

Safe Work Australia

Agency Resources and Planned Performance

SAFE WORK AUSTRALIA

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SAFE WORK AUSTRALIA

Section 1: Agency Overview and Resources

1.1 STRATEGIC DIRECTION STATEMENT

Safe Work Australia was established by the *Safe Work Australia Act 2008* (the Act). The agency operates under the Commonwealth Government's accountability and governance frameworks.

Safe Work Australia is the body leading the development of national policy to improve work health and safety and workers' compensation across Australia. It is responsible for developing and coordinating national policy and strategies; assisting with the implementation of model work health and safety legislation and reforming the legislative framework; undertaking and publishing research; and collecting, analysing and reporting data. In doing this Safe Work Australia works collaboratively with regulators, industry and worker associations and the community, to realise the national vision of healthy, safe and productive working lives.

The establishment of Safe Work Australia was provided for in the *Intergovernmental Agreement for Regulatory and Operational Reform in Occupational Health and Safety (IGA)*, agreed by the Council of Australian Governments (COAG) on 3 July 2008. The IGA will be reviewed by the Department of Employment during 2014–15.

The agency is jointly funded by the Commonwealth, state and territory governments. This funding arrangement promotes collaboration with jurisdictions on policy development, implementation, compliance and enforcement, and communication activities.

Safe Work Australia has 15 Members, including an independent Chair, nine Members representing the Commonwealth and each state and territory, two Members representing the interests of employers, two representing the interests of employees, and the Chief Executive Officer of Safe Work Australia (CEO).

The CEO manages the agency under section 45 of the Act and in accordance with the *Financial Management and Accountability Act 1997*.

Together, the Safe Work Australia Members and the agency will work to achieve:

- significant and continued reductions in the incidence of work-related death, injury and illness through
 - reduced exposure to work-related hazards causing injury and illness
 - improved quality of workplace controls

- an improved work health and safety framework, increased work health and safety awareness and skills, and an evidence base which informs policy and practice.
- improved outcomes for injured workers and their employers through more effective, efficient, clearly understood and sustainable workers' compensation arrangements.

The focus of Safe Work Australia during 2014–15 will be on:

- monitoring, reviewing and evaluating the model work health and safety (WHS) laws to improve operational efficiency, remove unnecessary regulation and improve safety outcomes
- improving the consistency of explosives legislation across Australia
- facilitating simple, practical guidance to aid compliance, particularly for small business
- collecting, maintaining, improving and reporting on national work health and safety and workers' compensation data
- identifying priority issues and undertaking and disseminating research, including on emerging issues
- national coordination and monitoring of the implementation of the *Australian Work Health and Safety Strategy 2012-2022* (the Australian Strategy)
- promoting consistent messages on work health and safety
- identifying opportunities and developing proposals for improvements in workers' compensation arrangements, and
- liaising with other countries or international organisations as appropriate on matters relating to work health and safety and workers' compensation activities.

1.2 AGENCY RESOURCE STATEMENT

Table 1.1 shows the total resources from all sources. The table summarises how resources will be applied by outcome and by departmental classification.

Table 1.1: Safe Work Australia Resource Statement – Budget Estimates for 2014-15 as at Budget May 2014

	Estimate of prior year amounts available in 2014- 15 \$'000	Proposed at Budget 2014- 15 \$'000	Total estimate 2014- 15 \$'000	Actual available appropriation 2013- 14 \$'000
Ordinary annual services¹				
Departmental appropriation				
Departmental appropriation ²	-	9,832	9,832	9,506
Total	-	9,832	9,832	9,506
Total ordinary annual services A	-	9,832	9,832	9,506
Total available annual appropriations	-	9,832	9,832	9,506
Total appropriations excluding Special Accounts	-	9,832	9,832	9,506
Special Accounts				
Opening balance ³	-	10,311	10,311	9,977
Appropriation receipts ⁴	-	9,832	9,832	9,506
Non- appropriation receipts to Special Accounts	-	10,996	10,996	10,860
Total Special Account D	-	31,139	31,139	30,343
Total resourcing				
A+B+C+D	-	40,971	40,971	39,849
Less appropriations drawn from annual or special appropriations above and credited to special accounts and/or CAC Act bodies through annual appropriations	-	(9,832)	(9,832)	(9,506)
Total net resourcing for Safe Work Australia	-	31,139	31,139	30,343

¹ Appropriation Bill (No.1) 2014-15

² Includes an amount of \$0.225m in 2014-15 for the Departmental Capital Budget (refer to table 3.2.5 for further details). For accounting purposes this amount has been designated as 'contributions by owners'.

