



Occupational Licensing

Information for council

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Today's discussion

- Legislation
- Licensing requirements & conditions
- How to apply for a licence
- Compliance & enforcement
- Contracts & payments
- Disputes



Legislation

Building Work Contractors Act 1995

Plumbers, Gas Fitters and Electricians Act 1995

Sets out requirements for things such as:

- Contractors & sub-contractors to be licensed
- Work to be properly supervised (builders)
- Work to be performed by a registered person (PGE)
- BII & contract requirements
- Advertising to include licence number
- Penalties for non-compliance
- CBS to maintain a licence register



Licensing

- To provide consumer protection through licensing entry standards
- To help maintain industry standards
- To help licensed tradespersons distinguish themselves from unlicensed competition

Licensing requirements

Building - Supervisor or Contractor?

Understand the type of licence needed

- **Contractor licence** – needed to *carry on business performing or arranging for the performance of building work*. Includes sub-contracting arrangements.
- **Supervisor registration** – all contractor licences must have an appropriate supervisor

Note: a PGE worker can be approved as a building work supervisor for work covered by that registration.

Licensing requirements

Plumbing, Gas Fitting & Electrical - Worker or Contractor?

Understand the type of licence needed

- **Contractor licence** – needed to *carry on business performing or arranging for the performance of PG&E work*. Includes sub-contracting arrangements.

Also contracting for building work? You can just hold one licence under the BWC Act and add your plumbing, gas fitting or electrical conditions to this licence instead.

- **Worker registration** – anyone performing PG&E work must hold a registration, this includes apprentices.

Licensing requirements

Company, Sole trader or Partnership?

Understand the type of licence needed

- **Body corporate**– most common is a company (pty ltd)
- **Sole trader** – individual with own ABN
- **Partnership** – two or more persons operating together – may be the same ABN or different ABNs (exemption for “non-active” partners)

Have a trust? The **trustee** needs to be licensed

Licensing requirements

Location of work

Licensing and supervision requirements are the same regardless of whether the work takes place:

- within a council building site
- outside the building
(e.g. paving along a roadway, stormwater pipes across a road)
- in front of private properties

Licence conditions

A licence may be limited to a condition (scope of work) or have other restrictions (e.g. sub-contracting only)

Examples of building work conditions

- **Any building work** (this includes all classes of building work)
- **Residential Building Work Ltd to NCC class 1 & 10**
- Specified work or trades e.g. **Carpentry, Wall & Floor Tiling, Paving**

There are over 120 standard licence conditions – refer to the [Standard Registration Conditions](#)

Licence conditions

Examples of PGE conditions

- **Advanced Plumber – Can Perform any plumbing work**
(unrestricted registration)
- **Restricted Advanced Plumber Ltd to Fire Protection Work**
(a restricted scope of work registration – otherwise unrestricted)
- **Any Electrical Work Under Supervision of a Registered Electrical Worker** (restricted – must be supervised)

Licensing requirements

Building work - Proper Supervision



As building work can be undertaken by unregistered employees of the contractor it is important that work is properly supervised to ensure it is done safely and meets any applicable building codes and standards.

CBS has provided a Supervision Guidance document to assist.

[Building-Work-Supervisors-Supervision-Guidance-.pdf \(cbs.sa.gov.au\)](https://cbs.sa.gov.au/Building-Work-Supervisors-Supervision-Guidance-.pdf)

How to apply – supervisor

- Use the [Standard Registration Conditions](#) guide to check requirements for the conditions you want to apply for

Important: changes commenced 1 October 2023 setting minimum years experience and number of completed projects to be eligible to apply & attend an interview

- Complete the application form (online)
- Provide required supporting documents & information with the application such as;
 - Trade certificates & other technical qualifications
 - Evidence of experience and work history (part of the form)
 - National Police Certificate
 - Digital photo + ID

In most cases you will need to attend a technical interview.

- Pay the fee: new application is \$489 (includes 1st year's registration) or vary an existing licence \$194

Licensing requirements

If you don't have a supervisor

- Your licence will be suspended until you have one
- If you trade while suspended we could take disciplinary action
- The Commissioner can cancel, suspend or impose conditions on your licence (e.g. do a particular course or be re-tested).

CBS regularly suspends licensed builders that don't have a supervisor.

Compliance and enforcement

Unlicensed activity

If you operate without a licence, or outside the scope of your licence, CBS may take the following action:

- Warning letter
- Public warning (depending on consumer detriment)
- Seek a written assurance
- Court action

Compliance and enforcement

We detect unlicensed activity through:

- Desktop monitoring (e.g. checking ads placed by tradies)
- Visiting businesses & construction sites
- Reports/complaints from the public and other regulatory authorities

Compliance and enforcement

Actions taken in 2023:

Prosecution

Unlicensed Victorian man fined \$4000 for offering to sell and arrange installation of tiny kit homes without a licence.

Kit home was not provided and no work undertaken despite consumer paying \$27,500.

Consumer compensated \$35,000



Compliance and enforcement

Actions taken in 2023:

Prosecution

A building contractor doing landscaping work was fined \$42,500 and ordered to repay \$27,000 to consumers. Licence was also cancelled.

Offences included:

- Unlicensed work (outside of scope)
- Accepting payments/deposits and not undertaking work
- Work of a poor standard
- Falsely representing quality of products used



Compliance and enforcement

Actions taken in 2023:

Prosecution

An electrical & plumbing business was **fined \$125,000** for a scheme to use fake reviews to mislead consumers



Compliance and enforcement

Actions taken in 2023:

Public warnings:

- Unlicensed person doing earthworks & landscaping (also incomplete & sub-standard)
- Unlicensed business installing solar panels & batteries
- Itinerant tradies offering bitumen paving in various metro and regional areas

Can you pick
the travelling
con man?



Protections for consumers (general)

- Licence criteria (financial probity, business qualifications, fit & proper)
- Supervisor requirements (technical qualifications and experience)
- Declarations with renewals (criminal convictions, bankruptcy etc)
- Monitoring of company insolvencies
- Licence can be suspended, cancelled or conditions imposed
- Protections under related legislation (e.g. Certificate of Compliance, ACL)

Protections for consumers (domestic)

Additional consumer protection measures for domestic building work include:

- Building indemnity insurance (if the builder goes broke, dies or disappears)
- Written contract rules
- Limiting how much builders can ask for a deposit and progress payments.

Contracts and payments

We advise councils to follow best practice guidelines and any local government procurement guidelines.

Such as;

- Written contract
 - Clear description of work required
 - Price
 - Payment schedule
- Negotiate a 'small' deposit and only pay for work completed.



Disputes & problems



CBS cannot conciliate disputes between business and local government.

We encourage anyone to report unlicensed activity (including advertising for work, not just doing the work) or other breaches of law.

More information:

www.cbs.sa.gov.au

www.sa.gov.au



Contact us:

occupational@sa.gov.au

131 882 (option 4)

**Consumer and
Business Services**



Government of South Australia
Consumer and Business Services