

CONSUMER AND BUSINESS SERVICES

BUILDING WORK IN SA

What you need to know

- All building work contractors **must hold the right licence**, have a registered supervisor, and meet the requirements for building indemnity insurance.
- **Only request payments** you are legally allowed to.
- Follow licence conditions and meet legal requirements to avoid expiations or penalties.

Safe. Legal. Protected.

QUICK TIPS FOR CONTRACTORS

- Always check your licence and conditions.
- Ensure there is a nominated supervisor for all building work.
- Only request payments you are legally allowed to.
- Meet Building Indemnity Insurance (BII) requirements for each build.



Government
of South Australia

Consumer and
Business Services

DO I NEED A LICENCE?

Yes.

Anyone carrying on business as a building work contractor in South Australia must have the right licence. This includes:

- Individuals and businesses contracting to do building work for others
- Subcontractors running a business that carries out or organises building work
- Those who carry out building work on premises they own, with a view to later selling or renting the property.

Sole traders usually apply for both a contractor's licence and building work supervisor registration at the same time.

If you do plumbing, gas fitting, or electrical work, you may also need a licence under the *Plumbers, Gas Fitters and Electricians Act 1995*.

To apply, complete an online form, pay the fees, and provide evidence. CBS will check that you (or anyone in charge), meet licensing requirements and are a fit and proper person.

PENALTIES FOR WORKING WITHOUT A LICENCE:

- Individual - \$5,000 expiation fee or up to \$150,000 fine or 12 months imprisonment
- Company - up to \$500,000 fine.

For more info and the application form: [CBS.SA.GOV.AU](https://www.cbs.sa.gov.au)

LICENCE CONDITIONS

Licences may have extra conditions. Always check your licence and ensure you comply with any conditions.

PENALTIES FOR BREAKING LICENCE CONDITIONS:

- Individual - \$5,000 expiation fee or up to \$150,000 fine or 12 months imprisonment
- Company - up to \$500,000 fine.



DO I NEED A SUPERVISOR?

Yes. All building work must be supervised by a registered building work supervisor.

- Companies must nominate a supervisor when applying for a contractor licence.
- Individuals applying as a contractor can apply to register as a supervisor at the same time.
- If an individual only contracts work, a supervisor must still be nominated.

Suggested best practice: SA.GOV.AU

CAN I ASK FOR PAYMENTS?

Yes. However, if the total cost of the building work is over \$20,000, you're only allowed to ask for:

- A deposit (which cannot be more than 5% of the total cost)
- A genuine progress payment
- A payment under the *Building and Construction Industry Security of Payment Act 2009*
- A prescribed payment (which includes - engineering, drawing, surveying, or other professional services, fees required under the *Building Work Contractors Act 1995*).



PENALTIES FOR DEMANDING OTHER PAYMENTS:

- Individual - \$5,000 expiation fee or up to \$100,000 fine
- Company - up to \$500,000 fine.



DO I NEED BII?

Yes. Contractors must have building indemnity insurance for domestic building work that costs over \$20,000 and needs council approval.

PENALTIES FOR NOT HAVING INSURANCE:

- Individual: \$20,000 expiation fee or up to \$250,000 fine or 12 months imprisonment
- Company: up to \$250,000 expiation.

More info: SA.GOV.AU

