



Australian Government

CPCCCBC5007B Administer the legal obligations of a building or construction contractor

Release 1

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Modification History

Minor editorial corrections to restore original intent to represent contractors rather than contracts, including associated change in unit title

Literacy skills required for completing legal documents and records made more explicit
Equivalent to CPCBC5007A

Unit Descriptor

This unit of competency specifies the outcomes required to administer the legal obligations of a building or construction contractor, including obligations as either party to a contract. It is concerned with licensing and/or builders' registration and other legislative matters as appropriate, and administering the systems through which the obligations of complying with legislation are fulfilled.

In order to achieve the outcomes for this unit, knowledge of relevant industry legislation, codes, standards, regulations, licensing, employee awards, agreements, OHS, taxation and insurance is required.

Application of the Unit

This unit of competency supports the needs of builders, senior managers within building and construction firms and other construction industry personnel responsible for administering the legal obligations of a building or construction contractor for medium rise projects.

Licensing/Regulatory Information

Not applicable.

Pre-Requisites

Nil

Employability Skills Information

This unit contains employability skills.

Elements and Performance Criteria Pre-Content

Elements describe the essential outcomes of a unit of competency.

Performance criteria describe the performance needed to demonstrate achievement of the element. Where bold italicised text is used, further information is detailed in the required skills and knowledge section and the range statement. Assessment of performance is to be consistent with the evidence guide.

Elements and Performance Criteria

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|---|--|---|
| 1 | Comply with the laws relating to establishing and licensing a building or construction contractor. | 1.1 Business registration of the organisation is secured in accordance with owner/operator preferences and legal requirements. |
| | | 1.2 Approval of <i>licensing</i> and registration as a contractor/supervisor is sought from appropriate government agency. |
| | | 1.3 Responsibilities of operating a construction business in accordance with legislation are met. |
| | | 1.4 Legal documents and records are kept and carefully maintained. |
| 2 | Engage personnel for the project. | 2.1 Relevant industrial awards are identified for the hiring of staff or labour. |
| | | 2.2 Contracts of employment are determined on a case-by-case basis and the principles and legalities of workplace agreements are implemented. |
| | | 2.3 Equal opportunity principles are applied in all aspects of recruitment and selection. |
| | | 2.4 Procedures for employment termination and redundancy are explained and followed. |
| | | 2.5 Dispute resolution processes are established, documented and implemented where necessary. |

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| 3 | Administer the regulations relating to OHS, welfare, workers' compensation, noise abatement and working hours. | 3.1 | OHS and Welfare Act provisions are identified and complied with, on and off the site. |
| | | 3.2 | OHS authority is contacted to determine the necessary approvals or permits prior to work commencing. |
| | | 3.3 | Provisions of Workers Compensation Act are complied with and the rights and responsibilities of workers are observed to ensure a safe workplace. |
| | | 3.4 | Regulations relating to noise abatement and working hours are adhered to. |
| 4 | Implement rehabilitation arrangements for employees returning to work. | 4.1 | Rehabilitation arrangements for employees returning from injury or illness are facilitated and implemented. |
| | | 4.2 | Workers returning to work after injury or illness are assisted to regain full employment status as soon as practicable. |
| 5 | Comply with taxation and insurance requirements of federal, state and territory legislation. | 5.1 | Taxation payments are recorded, collected and made in compliance with Australian Taxation Office requirements, including GST obligations. |
| | | 5.2 | Insurance policies are identified to provide appropriate cover for personnel, property and project works. |
| | | 5.3 | Mandatory superannuation provisions are made for employees. |
| 6 | Administer all obligations in a conscientious manner and observe fair trading practice. | 6.1 | Fair trading practice responsibilities are maintained effectively and efficiently. |
| | | 6.2 | Best interests of clients are promoted and undertaken conscientiously in accordance with the agreed contract. |
| 7 | Comply with environmental legislation and its intent. | 7.1 | Renewable materials are used as a primary aim wherever possible over non-renewable materials. |
| | | 7.2 | Low energy materials are used in preference to high energy materials, where practical. |

7.3 Processes to ensure compliance with *environmental protection legislation* are implemented.

Required Skills and Knowledge

This section describes the skills and knowledge required for this unit.

Required skills

Required skills for this unit are:

- language and literacy skills to:
 - complete legal documents and records
 - enable clear and direct communication, using questioning to identify and confirm requirements, share information, listen and understand
 - liaise with government agencies
 - provide information to employees
 - read and interpret:
 - contracts and regulations
 - industrial awards
 - legislation
 - use and interpret non-verbal communication
 - use language and concepts appropriate to cultural differences
- manage compliance with a variety of legal obligations and administer various awards and agreements
- management skills to effectively manage personnel
- numeracy skills to apply measurements and calculations.

