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1. SCHEME REQUIREMENTS

Auditing

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.

Reporting

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.

Annual Census

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 survey are represented throughout this report.

2. WHO IS ACCREDITED?

The Scheme continued to grow in 2021, reaching 565 individually accredited companies across 426 accreditations.

Accredited companies continue to be a significant part of the Australian building and construction industry, with around \$57 billion in Scheme projects active throughout 2021, part of a total of \$164 billion in Scheme projects since the Scheme started (see page 6).

There are 37 accredited Indigenous owned companies (50% or more ownership). This more than doubles the number of accredited Indigenous companies at the end of 2019.

Small to medium construction companies, and regional construction companies, are an important part of the Scheme. Over 70% of Scheme accredited companies are classified as small or medium in size, and 11% of Scheme accredited companies operate in regional locations only, showing that the size or location of a company is no barrier to entry for achieving best practice safety.

The 2021 Annual Census found...

- 97% of companies agree that the OFSC has improved industry safety.
- 82% of all respondents state that the Scheme has improved their safety practices and their safety culture.
- 87% of all respondents agree that FSC accreditation is value for money.

ACCREDITATIONS -

In 2021 the Federal Safety Commissioner approved **34** new accreditations. There has been an annual average of **34** new accreditations over the past 5 years. At the end of 2021 there were **426** active Scheme accreditations. The continued growth in accreditations demonstrates the increasing coverage of the scheme.

Number of accreditations



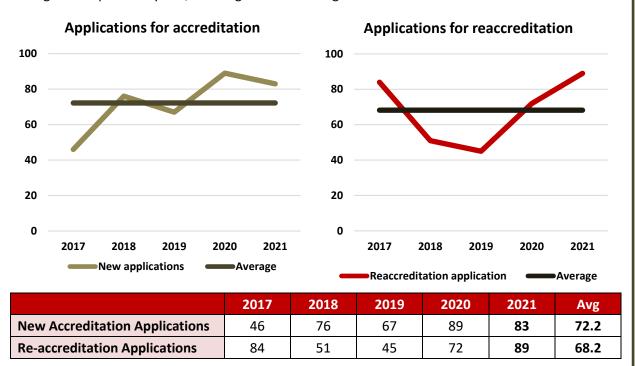
	2017	2018	2019	2020	2021
Accreditations	375	374	383	409	426

- The number of active Scheme accreditations at the end of each year subtracts those accreditations which have expired, been withdrawn, or suspended.
- Joint accreditations account for 19% of all accreditations. A joint accreditation represents two or more companies operating with the same Scheme accredited WHS Management System. Due to this, the 426 accreditations represent 565 Scheme accredited construction companies.

APPLICATIONS FOR ACCREDITATION -

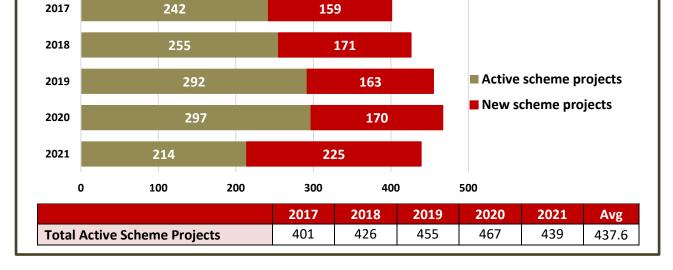
The OFSC received **83** new applications for accreditation in 2021. Over the past 5 years, an annual average of **72** new applications were received. **89** reaccreditations were approved in 2021. Over the past 5 years, an average of **68** reaccreditations have been approved annually.

