

New Zealand Government

# QUARTERLY REPORT

---

**Quarter 2: 1 October to 31 December 2016**
















**WORKSAFE**  
NEW ZEALAND | MAHI HAUMARU  
AOTEAROA

# SNAPSHOT OF QUARTER

WorkSafe New Zealand's highlights for the quarter include:

- Welcoming WorkSafe's new Chief Executive, Nicole Rosie, with a whakatau in Wellington.
- The Statistics NZ release of data showing encouraging progress toward the *Working Safer 2020* targets (see page 3).
- Supporting the cross-agency response to the earthquakes affecting Kaikoura and Wellington.
- The launch of the Agriculture Leaders' Health and Safety Action Group at Parliament.

## Performance Dashboard – Recent Results (2016/17 to 31 December)

		Monitor/forecast only	On track	Issues identified	Not on track
System Targets	 Fatalities	30 fatalities YTD <sup>1</sup> (13 Agriculture, 9 Transport, Postal and Warehousing, 1 Forestry, 1 Manufacturing, 1 Mining, 2 Health Care and Social Assistance, 1 Arts and Recreation Services, 1 Fishing, 1 Automotive Repair). <i>Over the same 2015-16 period there were 27 fatalities.</i>			
	 Non-fatal incidents	WorkSafe has received 1,811 notifiable injury incidents YTD. <i>Over the same 2015/16 period there were 1,474 notifications of serious harm received<sup>2</sup>.</i> There have been 24,287 claims for injuries for more than a week away from work over the 12 months ending July <sup>3</sup> . <i>This is 12% higher than the 21,655 claims over the 12 months to July 2015. The official rate for 2016 is expected to reduce, see page 4.</i>			
Activities	 Engagements	1,286 with industry and PCBUs in priority areas by assessment staff. These are significant engagements including meetings, presentations, workshops or field events in priority areas by assessment staff.			
	 Assessments	YTD 6,537 assessments (full-year forecast 16,000) undertaken and completed, 92% in priority areas. Agriculture 691 (11%), Construction 3,541 (54%), Forestry 518 (8%), Manufacturing 1,257 (19%), Hazardous Substances [secondary focus area] 1,194, Adventure Activities 6. (% figure is of total assessments YTD).			
	 Quality of assessment files	YTD 83% of assessment files reviewed met quality standards ( <i>target 80%</i> )			
	 WRH focus	YTD 32% (2,097) assessments undertaken and completed targeted towards work-related health risks ( <i>target 30%</i> )			
	 Duty-Holder Reviews	57 reviews in progress. YTD 234 reviews received ( <i>full-year forecast 400-600</i> )			
	 Investigations	Approximately 268 investigations currently underway. YTD 188 initiated and 224 completed (average of 37 completed per month, full-year forecast 500).			
	 Prosecutions	83% of prosecutions successful ( <i>target 80%</i> ) YTD 30 prosecutions initiated, 42 disposed. 35 were convicted and 7 were withdrawn. See page 9.			
	 Quality of prosecution files	77% of files (24/31) recommended for prosecution met quality standards ( <i>target 80%</i> ). Average rating of all files was 8.4/10.			
Resources	 Inspectorate	Current Inspectorate: 177 H&S Inspectors; 21 Specialist HHU Inspectors. 108/177 Inspectors are double-warranted under HSWA and HSNO.			
	 Internal health and safety	YTD Total recordable injury rate is 2.08 (target <1.5), Lost time injury rate is 0.42 (target <0.5).			
	 Budget	\$6.3 million underspend. Expenditure is expected to pick up in the second half of the year due to forecast activities. See page 15.			

<sup>1</sup> This includes confirmed work-related fatalities reported to WorkSafe and other agencies (Police, Maritime NZ, Civil Aviation Authority, ACC). Statistics NZ publishes official, comprehensive workplace health and safety data annually, using this information as well as hospitalisation data.

<sup>2</sup> Notifications are not directly comparable due to the change in legislation. Notification levels do not necessarily represent the actual level of serious harm; increases often accompany increased awareness of reporting requirements.

<sup>3</sup> Measured using ACC weekly compensation claims. Reported with a five-month lag to reduce statistical volatility.

# PROGRESS TOWARD THE 2020 TARGETS

The latest official injury data was released by Statistics NZ in December 2016. This data provides a snapshot of progress as of 2015 against the Government’s three performance indicators for reducing harm at work set out in *Working Safer*.

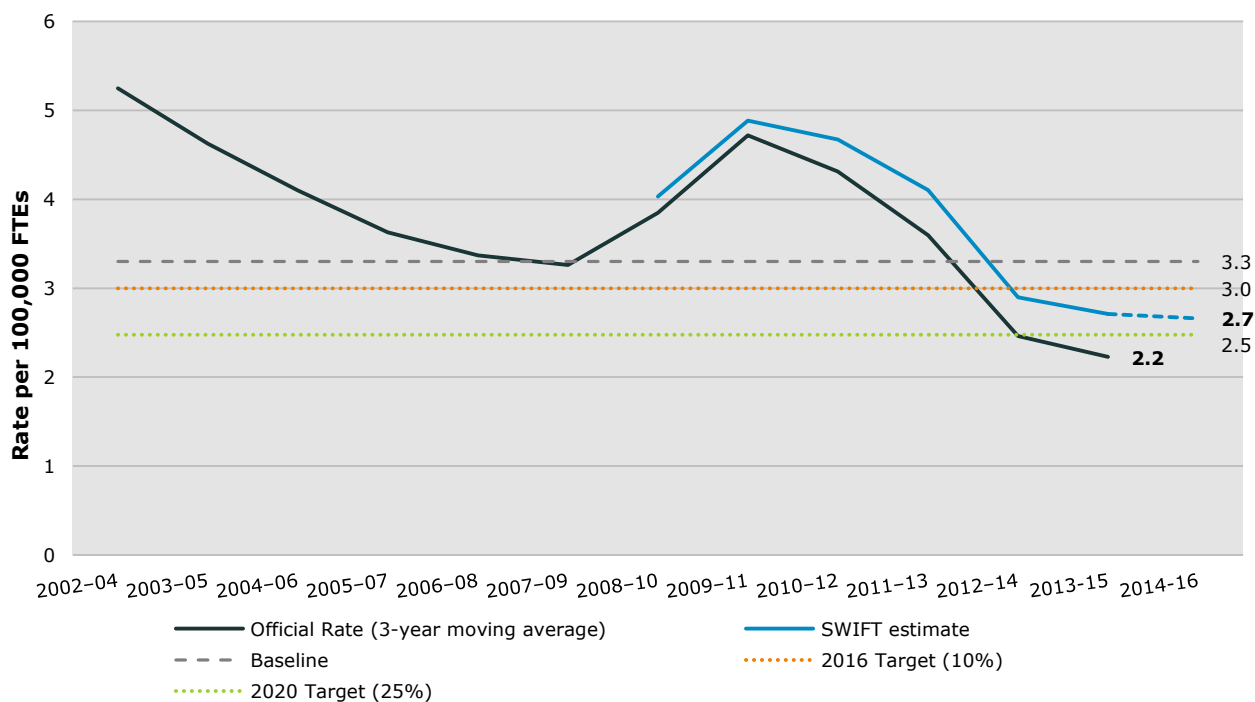
The data shows that encouraging progress has been made to reduce workplace harm. While some of the results are positive and heading in the right direction, more work is needed to reduce this level of harm.

