

STATEMENT OF INTENT

2013-2017

WorkSafe New Zealand came into existence on 16 December 2013 as a new Crown Agent. This *Statement of Intent* is an initial statement of WorkSafe NZ's strategic direction and operations. We will refresh components of this document, including our performance story, ahead of the 2014/15 financial year. As this document has been published in the middle of the 2013/14 financial year, this *Statement of Intent* will be the primary accountability document against which we will report in our *Annual Report*.

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CHAIR'S FOREWORD

On behalf of the Board, I am pleased to present this interim *Statement of Intent* for WorkSafe New Zealand. WorkSafe NZ is a new Crown Agent established on 16 December 2013 by the WorkSafe New Zealand Act 2013 to transform the health and safety performance of New Zealand workplaces.

In 2010, 29 men died in the Pike River coal mine on the West Coast. In the three years since, hundreds more people have been seriously hurt or killed in workplaces – on farms, forestry blocks and construction sites and in manufacturing plants – and suffered or died from cancers and respiratory and ischaemic heart diseases that can be linked to occupational harm exposures. The Pike River tragedy was a watershed – it shone a light on New Zealand's unacceptably

high occupational death and injury toll. The Royal Commission that examined the incident found a combination of poor safety processes and inadequate regulatory oversight.

In April 2013 the Independent Taskforce on Workplace Health and Safety report exposed major weaknesses in New Zealand's health and safety practices. It found that the system is "not fit for purpose". The estimated annual social and economic cost of work-related injuries and diseases is \$3.5 billion, not to mention the significant emotional impacts on individuals and families dealing with serious injury and loss. WorkSafe NZ's ultimate target is to reduce the number of fatalities and serious injuries by at least 25% by 2020. We are determined to deliver on this. We need to build a new-look regulator that is smart and dynamic, and willing to be judged on its performance.

WORKSAFE NZ'S ULTIMATE TARGET IS TO **REDUCE THE NUMBER OF FATALITIES AND SERIOUS INJURIES BY AT LEAST 25% BY 2020.**



WorkSafe NZ will set, support and enforce excellent health and safety standards, and promote positive personal attitudes towards health and safety. What we want to achieve is a more effective regulatory system and a new culture of vigilance and care about risks in the workplace. We cannot do this alone. We are committed to working together to effect real change. Businesses, workers, unions, industry groups and our partner agencies have vital roles.

We believe that most people want to do the right thing. At the same time, we will use the full force of our powers to deter those who intend to flout the law. We want to encourage more business leadership. The Minister of Labour Simon Bridges noted when announcing *Working Safer: A blueprint for health & safety at work* that research shows health and safety is an investment in higher business productivity – not a cost.

This *Statement of Intent* signals the challenges that WorkSafe NZ stands ready to face. Our focus will be on building the new organisation, and continuing to deliver on our critical business-as-usual activities while implementing our new functions and responsibilities as set out under the *Working Safer* blueprint for reform.

Professor Gregor Coster, CNZM, Chair



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WHO WE ARE

INTRODUCTION

WorkSafe NZ is a Crown Agent with a Board appointed by the Minister of Labour. We are a stand-alone organisation established as a result of the recommendations of the Royal Commission on the Pike River Coal Mine Tragedy, and the Independent Taskforce on Workplace Health and Safety.

This is an opportunity to make a difference to the lives of New Zealanders. Too many people are injured or killed at work. The work toll of occupational illness and disease is unacceptable. This interim *Statement of Intent* provides the first occasion to state how WorkSafe NZ will address New Zealand's poor workplace health and safety performance.

NATURE AND SCOPE OF OUR FUNCTIONS

WorkSafe NZ is the workplace health and safety regulator. We seek to prevent harm to all people at work and in, or in the vicinity of, the workplace. We deliver the health and safety compliance activities and services previously carried out by the Ministry of Business, Innovation and Employment (MBIE) and earlier the Department of Labour. We will also deliver new functions set out in Appendix One from the WorkSafe New Zealand Act 2013. In addition, WorkSafe NZ is the regulator for electricity and gas safety in the workplace and home. This function was previously carried out by MBIE and earlier the Ministry of Economic Development.

WORKPLACE HEALTH AND SAFETY FUNCTIONS

We provide advice and guidance to workplaces, including codes of practice, so they can understand what is expected of them. We undertake health and safety assessments and investigations at workplaces to monitor and enforce compliance with the law. Where we see risks, we request changes and have powers to issue notices and penalties. Under the new legislation we will have more tools and provisions to penalise where appropriate. In order to promote and contribute to the prevention of harm, we foster co-operative relationships between businesses and workers, and their representatives.

We advise government on the workplace health and safety system, including making recommendations for change. As a Crown Agent, we must give effect to government policy. We co-ordinate the sharing of information and work with stakeholders and other agencies to collect, analyse and publish statistics relating to workplace health and safety. We also ensure that new initiatives are implemented effectively through partnerships and collaborative effort.

ENERGY SAFETY FUNCTIONS

We oversee the safety and supply quality requirements of the Electricity Act 1992 and the Gas Act 1992, and enforce provisions for the fuel gases of the Hazardous Substances and New Organisms (HSNO) Act 1996. We develop and apply internationally accepted standards for New Zealand's electricity and gas safety and supply quality. We also publicise safety standards, provide consumer advice, carry out investigations into accidents, near misses and unsafe situations, and monitor corrective and enforcement actions, as appropriate.

WE ARE PART OF NEW ZEALAND'S WORKPLACE HEALTH AND SAFETY SYSTEM

We are part of the much wider health and safety system in New Zealand, which involves people in workplaces, whether they are workers or the people responsible such as lead contractors, supervisors and employers. Their health and safety practices are influenced by company directors, worker representatives, industry bodies and others who set expectations and norms.

Workplace health and safety outcomes and practices are also affected by the legislation and it is our job to monitor and enforce compliance with the law. While WorkSafe NZ is the primary workplace health and safety regulator in New Zealand, we are not the only agency enforcing health and safety compliance – the New Zealand Police, Maritime New Zealand, the Civil Aviation Authority and the NZ Transport Agency play important roles too. Additionally, the Accident Compensation Corporation (ACC) administers rules and levies that influence the health and safety practices of both workplaces and workers. We are part of a set of regulators that influence the health and safety of New Zealand businesses, and we are part of an even larger group of regulators that operate in the New Zealand business environment.

The Government's *Working Safer* reform programme is the most significant set of changes to New Zealand's workplace health and safety system in 20 years. To achieve the harm reduction sought through *Working Safer*, all of the parties in New Zealand's workplace health and safety system need to step up. WorkSafe NZ will lead by example.

VISION, PURPOSE, VALUES

OUR VISION

Everyone who goes to work comes home healthy and safe.

OUR PURPOSE

Our purpose is to transform New Zealand's workplace health and safety performance.

We will do this by:

- › demonstrating strong and credible leadership
- › involving representatives of business and workers in our key decisions and processes
- › supporting effective worker engagement
- › collaborating widely across the health and safety system
- › taking an evidence-based, risk-focused approach
- › undertaking effective enforcement actions
- › facilitating effective education and engagement
- › investing in our people and systems
- › providing a credible source of data for all stakeholders
- › reporting on our own performance transparently, and the performance of the workplace health and safety system
- › developing clear, concise and accessible codes of practice and other guidance
- › creating clear guidelines and expectations for duty holders
- › developing effective injury prevention and health protection programmes with ACC and other partners
- › recommending improvements to the effectiveness of the workplace health and safety system
- › developing a clear and defined compliance strategy that helps the willing to comply and holds to account those who break the law.