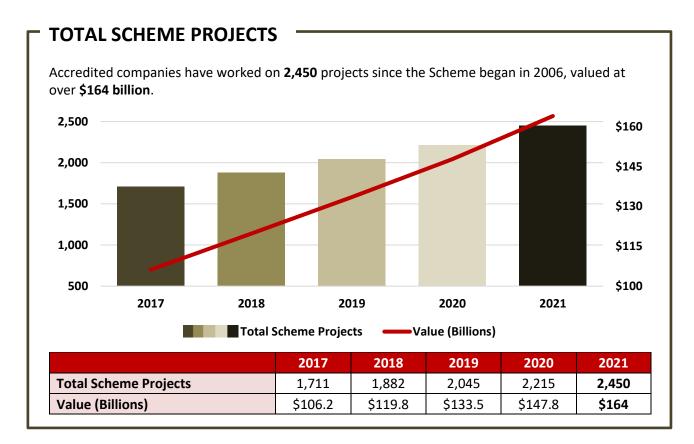
The number of applications for accreditation and reaccreditation have been above their five year average in the past two years, showing the continued growth of the Scheme.



ACTIVE SCHEME PROJECTS

In 2021, building commenced on **225** new Scheme projects, which is the largest number of new Scheme projects started in one year for the past five years. These new projects make up over half of the **439** projects that were active during 2021. The 439 scheme projects active during 2021 have a combined value of **\$57.6** billion.





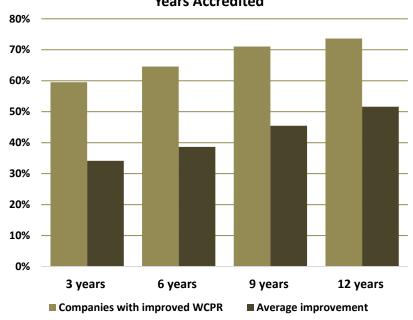
WORKERS' COMPENSATION PREMIUM RATES

Scheme accredited companies have reported to the OFSC lower workers' compensation premium rates (WCPR) over time.

After 3 years, **60%** of companies reduce their WCPR by an average of **34%**. After 6 years this has increased to **65%** of companies having reduced their WCPR by an average of **39%**.

This WCPR reduction increases again after 12 years of accreditation, with **74%** of companies reducing their WCPR by an average of **52%**.

Accredited Companies' WCPR Improvement Over Years Accredited



	Years Accredited under the Scheme				
	3 years	6 years	9 years	12 years	
Accredited Companies with Improved WCPR	60%	65%	71%	74%	
Average Improvement to WCPR	34%	39%	45%	52%	

3. AUDITS & COMPLIANCE

Scheme accredited companies undergo regular onsite safety audits as a requirement of accreditation. These audits are conducted by Federal Safety Officers (FSOs) against the FSC Audit Criteria. 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 safety incidents.

In 2021, the OFSC conducted over 400 on-site audits. Over 3,500 corrective action reports (CARs) were issued, with close to a 40/60% split between Major and Minor CARs. This represents an overall decrease in CARs issued, as well as a further decrease in the percentage of major CARs, when compared to 2020. The most issued CARs related to mobile plant, emergency response planning, and management of subcontractor WHS.

From 2017 to 2021, 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.

The 2021 Annual Census found...

The OFSC's annual census of accredited companies in 2021 identified that 97% of respondents agreed FSOs had been professional, 98% agreed that they were knowledgeable and 89% 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 reached its highest level in 2021 at 38%. The majority of companies agree the OFSC and FSOs are performing their roles appropriately, with a performance score of 4.6 out of 5 on average.

AUDITS & CORRECTIVE ACTION REPORTS

The OFSC conducted **452** safety audits in 2021. During these audits, **3,698** CARs were issued; **41.2**% were Major CARs (1,502), and **58.8**% were Minor CARs (2,196).

