



BRIEFING PAPER

Briefing to the Incoming Minister

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Michael Wood	Note the information in this briefing	N/A

Contact Information

Name	Position	Telephone	Contact
Ross Wilson	Chair	s.9(2)(a)	-
Phil Parkes	Chief Executive	s.9(2)(a)	✓

Consultation

Ministry of Business, Innovation and Employment

Minister's Comments:



Mahi Haumarū Aotearoa – WorkSafe New Zealand

Briefing for the Incoming Minister

3 November 2020

Tōia mai e te ao mārama	<i>The world of light brings forth</i>
te ara whakakotahi	<i>a pathway of togetherness</i>
te ara ka haumarū.	<i>a pathway that keeps us safe.</i>
I a mātou i te mahi	<i>While we are at work</i>
tiakina mai	<i>take care of us</i>
kia hoki hauora ki te kainga,	<i>that we may return home safe and well,</i>
kia kōrero mai	<i>that we may ensure</i>
mō te haumarū o te tāngata	<i>the safety of the people.</i>
Haumi e, hui e, taiki e.	<i>Let it be affirmed, it is so.</i>



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Overview and key points from the Chair and Chief Executive

On behalf of the WorkSafe Board and Executive Leadership Team (ELT), we congratulate you on your appointment as Minister for Workplace Relations and Safety. We look forward to working with you to achieve the vision set out in the *Health and Safety at Work Strategy 2018-2028* (the HSW Strategy); **work is healthy and safe for everyone in New Zealand.**

There has been significant focus and investment in the health and safety at work system. WorkSafe was established as the primary regulator and new legislation – the Health and Safety at Work Act 2015 (HSWA) - was introduced. There has been leadership and capability building at all levels; by our social partners, by business leaders and unions, by employers and workers, by health and safety specialists and across government agencies.

Despite some progress to date, there is much more work to do to improve health and safety outcomes. Far too many workers are still getting sick, or being injured and killed at work.

There are opportunities and challenges to making continued advances in health and safety at work across multiple, complex areas of risk and harm.

WorkSafe and the Ministry of Business, Innovation and Employment (MBIE) agree there are three key critical areas of focus in the workplace relations and safety portfolio, for health and safety at work:

1. evolving the health and safety system and regulatory model for healthier and safer work
2. fully implementing the HSWA including the regulatory reform programme
3. continuing to build WorkSafe into an effective, modern, insights-led regulator.

Evolving the regulatory model for healthier and safer work

Achieving the vision in the HSW Strategy will require all system participants to shift their thinking about health and safety at work. Too often it is considered an add-on to the way businesses and organisations are set-up and run. Health and safety is largely considered a technical or compliance-based activity that is separate or distinct from every day work.

New Zealand must evolve its thinking to see health and safety as integral to the planning, set up and delivery of how work is done. This will require a change in mind-set, focus and activities from all system participants, including WorkSafe. The key to changing health and safety at work outcomes will be in influencing the way work is done so that workers prosper, and businesses and organisations thrive.

Fully implementing the Health and safety at Work Act 2015 and regulatory reform

Fully implementing the HSWA is essential to providing the right framework, levers and tools for WorkSafe to be effective. The development of supporting regulations has progressed much slower than anticipated. This is a significant constraint on our regulatory effectiveness and efficiency.

We are looking forward to further work with MBIE to implement the HSWA regulatory reforms during this term of government. A clear, complete and coherent legislative and regulatory health and safety framework is necessary to drive improvements and efficiencies in the system.

Building WorkSafe into an effective, modern, insights-led regulator

WorkSafe continues to build towards becoming a modern, insights-led health and safety regulator. With your support, we are committed to evolving and growing as an organisation to ensure we have capability, capacity and resources needed to support the implementation of the HSW strategy.

With additional Government funding from the Wellbeing Budget 2019, we are:

- building our capacity and capability to deliver work-related health programmes, by establishing specialist teams with technical expertise in work-related health
- redeploying funds into our Operations Group and Inspectorate, including strengthening the functioning of the group and of our Inspectors
- upgrading our data and intelligence capabilities and investing in the technology and systems needed to support our people and our organisational modernisation programme.

WorkSafe also remains committed to:

- our obligations under the Tiriti o Waitangi and working collaboratively with Iwi and Māori communities to reduce the disproportionately high death and injury rates of Māori workers
- intervening in new sectors and industries in which we identify emerging risks and increased harm, such as transport, postal and warehousing, and healthcare and social services
- being more visible and focussed in undertaking our core regulatory activities, ensuring employers and businesses who do not meet their obligations to keep workers safe are held to account
- improving the way we deal with victims and their families when the worst has happened, keeping them informed about our investigations and ensuring their needs are met.

We have made significant progress as an organisation, but there is still more to do. We are faced with increased public expectations. Recent media attention has highlighted how our limited resources impact on our ability to respond and intervene reactively to the high number of reports of incidents and near misses that we receive.

We are also faced with new and emerging risks; for example, psychosocial harm, bullying and harassment and the need for mentally healthy work is an increasing focus for WorkSafe. These issues have contributed to a mismatch between our functions and our available resources. Our funding arrangements limit our ability to re-deploy funds to changing circumstances.

We are working to manage expectations and to better tell our story about our work. But, our people and our resources are limited. We can only respond to a small number of very serious issues that we are notified and aware of. We constantly have to prioritise, re-prioritise and make tough choices about where and when we can intervene. This challenge has been compounded by supporting the important work of the all-of-government COVID-19 response while maintaining oversight of high-risk sectors and industries, high-risk work, and an increasingly complex energy sector.

Taura Here Waka - *Strength in Every Strand* – our Strategic Delivery Plan

We have recently launched the next evolutionary stage of our journey to becoming an effective, modern, insights-led regulator; Taura Here Waka - *Strength in Every Strand* – our Strategic Delivery Plan. We look forward telling you more about it. We also look forward to talking with you about what is needed to help us grow and deliver on the vision of the HSW strategy.

Our role supporting you, and the initial advice in this briefing

WorkSafe is committed to supporting you as our Minister and contributing to Government goals for health and safety at work. Working alongside MBIE we will advise you on the performance of the system and our current operating environment; on the changes needed to improve the system; and on how to improve our organisation. We also look forward to your thoughts and support as we shift our focus to ensuring health and safety becomes central to how businesses and organisations plan, set-up and do day to day work.

This briefing provides you with some key information [about WorkSafe](#). It updates you on WorkSafe's [key strategic and operational matters for your early attention](#). Information on any other matters can be provided at your request, including advice from WorkSafe to support discussions on Government priorities and new initiatives, along with the response to the COVID-19 pandemic. We also provide you



with advice on upcoming key decisions and meetings, and the health and safety at work system and our operating environment.

There are a number of appendices which provide you with important information about your ministerial responsibilities, our relationship with MBIE, our Board, ELT and people, and the key stakeholders you might wish to prioritise meeting with. We have included a financial summary and an acronym list as there may be new terms to become familiar with.

We look forward to meeting with you to further discuss the issues in this briefing and how we can deliver your expectations to ensure more New Zealanders are healthy and safe at work. We are available to meet with you at your convenience, and extend an invitation for you to join all or part of the WorkSafe Board Strategy Day on Wednesday 25 November 2020.

Ross Wilson
Chair
3 November 2020



Phil Parkes
Chief Executive





About WorkSafe

Who we are

1. **WorkSafe New Zealand (WorkSafe) is the Government’s primary health and safety regulator.** We are a Crown Agent; the form of Crown Entity closest to the Government.

What we do

2. WorkSafe exists to lead, contribute to and promote improved health and safety at work, and energy safety. Our foundation for doing this is the Health and Safety at Work Strategy 2018-2028 and its vision: **Work is healthy and safe for everyone in New Zealand.**
3. We have three core roles:

Regulatory effectiveness

Te whai hua o te ture

Harm prevention

Te ārai i te kino

System leadership

Kaiwhakahaere pūnaha

Why we do it

4. We are working towards a productive New Zealand economy in which **everyone who goes to work comes home healthy and safe.** WorkSafe is committed to changing the way work is done to support workers and New Zealand to thrive. Our strategy and vision, and our external and internal strategic pillars, are outlined in our Statement of Intent 2018/19-2021/22 (our SoI).

How we do it

5. The WorkSafe Statement of Performance Expectations 2020/2021 (SPE) covers the third year of turning our four-year SoI strategy into action. **Taura Here Waka – Strength in Every Strand – our Strategic Delivery Plan** is how we will translate our vision and strategy into action over the next three years as we work across our primary levers:

Engagement

Whakapāpā

Education

Whakaako

Enforcement

Whakauruhi

6. The drivers behind Taura Here Waka reflect the need for WorkSafe to evolve what we do and how we do it; to lift the performance of the health and safety at work system and to lift the performance of our own organisation. **Taura Here Waka has six focus areas** that help us **prioritise and deliver key initiatives, projects and core activities.** They are:

- | | | | | | |
|--|-------------------------------------|--------------------------------|-------------------------|------------------------------|-----------------------------------|
| 1....choose the most effective interventions | 2....make choices based on insights | 3....listen and tell our story | 4....measure what we do | 5....partner across Aotearoa | 6....set ourselves up for success |
|--|-------------------------------------|--------------------------------|-------------------------|------------------------------|-----------------------------------|

Who we work with

7. **WorkSafe cannot fix health and safety alone. We seek to effectively partner with workers, unions, employers, businesses and iwi organisations.** Worker representatives and unions, and business, industry and sector bodies are important partners and stakeholders. As a Crown Agent, WorkSafe is committed to our obligations under the Treaty of Waitangi - Tiriti o Waitangi, and to working collaboratively with Iwi and Māori communities to reduce harm to workers.
8. We collaborate with specialist and expert advisors in health and safety and with other technical experts to support our work, and we work with education and training organisations to influence the way work is done. **The health and safety system impacts - and is affected by - other regulatory systems. This is why WorkSafe works with other government agencies and regulators.** Our relationship and work with MBIE is particularly important.

The catalyst - and vision - for change

9. The Pike River tragedy resulted in the loss of 29 lives. It was a catalyst for a Royal Commission and an Independent Taskforce on Workplace Health and Safety (a Taskforce) that both proposed a vision and made recommendations for necessary change to health and safety at work in New Zealand. The Taskforce considered that change was necessary to address the need for **“an urgent, broad-based step-change in approach and a seismic shift in attitude”**.
10. The health and safety at work system has undergone significant reforms since the Royal Commission and Taskforce. They include the establishment of WorkSafe on 16 December 2013 and the passage of the Health and Safety at Work Act 2015 (the HSWA) which came into effect on 4 April 2016. Workers sit at the heart of the health and safety system. The HSWA requires that they should be given the highest level of protection against harm and risks arising from work as is reasonably practicable.
11. Since Pike River, New Zealand has made some gains in improving health and safety at work. We have built a deeper knowledge of the health and safety at work system, its participants and of current and emerging health and safety risks. Since 2010 – 2012, we have halved the number of fatalities at work. We have also identified the heavy burden of harm caused by work-related ill health and, with funding from Budget 2019, are making further investment.

Key strategic opportunities and priorities

12. There is still significant work to do to further lift New Zealand’s health and safety at work performance towards world-class. New Zealand’s burden of harm from work-related ill health is significant; our serious non-fatal work-related injury rate is creeping upwards; and our work-related injuries resulting in more than week away from work have remained largely unchanged since 2012.

Evolving the regulatory model for healthier and safer work

13. A strong health and safety at work system and regulatory model requires a focus on changing the way work is planned, set up and undertaken. Many of the illnesses, injuries and near misses that WorkSafe are told about appear to result from poor workplace and work practice design, right through the supply chain.
14. Increasing our focus on, and ability to influence, the key parameters of how work is set up provides a significant opportunity to get ahead of the harm experienced by workers on the frontline. To do this we need to make connections between the workplace relations and safety portfolio and other key systems and portfolios; they include agriculture, building and construction, energy and resources, and transport.
15. MBIE has briefed you in detail on the health and safety system, regulatory model and key participants. WorkSafe and MBIE will advise you on the opportunities for you to make connections with your ministerial colleagues to drive improvements in health and safety, across portfolios and within the health and safety system. We will also provide advice to support appropriate oversight and governance of the system, and on the design of the regulatory model.