## Fatal injuries

33%  
below  
baseline

- The fatality rate decreased to 2.2 per 100,000 full time equivalents (FTEs) in 2013-15, from 2.5 in 2012-14. WorkSafe predicts that the official rate will be similar for 2014-16.
- There was an average of 50.7 fatalities<sup>4</sup> in 2013-15, the lowest number since the series began in 2002-04.

Work-related fatal injury (three-year moving average rate per 100,000 FTEs<sup>5</sup>)



Note: Statistics NZ produces ‘age-standardised’ fatality rates that weight fatality counts according to victims’ ages. WorkSafe is unable to replicate this methodology. As such, rates calculated by WorkSafe appear higher than official rates for the same period.

<sup>4</sup> Note that Statistics NZ does not include bystander fatalities or work-related fatalities of people under the age of 15 in this total.

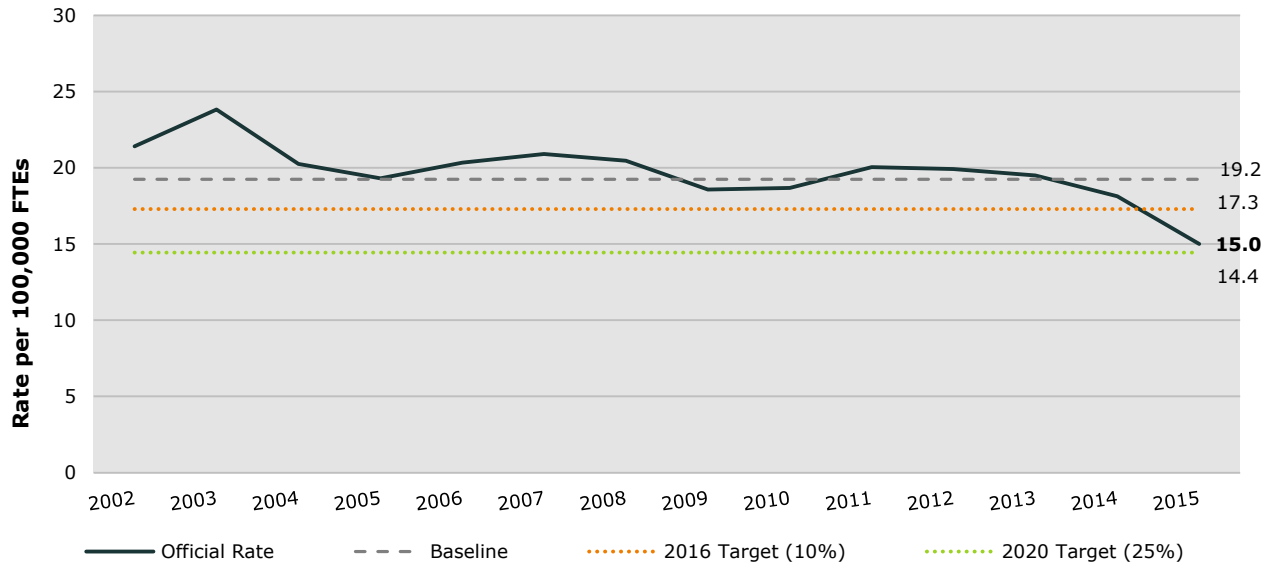
<sup>5</sup> Some of these graphs show a mix of official statistics and data from WorkSafe’s System for Work-related Injury Forecasting and Targeting (SWIFT). SWIFT provides more up-to-date reporting and allows projected estimates to be made against targets while waiting for official statistics.

## Potentially fatal injuries

22%  
below  
baseline

- The potentially fatal injuries rate decreased to 15.0 per 100,000 FTEs in 2015, from 18.1 in 2014.
- There were 349 potentially fatal injuries in 2015, the lowest number since the series began in 2002.

