



**safe work australia**

2013–14  
**Annual  
Report**







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2013–14  
**Annual  
Report**



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**safe work australia**

Chief Executive Officer  
**Ms Michelle Baxter**

**Senator The Hon Eric Abetz  
Minister for Employment  
Parliament House  
CANBERRA ACT 2600**

Dear Minister

I am pleased to present Safe Work Australia's annual report for the year ended 30 June 2014. The report includes performance information, the financial statements and an audit report in accordance with sections 49 and 57 of the *Financial Management and Accountability Act 1997* and subparagraph 70(2) of the *Safe Work Australia Act 2008*.

Section 70 of the *Safe Work Australia Act 2008* also requires me to provide a copy of the report to you as soon as practicable after 30 June in each financial year.

The report has been prepared in accordance with section 70 of the *Public Service Act 1999* and the guidelines approved on behalf of the Parliament by the Joint Committee of Public Accounts and Audit.

I present this report to you as a record of our achievements and compliance.

Yours sincerely

Michelle Baxter  
Chief Executive Officer  
Safe Work Australia

6 November 2014

## Guide to the report

This report provides information on the activities, achievements and performance of Safe Work Australia for the 2013-14 financial year.

### Part 1—Overview

This part provides information about Safe Work Australia as well as key achievements in 2013-14. In this part the Chief Executive Officer, Michelle Baxter gives her review of the year.

### Part 2—Performance report

Part 2 reports on the performance of Safe Work Australia during 2013-14 against its Portfolio Budget Statement strategies as well as its Strategic Plan and Operational Plan. It provides an overall summary of where the work from different plans and documents fits together and an understanding of the key work for the agency.

### Part 3—Management and accountability

This part introduces Safe Work Australia Members and details Safe Work Australia's management and accountability processes including internal governance arrangements.

### Part 4—Our organisation

Part 4 provides Safe Work Australia's organisational structure and profiles of the Executive Management Team. This part also includes information on Safe Work Australia's people and corporate responsibilities.

### Part 5—Financial performance

This part contains information on Safe Work Australia's financial management and contains the audited financial statements for 2013-14.

### Part 6—Appendices

The appendices provide information about 2013-14 publications, Model codes and guidance material and ecologically sustainable development performance.

### Part 7—References and indexes

References and indexes includes a list of abbreviations and acronyms, glossary of terms and compliance and alphabetical index.

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# Part 1

## Overview



## Role and functions

Safe Work Australia was established as a statutory agency on 1 November 2009 under the *Safe Work Australia Act 2008* (the Safe Work Australia Act). It is the body leading the development of national policy to improve work health and safety and workers' compensation across Australia. Safe Work Australia does not undertake any regulatory functions.

The establishment of Safe Work Australia was provided for in the *Intergovernmental Agreement for Regulatory and Operational Reform in Occupational Health and Safety* (the IGA) agreed by the Council of Australian Governments (COAG) on 3 July 2008.

Safe Work Australia is responsible for coordinating and developing national policy and strategies, developing model work health and safety (WHS) laws, undertaking research and collecting, analysing and reporting data. Safe Work Australia works collaboratively with work health and safety regulators, industry groups and unions to achieve the national vision of *healthy, safe and productive working lives*.

The agency is jointly funded by the Commonwealth, state and territory governments. The funding arrangement promotes collaboration with jurisdictions on policy development, research and evaluation, implementation, compliance, data collection and analysis and communication activities.

Our Members work with staff to deliver the objectives of the *Safe Work Australia Strategic Plan 2013-2016* and *Safe Work Australia Operational Plan 2013-2014*.

The agency's functions are set out in the Safe Work Australia Act. Since the establishment of Safe Work Australia,

a central function has been to progress the development of model WHS laws.

Other functions are to:

- > monitor, review and evaluate the model WHS laws including making changes to improve the operational efficiency of the model WHS laws, reduce regulatory burden and support ongoing reform to improve safety outcomes
- > continue to develop policy proposals to improve the consistency of explosives legislation across Australia
- > facilitate the provision of simple, practical guidance to aid compliance, especially for small business
- > collect, maintain, improve and report on national work health and safety and workers' compensation data
- > identify priority issues, undertake and disseminate research, including on emerging issues
- > national coordination and monitoring of the implementation of the Australian Strategy
- > promote consistent work health and safety and workers' compensation messaging
- > improve consistency in workers' compensation arrangements, and
- > liaise with other countries or international organisations on matters relating to work health and safety and workers' compensation.

Safe Work Australia is subject to the *Financial Management and Accountability Act 1997* (FMA Act).

## Chief Executive Officer's review



Michelle Baxter, Chief Executive Officer,  
Safe Work Australia.

Safe Work Australia's data shows that in the past decade the number of work-related deaths has fallen by 33 percent to 191 people in 2013, the lowest number of fatalities recorded. While more than 117 800 Australians received compensation for a serious injury or illness in 2012-13, the rate of these serious claims has decreased by 29 percent over the last decade. While recognising this number is still too high, I am pleased that Safe Work Australia has actively contributed to the ongoing reduction in work-related death, injury and disease.

Apart from the obvious human impact, continued improvement to work health and safety has implications for the community and the economy. Work-related injury and illness costs Australian workers, their employers and the community more than \$60 billion a year. The benefits of effectively managing this important issue are clear, but improving work health and safety requires employers, workers, and the broader community to lead by example and empower others to bring about real change.

Implementation of the *Australian Work Health and Safety Strategy 2012-2022* remains a key way for Safe Work Australia to influence the development of safety leadership and an improved safety culture. With its vision of *healthy, safe and productive working lives*, the Australian Strategy is designed to drive key national activities to achieve improvement in work health and safety. Our annual report highlights Safe Work Australia's achievements for 2013-14 and provides a record of our performance against our *Strategic Plan 2013-2016*. This strategic plan reflects the vision, goals and outcomes of the Australian Strategy.

Together with our Members, during 2013-14 Safe Work Australia has worked to improve the work health and safety legislative framework, increase work health and safety awareness and skills and develop a robust evidence base to inform policy and practice. Our nationally significant research program, data collection and analysis drives the development of new policy and identifies areas which require intervention to improve work health and safety and workers' compensation outcomes.

Safe Work Australia continued its multi-year evaluation of the impact of implementing the model work health and safety laws. We also continued developing materials to assist businesses of all sizes and individual workers understand how to comply with these laws. Significant effort has gone into understanding what information small business needs to assist it to meet its obligations. Gaining first hand feedback from small business owners meant we were able to produce materials which reflect the needs of business without compromising safety standards.

There is an increasing amount of evidence that good work is good for a person's physical, mental, social and financial health. Workers' compensation schemes aim to facilitate timely, safe and durable return to work following an injury. It is troubling then, that the median time lost following compensation for an injury resulting in at least one week off work has gradually increased over the last seven years from four to five working weeks.

For the second year, Safe Work Australia worked with the Commonwealth, states and territories to run the National Return to Work Survey. The 2014 survey was run in May 2014 with New Zealand and all Australian jurisdictions, except for the Australian Capital Territory, taking part. The survey is designed to allow us to better understand the experience of workers with a workers' compensation claim for an injury and the factors associated with positive return to work outcomes. The results of the survey will be used to develop national policy or programs to improve return to work outcomes.

I am committed as Safe Work Australia's new Chief Executive Officer, to ensuring our continued relevance and capacity to influence and drive real and measurable change. Since becoming CEO I have put particular emphasis on understanding the requirements of all our stakeholders including our Chair and Members, and charting a future direction in which Safe Work Australia operates and engages at a strategic national level. In 2014-15 we will focus on:

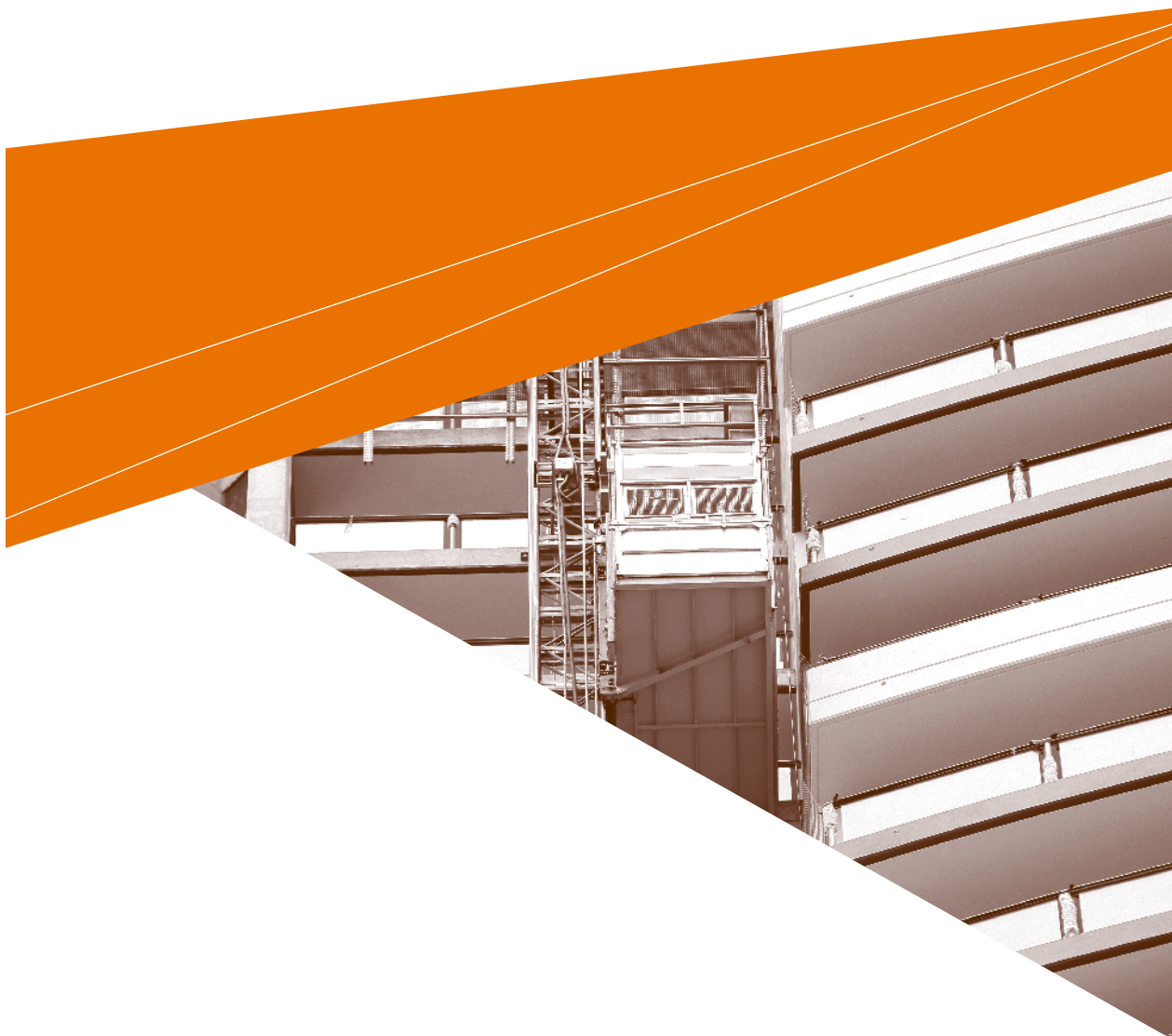
- > monitoring, reviewing and evaluating the model WHS laws to improve operational efficiency, reduce regulatory burden and improve safety outcomes

- > facilitating the development of simple, practical guidance to aid understanding and compliance, particularly for small business
- > collecting, maintaining, improving and reporting on national work health and safety and workers' compensation data
- > 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 and workers' compensation
- > improving consistency in workers' compensation arrangements
- > liaising with other countries or international organisations on matters relating to work health and safety and workers' compensation activities
- > developing policy proposals to improve the consistency of explosives legislation across Australia, and
- > maintaining and improving the framework for workplace hazardous chemicals.



## Part 2

# Performance report



## Overview of performance

The documents that outline the work of Safe Work Australia are:

- > Safe Work Australia Act—functions, in Part 2 Section 6
- > *Safe Work Australia Strategic Plan 2013-2016* (Strategic Plan)
- > Portfolio Budget Statement (PBS) 2013-2014
- > *Safe Work Australia Operational Plan 2013-2014* (Operational Plan)

The achievements reported in this document are measured against the 2013-14 PBS and Operational Plan. The Strategic Plan sets Safe Work Australia's direction. The achievement of Safe Work Australia's outcome is dependent on the achievement of its strategies and key performance indicators (KPIs).

The table below provides a summary of the work Safe Work Australia does and how its performance is measured.