Engage system participants through implementing the Health and Safety at Work Strategy 2018-2028

16. To be effective, all system participants must come together to drive change in the way work is done. This is recognised in the Health and Safety at Work Strategy 2018-2028 (the HSW Strategy). It is also recognised that they all have a role to play in achieving its vision; **work is healthy and safe for everyone in New Zealand**.
17. Implementing the HSW Strategy, through bringing system participants together to take responsibility, agree actions and performance measures under its goals and priority areas, is a priority for WorkSafe and MBIE. It provides an opportunity for you as Minister. It can help Government address the challenges and leverage the opportunities presented by the COVID-19 pandemic, and drive the leadership, culture and practice changes necessary to change how work is done, consequently improving health and safety at work outcomes.

Address the challenges presented by the COVID-19, and leverage the opportunity it provides

18. Like all government agencies, WorkSafe has had to re-prioritise and re-deploy our people and resources to support the all-of-government COVID-19 response, which remains ongoing. The response exposed a gap in regulatory oversight of infection control affecting workers. This is both a health and safety at work issue, and a public health risk, which needs to be filled.
19. The Government's plan for economic recovery on the back of COVID-19 provides both a risk and also an opportunity to influence the way work is commissioned, planned, set up and undertaken. If not commissioned and planned well, there is a real possibility of worsening outcomes for workers. Pressure may mount for quick wins that could lead to poor workplace conditions and work practices. Alternatively, if good health and safety is considered at the outset and work is set up and done in right way, it is likely that down-stream health and safety outcomes for workers could be significantly improved from the status quo.
20. The Government is New Zealand's largest purchaser of goods and services. It could take a leadership role in building good health and safety at work into procurement processes and throughout contracted supply chains. For example:
 - a. training and apprenticeship programmes can be used to build health and safety awareness and capability in our workforce, and to support worker engagement, participation and representation (WEPR) by building workers' awareness of their rights and role in the system.
 - b. "shovel ready" and other government projects can be procured and set up with a focus on health and safety by design, with clear obligations placed on participants throughout the supply-chain to deliver new infrastructure and housing in a healthy and safe way.

Leverage the gains that can be made from changing the way work is done

21. As New Zealand adapts and evolves in response to our changing operating environment, and COVID-19, we can work together to create better, healthier and safer work. This means setting clear parameters for good models and practices that enable work to be done well and that keep workers healthy and safe. It also means being clear about when WorkSafe will intervene and hold people to account for the consequences of poor work; work-related illness, injuries and fatalities.
22. The benefits of identifying potential health and safety consequences up-front, and of planning, setting-up and doing work in a way that prevents harm from occurring will flow across New Zealand. They will benefit workers, businesses and the economy through a reduction in the burden of harm; through preventing work-related ill health, and people being injured and dying at work. An estimated 50,000 work-related disability-adjusted life years (DALYS) are lost annually to work-related harms.¹

An effective legislative and regulatory framework

23. Work to reform and modernise the regulations carried forward under the HSWA has been progressing too slowly and is essential to enable better outcomes. In its 2013 report, the Taskforce identified that the regulations were confusing, and that good, workable law was a pre-requisite for a high-functioning health and safety system. We agree and encourage you to progress the regulatory reform programme as a priority during this term of government.
24. Some of the current regulations are so old they are no longer relevant to contemporary ways of working and to New Zealand's workplaces. They do not adequately address risk and harms, and they create costs with no real health and safety benefits. There are gains to be made by all system participants through MBIE completing the programme of regulatory reform including the:
 - a. plant, structures and working from heights regulations. In particular, the regulations require mobile plant to have rollover protective structures but there is an exemption for vehicles under 700kg. This prevents WorkSafe taking enforcement action to address the issue of harm

¹ WorkSafe's work-related health estimates (2019). A DALY is a statistical measure of the quality and length of life lost to injuries and illness.

arising from the use of quad bikes and s.(2)(f)(iv)

- b. hazardous substances regulations. For example, hazardous substances represent one of the major causes of work-related ill health but it is accepted that there are high compliance costs associated with implementing and enforcing the regulations that are disproportionate to the health and safety gains they achieve.

25. The regulatory reforms underpin the work we do to support effective health and safety at work regulation. This includes, for example, through producing Approved Codes of Practice, Safe Work Instruments, and guidance and education to support duty holders.

An effective regulator with the capability, capacity and resources

26. WorkSafe has embarked on a journey to become a modern, insights-led regulator. We are evolving with a focus on ensuring we are effective in delivering our core activities; can work across the health and safety system; and have the capability, capacity and resources to make a measurable difference.

27. Taura Here Waka – *Strength in Every Strand* – our Strategic Delivery Plan has been designed to support us to work in a unified way; to deliver on **our vision that everyone who goes to work comes home healthy and safe**, and on government priorities and your ministerial expectations.

28. WorkSafe needs to effectively respond to the opportunities and challenges presented by our operating environment. Over the last two years, we identified some areas of risk in our Operations Group. So far, we have redeployed \$9 million to strengthening key priority areas, with further investment still required. This year, we have also absorbed costs of our Whakaari/White Island investigation and our contribution to the all-of-government COVID-19 response. This was also done through internal re-prioritising and re-deployment of our people and resources.

29. Our funding arrangements make it challenging to redirect resources towards new priorities. We are unable to reprioritise Accident Compensation Corporation (ACC) funding to address core operational activity, cost pressures, emerging risks or harms, or in response to major incidents which are not funded in our existing appropriation. Other funding streams are ring-fenced to types of activity such as high hazards and energy safety. Our new funding is regularly tied to very specific matters or deliverables, relevant at the time funding decisions are made.

30. We have received one-off COVID-19 funding for this year, to undertake stakeholder engagement and communication activities, but our current and planned Whakaari/White Island and COVID-19 operational responses will substantially exceed available funding. This exacerbates the operational activity risks we have been seeking to manage through re-deploying baseline funds.

31. In short, our task is bigger than our available resources and we are unable to meet public expectations for responding to reported incidents and near misses. We are not funded to respond to major incidents and we are faced with pressures in:

- a. our desire to step up our activities to help shape changes to the way work is done
- b. our need to increase harm prevention and work-related health initiatives
- c. ensuring our energy safety activities can respond to the changing nature of energy sector
- d. our work to strengthen our core operational activities
- e. needing to meet increasing stakeholder and public expectations of our operational activities.

32. We welcome the opportunity to talk with you about our work, and our work with MBIE, on these strategic opportunities and priorities, and how they can support your success in your role as Minister of Workplace Relations and Safety. We also look forward to engaging with you on the priorities you bring to the workplace relations and safety portfolio. We are available to meet with you at your earliest opportunity.
33. We look forward to providing you with more information on our operational priorities, outlined in the section below. This will occur in briefings, including our quarterly and weekly reports, and through presentations and meetings. We welcome requests for additional briefings on any health and safety matter that is top of mind for you.

Our operational priorities and matters to be aware of

Our response to Whakaari/White Island

34. WorkSafe's investigation into Whakaari/White Island covers the work-related health and safety issues surrounding the tragic event. It is the largest and most complex investigation we have ever undertaken. The investigation is a priority for WorkSafe as it is for all those people affected by the event. December 8, 2020 is the last day we can bring a HSWA prosecution associated with the event.
35. We have a programme of work to identify the range of potential catastrophic events in New Zealand associated with work activities, and to evaluate the likelihood, impact and potential significance of each type of event. This work will help us identify the relevant legal frameworks for work activities that present a risk, and establish the extent of WorkSafe's regulatory reach and that of other agencies with relevant powers/responsibilities.
36. WorkSafe is also undertaking review of businesses in the adventure and recreation industry, to assist them to determine whether they are subject to, and operating in compliance with, the [Health and Safety at Work \(Adventure Activities\) Regulations 2016](#). We are doing so with the awareness that COVID-19 has had a significant impact on these operators.

Third party certifiers

37. WorkSafe is responsible for delivering or overseeing a number of third party certification schemes. These are schemes where a third party applies and is accredited, or recognised by us as capable of undertaking inspections or assessments of Persons Conducting a Business or Undertaking (PCBUs) that have a health and safety and/or public safety responsibility. This includes PCBUs doing such things as operating adventure activities or storing, using and handling hazardous substances.
38. Our Adventure Activity Operator review, and other reviews of our certification schemes, have highlighted that they are an area in which WorkSafe needs to apply further resources; to ensure that we fulfil our legislative and regulatory responsibilities, and others fulfil theirs. We need to be clear about the technical skills and experience the third parties accredited to deliver these schemes need and to enable them to undertake inspections and assessments to a high and consistent standard.

Work-related health

39. WorkSafe received contingency funding in the Wellbeing Budget 2019 for harm prevention initiatives and to address harm at work caused by work-related ill health and early deaths from work-related health exposures. We are working with others to build a more complete picture of our work-related ill health. We have estimated that it accounts for 88% of the total work-related harm burden.²
40. We are delivering programmes of work against three key areas of focus set out as priority risks in our [Healthy Work: WorkSafe's Work-related Health Strategic Plan 2016-2026](#). They are:
- a. carcinogens and airborne risks (31% of the work-related burden of harm)
 - b. musculoskeletal disorders (27% of the work-related burden of harm)

² WorkSafe's work-related health estimates (2019).

c. psychosocial risks (17% of the work-related burden of harm).

41. Mentally healthy work, including being safe from bullying and harassment, is a particular priority and focus for WorkSafe, and is a matter of sustained public interest. MBIE is currently consulting on an issues paper on this issue, which we provided input into. It is a topic that is the subject of regular questioning by the Finance and Expenditure Committee and of Official Information Act 1982 requests.

High-risk sectors and work

42. The Harm Reduction Action Plan (HRAP) shows what WorkSafe and ACC are jointly working on to make the biggest impact on reducing workplace fatalities and injuries. The HRAP has a focus on cross-sector and sector harm prevention initiatives, WEPR and workers at greater risk of harm.

43. The requirement for ACC to show a return to the scheme through a reduction in claims (compared to WorkSafe's broader health and safety at work mandate) often means the focus and objectives of the two agencies do not align when investing in harm prevention. This has led to inefficient and fragmented investment and funding decisions, and consequential frustration for many key partners and stakeholders. MBIE, WorkSafe and ACC need to jointly undertake some work to fully articulate this problem and provide options for change.

44. Forestry, agriculture, manufacturing and construction are the traditional high-risk sectors that have been a focus for workplace health and safety activity, including supporting health and safety leadership groups and tripartite initiatives (with government, worker and business leadership and representation). However, our harm information tells us that we need to increase our focus and activity in the transport, postal and warehousing, and healthcare and social assistance sectors.

45. Almost half of all work-related acute fatalities are related to vehicle incidents. This performance year we have begun delivering a work programme focussed on reducing harm working in and around vehicles including increasing seat-belt use, supporting better traffic management on worksites and reducing risks and harms in the trucking industry. WorkSafe's public recommendation in support of Crush Protection Devices on quad bikes is one example of this.

Working with and for Māori, and for workers at greater risk of harm

46. Māori are at higher risk of injury than non-Māori even though the difference in injury risk has been decreasing over time. Our Mauriti 2025 – Safe Haven strategy sets out our goals to reduce fatalities, serious harm and health impacts on Māori in the workplace.

47. Working with and for Māori is an important aspect of our work. We are seeking to develop stronger relationships with Iwi which includes - together with our social partners (the New Zealand Council of Trade Unions – Te Kauae Kaimahi and Business New Zealand) - a Partners Council to increase collaboration and partnership. This performance year we are working to deliver a minimum of two community-based Kauapapa Māori harm prevention programmes through tripartite partnerships between Iwi, regional industries and WorkSafe. We are implementing the Te Ara Tuituinga engagement framework and working to further WorkSafe's own understanding of, and approach to, partnership with Māori.

48. Pacific Peoples are also over-represented in our statistics. WorkSafe is currently delivering a Pacific Peoples Responsiveness Plan and continuing our Puataunono – Come Home Safely workshops with a focus on addressing the health and safety at work needs and issues faced by Pacific workers. Better, healthier and safer work would make a real difference to all workers but could be a game-changer for Māori and Pacific Peoples.

