



Fact Sheet

Small business builders and the Scheme: your questions answered

The Australian Government Building and Construction OHS Accreditation Scheme (the Scheme) is designed to improve health and safety in the building and construction industry. It applies to builders who are head contractors for building work funded by the Australian Government.

The following advice is for small business and sole traders.
The Scheme only applies to projects where the Australian Government has provided funds for the building work.

If I only build residential houses, do I need to be accredited?

You will only need to be accredited if you are the head contractor with a contract to build five or more single-dwelling houses in a multi-dwelling development and the contract falls within the threshold values.

You do not need to be accredited if your building work is part of a project for the construction, repair or restoration of:

- a single-dwelling house (including any alteration or extension to a single-dwelling house provided it remains a single-dwelling house after the alteration or extension)
- a building, structure or work associated with a single-dwelling house (for example a shed or a pool)
- a multi-dwelling development (for example townhouses or several houses in a development) involving the construction of fewer than five single dwelling houses.

What threshold values do I need to be aware of?

The following thresholds apply to Scheme projects:

- when the Australian government is the client, (directly funded projects), the project has a value of at least \$3 million (including GST); and
- when the state or territory government, or similar, is the client (indirectly funded projects), the Australian Government contribution to the project value is at least \$10 million, or at least \$5 million and represents at least 50 per cent of the total project value.

I have a contract to build four houses and the contract has a value over \$3 million. Do I need to be accredited?

No. You do not need to be accredited if you are building fewer than five houses. In this case, the value of the project is not relevant.

My contract is for more than \$3 million. Do I need to be accredited?

If the contract is for **general building work**, yes, you will need to be accredited to undertake the building work.

If the contract is for **residential building**, yes, you will need to be accredited but only if you are building five or more single-dwelling houses.

I'm not the head contractor. Do I need to be accredited?

No. The Scheme only applies to builders who are head contractors for building work funded by the Australian Government.

Do subcontractors need to be accredited?

No. Accreditation is not required for subcontractors engaged by a head contractor who carries out some of the building work, or arranges for the building work to be carried out. However the head contractor will need to comply with the requirements of their accreditation and ensure that there is an effective subcontractor OHS management system in place.

Guidance material on how head contractors can meet this requirement is outlined in the *Documentary evidence guide* and *Accreditation audit criteria*. Both these publications are available on line.

Can I tender for building contracts if I am not yet accredited?

Builders who are not accredited under the Scheme may still tender for government funded head contracts. However contracts cannot be entered into with a builder who is the head contractor, until they are accredited.

For further information you can:

- visit the FSC website at fsc.gov.au
- contact the FSC Assist Line on **1800 652 500**
- contact the OFSC via email at ofsc@deewr.gov.au

This fact sheet is correct as of 1 July 2008. Produced by the Office of the Federal Safety Commissioner.

The material contained in this fact sheet is for general information only. It does not reflect all the technicalities of the relevant law and you should seek legal advice in relation to your particular circumstances. The Australian Government, its employees and agents do not accept any liability for action taken in reliance on this document and disclaim all liability arising from any errors or omissions contained in this document.