Required knowledge

Required knowledge for this unit is:

- awards and agreements applying to employees and subcontractors
- legislative requirements, including:
 - environmental legislation
 - fair trading legislation
 - taxation and insurance requirements
- licensing and builders' registration requirements
- local authority regulations
- OHS and rehabilitation requirements
- relevant licensing arrangements.

Evidence Guide

The evidence guide provides advice on assessment and must be read in conjunction with the performance criteria, required skills and knowledge, range statement and the Assessment Guidelines for the Training Package.

Overview of assessment

This unit of competency could be assessed by effective administration of legal obligations of a building or construction contractor.

This unit of competency can be assessed in the workplace or a close simulation of the workplace environment, provided that simulated or project-based assessment techniques fully replicate construction workplace conditions, materials, activities, responsibilities and procedures.

Critical aspects for assessment and evidence required to demonstrate competency in this unit

A person who demonstrates competency in this unit must be able to provide evidence of the ability to:

- conform to the legal and financial obligations of the organisation
- establish and maintain good human relations with contracted employees, subcontractors and other stakeholders
- manage organisational taxation and insurance obligations successfully
- effectively advise appropriate authorities and gain the necessary approvals or responses
- promote and work in the best interest of clients.

Context of and specific resources for assessment

This competency is to be assessed using standard and authorised work practices, safety requirements and environmental constraints.

Assessment of essential underpinning knowledge will usually be conducted in an off-site context.

Assessment is to comply with relevant regulatory or Australian standards' requirements.

Resource implications for assessment include:

- documentation that should normally be available in either a building or construction office
- relevant codes, standards and regulations

- copies of appropriate awards and workplace agreements
- office equipment, including calculators, photocopiers and telephone systems
- a suitable work area appropriate to the process.

Reasonable adjustments for people with disabilities must be made to assessment processes where required. This could include access to modified equipment and other physical resources, and the provision of appropriate assessment support.

Method of assessment

Assessment methods must:

- satisfy the endorsed Assessment Guidelines of the Construction, Plumbing and Services Training Package
- include direct observation of tasks in real or simulated work conditions, with questioning to confirm the ability to consistently identify and correctly interpret the essential underpinning knowledge required for practical application
- reinforce the integration of employability skills with workplace tasks and job roles
- confirm that competency is verified and able to be transferred to other circumstances and environments.

Validity and sufficiency of evidence requires that:

- competency will need to be demonstrated over a period of time reflecting the scope of the role and the practical requirements of the workplace
- where the assessment is part of a structured learning experience the evidence collected must relate to a number of performances assessed at different points in time and separated by further learning and practice, with a decision on competency only taken at the point when the assessor has complete confidence in the person's demonstrated ability and applied knowledge
- all assessment that is part of a structured learning experience must include a combination of direct, indirect and supplementary evidence.

Assessment processes and techniques should as far as is practical take into account the language, literacy and numeracy capacity of the candidate in relation to the

competency being assessed.

Supplementary evidence of competency may be obtained from relevant authenticated documentation from third parties, such as existing supervisors, team leaders or specialist training staff.

Range Statement

The range statement relates to the unit of competency as a whole. It allows for different work environments and situations that may affect performance. Bold italicised wording, if used in the performance criteria, is detailed below. Essential operating conditions that may be present with training and assessment (depending on the work situation, needs of the candidate, accessibility of the item, and local industry and regional contexts) may also be included.

Licensing includes state laws, such as:

- Builders Registration Act 1939
- Home Building Contracts Act 1991 in Western Australia
- Home Building Act and Regulations 1989 in New South Wales.

OHS, welfare, workers' compensation, noise abatement and working hours include:

- state codes of practice applicable to the various regulations
- state laws, such as:
 - Occupational Health and Safety Act 1983 in New South Wales
 - Occupational Health and Safety Act 1984 in Western Australia
 - Occupational Health and Safety Act 1985 in Victoria
 - Occupational Health and Safety Act 1986 in South Australia
 - WorkCover Queensland Act 1996
 - Workers Compensation and Rehabilitation Act 1981 in Western Australia
 - Workplace Injury Management and Compensation Act 1998 in New South Wales
- state regulations such as the Occupational Health and Safety Regulations 1996 in Western Australia
- various federal, state and territory industrial relations Acts and regulations.

Rehabilitation arrangements for employees returning to work include:

- cooperation with rehabilitation agencies
- light duties
- normal duties under shorter working hours
- suitable alternative duties.

Taxation and insurance requirements of state, territory and federal legislation include:

- appropriate business and project insurances
- Fringe Benefits Tax Act 1986
- Goods and Services Tax Act 1999
- Income Tax Assessment Act 1987
- Insurance Contracts Act 1984
- pay-as-you-go (PAYG) taxes
- payroll tax
- stamp duty
- workers' compensation.

Environmental protection legislation includes:

- federal, state and territory environmental legislation and regulations applicable to the building and construction industry.

Unit Sector(s)

Functional area

Unit sector Construction

Custom Content Section

Not applicable.