

# Plumbing or draining

## Business start-up guide

### Plumbing and draining industry overview

Demand for plumbing and draining services is steady because it is an essential part of day-to-day life.

Plumbing or draining operators usually work as contractors and provide general plumbing and draining services, such as connecting or repairing pipe and drainage systems. They also connect household, commercial and industrial appliances that involve gases, liquids and waste products (e.g. kitchen taps, gas ovens, toilet systems).

Starting or buying a plumbing or draining business involves many essential steps. Legally, you must ensure that you apply for and receive the correct licences.

This guide explains how to start a plumbing or draining business in Queensland. It will help you understand the challenges and opportunities of entering the plumbing and draining industry so you can make good business decisions.

### Getting into the plumbing and draining industry

Before you start a plumbing or draining business in Queensland, you need to understand how the industry works, what things you need to consider in your planning, and the legal requirements you must meet.

### Finding a competitive edge in Queensland's plumbing and draining industry

Plumbing and draining contractors usually charge customers standard industry award levels, so they compete on service quality. New business operators

will likely experience strong competition from existing contractors in their local market, because existing contractors have already established their reputation for quality service and price.

To give your plumbing or draining business a competitive edge, ensure you provide customers with friendly service and quality workmanship. Also, deliver your services on time and try to make your worksite as clean as possible to help build a loyal customer base.

### Key success factors for a plumbing or draining business

To start a successful plumbing or draining business, you need to:

- have a good reputation
- manage your finances and debt
- be able to vary your markets (e.g. commercial, domestic, emergency)
- manage changes in demand
- have or develop contacts who can help you find customers
- be able to compete on tender.

### Plumbing and draining industry entry barriers

Strict state-based licensing regulations can make it difficult to enter the plumbing and draining industry. However, the way the plumbing licences are arranged means the industry stays competitive and new operators can start a viable business once they are licensed.

(Source IBISWorld, March 2012)

### Plumbing and draining industry requirements

There are a number of strict licensing and registration regulations that govern the plumbing and draining industry. When starting a plumbing or draining business you need to consider the following requirements.

## Plumbing and draining registration

To work as a licensed plumber or drainer you may need a Plumbing and Draining Registration from the [Plumbing Industry Council \(PIC\)](#). All plumbers or drainers must have a trade contractor or supervisor licence regardless of the value of the work to be done.

Registration costs vary depending on your type of business and it can take the PIC up to 8 weeks to process your application. The licence cannot be transferred and registration periods vary from 12 months to 5 years.

## Acting as a principal contractor or a nominated supervisor for a plumbing/draining company

To act as a principal contractor or a nominated supervisor (employee or contractor) for a company, you may need a Contractor Licence - Trade Contractors (company) from the [Queensland Building Services Authority \(QBSA\)](#). Licence costs vary depending on the work you will do, and it can take the QBSA 6-8 weeks to process your application.

**Note:** a company doing plumbing or draining work must employ a nominated supervisor who is licensed in the same class of work as the company. This licence cannot be transferred.

## Working for a plumbing/draining company or operating as a sole trader

To work for a plumbing or draining company (as a contractor or employee) or operate as a sole trader, you may need a Contractor Licence - Trade Contractors or Supervisors from the [Queensland Building Services Authority \(QBSA\)](#). Licence costs vary depending on the work you will do, and it can take the QBSA 6-8 weeks to process your application.

**Note:** applicants must meet technical and managerial qualifications, plus experience and financial requirements. This licence cannot be transferred.

## Maintaining hot water systems up to 250 volts

To maintain hot water systems up to 250 volts, you may need a [Restricted Electrical Work Licence](#) from Electrical Safety. A licence costs \$66 and it will take Electrical Safety 6-12 months to process your application.

**Note:** you need to provide a copy of your current Queensland Plumber's Licence in order to apply for this restricted licence. Licence approval will be issued once you complete relevant modules of your TAFE course.

## Doing gas fitting work

To install, repair, alter and service gas fittings, you may need a [Gas Work Licence](#) from the Department of Natural Resources and Mines. A licence costs \$72.50.

## Legislation that may apply to your business

- *Fair Trading Act 1989*
- *Income Tax Assessment Act 1936*
- *Income Tax Regulations 1936*
- *Local Government Act 2009*
- *Plumbing and Drainage Act 2002*
- *Queensland Building Services Authority Act 1991*
- *Queensland Building Services Authority Regulation 1992*
- *Subcontractors' Charges Act 1974*
- *Superannuation Guarantee (Administration) Act 1992*
- *Trade Marks Act 1995*
- *Water Act 2000*
- *Work Health and Safety Act 2011*

To access copies of legislation, visit [www.legislation.qld.gov.au](http://www.legislation.qld.gov.au).

## Useful industry contacts

### Business Support Unit

For more information on licences, regulations, market research, business planning and other support services phone 13 25 23 or visit [business.qld.gov.au](http://business.qld.gov.au)

### Master Plumbers Association of QLD

Phone 07 3273 0800

Visit [www.mpaq.com.au](http://www.mpaq.com.au)

### Plumbing Industry Council

Phone 07 3235 4149 or 1800 682 021

Visit

[www.hpw.qld.gov.au/construction/BuildingPlumbing](http://www.hpw.qld.gov.au/construction/BuildingPlumbing)