Work-related serious non-fatal injury rate per 100,000 FTEs

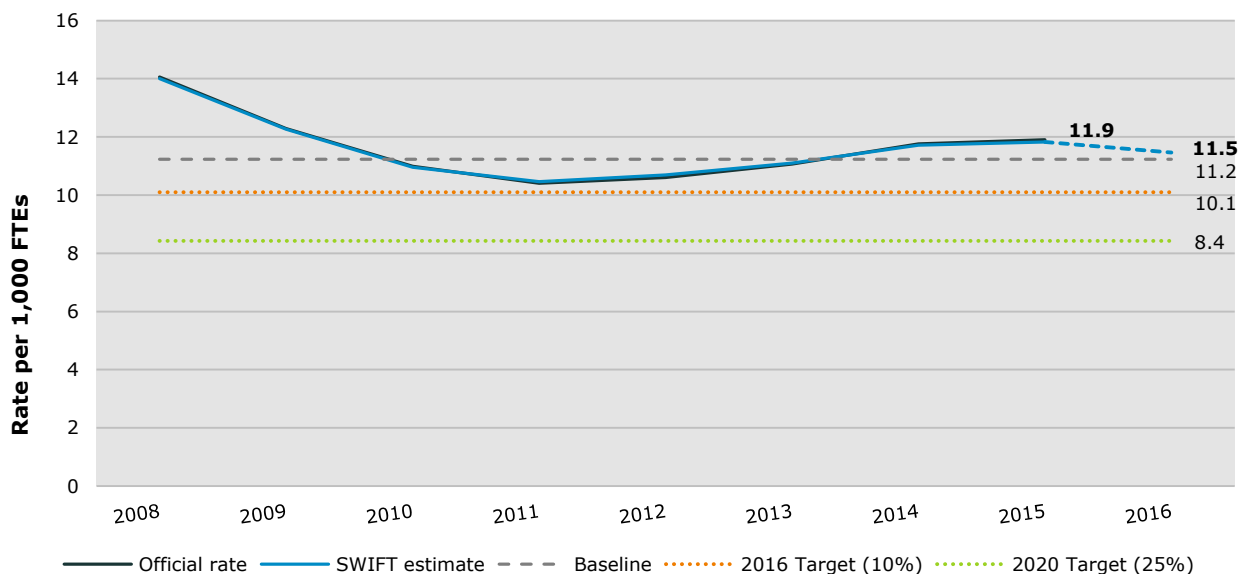


## Injuries resulting in more than a week away from work

6%  
above  
baseline

- The rate of injuries requiring more than a week off work increased to 11.9 per 1,000 FTEs in 2015 (from 11.8 in 2014). The rate has been increasing annually since 2011 but the rate of increase appears to be slowing. Based on current information WorkSafe estimates that although the number of claims will be similar to 2015, the rate for 2016 will reduce due to more people in employment.
- The provisional number of ACC claims for work-related injuries requiring more than a week away from work in 2015 was 24,993. On average claimants had 37 working days away from work.

Work-related injuries resulting in more than a week away from work rate per 1,000 FTEs



Note: Neither the official data nor the SWIFT estimate are age-standardised. SWIFT claims data is extrapolated based on claims from January to May 2016.

WORKSAFE NZ-62861177

22 February 2017 | 2016-17 Quarterly Report WorkSafe New Zealand: Quarter 2

# UPDATE ON KEY PRIORITIES

The updates below relate to key Ministerial and WorkSafe Board priorities for 2016/17 as set out in our Statement of Performance Expectations 2016/17.

## Evidence-based risk targeting at all levels

<p>Approach to harm reduction</p> <p><i>Targeting effort, identifying causes of harm and effect of intervention</i></p>	<p><b>Good progress has been made in building the evidence base for national programmes, cross cutting initiatives and intervention design and implementation.</b></p> <ul style="list-style-type: none"> <li>▪ The Health and Safety Attitudes and Behaviours Survey 2016 data collection has been completed and is currently being analysed.</li> <li>▪ Revisions to the Service Excellence Survey have been completed and the survey will go into the field in early 2017. This year questions are included on people's experiences with the Contact Centre/0800 number, including after hours.</li> <li>▪ See page 7 for research strategy, programme evaluations and SWIFT updates.</li> </ul>
<p>Harm Reduction Action Plan (HRAP) implementation</p> <p><i>Extending our focus on workplace health and safety in collaboration with ACC</i></p>	<p><u>Embedding the Harm Reduction Action Plan</u></p> <ul style="list-style-type: none"> <li>▪ Overarching work plan: <b>we are continuing momentum on development of the broader HRAP programmes of work with ACC and have agreed key processes for the movement of funding from ACC to WorkSafe to support the programmes.</b></li> <li>▪ We continue to partner with stakeholders to deliver key programmes, and also to re-frame the next phase of our agriculture and construction programmes.</li> <li>▪ The Investment framework (and associated documents) was approved by the joint inter-agency group Injury Prevention Governance Group (IPGG) in quarter 3.</li> <li>▪ The Clean Air (cross-cutting) Programme launched a campaign in November focusing on the construction industry.</li> </ul> <p>Programme updates:</p> <p><u>Agriculture/Safer Farms</u></p> <p><b>There is growing acceptance of the WorkSafe role and the Agriculture sector continues to report anecdotally that discussion is turning from compliance resistance to health and safety practices.</b></p> <ul style="list-style-type: none"> <li>▪ WorkSafe continues to develop the next phase of the intervention programme for Agriculture, a key part of which will be a business case to get ACC funding for the programme.</li> <li>▪ The Agriculture Leaders' Health and Safety Action Group was launched at Parliament on 24 November 2016 by Minister Woodhouse. Along with the founding members, a number of other large sector organisations have become signatories to the forum.</li> <li>▪ DairyNZ and Beef + Lamb NZ are running basic health and safety system workshops for farmers, supported by WorkSafe. The Beef + Lamb workshops continue to be very popular with over 3,000 farmers having taken part to date.</li> <li>▪ WorkSafe's collaboration with industry on "how-to" toolkits has developed a step by step process for developing good on-farm (or in-business) practices. NZWine has produced their own variant of this and Rural Contractors and Horticulture are in the process of doing the same.</li> <li>▪ Formative internal research has begun on agricultural workers in five regions.</li> </ul> <p><u>Forestry</u></p> <ul style="list-style-type: none"> <li>▪ WorkSafe prepared brief presentations for the traditional industry-organised Safe Start Meetings in January. These local events gather a significant proportion of frontline harvesters together to reinforce safety messages. <b>WorkSafe's message this year is largely focussed on supporting the improvements we have seen over the past three years and has been welcomed by the Forestry Industry.</b> It is also encouraging that there have been no fatalities in Forestry since August 2016.</li> <li>▪ WorkSafe and ACC continue to support the Forest Industry Safety Council (FISC). WorkSafe is also supporting FISC to update its industry-specific safety culture tool</li> </ul>

and run a series of reviews to support industry in learning from incidents.

#### Manufacturing

**A review has been completed of manufacturing business leaders' views of common Health and Safety issues and priorities in the sector.** The results will be used in the development of a Health and Safety leadership network strategy for the sector.

- Work is underway on intervention design tailored to the needs of selected priority manufacturing industries.
- WorkSafe is actively investigating the mutual benefits from engaging with multi-site organisations in the meat processing industry on a company-wide rather than individual site basis.