³ Estimated opening balance for special accounts (less 'Special Public Money' held in accounts like Other Trust Monies accounts (OTM), Services for other Government and Non-agency Bodies accounts (SOG), or Services for Other Entities and Trust Monies Special accounts (SOETM)). For further information on special accounts see Table 3.1.2. "

⁴ Appropriation receipts from Safe Work Australia annual and special appropriations for 2012-13 included above."

Reader note: All figures are GST exclusive.

1.3 BUDGET MEASURES

Table 1.2: Agency 2014–15 Budget measures

Part 2: MYEFO measures not previously reported in a portfolio statement

	Programme	2013-14 \$'000	2014-15 \$'000	2015-16 \$'000	2016-17 \$'000	2017-18 \$'000
Measures						
Reforms to the APS management and efficient procurement of agency softw are ¹	1					
Departmental expenses		(18)	(18)	(18)	-	-
Total		(18)	(18)	(18)	-	-
Total measures						
Departmental		(18)	(18)	(18)	-	-
Total		(18)	(18)	(18)	-	-

¹ This was a measure announced in the 2013 Economic Statement measure but not previously reported in a portfolio statement.

Prepared on a Government Finance Statistics (fiscal) basis.

SECTION 2: OUTCOMES AND PLANNED PERFORMANCE

2.1 OUTCOMES AND PERFORMANCE INFORMATION

Government outcomes are the intended results, impacts or consequences of actions by the Government on the Australian community. Commonwealth programmes are the primary vehicle by which Government agencies achieve the intended results of their outcome statements. Agencies are required to identify the programmes which contribute to Government outcomes over the Budget and forward years.

Each outcome is described below together with its related programmes, specifying the performance indicators and targets used to assess and monitor the performance of Safe Work Australia in achieving Government outcomes.

Outcome 1: Healthier, safer and more productive workplaces through improvements to Australian work health and safety and workers' compensation arrangements
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Outcome 1 Strategy

Safe Work Australia works with representatives of the Commonwealth, state and territory governments, employers and employees so that:

- the Australian Strategy, which provides a national framework to drive improvements in work health and safety and facilitate collaboration, is implemented.
- The Strategy targets are to be achieved by 2022. Safe Work Australia measures and reports on progress towards these targets annually. The targets are:
 - a reduction of at least 20 per cent in the number of worker fatalities due to injury
 - a reduction of at least 30 per cent in the incidence rate of claims resulting in one or more weeks off work, and
 - a reduction of at least 30 per cent in the incidence rate of claims for musculoskeletal disorders resulting in one or more weeks off work.
- Australia has improved work health and safety laws providing a consistent, equitable and high level of protection to all workers, while ensuring practicability for small business and individual workers
- the consistency of explosives legislation across Australia is improved
- the national work health and safety research, evaluation and data programmes support evidence-informed policy and practice
- community awareness and knowledge of work health and safety is increased

- assistance is provided to other agencies to promote consistent and improved approaches to managing health and safety hazards and risks, and
- opportunities for improvements in workers' compensation arrangements are identified and proposals developed.

Outcome 1 Expense Statement

Table 2.1 provides an overview of the total expenses for outcome 1.

Table 2.1: Budgeted Expenses for Outcome 1

	2013-14 Estimated actual expenses \$'000	2014-15 Estimated expenses \$'000
Outcome 1: Healthier, safer and more productive workplaces through improvements to Australian work health and safety and workers' compensation arrangements.		
Programme 1: Reform of and improvements to Australian work health and safety and workers' compensation arrangements		
Departmental expenses		
Departmental appropriation ¹	9,356	9,607
Special Accounts	10,860	10,996
Expenses not requiring appropriation in the Budget year ²	599	544
Total for Programme 1.1	20,815	21,147
Outcome 1 Totals by appropriation type		
Departmental expenses		
Departmental appropriation ¹	9,356	9,607
Special Accounts	10,860	10,996
Expenses not requiring appropriation in the Budget year ²	599	544
Total expenses for Outcome 1	20,815	21,147
	2013-14	2014-15
Average Staffing Level (number)	101	101

¹ Departmental Appropriation combines "Ordinary annual services (Appropriation Bill No. 1)" and "Revenue from independent sources (s31)".

