

Working as a builder in SA

Information for interstate workers

This factsheet outlines your requirements for working as a builder in South Australia.

If your principal place of residence:

- is in another state or territory, you can use the Automatic Mutual Recognition (AMR) process to work in SA under your interstate licence.
- changes to SA, you must hold an SA licence – not an interstate licence. You can apply for an SA licence under the [Mutual Recognition process](#) (rather than the automatic process).

Licences granted under mutual recognition (including via the automatic process) will appear on the [SA Licensing Register](#) so that members of the public can verify that a person is licensed to work in SA.

Licence/registration requirements

To be able to contract for building work in SA you must have a building work contractor's licence, or interstate equivalent. Your licence may be limited to specific work – e.g. limited to aluminium window and door installation.

If you operate your business as a partnership, all active partners need to be licensed.

Supervision

You must also hold registration as a building work supervisor (or interstate equivalent) or hire an approved supervisor.

Please note the following:

- If you do not have an approved supervisor in place for more than 28 days your licence may be suspended and you could be excluded from AMR.
- If you are nominated as a supervisor in SA you must keep your interstate licence active.
- The supervisor must provide 'proper supervision' to ensure that the work meets required standards.

Contracts

For domestic building work contracts of \$12,000 or more there must be a written contract.

Building contracts must:

- be clearly written
- show the business name and licence number of the contractor and any partners
- be signed by the contractor and owner – or their agents
- state a fixed price and payment terms – you can include a 'rise and fall' clause.

You must give the owner a signed copy of the contract with a [Form 1 – your building contract – your rights and obligations](#).

Deposits and payments

You can ask for a deposit before you start work, but the amount depends on the contract cost:

- contract of between \$12,000 and \$20,000 – no more than \$1,000 deposit
- contract of \$20,000 or more – no more than five percent of the total.

You can also ask to be paid for things like council approval and soil testing.

After building work has started, you can only ask to be paid for completed work, via an invoice.

Building indemnity insurance

You must take out building indemnity insurance for domestic building work that costs \$12,000 or more and requires council approval.

Before you start work you must give the owner or their agent and the council, a copy of the [certificate of insurance](#).

Building indemnity insurance can only be taken out by a person or company that holds a builder's licence.

Warranties

You must provide certain warranties when doing domestic building work. All work must:

- meet plan, specifications and legal requirements
- be finished within a reasonable time
- be made of good and suitable materials
- be fit for humans to live in if building a house
- constructed with care.

Claims can be made up to five years after the work was finished. Defective building work is covered for ten years.

Advertising and signage

All signage and advertising for the public must include:

- your name as it appears on the licence – or registered business name
- your licence number – if in a partnership, include all licence numbers.

You must put signs in a prominent position on a building site when you are the principal contractor. This isn't needed when advertising for staff or other contractors.

Statements of compliance

Licensed contractors must issue a [statement of compliance](#) for building work that requires approval.

Contact the [local council](#) for more information about compliance statements.

Legislation

- [Building Work Contractors Act 1995](#)
- [Building Work Contractors Regulations 2011](#)

Other relevant legislation

You must comply with all applicable laws while working in South Australia, including laws relating to:

- [Approved Codes of Practice in SA](#)
- [Employing people](#)
- [State taxes](#)
- [Safe Work SA](#)
- [Office of the Technical Regulator](#)