

# QUARTERLY REPORT

**1 July to 30 September 2017**

## Snapshot of quarter

WorkSafe New Zealand's highlights for the quarter include:

- The connections Chief Executive Nicole Rosie made with global health and safety at work leaders at the XXI World Congress on Safety and Health at Work, held in Singapore in September.
- The establishment of key sector leadership groups, including the Agriculture Leaders' Health and Safety Action Group and the Government Health and Safety Lead initiative.
- Partial funding of the Agriculture sector programme business case.

### Performance dashboard (YTD 1 July to 30 September 2017)

Measure	Target/forecast	Current result	Trend	Comment	
<b>System targets</b>					
3-year average	Rate of fatalities <sup>1</sup> Per 100,000 FTEs	2020 target: 3.02 <sup>A</sup>	2.1 <sup>B</sup> 2014-16 official rate	↘	The interim 2016 target has been met. This rate is now <b>39% below the baseline</b> and is currently ahead of the 2020 target.
		World-class: 0.9 <sup>C</sup>			
YTD count	Number of fatalities (SWIFT) <sup>1</sup>	2020 target: 68	9 <sup>D</sup> YTD 17/18	→	SWIFT fatality numbers have increased over the past 12 months. Although these are expected to fluctuate year on year, this does indicate that the official three-year fatal injury rate could increase in future.
		World-class: 20 <sup>E</sup>			
Annual rate	Rate of serious non-fatal injuries Per 1,000 FTEs	2020 target: 14.5	14.3 <sup>F</sup> 2016 official rate	↘	The interim 2016 target has been met. This rate is now <b>26% below the baseline</b> and is currently ahead of the 2020 target.
12-month rolling average	Rate of week away from work injuries Per 1,000 FTEs	2020 target: 8.5 <sup>G</sup>	11.50 <sup>H</sup> Year to 31 March 2017	↘	SWIFT data shows that this supplementary indicator is beginning to reduce for the first time since 2011. However the interim 2016 target was not met and the rate remains <b>4% above the baseline</b> .
	Number of week away from work injuries	2020 target: 18,521 <sup>I</sup>	25,688 <sup>J</sup> Year to 31 March 2017	→	Week away from work injury counts appear to have stabilised at around 25,000 per annum, after climbing between 2011 and 2015.

SPE measure	Target/forecast	YTD forecast	YTD actual	Trend	Comment
<b>Selected activity measures</b>					
Engagements in priority areas <sup>K</sup>	85%	85%	95%	→	543 of 570 engagements in priority areas completed YTD, higher than forecast.
Work-related health assessments	40% of completed assessments	40%	47% (1,654)	↑	Noise, agri-chemicals and body stress are the top three recorded focus areas.
Assessment file quality	80% meet quality standards	80%	83%	→	Of 3,467 total assessments, a sample of 418 files was reviewed; 345 met quality standards.
Assessments in priority areas	85%	85%	96%	→	Sector and region breakdowns have been created for inspectors when planning visits.
Duty Holder Reviews	400-600 (demand-driven)	100-150	104	→	The number of reviews is on target, though there has been some reduction in staff. The number is expected to pick up in Q2.
Prosecution file quality	80%	80%	83%	→	15/18 files reviewed met quality standard. Average result 8.8/10.
Successful prosecutions	80%	80%	100%	→	YTD 30 initiated, 15 disposed. 14 convicted, 0 withdrawn, 1 other (discontinued due to Enforceable Undertaking).

<b>Key</b>	<b>On track</b>	<b>Off track – minor</b>	<b>Off track</b>
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<sup>1</sup> While the only acceptable number of work-related fatalities is zero, interim targets help maintain momentum toward this goal.

# Update on key priorities

The updates below relate to key WorkSafe priorities for 2017/18 as set out in our Statement of Performance Expectations 2017/18.

## HARM PREVENTION

### Harm reduction and healthy work



#### Priority area programmes

##### **Agriculture**

- **The Agriculture sector programme business case was partially approved** by the joint ACC/WorkSafe governance group in September. While the full amount for WorkSafe-led interventions was not funded, \$3.1m (over three years) has been approved by ACC's investment committee.
- Intervention projects are now underway on 'Safer Vehicles, Safer Farms' and 'Safety Leadership, Practice and Risk'. Larger sector groups, including Beef + Lamb, DairyNZ and the newly-formed Agriculture Leaders' Health and Safety Action Group were consulted during the lead up to the business case going to ACC and have offered support for the interventions.
- In October WorkSafe inspectors attended four training days with OSPRI (Operational Solutions for Primary Industries) contractors, conducting sessions with over 150 contractors from around the country on critical risks in vehicle use.

##### **Manufacturing**

- **WorkSafe is completing the Manufacturing sector programme business case to secure ACC funding.** Design and planning for the programme case is being developed, with funding approval expected in mid-2018. Along with a multi-year programme several stand-alone interventions are being worked on with specific industries and cross-cutting risks (e.g. meat processing, body stress). Supporting work on internal data gathering began in October.
- The programme case and interventions will target high-risk areas. This will address the substantial regional variation in the manufacturing industry nationally; many of the largest employers are located outside the main cities. Worker engagement will also be an essential part of intervention work, along with engagement with worker representatives.
- Alongside the programme design, work continues with some key industries identified as contributing to high incidents of harm, including metals, wood processing and meat.

##### **Forestry**

- **The Forestry programme continues to develop targeted interventions.** These are directed at established critical risk activities that are causing the most harm: tree felling and breaking out, emerging risks, corporate forestry with higher incident rates, and harvesting occurring outside of industrial-scale operations. Funding options are being considered as part of intervention design work.
- **We are building interventions to address innovation and mechanisation.** We have engaged the Forest Industry Contractors Association to offer advice relating to innovation in mechanised felling. We are also looking at interventions to address sector culture.
- Two fatalities in August and a cluster of serious injuries in the Poverty Bay region raised the level of media and community attention in Forestry. One part of our response was helping establish an industry- and community-led forum in Gisborne to consider local solutions.
- A two-day Inspector training hui focussed on improving the risk focus in our proactive assessments. Developing Inspector capability, including in addressing work-related health risks in Forestry, will help improve how the regulatory framework is applied.