² Expenses not requiring appropriation in the Budget year is made up of Depreciation Expense, Amortisation Expense, and Audit Fees.

Contributions to Outcome 1

Programme 1: Reform of and improvements to Australian work health and safety and workers' compensation arrangements

Programme 1 Objective

Safe Work Australia has an important national role to achieve significant and continual reductions in the incidence of work-related death, injury and illness and to improve outcomes for injured workers and their employers.

To be able to meet its objectives Safe Work Australia works collaboratively with employees, employers, their representatives and regulators to achieve healthy, safe and productive working lives for all Australians.

The Act prescribes that Safe Work Australia performs its functions in accordance with its strategic and operational plans. These plans are endorsed by Safe Work Australia Members and approved by Commonwealth, state and territory work health and safety ministers.

Programme 1 Expenses

The work of the agency continues to focus on the objectives of Programme 1 and as prescribed by legislation. The agency has not identified any significant trends or variances over the forward years.

Table 2.1.1 Programme 1 expenses

('000)	Estimated actual \$'000	Budget \$'000	Forw ard estimate \$'000	Forw ard estimate \$'000	Forw ard estimate \$'000
Special Account Expenses:					
Safe Work Australia Special Account	9,873	9,996	10,095	10,341	10,408
Annual departmental expenses:					
Ordinary annual services (Appropriation Bill No. 1)	9,356	9,607	9,700	9,967	10,408
Programme support					
Expenses not requiring appropriation in the Budget year ¹	599	544	372	317	310
Total Programme expenses	19,828	20,147	20,167	20,625	21,126

¹ Expenses not requiring appropriation in the Budget year is made up of Depreciation Expense, Amortisation Expense and Audit Fees.

Programme 1. Deliverables

The deliverables for Safe Work Australia are highlighted in its annual operational plan and include:

- facilitating simple, practical guidance to aid compliance, particularly for small business and individual employees

- monitoring, reviewing and evaluating the model WHS laws to improve operational efficiency, remove unnecessary regulation and improve safety outcomes
- improving the consistency of explosives legislation across Australia
- collecting, maintaining, improving and reporting on national work health and safety and workers’ compensation data
- identifying priority issues and undertaking and disseminating research, including on emerging issues
- national coordination and monitoring of the implementation of the Australian Strategy
- promoting consistent messages on work health and safety
- improving consistency in workers’ compensation arrangements, and
- liaising with other countries or international organisations as appropriate on matters relating to work health and safety and workers’ compensation activities.

Programme 1 Key Performance Indicators

The key performance indicators are framed around the deliverables in the operational plan. The contribution of these deliverables to the achievement of the strategies and outcome is measured through systematic review and evaluation. Safe Work Australia measures and reports on progress towards the Australian Strategy targets annually.

Table 2.1.1A Programme 1 key performance indicators

Key performance indicators	
Quality	2014–15 target
The work health and safety framework continues to be developed, implemented and reviewed in accordance with COAG requirements.	COAG requirements are met.
Safe Work Australia is meeting the expectations of the Chair of Safe Work Australia in terms of quality, effectiveness and timeliness in achieving the deliverables of its operational plan.	Through a survey, the Chair rates the performance of the agency as very good or above in meeting expectations.
Safe Work Australia is meeting the expectations of the Members in terms of quality, effectiveness and timeliness in achieving the deliverables of its operational plan.	Through a survey 80% of Members agree the agency is achieving the deliverables of its operational plan.

Section 3: Explanatory Tables and Budgeted Financial Statements

Section 3 presents explanatory tables and budgeted financial statements which provide a comprehensive snapshot of agency finances for the 2014–15 budget year. It explains how budget plans are incorporated into the financial statements and provides further details of the reconciliation between appropriations and programme expenses, movements in administered funds, special accounts and Australian Government indigenous expenditure.