	2017	2018	2019	2020	2021
Audits	428	438	428	404	452

Hię	Highest Issued CARs by Audit Head Criteria		Percentage of all CARs issued	Issue rate
H16	Mobile Plant and Equipment	686	18.6%	20.3%
WH13	Emergency Preparedness and Response	379	10.2%	40.1%
FP4	Management of Subcontractor WHS	278	7.5%	33.2%
WH12	Hazard Identification Risk Assessment and Control (HIRAC)	268	7.2%	29.4%
Н5	Structural Alterations/Temporary Support Structures	213	5.8%	31.4%
FP1	Senior Management Commitment	210	5.7%	47.9%
H1	Working at Heights	196	5.3%	25.7%
H7	Excavation	172	4.7%	25.1%
WH14	Health Surveillance and Exposure Monitoring	171	4.6%	55.9%
WH15	Incident Investigation and Corrective Action	150	4.1%	46.2%

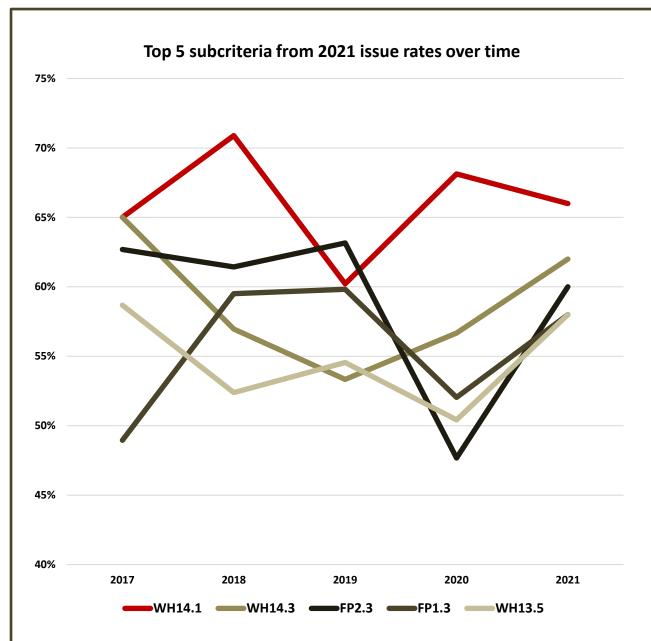
CAR SUB-CRITERIA ISSUE RATES

The issue rate of a Sub-Criteria informs us of how often companies are not complying with the audit criteria. The CAR issue frequency rate is more informative than the total number of CARs issued for a criterion, because the total number of CARs issued increases with the number of times a sub-criterion was selected for testing during audits.

The top two criteria with the highest issue rates relate to health surveillance and exposure monitoring. WH14.1 had the highest issue rate, with companies failing these criteria more than 6 times out of every 10 times tested. All of the sub criteria with the ten highest issue rates had issue rates over 50%. The following sub criteria were tested at 0.5% of audits, and CARs issued account for over 1% of total CARs.

То	p Ten Highest Issue rate CARs by Audit Sub Criteria*	Issue Rate	Times issued	Times reviewed
WH14.1	There is a documented process to ensure a competent person completes a site-specific assessment of potential health hazards, including: biological; physical; and chemical contaminants.	66.1%	41	62
WH14.3	There is a documented process to ensure that worker health surveillance/monitoring: is carried out in accordance with identified health hazards; is carried out in accordance with relevant legislation, codes of practice and Australian standards; and includes a process for management and communication of health monitoring results and records.	62.3%	38	61
FP2.3	There is a documented process to ensure residual buildability hazards identified in FP2.1 and FP2.2 are transferred and addressed in the project specific risk assessment process.	59.7%	37	62
FP1.3	There is a documented process to ensure senior managers, site managers and supervisors are trained in WHS obligations/due diligence, and the company's WHS management system requirements relevant to their role.	57.9%	62	107
WH13.5	There is a documented process to ensure emergency practice drills: are scheduled and carried out on site; are scenario based and test a variety of the identified potential emergency situations; are recorded and evaluated for effectiveness; and incorporate a process for the identification and management of corrective actions.	57.5%	61	106
WH14.2	There is a documented process to ensure that, where identified as required, personal exposure to health hazards is measured and evaluated on the project by a formally trained person.	55.7%	34	61
WH3.1	There is a documented process to identify potential emergency situations for the project.	54.8%	46	84
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 fulfill the role.	54.3%	57	105
WH15.2	There is a documented process to ensure Investigations: are undertaken by a trained person(s); identify the factor(s) that led to the incident; incorporate a process for the identification and management of corrective actions; involve and/or are reviewed by site/senior management as defined by the company's system; and prompt a review of relevant processes/procedures.	54.1%	59	109
WH14.5	There is a documented process to ensure the management of hazardous chemicals on the project.	54.1%	33	61