The health and safety at work system and operating environment

49. The health and safety system, and operating environment, is being influenced by broader global, national, regional and local change. The changes are economic, cultural and social. The COVID-19 pandemic has had a significant impact on the operating environment. Along with being a new critical health risk that employers and businesses must mitigate or manage, COVID-19 has demonstrated what New Zealand can achieve when we work together.

We need to continue to build health and safety leadership

50. To continue to transform New Zealand's health and safety at work performance, change must be collectively driven. It must be led by employers, businesses, industry and sector groups, organisations and their directors. All persons conducting a business or undertaking (PCBUs) have a fundamental obligation to ensure their workers come home from work healthy and safe.
51. Information on health and safety leadership is fragmented. Our Health and Safety Attitudes and Behaviours Survey (2018) told us that for business leaders in higher-risk sectors the reported importance of health and safety increased between 2013 and 2016, after which it appears to have plateaued. We need to grow the one in five workplaces with a mature safety culture to one hundred percent.
52. If they are under pressure, employers, businesses and other organisations may have fewer resources to focus on health and safety, and to support the work of health and safety leadership groups. They might change their work practices and processes in an effort to conserve their resources. This highlights the opportunity and the need for the Government to maintain or increase its focus on health and safety. Without it, the recession and the associated economic stimulus may increase the negative health and safety consequences for workers; especially if they are put under additional pressure, or feel their employment is precarious and they are afraid to speak up.

Worker engagement, participation and representation remains vital to our success

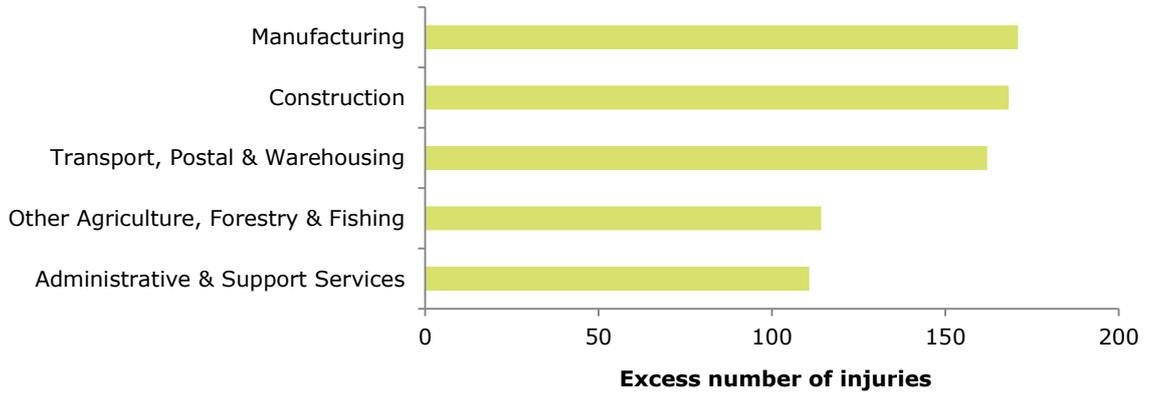
53. PCBUs need to engage with, and encourage participation and representation from workers, their representatives and unions. Too often, duty holders treat people as a problem to be solved. But, people are often the solution to doing work better. This is because workers are well-placed to provide advice and input into making their own work more effective and safer. Worker engagement, participation and representation (WEPR) are enshrined as key foundations of the HSWA but the potential is yet to be fully realised.
54. As workers transition from sectors in which there are job losses into new work, WEPR will be increasingly important. Workers will be able to bring fresh ideas to improve health and safety to their new roles; drawing from their past experiences. Those new roles may mean they are faced with new health and safety risks. We know that there is an ongoing need to educate all system participants about WEPR; to support it to occur; and to enforce the relevant provisions in the HSWA.

We need to continue to focus on workers at greater risk of harm

55. Māori have higher rates of injury than non-Māori, and Māori and Pacific Peoples frequently work in higher-risk roles and are over-represented in workplace fatality and injury statistics. Excess injuries are the number of acute injuries for Māori that would not have occurred if Māori had the same injury rate as non-Māori. The sectors with the highest number of excess injuries for Māori are manufacturing, construction, and transport, postal and warehousing as shown below.



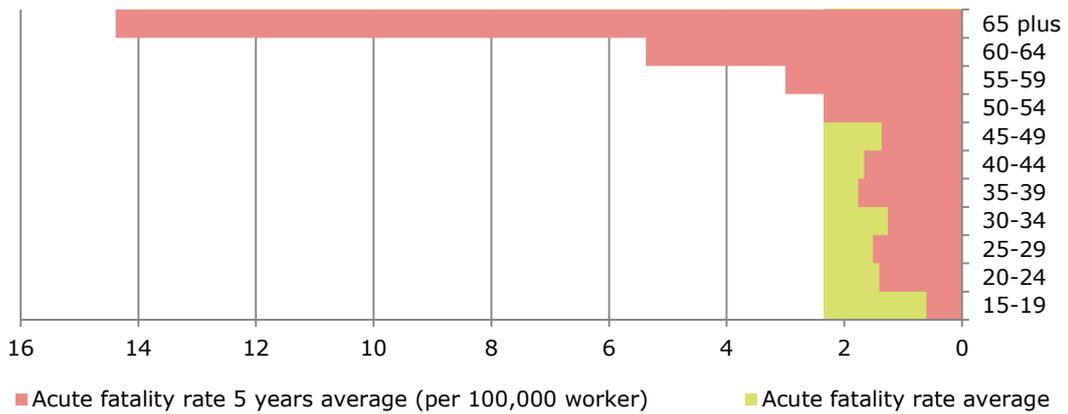
Sectors with the highest number of excess injuries for Māori in 2018*



*Source: WorkSafe SWIFT (2019)

56. We need to better understand and address the greater risks confronted by Māori and Pacific Peoples, and New Zealand’s older workers. Workers aged 55 years and over are around four times more likely to die from work-related acute injuries than other age groups. More of our older workers may choose to remain in the workforce, as the impact of the recession is felt.

Acute fatality rate by age group (2014-2018 average)*



*Source: WorkSafe SWIFT (2019)

Rate of acute injury with more than a week away from work (WAFW) by age, 2018



*Source: WorkSafe SWIFT (2019)



57. The financial pressure on families and whānau might drive more young people into work. We are already hearing reports of this in our news media. Although it is not easily discernible from statistics because they are more likely to work part time, we need to focus on younger workers for two reasons:

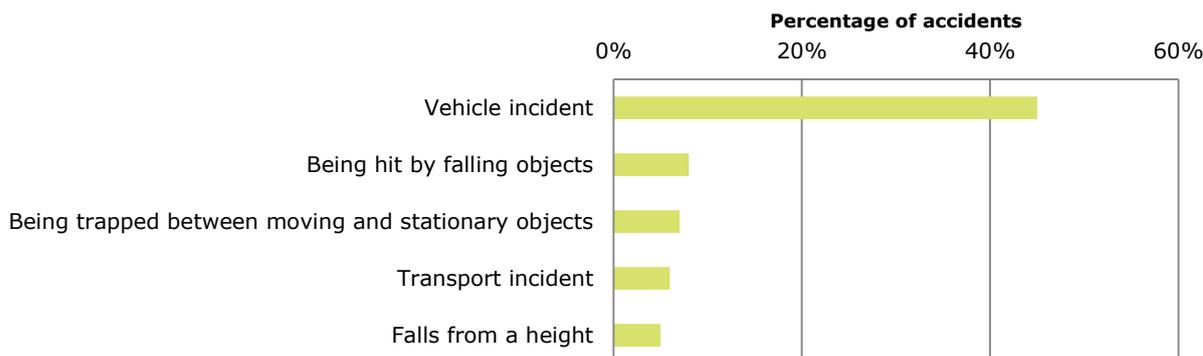
- a. they are at higher risk of a work-related acute injury which is
- b. due to the younger age distribution of Māori and Pacific people in the workforce.

The nature of work is changing for many, creating new high-risk sectors and work practices

58. Along with labour market changes, WorkSafe has been considering how new technologies and innovation - such as automation and artificial intelligence - will affect the way people work and live. Our view is that there are opportunities to change the way work is done to improve health and safety. But, also that health and safety accountability could become less clear as working arrangements become more fluid and complex.

59. New sectors and industries, along with new work practices, may emerge as being high-risk and needing our attention. The manufacturing sector has seen increases in fatalities and week away from work (WAFW) acute injuries. We are seeing high rates of WAFW acute injuries in the transport, postal and warehousing, and healthcare and social assistance sectors. We know that almost half of work-related acute fatalities are related to working in and around vehicles (WIAV).

Five most frequent event types that lead to work-related deaths (2014-2018)**



*Source: WorkSafe SWIFT (2019)

Vehicle incidents include car, motorbike, truck and tractor incidents while transport incidents include bus, boat, train and plane incidents.

60. Employers and businesses need to consider the health and safety risks of WIAV and of new machinery, systems and processes that support change and innovation in the workplace. We are particularly alert to the changing nature of the energy sector in response to new technologies and climate change, although New Zealand is currently achieving its energy sector system targets.

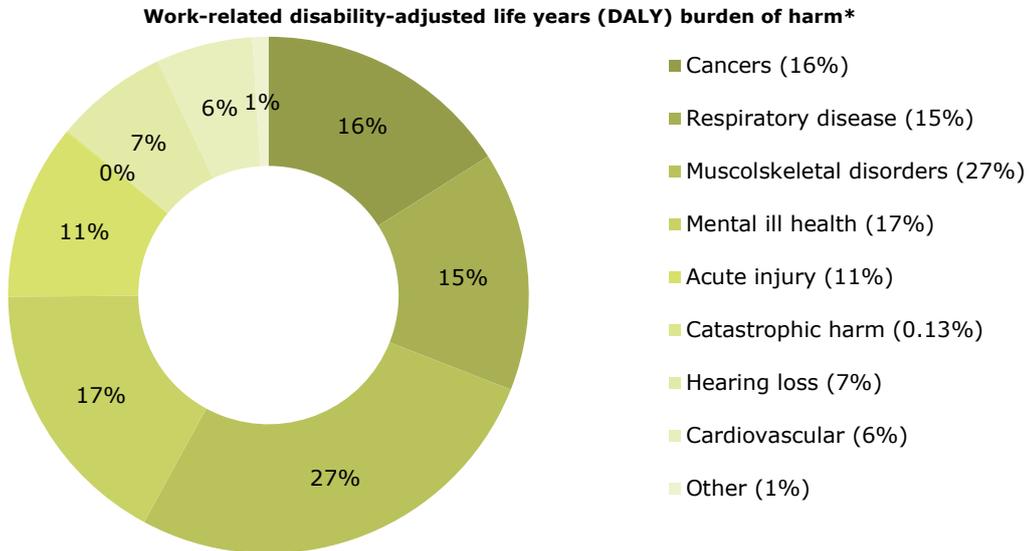
61. The workplace fatality and injury system targets reflect the need for New Zealand to continue to improve our fatality and serious injury rates. Our monitoring and reporting on these targets tell us we need to re-invigorate our efforts to build upon our early gains:

- a. New Zealand achieved the target of reducing our fatality rate, which based on the latest 2016-2018 results is 35% lower than baseline, but the rate has flat-lined since 2014-2016
- b. serious non-fatal work injuries have increased over the past two reported years, with the rate going up from 14.3 per 100,000 full time equivalent (FTE) workers in 2016 to 17.3 in 2018
- c. WAFW injury rates have either remained the same or increased in recent years and are now 12 percent higher than our baseline.