3.1 EXPLANATORY TABLES

3.1.1 Movement of administered funds between years

Safe Work Australia has no administered funds. For this reason Table 3.1.1 is not presented.

3.1.2 Special Accounts

Special Accounts provide a means to set aside and record amounts used for specified purposes. Special Accounts can be created by a Finance Minister’s Determination under the FMA Act or under separate enabling legislation. Table 3.1.2 shows the expected additions (receipts) and reductions (payments) for each account used by Safe Work Australia.

Table 3.1.2: Estimates of Special Account Flows and Balances

		Opening balance 2014-15 <i>2013-14</i>	Receipts 2014-15 <i>2013-14</i>	Payments 2014-15 <i>2013-14</i>	Adjustments 2014-15 <i>2013-14</i>	Closing balance 2014-15 <i>2013-14</i>
	Outcome	\$'000	\$'000	\$'000	\$'000	\$'000
Safe Work Australia Special Account (D)	1	10,311	20,828	(20,528)	-	10,611
		9,977	20,366	(20,032)	-	10,311
Total Special Accounts		10,311	20,828	(20,528)	-	10,611
<i>Total Special Accounts</i>						
<i>2013-14 estimated actual</i>		9,977	20,366	(20,032)	-	10,311

(D) = Departmental

3.1.3 Australian Government Indigenous Expenditure

Safe Work Australia has no Australian Government Indigenous Expenditure to report. For this reason Table 3.1.3 is not presented.

3.2 BUDGETED FINANCIAL STATEMENTS

3.2.1 Differences in agency resourcing and financial statements

The agency receives funds from states and territories and matched appropriation funding from the Commonwealth as provided for in the Intergovernmental Agreement.

3.2.2 Analysis of budgeted financial statements

The agency is not expecting any major changes in its operations from a financial perspective. Funding arrangements are provided for in the IGA.

3.2.3 Budgeted financial statements tables

Table 3.2.1 Comprehensive Income Statement (Showing Net Cost of Services) for the period ended 30 June

	Estimated actual	Budget estimate	Forw ard estimate	Forw ard estimate	Forw ard estimate
	2013-14	2014-15	2015-16	2016-17	2017-18
	\$'000	\$'000	\$'000	\$'000	\$'000
EXPENSES					
Employee benefits	12,553	12,810	13,003	13,417	13,807
Suppliers	6,636	6,753	6,752	6,851	6,969
Grants	100	100	100	100	100
Depreciation and amortisation	539	484	312	257	250
Total expenses	19,828	20,147	20,167	20,625	21,126
LESS:					
OWN-SOURCE INCOME					
Own-source revenue					
Sale of goods and rendering of services	9,873	9,996	10,095	10,341	10,408
Total own-source revenue	9,873	9,996	10,095	10,341	10,408
Gains					
Other	60	60	60	60	60
Total gains	60	60	60	60	60
Total own-source income	9,933	10,056	10,155	10,401	10,468
Net cost of (contribution by) services	9,895	10,091	10,012	10,224	10,658
Revenue from Government	9,356	9,607	9,700	9,967	10,408
Surplus (Deficit) attributable to the Australian Government	(539)	(484)	(312)	(257)	(250)
Total comprehensive income (loss) attributable to the Australian Government	(539)	(484)	(312)	(257)	(250)

Table 3.2.1 Comprehensive Income Statement (Showing Net Cost of Services) for the period ended 30 June (continued)

Note: Impact of Net Cash Appropriation Arrangements

	2013-14	2014-15	2015-16	2016-17	2017-18
	\$'000	\$'000	\$'000	\$'000	\$'000
Total Comprehensive Income (loss) excluding depreciation/amortisation expenses previously funded through revenue appropriations.	(1,078)	(968)	(624)	(514)	(500)
less depreciation/amortisation expenses previously funded through revenue appropriations ¹	(539)	(484)	(312)	(257)	(250)
Total Comprehensive Income (loss) - as per the Statement of Comprehensive Income	(539)	(484)	(312)	(257)	(250)

¹ From 2010-11, the government introduced net cash appropriation arrangements where Bill 1 revenue appropriations for the depreciation/amortisation expenses of FMA Act agencies were replaced with a separate capital budget (the Departmental Capital Budget, or DCB) provided through Bill 1 equity appropriations. For information regarding DCBs, please refer to Table 3.2.5 Departmental Capital Budget Statement.

