

Subcontractors Versus Service Providers

A subcontractor and a service provider are both entities that offer services, but there are some key differences between them:

1. Relationship to the Main Contractor:

- Subcontractor: A subcontractor is typically hired by a primary contractor (also known as a general contractor) to perform specific tasks or provide specialized services as part of a larger construction or project. They work under the direction and control of the primary contractor.

- Service Provider: A service provider is a broader term that encompasses various businesses or individuals who offer services to clients or customers directly. They may or may not be part of a larger project, and their relationship with clients can vary.

2. Scope of Work:

- Subcontractor: Subcontractors are usually involved in a specific aspect of a project, such as electrical work, plumbing, or carpentry in construction projects. They are responsible for a defined portion of the project's work and required for its completion.

- Service Provider: Service providers offer a wide range of services that may not be tied to a specific project. These services can include consulting, material delivery, IT support, marketing, healthcare, and many others.

3. Control and Oversight:

- Subcontractor: Subcontractors often work closely with the main contractor, who directs their tasks, manages their schedules, and ensures compliance with project specifications.

- Service Provider: Service providers typically have more autonomy in delivering their services, and the client may have a more direct relationship with them, specifying the terms of the service agreement.

4. Legal and Contractual Relationships:

- Subcontractor: Subcontractors are usually bound by contractual agreements with the primary contractor, and they may have additional agreements related to the project's terms, timelines, and payments.

- Service Provider: Service providers often enter into contracts directly with their clients or customers, outlining the terms of service, pricing, and other relevant details.

5. NS Occupational Health and Safety Act Definitions:

- “Constructor” means a person who contracts for work on a project or who undertakes work on a project themselves. (Prime or General Contractor- Section 15 OHS Act)

- “Contractor” means a person who contracts for work to be performed at the premises of the person contracting to have the work performed but does not include a dependent contractor or a constructor. (Subcontractor- Section 14 OHS Act)

- “Supplier” means a person who manufactures, supplies, sells, leases, distributes, or installs any tool, equipment, machine, or device or any biological, chemical, or physical agent to be used at or near a workplace. (Service Provider- Section 20 OHS Act)

In summary, subcontractors are typically specialized entities hired to perform specific tasks within a larger project, often in the construction industry. Service providers, on the other hand, offer a wide range of services to clients directly and may not be tied to a specific project.

The key distinctions lie in the nature of their work, their relationship with clients or contractors, and the scope of their services.

Examples:

Subcontractors

Electricians

Plumbers

Painters

Concrete

Roofers

Structural/ Framing

Tile Setting

Masonry/ Stonework

Carpentry

HVAC Installation

Siding and sheet Metal Work

Drywall

Paving

Data installation

Traffic Control

Service Providers

Oil/ Fuel Delivery

Lumber Delivery

Janitorial

Property Maintenance

Plumbers (for repair/ service done at office)

Mechanic (for company vehicles)

IT Services

Mobile Equipment Delivery (ie. Scissor Lifts)

Short Term Towing Services