^{*} Data includes Accreditation Audit results conducted on companies not yet accredited



TOP 5 CAR SUB-CRITERIA ISSUE RATES

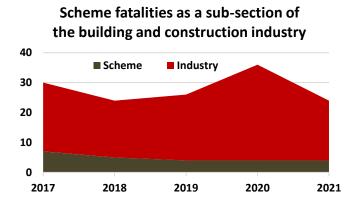
	2017	2018	2019	2020	2021
WH14.1	65%	71%	60%	68%	66%
WH14.3	65%	57%	53%	57%	62%
FP2.3	63%	61%	63%	48%	60%
FP1.3	49%	60%	60%	52%	58%
WH13.5	59%	52%	55%	50%	58%

The sub criteria with the five highest issue rates in 2021 have had high issue rates in each of the past five years as well. These issue rates do not appear to be trending down, indicating the need for further action in this area.

4. INCIDENT REPORTING ANALYSIS

FATALITIES

In 2021, 4 fatal incidents were reported on Scheme accredited building sites. Scheme accredited companies represent **30-40%** of annual construction industry turnover, yet accounted for an average of **16%** of workplace fatalities from 2016-2020. In 2021, of the four fatalities occurring on Scheme accredited sites, two related to traffic hazards, one to mobile plant and one to falls from heights.



	2017	2018	2019	2020	2021
Scheme Fatalities	7	5	4	4	4
Total Industry Fatalities*	30	24	26	36	24

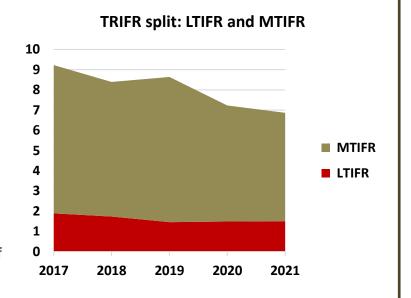
^{*}Industry fatality data is taken from Safe Work Australia's (SWA) Work-Related Traumatic Injury Fatalities Report over multiple years. The report is available on the SWA website.

INJURY FREQUENCY RATES – TRIFR –

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

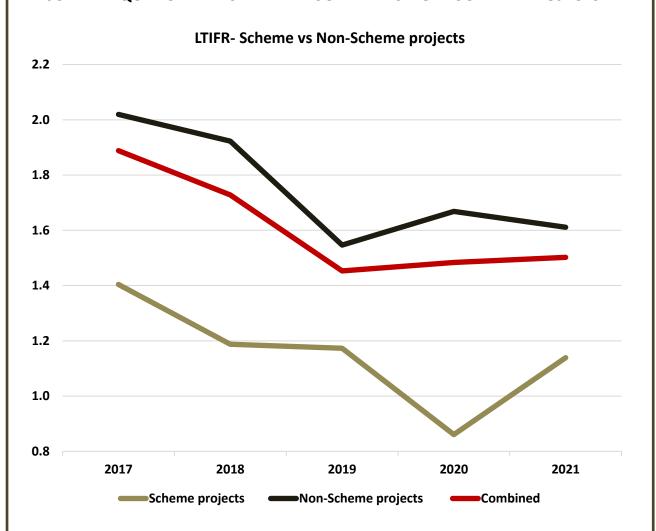
From 2017-2020 the TRIFR has decreased substantially from 9.25 to **6.88**.

This was driven by the decrease in MTIFR, dropping from 7.34 in 2017 to **5.37** in 2021. Although LTIFR decreased between 2017 and 2021 as well, given it is a smaller proportion of TRIFR, and had a lower starting frequency to decrease from, its effect on LTIFR was smaller.