Work underway	Function from the Act	Strategy from Strategic Plan	Strategy from the PBS	Activity from Operational Plan
National policy on work health and safety and workers' compensation	1	3	1 & 3	1, 5 & 10
Monitor, review and revise model WHS laws, codes and guidance	2-6	4-5	2	1-3
Develop consistent explosives legislation	4	4	2	4
Research, evaluation and data analysis	7-8	4	3	6-7
Implementing Australian Strategy	9	1	1	8
Promote community awareness	10	2	4-5	9
Improve workers' compensation arrangements	11	6	6	10
International liaison	13	2	4	11

## Performance against Portfolio Budget Statement

Safe Work Australia's 2013-14 PBS outlines a single program structure with the outcome statement:

*Healthier, safer and more productive workplaces through improvements to Australian work health and safety and workers' compensation arrangements.*

Performance against this outcome is measured by six strategies and three KPIs also outlined in the PBS.

The six strategies are:

- > national work health and safety policy and practice is supported by the implementation of the *Australian Work Health and Safety Strategy 2012-2022*

- > Australia has harmonised and improved WHS laws providing a consistent, equitable and high level of protection to all workers
- > the national work health and safety research, evaluation and data programs support evidence informed policy, programs 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.

The three KPIs measure Safe Work Australia's progress in achieving its outcome.

Key Performance Indicator from PBS	2013-14 target	Actual Performance
The work health and safety legislative framework continues to be developed, implemented and reviewed in accordance with COAG requirements	COAG agreed timelines are met	Achieved. Framework developed in COAG timelines. Review commenced to meet end 2014 timeframe. Explosives framework commenced to meet COAG expectations.
Level of satisfaction of the Chair of Safe Work Australia with how the agency is achieving the deliverables of its operational plan	Chair rates the performance of the agency as very good or above	Achieved.
Level of satisfaction of the Members of Safe Work Australia with how the agency is achieving the deliverables of its operational plan	80% of Members agree the agency is achieving the deliverables of its operational plan	Achieved. 92% of Members agreed.

## Level of satisfaction

For the fifth consecutive year Safe Work Australia has met all its KPIs.

For the third consecutive year more than 90 percent of Safe Work Australia Members were satisfied with the agency's overall performance in achieving the deliverables of the Operational Plan.

## Performance against Operational Plan

### Strategic and operational plans

Safe Work Australia is required to have a strategic plan and an operational plan as outlined in Part 4 of the Safe Work Australia Act. The *Strategic Plan 2013-2016* sets out six strategic outcomes to be achieved in those three years. The *Operational Plan 2013-2014* sets out the activities to achieve the outcomes for the year being reported. Both plans were endorsed by a majority of Work Health and Safety Ministers and are available on the Safe Work Australia website.

Throughout 2013-14 the Operational Plan specified that Safe Work Australia would focus on:

- > continuing to support the implementation of the Australian Strategy
  - > completing codes of practice and guidance material to support the model WHS laws
  - > monitoring and evaluating the implementation of the model WHS laws across Australia
  - > reviewing the implementation of the model WHS laws and making changes to improve operational efficiency including opportunities to
- reduce red tape, particularly for small business without compromising safety standards
  - > developing, supporting and monitoring mechanisms to promote awareness of work health and safety obligations in small business
  - > working and collaborating with jurisdictions yet to adopt the model WHS laws
  - > supporting ongoing work health and safety reform to promote continuous improvements in performance
  - > undertaking a program of work to improve workers' compensation arrangements including in the areas of Return to Work, deemed diseases, permanent impairment and developing minimum benchmarks for the National Injury Insurance Scheme, and
  - > implementing the *Research, Evaluation and Data Strategy 2013-2017*.

### Outlook for 2014-15

The strategic outcomes for 2014-15 have been approved by Work Health and Safety Ministers in the Strategic Plan so will remain unchanged for 2014-15. These strategic outcomes will be updated in line with the new *Public Governance, Performance and Accountability Act 2013* (PGPA Act) for 1 July 2015.

## Australian Strategy

*The Australian Work Health and Safety Strategy 2012-2022* (the Australian Strategy) promotes the vision of *healthy, safe and productive working lives*.

Underpinning this vision is that all workers regardless of their occupation or how they are engaged have the right to healthy, safe and well-designed work and that this in turn will allow Australian



workers to have more productive working lives.

Strategy 1 of the Strategic Plan is *Supporting the implementation of the Australian Strategy*.

The Australian Strategy is in its second year of implementation and work continues towards achieving the four main strategic outcomes.

The first Australian Strategy annual progress report, for the period 1 October 2012 to 30 September 2013 provides a snapshot of the diverse activities undertaken by Safe Work Australia and others and is available on the Safe Work Australia website.

## Targets

The Australian Strategy sets three targets to be achieved by 2022:

- > a reduction in the number of worker fatalities due to injury of at least 20 percent
- > a reduction in the incidence rate of claims resulting in one or more weeks off work of at least 30 percent, and
- > a reduction in the incidence rate of claims for musculoskeletal disorders resulting in one or more weeks off work of at least 30 percent.

Measurement of progress against targets in the Australian Strategy is an activity in the 2013-14 Operational Plan and supports Strategy 1 of the Strategic Plan.

The fatality target will be measured using a three-year rolling average to smooth out year on year volatility. The average annual number of fatalities fell 21 percent to 213 in the 2011-13 period from 268 in the base period (2007-10). The challenge will be to sustain reductions in fatalities with expected employment growth over the 10 years of the strategy.

Safe Work Australia has received preliminary data on the number and incidence rate of claims and musculoskeletal disorders resulting in one or more weeks off work. The final base period rate and target rate cannot be determined until preliminary data is updated in late 2014.

## Action areas

The Australian Strategy outlines seven action areas:

- > Healthy and safe by design
- > Supply chains and networks
- > Health and safety capabilities
- > Leadership and culture
- > Research and evaluation
- > Government, and
- > Responsive and effective regulatory framework.

During 2013-14, Safe Work Australia Members agreed to a range of national collaborative projects under three Action Areas: Healthy and safe by design; Health and safety capabilities; and Leadership and culture.

### Healthy and safe by design

This action area aims to eliminate or minimise hazards and risks through the better design of work, structures, plant and substances.

### *Good Work through Effective Design*

In 2013 Safe Work Australia Members agreed to the collaborative project *Good Work through Effective Design*. This initiative, led by Comcare and Workplace Health and Safety Queensland aims to develop principles of good work through effective design processes which consider the psychosocial, physical, cognitive and biomechanical aspects of work. The project will provide information for designers about what 'good work' looks like and key principles to enhance effective design processes. Stage one of this project, the principles, will be completed in late 2014.

Implementing projects for the action areas is an activity in the 2013-14 Operational Plan and supports Strategy 1 of the Strategic Plan.

### *Working Together: Promoting Mental Health and Wellbeing at Work Guide*

In collaboration with Comcare and the Australian Public Service Commission (APSC), Safe Work Australia assisted in the development of the *Working Together: Promoting Mental Health and Wellbeing at Work Guide*. This provides practical advice for managers and supervisors when dealing with workers' mental health and wellbeing at work. The publication is available on the Comcare website at [www.comcare.gov.au](http://www.comcare.gov.au).

### *Sizing up Australia*

Plant, equipment and personal protective clothing designs need to suit contemporary workers' shapes and sizes. Previous research has shown Australia does not have suitable anthropometric data. To collect this would require an Australian body sizing survey with support and funding from across governments and industries.

To inform discussion, in 2013 Safe Work Australia commissioned the *Sizing Up Australia—the next step* report. This project focused on the existing evidence and proposed a method for developing and conducting a body sizing survey. The report has created international interest and is an important step towards collecting Australia specific body sizing information.

### **Health and safety capabilities**

This action area aims to ensure everyone has the capabilities—the knowledge, skills and resources—to fulfil their role in relation to work health and safety.

### *National Work Health and Safety Capabilities Activity Plan 2014-2019*

This year the *National Work Health and Safety Capabilities Activity Plan 2014-2019* was developed in consultation with all Safe Work Australia Members, and is published on the Safe Work Australia website. The Plan outlines key national activities to be undertaken by Safe Work Australia or by individual Members over the next five years.

### *OHS Body of Knowledge*

The OHS Body of Knowledge (BoK) provides the key information which is required by work health and safety professionals to understand the causes and control of work-related fatality, injury and illness. Inclusion of this material into the curriculum forms part of the accreditation of tertiary work health and safety education programs. The original BoK was funded by the Victorian WorkCover Authority (formerly WorkSafe Victoria). This year Safe Work Australia co-funded and worked alongside noted experts to write four additional chapters:

- > Organisational Culture
- > User Centred and Safe Design

- > Work Health and Safety Risk and Decision Making, and
- > Jurisprudence of Work Health and Safety.

These chapters will be published during Safe Work Australia Month in October 2014 on the BoK website at [www.ohsbok.org.au](http://www.ohsbok.org.au).

### Leadership and culture

This action area aims to encourage leaders in communities and organisations to promote a positive culture for health and safety.

#### *National Leadership Framework*

Safe Work Australia commenced a collaborative project to create a *National Leadership Framework*, which would bring together agreed leadership principles, practical guidance and metrics.

A report on the links between work health and safety and business productivity was undertaken by the Centre for Workplace Leadership and is expected to be published later in 2014.

### Priority industries

The Australian Strategy has seven priority industries:

- > agriculture
- > road transport
- > manufacturing
- > construction
- > accommodation and food services
- > publication administration and safety, and
- > health care and social assistance.

Throughout 2013-14 the focus has been on agriculture and road transport.

### Agriculture

The agriculture industry is a major focus for prevention activities during the first five years of the Australian Strategy.

During this year the *National Agriculture Activity Plan 2014-2019* was developed in consultation with Safe Work Australia Members. The plan was published on the Safe Work Australia website in May 2014. The plan includes current activities being undertaken to improve work health and safety outcomes over the next five years.

Activities include developing guidance material to support rural workplaces including the management of plant and livestock. The *Guide to Managing Risks when New and Inexperienced Persons Interact with Horses* was published in June 2014. Other activities include research to examine the risks people working in agriculture are exposed to and engaging with key stakeholders in the agricultural sector to promote the benefits of safe and healthy workplaces.

#### *Information sharing with the Australian Centre for Agricultural Health and Safety*

In 2013-14 Safe Work Australia maintained links with the University of Sydney's Australian Centre for Agricultural Health and Safety. Under a funding agreement with this Centre, Safe Work Australia was provided with regular data, advice and information on hazards in the agriculture industry including quad bikes, work health and safety inductions for new starters on farms and managing fatigue during times of peak work on farms.

## Road transport

Australia's road freight transport industry makes up 2 percent of the country's workforce. This small industry sector recorded the second highest number of work-related fatalities of all industries. In 2013 road freight transport recorded a fatality rate ten times higher than the national rate. Because of the exceedingly high risk of injury and death to workers in this industry, the Australian Strategy has made road transport a priority focus for the first five years of the strategy.

In 2013-14 Safe Work Australia collected a number of transport industry case studies showing the diverse activities and programs being implemented under the Australian Strategy. The road transport case studies show the commitment of work health and safety regulators, business, industry, universities and the community to improve health and safety in the road transport industry. These case studies are available from the Safe Work Australia website.

During this year Safe Work Australia partnered with the National Transport Commission and PreventionXpress to provide health screenings to over 1000 truck drivers across four states. In addition to the health screenings, Safe Work Australia published two data reports about the industry, *Work Health and Safety in the Road Freight Transport Industry* report and the *Work-Related Fatalities Involving Trucks* report. For more information about these reports and the truckie health screening initiative see the feature story *Driving Down Fatalities* on page 19.

## Outlook for 2014-15

In 2014-15 Safe Work Australia will continue to work with our Member organisations to improve work health and safety in specific industries such as the agriculture industry. Activities will continue to support the action areas Healthy and safe by design, Health and safety capabilities and Leadership and culture.

Safe Work Australia will host the Virtual Seminar Series (VSS) throughout Safe Work Australia Month in October 2014 to showcase work health and safety innovations and research, and encourage discussion on responsive regulation; leadership; small business; and health and safety in the agriculture and road transport industries.



## Feature Story

### Road transport

Trucks are involved in 30 percent of work-related traumatic fatalities each year, equating to around 80 workers. Of these, 50 are truck drivers. This alarming statistic prompted Safe Work Australia to make truck-related deaths a focus of the Australian Strategy.

Safe Work Australia uses all available information including coroners' and workers' compensation data to identify work-related deaths to compile the Traumatic Injury Fatalities database. This database contains 11 years of data, which has enabled Safe Work Australia to analyse trends and identify areas for

prevention efforts more effectively than in the past.

Safe Work Australia has recently released two reports relating to trucks. The first report, *Work health and safety in the Road freight transport industry*, focuses on the Road Freight sector. It highlights how this sector has a fatality rate 10 times higher and an injury rate up to three times higher than the average rate of all other industries. Fatalities were usually found to be the result of a vehicle crash while injuries were commonly from handling cargo.



The Road Freight sector has a fatality rate 10 times higher than the average rate of all other industries. This alarming statistic prompted Safe Work Australia to make truck related deaths a focus of the Australian Strategy.