### **Construction**

- **Several (up to three) Construction project business cases will be submitted to ACC for funding in March 2018.** Programme work will continue on two or three critical interventions and enabling focus areas while design work continues on the broader multi-year programme. Possible focus areas are being finalised; sector leadership is likely to be one area to allow time to establish a new sector governance group (see below).
- Present project work and programme development is being funded from WorkSafe baseline budgets. The multi-year programme will include interventions that address all harms; some of these will be suitable to seek ACC funding for – those that meet ACC’s return on investment criteria. Some projects (e.g. Dust, Noise) won’t meet these criteria, so will need to be funded by another, yet to be established, funding stream.
- **The sector has recognised the need for a more joined-up leadership approach** that recognises the multiple sector leadership groups. Senior sector leaders from Hawkins Construction, Naylor Love, the New Zealand Council of Trade Unions (NZCTU) and WorkSafe, as well as leaders of the Construction Safety Council and the Canterbury Rebuild Safety Charter, met in late October to progress improvements to sector leadership across both SiteSafe and Construction Safety Council. They will report back to a wider Steering Group in December with a proposal replace the Construction Safety Council with a new group by April 2018.
- The rebranded Canterbury Safety Charter will be publicly launched as an Incorporated Society on 7 November 2017. WorkSafe will continue to provide funding and membership on the Working Group and the Board.

### **Noise**

- **WorkSafe has shaped the Noise 2017-20 programme** over the past five months. The programme will be rolled out from now to 30 June 2020, and has targeted interventions on multiple factors that aim to address the barriers which can cause noise. The overall aims are to:
  - Provide targeted guidance and resources to support PCBUs to manage noise as a hazard, through a virtual toolbox.
  - Build WorkSafe’s organisational capability to consistently manage noise.
  - Partner with others, such as technical experts, researchers, professional bodies and industry.
  - Consider how the specialist workforce supports the work-related health programmes.
  - Develop a baseline (at October 2017) that considers PCBUs’ management of noise and workers’ perception of how this is managed. This will be used for the evaluation in October 2019.

### **Firms (cross-industry/high-incidence)**

- The cross-cutting Firms programme (targeting 99 key firms with approximately 20% of all incidences of serious injury<sup>2</sup>) continues to work through evidence and intelligence-shaping activities.
- **The focus this quarter was on identifying clusters of businesses from the 99 key firms that could be addressed through regulatory intervention.** The potential clusters being explored include waste management, labour hire, mobile plant (particularly forklifts) and red meat processing.
- WorkSafe commenced a broader initiative with the red meat processing sector (including from outside the 99 key firms):
  - On 19 September 2017 Nicole Rosie led a discussion with the Meat Industry Association to propose a partnering arrangement aimed at supporting them to lead cross-sector initiatives. They have agreed in principle and will work with us to shape a potential agreement.
  - Discussions are at an early stage with Silver Fern Farms, who are keen to collaborate directly through a partnering arrangement. The intent is to explore a tripartite approach to similar opportunities with the Alliance Group; together Silver Fern Farms and Alliance make up a significant proportion of workers in the industry.

<sup>2</sup> The 99 firms make up 18% of injury claims for more than a week away from work, 24% of serious harm and notifiable injury or illness in the period 2014-2016 and 70% of all ‘multiple incident’ fatalities from 2000.

## Work-related health

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- **Year two activities for WorkSafe’s 10-year work-related health strategic plan, *Healthy Work*, have begun**, with 21 of the planned 29 activities underway. Work is also continuing on the strategic evaluation framework for work-related health.
  - The awareness campaign for work-related health is underway, including an increased online presence and focus on work-related health topics. ‘Quick Guides’ have been published on managing health risks in the extractives industry and on fatigue.
  - A desktop literature review on workforce capability interventions for occupational hygienists and general practitioners has been completed and is being analysed, along with stakeholder interviews.
- WorkSafe’s report on work-related health in 2016/17 was considered by the Occupational Health Advisory Group<sup>3</sup> to the Board at its annual meeting in September. It will be used to inform strategic planning being undertaken in November for the rest of 2017/18 and 2018/19.

## Research, intelligence and evaluation

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- **Results and conclusions from the recent Attitudes and Behaviours Survey and Service Excellence Survey are summarised on page 11.** The 2016 Attitudes and Behaviours Survey results are being finalised and planning for the fieldwork for the 2017 data collection has begun.

## SafePlus – health and safety performance improvement tool

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- **SafePlus’ on-site assessment and advisory service will be launched publicly on 23 November.** Resources, guidance and tools were released on WorkSafe’s website in September.
- A third-party accreditation body, TraceCare Ltd, has been appointed and is assessing the competency of private market health and safety practitioners and granting accreditation status. Over 150 applications have already been received, with nine accredited to date. A third party training provider has also been appointed to provide SafePlus training for accreditation. A pilot of the training was undertaken in September and refinements made.
- A preferred provider has been procured to design, build, test and host the SafePlus online self-assessment tool.