#### Construction

**WorkSafe continues to shape the 3-5 year Construction intervention programme and is developing a business case to secure funding from ACC for further interventions.**

- The National Construction Roadshow completed 34 scheduled venue presentations in early December 2016. Feedback has been positive, with record-setting numbers in attendance.
- WorkSafe and ACC have held joint risk evaluation workshops on falls from height, body stressing, working in and around vehicles, worker performance and cutting and grinding.

#### Canterbury Rebuild

**WorkSafe and the Charter continue to work collaboratively during the Rebuild.**

The charter website now has over 400 links to resources to help improve health and safety performance.

- A programme evaluation has been undertaken to inform future work. The local team has also been responding to issues in the North Canterbury/Kaikoura region following the earthquake.
- Work-related health continues to be a priority in the work programme through workshops, trade breakfasts and events. The main focus has been on alcohol and other drugs, impairment, dust, fatigue and asbestos.

### Work-related Health (WRH)

**Progress across WRH strategic activities is settling.** Some projects, such as research into PCBU approaches to risk management, have been impacted by funding, timing and resource availability. This should be managed in future with planning in line with the *Healthy Work* strategic plan. Highlights over the quarter included:

- Finalising the request for proposal for developing a strategic monitoring framework to understand how the activities within *Healthy Work* are progressing. The project will go out to tender from November 2016 to late January 2017.
- Completing Approved Codes of Practice on air quality (extractives) and the management and removal of asbestos.
- Registering four new Asbestos Unit Standards to the NZQA Framework to ensure people working with asbestos (including removalists, assessors and supervisors) have the capability, skills and knowledge to work safely.
- Final stages of work on the Good Practice Guidelines on Preventing and Responding to Bullying at Work. The guidance is aimed primarily at PCBUs and will have supplementary guidance for workers and small businesses and some online tools.
- Work with the Health Promotion Agency on a new online tool it is creating with several health partners to provide smaller workplaces with a tangible place to start to create a healthy work environment and work practices.
- Engagement with the newly formed cross-organisational Health Benefits of Good Work New Zealand group, which aims to increase recognition and practice to enable individuals to return to work earlier and remain in work longer.
- Work with Statistics NZ on the inclusion of WRH questions in the latest Household Labour Force Survey, which went into the field in December 2016. Work is also continuing with the Ministry of Health on the inclusion of WRH measures in the 2018/19 National Health Survey.
- A strong focus on providing information and guidance on asbestos-related matters –

	<p>since the introduction of HSWA, around 15% of calls to the contact centre have related to asbestos. As part of the response to the recent earthquakes WorkSafe also coordinated stakeholders from the asbestos protocol in order to provide assurances relating to building demolition work in Kaikoura and Wellington.</p> <ul style="list-style-type: none"> <li>▪ The two large-scale technical projects on methyl bromide and waste oil have completed all initial site visits. Reports will be produced on best practice, lessons learned, potential ongoing issues and recommendations. Another project on timber treatment will begin in quarter 3.</li> </ul>
<p>ICT system <i>Rollout new system (Awhina) to support a smarter, more targeted approach</i></p>	<ul style="list-style-type: none"> <li>▪ <b>The Awhina pilot release intended for the end of the quarter was put on hold.</b> This was the result of significant changes made by the vendor to attempt to resolve a performance issue. This issue and others have been discussed and KPMG will be conducting an independent review to determine the future direction of the project.</li> <li>▪ The Digital Platform project has completed its initiation phase and confirmed its scope. The project will base the solution on the All of Government Common Web Platform infrastructure and begin a detailed design and implementation phase once the Project Initiation Document is signed off and funding approved.</li> <li>▪ The HSNO Integration project is working with the HSI project (see page 10) on a solution to support the new regulations. <b>Both Hazardous Substances projects are in a re-planning stage due to the revised regulation commencement date.</b> In the meantime agreement has been reached on the requirements for a new Hazardous Substances calculator, a developer selected and work planned to commence in February.</li> <li>▪ The payroll/HRIS project is progressing and internal approval of a vendor is expected in quarter 3.</li> </ul>
<p>System for Work-related Injury Forecasting and Targeting (SWIFT)<sup>6</sup>  <i>CRM Progress Evidence-based targeting, latest insights into work-related harm, quality of data collection</i></p>	<p><u>SWIFT update</u> <b>WorkSafe is currently working with the Data Warehouse and ACC to rebuild the SWIFT database and incorporate new information.</b> There are three tranches of the rebuild:</p> <ol style="list-style-type: none"> <li>1. Rebuild what is currently in SWIFT.</li> <li>2. Incorporate ACC Accredited Employers Programme claim information.</li> <li>3. Create a SWIFT system for gradual process/WRH claims.</li> </ol> <p>Once this process is complete, WorkSafe will provide ACC with the updated injury mechanism classification that SWIFT creates against claims.</p> <p><u>Company Risk Model (CRM) Progress</u> The CRM is an automated, online evidence-based intelligence risk model that has been implemented as a standard business practice for WorkSafe's Assessments team since July 2016. It enables identifying and targeting "at risk" companies based on ACC and WorkSafe activities.</p> <p><b>Phase 2 of the CRM has now been initiated with all offices outside of the pilot sites now working with CRM</b> (Wellington, Christchurch and Albany).</p>
<p>Research strategy and plan <i>Research and evaluation programme and evaluations</i></p>	<p><b>Good progress continues with our research and evaluation strategy</b>, realising all objectives in 2016 and completing the work programme for new research and evaluation projects for 2017/18.</p> <ul style="list-style-type: none"> <li>▪ Formative research in forestry to inform evidence-based targeted interventions has been completed and is being integrated into the programme.</li> <li>▪ Evaluations on Clean Air and the Canterbury Rebuild have been completed.</li> <li>▪ Research to support the agriculture national programme business case has provided evidence support. Research on agricultural workers has begun.</li> </ul>

### Using the right intervention mix (engaging, educating, enforcing)

Understanding HSWA in Communications, marketing, engagement and education initiatives progressed in quarter

<sup>6</sup> WorkSafe's SWIFT provides more up-to-date reporting and allows projected estimates to be made against targets while waiting for official statistics.

