

Media Release



Government of South Australia

Office of Consumer and
Business Affairs

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PUBLIC WARNING

Section 91A Fair Trading Act, 1987

Port Augusta Builder ~ Campbell-Brown

Due to unresolved issues about the partnership's solvency, Acting Commissioner for Consumer Affairs, Judy Hughes, is warning consumers about the possible risks of dealing with Pt Augusta building partnership trading as Campbell-Brown. The Commissioner for Consumer Affairs has asked Stuart Walter Campbell and Nigel Francis Brown to clarify their financial position.

Consumers with existing contracts with Campbell-Brown are warned not to pay more than the progress payment for work already completed. Paying in advance is very risky and consumers could be left out of pocket.

By law, builders can only ask for a maximum deposit of \$1,000 for domestic building work contracts that are for \$12,000 or more or other costs (such as professional services or building indemnity insurance) specifically listed in Regulation 18 of the *Building Work Contractors Regulations 1996*. Once building work of this kind has begun, by law, the builder can only request progress payments for work that has actually been performed.

Consumers may be able to claim against their policy of building indemnity insurance, but the policy may not cover payments made in advance. This insurance protects you against non-completion of the building work and/or failure to fix work if the builder dies, disappears or is declared bankrupt within 5 years after completion of the work.

Consumers thinking of entering into new contracts with Campbell-Brown should be aware that for contracts of \$12,000 or more, consumers should not pay more than \$1000 deposit.

Please quote the Acting Commissioner for Consumer Affairs, Judy Hughes.

"For building work of \$12,000 or more, a building work contractor is only allowed to ask for a \$1000 deposit, plus a limited number of third party related charges (if incurred)."

"Once building work has begun, a builder should only claim genuine progress payments for work that has actually been completed."

"Consumers are reminded of the risks of paying in advance for building or renovation projects."

"Anyone who may be experiencing difficulties with a builder is encouraged to contact OCBA on 131 882 (local call costs) or for more information visit www.ocba.sa.gov.au."