## REGULATORY CONFIDENCE

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### Strengthening the regulatory framework



#### Safe Work Instruments and guidance to support the framework

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- This quarter focussed on the suite of Safe Work Instruments developed for the new Hazardous Substances regulations coming in on 1 December 2017 (see ‘Hazardous Substances reform’ below). **Public consultation on 13 draft Safe Work Instruments occurred over August-September.**
- Preliminary work is underway for a decision-making framework prescribing exposure standards in a Safe Work Instrument. This will give effect to the requirements of the General Risk and Workplace Management regulations and set standards that PCBUs must ensure are not exceeded.
- **56 pieces of guidance are in development to support the regulatory framework**, with our main focus this quarter on hazardous substances. Over half are due to be completed by 1 December 2017. These include an interpretative guide to understanding the changes and Quick Guides to cover specific topics (e.g. signage, labelling and certified handlers). These have been developed with internal technical experts and the Environmental Protection Authority, in consultation with industry and the NZCTU.

<sup>3</sup> OHAG is a multi-disciplinary group of work-related health experts that provides independent perspectives on the implementation and impact of WorkSafe’s strategic activities within *Healthy Work*. OHAG also provides strategic recommendations and advice to the Board in line with our annual strategic planning process.

## Licensing regimes

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- **WorkSafe’s main focus has been on asbestos licensing.** The new Asbestos regulations contain transitional provisions that raise the standard and performance of removalists; licensed removalists have until 4 April 2018 to become compliant.
- Class A licenced removalists will need to have certified safety management systems, and both Class A and Class B removalists will also need to have their supervisors and workers trained to specified national qualification standards. As at 30 September 2017 WorkSafe has issued:
  - 166 Class A asbestos removal licences (429 nominated supervisors)
  - 147 Class B asbestos removal licences (353 nominated supervisors).
- WorkSafe estimates that 10% of removalists under the previous system (of 200 Class A-level and 220 Class B-level removalists) will not meet the new requirements, which may result in their licences being suspended or cancelled. Communications are being sent out fortnightly to licence holders reminding them of the requirements and the steps they need to take to meet them.

## Hazardous Substances reform

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- **The new Hazardous Substances Regulations will come into force on 1 December 2017.** WorkSafe is working closely with the Environmental Protection Authority and work is on track for training, policy and guidance for staff as well as information for the public. A suite of Safe Work Instruments to support the new Regulations are on track for Ministerial approval in coming months.
- The online Compliance Certificates register has been designed, with build work to begin soon. The online Hazardous Substances Calculator is ready for deployment.

## Health and Safety at Work Act 2015 monitoring and evaluation

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- **The main focus has been to prepare Attitudes and Behaviours Survey 2017 results for release later this year.** Future work with MBIE includes advising on proposed case studies that will be undertaken to complement quantitative data. This will provide deeper understanding and insight into whether and how the Health and Safety at Work Act 2015 (HSWA) is achieving its objectives.
- Following the development in June of baseline indicators, we have continued to work with MBIE on the evaluation of the impact of HSWA. The baseline and evaluation relies in part on WorkSafe’s data and research, including the results of the Attitudes and Behaviours Survey.

## Health and Safety at Work Act 2015 regulatory development

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- As part of the multi-year refinement of the HSWA regulatory framework we are working closely with MBIE on current priority areas for development. These include work-related noise; risks arising from plant and structures (including working at heights, excavations, machinery and equipment, mobile plant and existing authorisation regimes for boilers, cranes and fairground rides); mining and quarrying; and geothermal operations.
- WorkSafe’s role is to provide input from an operational perspective to ensure any resulting regulations are fit for purpose. Prior to formal industry engagement (which will be led by MBIE) we are scoping the problem definition and gathering relevant internal information to inform our view. WorkSafe and MBIE meet regularly to share information and discuss the work programme.

## SYSTEM LEADERSHIP

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### Health and Safety at Work Strategy



### Health and Safety at Work Strategy development

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- **MBIE and WorkSafe are working to jointly develop the Health and Safety at Work Strategy.** The Strategy sets out the Government’s 10-year vision and direction to enable system-wide health and safety improvement for workers in New Zealand. Strategy development has been informed by extensive stakeholder engagement and workshops with regulators and key social partners, including NZCTU, BusinessNZ and the Business Leaders’ Health and Safety Forum.

## Education and guidance

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- **Eleven education and guidance projects were completed over the quarter.** These were mostly Quick Guides and factsheets (including the Fatigue Quick Guide, Managing Health Risks in the Extractives Industry Quick Guide and the Enforceable Undertaking factsheet).
- Two new shops were added to our “Around the Block”<sup>4</sup> online education tool (a bakery and a collision repair shop).

## Public sector agencies

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- **The Government Health and Safety initiative has been launched**, with Ray Smith (Chief Executive, Corrections) appointed as the lead. WorkSafe will support his role to help government agencies to address their critical risks and achieve positive health and safety outcomes.
  - WorkSafe is represented on its Senior Stakeholder Reference Group, chaired by Corrections. This includes the Business Leaders’ Health and Safety Forum, the Public Service Association and the State Services Commission (SSC).
  - Members of the initiative are in the process of developing a work plan, including a focus on leadership, resources and capability. Early indications are that this will also promote the uptake of SafePlus.
- WorkSafe has endorsed guidance relating to the management of health and safety/ security risks for government agencies. This development had been led by SSC and supported by WorkSafe. WorkSafe’s role was to ensure that guidance supports proportionate risk management. The guidance was endorsed after confirmation that unions were consulted.

## Maruiti 2025 (Māori Strategy)

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- **The Te Ao Maruiti Forestry Health and Safety pilot completed its third marae-based wānanga** in September 2017, which is an initiative addressing the over-representation of harm suffered by Māori forestry workers. Forestry principals, contractors, crew and whānau engagement level is high leading into the fourth and final wānanga of the pilot planned for the second week of December 2017. An evaluation of this pilot will be completed in Quarter 3.
- All WorkSafe senior leadership team members have completed Te Ao Māori training, including an introduction to Te Reo Māori, Māori economy, beliefs, cultural knowledge and practices, Treaty of Waitangi and contemporary and traditional Māori leadership in the public sector. The package will be refined and delivered to all staff over 2018.

