

# Media Release

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## Unlicensed builder fined over shed construction

The state's consumer watchdog, Consumer and Business Services, has led a successful prosecution against a building company and its director, with the court imposing penalties and compensation totalling \$26,000.

Domenic Zinghini and his company Carerra Constructions (SA) Pty Ltd were convicted in the Adelaide Magistrates Court, fined a total of \$8,500 and ordered to pay compensation to his victims of \$17,500.

Commissioner for Consumer Affairs, Dini Soulio said Zinghini pleaded guilty to four charges - two counts each against him as an individual and against his company for working as an unlicensed building work contractor and for asking more than the maximum amount legally required for an advanced payment.

The defendant's company Carerra Constructions entered into a contract to erect a shed containing a kitchen, bathroom and two bedrooms with associated plumbing and electrical work at a property in Bute for a total cost of \$75,000.

The terms of the contract provided that three progress payments would be made in the amount of \$25,000 each.

Zinghini required a deposit of \$25,000, which was paid by the owners of the property prior to the commencement of the job.

"The amount demanded by the defendant's company exceeded the amount allowable as a deposit and did not constitute a genuine first progress payment in respect of work performed. Under the *Building Work Contractors Act*, a building work contractor is only allowed to request five per cent of the total cost of the job as a deposit,," Mr Soulio said.

"After the deposit was paid, Zinghini's company took another three months for a shed to be delivered - prompting the owners to terminate the contract and request an itemised account for materials and labour, and a refund of any money remaining from their initial deposit after payment of the shed.

"Zinghini failed to provide an itemised account or refund any money to the owners. "He has clearly engaged in conduct that misled the owners into believing they were dealing with a licensed individual and business.

"At no relevant time did Zinghini or Carerra Constructions hold a license to act as a building work contractor under the *Building Work Contractors Act*.

"This is a reminder to South Australian consumers to do your research and only hire licensed tradespeople. Before engaging with a building contractor, check that they are licensed to complete the job by using the online CBS licensing register at <https://secure.cbs.sa.gov.au/OcLicPubReg/LicenceSearch.php>."

The maximum penalty for a company or individual carrying on building work without the appropriate license is \$20,000, while the maximum for requiring an unauthorised payment is \$5,000 for either a company or individual.

The Magistrate said he would normally have imposed fines of 20 per cent of the maximum available for a first time offender, however he reduced this slightly because he wanted the victims to receive compensation as quickly as possible.