Our modelling tells us that work-related ill health creates the biggest burden of harm

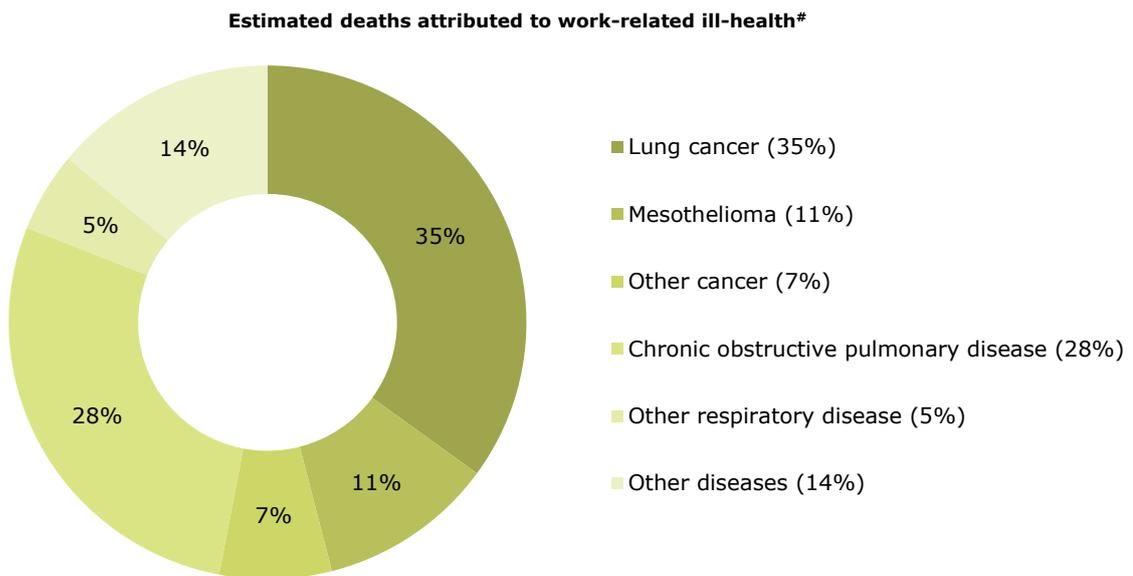
62. New Zealand is still building a picture of work-related health. We estimate that 750–900 people die from work-related diseases each year, and 5,000-6,000 hospitalisations each year are associated with work-related ill health. Musculoskeletal disorders account for the largest burden of harm, followed by mental ill health, cancers and respiratory diseases.



*Source: Work-related health estimates (2019), based on lower estimate

63. Many cancers and respiratory diseases are caused by airborne exposures. Past exposure to asbestos (usually decades ago) accounts for the greatest number of current estimated deaths, followed by exposures to dusts, vapours, gases and fumes that cause chronic obstructive pulmonary disease.

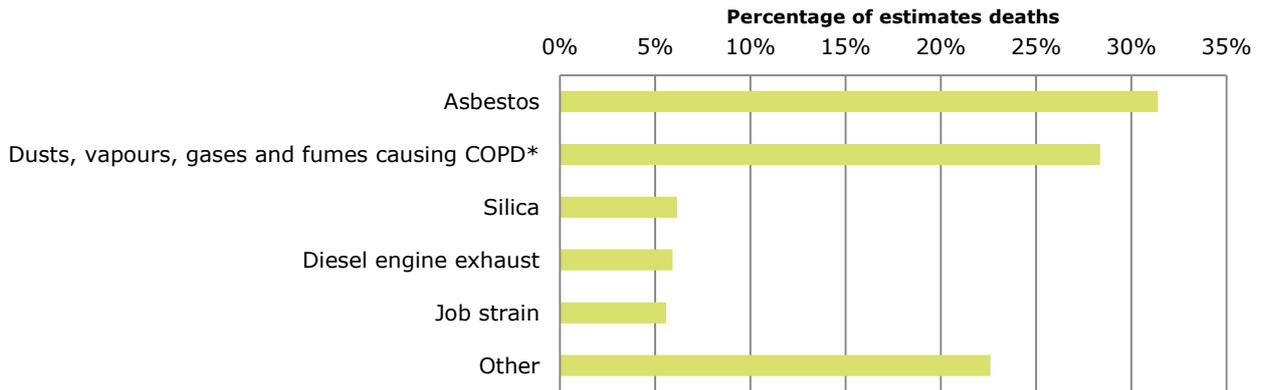
64. The good news is that we are working towards achieving the system target of a 50% reduction in asbestos-related disease by 2040. We know that most work-related cancer and respiratory disease is preventable. So, it is clear that New Zealand can work towards preventing these harms and addressing these statistics.



#Source: Work-related exposure estimates (2019, unpublished) based on lower estimate of 750 annual deaths



Exposures attributed to estimated work-related ill health deaths#



#Source: Work-related exposure estimates (2019, unpublished) based on lower estimate of 750 annual deaths

*Dust includes all organic and inorganic dust

We need to build our understanding of, and focus on, mentally healthy work

- 65. While the data is limited, an estimated 17 percent of all work-related harms - 8,500 disability adjusted life years (DALYs) - are lost annually to poor mental health (through depression, anxiety and alcohol and drug use disorders) attributable to work.³
- 66. This year, the impact of the April/May 2020 and Auckland August lockdowns, and the ongoing global impacts of COVID-19 can reasonably be expected to have had a range of impacts on workers' mental health; for essential workers this may include new stress triggers related to their work. WorkSafe has been contributing to the all-of-government response to this. Mentally healthy work is a matter we all must remain cognisant of into the future.

³ Work-related health estimates (2019)

Appendices

These appendices provide a short list of key matters that we will bring to your attention, for discussion and feedback, over the next three to six months.

They provide you and your office with important information about your ministerial responsibilities, our relationship with MBIE, our Board, ELT and people, and the key stakeholders you might wish to prioritise meeting with. We have included a financial summary. We have included an acronym list as there may be new terms to become familiar with.

Key matters over the next three to six months

- Below is a list of some key matters that we will bring to your attention. We will update you on these matters, and others, through our regular reporting, in presentations and meetings.

Date	Subject	Points of note	Action requested
19 November 2020	Pike River tragedy anniversary	<ul style="list-style-type: none"> November 19, 2020 is the ten-year anniversary of the Pike River tragedy, in which 29 men lost their lives. It is an important date for all those affected. The establishment of WorkSafe was a direct result of the tragedy and the Royal Commission and Independent Taskforce on Workplace Health and Safety that followed. WorkSafe has a regulatory role in supporting the Pike River re-entry efforts. It works within that role, monitoring the activities and regulatory compliance of the Pike River Recovery Agency (PRRA). WorkSafe has supported the PRRA as an 'active listener' in that agency's work. 	<ul style="list-style-type: none"> Note that you may be asked to comment on Pike River, and the Government's response. Note we are available to brief you on our role in relation to the Pike River re-entry process.
Mid November 2020	WorkSafe Annual Report 2019 - 2020	<ul style="list-style-type: none"> We have a legislative obligation to provide you with an Annual Report 15 days after we receive our annual Audit Report. The Public Finance Act 1989 requires tabling of the Annual Report within 15 days of the Audit Report if Parliament is in session. If it is not, you must table it as soon as possible after Parliament sits. The Crown Entities Act 2004 requires you to publish the WorkSafe Statement of Performance Expectations 2020-2021 (SPE) at the same time as our Annual Report. We will work with your office to provide an opportunity for you to review the Annual Report before tabling. The SPE was approved in June 2020. 	<ul style="list-style-type: none"> Set aside time to review, provide feedback on the WorkSafe Annual Report 2019/2020. Table the Annual Report and SPE in Parliament consistent with legislative obligations.
Mid-late November 2020	Whakaari/White Island investigation	<ul style="list-style-type: none"> Whakaari / White Island is the biggest and most complex investigation WorkSafe has ever undertaken; it has involved people with a range of specialist and technical skills within WorkSafe and required us to engage external expert advice, including from volcanology experts overseas. We commissioned an independent review of our investigation, which noted it "has been well planned and adequately scoped with all the necessary key requirements identified to this point in time". It emphasised the 	<ul style="list-style-type: none"> Set aside time to review, our briefing (to come) on Whakaari / White Island.

Date	Subject	Points of note	Action requested
		<p>need to maintain momentum to complete enquiries within the time available.</p> <ul style="list-style-type: none"> The review suggested a number of ways to strengthen the investigation processes to ensure appropriate outcomes, including engaging external legal support and a Queens Counsel, and making appropriate arrangements for victims support as we work within our 8 December statutory timeframe. We have implemented these recommendations. Due to the complexity and sensitivity of the investigations and the potential for charges to be laid, we are preparing to brief key stakeholders including yourself and our Board at the appropriate milestone. MBIE will also be briefing you on their review work associated with the adventure activity regime 	
<p>Mid-late November</p>	<p>WorkSafe s.9(2)(f)(iv)</p>	<ul style="list-style-type: none"> Over the past two years WorkSafe has been re-deploying baseline funding into identified areas of operational risk. In addition, in 2019/20, WorkSafe absorbed the cost of our Whakaari/White Island investigation and COVID-19 response. Our planning and budgeting process for future work has demonstrated that this will not be possible this year and that we are facing a range of capacity, capability and resourcing challenges. We need to ensure our Whakaari response is appropriately resourced. There are areas of risk in our Operations Group and we are facing potential funding shortages in energy safety to maintain current activity levels. We also need to ensure that our digital strategy programme has the resources needed to be a success. 	<ul style="list-style-type: none"> Set aside time to discuss our resourcing requirements, s.9(2)(f)(iv) for 2020/21 and 2021/22.
<p>To be advised</p>	<p>Modernisation programme</p>	<ul style="list-style-type: none"> WorkSafe’s modernisation programme is supporting our evolution towards being a modern, insights-led regulator with an increased focus on work-related health. It is supporting our organisational evolution as we work to embed a standard approach to project initiation and delivery, and service design. We are working to deliver a digital strategy programme, including the digital and information services and tools we need to do our work in an efficient and effective way. s.9(2)(f)(iv) We will be assessing our current funding needs to support the programme and engaging MBIE, as our Crown Monitor, before briefing you and seeking your approval, along with that 	<ul style="list-style-type: none"> Set time aside to review, provide feedback on s.9(2)(f)(iv) reform.



Date	Subject	Points of note	Action requested
		of the Minister of Finance, s.9(2)(f)(iv)	
1 May 2021	WorkSafe Statement of Intent	<ul style="list-style-type: none"> • We have initiated work on a new Statement of Intent and Strategic Outcomes Framework, with a view to meeting our legislative obligation under the Crown Entities Act 2004. • The purpose is to draw a line of sight from our vision – that everyone who goes to work comes home health and safety – to our work. • A Strategic Outcomes Framework sets out the vision and goals of an organisation, and how the impacts of its activities – both its projects and its business as usual work - will be measured. It provides the foundation for an effective planning and performance system which is pivotal to great organisational performance. 	<ul style="list-style-type: none"> • Set aside time to review, provide feedback on the WorkSafe Statement of Intent, and our proposed Strategic Outcomes Framework.



Your Ministerial responsibilities

1. WorkSafe was established on 16 December 2013 as a Crown Agent. A Crown Agent is the closest form of Crown Entity to the Government; closer to the Crown than, for example, an Independent Crown Entity (such as the Commerce Commission) or State-owned enterprise (such as New Zealand Post including Kiwibank), which have greater independence.
2. As a Crown Agent, we primarily exist to implement government policy but WorkSafe is governed by a Board and operational decisions are made at arm's length from the Government itself. This helps to maintain WorkSafe's independence and credibility as a regulator while enabling us to still give effect to policy when directed by you as responsible Minister.
3. As responsible Minister, you may direct WorkSafe to give effect to government policy that relates to our powers and functions. Under section 113 of the Crown Entities Act 2004 however, a Minister must not direct a Crown entity:
 - a. in relation to a statutorily independent function
 - b. require the performance or non-performance of a particular act in respect of particular people
 - c. require a certain result to be achieved in respect of particular people.
4. WorkSafe is mindful of meeting your ministerial expectations, and of how our decisions and actions may impact on wider government policy issues. We will advise you of issues that may be discussed in the public arena, are of public interest or require a response from you. We will inform you of any major strategic initiatives or projects we undertake, and of any significant investigations.
5. WorkSafe has a statutory duty to provide you with advice. We will work with you, and with the Ministry of Business, Innovation and Employment (MBIE), to provide advice and resources to support you exercising your role. This includes on work that crosses over with other elements of the Workplace Relations and Safety portfolio; such as that within the Labour Inspectorate, as well as any work with the Accident Compensation Corporation (ACC), the New Zealand Transport Agency (NZTA), New Zealand Police (Police), and in the energy and resources portfolio (and other relevant portfolios).
6. Along with the Health and Safety at Work Act 2015, there are a number of pieces of legislation that relate to your responsibilities and the operational functions of WorkSafe – the following are of most relevance:

<u>WorkSafe New Zealand Act 2013</u>	The WorkSafe New Zealand Act 2013 (WKS NZ Act) established WorkSafe and sets out WorkSafe's main objective and functions.
<u>Hazardous Substances and New Organisms Act 1996</u>	WorkSafe is responsible for enforcing ecotoxic and disposal controls under this Act in places of work; and for enforcing this Act in relation to gas distribution systems, installations or appliances.
<u>Electricity Act 1992</u> and <u>Gas Act 1992</u>	WorkSafe is responsible for energy safety; a regime that extends outside of workplaces, to any place electricity or gas is produced, supplied, installed and used.
<u>Crown Entities Act 2004</u>	The Crown Entities Act 2004 provides the legal framework for for the establishment, governance and operation of Crown Entities – like WorkSafe. It clarifies relationship and accountabilities between Ministers, Board and agencies.