<p>practice</p> <p><i>Deliver key messages, guidance and support</i></p>	<p>2 include:</p> <p><u>Around the Block Tool for SMEs</u></p> <ul style="list-style-type: none"> <li>▪ In early December an extensive social media campaign began promoting and engaging people with our 'Around the Block' tool. The campaign was launched in with ACC, business.govt.nz and other business stakeholders. <b>As of 25 January 11,780 individual people have used 'Around the Block'</b>, with 52,776 page views. Feedback from a range of end users has been very positive, including in the February issue of the UK's <i>Health and Safety at Work</i> magazine.</li> <li>▪ The campaign will continue through to June 2017 and enhancements will include new risk hotspots (e.g. workplace bullying, hazardous substances), and two new business types (likely to be a drycleaner and a panel beater).</li> </ul> <p><u>Port Sector Health and Safety Tool</u></p> <ul style="list-style-type: none"> <li>▪ An interactive risk management tool is being designed for the Ports sector. It will cover HSWA duties on risk management, overlapping duties, worker engagement and participation, and the relationship of WorkSafe and Maritime NZ. Development has included co-design engagement with Napier Port, Maritime NZ and other stakeholders (e.g. stevedore operations, the Port Safety Council). The first phase of the tool is expected by March 2017.</li> </ul> <p><u>Home Time campaign</u></p> <ul style="list-style-type: none"> <li>▪ Home Time is continuing into Phase 2 as the overarching framework for external communications. Overlapping with the Digital Platform project, new visual identity marketing and design guidelines are being developed for the website. Planning is underway for a March-June 2017 campaign timeframe.</li> </ul> <p>See page 11 for internal HSWA embedding programmes.</p>
<p>Stakeholder engagement strategy</p> <p><i>Analysis of customers and stakeholders, overview of information channels and way of working</i></p>	<p><b>With organisational structures now in place, work is underway to build our integrated stakeholder engagement approach.</b></p> <ul style="list-style-type: none"> <li>▪ Progressing the joint Engagement and Communications Strategy, including work within the User Experience Programme along with phase 2 of the 'Home Time' Campaign.</li> <li>▪ <b>WorkSafe continues to respond to media attention on HSWA and to address issues and myths.</b> A mythbusting release entitled 'Health and Safety isn't the Christmas Grinch' received widespread coverage and positive comment. This has been followed by regionalised New Year activity which has also received strong media coverage. A focus for Q3 is to continue this proactive media outreach.</li> <li>▪ See page 7 on Digital Platform project and page 12 on Response review project.</li> </ul> <p><u>Better Public Services Results Area 9 – Better for Business</u></p> <ul style="list-style-type: none"> <li>▪ In September 2016 <b>WorkSafe joined with other agencies working toward Result 9 of the BPS – making it easier for business customers to deal with government</b> (including Ministry for Primary Industries, the Ministry of Justice, and the Department of Internal Affairs).</li> <li>▪ To improve the experience for businesses impacted by regulatory reform, WorkSafe is involved with part of an independent review looking at our approach to engagement and co-design with businesses. The review will include looking at our co-design approaches to HSWA educative resources and formal guidance, as well as the Safety Star Rating initiative and broader engagement programmes.</li> </ul>
<p>Safety Star Rating initiative (SSR)</p> <p><i>Completing pilot, further guidance and tested incentives for businesses</i></p>	<p><b>SSR delivery options have been identified and are being developed.</b></p> <ul style="list-style-type: none"> <li>▪ Delivery options include a suite of SSR resources to market as guidance, development of an online self-assessment tool and/or establishing an open market delivery approach where independent approved private sector assessors undertake assessments of businesses and provide guidance and advice on a user-pays basis.</li> <li>▪ Lessons from the pilot have been incorporated into a refined SSR Tool design, refining the Tool's performance requirements, its assessment methodology and developing collateral to support the SSR Tool (reporting products, guidance and resources, and assessor competency framework).</li> </ul>
<p>Workplace assessments</p>	<p><u>Assessments</u></p>



<p><i>In priority areas</i></p>	<p><b>WorkSafe continues to make steady progress on assessments undertaken and closed in the first half year.</b></p> <ul style="list-style-type: none"> <li>▪ YTD 6,537 assessments have been undertaken and completed, 92% of which were in priority areas and 32% targeted towards WRH risks.</li> <li>▪ Following the Dreamworld tragedy in Queensland, WorkSafe identified amusement devices in New Zealand of a similar nature and contacted operators and engineers to provide assurance on their safety.</li> <li>▪ A safety bulletin on trampoline park safety was produced following concerns raised.</li> <li>▪ For updates on programmes see page 5.</li> </ul> <p><u>High Hazard sectors and Energy Safety (HH&amp;ES)</u></p> <p><b>WorkSafe continues to maintain a steady state in HH&amp;ES and focus on core activities needed to bed in the relevant regulation changes.</b></p> <ul style="list-style-type: none"> <li>▪ <u>MHF regime:</u> Detailed site inspection activity has begun. Notifications have begun to come in identifying releases of hazardous substances, leading to preliminary investigations being initiated on three sites.</li> <li>▪ <u>Large-scale tunnelling:</u> WorkSafe has continued involvement in these activities. Preparation is also underway for the hearing on an appeal against two improvement notices issued to a mining company.</li> <li>▪ <u>Petroleum Regulations:</u> A series of workshops have been run with duty-holders to discuss how the Regulations are operating in practice and to identify any areas that need further work. Guidance material has been updated to reflect the latest legislative changes. Investigations were carried out on three precursor incidents on petroleum sites, two of which have been closed out.</li> <li>▪ <u>Energy Safety:</u> WorkSafe has been addressing issues surrounding new technologies entering the New Zealand market and has been investigating some infrastructure issues in the Otago region.</li> </ul>
<p>Investigating incidents</p> <p><i>Investigation of serious incidents and DHR support</i></p>	<p><u>Investigations</u></p> <ul style="list-style-type: none"> <li>▪ See page 2 for volume information, and page 9 on key prosecution outcomes.</li> </ul> <p><u>Duty Holder Reviews (DHR)</u></p> <ul style="list-style-type: none"> <li>▪ Approximately 120 attendees were present at the second Auckland DHR Forum on 9 November (used as an information sharing and networking platform to educate duty-holders). Excellent feedback was received from the attendees.</li> </ul>
<p>Prosecution activity</p>	<p><b>The volume of prosecutions disposed has been steady, while the volume initiated has been lower than historic figures.</b> This can in part be attributed to a number of HSWA cases which are at the point of filing charges, but which first require a decision to be made on whether an enforceable undertaking will be accepted or not.</p> <p>YTD 30 prosecutions have been initiated and 42 disposed. 35 were convicted and 7 were withdrawn. 83% of prosecutions have been successful.</p> <p>High-profile prosecutions initiated/completed in the year to date include:</p> <ul style="list-style-type: none"> <li>▪ The Ministry of Social Development (MSD) sentencing in connection to a shooting at the Ashburton Work and Income office. The charge alleged a failure to take all practicable steps to ensure the safety of employees (both those that were harmed and those that were exposed to harm). The Court referred to the challenge of addressing the hazard of client-initiated violence, although reasonably predictable and foreseeable; the lack of industry standards to rely upon; and improvements being implemented following an earlier security report.</li> <li>▪ Affco New Zealand Limited was convicted after trial in relation to a worker being impaled on a spreader hook during a final cleaning inspection of plant.</li> <li>▪ Les Mills Auckland Limited and West Auckland Steel Limited each faced one charge under the HSE Act following an incident in which a fitness instructor fell approximately 2.7 metres whilst opening a fire escape exit during a fitness class. Both were both convicted and ordered to pay reparation to the victim, and Les Mills was also fined.</li> <li>▪ The first charge under HSWA was filed in this quarter.</li> </ul>