We are also the regulator for the safe supply and use of electricity and gas in New Zealand.

We will:

- › work with all stakeholders and those affected on safety and quality standards in electricity and gas networks, installations and products
- › update gas and electricity regulations
- › work internationally to strengthen international regulatory convergence, reduce trade barriers and improve energy safety
- › undertake audits of networks, distribution systems, installations and appliances
- › offer energy safety education and outreach
- › monitor compliance and undertake enforcement.

OUR VALUES

We will act with:

Integrity – being fair, firm and consistent, showing respect for those we work with

Courage – standing up for health and safety

Responsibility – being accountable for what we do.



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WHAT WE INTEND TO ACHIEVE

We will provide leadership within New Zealand's workplace health and safety system to achieve a 25% reduction in workplace fatalities and injuries by 2020, and initially, a 10% reduction by 2016. These are the ultimate outcomes we seek, and the indicators showing progress toward these outcomes are laid out in Appendix Two. We have clear targets and baselines, except for occupational health, and work is underway to address this.

We have several measures to monitor change, e.g. rates of fatal and serious work-related injury and ACC claims for work injuries that require more than a week off work. We plan to bring new discipline to monitoring and reporting on these system-wide outcomes and WorkSafe NZ's contribution to them.

The following section outlines our pathway to these outcomes.

We will fully implement the major system changes as set out in the Government's *Working Safer* reform blueprint, and restoring public confidence will be integral to our long-term success.

MINISTERIAL EXPECTATIONS

The Minister of Labour has confirmed the previously mentioned health and safety targets, and in his letter of expectations the Minister provided specific guidance to direct WorkSafe NZ's activities. This guidance has informed our strategic direction.

- › **Support and incentivise compliance.** Embrace our expanded education, prevention and incentive functions to support and encourage those businesses and workers who want to do the right thing in relation to health and safety. For those who choose to ignore the law, WorkSafe NZ will take a suitably tough and robust approach, holding people to account and providing adequate deterrence.
- › **Focus on major harms.** Focus attention on addressing the major areas of acute, chronic and catastrophic harm. We will ensure that any requirements for people are commensurate with the risks presented and do not impose an unnecessary burden on small and large low-risk businesses.
- › **Foster positive attitudes.** Encourage a New Zealand culture that recognises that health and safety is not a burden but an aid to good business productivity and reliability. We will provide the appropriate level of guidance and education to enable people to understand their obligations and comply, without being overly prescriptive and while still allowing some flexibility.
- › **Collaborate widely.** Work with and through others, building and maintaining quality working relationships with businesses and workers, and collaborating and working in partnership with the other government agencies involved in health and safety. Our intent is to achieve the most efficient and effective collective impact of the government's investment, without unnecessary duplication.

STRATEGIC DIRECTION

We will focus on strengthening our organisation, working together, working smarter, targeting risk and rebuilding Canterbury safely. The timeline showing how we will phase these priorities is set out in Appendix Three.

STRENGTHENING OUR ORGANISATION

Our intent is to build WorkSafe NZ into a high-performing organisation with the capability and capacity to achieve the changes set out in the *Working Safer* reform package. This strategy builds on the new operating model implemented by MBIE's Health and Safety Group. We will:

- › **build our own capacity and capability.** We will invest to grow the number of frontline staff and specialists (including occupational health capability), recruit the best people and create a culture that retains them
- › **expand functions and systems.** We will design and deliver expanded functions, e.g. operational intelligence and research roles, an extended High Hazards Unit and a larger standard-setting function. We will transition and support the energy safety and HSNO functions previously delivered by MBIE and the Environmental Protection Authority (EPA) respectively. We will build a solid organisational infrastructure (e.g. financial, business management and accountability systems) and share services with MBIE where possible
- › **be an exemplar of good health and safety practices.** We will design systems and processes, and invest in the right equipment to keep our people healthy and safe.

WORKING TOGETHER

Healthy and safe workplaces depend on all of us – workers, employers, business leaders, representatives of workers and businesses, iwi, families and communities, and the agencies tasked with oversight. This strategy requires WorkSafe NZ to play a leadership role by encouraging shared problem-solving, promoting peer exemplars and expectations, and supporting better alignment between key participants in the system. We will:

- › **strengthen social partnership.** We will actively work with social partners – Business New Zealand and the Council of Trade Unions
- › **increase sector engagement.** We will work with those who can make a difference. We will support advisory groups, seek influence through key communities of interest, and support the development of a Health and Safety Professionals Alliance
- › **increase worker participation.** We will implement new legislative requirements to support health and safety representatives
- › **improve the effectiveness of all health and safety regulators.** Effective operational relationships are crucial for aligned regulatory effort. We are taking our leadership role seriously
- › **contribute to nation-wide strategies and action plans.** We will work actively with MBIE on the development of a national Workplace Health and Safety Strategy and continue progressing the joint workplace injury prevention action plan with ACC and MBIE.

WORKING SMARTER

This strategy requires us to implement a clearer regime, provide good guidance and support, and utilise more operational intelligence. We will:

- › **provide clarity through legislation, regulation and guidance.** Workers and businesses need to know what's expected of them. We will work with MBIE to provide unambiguous law and specific regulations. Our information and guidance will be current and appropriate for user circumstances
- › **implement a clear hazardous substances regime.** We will put in place systems and processes for the safe management of hazardous substances in the workplace
- › **promote health and safety by design.** We will work with businesses to promote the design of business processes and products that minimise or eliminate harm
- › **influence supply chain practices to achieve better health and safety outcomes.** We will work with businesses and government agencies to promote supply-chain and procurement practices that enhance healthy and safe practices for those involved
- › **ensure more evidence-based decision making.** We need to base our decisions on good data, research and evaluation. We need to know what works, why it works and how we can replicate it.

TARGETING RISK

Some industries manage risk poorly or are inherently more risky. We need to apply resources to where attention is most needed. We will:

- › **maximise our impact by targeting the highest-risk sectors.** We will continue to target the highest-risk sectors, which currently include agriculture, construction, manufacturing and forestry. We will use increased intelligence to target high-risk areas within those sectors and high-risk businesses. We will also target high-risk populations including Māori, Pacific, migrant, older and inexperienced workers
- › **expand the High Hazards Unit to include major hazard facilities.** We will map the high-hazards landscape in New Zealand, working with the New Zealand Police, the New Zealand Fire Service, local authorities and others to co-ordinate our approach, and put in place a robust regulatory framework to manage risk. The high-hazards landscape includes sites with the possibility of low-frequency but high-consequence events
- › **increase the focus on occupational health and HSNO.** Occupational health has not received the attention it needs. We will develop short-term priorities for reducing harmful exposures that we can progress promptly. However, a significant rethink of our approach to occupational health is needed, including how to improve data and intelligence. This is work for the medium term.

