

Federal Safety

Commissioner

2019

WHS Accreditation

Scheme Data Report



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# **I. SCHEME REQUIREMENTS**

The Office of the Federal Safety Commissioner (OFSC) acts to improve workplace health and safety (WHS) practices on building and construction sites across Australia. We do this through the administration of the Australian Government Work Health and Safety Accreditation Scheme (the Scheme) and by promoting safety across the industry. Once accredited under the Scheme, companies are subject to ongoing audits to assess compliance against their conditions of accreditation and the Scheme audit criteria. For detailed information on this please see the FSC Audit Criteria Guidelines.

Auditing

A condition of accreditation is that accredited companies comply with the reporting requirements of the Scheme. Accredited companies are required to provide information to the OFSC on their WHS performance. The OFSC requires information from accredited companies at different stages throughout the life of both Scheme and non-Scheme building contracts on which they are the head contractor.

Reporting on WHS performance enables the OFSC to assess the impact of the Scheme on industry safety, the ongoing suitability of companies to remain accredited under the Scheme, and to determine WHS trends and benchmarks. This in turn will allow the OFSC to provide relevant, useful best practice advice to aid in the improvement of WHS awareness and culture in the building and construction industry.

Reporting

The OFSC conducts a voluntary, anonymous census on Scheme accredited companies every year. The most recent census had the highest response rate yet with two-thirds of accredited companies responding.

Key findings from the census are represented throughout this report.

Annual Census

# II. SCHEME OVERVIEW

The 2019 Annual Census found…

* 96% of companies state the OFSC has improved industry safety.
* 81% of respondents state that the Scheme has improved their safety practices and their safety culture.
* 95% of respondents say FSC accreditation is value for money.

The Scheme continued to grow in 2019, reaching almost 500 accredited companies across over 350 accreditations.

Accredited companies continue to be a significant part of the Australian building and construction industry, with over $60 billion Scheme projects active throughout 2019, part of a total of $126 billion Scheme projects since the start of the Scheme.

There are 16 Scheme accredited Indigenous owned companies (50% or more ownership). This represents a steady increase in Indigenous company involvement in the Scheme since the first Indigenous owned company was accredited in 2014.

Small to medium construction companies, and regional construction companies are an important part of the Scheme. Three quarters of Scheme accredited companies are classified as small or medium in size, demonstrating that the size of a company is no barrier to entry for achieving best practice safety.

## ACCREDITATIONS

In 2019 the Federal Safety Commissioner (FSC) approved 25 new accreditations. There has been an annual average of 31 new accreditations over the past 5 years. At the end of 2019 there were 382 active Scheme accreditations.

The number of active Scheme accreditations at the end of each year combines new accreditations, reaccreditations, and subtracts those accreditations which have expired or been withdrawn or suspended.

Joint accreditations account for 20% of all accreditations. A joint accreditation represents two or more companies operating with the same Scheme accredited WHS Management System. As such, the 382 accreditations represent 515 Scheme accredited companies.

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2015 | 2016 | 2017 | 2018 | 2019 |
| Accreditations | 344 | 359 | 364 | 372 | 382 |

On-site audits and WHS reporting requirements apply to each accreditation. Therefore accreditation level data is referred to throughout this report.

APPLICATIONS FOR ACCREDITATION

The OFSC received 67 new applications for Scheme accreditation in 2019. Over the past 5 years, an annual average of 69 new applications were received. 45 reaccreditation applications were processed in 2019. Over the past 5 years, an annual average of 69 reaccreditations have been processed.

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2015 | 2016 | 2017 | 2018 | 2019 |
| New Accreditation Applications | 74 | 82 | 46 | 76 | 67 |
| Reaccreditation Applications | 71 | 94 | 84 | 51 | 45 |

## ACTIVE SCHEME PROJECTS

In 2019, accredited companies began building 162 new Scheme projects; with 454 active projects at the end of the year. An average of 161 Scheme projects are started each year. The 454 active Scheme projects in 2019 have a combined value of $64.39 billion.

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2015 | 2016 | 2017 | 2018 | 2019 |
| Active Scheme Projects | 379 | 378 | 401 | 426 | 454 |

## TOTAL SCHEME PROJECTS

Accredited companies have built 2,044 projects since the Scheme began in 2006, valued at over $133.4 billion.

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2015 | 2016 | 2017 | 2018 | 2019 |
| Total Scheme Projects | 1,376 | 1,552 | 1,711 | 1,882 | 2,044 |
| Value (Billions) | $81.5 | $94.1 | $106.2 | $119.8 | $133.4 |

WORKERS’ COMPENSATION PREMIUM RATES

Scheme accredited companies have lower workers’ compensation premium rates (WCPR) over time.