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## Road transport – continued

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The second report, *Work-related fatalities involving trucks* looks at all truck-related fatalities. The report shows that 39 percent of truck-related fatalities involved single vehicle truck crashes. While speed was identified as the cause in around one-third of the incidents, half of them had no cause identified. These reports are available on the Safe Work Australia website.

Another concern identified is the number of workers being hit by trucks. This includes workers hit by their own truck when not applying the brakes appropriately when exiting the vehicle, as well as workers who are hit by trucks moving around their worksite.

Work health and safety regulators are undertaking a range of activities to highlight the dangers of working in and around trucks.

### *Truckie health screening*

Safe Work Australia formed a partnership with the National Transport Commission and PreventionXpress (a private health screening company) to fund a voluntary health screening program. The program included 1000 voluntary health screenings of truck drivers working mainly along the eastern seaboard. The aim of the project was to:

- > provide truck drivers with a free and confidential health screen and where necessary, encourage them to seek medical assistance for any results of concern, and

- > gain an understanding of the current state of health of professional drivers in Australia.

BP Road Haven Cafes agreed to participate in the program and made their facilities available for the screening. Between December 2013 and late May 2014, 1041 truck drivers were screened in 12 truck stops in Queensland, New South Wales, Victoria and South Australia for the following:

- > cardiovascular risk factors: blood pressure, diabetes and obesity
- > chronic lung disease
- > prostate cancer risk and awareness
- > risk of alcohol-related harm and depression
- > sleep disorders, sleepiness and fatigue, and
- > tobacco-related harm.

The report on the results of the health screening will be available later in 2014.

# Mentally Healthy Workplace Alliance

It is estimated that one in five Australian workers are experiencing mental health conditions such as depression and anxiety. The productivity, participation and compensation costs of both work and non-work-related mental disorders costs Australia \$10.9 billion per year<sup>1</sup>. This creates a compelling case to provide business with practical advice about the importance of mental health in the workplace and for them to take action.

Supporting projects in the area of Mentally healthy workplaces is an activity in the 2013-14 Operational Plan and supports Strategy 1 of the Strategic Plan.

In 2012 the National Mental Health Commission established the Mentally Healthy Workplace Alliance (the Alliance). The Alliance brings together key stakeholders committed to help businesses provide better mental health outcomes in their workplaces. Safe Work Australia Members agreed to support the Alliance projects as part of the Australian Strategy action area 'Healthy and safe by design'.

The Alliance consists of representatives from:

- > The National Mental Health Commission

- > Safe Work Australia
- > The Business Council of Australia
- > The Australian Chamber of Commerce and Industry
- > The Australian Industry Group
- > Council of Small Business Organisations of Australia
- > Comcare
- > Australian Council of Trade Unions
- > beyondblue
- > Black Dog Institute
- > SANE Australia
- > Mental Health Council of Australia
- > University of New South Wales
- > Australian Psychological Society Ltd

Several groups undertook activities supporting the Alliance over two years 2012-2014 including:

- > Beyondblue commissioned a report—*Creating a mentally healthy workplace –return on investment analysis* from PricewaterhouseCoopers Australia.



1. beyondblue PWC, *Creating a mentally healthy workplace, Return on investment analysis Final Report, March 2014*. [www.headsup.org.au:8080/docs/default-source/resources/beyondblue\\_workplaceroi\\_finalreport\\_may-2014.pdf?sfvrsn=2](http://www.headsup.org.au:8080/docs/default-source/resources/beyondblue_workplaceroi_finalreport_may-2014.pdf?sfvrsn=2).

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## Mentally Healthy Workplace Alliance – continued

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- > The University of New South Wales completed a literature review—*Developing a mentally healthy workplace: a review of the literature*.
- > Safe Work Australia and Comcare completed a *Targeted Call for Good Practice*, interviewing 24 businesses to develop 22 case studies of small to very large businesses using good practice approaches to create mentally healthy workplaces.
- > SANE Australia used these case studies to produce 18 video case studies for use by the business community. These videos can be viewed on the beyondblue Heads Up website.
- > Safe Work Australia published two fact sheets:
  - *Preventing Psychological Injury under the Work Health and Safety Laws* which provides information for businesses on how to prevent psychological harm under the work health and safety laws by using the risk management process.
  - *Workers' Compensation Legislation and Psychological Injury* provides businesses with an overview of the laws on compensation, rehabilitation, claims management and the safe return of workers to work following a work-related psychological injury.

In 2014 the Alliance published the information produced by its partners and continues to develop tools and guidance material to help businesses provide mentally healthy workplaces. More information is available on the Alliance Heads Up website [www.headsup.org.au](http://www.headsup.org.au).

## Promote community awareness and knowledge of work health and safety and workers' compensation

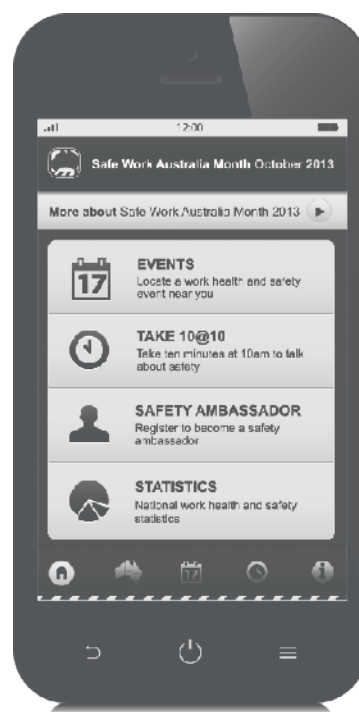
### Safe Work Australia Month

Building on the success of previous years, for the first time Safe Work Australia Week was extended to the month of October. A safety month smart phone application (app) was developed to support Safe Work Australia Month and promote jurisdictional, industry, business and union safety awareness activities throughout the month. A record number of Safety Ambassadors registered to host activities and promote work health and safety in their workplace.

Supporting and conducting events that raise awareness of work health and safety is an activity in the 2013-14 Operational Plan and supports Strategy 2 of the Strategic Plan.

Safe Work Australia Month encourages workers to get involved by holding activities at workplaces or participating in state, territory or industry run safety events. The 2013 theme *Safety is a frame of mind. Get the picture* urged all workers to think about their reason for staying safe at work.

Safe Work Australia's safety month smart phone app was available for free download in the lead up to and during October. The app featured events happening across Australia in October, key work health and safety statistics and Take10@10 activity ideas which people could do in their workplace.

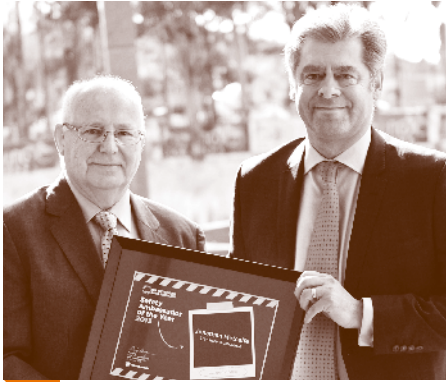


Safe Work Australia's safety month smart phone app.

A key initiative during safety month was the Safety Ambassador program. Established in 2008, the Safety Ambassador program encourages workers to be safety leaders by promoting the importance of work health and safety in their organisation. With 891 workers registered as Safety Ambassadors in 2013, hundreds of activities were held in workplaces across Australia.

All registered Safety Ambassadors were eligible for the Safety Ambassador of the Year Award. On 24 October 2013, Jonathan Metcalfe, CEO of Transdev Australasia was awarded this honour for his commitment to keeping his workers and users of Transdev's services safe. Due to the calibre of entries, a highly commended award was also presented.





Safe Work Australia CEO Rex Hoy presenting the 2014 Safety Ambassador of the Year winner Jonathon Metcalfe with his award.



2014 Safety Ambassador of the Year highly commended recipient, Jared Dwyer, with Rex Hoy.

The recipient was Jared Dwyer, OHS Coordinator with Port Hunter Conveyors. Both Jonathan and Jared were recognised for their achievements at a ceremony in Canberra.

Safe Work Australia Month will be held again in October 2014 to increase awareness of work health and safety.

## 9<sup>th</sup> annual Safe Work Australia Awards

Thirty-seven finalists from across Australia were recognised nationally for excellence in work health and safety at the 9th annual Safe Work Australia Awards. Hosted by Senator the Hon. Eric Abetz, Minister for Employment, the ceremony was held at Old Parliament House in Canberra. Individuals and organisations competed in four categories for national honour.

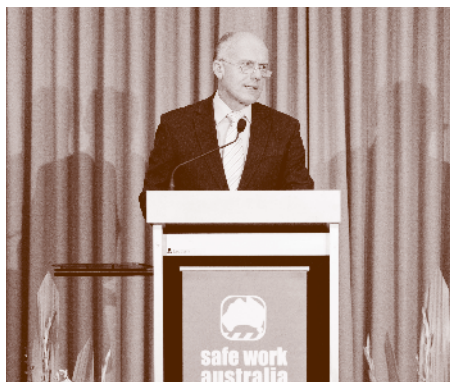


Winners from the 9th annual Safe Work Australia Awards.



The winners were:

Category	Award	Details
Category 1 – Best Workplace Health and Safety Management System	Winner	VEC Civil Engineering Pty Ltd (Tasmania)
Category 2 – Best Solution to an Identified Workplace Health and Safety Issue	Winner	Frasers Livestock Transport (Queensland)
Category 3 – Best Workplace Health and Safety Practice/s in a Small Business	Winner	Winner: Zetco Valves Pty Ltd (New South Wales)
Category 4a – Best Individual Contribution to Workplace Health and Safety–by an employee	Joint winners	Jedda McGlinchey–Ambulance Victoria (Victoria)  Rodney Cook–Northcoast Institute of TAFE (New South Wales)
Category 4b - Best Individual Contribution to Workplace Health and Safety–by a Work Health and Safety Manager	Winner	Jennifer Bell–RSPCA QLD (Queensland)
	Highly commended	Phyllip Bix–Department of Justice (Victoria)



Senator the Hon. Eric Abetz, Minister for Employment.

All finalists were winners of their respective category at their 2013 state or territory or Comcare work health and safety awards.

In presenting the Awards, Minister Abetz congratulated the winners and finalists for their outstanding efforts.

## Work health and safety reporting in annual reports

Safe Work Australia is working with the International Governance and Reporting Research Centre at Macquarie University on two projects aimed at improving the reporting of work health and safety. The project is directed at improving both internal reporting to senior managers and boards to assist officers meet their due diligence requirements under the work health and safety legislation and external reporting through company annual reports. The work is being co-funded by the Safety Institute of Australia and CPA Australia.

Promote improved safety reporting is an activity in the 2013-14 Operational Plan and supports Strategy 2 of the Strategic Plan.

The first project is examining the role of accounting in work health and safety reporting and specifically:

- > the application of traditional accounting processes (resourcing, measuring, monitoring, assuring and reporting) to work health and safety governance and due diligence, and
- > issues and opportunities arising from the relationship between accounting and work health and safety.

The second project is to develop and test a range of indicators for both internal and external reporting and guidelines for companies wanting to develop internal indicators relevant to the size and nature of their business.

Two discussion papers were published on the Safe Work Australia website during the financial year:

- > *Issues in the measurement and reporting of work health and safety: a review*, and
- > *Issues in the assurance and verification of work health and safety information*.

Draft guidelines for evaluating and reporting on work health and safety were also developed and tested in eight organisations and revised as a result of the feedback from the initial pilot testing and Safe Work Australia.

A further two discussion papers and a final report on work health and safety and accounting will be published later in 2014:

- > *WHS implications of resourcing, contracting and infrastructure decisions*
- > *Implications of performance management on safety culture*, and
- > *Final report: Accounting for WHS governance: discharging due diligence under the Work Health and Safety Act*.

A series of seminars will be undertaken throughout Australia on the revised guidelines for evaluating and reporting on work health and safety. Companies will be encouraged to test and evaluate the guidelines on a voluntary basis. Feedback from the testing will be used to further refine the guidelines before they are published in 2015.

## Model Work Health and Safety Laws

### Implementation

Safe Work Australia continued to monitor implementation of the model WHS laws to identify and resolve any issues regarding interpretation and workability. Of the nine jurisdictions, seven have enacted and commenced the model WHS laws, with the majority of workers in Australia covered by them.

Assisting jurisdictions to implement the model WHS laws is an activity in the 2013-14 Operational Plan and supports Strategy 4 of the Strategic Plan.

An Implementation Temporary Advisory Group (TAG) established to consider and provide advice on implementation issues met once in 2013-14.

This financial year, the majority of Safe Work Australia Members and Work Health and Safety Ministers agreed to a number of amendments to the model WHS laws to improve their workability. Changes included:

- > removing the requirement for protective structures on earth moving equipment
- > removing the requirement to register the design of pre-fabricated formwork

- > simplifying the design verification requirements for other types of high risk plant, and
- > clarifying that asbestos registers are not required for domestic purposes.