## Influencing system leadership (align partners, agencies and sector leaders)

<p>Shared goals and initiatives</p> <p><i>With regulatory partners and strategic stakeholders and influencers</i></p>	<p><u>Engagements with the wider regulatory community</u></p> <ul style="list-style-type: none"> <li>WorkSafe was invited to speak at the Heads of Workplace Safety National Inspectors and Australasian Chief Mining Inspectors conferences.</li> <li>Members of HH&amp;ES were invited to speak at the Gas Industry Forum and the Institution of Chemical Engineers' Hazards Australasia conference.</li> <li>Work with health leads at Z Energy and Fonterra on a workshop to establish a network of health and wellbeing management professionals to share good practice and develop leadership in WRH.</li> </ul> <p><u>Memoranda of Understanding (MOUs)</u></p> <ul style="list-style-type: none"> <li>WorkSafe continues to building our relationships with designated agencies and regulatory partners regarding policy positions and work plan alignment.</li> <li><b>The MOU with NZTA has been approved and is ready for signing.</b></li> <li>Work is underway on MOUs with Maritime NZ and the Civil Aviation Authority, and scoping conversations are underway with the Ministry of Business, Innovation and Employment (MBIE), the New Zealand Defence Force and NZ Police.</li> </ul> <p><u>Hazardous Substances Implementation (HSI) Project</u></p> <ul style="list-style-type: none"> <li>The joint agency (WorkSafe, MBIE, Ministry for the Environment, Environmental Protection Authority) HSI Project continues making positive progress. In November 2016 MBIE advised that the commencement date for the hazardous substances regulations had shifted to 1 December 2017 (from 1 July 2017).</li> </ul>
<p>Workplace health and safety system mapping</p> <p><i>Identify leverage points and parties involved to help others understand the systems, skills and shared interests</i></p>	<p>Along with Stakeholder Engagement strategy development (see page 8), initial work on the high-level Health and Safety at Work Strategy framework and performance system will be progressed in quarter 3, including work to map the wider health and safety system.</p>
<p>Māori Strategy Maruiti 2025</p> <p><i>Leadership and governance; Māori operating model; value and recognition for Māori roles; and engagement models with Māori</i></p>	<p><b>Good progress continues on the delivery of Te Timatanga (Year 1) initiatives:</b></p> <ul style="list-style-type: none"> <li>New staff have been recruited, including the National Advisor Māori and three Maru Toa (Maruiti champions and warranted inspectors). Their focus is on engagement and education with Māori, and working collaboratively with other staff and WorkSafe stakeholders to reduce Māori workforce fatality and severe injury rates.</li> <li>The Maruiti intranet is now live. It includes staff resources on Māori sudden death protocol and the online digital learning application Te Kete Maruiti that was launched in December 2016.</li> <li>Forestry worker subscription to the Te Ao Maruiti Ngāti Porou Forestry pilot has been overwhelming. The pilot is due to commence at Te Aowera Marae, Ruatoria in early March 2017.</li> <li>The Māori-owned-business worker participation and engagement case study has been launched.</li> </ul>

## Building overall health and safety system capability (workforce development, worker participation)

<p>Worker engagement, participation and representation (WEPR)</p> <p><i>Educating about what effective engagement and participation look like and ways to put HSWA responsibilities in practice. Begin working in partnership with Iwi to strengthen WEPR for</i></p>	<p><b>Work continues to support WEPR in health and safety through our engagement, education, regulatory and system leader activities.</b> This includes:</p> <ul style="list-style-type: none"> <li>Publication of a fact sheet for workers on their health and safety rights and responsibilities in English, Te Reo Māori and four other languages.</li> <li>Launching the Around the Block tool, designed to assist team conversations about hazard identification, managing health and safety risks and developing controls.</li> <li>Launching a survey of recently trained Health and Safety Representatives (HSRs) across New Zealand, to understand their support and information needs.</li> <li>Supporting the Canterbury Rebuild Safety Charter HSR Breakfasts, focussed on building relationships among HSRs and ways to help each other work together to</li> </ul>
---	--