Prepared on Australian Accounting Standards basis

**Table 3.2.2: Budgeted Departmental Balance Sheet
(as at 30 June)**

	Estimated actual	Budget estimate	Forw ard estimate	Forw ard estimate	Forw ard estimate
	2013-14	2014-15	2015-16	2016-17	2017-18
	\$'000	\$'000	\$'000	\$'000	\$'000
ASSETS					
Financial assets					
Cash and cash equivalents	355	355	355	355	355
Trade and other receivables	10,685	10,985	11,285	11,285	11,285
Total financial assets	11,040	11,340	11,640	11,640	11,640
Non-financial assets					
Land and buildings	901	534	293	223	203
Property, plant and equipment	58	121	95	114	76
Intangibles	34	79	108	137	187
Other non-financial assets	135	135	135	135	135
Total non-financial assets	1,128	869	631	609	601
Total assets	12,168	12,209	12,271	12,249	12,241
LIABILITIES					
Payables					
Suppliers	1,927	1,927	1,927	1,927	1,927
Total payables	1,927	1,927	1,927	1,927	1,927
Provisions					
Employee provisions	4,034	4,334	4,634	4,634	4,634
Total provisions	4,034	4,334	4,634	4,634	4,634
Total liabilities	5,961	6,261	6,561	6,561	6,561
Net assets	6,207	5,948	5,710	5,688	5,680
EQUITY*					
Contributed equity	4,041	4,266	4,340	4,575	4,817
Reserves	859	859	859	859	859
Retained surplus (accumulated deficit)	1,307	823	511	254	4
Total Equity	6,207	5,948	5,710	5,688	5,680

* 'Equity' is the residual interest in assets after deduction of liabilities.

Prepared on Australian Accounting Standards basis.

Table 3.2.3: Departmental Statement of Changes in Equity – Summary of Movement (Budget Year 2014-15)

	Retained earnings	Asset revaluation reserve	Other reserves	Contributed equity/capital	Total equity
	\$'000	\$'000	\$'000	\$'000	\$'000
Opening balance as at 1 July 2014					
Balance carried forward from previous period	1,307	859		4,041	6,207
Adjusted opening balance	1,307	859	-	4,041	6,207
Comprehensive income					
Surplus (deficit) for the period	(484)				(484)
Total comprehensive income	(484)	-	-	-	(484)
of which:					
Attributable to the Australian Government	(484)				(484)
Transactions with owners					
Contributions by owners					
Departmental Capital Budget (DCBs)				225	225
Sub-total transactions with owners	-	-	-	225	225
Transfers between equity components	-	-	-	-	-
Estimated closing balance as at 30 June 2015	823	859	-	4,266	5,948
Closing balance attributable to the Australian Government	823	859	-	4,266	5,948

Prepared on Australian Accounting Standards basis.

**Table 3.2.4: Budgeted Departmental Statement of Cash Flows
(for the period ended 30 June)**

	Estimated actual	Budget estimate	Forw ard estimate	Forw ard estimate	Forw ard estimate
	2013-14	2014-15	2015-16	2016-17	2017-18
	\$'000	\$'000	\$'000	\$'000	\$'000
OPERATING ACTIVITIES					
Cash received					
Appropriations	9,356	9,607	9,700	9,967	10,408
Sale of goods and rendering of services	10,860	10,996	11,105	11,375	11,449
Total cash received	20,216	20,603	20,805	21,342	21,857
Cash used					
Employees	12,553	12,810	13,003	13,417	13,807
Suppliers	6,636	6,753	6,752	6,851	6,849
Net GST paid	663	687	687	695	695
Grants	100	100	100	100	100
Total cash used	19,952	20,350	20,542	21,063	21,451
Net cash from (used by) operating activities	264	253	263	279	406
INVESTING ACTIVITIES					
Cash received					
Proceeds from sales of property, plant and equipment	-	-	-	-	-
Total cash received	-	-	-	-	-