	2017	2018	2019	2020	2021
LTIFR	1.89	1.73	1.45	1.48	1.50
MTIFR	7.34	6.66	7.18	5.74	5.37
TRIFR	9.25	8.40	8.65	7.24	6.88





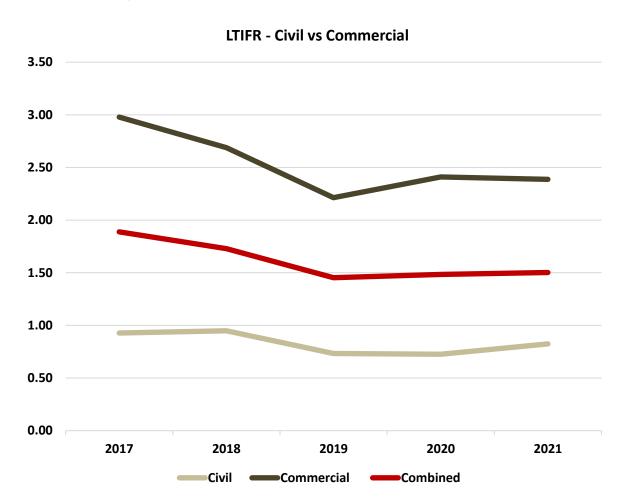
The lost time injury frequency rate (LTIFR) for Scheme accredited companies in 2021 was **1.50**, which is a slight increase from **1.48** in 2020, but a substantial decrease from **1.89** in 2017.

LTIFR on Scheme projects in 2021 rose from 2020, from **0.86** to **1.14**. Although this increase is substantial, 1.14 is still the second lowest LTIFR for scheme projects in the past five years.

The Non-Scheme project LTIFR for scheme accredited companies fell slightly from 2020 to 2021, from **1.67** to **1.61**.

	2017	2018	2019	2020	2021
Scheme Projects	1.40	1.19	1.17	0.86	1.14
Non-Scheme Projects	2.02	1.92	1.55	1.67	1.61
Combined	1.89	1.73	1.45	1.48	1.50



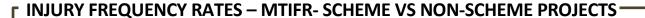


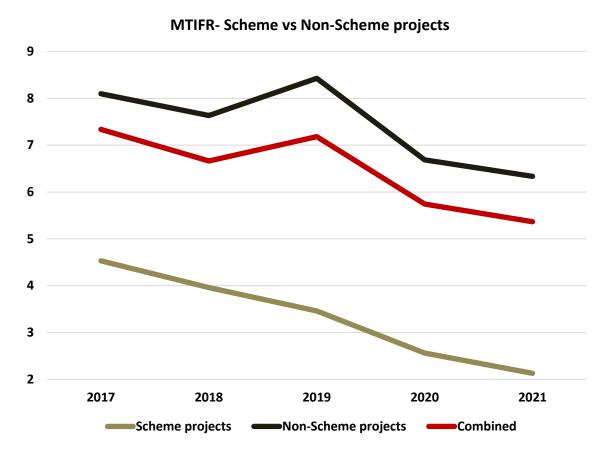
The LTIFR on civil construction projects conducted by Scheme accredited companies in 2021 was **0.82**. This is substantially lower than the LTIFR on commercial construction projects conducted by Scheme accredited companies, which was **2.39**.

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.

However, from 2017 to 2021, the LTIFR decreased on commercial projects by 20%, compared to a 12% decrease in LTIFR for civil projects.

	2017	2018	2019	2020	2021
Civil Construction	0.93	0.95	0.73	0.73	0.82
Commercial Construction	2.98	2.69	2.21	2.41	2.39
Combined	1.89	1.73	1.45	1.48	1.50