## Health and Safety System capability

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- Progress has been made on a number of qualifications initiatives:
  - **Work has begun to deliver a trades-based unit standard for workers who may be exposed to asbestos.** WorkSafe and the Building Research Association of New Zealand (BRANZ) have also begun work to determine the need for a soil-based asbestos qualification, to protect workers dealing with asbestos in soil.
  - **Ports of New Zealand have developed and are rolling out their workplace health and safety unit standards**, with support from WorkSafe.
  - **Almost 26,000 people have now completed the Health and Safety Representatives unit standard** or the transition training.
- **The application process for the HASANZ Register is expected to go live by the end of 2017**, allowing health and safety professionals to apply to list on the register. Once 130 professionals have completed the listing process the register will open to business to consult in March 2018.

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<sup>4</sup> [aroundtheblock.worksafe.govt.nz](http://aroundtheblock.worksafe.govt.nz)

## ORGANISATIONAL ENABLERS

### Service Optimisation Programme (previously the User Experience Programme)



#### Service Centre and Response team

*Notifications of harm and concerns are managed by WorkSafe's Response team. Health and safety enquiries and concerns are managed by an MBIE-based call centre as part of a shared services agreement.*

- **WorkSafe has worked with MBIE to improvement the Service Centre's timeliness and responsiveness to calls.** Recent improvements made since February 2017 include a decrease in the time taken to answer calls and a decrease in people abandoning calls after being on hold.
- In Q1 the average grade of service was 84.9% of calls answered within 30 seconds and the average speed to answer for calls was between 16-25 seconds during Q1. Work will continue on resourcing, training and clarity of expectations to maintain a high standard.
- Overall call volumes to the Response team are trending down from last year. This may indicate better understanding by the public on the new law and what needs to be notified to WorkSafe.

#### Digital Platform and website

- **The core Digital Platform build is complete** and in early September content began being loaded to the new web environment. The project plan for Phase 2 was agreed and design work is progressing. **The new website is on track for a launch by 1 December 2017.**
- WorkSafe websites are currently viewed by over 35,000 people per month and between them have more than half a million page views. The key improvements from this first phase of the new website are that six of our websites will be consolidated into a single, responsive web platform. Our notifiable events forms will also be consolidated into a single, simple online process.

### Communications, marketing and engagement strategy



#### Strategy development and implementation

- Progress continues towards the development of a consolidated Communications, Marketing and Engagement strategy.
- **WorkSafe's social media strategy was approved in September 2017** and implementation is now underway. Significant work was completed over the last quarter confirming the target audiences we intend to reach using social media, the content mix we use and the appropriate objectives, measurement and investment in these channels.

#### Focus on small and medium-sized enterprises

- **WorkSafe delivered a number of initiatives recently with an small and medium-sized enterprise element**, including the launch of SafePlus, additions to the "Around the Block" Tool and work on a new risk tool.
- The work on our overall approach to working more effectively with SMEs is closely linked to the ACC-led Small Business Programme (part of the joint WorkSafe-ACC Harm Reduction Action Plan<sup>5</sup>); joint work with WorkSafe on this programme is planned for the New Year.

<sup>5</sup> <https://www.acc.co.nz/assets/business/action-plan-reduce-harm-NZ-workplaces.pdf>



## People Strategy



### Strategy development

- The 2016 Funding Review highlighted that WorkSafe needed to strengthen our approach to building our people, capability and culture. The People Strategy will provide a roadmap for our investment in our people capability over the next four years.
- The first phase of an environment scan and gap analysis is complete. Work has also begun on our first delivery priority, a leadership framework to lift front line leadership capability.

## ICT Business capability



### Capability Projects

#### Case management

- A Request for Proposal for a Case Management solution closed on 4 September 2017, with 13 responses received. These are being evaluated and a decision is expected by December 2017.
- Some critical changes are being made to our current core business solutions (the electronic case management system for inspectorate data), INSITE/Guardian and Awhina. Design work is complete and development is underway.

#### Payroll

- We are now into the build phase of an HRIS and payroll system and plan to go-live with an insourced payroll function from the start of the new tax year. As MBIE is WorkSafe's current payroll provider there is a key dependency on the MBIE Holidays Act payroll remediation process and decisions around Holidays Act interpretation.

## Operational delivery



### Assessments

- **A sector breakdown based on risk profiles across the regions is in place** to ensure we are targeting the right areas. Due to this targeted planning we have visited over double the farms compared to this time last year.

Planned sector breakdown for 2017/18	
Agriculture	24%
Forestry	8%
Manufacturing	23%
Construction	30%
Other sectors	15%

- Work-related health continues to be a big focus for assessment visits this year with noise being the most recorded work-related health risk discussed during assessment visits.

### Duty Holder Reviews

- **The second DHR Annual Report was completed.** The Report highlights trends in injury causation and identifies specific 'mechanism of harm' categories in WorkSafe priority sectors. The Report also highlights controls put in place by duty-holders after their Incident Review.
- The DHR team held their eighth Employer Forum in Whangarei, attended by over 70 duty-holders and stakeholders. **The DHR forums continue to gain in popularity and have proved to be an excellent platform from which to educate and engage PCBUs.** Planning is underway for the next Duty Holder Forum in Nelson in the month of December.