7. Most legislative Ministerial tasks will be facilitated through MBIE with some key approvals and responsibilities that relate to WorkSafe and the health and safety at work system, as in the table below. We set out some information about MBIE's role as our [Crown Monitor and our relationship](#) in the section that follows this.

Item	Description
Statement of Intent	WorkSafe's Statement of Intent 2018/19 – 2021/22 (SoI) sets out our strategic intentions for the health and safety at work system over a four year period. We are in the third year of turning that intent into action. Our strategy and vision, and our external and internal strategic pillars are set out in our SoI.
Statement of Performance Expectations	<p>WorkSafe's Statement of Performance Expectations 2020/21 (SPE) setting out WorkSafe's priorities for the current financial year, was published in July 2020. As Minister, you formally present the SPE to the House with our Annual Report.</p> <p>WorkSafe reports progress against each year's SPE in quarterly reports from the Board that are published on our website. This work culminates in the Annual Report for the year.</p>
Annual Report	As Minister you present the Annual Report from WorkSafe to the House. The 2019/2020 Annual Report is currently being drafted and will be sent to your office for feedback, and to enable tabling along with our Statement of Performance Expectations 2020/21, in November.
Letter of Expectations	Following on from the Prime Minister's enduring Letter of Expectations to Crown Entities, Ministers with responsibilities for Crown Agents set out a Letter of Expectations to the Board Chair. This letter is drafted by MBIE at your direction. It is not a legislative obligation but a matter of practice.
Appointments to the WorkSafe Board	Under the WKS NZ Act you must appoint at least five, but not more than nine, people as members of the Board. MBIE will facilitate this process with you as the need arises.
Approved Codes of Practice	<p>Approved Codes of Practice (ACOPs) are practical guides produced by WorkSafe and approved by you on how to comply with legal duties under the HSWA and its associated regulations.</p> <p>They can be used in legal proceedings as evidence of whether or not a duty or obligation under HSWA has been complied with.</p>
Safe Work Instruments	<p>Safe Work Instruments (SWIs) set out technical rules in relation to matters covered by regulations, for example variations to control measures for specific substances.</p> <p>SWIs are developed by WorkSafe and approved by you (including amendments and revocation of SWIs). Prior to approving an SWI you must be satisfied that appropriate persons and organisations have been consulted.</p>

8. One new direction was given to WorkSafe in the year ending 30 June 2020, in relation to WorkSafe taking up a new work-related enforcement function. The following table outlines the directions currently in place.

Direction	Minister	Effective date
WorkSafe New Zealand taking up a new work-related enforcement function under the <i>COVID-19 Public Health Response Act 2020</i>	Minister of Workplace Relations and Safety	26 May 2020
Whole of Government Direction regarding the New Zealand Business Number	Minister of State Services and Minister of Finance	Various
Whole of Government Direction regarding Procurement Functional Leadership	Minister of State Services and Minister of Finance	1 February 2015
Whole of Government Direction regarding Property Functional Leadership	Minister of State Services and Minister of Finance	1 July 2014
All-of-government shared authentication services	Minister of State Services and Minister of Finance	21 July 2008



9. WorkSafe has also been issued a direction by the Director-General of Health, in regard to undertaking a work-related enforcement function as part of the all-of-government COVID-19 response. It is detailed in the table below.

Direction	Effective date
WorkSafe New Zealand taking up a new work-related enforcement function under the <i>COVID-19 Public Health Response Act 2020</i>	12 August 2020

10. WorkSafe is the regulator for the safe supply and use of electricity and gas in New Zealand. The Energy Safety team sits within our Operations Group and the role includes both health and safety at work, and public safety. Your role as Minister of Workplace Relations and Safety intersects with that of the Minister of Energy and Resources with regard to these matters.



The MBIE/WorkSafe relationship

1. The Ministry of Business, Innovation and Employment (MBIE) and WorkSafe have an important, constructive and positive relationship of which there are three elements:
 - a. MBIE is our Crown Monitor
 - b. we work closely with MBIE on the performance of the health and safety system
 - c. we have a shared-services agreement with MBIE ICT and business services.
2. MBIE works closely with designated work health and safety regulators in the leadership strategy and coordination of the health and safety at work system, including WorkSafe. WorkSafe works with policy teams in MBIE, particularly in the Labour, Science and Enterprise Group. We also work with MBIE to provide an energy safety perspective to the Minister of Energy and Resources.
3. MBIE provides primary policy advice on health and safety and energy safety legislation and regulations. MBIE is your primary strategy and policy advisor on the design and overall performance of the health and safety at work system, and energy safety system. To complement their role, under section 10 of the Worksafe New Zealand Act 2013, WorkSafe is required to advise you on the operation of the work health and safety system, including coordination across the different components of the system, and to make recommendations for changes to improve the effectiveness of the system, including legislative changes.
4. MBIE is home to the Accident Compensation (ACC) Policy team which advises the Minister of ACC on the strategic direction and policy framework for ACC, the scheme's legislation and regulations, and on the ACC levy. WorkSafe sees value in developing a deeper relationship with the AC Policy team, as the work of ACC complements our own. In collaboration with ACC, we are implementing a programme of work under the *Harm Reduction Action Plan*.
5. WorkSafe, as the primary work health and safety regulator, provides leadership in implementing the health and safety at work system, including developing Safe Work Instruments and Approved Codes of Practice, and providing information and guidance.
6. MBIE and WorkSafe are the two main leads in supporting the health and safety at work system to deliver for the Workplace Relations and Safety portfolio. We understand the importance and necessity of working well together and provide contestable advice; bringing our own expertise and context to challenge and broaden each other's thinking. We coordinate that advice to you, as the Minister.



Our Board, Executive Leadership Team and people

1. WorkSafe is governed by a Board appointed under the WorkSafe New Zealand Act 2013 (WKSNZ Act). The WSNZ Act allows for five to nine Board members.
2. The Board have backgrounds that include experience in the administration of work health and safety legislation; health and safety at work best practice, including work-related illnesses and occupational disease; in risk management; in public sector governance and central government processes; in worker engagement, representation and participation; in business and in Te Ao Māori.
3. Three members of our Board will come to the end of their terms this performance year; our Chair (Ross Wilson), Deputy Chair (Paula Rose) and member Dr Jan White. The Board are cognisant of the mix of experience and skills that enable them to be effective and will provide input to MBIE when it helps you facilitate an appointment process.

Current members of the WorkSafe Board

<p>Ross Wilson Chair (Contact: s.9(2)(a))</p> 	<p>Of Scottish and Ngāi Tahu descent, Ross Wilson has governance experience which includes as Chair and Deputy Chair of the Accident Compensation Corporation (ACC), and as a Director of the Port of Wellington and KiwiRail. Ross is also a former president of the New Zealand Council of Trade Unions – Te Kauae Kamahi. He is a lawyer with a strong interest in employment and work health and safety law and practice. He brings a worker perspective to the Board.</p>
<p>Paula Rose, QSO Deputy Chair (Contact: s.9(2)(a))</p> 	<p>Paula Rose QSO is an independent consultant specialising in leadership, performance, safety and transport issues. She is a member of the Parole Board and a Director of the New Zealand Broadcasting Standards Authority. Paula was the Deputy Chair of the <i>Independent Taskforce on Workplace Health and Safety</i> and brings the knowledge, insights, and stakeholder networks gained in that role. Paula was previously the New Zealand Police National Manager responsible for Road Policing. Her leadership of road safety involved the development of a systems approach that has contributed to a reduction in the road toll. It included initiatives to bring about cultural and behavioural change, together with a more strategic approach to regulatory enforcement.</p>
<p>Dr Jan White (Contact: s.9(2)(a))</p> 	<p>A medical doctor by training, Dr Jan White has worked in medical and general management for over 20 years in both Australia and New Zealand. She has held a number of key health sector posts including six years as Chief Executive of the Waikato District Health Board and seven years as Chief Executive of ACC. She is also on the Board of Pharmac.</p>
<p>Nikki Davies-Colley (Contact: s.9(2)(a))</p> 	<p>Nikki Davies-Colley has been involved in the farming and exotic forestry industries for over 30 years. She is Chair of Tiaki Plantations Ltd, and a director of Farmlands Co-operative Society Limited and Kitchen Studio Distribution Limited. She has recently retired as Chair of Northpower Limited (electricity distribution and contracting), and has past directorships of Landcorp Farming Limited, The Tree People Ltd and MP Logging Ltd.</p>

<p>Bill Moran, NZOM (Contact: s.9(2)(a))</p> 	<p>Bill Moran NZOM has significant experience in the public sector, particularly in business transformation leadership, and economic and financial expertise. Bill worked at the New Zealand Treasury for 30 years, and is currently the Chair of Sport and Recreation New Zealand, the Chair of High Performance Sport New Zealand and a director of Pioneer Energy, Southern Generation, Community Trust South and Youthtown. Bill is a Member of the New Zealand Order of Merit.</p>
<p>Kristen (Krissy) Thompson (Contact: s.9(2)(a))</p> 	<p>Kristen Thompson was previously the Health and Safety Policy Analyst at the New Zealand Council of Trade Unions– Te Kauae Kamahi. She was heavily involved with the creation and early implementation of the Health and Safety at Work Act 2015. Kristen is trained as a Barrister and Solicitor of the High Court of New Zealand and has represented and assisted individuals and unions with health and safety, personal injury and employment disputes. She has represented individuals and clients in the forestry, rail, maritime, meat and manufacturing sectors.</p>
<p>Robin Hapi, CNZM (Contact: s.9(2)(a))</p> 	<p>Of Ngāti Kahungunu descent, Robin Hapi CNZM has extensive experience in executive roles in the public sector and the fishing industry. He currently serves as Te Amokapua/Chair of Te Wānanga o Raukawa, Chair of the Māori Economic Development Advisory Board, and on the Boards of Kainga Ora Homes and Communities, Te Mātāwai, the Whānau ora Commissioning Agency, and Te Wānanga o Raukawa Foundation.</p> <p>In 2016, Robin was made a Companion of the New Zealand Order of Merit for services to Māori, the community and governance.</p>
<p>James Fletcher (Contact: s.9(2)(a))</p> 	<p>James Fletcher trained as a lawyer, and was an employment and commercial litigator at two of New Zealand’s leading law firms. He has since forged a 20-year management career across the building products, electrical and mechanical contracting and facilities management industries. Prior leadership roles include Chief Executive of Treescape, Executive General Manager of Spotless New Zealand and Managing Director of OCS Limited.</p> <p>James has been on the Steering Group of the New Zealand Business Leaders’ Health and Safety Forum since 2013 and was twice a finalist in the Safeguard Health and Safety Executive of the Year awards.</p>

Board Committees and Advisory Groups

- The WSNZ Act allows for the Board to establish Committees and Advisory Groups to provide advice on matters relating to WorkSafe’s functions. The Board has currently set up five groups, three of which are led by independent chairs. It is in the process of setting up a new Digital Transformation Board Committee which will include three ICT experts and will be chaired by a Board member. We are also establishing a tripartite [Partners Council](#) which will provide a forum for dialogue and cooperation between WorkSafe, Iwi, and social partners on work health and safety matters.

