSUE 3, 2017



HOT WEATHER CONCRETING

It is timely to remind ourselves about the problems associated with hot weather concreting.

While hot weather conditions are commonly encountered in summer, combinations of high temperatures, winds and low humidity can also result in conditions which lead to problems with concrete placement and finishing.

Most of the problems associated with placing concrete in hot weather conditions relate to the increased rate of cement hydration (at higher temperatures) and the increased rate of evaporation of moisture from the fresh concrete.

There are a number of properties of concrete that may be affected by hot weather conditions including setting time, workability and slump, compressive strength, concrete temperature, poor

surface appearance, plastic shrinkage cracking and thermal cracking.

Problems usually arise when site personnel are not aware of the effect of the weather conditions and/or when weather conditions have changed during the placing and/or finishing of the concrete. There are a number of precautions that can be taken when planning for the hot weather, including consulting with the concrete supplier as early as possible.

The supplier can assist in ensuring the mix arrives as cool as possible and a good delay-free schedule for delivery is maintained where possible.

The key aspect for concrete contractors is the placing and finishing of the concrete.

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MCA HOTLINE

Our highly experienced members can provide advice on various issues affecting concrete contractors through our MCA Hotline.

Members may contact our Hotline representatives or if it is more convenient, call the office on 1300 884 544 and they will start the ball rolling.

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CEO'S REPORT

Welcome to the last edition for this year of the association's newsletter. The Christmas holiday period is rapidly approaching and with it the pressure is on to complete the projects before those who are able, can take a well-deserved break. The Association has been busy working on many fronts with never enough time as the saying goes. We held our Brisbane Golf Day at the Wynnum Golf Club in September. Congratulations to Manly Concrete for winning the trophy (no doubt home ground advantage would have played its part). Our Sydney Golf Day is being held on Monday 4 December 2017 and we look forward to seeing our NSW members and guests back out at the North Ryde Golf Club. The Annual General Meeting will occur in late November to ensure we meet our statutory compliance requirements.

The Association has been preparing research into the take up and completion of formal training in our industry. This directly relates to those that sign into a contract of training by completing the Certificate III in Concreting as an Apprentice or Trainee. Early indications are that 90% of all training is through the recognition of prior learning model. Of the 10% undertaking formal training over half (50%) are cancelling their training and failing to complete the course. This figure represents all of Australia and each state has slightly differing completion and cancellation rates but the high cancellation rate is consistent through each jurisdiction. What is evident from the research is that there is not enough skilled tradesmen entering into the industry to meet the current and future growth of the Construction Industry. Australian Government (Department of Employment) five year skill level predictions are forecasting an increase of almost 58,000 places across the construction industry out to 2022. Employment demand for concreters is predicted to rise to 6,000 by 2022 representing an increase of 14% of the current workforce. This is a significant statistic which accounts for

LOOKING FORWARD TO 2018

approximately 10% of the overall increase in demand for all certificate (skill level) III vocational requirements. The Association will be making representations to various governments and industry stakeholders on ways to increase the number of skilled practitioners entering the industry via formal training pathways.

Prior to the production of the newsletter the Queensland Government passed the *Building Industry Fairness (BIF) Security of Payments Act 2017*. This is a major win for subcontractors that will put in place stronger mechanisms to ensure that they are paid for the work they do. The Act introduces the use of project bank trust accounts where by the money from the principal is paid into a trust account and then paid directly to the 1st level subcontractor from the head contractor. The Act has also made changes to the payment claim and adjudication process, including; a new statutory defects liability period (builders will be required to tell the subcontractor when practical completion has been completed), penalties for failing to release retention moneys for no good reason (that can result in fines of up to \$25,230) and fines for causing significant financial loss. Members outside Queensland should note that while this does not specifically affect them the association will be advocating the positive effects of the legislation to other governments and jurisdictions to improve conditions for concreting subcontractors throughout the country. For this newsletter our in house legal team have provided a more in depth focus on the introduction of the act.

As some members may be aware the Certificate III in Concreting has undergone a review in the previous 12 months to enable the qualification to meet the 2012 Assessment Standards for all qualifications that are on the Australian Training Framework. The information from the review was consolidated into the draft qualification that was sent out for feedback in September. The Association

MANAGING SILICA IN THE WORKPLACE



Silica has been a long-standing health hazard, causing millions of cases of disease dating back to early civilization. The risk arises through the inhalation of dusts containing crystalline silica.

