Building and Plumbing Newsflash 587

Postponing the repeal of head contractor licensing exemption

Purpose

To advise that the commencement of section 125A of the *Building Industry Fairness (Security of Payment)* and *Other Legislation Amendment Act 2020* (BIFOLA Act) has been postponed.

Background

The Queensland Building and Construction Commission Act 1991 (Act) provides that a person must not carry out building work unless they hold an appropriate contractor licence.

However, an exemption under schedule 1A, section 8 of the Act allows an unlicensed person to enter into building contracts and arrange for building work to occur, provided the work is not residential construction work or domestic building work and is carried out by an appropriately licensed contractor.

Section 125A of the BIFOLA Act repeals this licensing exemption for head contractors. The provision was included in the BIFOLA Act as a result of a recommendation made by the former Transport and Public Works Parliamentary Committee, following feedback about misuse of the licensing exemption.

The repeal was due to take effect on 24 July 2021.

What are the changes?

The Building Industry Fairness (Security of Payment) and Other Legislation Amendment (Postponement) Regulation 2021 was made on 8 July 2021. As a result of the regulation, section 125A will not commence until late July 2022.

The Department of Energy and Public Works (DEPW) is working closely with building and construction industry stakeholders in relation to implementation of this provision.

More information

For specific information about individual licences and existing licensees:

- visit the <u>Queensland Building and Construction Commission website</u>
- submit an online enquiry to the QBCC
- call the QBCC on 139 333.

Contact us

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