<p>Audit, Risk and Finance Committee</p>	<p>The objective of the Audit, Risk and Finance Committee (ARFC) is to provide independent assurance and advice to the Board of WorkSafe on the agency’s risk, control and compliance framework, and its external accountability responsibilities. Furthermore, it monitors WorkSafe’s finances.</p> <p>Neil Stiles (an external accountant) is the Independent Chair, and Nikki Davies-Colley is the Deputy Chair of the Committee.</p>
<p>Governance and Performance Committee</p>	<p>The objective of the Governance and Performance Committee (G&PC) is to review, report and provide advice and recommendations to the Board on:</p> <ul style="list-style-type: none"> their skills matrix including identifying the required skillsets for potential Board Members and Board Committee candidates their approach to governance, and the Board Governance Manual and other Board Policies; how they evaluate their effectiveness, and their systems and processes that support them to govern WorkSafe the measures for WorkSafe’s organisational performance and effectiveness, and the work to achieve the measures. <p>Bill Moran is the Chair and James Fletcher the Deputy Chair of the Committee.</p>

<p>People, Diversity and Remuneration Committee</p>	<p>The Board is committed to caring for all people who work for WorkSafe by ensuring that WorkSafe has a best-in-class health, safety and wellbeing practice. The objective of the People Remuneration and Diversity Committee (PR&DC) is to review, report and provide advice and recommendations to the Board on:</p> <ul style="list-style-type: none"> • measures to improve the health, safety and well-being of WorkSafe people • Board, Chief Executive and Senior Executive succession planning • setting and reviewing of the Chief Executive’s remuneration and performance • the framework for and application of, Senior Executive remuneration and performance • WorkSafe’s remuneration, recognition and reward policies • WorkSafe’s talent strategy and leadership pipeline • measures to improve diversity. <p>Robin Hapi is the Chair and Krissy Thompson the Deputy Chair of the Committee.</p>
<p>Work-related Health Advisory Group</p>	<p>The Work-related Health Advisory Group (WRHAG) provides independent perspectives on the implementation and impact of WorkSafe’s strategic activities within WorkSafe’s Healthy Work: WorkSafe’s Work-related Health Strategy 2016-2026. It also provides strategic recommendations and advice to the Board in line with their annual strategic planning process.</p> <p>George Adams is the independent chair of the Group.</p>
<p>Extractives Industry Advisory Group</p>	<p>The Extractive Industry Advisory Group (EIAG) provides advice on the effectiveness of the extractives regulatory framework and WorkSafe’s administering and enforcing of it; specific aspects of the regime (such as emergency preparedness and response, the Board of Examiners); health and safety trends in the sector, both in New Zealand and overseas; and how WorkSafe can ensure that it responds appropriately to emerging health and safety issues and future developments in the extractives sector.</p> <p>Gavin Taylor is the independent chair of the Group.</p>

WorkSafe Executive Leadership Team

5. WorkSafe is led and managed by our Executive Leadership Team (ELT), including our Chief Executive, General Managers and National Advisor Māori. Together they bring extensive leadership, management and technical experience to their roles.

<p>Phil Parkes, Chief Executive (Contact: s.9(2)(a))</p> 	<p>Phil is the Chief Executive of WorkSafe. Taking up the role in 2020, Phil has held several leadership positions at WorkSafe since 2014. Phil’s previous role was Chief Operating Officer, leading our Operations Group of over 300 employees, including High Hazards, Energy and Public Safety, Health and Safety Innovation, Operational Excellence, our General Inspectorate, Specialist Interventions, and Health and Technical Services.</p> <p>Phil brings extensive leadership and regulatory experience from previous roles in local and central government in New Zealand and the United Kingdom. He joined WorkSafe from the New Zealand Environmental Protection Authority. He was General Manager - Policy and Legal, leading the implementation of a new regulatory framework for environmental effects of off-shore petroleum and mineral activities in the Exclusive Economic Zone. Phil has a BSc (Hons) in Environmental Health and an MSc in Environmental Management and has completed an executive leadership course with Mt Eliza Business School.</p>
<p>Mike Hargreaves, General Manager, Regulatory Effectiveness and Legal Groups (Contact: s.9(2)(a))</p> 	<p>Mike joined the Department of Labour’s legal team in 2002 as a solicitor, becoming a senior solicitor in 2006. Previous to this, he was in private practice in Taranaki.</p> <p>Mike has extensive experience as a Government legal advisor and litigator, and prosecuted many cases under the former Health and Safety in Employment Act 1992, including the Sir Edmund Hilary Outdoor Pursuits Centre following the Mangatepopo canyoning tragedy in 2008. Mike became the Director of Litigation for the Department of Labour in 2009 before joining WorkSafe in 2014 as Chief Legal Advisor.</p>

<p>Pelin Fantham, General Manager, Operations Group (Contact: TBC)</p> 	<p>Pelin will soon join the WorkSafe Executive Leadership team from Maritime New Zealand (MNZ). In her 11 years at MNZ, Pelin was in senior regulatory and change leadership roles, most recently as Deputy Director Compliance Systems and Programme Manager – Strategic Projects. Before this she worked for six years as a Senior Consultant, developing and delivering a range of harm prevention projects and maritime safety initiatives. She holds a Bachelor of Science from Sheffield Hallam University.</p>
<p>Catherine Epps, General Manager, Health and Technical Services (Contact: s.9(2)(a))</p> 	<p>Catherine joined the leadership team in this newly formed position in July 2020. She’s held senior leadership roles in public and private healthcare organisations for over a decade. Catherine started at WorkSafe in November 2018, and before that was Executive Director Allied Health, Scientific and Technical at Capital and Coast District Health Board.</p> <p>Catherine has a Masters in Human Communication and Deaf Studies, and is a Fellow of the Australasian College of Health Service Managers. She also has clinical expertise as a Speech-language Therapist specialising in neuro rehabilitation, including supporting those with brain injuries to return to work.</p>
<p>Kevin Lampen-Smith, General Manager, External Strategy and Engagement (Contact: s.9(2)(a))</p> 	<p>Kevin started with WorkSafe as the General Manager External Strategy and Engagement in May 2020.</p> <p>Before joining WorkSafe, Kevin spent eight years in the role of Chief Executive and Registrar at the Real Estate Authority. He’s worked in the regulatory and consumer areas of the public sector for many years. He’s a chartered accountant with experience in senior roles across government, including the Electricity Authority, its predecessor the Electricity Commission, and Heritage New Zealand.</p>
<p>Glenda Harvey, General Manager, People, Culture, Safety and Property (Contact: s.9(2)(a))</p> 	<p>Glenda joined WorkSafe in January 2020. She has over 25 years senior management experience in human resources, organisational culture/capability development, health and safety, and governance roles within the manufacturing, construction and health sectors.</p> <p>Before joining WorkSafe, Glenda had a brief contracting role at Voyager Internet, where she supported them in their growth phase to establish a people leadership role on their executive team.</p> <p>Before that, Glenda spent nearly 20 years at Holcim, a long-standing supplier of cement and other building materials into the New Zealand construction industry. Glenda worked for Holcim in both New Zealand and Australia in a wide range of leadership roles including human resources, safety and communications. Her most recent role was as Country Manager for their New Zealand business.</p>
<p>Allan Frost General Manager, Business Performance and Finance (Contact: s.9(2)(a))</p> 	<p>Allan joined WorkSafe in June 2020. He has over 20 years’ experience in both private and public sector leadership and executive roles. He’s led a range of functions, including legal, risk and assurance, programme delivery, ICT, planning and performance, and finance.</p> <p>Before joining WorkSafe, Allan was most recently running his own consultancy, and before that, held a range of executive roles at the New Zealand Transport Agency and Ministry of Agriculture.</p>



Mohi Apou,
National Advisor, Māori
(Contact: **s.9(2)(a)**)



Mohi is a descendant of Ngā Rauru Kīhahi and holds a Master's degree in Mātauranga Māori (Philosophy) with expertise in creating engagement strategies with a Māori world view. He is a leader in building collaborative cultural inter-relationships with 20 years of experience for the military, Iwi groups, and local and regional authorities.

Mohi has provided cultural expertise on a parliament level and has navigated complex discussions between Iwi groups and ministers. He has worked for the Ministry of Economic Development, Ministry of Education, New Zealand Qualifications Authority, Crown Law Office, Te Puni Kokiri and the Office of Treaty Settlements, and has built an extensive network base of Iwi and government influences across Aotearoa.

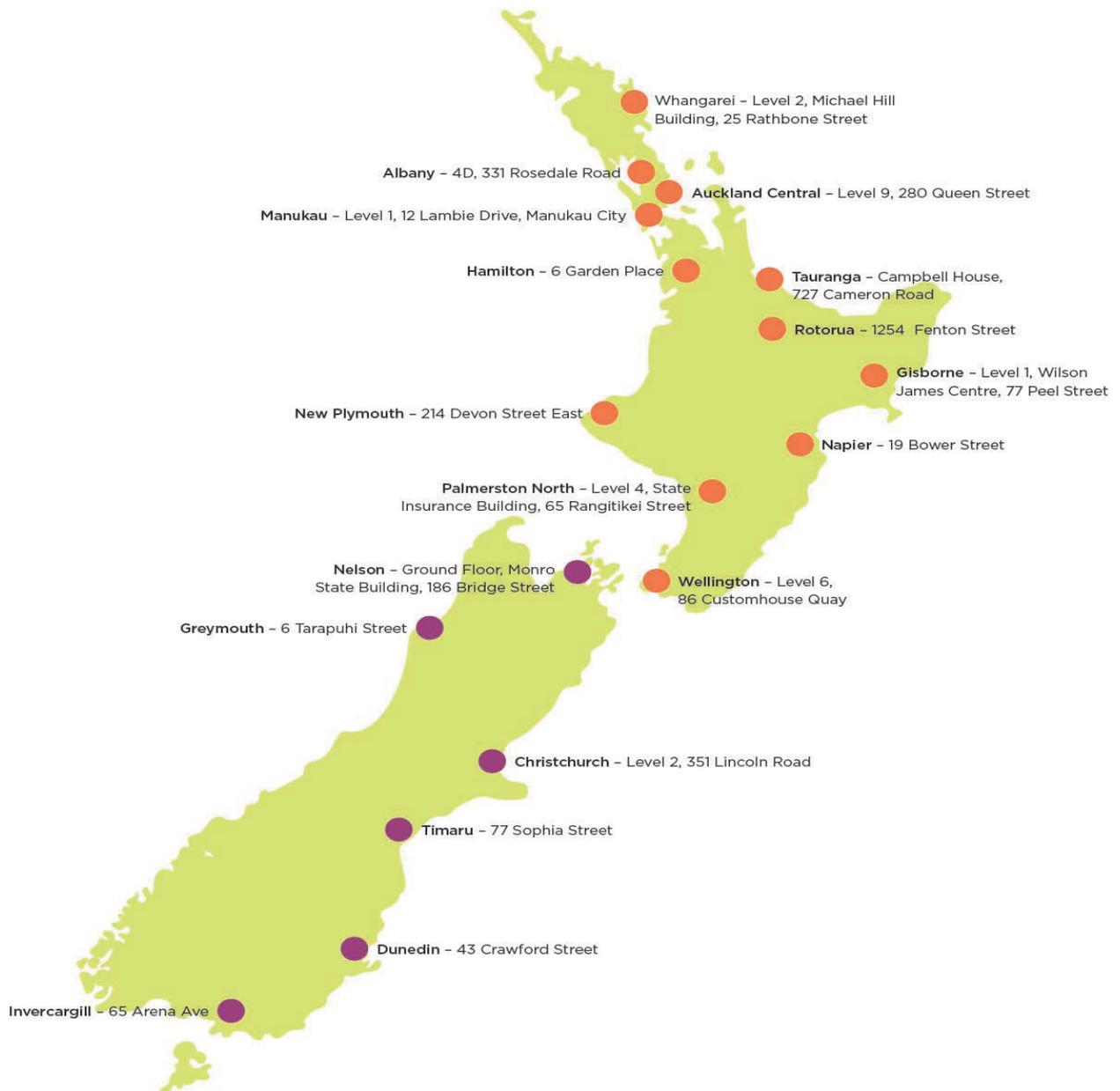
Mohi has empowered, coached and mentored many people in Tikanga Māori as a senior academic advisor and lecturer at Te Wānanga o Raukawa.



