



Fact Sheet

Stage Two of the Australian Government Building and Construction OHS Accreditation Scheme

The Australian Government is committed to fostering a new culture in the building and construction industry where work must be performed safely, as well as on time and on budget.

The Federal Safety Commissioner (FSC) has undertaken a range of ground-breaking work that reflects the Australian Government's commitment to improving OHS in the industry. This work includes the Australian Government Building and Construction OHS Accreditation Scheme (the Scheme).

Stage One

Stage One of the Scheme covers head contractors on directly funded Australian Government building and construction contracts with a value of \$6 million or more.

Stage Two

Stage Two of the Scheme will lower the threshold for directly funded contracts and extend the Scheme to cover head contractors on building and construction projects indirectly funded by the Australian Government, subject to financial thresholds.

Directly funded projects

Under Stage Two, the threshold for those contracts directly funded by the Australian Government will be \$3 million.

Indirectly funded projects

For indirectly funded work, the Scheme will apply where:

- the value of the Australian Government contribution to a project is at least \$5 million and represents at least 50

per cent of the total construction project value; or

- the Australian Government contribution to a project is \$10 million or more, irrespective of the proportion of Australian Government funding.

How will the Scheme be applied?

It is anticipated that Australian Government agencies will require the recipients of indirect funding for building and construction work to only contract with accredited contractors.

The Office of the Federal Safety Commissioner (OFSC) is currently consulting with Australian Government agencies who administer relevant funding programmes. The OFSC is also consulting with state and territory governments and with industry. This consultation will include the criteria to be applied.

Why is Stage Two being implemented?

Stage Two allows the Australian Government to increase its influence as a client and provider of capital to improve the building and construction industry's OHS performance. As the Australian Government spends an estimated annual average of \$5 billion on building and construction projects, it has an enormous capacity to influence the industry's OHS practices.

Timeline for implementation

It is proposed that Stage Two will take effect from 1 October 2007. This timeframe will allow adequate time for consultation with stakeholders and for industry participants to apply for accreditation.



Application of Stage Two to specific funding programmes will depend on a range of factors, including:

- current status of programmes;
- the timeframe and scope for renegotiation or variation of agreements;
- funding cycles; and
- other transitional issues.

The introduction of Stage Two also involves proposed amendments to the *Building and Construction Industry Improvement Act 2005* and subordinate regulations.

Consultation, collaboration and communication

The FSC is committed to working with the building and construction industry and Australian Government agencies to make Australian work sites safer and will continue to consult with these and other stakeholders.

For further information you can:

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

Proposed dates for Stage Two implementation

Proposed dates	Phase
23 October 2006	Minister Andrews announced thresholds for both indirectly and directly funded Australian Government projects under Stage Two.
Late 2006 - early 2007	Consultation in relation to the application of Stage Two and Scheme criteria.
March 2007	Finalisation of Scheme design. Detailed information on the Scheme will be made available.
30 June 2007	Legislative amendments are enacted.
1 October 2007	Stage Two takes effect.

This fact sheet is correct as of 1 November 2006

Produced by the Office of the Federal Safety Commissioner

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FSCFS2006.09