The major risks previously observed in silica-exposed populations have been greatly diminished over the last five decades; however, thousands of workers are still potentially at risk from exposure.

The workplace health and safety law has provisions noting that employers or persons conducting a business or undertaking (PCBU) must control the risks from silica exposures.

As concrete and allied contractors involved with honing/grinding or saw cutting of concrete it is imperative we minimise the risks to silica exposure to our workers and comply with the requirements of the various legislative and guidance instruments available.

Workplace Health and Safety Queensland has produced 'Silica—Technical guide to managing exposure in the workplace'. The document will assist workplaces where silica is present to manage the risk to workers' health.

MCA is aware that relevant jurisdictions have stepped up their workplace audits in relation to Respirable Crystalline Silica (RCS) exposure and encourages members to be proactive and ensure they meet their statutory obligations.

For further information the Qld Technical Guide can be found online at https://www.worksafe.qld.gov.au/.../silica_managing_workplace.pdf

Safework NSW has also produced a Technical Fact Sheet on Crystalline Silica which can be found online at <http://www.safework.nsw.gov.au/media/publications/health-and-safety/hazardous-chemicals/crystalline-silica-technical-fact-sheet>

Continued from page 2

has provided feedback on the draft qualification and it is anticipated the reviewed qualification will be put forward for endorsement in early 2018. The Association will advise members when the revised qualification has been released and any changes that have occurred. Once the qualification has been approved we will redouble our efforts in relation to the redesignation of the Concreting Traineeship to an apprenticeship in NSW. The NSW Industry Training Advisory Board has committed to reviewing our request following the completion of the qualification review. We look forward to their response.

Finally, I would like to thank the Directors and our wider membership base for their support and involvement over the

previous 12 months. Our organisation relies on our members support to enable the Association to provide a voice for our industry. There are many outside the association that take the 'what's in it for me' approach and do not understand the wider roll and involvement the Association has with Governments, their departments, organisations and key stakeholders to improve contracting conditions and the concreting and wider construction industry.

I wish everyone a safe and enjoyable Christmas holiday period and look forward to a prosperous 2018 for our members.

David Lingard
CEO, Master Concreters Australia

SUSTAINING MEMBERS



HOT WEATHER CONCRETING

CONTINUED FROM COVER

The Association strongly advocates the use of aliphatic alcohol which is a low cost option for all placers. The use of aliphatic alcohol (also referred to as an evaporative retarder) during the placing process protects the surface of the concrete slab against excessive evaporation and premature drying out. Aliphatic alcohols are applied to the freshly placed and screeded concrete surface, where they form a chemical film which reduces the rate at which water evaporates from the surface of the concrete. By controlling the premature drying out of the surface layer of the concrete, the tendency for the concrete to shrink and for plastic shrinkage cracking to occur is reduced or eliminated.

Curing the slab is another highly important process that needs to be performed correctly. It is essential that all surfaces be kept continuously moist, since drying, even intermittently, can produce drying shrinkage and/or crazy type cracking on the concrete surface. It is important to note that aliphatic alcohols are not curing compounds and should not be specified or used as substitutes for them. Curing methods include ponding with water, use of wet hessian or cotton mats, continuous spray mist, covering with plastic sheeting or applying sprayed on curing compounds. Further information can be found by reading the CCAA Hot-weather Concreting Datasheet located on the publications section of the CCAA website.



SUBCONTRACTORS AND THE BUILDING INDUSTRY FAIRNESS BILL

On 26 October 2017, the Queensland State Parliament passed the *Building Industry Fairness (Security of Payment) Bill 2017 (the Bill)*. The Bill has been touted as one that will usher in an era of fairness in the building and construction industry that has never been seen before¹. The Bill is weighted heavily in favour of subcontractors, and shifts the power in the building and construction industry away from head contractors. This article will look at some of the radical changes introduced by the Bill to improve security of payment for subcontractors, and discusses some of the benefits and weaknesses of the new legislation.

Project bank accounts

One of the most prominent changes of the Bill is the introduction of PBAs. PBAs hold funds safely in trust for the subcontractor, independent of the head contractor and principal. A PBA includes three trust accounts:

- a general trust account for the management of progress payments;
- a retention account for amounts held as retention; and
- a disputed funds account for amounts that are the subject of a payment dispute.