After 3 years, 58% of companies reduce their WCPR by an average of 35%. After 6 years this has increased to 67% of companies having reduced their WCPR by an average of 41%.

This WCPR reduction increases again after 9 years of accreditation, with 77% of companies reducing their WCPR by an average of 51%.

|  |  |  |  |
| --- | --- | --- | --- |
|  | Years Accredited under the Scheme | | |
|  | 3 years | 6 years | 9 years |
| Accredited Companies with Improved WCPR | 58% | 67% | 77% |
| Average Improvement to WCPR | 35% | 41% | 51% |

# III. AUDITS AND COMPLIANCE

Scheme accredited companies undergo regular onsite safety audits as a requirement of accreditation. These audits are conducted by Federal Safety Officers (FSOs). Company audit performance informs the OFSC risk management approach, which guides the frequency and focus of future audits. Outside of the regular audit schedule, additional audits may be conducted following serious incidents.

The 2021 Annual Census found…

The OFSC’s annual census of accredited companies in 2019 identified that 99% of respondents agreed FSOs had been professional, 98% agreed that they were knowledgeable and 91% agreed that FSOs were collaborative.

At the conclusion of each audit, companies are also provided with an evaluation form seeking feedback on FSO performance. The response rate for this form is approximately 14%. The majority of companies agree the OFSC and FSOs are performing their roles appropriately, with a performance score of 4.5 out of 5 on average.

In 2019, the OFSC conducted over 400 on-site audits. Almost 4,000 Corrective Action Reports (CARs) were issued, with almost a 50/50 split between Major and Minor CARs (see Glossary on page 14 for definition). The highest occurring issues related to mobile plant, emergency response planning, and hazard identification.

From 2015 to 2019, companies had an average of 2.6 audits to gain their first accreditation, which takes an average of nine months from application submission to FSC sign-off.

## AUDITS & CORRECTIVE ACTION REPORTS

The OFSC conducted 428 on-site safety audits in 2019. During these audits, 4,112 CARs were issued; 49.3% were Major CARs (2,029), and 50.7% were Minor CARs (2,083).

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2015 | 2016 | 2017 | 2018 | 2019 |
| Audits | 417 | 435 | 428 | 438 | 428 |

|  |  |  |  |
| --- | --- | --- | --- |
| Highest Issued CARs by Audit Head Criteria | | CARs Issued | Percentage of all CARs issued |
| H16 | Mobile Plant | 659 | 16% |
| WH13 | Emergency Preparedness and Response | 484 | 12% |
| WH12 | Hazard Identification Risk Assessment and Control (HIRAC) | 382 | 9% |
| FP4 | Management of Subcontractor WHS | 358 | 9% |
| WH14 | Health Surveillance and Exposure Monitoring | 252 | 6% |
| H1 | Working at Heights | 236 | 6% |
| FP1 | Working at Heights Senior Management Commitment | 228 | 6% |
| FP2 | Excavation Integration of Design Issues into the Risk Management Process | 173 | 4% |
| H7 | Excavation | 172 | 4% |
| H12 | Electrical | 148 | 4% |

In 2019, 16% of all CARs issued fell under the audit head criteria of mobile plant. Emergency preparedness and response was the second most issued head criteria at 12%.

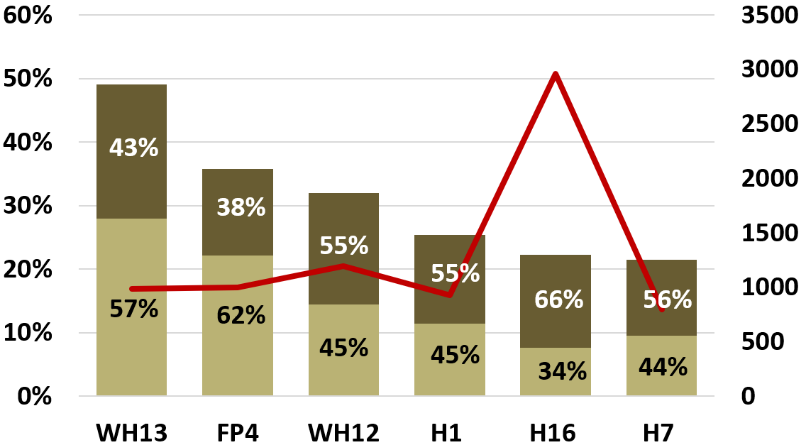
CAR Sub-criteria by Amount Issued

The most issued audit sub-criteria in 2019 were H16.3 and H16.9, both in the mobile plant head criteria. See table below for more detail.

