

Media Release

28 June 2018

TRANSPORTABLE HOME SELLER FACES \$400K PENALTY

The operator of a business selling transportable homes has been penalised \$400,000 and ordered to pay over \$200,000 in compensation after accepting money from clients to construct and supply customised transportable buildings that were never provided.

Samuel Wayne Baligac had operated the Adelaide Hills-based business Balco Transportable, when Consumer and Business Services began receiving complaints about his conduct.

Baligac demanded excessive deposits, in some cases up to \$33,000 for services that were never provided.

“Mr Baligac’s conduct is particularly serious because he took deposits and demanded non-genuine progress payments when he must have known he couldn’t fulfil the contract,” said Commissioner for Consumer Affairs Dini Soulio.

“He also demanded deposits well in excess of what is permitted at law, including from some people who were in a vulnerable position.”

Under the *Building Work Contractor’s Act 1995*, building contractors can charge a deposit of no more than \$1,000 for work under \$20,000, and no more than five percent for work over \$20,000.

The Adelaide Magistrates Court heard that between July 2015 and February 2017, Baligac contracted with 11 clients to build and install transportable homes/buildings at various locations around South Australia, including suburban areas, the Adelaide Hills, Eyre Peninsula, the Upper South East and the mid North.

A number of the contracts involved transportable homes for domestic use, which Baligac’s building licence did not allow.

In one instance, Baligac used bullying tactics to pressure a woman to sign a contract to build a transportable home for her terminally ill uncle, accepting a deposit of more than \$32,000.

This occurred at a time when he had already taken deposits for several other contracts over nearly two years, and fulfilled none of them.

Baligac made little effort to contact his customers when he could not deliver the promised work, and ignored requests from clients for updates.

Magistrate White disqualified Baligac from managing corporations and ordered him to pay a total of \$218,656.90 in compensation to his 11 clients, in addition to a \$400,000 penalty.

The Magistrate described Baligac’s conduct as a “disgrace” as it affected many people, and in some cases, ruined lives.



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“This significant penalty reflects the gravity of Mr Baligac’s offending, and the financial strain he put on his customers,” Mr Soulio said.

“I hope that this serves as a strong deterrent to any tradesperson from accepting money for work they can’t deliver, and from exploiting consumers.”