

Electrical contractor

Business start-up guide

Electrical contractor industry overview

Electrical contractors install electrical wiring or fittings in buildings and other construction projects. They also repair and maintain existing electrical equipment and fixtures.

Starting or buying an electrical contracting business involves many essential steps. Legally, you must ensure that you apply for and receive the correct licences.

This guide explains how to start an electrical contracting business in Queensland. It will help you understand the challenges and opportunities of entering the electrical contracting industry so you can make good business decisions.

Getting into the electrical contracting industry

Before you start an electrical contracting 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 electrical contracting industry

Competition in Queensland's electrical contracting industry depends on your market segment and nearby competitors. Generally, you need to establish a reputation for good quality work, whatever your market.

To give your electrical contracting business a competitive edge and stand out from the competition, ensure your quality work is delivered on time. Also, friendly customer service as well as keeping your worksites clean will help grow your reputation and encourage satisfied customers to recommend you to others.

Key success factors for an electrical contracting business

To start a successful electrical contracting business, you need to:

- be able to operate in different markets
- have a good reputation
- use highly trained staff
- quickly adopt new technology
- have experience or get training in business management
- have or develop industry contacts
- be able to effectively manage debtors.

Electrical contracting industry entry barriers

Electrical contractors need a licence from their state or territory authority before they can enter the electrical contracting industry. All electrical installation and repair work must be done through a licensed contractor. Once you have your licence, it is easy to start your own electrical contracting business.

(Source IBISWorld, March 2012)

Electrical contracting industry requirements

There are a number of licensing and registration regulations that govern the electrical contracting industry. When starting an electrical contracting business you need to consider the following requirements.

Doing electrical installation work in Queensland

To perform electrical installation work in Queensland, you may need an [Electrical Contractors Licence](#) from Workplace Health and Safety Queensland. Licences cost \$315 and it can take Electrical Safety 2-3 weeks to process your application.



To apply for an Electrical Contractors Licence, you must:

- hold an electrical mechanic licence or interstate equivalent for at least 12 months
- complete a relevant TAFE course or pass the Electrical Workers' and Contractors' Board exam
- be a fit and proper person
- prove that you have public liability insurance for at least \$5 million and any other requirements listed in the Electrical Safety Regulation 2002
- have net realisable assets of \$5000 for individuals and \$10,000 for corporations
- have a bank guarantee of \$5000 for individuals and \$10,000 for corporations.

Doing licensed electrical work in Queensland

To perform electrical work (not installation) in Queensland, you may need an Electrical Work Licence from Workplace Health and Safety Queensland. Licences cost \$66 and it can take Electrical Safety 2-3 weeks to process your application. Applicants must meet the general requirements for an electrical work licence, as well as the eligibility requirements for each class of electrical work licence listed in sections 34-39 of the [Electrical Safety Regulation 2002 \(PDF, 868KB\)](#).

You won't need this certificate to perform work exempted in Section 55(3) of the [Electrical Safety Act 2002 \(PDF, 716KB\)](#).

Legislation that may apply to your business

- *Building Act 1975*
- *Electrical Safety Act 2002*
- Electrical Safety Regulation 2002
- *Electricity Act 1994*
- Electricity Regulation 2006
- *Mutual Recognition (Queensland) Act 1992*
- *Queensland Building Services Authority Act 1991*
- Queensland Building Services Authority Regulation 1992
- *Subcontractors' Charges Act 1974*
- *Work Health and Safety Act 2011*

To access copies of legislation, visit 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

Australian Industry Group (AI Group)

Phone (07) 3244 1777

Visit www.aigroup.asn.au

Electrical & Communications Association

Phone (07) 3251 2444

Visit www.ecaq.asn.au