<p><i>Māori. Engagement with social partners and stakeholders to gather more information and insights.</i></p>	<p>improve health and safety across the Rebuild.</p> <ul style="list-style-type: none"> <li>Development of an internal guide for Inspectors when assessing how well HSWA WEPR requirements are being met in a workplace.</li> <li>Internal initiatives continue to ensure operational guidance, policies and practice best support New Zealand businesses, workers and representatives to communicate, share responsibility and collaborate to control risk.</li> </ul>
<p>Workforce development <i>Workforce development plan, opportunities to influence education and training, support to HASANZ</i></p>	<p><b>Together with the education and training sector, we have made progress with workforce development initiatives</b> including but not limited to:</p> <ul style="list-style-type: none"> <li>The registration of four new asbestos unit standards to the New Zealand Qualifications Framework.</li> <li>The delivery of 21 free-to-use, online workplace literacy and numeracy modules. These were developed with the Tertiary Education Commission and launched by the Minister of Education in late 2016.</li> <li>Delivering with MBIE a proactive information release relating to the development and delivery of HSR transition training.</li> <li>Supporting HASANZ to deliver a register of health and safety professionals.</li> </ul> <p><u>Workforce Development plan</u></p> <ul style="list-style-type: none"> <li>A draft workforce development action plan to 2018 was completed in December 2016. The draft plan will be reviewed by WorkSafe internally in early 2017 for approval.</li> </ul> <p><u>Health and Safety Association of New Zealand (HASANZ)</u></p> <ul style="list-style-type: none"> <li>The procurement process for the software supplier to build the HASANZ Register is in its final stages.</li> </ul>

## Implementing the new regulatory framework

<p>HSWA implementation and embedding <i>Operational policy and external guidance</i></p>	<p><b>The development of material needed to embed HSWA continues with operational policies and guidance material that meet the requirements of each audience.</b></p> <ul style="list-style-type: none"> <li>The Exemptions Policy and Regulatory Relationships Policy were completed, and operational policies have been approved for court orders, reviews, remedial action, and enforceable undertakings.</li> <li>Work has been completed to clarify aspects of HSWA and the regulations in relation to specific events (e.g. sporting events, body corporates, off-shore undertakings).</li> <li>Approval of the first Safe Work Instrument on Asbestos Relevant Courses was completed.</li> <li>A suite of guidance was published to assist organisations to implement HSWA. This included fact sheets on quad bikes, violence at work, workers' rights and responsibilities (see WEPR, page 10), Good Practice Guides on managing a small forest, asbestos surveys and scaffolding, and Approved Codes of Practice competed on air quality (extractives) and the management and removal of asbestos.</li> <li>All planned practice framework material has been published and training completed.</li> </ul>
<p>HSWA duties</p>	<ul style="list-style-type: none"> <li>Following an interim review 6 months after HSWA's introduction, <b>WorkSafe has ended the transitional implementation phase.</b> Duty-holders will be expected to fully meet all new duties. This will be communicated internally at the end of January 2017 and WorkSafe's social partners will also be informed.</li> </ul>
<p>Inspectorate and HSWA <i>Alignment of practice, procedures and assessment tools</i></p>	<ul style="list-style-type: none"> <li>Seconded inspectors are supporting work on improving the Practice and Quality Assurance Frameworks, including development and improvement to Assessment Tools to encourage a Health and Safety Management Systems approach.</li> <li>See page 11 for Practice and Quality Assurance frameworks.</li> </ul>

## Consolidating our organisation

<p>WorkSafe consolidation</p>	<p><u>Awhina</u></p> <ul style="list-style-type: none"> <li>See page 7.</li> </ul> <p><u>Inspectorate development</u></p>
-------------------------------	---

	<ul style="list-style-type: none"> <li>▪ Cohort 11 will finish HSWA ID card (warranting) training in May. Cohort 12 and 13 start their learning pathways in April and August respectively. Plans are underway for Cohort 11 to attend a HSNO workshop early May 2017 to enable double-warranting and attendance at HSNO transition training in quarter 2 of 2017/18.</li> <li>▪ Behavioural Good Practice training: Inspectors who had not previously had the opportunity to attend the Good Practice programme completed the first of two Condensed Good Practice programs, which will enable them to attend Level 3 Good Practice training.</li> </ul> <p><u>Review of Response functions</u></p> <ul style="list-style-type: none"> <li>▪ <b>The review of Response functions has now been completed and areas for improvement identified.</b> It has also illustrated the dedication and resilience of the Response Team and their constant evolution as business needs have changed. Work to action recommendations from the review will connect to the wider User Experience Programme.</li> </ul>
<p>Targeted Independent Review (TIR)</p> <p><i>Progress against recommendations</i></p>	<p><b>Steady progress continues against the TIR recommendations.</b></p> <ul style="list-style-type: none"> <li>▪ Education and engagement opportunities progressed in quarter 2 included the Around the Block tool and HSWA embedding work (see page 11) providing support to businesses about what HSWA duties mean for them.</li> <li>▪ The review of our customer service experience (website/digital platform, Response function and call centre), is at the problem identification stage. Over the next six months, our User Experience Programme we will look at options to have a better-integrated, efficient and effective user-experience across all of our user-interfacing services.</li> <li>▪ Organisational structure changes are now in place, including the establishment of the PMO. Work on the revised Master Services Agreement with MBIE is on track.</li> <li>▪ Good progress continues on the Harm Reduction Action Plan (see page 5), the <i>Healthy Work</i> strategy (see page 6) and the <i>Maruiti 2025</i> Māori strategy (see page 10).</li> </ul>
<p>Fees and Levy Review and Funding Review</p>	<p><u>Funding Review</u></p> <ul style="list-style-type: none"> <li>▪ Following the outcome of the Funding Review WorkSafe is working closely with MBIE and the Treasury on next steps ahead of Budget 2017.</li> </ul>

## FOCUS FOR NEXT QUARTER

---

Our focus in Quarter 3 will include:

### *External-facing*

- Developing the Health and Safety at Work Strategy with MBIE.
- Delivering interventions under the Harm Reduction Action Plan and progressing WRH initiatives under the *Healthy Work* strategy.
- Leveraging multiple media channels (radio, digital, social media and partner channels), for proactive media and business outreach, mythbusting and building awareness of tools and resources.
- New educational tools and resources will be developed, including videos, webinars and photography, with a strong emphasis on workers and worker engagement.

### *Internal-facing*

- Chief Executive and Leadership team staff roadshows discussing WorkSafe's vision values, organisational culture and strategic priorities
- Establishing the Education Development team to further enhance and develop WorkSafe's online capabilities and provide more education resources on safe work practices and guidance.
- Bedding-in the new PMO structure and helping to shape and deliver programmes under the Harm Reduction Action Plan.
- Implementing outcomes from WorkSafe's refreshed remuneration framework and Collective Bargaining.
- Developing the Digital Platform project.