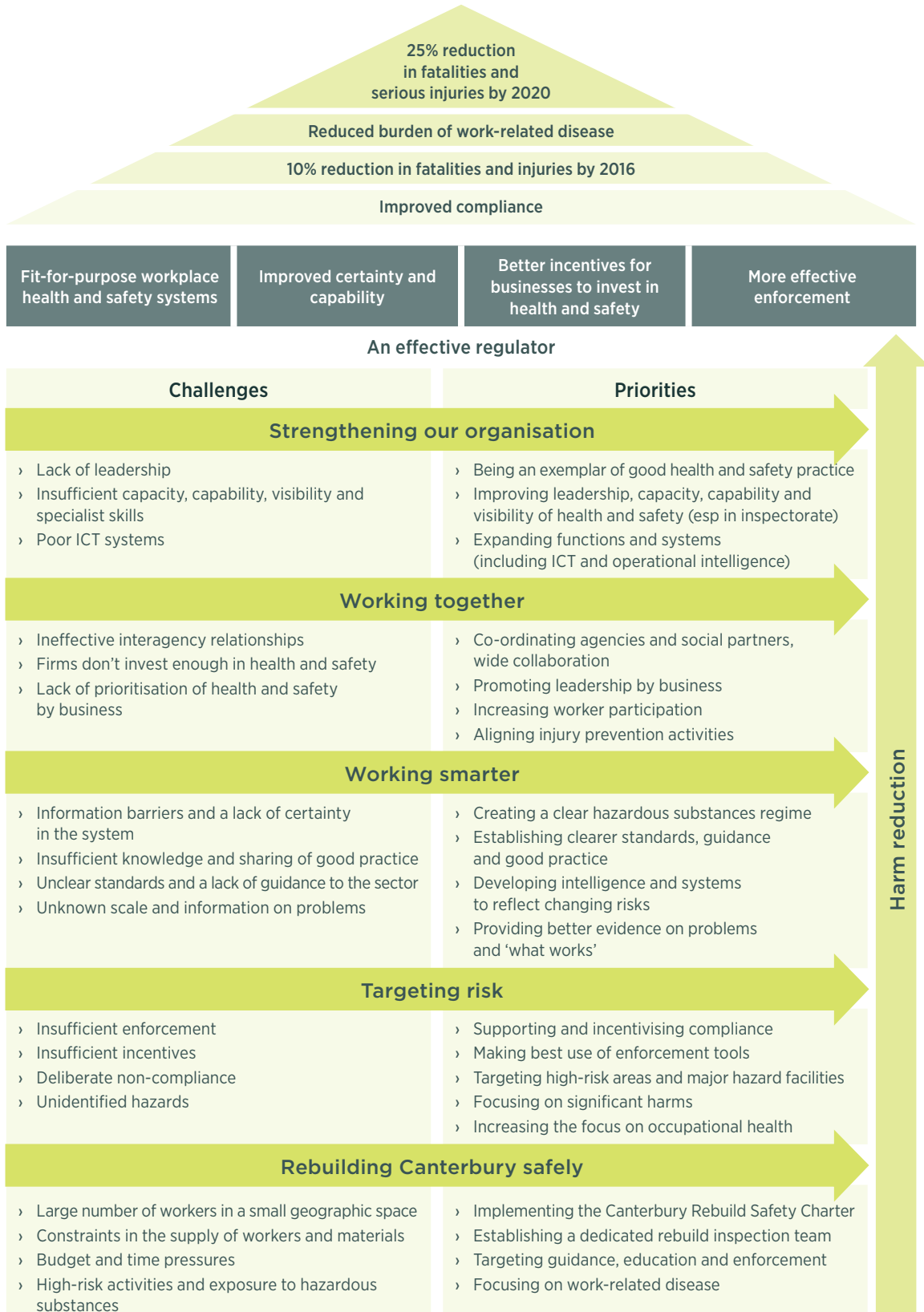
REBUILDING CANTERBURY SAFELY

The challenges facing Canterbury and its people in the aftermath of the 2010 and 2011 earthquakes are significant. The Canterbury rebuild is dominated by high-risk activities on a scale unprecedented in New Zealand. It has our attention. We will:

- › **focus on construction.** We will strengthen our enforcement activities through a health and safety inspectorate team skilled in construction
- › **pay more attention to occupational health and exposures.** We will increase our compliance activities in relation to asbestos, and design and implement a model for reducing occupational harm and exposure to hazardous substances
- › **monitor compliance with the Canterbury Rebuild Safety Charter.** We will work with ACC, representatives of business, and workers to maximise our impact and ensure that the Canterbury Rebuild Safety Charter agreements are being met
- › **target guidance to areas of high risk.** We will provide sound, timely guidance material for areas of high risk, such as managing asbestos
- › **focus on high-risk populations.** We will target more support for high-risk population groups, especially migrant, inexperienced and older workers.

PATHWAY TO OUTCOMES

EVERYONE WHO GOES TO WORK COMES HOME HEALTHY AND SAFE



MEASURING OUR PERFORMANCE

Developing a strong set of well tested performance measures is an early priority for WorkSafe NZ. The table below shows existing indicators that can be used to monitor intermediate outcomes and those that are yet to be developed.

INTERMEDIATE OUTCOMES				
Outcomes	Indicators	2012/13	2011/12	2010/11
Fit for purpose workplace health and safety systems				
More businesses have good health and safety practices	› Increased proportion of employers with good health and safety systems and practices ^A			39%
Improved certainty and capability				
Increased use of information services	› Indicator to be developed to measure response to targeted advice and guidance			
Improvement in information services	› Percent of contact centre users satisfied or very satisfied with services received ^B › Indicator to be developed to measure quality and utility of guidance material		84%	
Better incentives for businesses to invest in health and safety				
Increased involvement in financial incentive programmes	› Indicator to be developed to measure effectiveness of workplace health and safety incentive schemes, e.g. Safety Star Rating Scheme			
More effective enforcement				
Active enforcement	› At least 80% of prosecutions are successful ^C › Indicator to be developed to measure percentage of improvement notices and enforceable undertakings that are complied with within the specified timeframe			
Targeted compliance assessments	› Indicator to be developed to measure percentage of visits to targeted businesses that result in compliance			

Indicators are also to be developed that are tailored to outcomes in the high-hazard sectors (as per the Royal Commission's recommendations), and relating to the Canterbury rebuild and occupational health.

^A Employers that report having all of the following: a documented system for identifying and managing workplace hazards; when a new hazard is identified or an existing hazard changes, it is recorded in the system; a documented process for investigating workplace accidents; health and safety inductions for all new employees; a record kept of every health and safety induction for new employees; and contractors and subcontractors receive a health and safety induction (where contractors and subcontractors do work for the business). (Source: MBIE, National Survey of Employers)

^B MBIE, Service Excellence Survey.

^C WorkSafe NZ.

DELIVERING THE BUSINESS WHILE IMPLEMENTING OUR STRATEGY

At the same time as we are driving change through our strategic priorities, we must ensure that our business-as-usual health and safety services are delivered.

WE WILL FOCUS ON:

- › the ongoing delivery of evidence-based national programmes targeting agriculture, forestry, construction, manufacturing, occupational health and hazardous substances
- › the ongoing monitoring of the petroleum, geothermal and extractives sectors
- › implementing the adventure activities regulatory regime
- › embedding the new inspectorate service delivery model
- › developing a comprehensive suite of standards and guidance.