## High hazard sectors and Energy Safety

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### **Major Hazard Facilities**

- As part of the new regulatory regime for Major Hazard Facilities inspectors are engaging with Major Hazard Facilities operators at site inspections. **All upper tier facilities and all operators have been visited by inspectors at least once** to check their readiness for April 2018 when the majority of the Regulations come into force. With operators becoming more familiar with the new requirements there has been an increase in the number of incidents notified under the Major Hazard Facilities Regulations.
- The new Major Hazard Facilities regulations are starting to impact operator behaviour. Some operators have significantly reduced quantities of toxic substances at their sites to reduce possible harmful effects. There have also been changes to chlorine storage by centralising this with suppliers, rather than being held by smaller companies throughout the country. This means it is held by operators who better understand the risks of chlorine and are better equipped to deal with them.
- **The Major Hazard Facilities team is assessing the first four safety cases received from operators**, required as part of regulatory compliance. The majority of safety cases (57) are expected to be submitted at the end of the transition period in April 2018. WorkSafe is currently working on a strategy for dealing with the large number of safety cases.
- WorkSafe has been supportive of the industry establishing a forum to represent Major Hazard Facilities operators. Industry has taken on the management of this forum and a meeting in September attracted 100 attendees from across the industry.

### **Petroleum and Geothermal**

- **WorkSafe representatives attended the annual International Offshore Petroleum Regulators Forum (Health and Safety) in Denmark** as members in September 2017. There is an ongoing international focus on the decommissioning of offshore facilities.
- WorkSafe has assisted the Ministry for the Environment, NZ Petroleum and Minerals, the Environmental Protection Authority and Maritime NZ in the ongoing development of offshore legislation for the New Zealand offshore petroleum industry.

### **Extractives**

- **WorkSafe is still managing the low level of regulatory compliance at small-scale quarries in isolated regional locations.** Common issues include nominated managers not holding the relevant certificate of competence and the sub-standard state of machine guarding at sites.
- WorkSafe Extractives Inspectors presented two papers at the Australian Institute of Mining and Minerals Annual Conference and four papers at the Annual Quarry NZ Conference in August, sharing WorkSafe's expertise with the industry and raising regulatory awareness across the sectors.

### **Energy Safety**

- **Energy Safety continues to ensure that electrical vehicle supply equipment meets regulatory standards**, with engagement work across government and stakeholders. The investigation on the supply, identification and removal of non-compliant building wiring cable continued through the period.
- WorkSafe and MBIE have commenced planning for a review of the Electrical and Gas regulatory regime.

### **Enforcement approach**

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- **The first prosecution under the Health and Safety at Work Act 2015 was completed this quarter.**
  - Budget Plastics (New Zealand) Limited was charged with an offence under s36(1)(a) of HSWA. This followed an incident in which a worker had his hand drawn into an inadequately guarded auger, suffering the amputation of four fingers as a result. Budget Plastics was convicted and

ordered to pay reparation of \$37,500 and was fined \$100,000 (reduced from a fine of between \$210,000-315,000 due to the company's financial position).

- This quarter saw a high number of prosecutions initiated by WorkSafe (30), which was a significant increase on previous quarters. This has resulted in a high number of active prosecutions at the end of the quarter (79).
- This quarter has also seen an increased volume of applications received for Enforceable Undertakings. Enforceable Undertakings are a new enforcement tool under HSWA, most commonly considered as an alternative to prosecutions. There were nine applications for Enforceable Undertakings received by WorkSafe this quarter.

## Focus for next quarter

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Our focus in Quarter 2 will be on briefing the incoming Government, strategic planning for the next financial year, and hazardous substances work.

Some specific areas of work next quarter will include:

### **External-facing**

- The release of *Rebuilding Canterbury, healthy and safe*, the evaluation of WorkSafe's Canterbury Rebuild Programme, on 8 November 2017.
- Launch of the SafePlus on-site assessment and advisory service on 23 November 2017.
- Implementation of new Compliance Certifiers and Certificate registers to support the Hazardous Substances regulations being implemented on 1 December 2017.
- Launch of WorkSafe's new website on 1 December 2017.
- Completion of 34 education and guidance projects. Most are quick guides and fact sheets to support the new Hazardous Substances Regulations (including one Approved Code of Practice).
- Production of guidance and education publications (including four geothermal guidance products, two 'Health Made Simple' pamphlets and a factsheet for young people in the work place), and publishing the 'Writing for Health and Safety Good Practice Guidelines' and 'Quick Guide on Protecting Workers from Solar UV Radiation'.

### **Internal-facing**

- Recruitment and transitional arrangements to support the changes to our Senior Leadership structure, along with other strengthening work to team structures. This work will improve role clarity, right resourcing and overall effectiveness.
- The Annual Report for 2016/17 will be finalised and published, and the *Towards 2020* report will be refreshed to include the last data showing progress against the 25% harm reduction target and trend information about injury rates.
  - WorkSafe's SWIFT data indicates an increase in the number of fatal injuries during the 2017 year, with 73 fatalities reported from this system during the twelve months to June 2017 (up from 53 during the previous 12 months). This suggests that there could be an increase in the official statistics in 2017, although this is not yet certain.

## Health and safety impacts

Results from WorkSafe's two national surveys allow us to track progress in the performance of the health and safety system and WorkSafe, as well as identify where further effort is required.

The *Health and Safety Attitudes and Behaviours Survey* allows us to track changes in workers' and employers' behaviours and attitudes about workplace health and safety, with a focus on our priority sectors: agriculture, construction, forestry and manufacturing. It also canvasses people's views about WorkSafe.

Three surveys have been completed – in 2014, 2015 and 2016. The results show signs of positive attitudes and progress and improvement in the performance of the health and safety system.

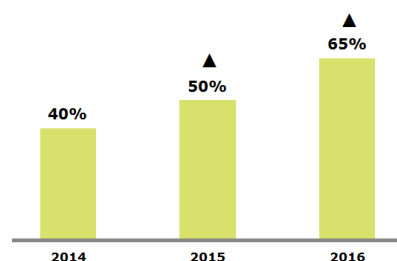
The results also indicate where further improvements can be made to achieve sustained changes in attitudes and behaviours by focussing on WorkSafe's priorities of good leadership, effective worker engagement and participation and a skilled and capable workforce.

An increasing number of employers are making changes to workplace systems and practices but more change is needed to identify and manage risks to reduce the harm and workplace incidents reported by workers.