Our locations and people

Our locations

1. WorkSafe offices and regions are shown below:



Our people

2. The table below sets out the number of people at WorkSafe, by full time equivalent (FTE), and the areas in which they work:

FTE (permanent and fixed) by group	As at 30 September 2020
Operations including: <ul style="list-style-type: none"> • High Hazards • Energy and Public Safety • General Inspectorate • Specialist Interventions • Operational Excellence 	356.2
Health and Technical Services	39.9
External Strategy and Engagement	64.4
Regulatory Effectiveness	66.9
Business Performance and Modernisation	25.5
People, Culture and Safety	28.8
Digital and Information Services	17.8
Legal	18.8
Office of the Chief Executive	3
Total	621.3

Key stakeholders

1. WorkSafe New Zealand partners and works with other government agencies and regulators. We share harm prevention goals with agencies such as the Ministry of Health (Health) and the Accident Compensation Corporation (ACC). WorkSafe has powers and functions that overlap with other regulators such as Maritime New Zealand (Maritime NZ) and the Civil Aviation Authority (CAA).
2. We also partner and work with workers, worker representatives and unions including the New Zealand Council of Trade Unions – Te Kauae Kaimahi (NZCTU), First Union and E tū Union. Individual employers, businesses, and industry and sector bodies, such as Business New Zealand (BusinessNZ) and the Business Leaders Health and Safety Forum (BLH&SF) are important partners and stakeholders.

Government agencies

The Ministry of Business, Innovation and Employment (MBIE)

3. MBIE provides primary policy advice on health and safety legislation and regulations, and strategic and policy advice on the design and overall performance of the health and safety system. WorkSafe has a close relationship with Health and Safety Policy, and the two work-related operational teams in MBIE; Immigration New Zealand (INZ) and the Labour Inspectorate.
4. MBIE also monitors WorkSafe as a Crown Entity. This means we also have a relationship with the Economic and Regulatory Performance and Investment team. More information about the [MBIE/WorkSafe relationship](#) is found earlier in this briefing.

Other key government and regulatory agencies

5. The other key government and regulatory agencies we work with (in alphabetical order) include:

Name	Description and connection to WorkSafe
Accident Compensation Corporation – Te Kaporeihana Āwhina Hunga Whara	Accident Compensation Corporation (ACC) is one of WorkSafe’s main partners, particularly relating to the joint Harm Reduction Action Plan. WorkSafe has a funding partnership with ACC.
Civil Aviation Authority – Te Mana Rererangi Tūmatanui o Aotearoa	The Civil Aviation Authority (CAA) is a Crown entity responsible for civil aviation matters and is a designated regulator under the Health and Safety at Work Act 2015 (HSWA). We work together on matters related to airport and aircraft work safety.
Environmental Protection Authority – Te Mana Rauhi Taiao	The Environmental Protection Authority (EPA) is a Crown Agent responsible for regulatory functions concerning New Zealand’s environmental management. This includes regulation of hazardous substances and hazardous waste exports and imports.
Fire and Emergency New Zealand – Whakaratonga Iwi	Fire and Emergency New Zealand was established on 1 July 2017, bringing together urban and rural fire services under a new funding model and the new Fire and Emergency New Zealand Act 2017. They may be the first responder at a work fatality or injury.
Maritime New Zealand – Nō te rere moana Aotearoa	Maritime New Zealand (Maritime NZ) is a Crown entity responsible for domestic maritime matters and is a designated regulator under HSWA. We work together on matters related to port and maritime vessel work safety.
Ministry of Health – Manatū Hauora	Our work to reduce work-related ill health intersects with the public health system. We are increasingly working with Ministry of Health (Health) to reduce harm from health risks at work such as COVID-19, accelerated silicosis in engineered stone workers, and in relation to mental health.
New Zealand Police – Nga Pirihimana O Aotearoa	New Zealand Police (Police) are involved in preventing work-related harm on the road as the enforcement body for on-road incidents. Police are often first responders to work-related incidents (particularly on our roads), and WorkSafe works closely with them on investigative work.
Waka Kotahi - New Zealand Transport Agency	Waka Kotahi - the New Zealand Transport Agency (NZTA) is a Crown Entity responsible for land transport rules (road and rail), licensing standards enforcement, land transport funding, and providing the legal framework for managing and funding land transport activities. As a major procurer for civil construction activities NZTA has also been identified as

Name	Description and connection to WorkSafe
	a leader in setting prequalification (vetting and approval of contractors) standards in the construction sector.
Statistics New Zealand – Tauranga Aotearoa	Statistics New Zealand (Stats NZ) is the department responsible for, among other things, the Serious Injury Outcome Indicators that measure the number and rate of work-related serious injury events in New Zealand.
Transport Accident Investigation Commission – Te Komihana Tiroiro Aitua Waka	Transport Accident Investigation Commission (TIAC) is a standing Commission of Inquiry and an independent Crown entity. It investigates significant aviation, rail and marine accidents and incidents to determine the circumstances and causes of accidents and incidents with a view to avoiding similar occurrences in future.

Our social partners

6. We have two social partners, who we work with or through on a range of initiatives and projects, and support the tripartite focus of our work. We recommend that you meet with them prior to the holiday season.

Name	Contact	Description and connection to WorkSafe
NZCTU - Te Kauae Kaimahi	Richard Wagstaff President	NZCTU is one of WorkSafe's social partners and the representative worker organisation for tripartite consultations in New Zealand. It is the largest democratic organisation in New Zealand. CTU represents approximately 360,000 workers.
BusinessNZ	Kirk Hope Chief Executive	BusinessNZ is one of WorkSafe's social partners and the representative business organisation for tripartite consultations in New Zealand. It is the largest business advocacy body, representing a combined membership of approximately 76,000 employers.

Other key health and safety leadership groups

7. We work with and through a number of other health and safety leadership groups, and are committed to supporting our sector and industry groups to become tripartite groups where they are not already. These are the other groups that you may wish to meet with as a priority.

Name	Contact	Description and connection to WorkSafe
Government leadership groups		
Health and Safety Group Regulators Chairs' Forum	Ross Wilson Chair of Forum WorkSafe Chair	The purpose of the Health and Safety Group Regulators Chairs' Forum (Chairs' Forum) is to provide an opportunity for participating agencies to engage and work together on shared priorities and issues. The participating agencies are WorkSafe; Maritime New Zealand; Civil Aviation Authority; Environmental Protection Authority; and the New Zealand Transport Agency. The group has initiated the development of an online professional development course to build the capacity of appointees to regulatory Boards to understand and engage in strategic discussion on modern regulatory practice.
Health and Safety Group Regulators Chief Executives' Forum	Phil Parkes Chair of Forum WorkSafe Chief Executive	The purpose of the Health and Safety Group Regulators Chief Executives' Forum (CEs' Forum) is similar to that of the Chairs' Forum - to provide an opportunity for participating agencies to engage and work together on shared priorities and issues. The participating agencies are also WorkSafe; Maritime New Zealand; Civil Aviation Authority; Environmental Protection Authority; and the New Zealand Transport Agency.
Health and Safety at Work Strategy Reference Group (Strategy Reference Group)	To be confirmed	The Health and Safety at Work Strategy Reference Group (Strategy Reference Group) purpose is to: <ul style="list-style-type: none"> a. maintain oversight of implementation of the Government's <i>Health and Safety at Work Strategy 2018-2028</i>, and the performance of the health and safety at work system; and b. provide collective advice to you as the Minister, and to other system participants, informed by key perspectives across the system. MBIE is the current Chair (with this role rotating between MBIE and WorkSafe on an annual basis). It has been a year since the establishment of the Strategy Reference Group and the membership, terms of reference and the chairing of this group is currently being reviewed and revised.

Name	Contact	Description and connection to WorkSafe
Our Māori and Pacific leadership groups		
The Partners Council	To be confirmed	WorkSafe is in the process of implementing Te Ara Tuituinga, a Crown-Māori engagement framework supported by Te Arawhiti (the Office for Māori Crown Relations) to ensure engagement with Māori is appropriate, and built from a level of trust and confidence. This includes establishing a tripartite group - the Partnership Council - with Iwi including Māori workers as partners, representing workers, businesses and WorkSafe. The Partnership Council will operate in an advisory and coordination capacity whilst maintaining a strategic focus on the Māori economic and political environment.
Pacific Peoples Responsiveness Advisory Group	Karen Daniels Chair	WorkSafe has established the National Pacific Peoples Responsiveness Advisory Group; a cross-sector and tripartite group. The Advisory Group was established in 2019 with the aim of providing advice and support to WorkSafe on its approach to engaging with Pacific workers and to staff managing the Puataunoko Come Home Safely programme.
Health and safety leadership groups		
Business Leaders' Health and Safety Forum	Francois Barton Executive Director	The Business Leaders' Health and Safety Forum (BLH&SF) is a coalition of business and government leaders committed to improving the performance of work health and safety in New Zealand. The Forum was launched in 2010 and has approximately 230 members who are mostly Chief Executives or Managing Directors of significant New Zealand companies.
Health and Safety Association of New Zealand	Philip Aldridge Executive Director	The Health and Safety Association of New Zealand (HSANZ) is the umbrella body for health and safety professional associations. It has thirteen member associations, of which ten are full members, representing eight professional disciplines. HASANZ works to raise professional standards, promote collaboration between professionals and increase their visibility. WorkSafe is working with HASANZ on a number of workforce development projects to lift capacity, capability and awareness of the health and safety professions.
Sector-specific health and safety leadership groups		
Agriculture Leaders' Health and Safety Group	Tony Watson General Manager	The Agriculture Leaders' Health and Safety Group (ALHASG) is a subgroup of the Business Leaders' Health and Safety Forum that focuses on agriculture-specific health and safety issues. As WorkSafe provides funding support, we are working towards ALHASG becoming a tripartite group.
Construction Health and Safety New Zealand	Chris Alderson Chief Executive	Construction Health and Safety New Zealand (CHSNZ) is an accredited charitable trust and tripartite group that has been developed to deliver a unified voice and to raise the standard of health and safety across the whole of the construction industry. WorkSafe provides funding support for CHSNZ.
Canterbury Health and Safety Charter	Paul Duggan General Manager	The Canterbury Health and Safety Charter is a WorkSafe funded tripartite group that supported the Christchurch rebuild to be healthy and safe, and continues to focus on health and safety initiatives in the region's construction sector. It is a model for other groups across other regions.
Forest Industry Safety Council	Fiona Ewing Direction	The FISC is an industry-led tripartite group, supporting effective industry safety leadership in the Forestry sector. WorkSafe leaders participate in the governance and leadership of FISC and WorkSafe staff are active participants on its Technical Action Groups, which are responsible for developing and implementing FISC's work programme. We also provide FISC with some funding.
ShopCare	Liz May Chief Executive	Established in July 2019 with the financial support of ACC and major retail industry members, ShopCare represents the retail and supply chain health and safety sector. Focused on the food and grocery sub-sector, ShopCare partners with major retailers, manufacturers, transporters and suppliers to improve the health and safety and wellbeing of all employees involved in the creation, supply, delivery, and sale of the numerous items that grace our dairy, supermarket, and retail shelves.

Name	Contact	Description and connection to WorkSafe
Occupational Health Professional Associations		
Australasian Society of Occupational Medicine	John Heydon President	The Australasian Society of Occupational Medicine (ANZSOM) is the multi-disciplinary professional association representing various occupational health professionals who work across the health and safety system. WorkSafe is building its relationship with ANZSOM as we identify areas of mutual interest to effect work-related ill health and disease across New Zealand.
New Zealand Occupational Health Nurses Association	Heidi Borner President	The New Zealand Occupational Health Nurses Association (NZOHNA) and WorkSafe are partnering across a number of pieces of work including investing in their workforce planning, and examining opportunities for better identifying work-related health trends.
New Zealand Occupational Hygienists Society	Carol McSweeney President	WorkSafe recently partnered with the New Zealand Occupational Hygienists Society (NZOHS) for their "Breathe Freely" campaign. There are many opportunities for future partnership on workforce development, raising public awareness, and educating duty holders on matters related to work-related ill health.
Australasian Faculty of Occupational Medicine	Dr Beata Maria Byok President	The Australasian Faculty of Occupational Medicine (AFOEM) and WorkSafe co-chair the Dust Diseases Taskforce - an advisory group to the Ministry of Health, ACC and WorkSafe. AFOEM are the medical workforce who deliver occupational health services across New Zealand.
Human Factors and Ergonomics Society	Susan Hallbeck President	Human factors and ergonomics is an area of work-related health where WorkSafe has the least capacity and capability. Workforce investment and the development of our competency in this area will improve our ability to regulate.