WE WILL DO THIS THROUGH:

- › the delivery of approved codes of practice, comprehensive standards and guidance
- › health and safety workplace assessments targeted to occupational health exposures and high-risk sectors (agriculture, forestry, construction and manufacturing) and businesses
- › HSNO workplace assessments
- › health and safety and HSNO on-site investigations and enforcement activities
- › completing standards in accordance with the standard-setting framework
- › interventions, inspections and safety case reviews in high-hazards sectors
- › audits of gas and electrical products, and investigations of significant gas/electrical accidents and incidents.

WHAT WE DELIVER (ACTIVITY INFORMATION)	TARGET
Completed health and safety workplace assessments ^A	10,500-12,500
Completed HSNO workplace assessments ^A	3,000-3,500
Electrical and gas appliance suppliers visited and number of products audited	150 suppliers and 400 products
Audits of networks, distribution systems and installations undertaken	30
Completed health and safety and HSNO on-site investigations ^B	800-1,000
Investigations of significant gas and electricity accidents and incidents undertaken ^B	65
Completed high-hazards assessments, inspections, audits and safety cases	60
Standards developed in accordance with the standard-setting framework	20-35

^A Projection based on at least 75% capacity throughout the year.

^B Demand-driven information, therefore the number is outside WorkSafe NZ's control.

HOW WE DELIVER (QUALITY AND TIMELINESS INFORMATION)	STANDARD
The percentage of on-site investigations completed within five months of notification of each event	90%
The percentage of customers who were satisfied with the overall quality of service delivery received ^c	80%
The percentage of contact centre health and safety phone calls answered within 20 seconds	80%
Trial and implement a management monitoring system to provide quality assurance of decision-making for health and safety enforcement action decisions	By 31 December 2013
Percentage of files recommended for prosecution that have sufficient evidence and are consistent with our enforcement criteria ^d	80%
The percentage of workplace assessments targeted at industries identified in the Workplace Health and Safety Strategy Action Plan	80%
Percentage of safety cases for the petroleum sector assessed in accordance with policy and standard operating practices and processed within statutory timeframes	90%
Safety of consumers and industry compliance with legislation, regulations and standards will be monitored through analyses of accident investigations and a proactive, risk-based auditing programme based on previous years' auditing and accident data, and in accordance with ISO 9001 standards:	Retain ISO 9001 certification
› notifiable accident investigations (as defined in section 16 of the Electricity Act 1992 and section 17 of the Gas Act 1992) will be responded to and action commenced	95% within 24 hours of notification of the accidents
› audits will be conducted, completed and closed	90% within 30 working days of the start of the audits
^c Satisfaction to be measured by MBIE's Service Excellence Survey. ^d 'Sufficient evidence' is considered to have achieved a rating of 8 out of 10 on the Legal Services review of files.	

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HOW WE WILL WORK

We have a significant opportunity to learn from the past, and to begin to set a new culture for WorkSafe NZ and for New Zealand. From the outset we will emphasise the need and opportunity for a step change in the efforts and commitment required from all involved – employers, principals, workers, unions, government and the community.

It is our role to ensure compliance with the law. We believe that most businesses and workers want healthy and safe workplaces, and will actively comply with the law. Many achieve this effortlessly and act as exemplars of world-class practice. Others will comply if their obligations are made clear to them. We will hold to account those who fail to meet their obligations or deliberately flout the law.

We believe in building strong relationships between WorkSafe NZ, businesses, workers and their representatives, and influential sector groups, as well as other government agencies responsible for workplace health and safety. We will learn from everything we do and provide transparent feedback on our performance and that of the health and safety system to enable all participants (ourselves included) to improve their health and safety practices, systems and outcomes.

OUR OPERATIONAL APPROACH

Our operating model will be developed in consultation with staff and stakeholders shortly. In the interim, our approach will be based on regulatory best practice.

Set expectations. We will create certainty through clear law, standards and guidance to ensure duty holders are clear about their obligations and about our approach to compliance.

Inform and educate. It is not enough to set expectations. Standards and guidance must be accessible, easily understood and relevant to users. Sometimes informing people of their obligations will be enough. In some circumstances (where the level of risk is appropriate) we will use targeted education as our approach.

Engage and influence. We will engage with social partners, workers, businesses, industries and sectors in purposeful relationships to influence improved health and safety performance. We will demonstrate visible leadership to increase the awareness and achievement of good health and safety practices.

Incentivise and enforce. With others, we will create incentives that encourage compliance using all available leverage. Where these do not reduce risk or achieve safe outcomes, we will use our enforcement powers. We will not avoid our responsibilities in this regard.

Evaluate and enable. Our approach will be underpinned by careful evaluation of our interventions. We will use this feedback and make it available to others to encourage and empower continual improvement in workplace health and safety outcomes.

PARTNERSHIPS AND CONSULTATION

World-class workplace health and safety cannot be achieved by a single Crown Agent, regardless of how effective we are. The biggest improvements will come when people in sectors and workplaces all over New Zealand effectively manage the health and safety risks they face. This will require a culture change in New Zealand society. Working together is one of our strategic priorities. We have a significant work programme to advance outcomes and outputs with others that will lift health and safety performance. Understanding and respect are critical for our collaboration.

Work with businesses, workers and their representatives. We will work constructively with industry by focusing on common goals. The Health and Safety Reform Bill is scheduled to pass by December 2014, with the new Act coming into force in 2015. We will help businesses to anticipate changes in the new law by clarifying expectations and how they can be met. The new legislation will include a worker participation model. To increase worker participation in health and safety work systems, we will collaborate with unions and other key stakeholder groups to provide education and support. WorkSafe NZ's expert advisory groups will welcome worker voices. WorkSafe NZ will foster relationships between businesses, workers and their representatives so that healthy and safe workplaces are not dependent on the regulator.

Work with MBIE. WorkSafe NZ has an important relationship with MBIE. It is our monitoring agency and will report independently to the Minister of Labour on our performance. We hope to leverage off MBIE's monitoring of regulatory impacts on businesses and productivity. MBIE is the primary

policy agency for workplace health and safety. It leads the health and safety legislation and regulations. We expect to work in close partnership with MBIE to ensure alignment between policy imperatives and operational realities. MBIE is also a provider of services to WorkSafe NZ on a shared-services basis (ICT, property, finance, contact centre, publications and payroll). We will build an open and trusting relationship based on no surprises, mutual problem-solving and innovation.

Work with other government agencies. WorkSafe NZ's relationship with ACC is important. ACC has a focus on injury prevention and offers financial incentives to businesses to treat health and safety seriously. The most efficient way for the two agencies to reach their mutual goals is to work collaboratively. We will also collaborate with New Zealand's transport agencies because we have a shared focus on transport safety. We will work actively with the NZ Transport Agency, the Civil Aviation Authority, Maritime New Zealand and the New Zealand Police. WorkSafe NZ will assume responsibilities for regulating the handling of hazardous substances. We will work closely with the EPA as responsibilities for hazardous substances in the workplace are transferred to us, and on the ongoing interface between workplace and environmental controls.

