

EXCLUSIONS

The following are excluded from the definition of construction work for the purposes of collection of the BCITF Levy

- Work below \$20,000 in value
- Agricultural work (does not include work for which a building permit is required)
- Foreign missions and consulates

The following resources industry operational work (other than work that is on, results in or otherwise relates to residential and commercial buildings) is also excluded

- work associated with exploration or drilling for resources;
- work associated with exploration or drilling for the purposes of geosequestration;
- work on or resulting in an unsealed haul road or track that is associated with a resources operation;
- work on or resulting in a structure that is for the storage, treatment, supply or disposal of non-potable water and is associated with a resources operation;
- work on or resulting in a structure that is for the storage of tailings, overburden or waste and is associated with a resources operation;
- work for the excavation or backfilling of soil or overburden that is associated with a resources operation;
- work for the environmental remediation, restoration or rehabilitation of ground disturbed by a resources operation;
- work for the closure or decommissioning of 1 or more resources facilities (including work associated with environmental remediation, restoration or rehabilitation);
- work for the repair or maintenance of 1 or more resources facilities;
- work for any of the following if the value in aggregate of the work, estimated in accordance with Schedule 2 of *the Act*, is \$10million or less -
 - (i) the alteration or renovation of one or more resources facilities;
 - (ii) the replacement of 1 or more resources facilities that have been, are being or are to be closed or decommissioned;
 - (iii) the relocation of 1 or more resources facilities;
 - (iv) any combination of the activities referred to in (i) to (iii).

FINAL CONSTRUCTION VALUE

On completion of a construction project, if the final construction value has varied by \$25,000 or more from the original estimated value, the project owner may be required to pay an additional amount of levy or be entitled to a partial refund of the original levy amount paid.

PENALTIES

Failure to pay the BCITF Levy for construction works to which the levy applies or providing false or misleading information to the Board in respect of the levy is an offence. Penalties are \$20,000 for a single person or \$50,000 for a body corporate.

Where construction work is commenced prior to payment of the BCITF Levy, or an instalment payment is not paid as per the agreed schedule, the project owner may be liable to pay 100% of the unpaid levy, annualised for the period the levy remains unpaid, in addition to the original levy amount.



BUILDING AND CONSTRUCTION INDUSTRY TRAINING FUND LEVY INFORMATION

104 Belgravia Street, BELMONT WA 6104
PO Box 303 CLOVERDALE WA 6985 Phone 9244 0100 Fax 9244 0199
Email inquiries@ctf.wa.gov.au Web ctf.wa.gov.au
Construction Training Fund
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THE CONSTRUCTION TRAINING FUND

The Construction Training Fund (CTF) administers *The Building and Construction Industry Training Fund and Levy Collection Act 1990* to collect a levy on all residential, commercial and civil engineering construction projects undertaken in Western Australia.

The BCITF Levy is calculated at 0.2% on the total value of construction for all works with an estimated value of more than \$20,000. Payment is required to be made prior to commencement of the construction works. If the estimated value of construction is \$500m or greater, the project owner can apply to the CTF to pay the BCITF Levy by instalments.

THE BENEFITS OF THE TRAINING LEVY

Revenue raised from the BCITF Levy is used to support training for people working in the industry in this State.

The main areas of training support managed by the CTF are

- Apprenticeships and traineeships - employers can receive grants to defray the costs of employing and training apprentices and trainees in construction qualifications
- Supplementary Skills - industry workers can receive rebates upon completion of short training courses related to their onsite roles
- Occupational Health & Safety - industry workers can receive rebates upon completion of short training courses ensuring onsite tasks are performed safely

The BCITF Levy therefore helps the industry to maintain an adequate supply of skilled workers and assists workers to acquire and develop the skills they need to build a long-term career within the building and construction industry.

THE MEANING OF CONSTRUCTION WORK

Construction work covers any works that are construction, erection, installation, reconstruction, re-erection, renovation, alteration, demolition, maintenance of or repairs to any structure.

Apart from residential buildings and commercial buildings and shelters and civil construction, the following works are specifically included:

- roads, railways, airfields or other structures for the passage of persons, animals or vehicles;
- breakwaters, docks, jetties, piers, wharves or works for improvement or alteration of any harbour, river or watercourse;
- works for the storage or supply of water or for the irrigation of land;
- works for the conveyance, treatment or disposal of sewerage or of the effluent from any premises;
- works for the extraction, refining, processing or treatment of materials or for the production or extraction of products and by-products from materials;
- bridges, viaducts, aqueducts or tunnels;
- pipelines;
- chimney stacks, cooling towers, drilling rigs, gas holders or silos;
- navigational lights, beacons or markers;
- works for the draining of land;
- works for the storage of liquids (other than water) or gases;
- works for the generation, supply or transmission of electric power;
- works for the transmission of wireless or telegraphic communications;
- pile driving works;
- works for the preparation of building sites;
- works for the fabrication, erection or installation of plant, plant facilities or equipment in buildings;
- works of the kind listed above that involve the fabrication, erection or installation of plant, plant facilities or equipment for those buildings or works;
- carrying out of work performed by employees engaged in any of the above work that is normally carried out on site but which is necessarily carried out on site.

but does not include

- the carrying out of any work on ships;
- the maintenance of or repairs or minor alterations to lifts or escalators; or
- the carrying out or maintenance or repairs of a routine or minor nature by employees for an employer who is not substantially engaged in the industry described in this interpretation.

WHO IS RESPONSIBLE FOR PAYING THE LEVY?

Payment of the BCITF Levy is the responsibility of the project owner, defined in *the Act* as

- the person who is required to hold a building permit in respect to construction work. The levy is paid by every project owner when an application for a building permit is made to a Local Government authority;
- where a building permit is not required (e.g. for works such as bridges, roads, carparks), the person or organisation responsible for executing the project is required to notify the CTF of the project, and pay the levy prior to commencement of works;
- where the construction work is carried out by the State, or an agent or instrumentality of the State, the person or organisation designated or engaged by the State or its agents or instrumentality is the project owner for that construction work;
- where the aforementioned does not apply, the person or body for whose direct benefit construction work exists upon its completion; or if the person referred to above has engaged another person or body, other than as an employee, to carry out all of the construction work, the person or body engaged is the project owner at construction work

VALUE OF CONSTRUCTION WORK

For the purposes of calculating the BCITF Levy, the value of construction work must account for values (inclusive of GST) for each of the following items:

- all goods (including manufactured goods) forming part of the construction work; labour; services necessary, fees payable, overheads to be met; profit margin.