Financial summary

1. WorkSafe New Zealand (WorkSafe) is funded through a single Appropriation Vote: Labour Market - Workplace Relations and Safety – Workplace Health and Safety:

This appropriation is limited to information, education, leadership, guidance, support, and enforcement relating to the health and safety of workers and workplaces. This appropriation is intended to achieve healthier, safer and more knowledgeable workplaces.

2. WorkSafe’s primary funding source is through Crown Revenue appropriation, which for 2020/2021 is \$131.205m; largely drawn from the Working Safer Levy, with smaller amounts from the Major Hazard Facility and Energy Safety Levies. There are also some targeted fees for specific regulatory activity undertaken by WorkSafe.
3. The Working Safer Levy is collected from all businesses by ACC on behalf of MBIE. The memorandum account for the Working Safer Levy, which is collected from all employers, is currently in surplus but projected to drop into deficit for several years due to the impacts of COVID-19. Similarly, surpluses in the Energy Safety Levy memorandum account are expected to be exhausted in 2020/2021. The balances of the memorandum accounts can go into negatives and they do not directly impact WorkSafe’s appropriation, which is set by Government.
4. WorkSafe receives contracted funding from ACC for harm prevention initiatives under the joint WorkSafe/ACC *Harm Prevention Action Plan* through a multi-year partnership agreement of up to \$15.00m per annum for which ACC must show a return on investment. This funding is tagged to specific initiatives.
5. WorkSafe is unable to reprioritise ACC funding to address cost pressures, emerging risks or harms, or in response to major incidents (which are not funded in our existing appropriation). An additional challenge with ACC funding is that it can be withdrawn at any time. We are unable to invest in permanent staff and medium to long-term work programmes using ACC funding. This means we can end up paying more for fixed-term or contracted people and other resources for these programmes.

Our funding sources as in our Statement of Performance Expectations 2020/21

Appropriation			Other revenue	
Working Safer Levy	Major Hazard Facility Levy	Energy Safety Levy	Targeted fees	ACC revenue
\$102.3m 78% ⁴	\$2.87m 2%	\$4.41m 4%	\$1.27m 1% ⁵	\$20.0m 15%
A levy on all businesses to cover the cost of core activity undertaken by WorkSafe and designated health and safety regulators	Levy to offset the cost of activity in the major hazard facility (MHF) regulatory regime	Levy to recover the cost of promoting and contributing to the safe supply and use of electricity and gas	User charges to offset the cost of activity in specific regulatory regimes (e.g. safety cases)	Contracted funding provided by ACC to deliver harm prevention interventions and activity

We invest our funding across our core roles to deliver our mandated functions and responsibilities as the primary health and safety regulator

6. Our funding level and arrangements make it challenging to redirect resources towards work on new priorities while supporting harm prevention and core regulatory activities. Our tasks are increasingly

⁸ Includes a contribution to Major Hazard Facilities activities.

⁹ Includes interest revenue.

bigger than the resources we have available. In addition, our new funding is regularly tied to very specific matters or deliverables (relevant at the time funding decisions are made). This requires significant amounts of specific and detailed reporting that can be resource intensive; especially where we deliver work across more than one team and through suites of complementary activities.

7. Tied funding reduces our financial flexibility where priorities change, such as the identification of new risks and harms that require our attention or where unexpected events occur. We are not funded to respond to major incidents or events – such as Whakaari / White Island and the COVID-19 pandemic; our response to both these events has required us to divert people and financial resources away from other priority projects and core regulatory activities.

Our financial forecast for 2020/2021

8. The table below is a summary of our financial forecast for this performance year 2020/2021:

\$000	Forecast 2020/21
Crown Revenue ⁶	109,758
Interest Revenue	541
Other Revenue	20,906
Total Revenue	131,205
Total Expenditure	135,394
Surplus/Deficit	(4,189)

9. The table below details revenue from the Crown for the current and following three financial years:

Operating Funding (\$000)	Actual 2019/20	SPE 2020/21	Planned 2020/21	Planned 2021/22	Planned 2022/23	Planned 2023/24
Workplace Health and Safety	96,779	99,904	99,904	99,794	102,409	102,409
Refrigeration funding	351	351	860	1,167	797	797
B19 Harm Prevention funding – approved ⁷	0	0	3,000	7,000	5,000	5,000
B19 Harm Prevention funding - contingency ⁸	0	0	1,310	3,700	5,300	5,300
COVID-19 Response funding ⁹	1,257	0	2,197	1,800		
Energy Safety	4,414	4,414	4,414	4,414	4,414	4,414
Major Hazards Facilities Levies	2,690	2,690	2,690	2,690	2,690	2,690
HSNO - Tax Funded	1,530	1,530	1,530	1,530	1,530	1,530
ACC Levy Collection Charge ¹⁰	869	869	869	869	869	869
Total Crown funding (excluding fees)	107,890	109,758	116,774	122,964	123,009	123,009

Other revenue

10. Funding from safety case reviews for Major Hazard Facilities, and ACC initiatives and projects is recognised in proportion to the stage of completion at balance date. The liability is shown in the statement of financial position as revenue in advance.

WorkSafe's capital expenditure

Category	Planned investment \$m			
	2020/21	2021/22	2022/23	2023/24
ICT Software	6.95	3.68	4.20	4.20
ICT Hardware	0.30	0.60	0.60	0.60
Motor vehicles	1.90	1.40	1.40	1.40

⁶ As per the Statement of Performance Expectations 2020/2021.

⁷ Additional funding approved subsequent to the publishing of the SPE.

⁸ Additional funding approved subsequent to the publishing of the SPE.

⁹ Additional funding approved subsequent to the publishing of the SPE.

¹⁰ This charge is funded through the Health and Safety Levy, but is a separate appropriation in the Estimates.

Category	Planned investment \$m			
Leasehold improvements	2.00	0.75	0.75	0.75
Other assets	0.20	0.25	0.25	0.25
Total	11.35	6.68	7.2	7.2

Budget 2019 contingency funding

WorkSafe received funding of \$56.99 million, over four years, in Budget 2019 (B19) in order to maintain its core services and develop a programme to become a modern, insights-led regulator

s.9(2)(f)(iv)

12. The former Minister of Workplace Relations and Safety and the Minister of Finance approved the draw-down of B19 contingency funding (\$15m over the next three years, with \$5m in out years) to support WorkSafe's work-related health work programme. This will help to address psychosocial risks in the workplace and build mentally healthy work environments.
13. As noted earlier, WorkSafe is continuing with detailed planning to ensure the Knowledge, Evidence and Insights, and Digital and Information Services programme workstreams are investment ready; to support our modernisation and digital strategy reform programme. You will be briefed on this separately.

WorkSafe's financial performance

Actual expenditure and revenue to 30 June 2020

Profit and Loss Statement

Financial performance (Year Ended 30 June 2020)			
\$000	YTD Actual	Full Year SPE Budget	YTD Variance
Revenue			
Revenue Crown	107,890	106,282	1,608
Interest revenue	1,065	753	312
Other revenue	16,197	16,724	(526)
Total Revenue	125,152	123,759	1,393
Expenditure			
Personnel and contractors	80,664	76,940	(3,724)
Depreciation	3,393	5,109	1,717
Other expenditure	38,785	45,709	6,925
Total Expenditure	122,841	127,759	4,467
Surplus/(deficit)	2,311	(4,000)	6,311

Balance Sheet

Summary balance sheet (as at 30 June 2020)			
\$000	Actual	Full Year SPE Budget	Variance
Assets			
Cash and bank	4,730	5,968	(1,238)
Investments	37,500	17,000	20,500
Debtors	1,796	1,000	796
Fixed assets	17,343	20,700	(3,357)
Total	61,370	44,668	16,701

Summary balance sheet (as at 30 June 2020)			
Liabilities			
Creditors and payables	11,945	6,000	(5,945)
Employment liabilities	6,820	6,200	(620)
Income in Advance	11,337	9,065	(2,272)
Total	30,102	21,265	(8,837)
Equity			
Capital Reserves	26,134	25,934	200
Memorandum Accounts	4,545	1,562	2,983
Accumulated surplus/(deficit)	589	(4,092)	4,681
Grand total	31,268	23,404	7,863

Cash Flow

Summary cash flow (Year to Date 30 June 2020)			
\$000	Actual	Full Year SPE Budget	Variance
Operating Cash Flows			
Receipts from Crown	107,890	106,282	1,608
Receipts from Other Revenue/Interest Received	17,284	15,926	1,358
Payments to Suppliers/Employees	(111,580)	(121,288)	9,708
Net Operating Cash Flow	13,594	920	12,675
Investing Cash Flows			
Net Investments	(6,500)	10,000	(16,500)
Net Asset Purchases	(7,222)	(11,593)	4,371
Net Investing Cash Flows	(13,722)	(1,593)	(12,129)
Financing Cash Flows			
Capital Contribution	200	0	200
Net Financing Cash Flows	200	0	200
Cash Movement			
Net (decrease)/increase in cash	72	(673)	745
Opening Cash	4,658	6,642	(1,984)
Closing Cash	4,730	5,968	(1,239)

Acronyms in this briefing

1. There are a number of acronyms used throughout this briefing, and by WorkSafe on a regular basis. Please find a list of common acronyms below, in alphabetical order, to assist you and your office.

Acronym	In full
ACC	Accident Compensation Corporation
ACOP	Approved Code of Practice
AFOEM	Australasian Faculty of Occupational Medicine
ALHASG	Agriculture Leaders' Health and Safety Group
ANZSOM	Australasian Society of Occupational Medicine
ARFC	Audit, Risk and Finance Committee
B19	Budget 19
B20	Budget 20
BLH&SF	Business Leaders' Health and Safety Forum
BusinessNZ	Business New Zealand
CAA	Civil Aviation Authority
CEs' Forum	Health and Safety Group Regulators Chief Executives' Forum
Chairs' Forum	Health and Safety Group Regulators Chairs' Forum
CHSNZ	Construction Health and Safety New Zealand
CTU	New Zealand Council of Trade Unions – Te Kauae Kaimahi
DALYs	disability adjusted life years
dashboard	Health and Safety System Outcomes dashboard
EIAG	Extractive Industry Advisory Group
ELT	Executive Leadership Team
EPA	Environmental Protection Authority
FISC	Forest Industry Safety Council
FTE	Full Time Equivalent
G&PC	Governance and Performance Committee
HASNZ	Health and Safety Association of New Zealand
Health	Ministry of Health
HSANZ	Health and Safety Association of New Zealand
HSE	Health and Safety Executive
HSNO	Hazardous Substances and New Organisms Act 1996
HSR	Health and Safety Representative
HSW Strategy	<i>Health and Safety at Work Strategy 2018-2028</i>
HSWA	Health and Safety at Work Act 2015
INZ	Immigration New Zealand
Maritime NZ	Maritime New Zealand
MBIE	<i>Ministry of Business, Innovation and Employment</i>
MHF	Major Hazard Facility
Mining Regulations	<i>Health and Safety at Work (Mining Operations and Quarrying Operations) Regulations 2016</i>
NZOHNA	New Zealand Occupational Health Nurses Association
NZOHS	New Zealand Occupational Hygienists Society

Acronym	In full
NZTA	New Zealand Transport Agency
PCBU	Person Conducting a Business or Undertaking
Police	New Zealand Police
PR&DC	People Remuneration and Diversity Committee
PRRA	Pike River Recovery Agency
SoI	<i>Statement of Intent 2018/19-2021/22</i>
SPE	<i>Statement of Performance Expectations</i>
Stats NZ	Statistics New Zealand
Strategy Reference Group	Health and Safety at Work Strategy Reference Group
SWI	Safe Work Instrument
TAS	Technical Advisory Services Ltd
TIAC	Transport Accident Investigation Commission
WAFW	Week Away From Work
WEPR	Worker Engagement, Participation and Representation
WKSNZ Act	WorkSafe New Zealand Act 2013
WorkSafe	WorkSafe New Zealand
WRHAG	Work-related Health Advisory Group