Head contractors must set up PBAs for construction contracts within 20 business days after entering into the first subcontract (or earlier if the building contract provides, but not before 20 business days after entering the building contract), otherwise they face a penalty of up to \$63,075. This hefty penalty is intended to show the importance of head contractors meeting

their obligations in an industry that has a culture of late or non-payment.

Principals must pay any amounts to be paid to the head contractor into the general trust account. If the principal has not deposited enough to pay a subcontractor, the head contractor must deposit the shortfall into the trust account immediately, or face a penalty of up to \$12,615 or one year's imprisonment. In essence, the head contractor must bank roll the project for the benefit of subcontractors.

Further, a head contractor will face a maximum penalty of \$37,845 or 2 years imprisonment if it pays itself first and leaves an insufficient balance in the trust account to pay amounts due to subcontractors. These penalties are severe, with the expectation that head contractors will not misuse funds and employ proper business practices, ensuring that subcontractors will get their entitlements to the greatest degree possible.

A payment dispute can occur when a progress payment instruction is less than the amount scheduled for payment in a payment schedule or when a payment schedule is not provided at all, in which case the head contractor must transfer the payment instruction amount into the disputed funds account. A penalty applies for failure to do so, which is meant to deter the head contractor from misleading the principal about the amount owing to the subcontractor. It seems unlikely that this type of payment dispute would arise, and the real concern to subcontractors is the difference between the payment claim amount and the amount scheduled to be paid. In the event of head contractor

¹ Queensland, Parliamentary Debates, Legislative Assembly, 22 August 2017, 2284 (Michael De Brenni).

insolvency, these provisions will not adequately protect subcontractors if there is no money in the disputed funds account, or the amount is less than that claimed.

The Bill is set to commence from 1 January 2018, which will require PBAs for government projects with a head contract price between \$1M and \$10M. Following a review of the initial implementation, PBAs are expected to be introduced on 1 January 2019 for all private projects valued at over \$1M.

PBAs are highly favourable to subcontractors and onerous on head contractors in terms of administration and compliance to avoid penalties. The success of the PBA provisions will be determined following the initial implementation, which may bring about further amendments to address some of the issues we have discussed, including the redundancy of the disputed funds account, and the lack of protection for lower tier subcontractors.

Security of payment

The BCIPA is repealed, and its provisions are included in the Bill with numerous key changes, as follows:

- the Bill has removed the requirement for payment claims to be endorsed under the BCIPA with words to the effect that "This is a payment claim made under the *Building and Construction Industry Payments Act 2004 (Qld)*". Subcontractors will benefit from claims no longer being invalidated for not including the endorsement.
- the Bill introduces that the head contractor must provide a payment schedule in response to the payment claim, unless it pays the full amount claimed within the time required. If a head contractor fails to provide a payment schedule or full payment, it is liable to pay the full amount claimed, and must deposit the amount it is liable to pay into the disputed funds account - there is no longer a second chance notice. This is a huge benefit to subcontractors, who will be provided more certainty about whether the head contractor intends to pay and provides a quicker route to proceed to summary judgment or adjudication if the head contractor fails to pay; and
- another change highly beneficial to subcontractors, is that the Bill precludes head contractors from

providing an adjudication response if they did not provide a payment schedule. Additionally, they can not include any new reasons for withholding payment in the adjudication response that were not included in the payment schedule.

The amendments to the BCIPA provisions are vastly in favour of subcontractors, and will put head contractors on their toes in terms of their administrative duties and time frames for providing payment schedules and payment.

Amendments to the QBCC Act

The Bill includes amendments to the *Queensland Building and Construction Commission Act 1991* (QBCC Act) to improve regulatory compliance and increase oversight to the building and construction industry including the following:

- an obligation that head contractors do not enter into contracts that either do not contain mandatory provisions or that contain prohibited provisions. The exact nature of these mandatory and prohibited provisions are yet to be released, however we expect that they might address common areas of risk allocation such as termination for convenience clauses, unilateral variation clauses, liquidated damages regimes and payment provisions. This will completely change the landscape for parties in terms of what can and cannot be included in a building contract;
- the introduction of a new offence for causing another party to the building contract to suffer a significant financial loss by deliberately avoiding compliance with, or failing to comply with, the contract;
- to help combat illegal phoenixing (where a director places a construction company into liquidation in order to avoid repaying creditors but later re-emerges with a new construction company), the definition for 'influential person' of a company has been increased to include the role and the function of the person. This will capture, for example a spouse appointed as a director who runs the company without officially being an officer of the company. The 'excluded individual' provisions have also been amended so that a person who was involved in a company failure in other jurisdictions,

or who was the director of a company up to two years prior to a failure, will be excluded from obtaining a QBCC licence; and