The 2017 Attitudes and Behaviours Survey is underway and will provide a further progress report.

### Key results: Attitudes and Behaviours Survey

- **Workers and employers prioritise health and safety** but this could be even higher, especially among workers, who say they get satisfaction from a safe working environment.
- **Workers and employers have similar views about who should be responsible for health and safety** but there is some way to go before health and safety is seen as a responsibility shared by everyone.
- A high proportion of **workers say they have input to decisions about health and safety** but far fewer say they get feedback from employers about how their views are taken into account. The 2016 results show that both attitudes and behaviours are generally more positive if workers are fully engaged.
- A high and increasing proportion of workers and employers say there are opportunities to participate in discussions about health and safety in their workplace and raise issues.
- Workers and employers acknowledge that they work in risky industries but **very few expect workers to get hurt at work**. In practice, however, a relatively high proportion of workers experience harm. Near misses, which can be a precursor of harm, are also quite common. These figures have not changed over the three survey years.
- Risky behaviours that can lead to injury and harm are declining but are still quite common. Workers are more likely than employers to say that most of the risky behaviours asked about occur.
- Confidence about staying safe at work is high but **fewer workers are confident about staying healthy**.
- Workers say that processes are in place for reporting incidents but quite a lot of employers turn a blind eye to risky behaviour.
- The 2016 results show a strong association between positive attitudes and behaviours and recent training, but results also show **there is potential for more workers to receive training**.
- There is evidence of improving awareness of specific harms and hazards and responses to these but **more focus is needed on positive actions in the workplace** to improve health and safety.
- **There are signs that health and safety performance is improving**, with a year-on-year increase in the proportion of employers reporting changes to improve health and safety:



Percentage of employers saying they had made significant changes to their health and safety systems or practices in the last 12 months.

The annual *Service Excellence Survey* provides feedback from people (workers, employers, self-employed people, the public) interacting directly with WorkSafe, either through recent contact with our inspectorate (during assessments, investigations or Duty Holder Reviews) or our 0800 number (new survey in 2016/17).

The Service Excellence Survey results show that most people interacting with our inspectorate and calling us on the 0800 number have a positive experience. However, results suggest there is scope for our inspectors to develop their educative role. There is also scope to improve the 0800 experience by helping callers understand the phone services' role.

Improvements will also come from our Service Optimisation Programme. This work is focussed on reviewing and optimising WorkSafe's service delivery model to ensure we are providing the right range of services, through the right mix of channels, to support business, worker and stakeholder customers and achieve positive outcomes from their interactions with us.

The focus for Phase 1 is on inbound interactions and how our digital, Service Centre, Response Team and social channels operate more seamlessly together to support this.

The impact of this programme will be tracked in future surveys.

## Key results: Service Excellence Survey

### Health and Safety Inspectors' Survey:

- **Overall satisfaction with WorkSafe is high and increasing**, and for most people the interaction was better than expected because the inspectors had a good, positive attitude and were good to work with.
- **WorkSafe is seen as fair and its responses are considered proportionate** to the risk/likely harm.
- The time people spend interacting with WorkSafe is acceptable and the effort involved is reducing.
- **WorkSafe is performing effectively** and people agree that **we are making a real difference to workplace health and safety**.

*The guys were open-minded. They listened to the situation, they engaged well with staff, and a fair result was achieved.*

(Assessment participant)

- WorkSafe is achieving its aim of engaging well with people, with people agreeing that **our inspectors help businesses provide practical ways to improve health and safety, engage with them in a respectful manner**, take their individual circumstances into account and **provide an impartial service**.
- WorkSafe is developing its educative role but **more can be done to help people know how to identify and manage risk** to safety and health and understand their rights and responsibilities (workers) and how to comply with their obligations (employers) under the Health and Safety at Work Act 2015.

### 0800 Service Centre and Response Team Surveys:

- The results show that **many Service Centre callers have a positive experience, but some people say their queries are not answered** and they don't get what they are looking for. In part, this is because what they are expecting is not what the Service Centre delivers at present.
- Likewise, the **majority of Response Team callers have a positive experience**, although some people also say they don't get what they are looking for. Overall, the responses suggest that dissatisfaction stems from people not getting the response or follow up they expect.

Both surveys provide insights into people’s views about WorkSafe and our role in supporting workers and employers to understand the risks they face and how to improve workplace safety and keep people healthy at work.

Perceptions of WorkSafe among workers and employers in our four priority sectors are at an acceptable level but are noticeably higher among those who have direct contact with our inspectors during assessments or investigations.

Workers and employers, particularly those who have direct contact with us, see us as an organisation they have confidence in and can trust.

These results show that our inspectors are playing a key role in fostering positive views of WorkSafe and building trust and confidence in our organisation.

Perceptions of WorkSafe	Four priority sectors <sup>1</sup>	People interacting with inspectors <sup>2</sup>
<b>Workers</b>		
Agree/strongly agree <sup>3</sup>		
WorkSafe helps workers in their industry understand the health and safety issues and risks they face	64%	72%
WorkSafe is doing a good job helping workers to be <b>safe</b> at work	60%	76%
WorkSafe is doing a good job helping workers to be <b>healthy</b> at work	54%	65%
WorkSafe is making a real difference to workplace health and safety in New Zealand	53%	63%
<b>Employers</b>		
WorkSafe helps business understand their health and safety issues and risks	69%	83%
WorkSafe is doing a good job helping businesses improve workplace <b>safety</b>	59%	76%
WorkSafe is doing a good job helping businesses keep people <b>healthy</b> at work	57%	69%
WorkSafe is making a real difference to workplace health and safety in New Zealand	50%	68%
WorkSafe works effectively with businesses like mine	41%	71%

1. Results from the 2016 Attitudes and Behaviours Survey.
2. Results from the 2016/17 Service Excellence Survey – Health and Safety Inspectors’ Survey.
3. Other people did not necessarily ‘disagree’ with a statement. For the Attitudes and Behaviours Survey between 2 and 3 out of 10 workers and employers said they did not have a view (i.e. were neutral).

