



QUEENSLAND BUILDING AND
CONSTRUCTION COMMISSION

MECHANICAL SERVICES LICENSING REGULATORY GUIDE



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PURPOSE OF THE REGULATORY GUIDE

A new licensing framework for mechanical services work commences on 1 January 2020.

The Queensland Building and Construction Commission (“**QBCC**”) is a statutory body established under the *Queensland Building and Construction Commission Act 1991* (“**QBCC Act**”).

The *Queensland Building and Construction Commission Regulation 2018* (QBCC Regulation) is made pursuant to the QBCC Act.

The licensing requirements for those carrying out mechanical services work is set out in the QBCC Act. Details on the scope of each licence class, technical qualifications and other requirements are provided in the QBCC Regulation.

This regulatory guide has been produced to inform building and construction industry participants and consumers about the QBCC’s decision-making process in relation to compliance and enforcement of the obligations related to mechanical services licensing. This document does not restrict any other applicable compliance policy or regulatory strategy of the QBCC.

This document contains general statements based on typical circumstances. The QBCC retains the discretion to depart from its usual process.

MECHANICAL SERVICES LICENSING OBLIGATIONS

Mechanical services licensing expands the kinds of work that require a licence under the QBCC Act. Its phased introduction between 1 January 2020 and 1 January 2022 requires contractors, nominee supervisors, site supervisors and employees to be licensed to perform mechanical services work.

There are four (4) new classes of licence for contractor, nominee supervisor and site supervisor licence types:

- Mechanical Services - Medical Gas
- Mechanical Services - Plumbing
- Mechanical Services – Air-Conditioning and Refrigeration (unlimited design)
- Mechanical Services – Air-Conditioning and Refrigeration (limited design)

The introduction of occupational licences for mechanical services work is divided into the following three (3) licence classes:

- Mechanical Services - Medical Gas
- Mechanical Services - Plumbing
- Mechanical Services – Air-Conditioning and Refrigeration

This will mean different things for different people working in the industry. Some existing licensees will automatically transition across to the new licence classes whilst workers who are currently unlicensed will be required to obtain a licence in order to continue carrying out work.

The key dates are:

From 1 January 2020

- Existing air-conditioning and refrigeration licence classes transition to new mechanical services licence classes.
- Contractors, nominee supervisors and site supervisors can apply for a mechanical services – air-conditioning and refrigeration (limited design) or (unlimited design) licence to carry out work in the licence scope (except for mechanical services work under the value of \$3,300). New entrants after 1 January 2020 must have the applicable licence on entry to the mechanical services contracting industry.
- Employees finishing apprenticeships after 1 January 2020 need to have an occupational licence to continue all types of mechanical services work upon completion of their apprenticeship.
- Employees currently working in the mechanical services industry in Queensland can apply for their occupational licence.
- Contractors, nominee supervisors and site supervisors can apply for their mechanical services – plumbing licence.

From 1 July 2020

- Contractors and nominee supervisors need to have the applicable mechanical services contractor / nominee supervisor licence.

From 1 January 2022

- Occupational licences required for all mechanical services licence classes for individual workers and site supervisors.

The failure to hold an appropriate licence when carrying out mechanical services work is an offence.

Escalating maximum penalties of up to 350 penalty units or one (1) year's imprisonment apply to the following offences:

- Unlawfully carrying out mechanical services work (section 42CA of the QBCC Act).

- Licensed contractor must not engage or direct an unauthorised person for mechanical services work (section 42DA of the QBCC Act).

COMPLIANCE AND ENFORCEMENT PROCESSES

ASSESSMENT OF RISK

Those carrying out mechanical services work are considered to have the potential to cause harm to consumers, building occupiers, and the industry should their work be unsatisfactory or defective, due to the health and safety risks. Adequate technical qualifications are therefore required to carry out mechanical services work.

New Entrants

From 1 January 2020, those finishing a relevant apprenticeship or contractors entering the industry (new entrants) will need to hold a mechanical services licence.