- to assist in the monitoring of current licence holders, the Bill has increased the scope of the power of the QBCC to require a building company to produce their financial records, and re-introduced the mandatory financial reporting for building companies that was repealed by the previous LNP government. The Bill also increases penalties for breaches related to unlicensed building work.

Conclusion

With the Queensland election imminent, it is not certain that the Bill will become law. If the Bill is enacted it will be a positive step forward for improving the security of payment for subcontractors. As we have discussed, however, the Bill is not without flaws. At present, the Bill awaits the 'rubber stamp' of approval, and the industry awaits the outcome of the impending election. We recommend that industry participants review their administrative and contractual processes to be prepared for the Bill's commencement.

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LAWYERS

Thomson Geer is a large Australian commercial law firm with offices in Brisbane, Sydney, Melbourne and Adelaide.

In conjunction with Master Concreters Australia, we are offering all members complimentary access to the Thomson Geer Help Desk. This service enables you to access specialist legal advice from experienced practitioners at no cost to you and with the convenience of a phone call, so that you can make timely and considered decisions for the benefit of your business.

For more information on the Help Desk, please contact:

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CHANGE OF VENUE FOR BRISBANE ANNUAL GOLF DAY

Members and guests came together on Monday 11th October 2017 to vie for the Master Concreters Australia Brisbane Golf Day Trophy. This year saw a change of venue with our band of keen golfers assembling at the Wynnum Golf Club. Local knowledge proved to be key on the day with Manly Concrete taking out the spoils for the first time. Qcrete were placed second with Bess Concrete rounding out the top three.

Congratulations to all those who took home prizes on the day and thank you to all our members who took time out from their busy schedules to join us for the Annual Golf Day.

Master Concreters Australia would like to thank our principal sponsor Cbus for supporting and anchoring the event. We would also like to acknowledge our Golf Day partner Wagners and our numerous hole sponsors for supporting our event. We look forward to seeing everyone at next year's Golf Day.



WRIGHT STONE TRADING



Brisbane-based Wright Stone Trading was established in 2011 as a manufacturer of wire and sheet metal.

Director Craig Wright has over 20 years' experience in wire fabrication. A move in 2016 to the construction industry saw Craig appointed Australian distributor of Dansea Construction Products. Dansea's innovative and cost-saving product range includes the brilliant Pecaform and Protecta Panel product lines, Ozguard and Ozrail, the latter two being manufactured at Wright Stone's factory in Capalaba.

In 2017, Wright Stone was appointed Australian Distributor for Lesa Systems.

Wright Stone's significant expertise in all things concrete and wire ensures its solid reputation as a manufacturer of wire and sheet metal for the construction industry, as well as refrigeration and other more specific formwork for clients' particular needs.

"I really value my customers and have built the company's success on spending

time on building strong relationships," said Director, Craig Wright.

"Listening to what customers need, being flexible enough to help them achieve their goals, being on the factory floor to oversee production – this sets us apart from a lot of our competition," he said.

"Wright Stone has on staff an engineer of 25 years' experience in concrete/construction. Having this knowledge on tap means we can confidently advise and guide our clients and manufacture exactly what they need without so they go away happy," he said.

Product Range; Pecaform, Safety Screens, Oz Guard, Armour Joints, Dowels, Dowel Sleeves, Concrete Chemicals – Pentra Sil, Pentra Guard, RS88, Spa Pro 2000, MM80, Rapid Refloor, grout tubes.

Services: Manufacture of Pecaform, Lesa Systems products, bending to specification, wire, formwork, sheet metal.

www.lesasystems.com.au
www.dansea.com.au



Winners: Manly Concrete



Second place: Qcrete



Third place: Bess Concrete



HOW TO ATTRACT QUALITY RESULTS BY TRANSFORMING YOUR MINDSET

We have been brought up to live in a very competitive world. During our younger schooling years, we were measured against children who may have better literacy skills, better numeracy skills, better skills in the field of sport, music and so on. Then, as we grow and progress, matters become increasingly intensified. In high school and university, we are told to do all that we can to win and to look after number one (that's you!). However, the challenge is, in a business world self-seeking people generally lose.