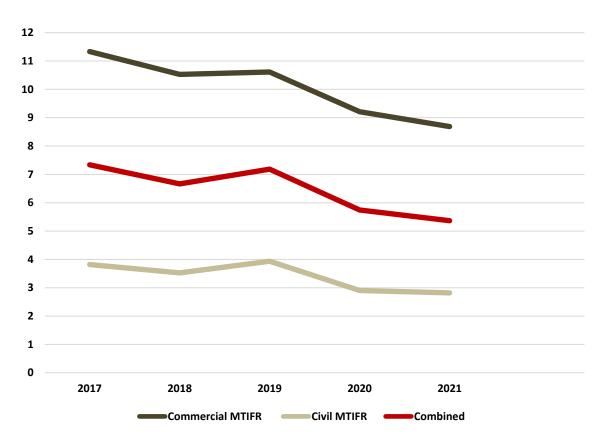
The medically treated injury frequency rate (MTIFR) for Scheme accredited companies in 2021 was **5.37**, reaching its lowest point in the last five years, following the continuous downward trend of the last five years.

MTIFR on Scheme projects has consistently fallen over the past five years, more than halving from 4.53 in 2017 to **2.13** in 2021. The MTIFR on Non-Scheme projects reached its lowest level in 2021 of **6.33**. The MTIFR on Non-Scheme projects is substantially higher than Scheme projects, at almost triple the frequency rate.

The spike in Non-Scheme project MTIFR drove the spike in combined MTIFR, due to the substantially higher number of Non-Scheme project hours.

	2017	2018	2019	2020	2021
Scheme Projects	4.53	3.96	3.46	2.56	2.13
Non-scheme Projects	8.10	7.63	8.43	6.69	6.33
Combined	7.34	6.66	7.18	5.74	5.37





The MTIFR for Scheme accredited companies on civil construction was **2.82** in 2021, compared to the MTIFR on commercial construction projects of **8.69**. The difference in civil and commercial MTIFR follows the same trend as the difference in civil and commercial LTIFR. Medically treated injuries reported by Scheme accredited companies have consistently occurred on commercial construction projects at approximately three times the rate of civil construction projects over the last five years.

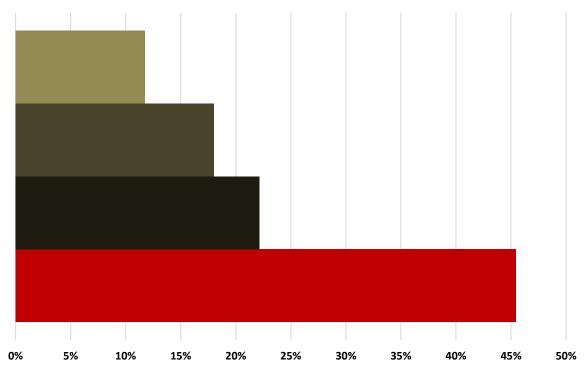
Both the civil and commercial MTIFR reached their lowest rate in the past five years in 2021, continuing their downwards trend. The civil MTIFR dropped by one point from 2017 to 2021, from 3.82 to 2.82. The commercial MTIFR dropped by more than 2 points from 2017 to 2021, from 11.33 to 8.69.

	2017	2018	2019	2020	2021
Civil Construction	3.82	3.53	3.94	2.90	2.82
Commercial Construction	11.33	10.53	10.61	9.21	8.69
Combined	7.34	6.66	7.18	5.74	5.37

NATURE OF INJURY

Wounds, lacerations, amputations and internal organ damage represent just under half of the injuries reported in 2021.

Traumatic joint/ ligament and muscle/ tendon injury, and fractures both represent approximately 20% each of injuries reported.



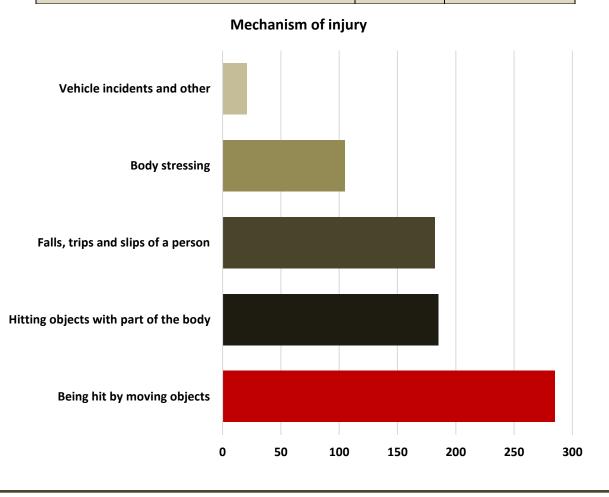
- **■** Other injuries
- **■** Fractures
- Traumatic joint/ ligament and muscle/ tendon injury
- Wounds, lacerations, amputations and internal organ damage