Work with iwi and Māori organisations. Māori businesses are a significant force in the New Zealand economy, and Māori workers are at greater risk than non-Māori workers of poor health and safety outcomes, in part due to the higher density of Māori workers in high-risk industries. We will work with iwi, Māori businesses and representatives of Māori workers to improve health and safety outcomes for Māori.

CONSULTATION AND REPORTING TO MINISTERS

The Minister of Labour is the responsible Minister for WorkSafe NZ. As a Crown Agent, we must give effect to government policy when directed by the Minister. We also relate to the informal group of ministers who focus on building skilled and safe workplaces (of which the Minister of Labour is a member). We brief, consult and report to ministers regularly. Our communications will be relevant and timely, and produce innovative and collaborative solutions.

The Board Chair and the Chief Executive will provide the Minister of Labour with regular reports covering:

- › progress against the *Statement of Intent*
- › risks and issues around performance and organisational capability (including relationship management)
- › financial management
- › other matters as agreed with the Minister.

The Board is also required to report annually to the Minister, other stakeholders and the New Zealand public on full-year progress against the *Statement of Intent*, with reference to progress against key actions and priorities.

CONTRIBUTION TO THE GOVERNMENT'S GOALS

WorkSafe NZ's strategic direction was developed within the context of the Government's priorities. These are to:

- › build a more competitive and productive economy
- › rebuild Canterbury
- › deliver better public services within tight financial constraints
- › responsibly manage the Government's finances.

WorkSafe NZ will support a more competitive and productive economy through the Business Growth Agenda. The Business Growth Agenda progress report on *Building Skilled and Safe Workplaces* describes safe workplaces as non-negotiable – they are a given in advanced economies. Good health and safety practices are good for business. As well as social benefits, they deliver economic benefits through increased productivity. The 2012 Business Operations Survey* found that compared with other types of regulation, workplace safety regulation most enhanced businesses' performance.

The workplace health and safety initiatives in the Business Growth Agenda include increasing the number and capacity of health and safety inspectors, developing the High Hazards Unit, and introducing a Safety Star Rating Scheme. Several other actions are acknowledged, e.g. sector action plans and managing hazardous substances.

One of WorkSafe NZ's strategic priorities is rebuilding Canterbury safely – there is a clear link with the Government's priority for Canterbury.

Given the significant contribution that good health and safety practice makes to the economy, WorkSafe NZ will also work with government agencies to achieve exemplary health and safety practices for government-delivered services.

In the wake of the global financial crisis, New Zealand's state sector faces prolonged financial constraint, increasing public expectations and the need for improvements in addressing complex, long-term issues. The Better Public Services programme focuses on measurable results that matter in the day-to-day lives of New Zealanders. WorkSafe NZ's intent and direction fit within the Better Public Services framework through our:

- › focus on the complex problems that contribute to the work toll
- › collaborative and innovative approaches to tackling those problems
- › careful use of public resources, and commitment to measuring our work and whether we are making a difference to the wellbeing of New Zealanders.

*The 2012 Business Operations Survey
www.stats.govt.nz/browse_for_stats/businesses/business_growth_and_innovation/BusinessOperationsSurvey_MR2012.aspx.

ORGANISATIONAL CAPABILITY AND HEALTH

Our intent is to build WorkSafe NZ into a high-performing, well integrated organisation. To become a more effective regulator and deliver our existing, expanded and new functions we need increased capacity and capability.

In practice, this means increasing the number of inspectors and managers who are fully trained and hold warrants under both the Health and Safety in Employment Act 1992 and the HSNO Act, and fully resourcing our High Hazards Unit and the teams that will provide operational intelligence, research and evaluation.

We acknowledge that occupational health is an underdeveloped area of our work and capability. As signalled earlier in this document, a significant rethink of our approach is needed, including establishing measurable goals and programmes of work.

In addition to hiring new talent, we need to nurture and energise existing staff. We will monitor our success through a recognised staff engagement survey.

It is also our goal to be an exemplar of good health and safety practice. We are designing systems and processes and investing in the right equipment to keep our people healthy and safe.

There is more information about what we will do to strengthen our organisation on page 13.

MANAGING RISKS

An early priority for WorkSafe NZ is the adoption of Board policies, including the establishment of an Audit, Risk and Finance Committee and requisite assurance processes. We have identified the following risks that we will manage at Board level. An operational risk framework sits as part of our monitoring and reporting functions.

AREA OF RISK	CONSEQUENCES	MITIGATION STRATEGIES
Reputational risk if the new organisation does not deliver	Loss of public confidence in the organisation and the changes made post-Pike River. Limited impact on reducing the number of fatalities and serious injuries	Careful planning and communicating expectations internally and externally Close monitoring. Full involvement of stakeholders in our work Identify early achievements
Failure to deliver effective health and safety services to support the Canterbury rebuild	Lost opportunity to achieve a step change in health and safety practices. Targets unachievable due to high fatality and injury rates	Establish as a strategic priority Monitor performance of Canterbury rebuild activities
Unable to build own organisational capability effectively and rapidly enough to meet growing service expectations	Pressure on existing staff Turnover Loss of confidence	Early appointment of corporate General Managers Agree and monitor capability plan Manage expectations with key stakeholders
Failure to communicate effectively our approach to influence and compliance	Lack of certainty among duty holders Confusion about rationale for decisions	Involve key stakeholders in the thinking about agency approach Publish and act on Influence and Compliance Strategy
Strategic and operational relationships with critical partners/ stakeholders not in place or ineffective	Partner agencies lose confidence Continued fragmentation of regulatory effort Reduced impact on workplace harm Lost opportunity to leverage relationships	Board appointments from key partner agencies, e.g. ACC Chief executives of partner agencies provide leadership and act as steering group Board and technical advisory groups established Formal and informal engagement mechanisms for social partners
Lack of accurate data and information to target risk and track progress towards outcomes	Unable to establish benchmarks or track progress towards targets Unable to determine what works and where to prioritise efforts	Identify priority data requirements Improve data quality Improve ICT system Establish data intelligence function Improve data definition and collection, especially for occupational health-related harms
Systemic failure in the workplace health and safety regulatory system	Resources drawn away from change efforts to respond Delays in achieving targets	Implement whole-of-system workplace health and safety changes Close Board and Chief Executive monitoring and reporting of system performance

4

HOW WE WILL MEET OUR RESPONSIBILITIES

STATEMENT OF FORECAST SERVICE PERFORMANCE

NON-DEPARTMENTAL OUTPUT EXPENSE: WORKPLACE HEALTH AND SAFETY

SCOPE OF APPROPRIATION

This appropriation is limited to the provision of standards, information, education, support and enforcement services relating to health and safety in workplaces, the safe management of hazardous substances, the safety of gas and electricity systems and the inspection of amusement devices. The activity, quantity, quality and timeliness measures of forecast service performance are laid out in the two tables on pages 18 and 19.

STATEMENT OF FORECAST FINANCIAL PERFORMANCE

PROSPECTIVE FINANCIAL STATEMENTS TO 30 JUNE 2018

The financial statements are presented in accordance with generally accepted accounting principles and the Crown Entities Act 2004. They comply with New Zealand equivalents to International Financial Reporting Standards (NZ IRFS), New Zealand Financial Reporting Standard No 42 – Prospective Financial Statements and other applicable financial reporting standards, as appropriate.

