



LOCAL

# Tradies, small businesses owed \$451 million by dodgy developers refusing to pay

**They are the hard working tradies that build our communities, but sub-contractors are being ripped off \$451 million a year by developers refusing to pay them. SEE HOW YOU CAN GET YOUR MONEY BACK HERE.**

Jake McCallum, NewsLocal State Political Reporter, NewsLocal  
Subscriber only | July 10, 2020 4:54pm

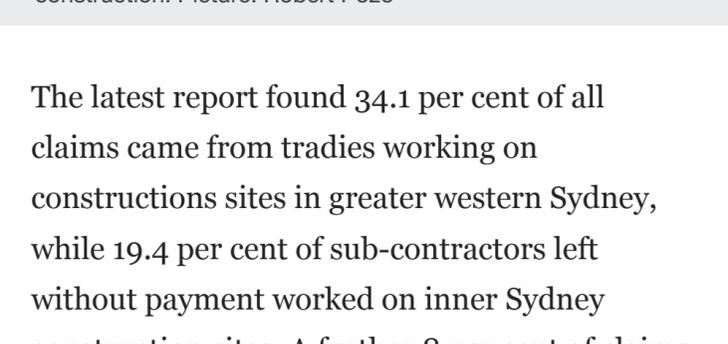


Sydney Under Construction: Sydney's cranes symbolise a huge year of development for 2019

- [Pop-up demountable primary school slammed as 'poor planning'](#)
- [Revealed: Three new rail lines for Western Sydney Aerotropolis](#)

Thousands of sub-contractors and small business owners working on construction sites aren't being paid hard-earned cash by developers — leading to more than 1000 cases appearing before the courts last year.

Newly released Fair Trading data shows that more than \$451 million worth of claims have been registered with the department over a 12-month period, with the average claim reaching an eye-watering \$581,000.

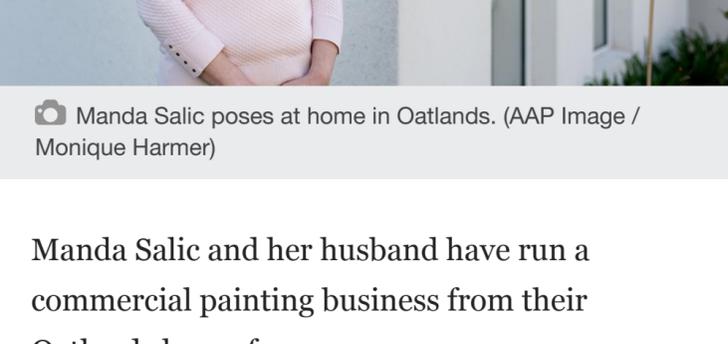


Sub-contractors aren't being paid for their work on construction. Picture: Robert Pozo

The latest report found 34.1 per cent of all claims came from tradies working on constructions sites in greater western Sydney, while 19.4 per cent of sub-contractors left without payment worked on inner Sydney construction sites. A further 8 per cent of claims were made for sites on Sydney's eastern suburbs, while 11 per cent of complaints came from the St George and Sutherland Shire. Construction workers in Sydney's northern suburbs made up 10.9 per cent of claims.

A CRISIS OUT THERE IS NO EXCUSE FOR VIOLENCE IN HERE. ADVERTISEMENT

Construction industry debt recovery expert, Anthony Igra has seen a \$1.5 million increase in successful claims in two years to \$6.3 million, telling *NewsLocal* the construction industry was “rife” with non-payments.



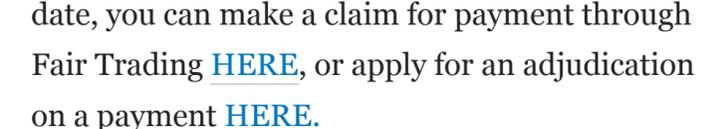
\$451 million worth of non-payment claims were made by sub-contractors last year.

“The major problem is developers are trying to factor into their budgets that they aren't going to pay their sub-contractors,” he said. “They know that if they don't pay them then they don't need to borrow as much money.”

Mr Igra said the industry is “so conditioned to accept non-payment” occurring that they don't bother to fight it.

“Most of these cases across Sydney are unreported,” he said. “One of my clients had lost \$800,000 in a single year and didn't bother to fight it.”

In the first three months of the last financial year alone, more than \$112 million in claims had been lodged for adjudication.



Manda Salic poses at home in Oatlands. (AAP Image / Monique Harmer)

Manda Salic and her husband have run a commercial painting business from their Oatlands home for 15 years.

FROM OUR PARTNERS

One voice, one place. **Watch Alan Jones LIVE Mon – Thurs 8pm, Sky News.**

“For us non-payment wasn't an issue that we experienced often before,” Ms Salic said.

“In the past we were lucky, we were only hit with non-[ayments around four or five times but when we moved to the construction idustry, we say a major increase.”

Ms Salic said in August last year their company experienced trouble with payments from a developer, resulting in a claim for \$137,000 owing to the small business.

“It is stressful and heartwrenching to experience,” she said. “It is degrading that you have to fight to be paid for work that you have already conducted.

“You shouldn't have to be forced to call to plead for your money.”

### HOW TO FIGHT FOR YOUR MONEY

If you have not received a payment within the required number of business days after making a claim, or you have not been paid by the due date, you can make a claim for payment through Fair Trading [HERE](#), or apply for an adjudication on a payment [HERE](#).