# ENABLERS AND RESOURCES

## Internal Health and Safety

Work continues on our workstreams for internal health and safety. Highlights for this quarter include:

- Progress on the professional supervision programme, which puts support structures in place to help inspectors deal with the stress brought on by the constant and sustained relations with victims, families and the courts.
- Satellite in-reach communications devices were provided to all local offices in December for use when working alone. A review of the devices will be undertaken after three and six months.
- Initial testing of the Dynamic Risk Assessment tool, which provides a methodology for inspectors to assess risks before commencing site work, ahead of a formal roll-out beginning in quarter 3.
- Running a staff survey to gauge WorkSafe's own health and safety culture.

## Staff (as at 31 December 2016)

Total people by Group					
Operations and Support (includes Response, Assessment and Investigations)	291	Strategy and Performance	76	Human Resources	21
		High Hazards and Energy Safety	56	Legal	17
Better Regulation	76	Corporate Services/Finance	33	Office of the Chief Executive	2
<b>Total</b>	<b>572</b> (487 Permanent/Temporary Employees; 57 Contractors; 28 Employees yet to start)				

## Inspectorate\* (as at 31 December 2016)

	Chief Insp	Managers	Inspectors	Assistant Insp	Trainee Insp	Duty Holder Review Officers	Admin Support/ Others	Total
Response & Investigations	2	8	37	3	5	6	12	73
Assessments – Northern	1	5	26	7	1	-	7	47
Assessments – Central	1	8	41	3	-	-	10	63
Assessments – Southern	1	7	31	4	2	-	5	50
Secondees	-	-	11	-	-	-	-	-
<b>TOTAL</b>	<b>5</b>	<b>28</b>	<b>146</b>	<b>17</b>	<b>8</b>	<b>6</b>	<b>34</b>	<b>244</b>
<b>177 Health and Safety Inspectors</b>								

## Inspector current warrant status

	No Warrant	HSWA Warrant only	HSWA and HSNO Warrant	Total
Response & Investigations	12	20	19	51
Assessments – Northern	1	8	25	34
Assessments – Central		11	33	44
Assessments – Southern	3	12	22	37
Secondees	-	2	9	11
<b>TOTAL</b>	<b>16</b>	<b>53</b>	<b>108</b>	<b>177</b>

\* Excludes High Hazards Unit (21 Inspectors).

WORKSAFE NZ-62861177

22 February 2017 | 2016-17 Quarterly Report WorkSafe New Zealand: Quarter 2

## Finance

The year to date position is a \$3.4m surplus, compared to a planned deficit of \$2.8m. This is largely due to the recent restructure and delayed settlement of the collective employment agreement and associated remuneration adjustments, including back pay. It is also affected by \$1.1m lower Crown revenue due to the planned capital to operating swap not materialising, partially offset by savings generated from the revised Master Services Agreement with MBIE.

Once the budget adjusts for these delays and issues, WorkSafe forecasts that the current YTD actual surplus of \$3.4m will move to a deficit position and will mostly likely exceed the originally planned \$2.15m year-end deficit.

The year to date result is split as follows:

- Workplace Health and Safety – \$3.1m surplus against \$2.8m planned deficit
- Energy Safety – \$0.3m surplus against \$0.01m planned deficit.

<b>Financial Performance (1 July 2016 to 31 December 2016)</b>					
<b>\$000</b>	<b>YTD Actual (Q2 16/17)</b>	<b>YTD Budget</b>	<b>Variance</b>	<b>Estimated Outturn (year-end estimate)</b>	<b>SPE Budget</b>
<b>Revenue</b>					
Revenue Crown	44,142	43,796	346	86,492	87,592
Interest Revenue	297	90	207	460	180
Other Revenue	1,705	3,621	(1,916)	7,675	7,803
<b>Total Revenue</b>	<b>46,144</b>	<b>47,507</b>	<b>(1,363)</b>	<b>94,627</b>	<b>95,575</b>
<b>Expenditure</b>					
Personnel & Contractors	28,498	32,000	3,501	61,470	60,841
Other Expenditure	13,745	17,780	4,034	34,655	1,739
Depreciation	406	501	95	1,175	145
Capital Charge	52	66	14	123	35,000
<b>Total Expenditure</b>	<b>42,702</b>	<b>50,346</b>	<b>7,644</b>	<b>97,423</b>	<b>97,725</b>
<b>Surplus/(Deficit)</b>	<b>3,442</b>	<b>(2,839)</b>	<b>6,281</b>	<b>(2,796)</b>	<b>(2,150)</b>

<b>Changes in Equity (as at 31 December 2016)</b>			
<b>\$000</b>	<b>YTD Actual (Q2 16/17)</b>	<b>Estimated Outturn (year-end estimate)</b>	<b>SPE Budget</b>
Equity at beginning of year	22,511	22,511	20,531
Capital contribution	-	-	9,552
Capital withdrawal	-	-	(11,000)
Net Surplus/(Deficit)	3,442	(2,796)	(2,150)
<b>Equity as end of the period</b>	<b>25,953</b>	<b>19,715</b>	<b>16,933</b>

<b>Summary Balance Sheet (as at 31 December 2016)</b>			
<b>\$000</b>	<b>YTD Actual (Q2 16/17)</b>	<b>Estimated Outturn (year-end estimate)</b>	<b>SPE Budget</b>
<b>Assets</b>			
Cash and Bank	21,209	9,794	7,652
Debtors	1,469	310	500
Fixed Assets	12,993	18,747	18,581
<b>Total</b>	<b>35,671</b>	<b>28,851</b>	<b>26,733</b>
<b>Liabilities</b>			
Creditors and Payables	5,132	4,629	4,600
Employment Liabilities	4,586	4,507	5,200
<b>Total</b>	<b>9,718</b>	<b>9,136</b>	<b>9,800</b>
<b>Equity</b>			
Opening equity	22,511	22,511	20,531
Capital Injection	-	-	9,552
Capital/Operating Swap	-	-	(11,000)
YTD Energy Safety Surplus/(Deficit)	342	(404)	96
YTD Workplace Health and Safety Surplus/(Deficit)	3,100	(2,392)	(2,246)
<b>Grand Total</b>	<b>25,953</b>	<b>19,715</b>	<b>16,933</b>