|  |  |  |  |
| --- | --- | --- | --- |
| Highest Issued CARs by Audit Sub-Criteria | | CARs Issued | Percentage of all CARs issued |
| H16.3 | Safe systems of work are established for the operation of mobile plant taking into account the operator manual; outcomes from the plant risk assessment; site specific requirements; and the need for ROPS and FOPS. | 101 | 2.45% |
| H16.9 | The system ensures there is an inspection program that is specific to the needs of the type of mobile plant, taking into account regulatory inspections and registration; manufacturers’ inspection requirements; pre-start inspections; and commissioning prior to use on-site. | 88 | 2.14% |
| H16.10 | The system ensures that there is a process for the ongoing maintenance of mobile plant. | 82 | 1.99% |
| FP4.2 | There is a documented process to ensure HIRAC is applied in subcontractor selection/procurement. | 81 | 1.97% |
| WH12.2 | There is a documented process to ensure the project HIRAC process is undertaken by personnel Trained in the use of the company’s HIRAC methodology and tools. | 77 | 1.87% |
| H16.5 | Safe systems of work have been developed for the use of mobile cranes taking into account ground conditions; development of lift plans in accordance with relevant legislation, codes of practice and Australian standards; and lifting of materials and workers. | 77 | 1.87% |
| WH12.7 | There is a documented process to evaluate the effectiveness of company, project and task specific HIRAC processes. | 76 | 1.85% |
| WH13.4 | There is a documented process to ensure designated emergency personnel for the project: have been inducted in the site-specific emergency procedures/plans; and have obtained any qualification or formal training defined by the company as required to fulfil the role. | 70 | 1.70% |
| WH13.7 | There is a documented process to ensure a competent person identifies site emergency equipment and requirements. | 70 | 1.70% |
| FP4.5 | There is a documented process to ensure subcontractors participate in undertaking WHS inspections with the Principal Contractor. | 68 | 1.65% |

CORRECTIVE ACTION REPORTS FREQUENCY 2019

CAR Issue Frequency vs Times Reviewed

In 2019, 12,977 individual audit head-criteria were reviewed by FSOs. Only six of those head-criteria were reviewed more than 5% of the time.

Of those six audit head-criteria, WH13 – Emergency Preparedness and Response was found non-compliant at the highest rate, with a CAR issued 49.1% of the times it was reviewed.

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| Audit Criteria | CARs Issued | | | Times Reviewed | % of Criteria reviewed | % CAR issued of Times Reviewed |
| Major | Minor | Total |
| WH13 - Emergency Preparedness and Response | 276 | 208 | 484 | 986 | 7.60% | 49.1% |
| FP4 - Management of Subcontractor WHS | 222 | 136 | 358 | 1000 | 7.71% | 35.8% |
| WH12 - Hazard Identification Risk Assessment and Control (HIRAC) | 172 | 210 | 382 | 1193 | 9.19% | 32.0% |
| H1 - Working at Heights | 106 | 130 | 236 | 928 | 7.15% | 25.4% |
| H16 - Mobile Plant | 225 | 434 | 659 | 2964 | 22.84% | 22.2% |
| H7 - Excavation | 76 | 96 | 172 | 800 | 6.16% | 21.5% |

CORRECTIVE ACTION REPORTS FREQUENCY OVER TIME

CAR Issue Frequency 2016-2019

Over the past four years, the six most reviewed audit criteria have remained the same, with the same CAR issue frequency order.

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| Audit Criteria | 2016 | 2017 | 2018 | 2019 |
| WH13 - Emergency Preparedness and Response | 47% | 43% | 43% | 49% |
| FP4 - Management of Subcontractor WHS | 37% | 34% | 37% | 36% |
| WH12 - Hazard Identification Risk Assessment and Control (HIRAC) | 37% | 31% | 31% | 32% |
| H1 - Working at Heights | 30% | 28% | 24% | 25% |
| H16 - Mobile Plant | 28% | 25% | 24% | 22% |
| H7 - Excavation | 26% | 20% | 23% | 22% |

# IV. INCIDENT REPORTING ANALYSIS

## FATALITIES

In 2019, 4 fatal incidents were reported on Scheme accredited building sites.

Scheme accredited companies represent between 30-40% of annual construction industry turnover, yet accounted for an average of 15% of workplace fatalities from 2015-2019.

