



Federal Safety Commissioner Review

Terms of Reference

The Federal Safety Commissioner (FSC) was established in 2005 to improve the safety culture of the building and construction industry. The FSC is responsible for enhancing and monitoring safety in the industry through the development, administration and promotion of the Work Health and Safety Accreditation Scheme (the Scheme).

The Scheme uses the Australian Government's position as a major funder of building and construction work to insist on higher safety standards within the industry. To be a head contractor on a government-funded project, a building and construction company must be accredited under the Scheme. The Scheme obliges builders to meet work health and safety requirements in addition to those required under State and Territory laws.

The development and implementation of the Australian Government's Buy Australian Plan presents a timely opportunity to review the FSC and the Scheme in light of the dual policy objectives of improving building and construction industry safety through government procurement and supporting local industry to take advantage of government purchasing opportunities. Noting that building construction and maintenance services was the 4th largest area of government procurement from 2018-19 to 2021-22,¹ the review would consider the appropriateness of expanding the remit of the FSC and the Scheme, with particular regard to whether this could improve safety in other significant procurement areas.

Given the importance of continuing to support safety in the building and construction industry, this review will consider the impact of the FSC and the Scheme on building industry safety by adopting a tripartite approach to stakeholder consultations. This includes consultation through an advisory panel made up of stakeholders from key industry associations, unions and other Government agencies, as well as through consultation with the National Construction Industry Forum (NCIF) which is expected to be established from 1 July 2023.

The review would examine whether:

- the FSC and the Scheme have improved work health and safety practices in the building and construction industry;
- the powers and functions of the FSC, as well as the Scheme's requirements, are adequate and appropriate to drive safety improvements within the building and construction industry;

¹ Source: AusTender

- the FSC and the Scheme sufficiently address currently understood hazards within the building and construction industry, including more recently acknowledged hazards;
- it is appropriate to charge companies seeking accreditation in accordance with the Australian Government Cost Recovery Guidelines and, if so, what impact this may have on the industry and how could such charging be levied fairly noting the varying size of accredited companies;
- changes to the functions of the FSC or the requirements and implementation of the Scheme are necessary to support implementation of the Government's priorities such as the Buy Australia Plan and a Better Deal for Small Business; and
- whether the safety performance of other industries which Government funds² warrants expanding the FSC and the Scheme, taking into consideration factors such as cost, resources and existing regulation. If expansion to other industries is proposed, the review should outline how implementation should occur.

The review should report to the Minister for Workplace Relations in late 2023.

² Other significant areas of government procurement include the purchase of management and business professional services; commercial, military and private vehicles; engineering, research and technology-based services; information technology, broadcasting and telecommunications hardware; defence and law enforcement equipment; and healthcare services.