A revised version of the model Work Health and Safety (WHS) Regulations was published on the Safe Work Australia website on 9 January 2014. Once adopted by jurisdictions, these changes will help reduce the regulatory burden for businesses in complying with their work health and safety responsibilities without compromising safety standards.

On 11 April 2014 the Council of Australian Governments (COAG) Select Council of Workplace Relations (SCWR) at its final meeting, endorsed seven amendments to the model WHS laws proposed by Queensland and agreed by Safe Work Australia Members. Changes included increasing the penalty from 100 to 200 penalty units for a work health and safety permit holder contravening conditions of entry, requiring assistants to Health and Safety Representative (HSRs) to provide at least 24 hours' notice before entering a workplace and allowing businesses to refuse entry to HSR assistants if requirements for notice are not met. Other amendments designed to reduce red tape and regulatory burden for businesses were also supported, such as no longer requiring certain information to be submitted in writing to the regulator. Safe Work Australia will progress these changes during 2014-15.

## Codes of Practice and guidance material

Safe Work Australia has continued to develop material in support of the model WHS laws including a review of 12 draft

model Codes of Practice to ensure they were practical for all sectors of business. In June 2014 Safe Work Australia agreed by majority to publish nine of the revised documents as national guidance material. Further information about the review is on page 29.

Six agreed model Codes of Practice for: confined spaces, construction work, managing risks in the workplace, demolition work, excavation work and spray painting and powder coating were reviewed and republished on the Safe Work Australia website. A range of guidance material including material for workplace bullying was also published.

A full list of material published during 2013-14 is at Appendix 1.

## Stevedoring

Safe Work Australia continued to work closely with industry, unions and work health and safety regulators on updated material for Stevedoring to address the high rates of death, serious injury and illness in the industry. Public comment on a draft Code of Practice: *Managing Risks in Stevedoring* and a consultation regulation impact statement closed on 29 November 2013. Eighteen submissions were received from individuals, unions, companies and industry representatives.

A Stevedoring TAG is advising Safe Work Australia on development of stevedoring material. TAG members include representatives from work health and safety regulators, Australian Maritime Safety Authority, stevedoring employers and unions. The TAG met once in 2013-14 to consider submissions made during the public comment period.

## **Workplace Bullying**

Safe Work Australia Members agreed in November 2013 to convert the draft model Code of Practice for *Preventing and Responding to Workplace Bullying* into guidance material. The *Guide for Preventing and Responding to Workplace Bullying, and Dealing with Workplace Bullying—a Worker’s Guide*, as well as a set of frequently asked questions were published on the Safe Work Australia website in late November 2013. A bullying working group established by SIG-WHS on 7 February 2014 will review the guidance material during 2014-15 to ensure they reflect any new developments in dealing with workplace bullying.

## **Construction Code**

Safe Work Australia revised the model Code of Practice: *Construction Work* to include information relevant to the housing construction industry. As operators in the housing construction industry tend to be smaller organisations than in commercial or civil construction, specialised guidance was needed. Changes to the code included practical examples of how the regulatory requirements apply to housing construction situations.

In developing these changes, Safe Work Australia consulted with the Housing Industry Association and a working group consisting of other interested parties from the housing construction industry including the National Electrical Communications Association and Master Builders Association. A draft code was released for public comment in August 2013 and the revised code was published in November 2013.

# Small businesses assist in reviewing draft model Codes of Practice

In April 2014 Work Health and Safety Ministers asked Safe Work Australia to review 12 draft model Codes of Practice. The aim of the review was to identify unnecessary or inefficient regulation and, where appropriate, simplify or eliminate the codes without compromising safety standards. New regulation should only be imposed where absolutely necessary.

*“The revised Codes and guidance material provides practical assistance to aid understanding and compliance and support improved work health and safety outcomes.”*

The Agency conducted in-depth interviews with a number of relevant small businesses in the Australian Capital Territory and surrounding New South Wales regional areas to examine the suitability and effectiveness of three of the draft model Codes of Practice relating to traffic management, scaffolding and rural plant. Feedback found the codes didn't allow for differences based on sector, industry, mind set and capacity.

Respondents felt the codes did not effectively engage the audience and made it difficult to identify the relevance to specific businesses.

The use of tables of contents, visuals, flow charts and checklists which provide information by minimising the use of words was considered important. Checklists were widely valued as it was felt they empowered businesses and would be directly adopted into safe work method systems.

Another important finding highlighted how the distribution and formatting of information needed to allow for the increased use of mobile technology including tablets and smart phones.

Based on the feedback provided, each draft code was revised to ensure essential elements were retained, including information to assist duty holders understand their obligations in relation to the model WHS laws. Information on hazard identification, risk assessment and risk control measures was reorganised. Duplication and repetitive content was removed to provide clearer, shorter and more focussed documents. A package of documents was created for each topic. These packages contained a revised draft Code of Practice and guidance material including information sheets for small businesses and workers providing straightforward summaries on key topics.

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## Small businesses assist in reviewing draft model Codes of Practice – continued

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The aim of these changes was to help businesses better understand their work health and safety obligations and provide workers with more accessible information about workplace hazards. Cross-references to all the revised documents were included so businesses and workers find it easier to access the information.

The revised material provides practical guidance to aid understanding and compliance and support improved work health and safety outcomes.

The review of the 12 draft model Codes of Practice was completed by 30 June 2014. Nine of the 12 draft model Codes of Practice and accompanying material were agreed by the majority of Safe Work Australia Members as national guidance material. The topics were:

- > traffic management in workplaces
- > safe design, manufacture, import and supply of plant
- > formwork and falsework
- > scaffolds and scaffolding work
- > working in the vicinity of overhead and underground electrical lines
- > managing cash-in-transit security risks
- > managing risks in forestry operations
- > industrial lift trucks, and
- > amusement devices.

This guidance material is available on the Safe Work Australia website. Safe Work Australia is working to finalise the remaining three packages of material for:

- > tree trimming and removal work crane access method
- > cranes, and
- > managing risks of plant in rural workplaces.



## Evaluation of model WHS laws

Safe Work Australia continued to monitor the impact and effectiveness of the model WHS laws, reporting progress and new findings to Safe Work Australia Members.

A consolidated analysis of existing survey data was completed, measuring the level of knowledge in business, their concerns, and the work health and safety related costs required to meet safety requirements. Separate reports highlighted the experiences of workers, as well as very large businesses, small businesses and sole traders. A further 106 interviews were completed to investigate the experience of sole traders and small and medium sized businesses with work health and safety and to identify areas for review and assistance.

Continued implementation of the evaluation plan for the harmonisation of work health and safety is an activity in the 2013-14 Operational Plan and supports Strategy 3 of the Strategic Plan.

Data collection commenced for a detailed cost-benefit analysis of the effect of model WHS laws on workers, business and government. This data collection includes a large self-administered survey of a representative sample of Australian businesses, 85 interviews with businesses and 35 interviews with commonwealth, state and local government entities. Interviews will also be conducted with senior managers in all work health and safety regulatory agencies to measure efficiencies for government regulators in jurisdictions that have adopted the model WHS laws.

In partnership with the Australian National University (ANU) and the

Australian Research Council (ARC), Safe Work Australia is undertaking interviews to learn more about business' motivations, attitudes and perceptions and actions undertaken to comply with work health and safety regulation and how regulators seek to influence organisations to comply. Data collection has nearly been finalised with the work health and safety regulators in Queensland and South Australia and with small and medium sized enterprises in three priority industries: health and social assistance, construction and manufacturing.

## Mining

During 2013-14 Safe Work Australia continued to progress the development of draft model WHS (Mines) Regulations. The draft regulations do not form part of the model WHS Regulations but once finalised in 2014 the regulations will be provided to individual jurisdictions who may choose to implement them in their WHS laws.

## Explosives

In December 2012 COAG agreed that the harmonisation of explosives legislation would be progressed through the SCWR, where there are clear benefits to be derived. Workplace Relations Ministers asked Safe Work Australia to progress this work.

Safe Work Australia is currently developing policy proposals to inform the development of nationally consistent explosives legislation across Australia. A tripartite SIG-Explosives has been established to facilitate consultation with relevant stakeholders including the Australian Forum of Explosives Regulators (AFER) and to progress the policy development process.

The broad aim of the work is to achieve consistency and develop effective and efficient regulatory framework for explosives which provides for the protection of people, property and the environment from the effects of explosives. It also aims to provide a regulatory structure to ensure the security of explosives.

## Ongoing development

### High Risk Plant

The model WHS Regulations identify the types of high risk plant that require registration and/or licensing for operation in a workplace. A number of schedules to the model WHS Regulations which deal with high risk plant are under review with the aim of identifying areas for improvement, reducing red-tape and updating definitions to clarify coverage.

There are 29 classes of high risk work (HRW) requiring a licence in Australia and these are listed in Schedule 3 of the model WHS Regulations. To ensure that workers are trained and competent to undertake HRW, Safe Work Australia endorses the units of competency against which candidates are trained and the national assessment instruments that must be used by accredited assessors to assess a candidate's competency.

During 2013-14 Safe Work Australia redeveloped and released three new national assessment instruments for high risk plant, including boilers and reach stackers, and completed the development of a revised draft unit of competency for operating a concrete placing boom.

Review aspects of the regulatory framework is an activity in the 2013-14 Operational Plan and supports Strategy 4 of the Strategic Plan.

There is a continuous improvement process for all national assessment instruments and expert groups and industry technical specialists are engaged in this Safe Work Australia process. This will assist work health and safety regulators, accredited assessors and Registered Training Organisations to achieve consistent assessment outcomes and levels of competency for candidates while maintaining a national approach across all jurisdictions.

### Training tools and sessions

Safe Work Australia commissioned a further series of workshops to help businesses and workers better understand the model WHS Regulations for Hazardous Chemicals and the *United Nations' Globally Harmonized System of Classification and Labelling of Chemicals* (GHS). These workshops built on the success of the GHS training sessions held in June 2013. Workers, employers and regulators provided positive feedback on the provision of national training to assist in a consistent understanding of the GHS requirements.

To support the implementation of the model WHS Regulations, Safe Work Australia developed a new resource titled the *Hazardous Chemical Information List*. This list contains hazard classification information for over 4500 hazardous chemicals, each classified by an authoritative source and made available to the public.

Safe Work Australia delivered a continuing education session on measurement and risk assessment of nanomaterials to members of the Australian Institute of Occupational Hygienists in December 2013.

## Outlook for 2014-15

COAG has asked Work Health and Safety Ministers to examine ways to improve the model WHS laws, reduce regulatory burden and make it easier for businesses and workers to comply with their work health and safety requirements. The agency will assist Ministers with their examination. Ministers are required to submit their recommendations to COAG by the end of 2014.

In 2014-15 Safe Work Australia will:

- > continue to develop and revise a range of national material in support of the model WHS laws with a focus on ensuring this material is accessible, effective and practical
- > continue to be involved in the COAG Training Package Reform process
- > conclude the review of plant and HRW licence class definitions
- > continue to develop policy proposals for nationally consistent explosives legislation, and
- > continue to develop training and other tools to help businesses with their duties under the model WHS Regulations. This will include an online training tool to improve understanding of chemical labels and safety data sheets, and delivery of new GHS training targeted at small to medium businesses who are directly involved in the classification of chemicals and writing of safety data sheets.

## Feature Story

# Workplace hazardous chemicals training

The implementation of work health and safety requirements for workplace hazardous chemicals is well underway in Australia. Businesses are actively working to classify and label their chemical products in accordance with the model WHS Regulations, which are based on the GHS.

To assist businesses, regulators and third parties specialising in classification, Safe Work Australia developed two training modules which were delivered to over 2500 people during 2013.

Further to these modules, businesses identified the need for specific training in chemical classification, particularly for chemical mixtures. Workers also identified the need to access easy to understand training on chemical labels and safety data sheets.

In response Safe Work Australia provided a training schedule for the second half of 2014, targeting small to medium chemical manufacturers and personnel specifically engaged to classify chemicals.

An online learning resource is also being developed for use by all workers, providing a basic understanding of labels and safety data sheets required by the model WHS laws.

Safe Work Australia will continue to work with jurisdictions to develop and deliver national training to assist employers and workers to better understand the requirements of the model WHS laws.



To assist businesses understand the work health and safety requirements for workplace hazardous chemicals, Safe Work Australia has developed and delivered training modules to over 2500 people on classifying and labelling their chemical products.

## Data and analysis

Thirteen major statistical reports were published during 2013-14 in addition to updating a variety of fact sheets and data tables on the Safe Work Australia website. The reports continue to be a valuable resource for jurisdictions, industries, employers and workers and they provide the latest available information on work health and safety outcomes to policy makers and the Australian community as a whole. The reports cover work-related injuries, diseases and fatalities in addition to jurisdiction performance and activities and workers' compensation schemes. Many reports are focused on specific work health and safety themes or issues.