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2015 | 2016 | 2017 | 2018 | 2019 |
| Scheme Fatalities | 2 | 4 | 7 | 5 | 4 |
| Total Industry Fatalities | 34 | 35 | 30 | 24 | 26 |

Industry fatality data is taken from Safe Work Australia’s (SWA) *Work-Related Traumatic Injury Fatalities* Report over multiple years. The report is available on the SWA website.

**INJURY FREQUENCY RATES – LTIFR**

The lost time injury frequency rate (LTIFR) for Scheme accredited companies in 2019 was 1.44, continuing the downward trend over the past five years.

The LTIFR on scheme projects fell slightly from 2018 to 2019, 1.18 down to 1.16. The Non Scheme project LTIFR dropped more susbstantially, from 1.92 to 1.54.

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2015 | 2016 | 2017 | 2018 | 2019 |
| Scheme Projects | 1.84 | 1.37 | 1.40 | 1.18 | 1.16 |
| Non-Scheme Projects | 2.02 | 1.89 | 2.01 | 1.92 | 1.54 |
| Combined | 1.99 | 1.80 | 1.88 | 1.72 | 1.44 |

Over the past 5 years, lost time injuries reported by Scheme accredited companies have consistently occurred on commercial construction projects at approximately three times the rate of civil construction projects.

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2015 | 2016 | 2017 | 2018 | 2019 |
| Civil Construction | 0.81 | 0.96 | 0.93 | 0.94 | 0.73 |
| Commercial Construction | 3.22 | 2.56 | 2.97 | 2.69 | 2.20 |
| Combined | 1.99 | 1.80 | 1.88 | 1.72 | 1.44 |

## **INJURY FREQUENCY RATES – MTIFR**

The medically treated injury frequency rate (MTIFR) for Scheme companies in 2019 was 7.18.

MTIFR on scheme projects has trended down over the past 4 years, reaching its lowest level of 3.46 in 2019. MTIFR on non-Scheme projects rose from 2018 to 2019, but has dropped considerably over the past five years, from 10.44 to 8.42.

The higher number of non-scheme hours causes the combined MTIFR to be similar to the non-scheme MTIFR.

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2015 | 2016 | 2017 | 2018 | 2019 |
| Scheme Projects | 4.23 | 4.54 | 4.53 | 3.96 | 3.46 |
| Non-scheme Projects | 10.44 | 8.91 | 8.10 | 7.63 | 8.42 |
| Combined | 9.36 | 8.12 | 7.34 | 6.66 | 7.18 |

Both the civil and commercial Scheme project MTIFR have dropped between 2017 and 2019.

The combined Scheme MTIFR is much closer to the civil construction MTIFR due to the larger volume of civil Scheme projects.

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| Scheme Projects | 2015 | 2016 | 2017 | 2018 | 2019 |
| Civil Construction | 3.46 | 3.46 | 3.78 | 3.46 | 3.11 |
| Commercial Construction | 6.08 | 8.37 | 7.46 | 6.99 | 5.31 |
| Combined | 4.23 | 4.54 | 4.53 | 3.96 | 3.46 |

Both the civil and commercial non-Scheme project MTIFR have risen slightly between 2018 and 2019. However, there has been a decrease from 2015 to 2019 in both commercial and civil MTIFR.

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| Non Scheme Projects | 2015 | 2016 | 2017 | 2018 | 2019 |
| Civil Construction | 5.49 | 4.06 | 3.84 | 3.57 | 4.51 |
| Commercial Construction | 14.84 | 12.27 | 11.73 | 10.85 | 11.08 |
| Combined | 10.44 | 8.91 | 8.10 | 7.63 | 8.42 |

**INJURY FREQUENCY RATES – TRIFR**

The total recorded injury frequency rate (TRIFR) for Scheme companies is calculated by combining LTIFR and MTIFR.

The slight increase in TRIFR in 2019 is caused by the increase in non-scheme project MTIFR, despite the decreasing overall LTIFR and decreasing Scheme project MTIFR.

From 2015-2019 the TRIFR has trended significantly lower.