Key assumptions underlying the preparation of the statements include:

- › the financial statements for the six and a half months to 30 June 2014 are based on the 2013/14 budget for the Health and Safety Group of MBIE plus appropriation increases to fund the new agency
- › WorkSafe NZ will invoice MBIE (on behalf of the Minister of Labour) at the beginning of each month for outputs to be produced, and MBIE will pay WorkSafe NZ in the same month
- › operating expenses are recognised in the periods in which they are incurred
- › all salary- and wage-related costs, including PAYE and withholding tax, are expensed in the months in which they are incurred
- › depreciation and amortisation are expensed once a capital item has been commissioned
- › accounts payable are paid on the 20th of the month following the dates of the invoices
- › personnel leave liabilities, including annual, long service and retiring service leave, are as at 30 June 2013 and there is no change to the liabilities at 30 June 2014 or in subsequent years
- › all assets that are currently assigned to the Health and Safety Group will transfer to WorkSafe NZ at net book value as at 16 December 2013
- › cash reflecting the accumulated depreciation on fixed assets that are still in use as at 16 December 2013 will transfer from MBIE to WorkSafe NZ
- › current staffing in the Health and Safety Group is 279 full-time equivalents (FTEs). The total staffing for WorkSafe NZ is forecast to increase to 525 FTEs by 30 June 2015
- › new funding is being sought. It is assumed that approval has been given for the purchase of motor vehicles and office equipment for the additional staff.

OTHER INFORMATION

These financial statements have been prepared on the basis of current accounting policies in MBIE and prior to MBIE and WorkSafe NZ agreeing to the final assets' and liabilities' transfer, and the level and cost of shared services to be provided by MBIE.

Please note that this is forecast information and therefore the actual financial position and results achieved for the period may vary from the information presented.

PROSPECTIVE FINANCIAL STATEMENTS

PROSPECTIVE STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 30 JUNE	NOTES	BUDGET 2013/14 6.5MTHS \$000S	BUDGET 2014/15 12MTHS \$000S	BUDGET 2015/16 12MTHS \$000S	BUDGET 2016/17 12MTHS \$000S	BUDGET 2017/18 12MTHS \$000S
Income						
Revenue from the Crown	A	46,954	81,426	82,069	81,698	82,198
Interest Income	B	159	269	239	241	242
Other Income	C	1,857	3,428	3,428	3,428	3,428
Total Income		48,970	85,123	85,736	85,367	85,868
Operating Expenditure						
Personnel Costs	D	22,884	48,051	49,765	49,841	49,875
Property Costs	E	3,384	5,871	5,698	5,710	5,693
Depreciation and Amortisation Expenses	F	910	2,528	2,792	2,859	3,431
Other Operating Costs		21,792	28,673	27,481	26,957	26,869
Total Expenditure		48,970	85,123	85,736	85,367	85,868
Net Surplus		-	-	-	-	-

Notes:

- A. Revenue from the Crown represents funding through MBIE's appropriations.
- B. Interest Income is based on the average cash balance with an average interest rate of 2.5%.
- C. Other Income represents Energy Safety levies collected from energy wholesalers.
- D. Personnel Costs include salaries and wages, staff training, recruitment and other staff-related costs.
- E. Property Costs are based on MBIE's current Health and Safety Services provision with a pro rata increase to reflect the change in staff numbers.
- F. Depreciation and Amortisation Expenses are based on current charges and reflect increases in capital expenditure.

PROSPECTIVE STATEMENT OF FINANCIAL POSITION

FOR THE YEAR ENDED 30 JUNE	NOTES	BUDGET 2013/14 6.5MTHS \$000S	BUDGET 2014/15 12MTHS \$000S	BUDGET 2015/16 12MTHS \$000S	BUDGET 2016/17 12MTHS \$000S	BUDGET 2017/18 12MTHS \$000S
Current Assets						
Cash and Cash Equivalents	G	10,767	9,553	9,634	9,660	10,237
Debtors and Other Receivables	H	-	-	-	-	-
Total Current Assets		10,767	9,553	9,634	9,660	10,237
Non-Current Assets						
Property, Plant and Equipment	I	4,766	6,403	6,926	7,382	7,266
Intangible Assets	J	2,284	1,828	1,370	913	457
Total Non-Current Assets		7,050	8,231	8,296	8,295	7,723
Total Assets		17,817	17,784	17,930	17,955	17,960
Current Liabilities						
Creditors and Other Payables	K	2,948	2,915	3,061	3,087	3,091
Employee Entitlements	L	1,667	1,667	1,667	1,666	1,667
Total Current Liabilities		4,615	4,582	4,728	4,753	4,758
Non-Current Liabilities						
Employee Entitlements	L	695	695	695	695	695
Total Non-Current Liabilities		695	695	695	695	695
Total Liabilities		5,310	5,277	5,423	5,448	5,453
Net Assets		12,507	12,507	12,507	12,507	12,507
Equity		12,507	12,507	12,507	12,507	12,507

G. Cash and Cash Equivalents on 16 December 2013 include a cash payment from MBIE of \$8.3m that equates to accumulated depreciation of the assets transferred.

H. Debtors and Other Receivables are assumed to be nil as funding is normally received in advance for the output to be produced.

I. Property, Plant and Equipment as at 16 December 2013 are transferred from MBIE at net book value.

J. Intangible Assets are ICT tools and software development, with capitalisation of these in 2014/15.

K. Creditors and Other Payables are due on the 20th of the month following the dates of the invoices.

L. Employee Entitlements are as at 30 June 2013 and assume no growth, with leave entitlements being taken in the periods due.

PROSPECTIVE STATEMENT OF MOVEMENTS IN EQUITY

FOR THE YEAR ENDED 30 JUNE	BUDGET 2013/14 6.5MTHS \$000S	BUDGET 2014/15 12MTHS \$000S	BUDGET 2015/16 12MTHS \$000S	BUDGET 2016/17 12MTHS \$000S	BUDGET 2017/18 12MTHS \$000S
Equity - Opening Balance	12,507	12,507	12,507	12,507	12,507
Net Operating Surplus for the Year	-	-	-	-	-
Equity - Closing Balance at 30 June	12,507	12,507	12,507	12,507	12,507

PROSPECTIVE STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 JUNE	BUDGET 2013/14 6.5MTHS \$000S	BUDGET 2014/15 12MTHS \$000S	BUDGET 2015/16 12MTHS \$000S	BUDGET 2016/17 12MTHS \$000S	BUDGET 2017/18 12MTHS \$000S
Net Cash Flows from:					
Operating Activities	3,858	2,495	2,939	2,884	3,435
Investing Activities	(4,870)	(3,709)	(2,858)	(2,858)	(2,858)
Financing Activities	11,779	-	-	-	-
Net Increase/(Decrease) in Cash and Cash Equivalents	10,767	(1,214)	81	26	577
Cash and Cash Equivalents at Beginning of the Year	-	10,767	9,553	9,634	9,660
Balance Cash at End of the Period	10,767	9,553	9,634	9,660	10,237

STATEMENT OF ACCOUNTING POLICIES

REPORTING ENTITY

WorkSafe NZ is a Crown Agent as defined by the Crown Entities Act 2004. It is domiciled in New Zealand. WorkSafe NZ's parent is the New Zealand Crown. WorkSafe NZ will commence activities on 16 December 2013.