Trust and confidence in WorkSafe	Workers		Employers	
	Four priority sectors <sup>1</sup>	People interacting with inspectors <sup>2</sup>	Four priority sectors	People interacting with inspectors
<b>WorkSafe:</b>	Agree/strongly agree <sup>3</sup>			
is a trustworthy organisation	56%	77%	53%	75%
is an organisation I can have confidence in	54%	71%	50%	73%

See notes 1-3 above.

## Enablers and resources

### Internal health and safety

#### **Worker Engagement, Participation and Representation (WEPR)**

- WorkSafe is reviewing its internal WEPR system. As part of this, a workshop with senior staff, Health and Safety Representatives (HSRs) and the Public Service Association was held in early August. Areas of work for the review were agreed: culture, leadership, participation, principal risks, a consistent approach to health and safety, and communication.
- A new national internal health and safety group has been established. It includes the Chief Executive, regional HSRs and a member of the Maruiti/Maru Toa team. This group will establish a WEPR system that ensures decisions are made at the right level, participation starts early in policy and guideline development, local health and safety groups take ownership for their health and wellness solutions and all staff are encouraged to be involved in finding health, safety and wellbeing solutions.

#### **Situational Safety and Tactical Communications training**

- This training programme is designed to provide tools for WorkSafe staff to minimise the likelihood and effects of threatening and aggressive behaviour towards them while undertaking their work. It has begun for assessments managers and inspectors, the group identified as being at highest risk of facing aggressive and threatening behaviour.
- The Response Team are undertaking telephone training as they can be exposed to aggressive and threatening behaviour via calls. Other groups to be trained are office receptionists, investigations managers, and inspectors and technical support staff.

#### **Professional Supervision**

- This programme has been in place for one year for the Investigations and Legal teams. The latest report from the provider identified "professional self-awareness" (i.e. looking at ways to lift and improve performance) as the primary theme addressed by inspectors. This is a change from early reports where sessions focussed more on establishing the supervisor-inspector relationship. A survey of attendees will be undertaken in October 2017 to help evaluate the effectiveness of the service and any improvements needed.

### Staff (as at 30 September 2017)

Total FTEs by Group					
Operations & Specialist Services (includes Response, Assessment, Investigations, DHR)	291.3	Strategy & Performance	62.9	Human Resources	15.7
		High Hazards & Energy Safety	50.8	Legal	14.2
Better Regulation	56.6	Corporate Services/Finance	23.0	Office of the Chief Executive	2.0
<b>Total</b>		516.5 (486.0 Permanent, 25.5 Fixed Term, 5.0 Secondees)			

NB: These figures do not include staff on parental leave or extended leave without pay, temporary staff or contractors.

#### **Inspectorate (as at 30 September 2017)**

	Chief Insp	Managers	Inspectors	Assistant Insp	Trainees	DHR Officers	Total
<b>Investigations, Response and DHR</b>	2	8	40	4	-	5	<b>59</b>
<b>Assessment – Northern</b>	1	5	28	4	12	-	<b>50</b>
<b>Assessment – Central</b>	1	8	36	1	10	-	<b>56</b>
<b>Assessment – Southern</b>	1	7	30	2	5	-	<b>45</b>
<b>Secondees</b>	-	-	4	-	-	-	<b>3</b>
<b>Maru Toa</b>	-	-	3	-	-	-	<b>4</b>
<b>Total</b>	<b>5</b>	<b>28</b>	<b>141</b>	<b>11</b>	<b>27</b>	<b>5</b>	<b>217</b>
			<b>179 Health &amp; Safety Inspectors</b>				



NB:

- There are three inspectors currently acting 'out of role' that are included in the inspectorate figures.
- DHR Officers are not warranted.

### **Inspector current warrant status**

	No ID card	HSWA ID card only	HSWA and HSNO ID card	Total
<b>Investigations and Response</b>	-	15	29	<b>44</b>
<b>Assessment – Northern</b>	10	4	30	<b>44</b>
<b>Assessment – Central</b>	10	3	34	<b>47</b>
<b>Assessment – Southern</b>	5	8	24	<b>37</b>
<b>Secondees</b>	-	-	3	<b>3</b>
<b>Maru Toa</b>	-	-	4	<b>4</b>
<b>Total</b>	<b>25</b>	<b>30</b>	<b>124</b>	<b>179</b>

NB: These tables do not include Specialist High Hazard Inspectors (23) or Energy Safety specialists (9).

### **Finance**

The year to date position is a \$2.0m surplus, compared to a planned deficit of \$0.9m. The year to date result is split as follows:

- Workplace Health and Safety – \$1.9m surplus against \$0.9m planned deficit
- Energy Safety – \$0.1m surplus against \$0.0m planned surplus.

This slow start to the year is consistent with previous years. The main area of underspend is in personnel. There are some timing differences, such as the new case management system pre-acquisition phase taking longer than planned; reprioritisation activity is occurring through an October Budget Update exercise.

On the balance sheet the main difference is equity classification, with capital reserves being higher than budgeted and accumulated surpluses being lower. This is due to the impairment of Awhina in 2016/17, which was assumed in the Statement of Performance Expectations budget to come from capital reserves, but following advice from Audit New Zealand actually flowed through the operating statement to reduce the accumulated surplus.

Although the substance of the transaction is unchanged, this treatment does create an issue, as it makes planned use of accumulated surpluses more difficult. We will be working through options to manage this issue, including engaging with the Treasury.