The information in the reports predominantly comes from three key data sets compiled and maintained by Safe Work Australia: the National Data Set for Compensation-based Statistics (the NDS), the Traumatic Injury Fatalities (TIF) collection and the Notifiable Fatalities collection. Safe Work Australia also accesses other data sources, particularly when reporting on occupational diseases or industries where workers' compensation coverage is relatively low, to ensure that a complete, accurate and robust as possible description of work health and safety outcomes is provided to the reader.

Safe Work Australia compiles a work-related fatality tally to provide an up to date estimate of work-related deaths in Australia. This information is published prominently on the Safe Work Australia website.

The Data and Analysis section also runs a statistical enquiries service. The team responds to a large number of enquiries from the public and the media each year,

- > Developing and disseminating data and statistical analysis reports, and
  - > Maintaining and making accessible national datasets for Work Health and Safety and Workers' Compensation statistics
- are activities in the 2013-14 Operational Plan and supports Strategy 3 of the Strategic Plan.

enabling Safe Work Australia to make its statistical resources available and accessible to all. Some of the reports published by Safe Work Australia in 2013-14 have attracted considerable media attention and a number of radio interviews about the data in the reports have been conducted.

### Key reports in 2013-14

Safe Work Australia published a number of noteworthy reports in 2013-14 and some of these are profiled below. All statistical reports can be downloaded from the Safe Work Australia website.

The *Comparative Performance Monitoring Report, 15th edition* provides a comparison of work health and safety outcomes and workers' compensation scheme performance across jurisdictions in Australia and New Zealand in 2011-12. It also reported on progress made against targets in the *National OHS Strategy 2002-2012*. The 2014 (16th) edition of this report will include the final measurements against these targets and future editions of the report will document progress against the new Australian Strategy targets.

The *Comparison of Workers' Compensation Arrangements in Australia and New Zealand* report provides information on the operation of workers'

compensation schemes in each of the Australian jurisdictions and New Zealand. This report is a valuable resource and essential guide for anyone working in the workers' compensation field.

*Measuring progress towards targets—reducing the incidence of work-related death, injury and illness*—was produced to accompany the Australian Strategy and it outlines how the strategy targets were determined and will be measured into the future.

223 workers were killed in 2012, down 28% from 311 in 2007.

*Work-related traumatic injury fatalities, Australia 2012* provides the most accurate estimate of the number of work-related injury fatalities that occur in Australia each year. The report covers all Australian workers and bystanders killed as a result of someone else's work activity. Information for this report is sourced from workers' compensation data (the NDS), notifiable fatalities and from the National Coronial Information System. In 2012, 223 workers were killed, which is a significant reduction from the 311 deaths recorded in 2007. The 2012 fatalities equate to a rate of 1.93 deaths per 100 000 workers. With the cooperation of the jurisdictions and improvements to the coverage of the Notifiable Fatality collection, Safe Work Australia has been able to reduce the publication lag for this report series from 11 months to 7 months in 2013-14. The 2013 report will be published in July 2014.

*Work-related fatalities involving trucks, 2003-2012* profiles one of the most common factors involved in work-related deaths in Australia—trucks. Over the

10 year period covered by the report, 787 workers were killed in truck-related incidents, amounting to 30 percent of all work-related fatalities over the period. The report identified some key areas where efforts could be made to prevent fatalities. Readers interested in this topic should also read *Work health and safety in the road freight transport industry*, which describes serious injuries and fatalities and their trends over time in this Australian Strategy priority industry.

*Psychosocial Health and Safety and Bullying in Australian Workplaces: Indicators from Accepted Workers' Compensation Claims* was the first annual statement issued by Safe Work Australia in response to recommendation 18 of the House of Representatives Standing Committee on Education and Employment's report *Workplace Bullying: We Just Want it to Stop*. The statement outlines key statistics about accepted workers' compensation claims caused by mental stress and its subcategory, harassment and/or bullying. In future statements Safe Work Australia seeks to include other statistics relating to workplace bullying from jurisdictions.

## Australian Mesothelioma Registry

2013-14 has seen the continuation of the Australian Mesothelioma Registry (AMR) and the completion of its third data report, which provides the latest information on the incidence of mesothelioma, mortality from mesothelioma and describes the likely asbestos exposure scenarios for a subset of people diagnosed since 2010. The third data report will be published on the AMR website in early 2014-15. Key findings of the report include that the AMR received 575 notifications of new mesothelioma diagnoses in 2013.



This equates to 2.2 cases per 100 000 person-years. Asbestos exposure has been assessed for 350 people diagnosed with mesothelioma since 1 July 2010. Of these 61 percent were found to have possible or probable occupational asbestos exposure. The remainder provided no information to suggest occupational exposure but 83 percent of these were found to have asbestos exposures in non-occupational contexts and 16 percent (or 7 percent of all assessed) provided no information that would suggest they had asbestos exposure above background levels in either occupational or non-occupational contexts.

The AMR is managed for Safe Work Australia by the Cancer Institute NSW and the current management contract is for the period 2013-14 to 2015-16. The Monash Centre for Occupational and Environmental Health (MonCOEH) plays a key role in collecting and analysing the asbestos exposure information. Safe Work Australia sits on the management committee along with other experts in the field and state and territory cancer registries, the Cancer Institute NSW and MonCOEH. The AMR is funded by Safe Work Australia but Comcare also contributed funding in 2013-14.

## Outlook for 2014-15

Safe Work Australia will continue to publish a broad range of statistical reports and resources in 2014-15. In addition to regular statistical reports, there will be an ongoing focus on producing thematic reports that focus on key work health and safety issues as well as Australian Strategy priority industries and disorders. These will include reports on: emergency services, musculoskeletal disorders, the construction and accommodation and food services

industries and a report assessing the role of design issues in work-related fatalities.

Safe Work Australia is always looking for ways to improve the data we hold. We will work closely with the jurisdictions to address issues or concerns with workers' compensation and fatality data as well as scope and investigate new potential data sources that may add new information on work health and safety outcomes. One potential data source that will be investigated in 2014-15 is jurisdictional prosecutions data—publically available information but not currently published or analysed at a national level. This data may enable Safe Work Australia to publish a commentary or statistics on the types of work health and safety prosecutions made in Australia and the information may also be useful in establishing details about work-related injury fatalities that have otherwise been unclear. This will lead to an improvement in the accuracy of information in the TIF collection.

## Research and evaluation

### Australian Strategy priority disorders and industries

Several research projects were completed in 2013-14 focusing on priority disorders and industries and published on the Safe Work Australia website including:

- > An investigation of the work related causes of contact dermatitis. This furthered research on irritants and allergens that cause contact dermatitis and explored the provision and use of control measures and awareness of managers and workers of the causes of contact dermatitis.
- > An examination of the work characteristics, health and retirement plans of middle-aged workers in Canberra and Queanbeyan conducted in collaboration with the ANU. This fourth wave of data from the middle-aged cohort of the Personality and Total Health (PATH) Through Life Project is being used to examine the impact of psychosocial hazards in the workplace on health including the development of cardiovascular disease.
- > Analysis of the effects of worker health, work characteristics and demographic factors on productivity. This also evaluated a prototype assessment tool for use in interventions by consultants, regulators and businesses.
- > A report detailing the factors influencing safe work procedures and risk management practices in the structural metal product manufacturing industry, aiming to inform evidence-based prevention activities.

Develop and disseminate research is an activity in the 2013-14 Operational Plan and supports Strategy 3 of the Strategic Plan.

Safe Work Australia is continuing an examination of the effects of musculoskeletal disorders on the productivity of young workers.

A preliminary analysis from the first 520 workers was completed in May 2014 and is expected to conclude in late 2014 after the collection of more data.

Analysis of work health and safety in the manufacturing industry will also continue to investigate safety practices, hazard exposures as well as underlying attitudes and perceptions of work health and safety. A report will be completed in late 2014. Similar reports for the road transport and construction industries are nearing completion.

Safe Work Australia participated in a call for good practice as part of the Mentally Healthy Workplace Alliance (the Alliance). The Alliance is a national approach by business, community and government to encourage Australian workplaces to become mentally healthy for the benefit of the community and businesses. Safe Work Australia took the lead in the production of 22 case studies. In-depth interviews were conducted in New South Wales, Victoria, Queensland, the Australian Capital Territory, Tasmania and Western Australia with an opportunistic sample of employers. The research aim was to identify exemplars of mental health initiatives that have made a positive impact for Australian workplaces across industries. These case studies were published on the Alliance Heads Up website [www.headsup.org.au](http://www.headsup.org.au) in July 2014.

## Hazard surveillance

Safe Work Australia continues to undertake and support research to better understand current hazard exposures, the use of controls and attitudes towards work health and safety.

Exposures to noise, dust, vibration and chemicals, particularly phosphine, are being measured on small mixed crop and livestock farms in Western Australia. Exposure measurements and surveys about risk management practices are providing useful information about farming work practices. A report on findings is expected in mid-2015.

Dr Lin Fritschi led a research team at the University of Western Australia to collect self-reported information on exposures to 38 carcinogens from a national sample of 5023 workers in 2011-12. This work known as the Australian Work Exposure Study (AWES), was supported by National Health and Medical Research Council (NHMRC) funding. Safe Work Australia funded the analysis of AWES data to examine exposures to lead, formaldehyde and polycyclic aromatic hydrocarbons. Reports will be published on the Safe Work Australia website in late 2014.

A team from Curtin University are also collecting self-reported information on exposures to several asthmagens from a national sample of about 5000 workers in 2014-15. The Extended Australian Work Exposure Study (AWES-2) is supported by NHMRC, Safe Work Australia, Cancer Council Australia and Cancer Council Western Australia as a NHMRC Partnership Project. Reports will be available in 2015-16.

Safe Work Australia continued as a research partner in the People at Work project aiming to help organisations identify and manage the hazards in the workplace that could contribute to the development of mental stress. The project is a collaboration between the Queensland University of Technology, the ANU, Workplace Health and Safety Queensland, the Victorian WorkCover Authority, Safe Work Australia, Comcare, WorkCover NSW and *beyondblue*. The project is funded by the partner organisations and the ARC and will continue into 2015.

## Outlook for 2014-15

*The Research, Evaluation and Data Strategy 2013-2017* highlights the focus of the Research and Evaluation Program in four areas: hazard surveillance and risk management; occupational disease; attitudes to work health and safety; and evaluation of interventions. Projects through to 2015-16 will include:

- > ongoing evaluation of work health and safety laws focussing on due diligence obligations and regulatory burden for businesses of all sizes
- > examination of workplace exposures to asthmagens and controls used to reduce exposures, and
- > identification of organisational risk factors associated with workplace bullying to develop prevention strategies.

# Reducing red tape in work health and safety

In May-June 2014, 89 businesses were interviewed on what they consider to be red tape in work health and safety requirements and their suggestions for reducing it. These businesses included sole traders (non-employing businesses) and owners of small (1-19 employees) and medium (20-199 employees) businesses.

These businesses comprise 99.8% of the total 2,079,666 actively trading businesses in Australia (ABS Counts of Australian Businesses June 2013, Cat. No. 8165.0). There are about 1.3 million sole traders, 760 824 small businesses and nearly 55 000 medium businesses.

Businesses identified some positive impacts of work health and safety reform as well as several problem areas. Developing or updating procedures and training and certification were reported as significant burdens. Businesses that provide services to other businesses or government reported additional burdens arising from a one-size-fits-all approach by their clients. A major issue was the different requirements and expectations of clients/work health and safety officers, inspectors and consultants. Other main findings included:

- > the different volumes of documentation for work health and safety activities are often seen as exceeding requirements and what is 'reasonably practicable'
- > the cost and time of developing safe work method statements was significant and was viewed as a major burden

- > certification and competencies involving client requests for irrelevant forms and certifications including letters from course assessors for each job rather than accepting tickets and certificates
- > lack of industry-specific information, and
- > difficulty in finding user-friendly materials and forms.

The participants suggested red tape could be reduced by:

- > improving consistent interpretation of WHS laws and regulations
- > providing information and templates specific to their industries
- > providing detailed guidance which would help them to know what is 'reasonable', what is 'practical' and what is the 'minimum standard' for their industry, and
- > standardising licenses and competencies across Australia.

Safe Work Australia will use this valuable information and work with work health and safety regulators to develop easier and more personalised ways of complying with the model WHS laws.

## International

Safe Work Australia continued its involvement with international organisations like the United Nations Sub-Committee of Experts on the GHS, Organisation for Economic Co-operation and Development (OECD) Working Party for Manufactured Nanomaterials, and the International Labour Organisation.

Safe Work Australia also hosted a number of overseas delegations. The delegations were interested in learning about Australia's work health and safety and workers' compensation systems and work health and safety in Australian mines.

Representing Australia in international fora on relevant matters is an activity in the 2013-14 Operational Plan and supports Strategy 2 of the Strategic Plan.