So, these days with businesses thriving on collaboration and connection, building partnerships and assisting one another to become successful, our traditional mindset must be transformed. For that to happen, you must think a certain (perhaps different) way, by viewing one another in terms of relationships and not as competitors.

As a business owner, often your own survival is front of mind. So every day we have thousands of thoughts, ideas and concepts racing through our minds. Some are brilliant, others are good, however many are not of value and it is the role of our brain to filter what we should listen to, what we act on, and how we act. The challenge with this is that you can be drawn to focus on activities and thoughts that only benefit yourself, and neglect the power on focusing on helping others to win and be successful.

Below are some key steps you can take to shift your thinking to work for you, not against you.

Think "Abundance"

The key to attracting great quality clients and results to your business is to focus your mind on abundant thinking.

So what is abundance? Well first, let us

look at the opposite - scarcity. Scarcity is worrying that everyone else is getting more than you are or, by giving up or saying NO to jobs/work, someone else will benefit. You worry about limited resources and focus on the win-lose concept that if someone else wins, another person must lose. This mindset is characterised by people taking on everything and anything, underselling themselves and keeping clients that are more trouble than they are worth. Ultimately, what ends up happening? We tend to lose sight of our passion, vision and what may be truly possible in business.

So what does a successful business owner do to think differently? They think big, in terms of abundance – and rarely scarcity. Abundant thinking has you inherently believe that there are unlimited opportunities in business. That there is a never-ending supply of quality work; when you focus on quality.

Not only do you want to think big, you want to act as if there is plenty. However, this is not spending beyond your means, rather acting, behaving, talking and thinking as if you are already successful. Present a successful appearance. Always focus on what you can do for others rather than what clients can do for you; which means never view a customer as a dollar sign.

Those who act in this way are ready and able to assist others succeed, and in turn, are ready to be supported in their success. The abundant thinking business owner focuses on helping other people seek opportunities without feeling like they are missing out themselves. They become selfless rather than selfish.

Have an Open Mind

There are opportunities for yourself and others all around you, if you have an open mind.



If you are scarcity-orientated you cannot be opportunity-orientated at the same time, therefore opportunities may not even appear on your radar. Your brain filters them out in favour of survival-based solutions.

Ask Better Questions

The key to changing your thoughts is to ask better questions. Ask questions such as "How can I help you?", or "How can I assist you to do better?" or "What do I need to do today to be successful?" or "How can I overcome that challenge?" or "Do you have a challenge that I can help you with?"

These questions are in stark contrast to scarcity questions such as "Will this sale cover this week's expenses?" or "If I don't win this project, how will we survive this month?" Quality questions allow you to stand out from those wading through the muddy waters of self-interest.

Your Key Actions

- Start working on your mindset; be aware of your thoughts on a daily basis
- Read, listen, or chat about personal development every day, if possible, for 10 minutes
- Write a list of questions that are empowering that will help you keep focused on the big picture
- Surround yourself with like-minded business owners that are there to support you and keep you focused on what is possible when times are challenging.

For more information on how to improve your business mindset and gain positive results, contact the team at PROTRADE United – www.protradeunited.com.au or call 1300 767 774

Written by Jon Mailer
CEO and Founder of PROTRADE United



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CONCRETERS**

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Master Concreters Australia is the industry trade association working for and supporting concrete contractors.



APPLICATION FORM

COMPANY DETAILS

Company name: _____

Contact name: _____

Postal address: _____

Telephone: _____

Email: _____

Signature: _____

Send your completed application for to:

Master Concreters Australia, 2/193 South Pine Road, Brendale Q 4500

Or scan and email to info@masterconcreters.com.au

MEMBERSHIP DETAILS

MEMBERSHIP CATEGORY (Please tick main area)

☐ Contractor Domestic
\$500 +GST per annum

☐ Contractor Commerical
\$900 +GST per annum

PAYMENT DETAILS (Please tick)

MEMBERSHIP CATEGORY (Please tick main area)

☐ Credit card number and expiry date

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Expiry date: ____ / ____

☐ Master Concreters Australia to contact me for a payment via EFT or Direct Debit.

*Members must hold appropriate license for scope of works.