**Table 3.2.4: Budgeted Departmental Statement of Cash Flows
(for the period ended 30 June) (continued)**

	Estimated actual	Budget estimate	Forw ard estimate	Forw ard estimate	Forw ard estimate
	2013-14	2014-15	2015-16	2016-17	2017-18
	\$'000	\$'000	\$'000	\$'000	\$'000
Cash used					
Purchase of property, plant and equipment	150	225	74	235	242
Total cash used	150	225	74	235	242
Net cash from (used by) investing activities	(150)	(225)	(74)	(235)	(242)
FINANCING ACTIVITIES					
Cash received					
Contributed equity	150	225	74	235	242
Total cash received	150	225	74	235	242
Cash used					
Other	339	253	263	279	406
Total cash used	339	253	263	279	406
Net cash from (used by) financing activities	(189)	(28)	(189)	(44)	(164)
Net increase (decrease) in cash held	(75)	-	-	-	-
Cash and cash equivalents at the beginning of the reporting period	355	280	280	280	280
Cash and cash equivalents at the end of the reporting period	280	280	280	280	280

Prepared on Australian Accounting Standards basis.

Table 3.2.5: Departmental Capital Budget Statement

	Estimated actual	Budget estimate	Forw ard estimate	Forw ard estimate	Forw ard estimate
	2013-14	2014-15	2015-16	2016-17	2017-18
	\$'000	\$'000	\$'000	\$'000	\$'000
NEW CAPITAL APPROPRIATIONS					
Capital budget - Bill 1 (DCB)	150	225	74	235	242
Total new capital appropriations	150	225	74	235	242
Provided for:					
Purchase of non-financial assets	150	225	74	235	242
Total Items	150	225	74	235	242
PURCHASE OF NON-FINANCIAL ASSETS					
Funded by capital appropriation - DCB ¹	150	225	74	235	242
TOTAL	150	225	74	235	242
RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE					
Total purchases	150	225	74	235	242
Total cash used to acquire assets	150	225	74	235	242

¹ Does not include annual finance lease costs. Include purchase from current and previous years' Departmental Capital Budgets (DCBs).

Prepared on Australian Accounting Standards basis.

Table 3.2.6: Statement of Asset Movements (2014-15)

	Buildings	Other property, plant and equipment	Computer software and intangibles	Total
	\$'000	\$'000	\$'000	\$'000
As at 1 July 2014				
Gross book value	1,256	120	328	1,704
Accumulated depreciation/amortisation and impairment	(355)	(62)	(294)	(711)
Opening net book balance	901	58	34	993
CAPITAL ASSET ADDITIONS				
Estimated expenditure on new or replacement assets				
By purchase - appropriation ordinary annual services ¹	-	119	106	225
Total additions	-	119	106	225
Other movements				
Depreciation/amortisation expense	(367)	(56)	(61)	(484)
Total other movements	(367)	(56)	(61)	(484)
As at 30 June 2015				
Gross book value	1,256	239	434	1,929
Accumulated depreciation/amortisation and impairment	(722)	(118)	(355)	(1,195)
Closing net book balance	534	121	79	734

¹ "Appropriation ordinary annual services" refers to funding provided through Appropriation Bill (No.1) 2014-15 for depreciation / amortisation expenses, DCBs or other operational expenses. Prepared on Australian Accounting Standards basis

Table 3.2.7: Schedule of Budgeted Income and Expenses Administered on Behalf of Government (for the period ended 30 June)

Safe Work Australia has no income and expenses administered on behalf of government. For this reason Table 3.2.7 is not presented.

Table 3.2.8 Schedule of budgeted assets and liabilities administered on Behalf of Government (as at 30 June)

Safe Work Australia has no administered assets and liabilities. For this reason Table 3.2.8 is not presented.

Table 3.2.9: Schedule of Budgeted Administered Cash Flows (for the period ended 30 June)

Safe Work Australia has no administered cash flows. For this reason Table 3.2.9 is not presented.

3.2.10 Schedule of Administered Capital Budget

Safe Work Australia has no administered capital purchases. For this reason Table 3.2.10 is not presented.

3.2.11 Schedule of Asset Movements—Administered

Safe Work Australia has no administered non-financial assets. For this reason Table 3.2.11 is not presented.