



Fact Sheet – Definitions of ‘Builder’ and ‘Building Work’

The Scheme

The Work Health and Safety Accreditation Scheme (the Scheme) is established under the *Building and Construction Industry (Improving Productivity) Act 2016* (the Act) and is designed to improve Work, Health and Safety (WHS) in the building and construction industry.

Subject to financial thresholds, only ‘builders’ who are accredited under the Scheme can enter into head contracts for building work that is funded directly or indirectly by the Commonwealth or a corporate Commonwealth entity.

Definition of a ‘Builder’

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

A project or contract manager, or developer who carries out ‘building work’ will be required to obtain accreditation in order to undertake projects covered by the Scheme.

However, where a project manager, contract manager or developer is not carrying out building work, they will not require accreditation. In these circumstances, they will be required to engage an accredited builder to carry out the ‘building work’.

Definition of ‘Building Work’

Building work for Scheme purposes means the:

- construction
- alteration
- extension
- restoration
- repair
- demolition
- dismantling

of any buildings, structures or works that form, or are to form, part of land, whether or not they are permanent. Any of these activities carried out on railways (not including rolling stock) and docks is also building work.

Building work is also any activities which involve the installation in any buildings, structures or works of fittings, including:

- heating
- lighting
- air-conditioning
- ventilation
- power supply
- drainage
- sanitation
- water supply
- fire protection
- security
- communications systems

Finally, building work is any operations to prepare, or to complete, any of the building activities listed above, including, for example:

- site clearance
- earth-moving
- excavation
- tunnelling
- boring
- laying of foundations
- erection, maintenance and dismantling of scaffolding
- on-site prefabrication of made-to-order components to form part of any building, structure or works
- site restoration
- landscaping
- roadways and other access works

What is not included as ‘Building Work’?

The Act and Rules include provisions that excludes certain types of work from being included in the definition of ‘building work’. These works are not captured under the Scheme and may be undertaken by an unaccredited builder. They include the following:

Building work undertaken as part of a project or under a contract that is below the Scheme thresholds

Building work carried out under a ‘head contract for building work’ which has a value less than \$4 million (GST inclusive) is not captured under the Scheme.

In addition, for projects that are indirectly funded by the Commonwealth or a corporate Commonwealth entity, building work that forms part of the project will not be captured under the Scheme where:

- the value of the Australian Government contribution to the project is less than \$6 million (GST inclusive); or
- the value of the Australian Government contribution to the project is less than \$10 million (GST inclusive) and represents no more than 50 per cent of the total project value.

More information on the application of the financial thresholds and when an accredited builder must be engaged is available in the fact sheets ‘**Applying the Scheme to Indirectly funded building work**’ and ‘**Applying the Scheme to Directly funded building work**’.

Single-dwelling house construction

Building work does not include any work that is part of a project for the construction, repair or restoration of a single-dwelling house or any building, structure or work associated with a single-dwelling house. The alteration or extension of a single-dwelling house is also not building work if it remains a single-dwelling house after the alteration or extension. The Office of the Federal Safety Commissioner applies the definition of ‘single dwelling’ in the Building Code of Australia to determine if housing related construction is building work.

Transportation or supply of goods

Building work does not include the transportation or supply of goods, to be used in building work, directly to building sites (including any resources platform) where that work is being or may be performed.

Prefabrication

Building work does not include the prefabrication of made-to-order components to form part of any building, structure or works, that is carried out at a place that is not:

- the site where the construction, alteration, extension, restoration, repair of, or the installation of fittings in, the building, structure or works occurs or is to occur; or
- a site that is separate from the main site and is either merely auxiliary to the main site or merely a holding site for components of the building, structure or works.

Subcontractors and accreditation

Subcontractors who carry out building work under a contract with a builder do not require accreditation for work covered by the Scheme because they work under the Work Health and Safety Management Systems of accredited builders.

Joint venture requirements

In joint venture arrangements only the person/s conducting ‘building work’ (that is, the builder) will require Scheme accreditation.

Provisions apply for joint venture arrangements that include both accredited and unaccredited builders seeking to undertake Australian Government funded building work. For further information refer to the fact sheet ‘**Joint Venture Arrangements**’.

For further information:

- 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@jobs.gov.au

This fact sheet was last updated 15 April 2021. The Office of the Federal Safety Commissioner (OFSC) has prepared this fact sheet for general information only, and it does not replace professional advice. This fact sheet is derived from a variety of sources and has been prepared without taking into account your individual objectives, situations or needs. You should consider your personal circumstances, and if appropriate, seek independent legal, financial or other professional advice before acting. The OFSC has endeavoured to ensure the currency and completeness of the information in this fact sheet at the time of publication; however, this information may change over time. The OFSC expressly disclaims any liability caused, whether directly or indirectly, to any person in respect of any action taken on the basis of the content of this fact sheet.