<b>Financial performance (1 July to 30 September 2017)</b>					
<b>\$000</b>	<b>YTD Actual (Q1 17/18)</b>	<b>YTD Budget</b>	<b>Variance</b>	<b>Estimated outturn (year-end estimate)</b>	<b>SPE Budget</b>
<b>Revenue</b>					
Revenue Crown	23,459	23,459	-	93,837	93,837
Interest revenue	185	95	90	700	400
Other revenue	780	445	335	5,153	5,153
<b>Total Revenue</b>	<b>24,424</b>	<b>23,999</b>	<b>425</b>	<b>99,690</b>	<b>99,390</b>
<b>Expenditure</b>					
Personnel and contractors	15,311	16,678	1,367	67,107	67,060
Depreciation	256	301	45	2,054	2,315
Other expenditure	6,865	7,883	1,018	29,581	29,581
<b>Total Expenditure</b>	<b>22,432</b>	<b>24,862</b>	<b>2,430</b>	<b>98,742</b>	<b>98,956</b>
<b>Surplus/(deficit)</b>	<b>1,992</b>	<b>(863)</b>	<b>2,855</b>	<b>948</b>	<b>434</b>

<b>Changes in equity (as at 30 September 2017)</b>			
<b>\$000</b>	<b>YTD Actual (Q1 17/18)</b>	<b>Estimated outturn (year-end estimate)</b>	<b>SPE Budget</b>
Equity at beginning of year	17,505	17,505	17,409
Capital contribution	2,576	9,552	9,552
Net surplus/(deficit)	1,992	948	434
<b>Equity as at end of period</b>	<b>22,073</b>	<b>28,005</b>	<b>27,395</b>

<b>Summary balance sheet (as at 30 September 2017)</b>			
<b>\$000</b>	<b>YTD Actual (Q1 17/18)</b>	<b>Estimated outturn (year-end estimate)</b>	<b>SPE Budget</b>
<b>Assets</b>			
Cash and bank	21,370	21,710	20,247
Debtors	1,773	500	500
Fixed assets	9,231	17,035	17,888
<b>Total</b>	<b>32,374</b>	<b>39,245</b>	<b>38,635</b>
<b>Liabilities</b>			
Creditors and payables	4,524	6,750	6,750
Employment liabilities	5,777	4,490	4,490
<b>Total</b>	<b>10,301</b>	<b>11,240</b>	<b>11,240</b>
<b>Equity</b>			
Contributed Capital	18,956	25,932	19,832
Accumulated surplus/(deficit)	3,117	2,073	7,563
<b>Grand total</b>	<b>22,073</b>	<b>28,005</b>	<b>27,395</b>

## Definitions for dashboard

<sup>A</sup> The official data for this result was released by Statistics New Zealand in October 2017. The target has been calculated using SWIFT fatalities data to allow estimation of progress towards the official target. It uses a baseline of 2008-2010.

*ACC work-related injury claims data is combined with WorkSafe's fatality notifications in WorkSafe's System for Work-related Injury Forecasting and Targeting (SWIFT). This enables more timely estimation of the fatal injury and week away from work injury rates.*

<sup>B</sup> The current result this month is the official rate of work-related fatal injury, released by Stats NZ on 4 October 2017. This relates to the three-year period 2014-16.

<sup>C</sup> This is the United Kingdom fatality rate adjusted to reflect New Zealand's industry composition. Because a greater proportion of New Zealand workers work in 'high risk' industries, this rate is higher than the actual United Kingdom work-related fatality rate.

<sup>D</sup> This is a financial year-to-date count of fatalities recorded in SWIFT; it attempts to estimate the number of fatalities that fall within the fatality reduction target's definition. SWIFT includes matched ACC and WorkSafe fatalities data. Deaths that occurred outside New Zealand; resulted from natural causes; or involved people under the age of 15, volunteers, or other unpaid workers are not included. SWIFT fatality counts differ from counts of fatalities occurring in WorkSafe's jurisdiction (which are recorded on WorkSafe's website).

2017/18 YTD work-related fatalities by sector (SWIFT, as at 30 September 2017)						Total
2	2	2	1	1	1	9
Construction	Forestry and Logging	Rental, Hiring and Real Estate Services	Electricity, Gas, Water and Waste Services	Wholesale and Retail Trade	Undefined	

The total number of fatalities in SWIFT for 2016/17 was 73; for 2015/16 was 63; and for 2014/15 was 55. The number of fatalities does not reflect any changes to the working population over time (i.e. the number of people that are exposed to the risks of being in and around work).

*N.B. SWIFT and WorkSafe notification data are subject to revision from time to time as a result of ongoing data quality improvement processes.*

<sup>E</sup> This is the number of fatalities that would occur each year if New Zealand had the same rate of fatalities as the United Kingdom (it has been adjusted to take account of higher levels of employment in 'high risk' industries in New Zealand).

<sup>F</sup> The current result is the official rate of work-related serious non-fatal injury, released by Stats NZ on 4 October 2017. This relates to the 2016 calendar year.

<sup>G</sup> The official data for this target will be released by Statistics New Zealand in October 2021. This target has been calculated using SWIFT week away from work injury claims data to allow estimation of progress towards the official target. It uses a baseline of 2009-2011.

<sup>H</sup> This 12-month rolling average rate is calculated using SWIFT and Household Labour Force Survey data. A six-month lag is applied to this data to account for late claims/ACC processing times.

<sup>I</sup> This measure displays the week away from work injury target as a count rather than a rate. It should be read as the maximum number of week away from work injuries permissible to achieve targets, assuming the population remains the same. It is calculated using the target rate from the section above and the most recent denominator data (i.e. Target rate multiplied by the denominator divided by 1,000). It is calculated on the basis of a 12-month year. It will be updated each quarter as new working population data becomes available.

<sup>J</sup> This is a rolling 12-month count of week away from work injuries recorded in SWIFT.

<sup>K</sup> With industry and PCBUs in priority sectors or other priority areas of focus.