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2015 | 2016 | 2017 | 2018 | 2019 |
| LTIFR | 1.99 | 1.80 | 1.88 | 1.72 | 1.44 |
| MTIFR | 9.36 | 8.12 | 7.34 | 6.66 | 7.18 |
| TRIFR | 11.35 | 9.91 | 9.22 | 8.40 | 8.63 |

## **NATURE OF INJURY**

*Wounds, lacerations, amputations and internal organ damage* represent almost half of the injuries reported in 2019. *Traumatic joint/ligament and muscle/tendon injury*, and *fractures*, both represent approximately 20% respectively.

|  |  |  |
| --- | --- | --- |
| Nature of Injury | Occurrences | % |
| C. Wounds, lacerations, amputations and internal organ damage | 438 | 45.1% |
| F. Traumatic joint/ ligament and muscle/ tendon injury | 211 | 21.7% |
| B. Fractures | 188 | 19.3% |
| G. Other injuries | 95 | 9.8% |
| D. Burns | 14 | 1.4% |
| H. Diseases and conditions | 10 | 1.0% |
| E. Injury to nerves and spinal cord | 5 | 0.5% |
| A. Intracranial injuries | 7 | 0.7% |
| I. Other diseases and claims | 4 | 0.4% |

## **MECHANISM OF INJURY**

One third of injuries on Scheme accredited projects in 2019 involved workers *being hit by moving objects*. *Falls, trips and slips*, *hitting objects with part of the body*, and *body stressing* make up the majority of other injuries.

|  |  |  |
| --- | --- | --- |
| Mechanism of Injury | Occurrences | % |
| Being hit by moving objects | 316 | 32.5% |
| Falls, trips and slips of a person | 241 | 24.8% |
| Hitting objects with part of the body | 209 | 21.5% |
| Body stressing | 131 | 13.5% |
| Vehicle incidents and other | 28 | 2.9% |
| Heat, electricity and other environmental factors | 19 | 2.0% |
| Chemical and other substances | 13 | 1.3% |
| Sound and pressure | 9 | 0.9% |
| Biological factors | 5 | 0.5% |
| Mental stress | 1 | 0.1% |

## **LOCATION OF INJURY**

Almost three quarters of

injuries reported to the OFSC

in 2019 occurred to the

upper and lower limbs.

|  |  |  |
| --- | --- | --- |
| Location of Injury | Occurrences | % |
| Upper limbs | 414 | 42.6% |
| Lower limbs | 300 | 30.9% |
| Trunk | 106 | 10.9% |
| Head | 102 | 10.5% |
| Multiple locations | 24 | 2.5% |
| Unspecified locations | 12 | 1.2% |
| Neck | 9 | 0.9% |
| Non-physical location | 3 | 0.3% |
| Systemic location | 2 | 0.2% |

# **GLOSSARY**

Dangerous occurrence - An incident where no person is injured, but could have been injured, resulting in serious personal injury, incapacity or death. Also commonly called a “near miss”.

Frequency rate - Frequency rates are calculated by the number of incidents divided by hours worked, multiplied by 1,000,000.

* LTIFR (Lost Time Injury Frequency Rate) - The number of occurrences of lost time injury that result in a permanent disability or time lost from work of one day shift or more in the period.
* MTIFR (Medically Treated Injury Frequency Rate) - The number of occurrences of treatment by, or under the order of, a qualified medical practitioner, or any injury that could be considered as being one that would normally be treated by a medical practitioner.
* TRIFR (Total Recorded Injury Frequency Rate) – The total number of Medically Treated Injuries, Lost Time Injuries and Fatalities. Fatalities are excluded from the calculation as they have a negligible effect on the frequency rates.

Incident - An incident resulting in an injury that is required to be notified by the WHS legislative requirement for notifiable incidents in the jurisdiction in which the project is being undertaken.

Mechanism of incident classification

1. Falls, trips and slips of a person
2. Hitting objects with a part of the body
3. Being hit by moving objects
4. Sound and pressure
5. Body stressing
6. Heat, electricity and other environmental factors
7. Chemicals and other substances
8. Biological factors
9. Mental stress
10. Vehicle incidents and other

Nature of injury classification

1. Intracranial injuries
2. Fractures
3. Wounds, lacerations, amputations and internal organ damage
4. Burns
5. Injury to nerves and spinal cord
6. Traumatic joint/ligament and muscle/tendon injury
7. Other injuries
8. Diseases and conditions

Corrective Action Reports – Major and Minor

A Corrective Action Report (CAR) is a formal finding made by Federal Safety Officers (FSOs) during the auditing process to identify where companies need to take further action. An FSO raises a CAR when they determine that a certain aspect of the system being audited does not conform to the OFSC audit criteria. This assessment is based on their review of documentary evidence and observation of onsite activities. There are two levels of CARs that can be raised as a result of OFSC audits, major and minor non-conformances:

* A major non-conformance is where there is the absence of a documented process, and/or the absence of implementation of a process where the opportunity for implementation has occurred in relation to a specific criterion.
* A minor non-conformance is where there is a partially documented and implemented process where the opportunity for implementation has occurred in relation to a specific criterion.