



## Fact Sheet

# Definition of 'builder' for accreditation purposes

### The Scheme

The Australian Government Building and Construction OHS Accreditation Scheme (the Scheme) is established by the *Building and Construction Industry Improvement Act 2005* (the BCII Act) and the Building and Construction Industry Improvement (Accreditation Scheme) Regulations 2005 (the Regulations).

The Scheme operates such that only 'builders' who are accredited under the Scheme can enter into head contracts for building work that is funded directly or indirectly by the Australian Government, subject to certain conditions.

The type of building work being undertaken, its value and how it is funded will determine whether it is covered by the Scheme. For further information refer to our fact sheets titled '**Applying the Scheme to directly funded building work**' and '**Applying the Scheme to indirectly funded building work**'.

### Definition of 'builder'

The BCII Act defines a builder, in relation to 'building work', as 'a person who carries out any of the building work'.

'Building work' can cover a number of arrangements. For more information on what constitutes 'building work', refer to our fact sheet '**Definition of building work**'.

### Subcontractors and accreditation

Scheme accreditation is not a requirement for subcontractors.

Building work carried out by a 'subcontractor' is specifically excluded from the Scheme by regulation 24(1)(f) of the Regulations.

### Are project and contract managers and developers considered builders?

Project and contract managers and developers are not generally considered builders for the purpose of the Scheme since they do not usually carry out 'building work' as defined in the BCII Act. They would, however, be required to engage an accredited builder to carry out the 'building work'.

Where a project or contract manager, or developer does carry out 'building work' on a project covered by the Scheme, they will be considered a 'builder' and will require Scheme accreditation.

### Who needs to be accredited in a corporate alliance or joint venture?

Corporate alliances and joint ventures can allow participating companies to pool resources and enable them to provide cost-effective and efficient project delivery.

In the context of building work, an example of a corporate alliance or joint venture is where a 'builder' joins with a designer and financier to deliver a road construction project that is covered by the Scheme.

Generally, in corporate alliance and joint venture arrangements only the person conducting 'building work' (that is, the builder) will require Scheme accreditation.

However, the structure of corporate alliances and joint ventures can be complex and involve the creation of new legal entities and the presence of multiple or combined OHS management systems. Furthermore, the 'builder' may or may not be a member of the alliance or joint venture.

For these reasons it is important that the parties involved in the alliance or joint venture, and the Australian Government agency responsible for funding the project, contact the OFSC at the earliest opportunity to discuss the details of the alliance or joint venture and the accreditation requirements for the project.

### For further information you can:

- visit the FSC website at [fsc.gov.au](http://fsc.gov.au)
- contact the FSC Assist Line on **1800 652 500**
- contact the OFSC via email at [ofsc@deewr.gov.au](mailto:ofsc@deewr.gov.au)

This fact sheet is correct as of 18 March 2008. Produced by the Office of the Federal Safety Commissioner.

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