BASIS OF PREPARATION

STATEMENT OF COMPLIANCE

The financial statements of WorkSafe NZ have been prepared in accordance with the requirements of the Crown Entities Act 2004, which include the requirement to comply with generally accepted accounting practice in New Zealand (NZ GAAP). These financial statements have been prepared in accordance with NZ GAAP and they comply with NZ IFRS.

MEASUREMENT BASE

The financial statements have been prepared on a historical cost basis, modified by the revaluation of certain investments and financial instruments as identified in specific accounting policies and accompanying notes.

REPORTING PERIOD AND CURRENCY

The financial statements are presented in New Zealand dollars (NZ\$) and all values are rounded to the nearest thousand dollars (\$000). The functional currency of WorkSafe NZ is NZ\$.

SIGNIFICANT ACCOUNTING POLICIES

The accounting policies set out below have been applied to these financial statements.

REVENUE

Revenue is measured at the fair value of consideration received or receivable.

Revenue from the Crown

WorkSafe NZ is funded through revenue received from the Crown, which is restricted in its use for the purpose of WorkSafe NZ meeting its objectives as specified in the *Statement of Intent*.

Revenue earned from the supply of outputs to the Crown is recognised as revenue when earned and is reported in the financial period to which it relates.

Interest

Interest earned is recognised on a time-proportionate basis that takes into account the effective yield on the financial asset.

FINANCIAL INSTRUMENTS

Financial assets and liabilities are initially measured at fair value plus transaction costs, unless they are carried at fair value through surplus or deficit, in which case the transaction costs are recognised in the surplus or deficit.

Cash and cash equivalents

Cash and cash equivalents include cash on hand, cash in transit, bank accounts and deposits with a maturity of not more than three months from the date of acquisition.

Debtors and other receivables

Short-term debtors and other receivables are recorded at their face value, less any provision for impairment.

Creditors and other payables

Creditors and other payables represent liabilities for goods and services provided to WorkSafe NZ prior to the end of the financial year that are unpaid. These are initially measured at fair value and subsequently measured at amortised cost using the effective interest rate method.

FIXED ASSETS

PROPERTY, PLANT AND EQUIPMENT

Property, plant, and equipment consist of leasehold improvements, furniture and office equipment, and motor vehicles. Property, plant and equipment are shown at cost, less any accumulated depreciation and impairment losses.

Additions

The cost of an item of property, plant and equipment is recognised as an asset if it is probable that the future economic benefits or service potential associated with the item will flow to WorkSafe NZ and the cost of the item can be measured reliably.

Where an asset is acquired at no cost, or for a nominal cost, it is recognised at fair value as at the date of acquisition.

Depreciation

Depreciation is charged on a straight-line basis at a rate calculated to allocate the cost or valuation of an item of property, plant and equipment, less any estimated residual value, over its estimated useful life. Typically, the estimated useful lives of different classes of property, plant and equipment are as follows:

Leasehold improvements	1 to 18 years
Motor vehicles	4 to 6 years
Fixtures and fittings	4 to 15 years
ICT/intangible assets (computer software)	2 to 10 years
Office equipment	4 to 12 years
Specialised equipment	4 to 8 years

Leasehold improvements are depreciated over the unexpired period of the lease or the estimated remaining useful lives of the improvements, whichever is the shorter.

INTANGIBLE ASSETS - COMPUTER SOFTWARE

Computer software is initially recorded at cost.

Software acquisition and development

Acquired computer software licences are capitalised on the basis of the costs incurred to acquire and bring to use the specific software.

The cost of internally generated computer software represents expenditure incurred in the development phase of the software only. The development phase occurs after the following can be demonstrated: technical feasibility; ability to complete the asset; intention and ability to sell or use the asset; and development expenditure can be reliably measured. Expenditure incurred on the research of an internally generated intangible asset is expensed when it is incurred. Where the research phase cannot be distinguished from the development phase, the expenditure is expensed when it is incurred.

Amortisation

Subsequent to acquisition, all computer software is recorded at cost less any amortisation and impairment losses. The carrying value of an intangible asset with a finite life is amortised on a straight-line basis over its useful life. Amortisation begins when the asset is available for use and ceases at the date that the asset is derecognised. Amortisation is charged to the Statement of Comprehensive Income over the useful life of the asset (not more than seven years).

IMPAIRMENT OF PROPERTY, PLANT AND EQUIPMENT AND INTANGIBLE ASSETS

The carrying amounts of property, plant and equipment and intangible assets are reviewed at least annually to determine if there is any indication of impairment. Where an item's recoverable amount is less than its carrying amount, it will be reported at its recoverable amount and an impairment loss will be recognised. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use.

Value in use is the depreciated replacement cost for an asset where the future economic benefits or service potential of the asset are not primarily dependent on the asset's ability to generate net cash inflows and where WorkSafe NZ would, if deprived of the asset, replace its remaining future economic benefits or service potential.

Intangible assets that have indefinite useful lives, or are not yet available for use, are tested annually for impairment.

Losses resulting from impairment are reported in the Statement of Comprehensive Income, unless the item is land and buildings, in which case any impairment loss is treated as a revaluation decrease.

EMPLOYMENT ENTITLEMENTS

Pension liabilities

Obligations for contributions to the State Services Retirement Savings Scheme and the Government Superannuation Fund are recognised in the Statement of Comprehensive Income as they fall due. Any reimbursement of these costs from the State Services Commission is recognised as revenue in the Statement of Comprehensive Income.

Other employment entitlements

Employee entitlements for salaries and wages, annual leave, long service leave, retiring leave, sick leave and other similar benefits are recognised in the Statement of Comprehensive Income when they accrue to employees.

Employee entitlements to be settled within 12 months of balance date are measured at nominal values based on accrued entitlements at current rates of pay.

Sick leave, annual leave, vested long service leave and non-vested long service leave and retirement gratuities expected to be settled within 12 months of balance date are classified as current liabilities. All other employee entitlements are classified as non-current liabilities.

LEASES

Finance leases

Finance leases transfer to WorkSafe NZ (the lessee) substantially all the risks and rewards incidental to the ownership of the leased items. The initial recognition of a finance lease results in an asset and liability being recognised at amounts equal to the lower of the fair value of the leased item or the present value of the minimum lease payments. WorkSafe NZ does not have any finance leases.

Operating leases

An operating lease is a lease that does not transfer substantially all the risks and rewards incidental to the ownership of an asset. Lease payments under an operating lease are recognised as an expense on a straight-line basis over the lease term. Lease incentives received are recognised in the surplus or deficit over the lease term as an integral part of the total lease expense.

GOODS AND SERVICES TAX (GST)

All items in the financial statements are exclusive of GST with the exception of receivables and payables, which are stated as GST inclusive. Where GST is not recoverable as an input tax, it is recognised as part of the related asset or expense.

The net amount of GST recoverable from, or payable to, Inland Revenue is included as part of receivables or payables in the Statement of Financial Position.