Existing Contractors and Nominee Supervisors

Contractors carrying out mechanical services – air-conditioning and refrigeration work over \$3,300 need to be licensed from 1 January 2020. Existing contractors with a refrigeration and air-conditioning contractor licence will automatically transition to the new mechanical services licence of the relevant category.

For other contractor licence classes for mechanical services (plumbing, medical gas and refrigeration and air-conditioning work valued at under \$3,300), as new licence requirements, a six (6)-month moratorium from compliance action applies for contractors that were carrying out mechanical services work prior to 1 January 2020. This gives these businesses time to submit and have their applications decided, allowing time to transition to the new licensing requirements.

From 1 July 2020, all contractors and nominee supervisors will need to hold a mechanical services licence or risk being fined.

Existing Employees, including Site Supervisors

Workers currently performing mechanical services work for an employer will have until 1 January 2022 to demonstrate they meet the licensing eligibility requirements and obtain the relevant mechanical services occupational licence. For some, this may require further training or skills assessment through a Recognition of Prior Learning (or similar) process.

These workers can continue to perform mechanical services work until 1 January 2022 without a licence, as long as their employer holds the relevant mechanical services licence.

From 1 January 2022, everyone performing or contracting mechanical services work will need to hold a licence.

REGULATORY APPROACH

Contractors and Nominee Supervisors

The QBCC recognises that licensing is a new requirement for some industry participants.

For licensed work automatically transitioning on 1 January 2020 to the new 'mechanical services – air-conditioning and refrigeration' licence classes, the QBCC will not change its current regulatory approach to require this work to be licensed and to take enforcement action for failure to hold the required licence¹.

For mechanical services work of a kind that was unregulated prior to 1 January 2020 (that is, medical gas work and air-conditioning and refrigeration work valued at less than \$3,300) and mechanical services – plumbing work for which the separate licence class did not exist prior to 1 January 2020, existing contractors and nominee supervisors carrying out such work may continue to do so without requiring a mechanical services licence until 1 July 2020.

After 1 July 2020, the QBCC will take regulatory action as for any other licence class for failure to hold the required licence and associated offences. This may include a

warning, a penalty infringement notice or a prosecution for unlicensed work or contracting depending on the nature of the offence.

However, where an application is made to the QBCC for the relevant licence prior to 1 July 2020, and such application remains pending after 1 July 2020, the QBCC will not take any regulatory action for unlicensed work or contracting while the application is pending.

Employees and Site Supervisors

Employees who finish their apprenticeships from 1 January 2020 onwards will be required to immediately obtain the relevant mechanical services occupational licence, while existing employees carrying out mechanical services work will have until 1 January 2022 to do so (provided their contractor employer has the requisite licence).

For employees who finish their apprenticeship after 1 January 2020 QBCC will take an educative approach to such employees for the first three (3) months until 1 April 2020 to provide some time to understand the licensing requirements. However, from 1 April 2020 the QBCC may take regulatory action against such employees who do not obtain the requisite occupational licence.

For existing employees and site supervisors as at 1 January 2020 performing mechanical services work, the QBCC may take regulatory action against such employees who do not obtain the requisite occupational licence by 1 January 2022 given the sufficient 'lead time' to obtain the licence from commencement of the new laws.

However, where an application is made to the QBCC for the relevant licence prior to 1 January 2022, and such application remains pending after 1 January 2022, the QBCC will not take any regulatory action for unlicensed work while the application is pending.

¹ Among other offences including for example s. 51B QBCC Act 'licensed contractor must not contract with unlicensed person'

Document Control

Date	1 January 2020
Document history	1.0
Citation of relevant legislation	<i>Queensland Building and Construction Commission Act 1991</i> <i>Queensland Building and Construction Commission Regulation 2018</i>
Disclaimer	This regulatory guide is of an informative nature only and does not constitute the provision of legal advice.

Need more information?

Visit qbcc.qld.gov.au or call us on 139 333.

