



INFORMATION SHEET

Workplace Services

HIA Ref: AFSCOD0825A
Current at: 16 April 2013

ACT- Avoid being fined for advertising without licence details

Today's building industry is highly competitive and advertising is the easiest method of selling your product and services to the broader community. With advertising being such a valuable tool for attracting new business, it is seen as necessary that both consumer and industry members are protected through regulation of advertising methods.

It is mandatory for licensees to comply with the advertising requirements which are set out in the Construction Occupations Licensing Act 2004 (the 'Act'). Failure to comply is considered to be an offence and may result in heavy fines.

What constitutes an advertisement?

Before you can understand what the requirements are, you need to understand what the term 'advertising' is meant to cover.

Examples of what constitutes an advertisement can be found in the Act:

1. Providing a prospective client with a letter, business card, sample contract, brochure and items such as caps, shirts and mugs, each with the construction service company name printed on it;
2. Vehicle signage or clothing such as a T-shirt, with a construction occupation or class stated on it eg 'Jo Jones licensed plumber'; and
3. A radio advertisement describing the features of a display home open for inspection and including a musical jingle mentioning 'ACME Homes', advertising to the public that ACME Homes provides construction services.

The licence detail requirements relating to advertising are not limited to these examples. Recently, a number of licence holders were fined for failing to display licence details on their web sites where they advertised their construction services.

Note: HIA recommends you include licence details when advertising in any situation where the Act is unclear or non-prescriptive.

Examples that are deemed not to be advertising or are *not* required to include details are:

1. A builder talking to a prospective client about the services the builder can provide to the particular client;
2. ACME Homes advertises in the newspaper stating that a particular display home is for sale, but the advertising, states that ACME Homes is the owner, builder and seller of the house, not that it offers building services generally;
3. A sign erected outside a building construction site states only 'ACME', which does not advertise that ACME is providing construction services at the site
4. An entry in a published directory that lists an entity alphabetically by name and includes the entity's address and telephone number, even if the name of the entity implies that the entity can provide the service, for example, 'ACME Plumbing, 1 Smith St, City, 55577777';

DISCLAIMER - The above is intended to provide general information in summary form. The contents do not constitute specific advice and should not be relied upon as such. Formal specific advice should be sought by members with respect to particular matters before taking action.

phone 1300 650 620 | fax 1300 655 953 | enquiries@hia.com.au | hia.com.au

5. ACME Home Services advertises offering to arrange the provision of electrical services, but the advertisement includes the following statements: *'ACME Homes Services does not provide electrical wiring services, independent contractors provide those services'*.

Advertising requirements

A licensee who publishes any advertisement in connection with their business and that advertisement falls into the above category must ensure that the advertisement includes the following details:

1. The person's name as recorded on the person's licence;
2. The person's licence number; and
3. If the person is a corporation—the person's ACN/ABN (if any).

Penalty for non-compliant advertising

If you do not comply with this requirement then you have committed an offence and you will be fined up to a maximum penalty: 5 penalty units, which for a corporation can be up to \$625.

For further information and assistance contact HIA Workplace Services on 1300 650 620