During 2013-14 Safe Work Australia hosted:

- > a visit by Dr Jaseema Begum, Deputy Director of Occupational Health in Malaysia's Department of Occupational Safety and Health in October 2013
- > a delegation of 15 health experts from the Chinese Anhui Province Health System in November 2013, and
- > a delegation from the Chinese State Administration of Work Safety (SAWS) in November 2013. Safe Work Australia attended a meeting with another SAWS delegation at the Department of Industry in December 2013. Both SAWS meetings focused on work health and safety in mining.

Safe Work Australia is representing Australia on the G20 Task Force on the Employment Sub-Group on Safer Workplaces. Ms Michelle Baxter travelled to Istanbul, Turkey to attend a meeting of the G20 Sub-Group in May 2014. The Sub-Group provided recommendations on how the G20 might contribute to reducing the number of fatalities, illnesses and injuries caused by unsafe workplaces. The recommendations will be considered at the G20 Labour and Employment Ministers meeting on 10-11 September 2014 in Melbourne.

Mr Drew Wagner, Branch Manager, Work Health and Safety travelled to Geneva in June 2014 to attend meetings of the UN sub-committee of Experts on the GHS and UN Sub-Committee for the Transport of Dangerous Goods.

Ms Julia Collins, acting Branch Manager, Review and Engagement provided advice to the New Zealand government on the model WHS laws to assist New Zealand in the development and introduction of its Health and Safety Reform Bill. This bill is part of the New Zealand Government Working Safer package of reforms that followed the recommendations of the Independent Taskforce on Workplace Health and Safety in 2013.

Safe Work Australia continued its role as secretary with the Knowledge Network in Occupational Health in Mining (KNOHMi) for the World Health Organisation Global Network of Collaborating Centres. Safe Work Australia has participated in KNOHMi's transition to become the Working Group on Occupational Safety and Health in Mining (MinOSH) with the International Commission on Occupational Health (ICOH).

## Recognition

In June 2014, economist and data analyst Mr Richard Webster from Safe Work Australia was invited by the European Agency for Safety and Health at Work to attend and present at an expert meeting in Bilbao, Spain, on setting up a model for determining the costs of incidents and ill-health at work. Mr Webster was invited because of his involvement in developing Safe Work Australia's cost estimate model. Early in 2013, Mr Webster attended a similar meeting in Singapore with the Work Safety and Health Institute and since then has provided advice on the development of their model. These invitations indicate the level of regard held for Safe Work Australia's model and reports on the *Cost of Work-Related Injury and Illness to the Australian Economy* by the international work health and safety community. Safe Work Australia's report is due to be updated during 2014-15 and it is expected that a more up to date estimate of the cost of work-related injury and illness to the Australian economy will be published in 2015.

## Outlook for 2014-15

Safe Work Australia's role as secretary of the ICOH Working Group MinOSH will continue until June 2015.

The G20 Sub-Group on Safer Workplaces will continue while Australia is host of the G20. The G20 Leaders' Summit will take place in Brisbane in November 2014.

## Workers' compensation

Safe Work Australia undertakes a program of work to improve workers' compensation arrangements in Australia including in the areas of Return to Work, deemed diseases, permanent impairment and developing minimum benchmarks for the National Injury Insurance Scheme.

Activities in the 2013-14 Operational Plan to support Strategy 6 of the Strategic Plan include:

- > Manage and conduct National Return To Work survey
- > Develop Australian specific list of scheduled diseases
- > Support National Guidelines for Permanent Impairment, and
- > Develop minimum benchmarks for the National Injury Insurance Scheme.

## Return to Work

Safe Work Australia manages the National Return to Work Survey which collects information via interview from over 4000 injured workers with a workers' compensation claim from Australian jurisdictions and from New Zealand. The survey is co-funded by Safe Work Australia and participating jurisdictions. In 2014 Safe Work Australia published a number of reports based on the 2013 survey which covered New Zealand and all Australian jurisdictions except the Australian Capital Territory and the Northern Territory. Reports included Headline Measures, a full summary of results and a report examining the employer and workplace factors impacting on return to work.



The national survey was run again in May 2014 with the Northern Territory taking part for the first time. Headline results were provided to jurisdictions in June 2014.

## Deemed diseases

In August 2013 Safe Work Australia Members agreed to a work plan to develop an up-to-date Australian list of deemed diseases based on the most recent scientific evidence on the causal link between disorders and occupational exposure. The aim of the project is to develop an agreed list of deemed diseases which if adopted would streamline access to workers' compensation for those with a disease caused by their work, improve fairness and clarity and to reduce the likelihood of dispute.

## Assessment of permanent impairment

In February 2014 Work Health and Safety Ministers agreed by majority for Safe Work Australia to implement nationally consistent arrangements for the assessment of permanent impairment. Safe Work Australia Members agreed to the scope of the work in May 2014.

## National Injury Insurance Scheme

The Productivity Commission inquiry into Disability Care and Support in 2011 recommended the establishment of two schemes: the National Disability Insurance Scheme and the National Injury Insurance Scheme. The National Injury Insurance Scheme is envisaged as a federated model of separate state-based, no-fault schemes providing lifetime care and support to people who newly acquire a catastrophic injury related to motor vehicle, work-related, medical and general accidents.

Safe Work Australia completed the technical work including recommended minimum benchmarks for injuries requiring lifetime care and support resulting from workplace accidents in March 2014. This work was referred to the National Injury Insurance Scheme Senior Officials Group comprising government officials from Commonwealth, State and Territories. This group will develop options for consideration by the Standing Council for Federal Financial Relations. In December 2013, COAG requested that policy development for the workplace accident stream of the National Injury Insurance Scheme be completed by 1 December 2014.

## Outlook for 2014-15

A series of reports using data from the 2014 National Return to Work survey examining specific topics of interest will be published in late 2014. The 2015 Survey will be undertaken in May 2015.

Safe Work Australia will develop the national guide for the assessment of permanent impairment and a process for maintaining the guide by late 2014. A national training package for assessors will be developed by June 2015.

# Employer support and return to work

## Findings from the 2013 Return to Work Survey

One of the principal aims of workers' compensation schemes is to achieve the rehabilitation and return to work of injured workers as early as is suitable, taking into account the nature and severity of the injury and a return to work that is sustainable.

Return to work that is timely, safe and sustainable has financial, social, psychological and physical benefits for workers as well as benefits for employers and the schemes themselves.

Research published by Safe Work Australia in May 2014 highlights the important role employers play in supporting a worker to return to work following an injury. The study found that for the most part, the relationship between employers and workers in Australian workplaces is a good one. Most workers had positive perceptions of their workplace prior to their injury and most reported they received support from their employer following their injury and on their return to work.

Employer contact and support at the time the worker was injured and during recovery led to better return to work outcomes. Workers who felt supported by their employer to a great extent were substantially more likely to have returned to work at the time of the survey compared to those who felt they were not supported at all.

The research findings support earlier research conducted in Australia and overseas and summarised by the Australasian Faculty of Occupational Medicine as 'workers who are valued, treated with respect and have their concerns addressed quickly are significantly more likely to return to work.'



Return to work that is timely, safe and sustainable has financial, social, psychological and physical benefits for workers as well as benefits for employers and the schemes themselves.

## Employer support and return to work

– continued

Factors that were positively associated with better return to work outcomes included:

- > management commitment to workplace safety
- > early contact and ongoing support of the injured worker
- > provision of information on rights and responsibilities in relation to returning to work
- > perception by the worker of being treated fairly during and after the claims process, and
- > making an effort to find suitable employment.

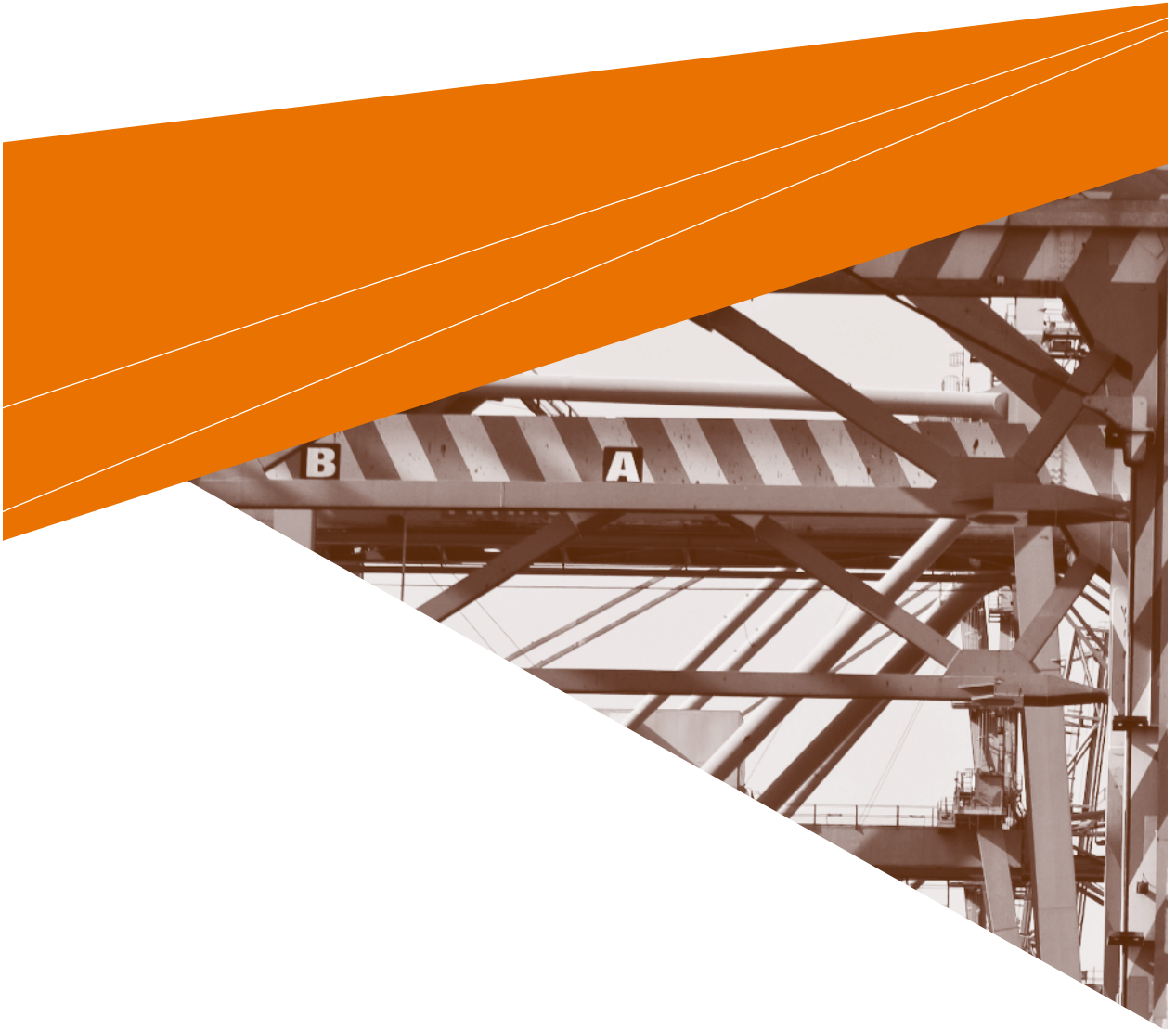
The report *The National Return to Work Survey 2013: the Role of the Employer and Workplace*, along with other reports from the survey are available on the Safe Work Australia website. The survey collected information from 4698 injured workers in Australia and New Zealand. All Australian jurisdictions took part except for the Australian Capital Territory and the Northern Territory.

A second Return to Work Survey was conducted in May 2014 with the Northern Territory taking part for the first time. Survey results and other topic reports will be published in late 2014.



## Part 3

# Management and accountability



## Government and Parliament

Under the *Safe Work Australia Act 2008* the Chief Executive Officer is to keep the Minister informed of Safe Work Australia's progress in performing its functions.

The Hon Bill Shorten MP, Minister for Employment and Workplace Relations was the Minister responsible for Safe Work Australia from December 2011. Following the Federal election in September 2013 the responsible Minister became Senator the Hon. Eric Abetz, Minister for Employment.

Throughout 2013-14 the Ministers were regularly advised of progress on key matters including being provided with monthly reports on Safe Work Australia's activities.

## Safe Work Australia

Safe Work Australia comprises 15 Members including an independent Chair, nine members representing the Commonwealth and each state and territory, two members representing the interests of workers, two representing the interests of employers and the Chief Executive Officer of Safe Work Australia. Members are supported by the staff of the agency and various committees and groups for both technical and policy matters.

Safe Work Australia is required to convene at least three meetings each financial year. Safe Work Australia met seven times in 2013-14, three of which were by teleconference. The additional teleconference meetings were held to discuss Queensland's proposed amendments to its *Work Health and Safety Act 2011* and associated regulations and to consider revising material related to the model WHS laws.