INCOME TAX

WorkSafe NZ is a public authority and consequently exempt from the payment of income tax. Accordingly, no provision has been made for income tax.

APPENDIX ONE

WORKSAFE NZ'S FUNCTIONS – WORKSAFE NEW ZEALAND ACT 2013

Our functions are to:

1. advise government on the operation of the workplace health and safety system, including co-ordination across the different components of the system
2. make recommendations for changes to improve the effectiveness of the workplace health and safety system, including legislative changes
3. monitor and enforce compliance with relevant health and safety legislation
4. make recommendations about the level of any funding (including fees or levies) that WorkSafe NZ requires to carry out its functions effectively
5. develop codes of practice
6. provide guidance, advice and information on workplace health and safety to persons who have duties under the relevant health and safety legislation, and the public
7. promote and support research on, education on and training in workplace health and safety
8. collect, analyse and publish statistics and other information relating to workplace health and safety
9. engage with, promote and co-ordinate the sharing of information with other agencies and interested persons that contribute to workplace health and safety
10. foster a co-operative and consultative relationship between persons who have duties under the relevant health and safety legislation and the persons to whom they owe duties and their representatives in relation to workplace health and safety
11. promote and co-ordinate the implementation of workplace health and safety initiatives by establishing partnerships or collaborating with other agencies or interested persons in a coherent, efficient and effective way
12. perform or exercise any other functions or powers conferred on WorkSafe NZ by or under any other enactment
13. perform any additional function that the Minister directs under section 112 of the Crown Entities Act 2004.

APPENDIX TWO

MEASURING NEW ZEALAND'S ULTIMATE WORKPLACE HEALTH AND SAFETY OUTCOMES

ULTIMATE OUTCOMES							
Outcome	Indicators	2020 target: 25% reduction	2016 target: 10% reduction	Baseline	2011	2010	2009
Reduce work-related fatalities and serious injuries	Rate of fatal work-related injuries per 100,000 workers ^A (number in brackets)	2.1 (48)	2.5 (58)	2.74 (64)		4.0 ^B (91)	3.2 (73)
	Rate of serious, non-fatal work-related injuries per 100,000 workers ^C (number in brackets)	11.7 (270)	14.0 (324)	15.58 (360)	16.1 ^D (377)	15.1 (356)	15.6 (360)
	ACC loss of earnings claims for work-related injuries per 1,000 FTEs ^E (number in brackets)	6.2 (11,992)	7.4 (14,390)	8.26 (15,989)	7.84 (15,200)	8.1 (15,586)	9.0 (17,180)
Improve occupational health	Not previously measured. Work is underway to develop the indicator(s) of changes in occupational health exposure, diseases and fatalities						

A. Three-year moving average, e.g. 2010 is the average for 2009-2011. Source: Statistics New Zealand (2013) Serious injury outcome indicators: 2000-11.

B. This result includes provisional 2011 data and may be subject to change. (As discussed in footnote A, fatal work-related injury is a three-year moving average.)

C. Source: Statistics New Zealand (2013) Serious injury outcome indicators: 2000-11.

D. 2011 results are provisional and may be subject to change.

E. Source: Statistics New Zealand (2013) Work-related claims, customised request.

APPENDIX THREE

HOW WE WILL PHASE OUR PRIORITIES

WorkSafe NZ is a new agency with ambitious aspirations and challenging expectations. We want to deliver on what we promise and ensure our success. Our strategic work programme will be delivered over four years.

STRATEGIC PRIORITY				
DECEMBER 2013	JUNE 2014	DECEMBER 2014	DECEMBER 2015	DECEMBER 2016
Strengthening our organisation				New Zealand health and safety system reaches new steady state Interim targets achieved: <ul style="list-style-type: none"> • 10% reduction in the rate of fatal work-related injuries • 10% reduction in the rate of serious, non-fatal work-related injuries • 10% reduction in the rate of work-related ACC claims for more than a week away from work
WorkSafe NZ established Designing and developing WorkSafe NZ organisational capability (people, systems and processes) to deliver new/expanded functions	Implementing improved WorkSafe NZ organisational capability Inspectorate has increased capability and capacity	Implementation of improved organisational capability continues Building the inspectorate capability and capacity continues	WorkSafe NZ organisational capability and capacity reach initial targets Consolidation and embedding of organisational capability underway	
Working together				
Working with ACC to design Safety Star Rating Scheme Advisory groups' structure is agreed Working with interagency regulators to design effective collaboration processes	Undertaking Safety Star Rating Scheme proof of concept with ACC Initial technical advisory groups' are established Implementing improved collaboration with interagency regulators	Workplace Health and Safety Strategy being developed with MBIE Improved interagency regulator collaboration and effectiveness	Workplace Health and Safety Strategy finalised Safety Star Rating Scheme implementation underway with ACC	
Working smarter				
Input into exposure draft of Health and Safety at Work Bill, before it is introduced to the House Planning to transition HSNO functions from EPA	Feedback on the Bill and development of regulations. Lead development of approved codes of practice and guidance HSNO functions being transferred from EPA	Passage of Health and Safety at Work Act Priority regulations and codes of practice being drafted ready for new Act in early 2015. HSNO functions being integrated in WorkSafe NZ	Implementation of legislation and new regulations continues HSNO functions consolidated in WorkSafe NZ	

STRATEGIC PRIORITY				
DECEMBER 2013	JUNE 2014	DECEMBER 2014	DECEMBER 2015	DECEMBER 2016
Targeting risk				New Zealand health and safety system reaches new steady state
Improved regulator knowledge of major hazard facilities Current harm-reduction programmes continue	Improved regulator focus on major hazard facilities Designing injury prevention programme framework with ACC	Improved regulator capability and capacity, and new regulatory regime, in place for major hazards WorkSafe NZ and ACC are jointly designing and developing injury prevention programmes Design and development of goals and programmes to improve focus on occupational health and safety	Ongoing major hazards capability requirements are understood and funded within WorkSafe NZ WorkSafe NZ and ACC are jointly developing and implementing injury prevention programmes Development and implementation of programmes to improve focus on occupational health and safety	Interim targets achieved: <ul style="list-style-type: none"> • 10% reduction in the rate of fatal work-related injuries • 10% reduction in the rate of serious, non-fatal work-related injuries • 10% reduction in the rate of work-related ACC claims for more than a week away from work
Rebuilding Canterbury safely				
Increase in WorkSafe NZ presence in Canterbury, with focus on construction activity Canterbury programme of work planned and initiated (with focus on construction, occupational health and exposure to hazardous substances). Includes joint approach with ACC	Further increase in WorkSafe NZ presence in Canterbury Working together with Canterbury leaders to achieve the Canterbury Rebuild Safety Charter Ongoing implementation of Canterbury programme of work	Working together with Canterbury leaders to achieve the Canterbury Rebuild Safety Charter Ongoing implementation of Canterbury programme of work	Working together with Canterbury leaders to achieve the Canterbury Rebuild Safety Charter Ongoing implementation of Canterbury programme of work	

WorkSafe New Zealand

56 The Terrace
PO Box 165
Wellington 6140

Phone: +64 4 897 7699

Fax: +64 4 415 4015

0800 030 040

www.worksafe.govt.nz

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