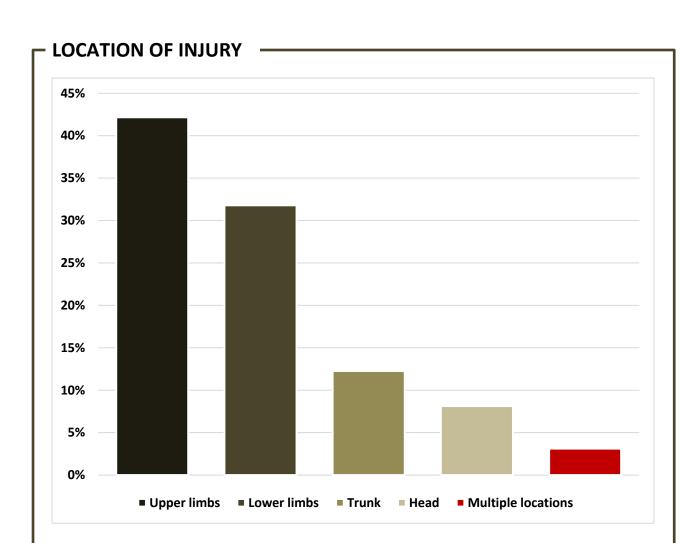
Nature of Injury	Occurrences	%
Wounds, lacerations, amputations and internal organ damage	363	45.4%
Traumatic joint/ ligament and muscle/ tendon injury	177	22.2%
Fractures	144	18.0%
Other injuries	94	11.8%
Burns	10	1.3%
Intracranial injuries	5	0.6%
Injury to nerves and spinal cord	4	0.5%
Diseases and conditions	1	0.1%
Other diseases and claims	1	0.1%

MECHANISM OF INJURY

Just over a third of injuries on Scheme accredited projects in 2021 involved workers being hit by moving objects. Hitting objects with part of the body, falls, trips and slips, and body stressing make up the majority of other injuries.

Mechanism of Injury	Occurrences	%
Being hit by moving objects	285	35.7%
Hitting objects with part of the body	185	23.2%
Falls, trips and slips of a person	182	22.8%
Body stressing	105	13.1%
Vehicle incidents and other	21	2.6%
Heat, electricity and other environmental factors	9	1.1%
Chemical and other substances	6	0.8%
Sound and pressure	3	0.4%
Biological factors	2	0.3%
Mental stress	1	0.1%





Almost three quarters of injuries reported to the OFSC in 2021 occurred to the upper or lower limbs. Injuries to the trunk or head made up the significant bulk of other injury locations.

Location of Injury	Occurrences	%
Upper limbs	337	42.2%
Lower limbs	254	31.8%
Trunk	98	12.3%
Head	65	8.1%
Multiple locations	25	3.1%
Unspecified locations	9	1.1%
Neck	7	0.9%
Systemic location	3	0.4%
Non-physical location	1	0.1%

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

- 0. Falls, trips and slips of a person
- 1. Hitting objects with a part of the body
- 2. Being hit by moving objects
- 3. Sound and pressure
- 4. Body stressing

- 5. Heat, electricity and other environmental factors
- 6. Chemicals and other substances
- 7. Biological factors
- 8. Mental stress
- 9. Vehicle incidents and other

Nature of injury classification

- A. Intracranial injuries
- B. Fractures
- C. Wounds, lacerations, amputations and internal organ damage
- D. Burns

- E. Injury to nerves and spinal cord
- F. Traumatic joint/ligament and muscle/tendon injury
- G. Other injuries
- H. 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.