### Safe Work Australia Chair, Ms Ann Sherry, AO

Ms Sherry is the Chief Executive Officer of Carnival Australia and holds a number of non-executive roles with Sydney Airport Corporation, ING Direct (Australia), The Myer Family Company Holdings Pty Ltd, Jawun – Indigenous Corporate Partnerships and Australian Rugby Union. Ms Sherry is also the Chair of Cruise Lines International Association South East Asia. In 2013 Ms Sherry was awarded an Honorary Doctor of Letters by Macquarie University in recognition of her contribution to Australian business and civic life.



### Mr John Watson, NSW

Mr Watson is the General Manager, Occupational Health and Safety Division, WorkCover Authority NSW. Mr Watson was the Chair of the Heads of Workplace Safety Authorities (HWSA) and the Strategic Issues Group on Work Health and Safety (SIG-WHS). Mr Watson has over 25 years' experience working on work health and safety matters in Australia.





### **Ms Denise Cosgrove, VIC**

Ms Cosgrove joined Victorian WorkCover Authority as Chief Executive in November 2012. Prior to joining WorkCover, Ms Cosgrove worked for New Zealand's Accident Compensation Corporation (ACC). Ms Cosgrove's most recent role with the ACC was as General Manager, Claims Management, responsible for the management of ACC operations as well as other areas including the clinical directorate, health procurement and innovation functions.



### **Dr Simon Blackwood, QLD**

Dr Blackwood is currently the Deputy Director-General for Fair and Safe Work Queensland. His responsibilities and functions include supporting improved workplace health and safety and electrical safety performance through the regulatory framework and provision of services, regulatory responsibility and provision of policy advice on workers' compensation matters; and supporting a productive industrial relations framework for the private sector in Queensland. Dr Blackwood's previous roles have included Executive Director of Workplace Health and Safety Queensland and prior to that General Manager of Private Sector Industrial Relations. Dr Blackwood is a member of SIG-WHS.



### **Mr Bryan Russell, SA**

Mr Russell is the Executive Director of SafeWork SA, a business unit of the Department of Premier and Cabinet. Mr Russell is the South Australian representative on Safe Work Australia and SIG-WHS and has played a key role in the reform of Work Health and Safety legislation in Australia. He is currently the Chair of the SIG-Explosives. Mr Russell was also the South Australian representative on the National Mine Safety Forum Steering Group responsible for the development of model laws for mine safety in Australia.



### **Mr Brian Bradley, WA**

Mr Bradley is the Director General of the Department of Commerce. Mr Bradley holds the position of Deputy Chair of the Western Australian Commission for Occupational Safety and Health. Mr Bradley is a member of the WorkCover Western Australia Authority's Board and a member of the Legal Aid Commission. Mr Bradley has been working on safety and health matters since 1983.



### **Ms Fiona Barbaro, ACT**

Ms Barbaro is the Director of the Office of Industrial Relations in the ACT Government. Ms Barbaro has been a member of various working groups on work safety issues since 2003. She has held senior positions in the ACT Government responsible for public and private sector industrial relations, criminal and public law, work safety policy and dangerous substances including asbestos, explosives and chemical regulation. Ms Barbaro holds degrees in arts and law and is admitted as a barrister/solicitor in the ACT Supreme Court.



### **Mr Martin Shirley, TAS**

Mr Shirley joined SafeWork Tasmania as Chief Executive in August 2013. Mr Shirley has held senior management positions for the past 20 years in industrial relations, operational management, strategy, planning and communications. Prior to joining SafeWork, he worked for WorkCover Tasmania within the Department of Justice. His most recent role was Director, WorkCover Tasmania responsible for the strategic management of WorkCover operations as well as other areas including the directorate, health and safety innovation and communications. Mr Shirley is Tasmania's Asbestos Compensation Commissioner, Director of Gas Safety and Tasmania's Regulator of work health and safety.



### **Mr Doug Phillips, NT**

Mr Phillips has worked in senior management positions in the private sector, accounting, motor industry and a group of companies having interests in real estate, motor dealerships, tourism, hospitality and airport ground transport. Mr Phillips joined the Northern Territory Government in 1999 and has since held senior executive positions. In 2012 Mr Phillips was appointed Deputy Chief Executive of NT Work Health Authority for the Department of Business. Mr Phillips is a member of SIG-WHS.



### **Ms Kylie Emery, Commonwealth**

Ms Emery is the Group Manager of the Workplace Relations Implementation and Safety Group, Department of Employment. Ms Emery holds degrees in arts and law and a Masters of International Law. Ms Emery is admitted as a barrister/solicitor to the ACT Supreme Court. Ms Emery is a member of SIG-WHS and SIG-Explosives.



### **Mr Michael Borowick, ACTU**

Mr Borowick is an Assistant Secretary of the Australian Council of Trade Unions (ACTU) and oversees the work of the Occupational Health and Safety and Workers' Compensation team. Mr Borowick represents the ACTU on the National Workplace Relations Consultative Council, Safety Rehabilitation and Compensation Commission (SRCC), Defence Reserves Support Council and the Asbestos Safety and Eradication Council. Prior to his current position, Mr Borowick was an official of the Australian Workers' Union (AWU) for 20 years, where he was the Victorian Branch Assistant Secretary and a member of the AWU National Executive. Mr Borowick is a member of the Strategic Issues Group for Workers' Compensation (SIG-Workers' Compensation).



### **Mr Andrew Dettmer, ACTU**

Mr Dettmer is National President of the Australian Manufacturing Workers' Union. Mr Dettmer is currently on the board of Carbon Nexus, Catalyst and Australian People for Health, Education and Development Abroad, the ACTU's overseas aid arm. He has been an official of the union at both National and State levels since 1988.



### **Ms Carolyn Davis, ACCI**

Ms Davis is Manager of Workplace Health, Safety and Compensation Policy in the Australian Chamber of Commerce and Industry Workplace Policy area. Ms Davis has more than twenty years' experience in work health and safety and workers' compensation management, policy, advocacy and implementation. Ms Davis has held senior roles in major Australian companies and in academia as well as running her own consultancy for many years. Her early qualifications and background were in industrial chemistry and occupational hygiene. Ms Davis is a member of SIG-WHS and SIG-Explosives.



### **Mr Mark Goodsell, Ai Group**

Mr Goodsell is Director of the NSW branch of the Ai Group. Previously Mr Goodsell was an industrial relations adviser to industry. Mr Goodsell is currently a member of the NSW OHS and Workers' Compensation Council and is the chair of SIG-Workers' Compensation.



### **Ms Michelle Baxter, Safe Work Australia**

Ms Baxter is the Chief Executive Officer of Safe Work Australia. Her biography can be found on page 62.

## Safe Work Australia Strategic Issues Groups

Safe Work Australia Members established strategic issues groups to progress work health and safety, workers' compensation and explosives matters. These groups provide policy advice and recommendations and assist Safe Work Australia Members:

- > oversee the development and implementation of the model WHS laws
- > guide and advise on the overall strategic planning and policy development for harmonisation of workers' compensation arrangements

- > identify and obtain input from relevant stakeholders
- > establish temporary advisory groups, and
- > approve the release of publications.

## SIG-WHS

The SIG-WHS is tripartite and is constituted by Safe Work Australia Members and their nominees. The SIG-WHS met five times during 2013-14. SIG-WHS members considered technical amendments to the model WHS Regulations and the development of model codes of practice, guidance material and factsheets.

### SIG-WHS members as at 30 June 2014

Mr John Watson	Chair
Ms Kylie Emery	Commonwealth
Ms Jodie Deakes	New South Wales
Ms Linda Timothy	Victoria
Dr Simon Blackwood	Queensland
Mr Ian Munns	Western Australia
Mr Bryan Russell	South Australia
Ms Wendy Clarkson	Tasmania
Mr Doug Phillips	Northern Territory
Mr John Rees	Australian Capital Territory
Ms Cathy Butcher	Australian Council of Trade Unions
Dr Deborah Vallance	Australian Council of Trade Unions
Ms Carolyn Davis	Australian Chamber of Commerce and Industry
Ms Tracey Browne	Ai Group
Ms Michelle Baxter	Safe Work Australia

## SIG-Workers' Compensation

The SIG-Workers' Compensation oversees work on the improvement of workers' compensation arrangements throughout Australia and other workers' compensation matters as required.

The SIG-Workers' Compensation is tripartite and is constituted by Safe Work Australia Members and their nominees. The SIG-Workers' Compensation met four times during 2013-14.

### SIG-Workers' Compensation members as at 30 June 2014

Mr Mark Goodsell	Chair
Mr Henry Carr	Commonwealth
Ms Geniere Aplin	New South Wales
Ms Clare Amies	Victoria
Mr Paul Goldsbrough	Queensland
Mr Chris White	Western Australia
Mr Greg McCarthy	South Australia
Mr Brad Parker	Tasmania
Mr Bevan Pratt	Northern Territory
Mr Michael Young	Australian Capital Territory
Mr Michael Borowick	Australian Council of Trade Unions
Mr Dave Henry	Australian Council of Trade Unions
Mr Greg Pattison	Australian Chamber of Commerce and Industry
Ms Tracey Browne	Ai Group
Ms Michelle Baxter	Safe Work Australia

## SIG-Explosives

The SIG-Explosives was established to progress nationally consistent explosives legislation. The SIG-Explosives is

tripartite and is constituted by Safe Work Australia Members and their nominees. The SIG-Explosives met four times during 2013-14.

### SIG-Explosives members as at 30 June 2014

Mr Bryan Russell	Chair
Ms Kylie Emery	Commonwealth
Mr Tony Robinson	New South Wales
Ms Linda Timothy	Victoria
Mr Geoff Downs	Queensland
Mr Philip Hine	Western Australia
Mr Stephen De Musso	South Australia
Ms Wendy Clarkson	Tasmania
Ms Melissa Garde	Northern Territory
Mr John Rees	Australian Capital Territory
Mr Keith Shaw	Australian Council of Trade Unions
Ms Carolyn Davis	Australian Chamber of Commerce and Industry
Ms Tracey Browne	Ai Group
Ms Michelle Baxter	Safe Work Australia



## Reference Groups

In 2013 the Safe Work Australia Members established three reference groups to share information between Safe Work Australia Member organisations and the agency on the relevant topics.

The three reference groups established are the:

- > Communications Reference Group
- > Research and Evaluation Reference Group, and
- > Data Reference Group.

### *Communications Reference Group*

This tripartite group comprises representatives that have been nominated by their Safe Work Australia Member. The group consists of Communication Managers, Media Managers and Event Managers from all work health and safety jurisdictions in Australia in addition to employer and worker representatives. The Communications Reference Group has been consulted on a number of agency activities throughout 2013-2014 including Safe Work Australia Month, the Australian Strategy VSS and the Stakeholder Engagement Review.

### *Research and Evaluation Reference Group*

This tripartite group comprises representatives from all work health and safety jurisdictions in Australia and New Zealand as well as employer and worker representatives. Topics discussed throughout 2013-14 included: sharing of research activities, findings and publications; development of a GovDex website to share information between members on research projects; evaluating work health and safety legislation; commenting on research

and evaluation strategies and input to the 2014-15 Safe Work Australia Research and Evaluation Work Plan; and opportunities for collaboration on research projects.

### *Data Reference Group*

This tripartite group comprises representatives from all work health and safety jurisdictions in Australia and New Zealand in addition to employer and worker representatives. A wide range of topics have been discussed throughout 2013-14 including: a data sharing agreement with the Institute for Safety, Compensation and Recovery Research; timing of the provision of compensated fatality data; the annual statement on psychosocial health and safety and bullying in Australian workplaces; consistency in the measurement of Comparative Performance Monitoring (CPM) indicators; and the provision of narrative information on workers' compensation claims where there were potentially design issues at play.

## **Safety Rehabilitation and Compensation Commission (SRCC)**

The SRCC is a statutory body with regulatory functions relating to Comcare and other authorities which determine workers' compensation claims under the Commonwealth scheme.

The Chief Executive Officer of Safe Work Australia is a Commissioner on the SRCC.

## **Heads of Workplace Safety Authorities (HWSA)**

HWSA is a group comprising representatives of the jurisdictional bodies responsible for the regulation and administration of workplace health and safety in Australia and New Zealand.

HWSA mount national compliance campaigns targeted at specific industries across all jurisdictions. These campaign initiatives facilitate the development of consistent approaches to nationally recognised priorities.

The Chief Executive Officer of Safe Work Australia is invited to attend HWSA meetings as an observer.

### **Heads of Workers' Compensation Authorities (HWCA)**

HWCA is a group comprising representatives of the jurisdictional bodies responsible for the regulation and administration of workers' compensation in Australia and New Zealand.

HWCA promotes and implements best practice in workers' compensation arrangements in the areas of policy and legislative matters, regulation and scheme administration.

The Chief Executive Officer of Safe Work Australia is invited to attend HWCA meetings as an observer.

## **Corporate governance**

### **Corporate Governance Framework**

Safe Work Australia's corporate governance framework ensures Safe Work Australia provides strategic direction, achieves objectives, manages risks and uses resources responsibly and with accountability. The framework is reviewed annually to ensure new whole-of-government requirements are incorporated and to reflect any changes to governance arrangements within Safe Work Australia.

Safe Work Australia ensures compliance with statutory requirements through

the corporate governance framework. This framework ensures all Safe Work Australia's statutory requirements are met including the requirements of the *Public Service Act 1999*.

During 2013-14 Safe Work Australia continued to improve its Integrated Planning Framework (IPF) which has significantly increased the effectiveness of planning and reporting internally and externally. The IPF has brought together the agency's financial, business and human resources planning into one process. The planning is strategically aligned to Safe Work Australia's risk management framework to identify potential risks and controls during the business planning process.

### **Legislative framework**

Safe Work Australia ensures compliance with statutory requirements through the corporate governance framework. This framework ensures all Safe Work Australia's statutory requirements are met including the requirements of the FMA Act and the *Public Service Act 1999*.

### **Leadership, ethics and culture**

Safe Work Australia recognises leadership, culture and ethical behaviour are critical to implementing a strong corporate governance framework.

These elements enable staff to:

- > understand their roles and responsibilities
- > continuously improve performance and minimise risks
- > enhance stakeholder and public confidence in Safe Work Australia, and
- > meet legal, ethical and public service obligations.

Strategy 7 of the Strategic Plan is Organisational Effectiveness. Activities in the 2013-14 Operational Plan to support this strategy include:

- > Ensure we meet our statutory obligations
- > Work within the governance and accountability framework
- > Deliver high quality Secretariat services
- > Continuous improvement of the IPF
- > Promote and improve health, safety and wellbeing of staff.

### **Risk management framework**

Safe Work Australia has maintained the risk management framework developed in 2010. This framework helps foster and promote a culture of identifying and mitigating risks at all levels within the organisation. The framework includes:

- > Risk Management Plan
- > Risk Management Toolkit including guidance and templates
- > Strategic Risk Assessment
- > Fraud Control Plan
- > Fraud Risk Assessment, and
- > Business Continuity Management Framework.

The Risk Management Framework is reviewed annually and provided to Safe Work Australia's Audit Committee for approval. Throughout 2013-14 the Risk Management Framework was updated and assessed by the Audit Committee as sound and robust.

Safe Work Australia participates in Comcover's Risk Management Benchmarking Survey each year. The feedback received from the survey assists us to improve and strengthen our risk management processes.

In 2014-15 Safe Work Australia will undertake a comprehensive review of the Risk Management Framework to further integrate the IPF and Comcover suggestions.

### **Fraud control**

Safe Work Australia complies with the Commonwealth Fraud Control Guidelines 2011 to minimise the incidence of fraud through the development, implementation and regular review of the Fraud Control Plan and fraud risks.

Safe Work Australia incorporated fraud awareness into new starter induction procedures in 2013-14 and delivered fraud awareness training to all new starters. The agency continued to remind staff of their responsibility for the prevention and detection of fraud against the Commonwealth.

No incidences of fraud were reported during 2013-14.

### **Certification of Fraud Control Measures**

*In accordance with the Commonwealth Fraud Control Guidelines 2011, I certify that Safe Work Australia has prepared a fraud risk assessment and fraud control plan and has in place appropriate fraud prevention, detection, investigation, reporting and data collection procedures. Safe Work Australia has taken all reasonable measures to minimise the incidence of fraud and to investigate and recover the proceeds of fraud.*

**Michelle Baxter,**  
Chief Executive Officer

### **Freedom of Information**

Agencies subject to the *Freedom of Information Act 1982* (FOI Act) are required to publish information to the public as part of the Information Publication Scheme (IPS). This requirement is in Part II of the FOI Act

and has replaced the former requirement to publish a section 8 statement in an annual report. Each agency must display a plan showing what information it publishes in accordance with the IPS requirements on its website.

Safe Work Australia received six Freedom of Information requests from 1 July 2013 to 30 June 2014.

Safe Work Australia's IPS Agency Plan can be found on the Safe Work Australia website.

## External accountability

Clear and consistent external reporting enables Safe Work Australia to directly address interests and concerns from other organisations. External conformance and accountability is acquitted through annual reports, Portfolio Budget Statements, Portfolio Additional Estimates Statements and Senate Estimates.

Safe Work Australia is accountable to:

- > Parliament
- > the Australian National Audit Office (ANAO)
- > the Department of Finance and Deregulation
- > the Department of Employment
- > the Department of Prime Minister and Cabinet, and
- > the Australian Public Service Commission.

## External audit

The ANAO provides external audit services for Safe Work Australia. The outcome of the 2013-14 financial statements audit is in Part 5 of this report. Safe Work Australia was not subject to any other ANAO audits during 2013-14.

## Judicial decisions and decisions of Administrative Tribunals

No judicial decisions were made by courts or administrative tribunals that affected the operations of Safe Work Australia in 2013-14.

## Parliamentary committees etc

No adverse reports of Safe Work Australia's operations were made in 2013-14 by the Auditor-General, a Parliamentary Committee or the Commonwealth Ombudsman.

## Internal accountability

Safe Work Australia has in place:

- > financial and human resources delegations
- > Chief Executive Instructions, and
- > various supporting policies, procedures and guidelines

to ensure internal conformance and accountability.

## Audit Committee

The Safe Work Australia Audit Committee was established in 2010 in accordance with section 46 of the FMA Act to provide independent assurance and assistance to the Chief Executive Officer on the integrity of Safe Work Australia's:

- > financial data and processes
- > risks, controls and compliance framework, and
- > external accountability responsibilities.

The Audit Committee comprises three members—a representative from Safe Work Australia and two independent members. The members as of 30 June 2014 were:

- > Mr Drew Wagner – Chair
- > Mr Alfred Bongi, and
- > Mr Dermot Walsh.

The Audit Committee met four times during 2013-14. The Audit Committee conducted the annual performance survey of the internal audit services provider at its September meeting and endorsed the agency's revised Corporate Governance arrangements in November 2013.

A number of observers including Safe Work Australia's Chief Financial Officer, representatives from the internal audit provider Oakton Services Pty Ltd and the ANAO regularly attend these meetings.

## Internal audit

The internal audit function was contracted to Oakton Services Pty Ltd in November 2010 for a period of three years, with the contract extended for a further year. The internal audit program is a key element of the agency's corporate governance framework.

The internal audit program provides assurance to the Audit Committee and the Chief Executive Officer and helps to improve the efficiency and effectiveness of the policies and procedures of Safe Work Australia.

The current Internal Audit Program expires in December 2014. During 2013-14 the following audits were commenced:

- > enabling services Memorandum of Understanding (MOU), and
- > grants and sponsorships.

The grants and sponsorship audit identified opportunities to enhance internal operations and systems including:

- > revisions of the grants policy and sponsorship guidelines
- > standardisation of better grant management practices across the agency, and
- > more stringent enforcement of grant recipients' financial reporting responsibilities.

The Audit on the MOU is still in progress. The agency also engaged Oakton to review its workforce planning and learning and development framework and to provide technical assistance to further comply with the mandatory requirements of the Protective Security Policy Framework under the internal audit program.





## Part 4

# Our organisation



# Organisation chart

Chief Executive Officer Michelle Baxter		
<b>Policy and Services</b> Amanda Grey Branch Manager	<b>Review and Engagement</b> Julia Collins Branch Manager (A/g)	<b>Work Health and Safety</b> Drew Wagner Branch Manager
People and Planning	Australian Strategy	Codes and Guidance
Finance	Implementation and Review	Explosives
Data and Analysis	Corporate and Legal Policy	Occupational Hygiene
Policy	Secretariat	Plant and Licensing
Research and Evaluation		

## Executive profiles

### Ms Michelle Baxter, Chief Executive Officer

Ms Baxter was appointed Acting Chief Executive Officer of Safe Work Australia in November 2013.

With more than 20 years of public sector experience, Ms Baxter has held related positions as:

- > Commonwealth Member, Safe Work Australia
- > Chair, Safe Work Australia’s SIG on Workers’ Compensation, and
- > Commissioner, Safety, Rehabilitation and Compensation Commission.

Ms Baxter has worked in many senior roles across the Australian Public Service including as Group Manager, Safety and Entitlements with the Department of Education, Employment and Workplace Relations (DEEWR). Other recent senior positions include Group Manager responsible for agency

change with the Fair Work Ombudsman and Group Manager, COAG Taskforce with DEEWR.

Michelle is qualified in Law and Arts with a Bachelor of Laws and a Bachelor of Arts from the Australian National University. She is admitted to practice as a Barrister and Solicitor in the Australian Capital Territory.

### Ms Amanda Grey

Ms Grey is the Branch Manager of the Policy and Services Branch. Ms Grey oversees Safe Work Australia’s research and data program and the development of national workers’ compensation policy. Ms Grey is responsible for managing financial and human resources, strategic, operational and business planning and strategic communications for the agency.

Ms Grey has extensive experience in industry policy, workplace relations and work health and safety.

## Mr Drew Wagner

Mr Wagner is the Branch Manager of the Work Health and Safety Branch. Mr Wagner has been involved throughout the development of the model WHS laws and continues to oversee the development of many of the model Codes of Practice and guidance material. Mr Wagner has postgraduate scientific qualifications and worked for several years in medical research before moving into public health policy.

Mr Wagner has worked in the Australian Public Service (APS) for over 20 years including working in Safe Work Australia's predecessor organisations NOHSC and the Office of the ASCC. Mr Wagner also worked for two years as the Principal Administrator in the Environment, Health and Safety Division of the OECD in Paris.

## Ms Julia Collins

Ms Collins is Acting Branch Manager of the Review and Engagement Branch. Her role currently includes investigating how the model WHS laws could be improved and promoting the Australian WHS Strategy. She has been closely involved

in the harmonisation process including assisting with the panel who undertook the National Review into Model OHS Laws. Ms Collins subsequently worked on developing the model WHS laws.

Prior to working at Safe Work Australia and its predecessors the Office of the ASCC and NOHSC, Ms Collins worked in the regulatory field. She managed the inspectorate and the education unit at ACT WorkCover where she developed various initiatives to raise awareness of OHS, including the ACT's "Ten Steps to Safety" program for Small Business.

## Our staff

As at 30 June 2014 Safe Work Australia had 107 staff members. Of these 106 were ongoing and 1 was on a non-ongoing contract. Nine of the ongoing staff members were on long term leave and two were on temporary transfers from external departments.

All Safe Work Australia staff are located in Canberra, Australian Capital Territory.

Substantive Classification	Full time		Part time		Total
	Male	Female	Male	Female	
APS 4	1	2	0	0	3
APS 5	6	9	0	6	21
APS 6	5	11	1	6	23
EL 1	16	16	3	5	40
Senior Government Lawyer	0	1	0	0	1
Public Affairs Officer	0	1	0	0	1
EL 2	2	8	0	1	11
Principle Government Lawyer	0	1	0	1	2
SES 1	2	1	0	0	3
Chair	0	0	0	1	1
CEO	0	1	0	0	1
<b>Total</b>	<b>32</b>	<b>51</b>	<b>4</b>	<b>20</b>	<b>107</b>

The table provides the staff numbers per substantive classification level by male and female as at 30 June 2014.

In 2013-14 Safe Work Australia had 13 employees commence with the agency and 16 cessations. Of the 16 cessations, 6 were non-ongoing employees whose contracts ended.

Safe Work Australia is committed to supporting flexible working arrangements. In 2013-14 the percentage of part time employees increased to 22 percent, up from 18 percent in 2012-13.

### Staff by classification 2011-12 to 2013-14

Substantive Classification	2013-14	2012-13	2011-12
APS 4	3	5	6
APS 5	21	18	15
APS 6	23	25	22
EL 1	40	41	40
Senior Government Lawyer	1	1	0
Public Affairs Officer	1	1	1
EL 2	11	12	14
Principle Government Lawyer	2	2	0
SES 1	3	3	4
Chair	1	1	1
CEO	1	1	1
<b>Total</b>	<b>107</b>	<b>110</b>	<b>104</b>

### Salary ranges as at 30 June 2014

Classification	Salary Range \$
APS 4	64 655 to 69 565
APS 5	71 410 to 76 220
APS 6	80 214 to 88 375
EL 1	98 600 to 109 640
EL 2	116 190 to 139 275
Public Affairs Officer	112 350
Senior Government Lawyer	98 700 to 121 620
Principal Government Lawyer	132 510 to 142 930

## Terms and conditions of employment and remuneration

### Non-senior executive service remuneration

As at 30 June 2014 all Safe Work Australia non-senior executive service staff were covered by the terms and conditions of the *Safe Work Australia Enterprise Agreement 2011-2014* (Enterprise Agreement). The Enterprise Agreement nominally expired on 30 June 2014. Preparations are underway for a replacement agreement.

### Senior executive remuneration

Senior Executive Service (SES) staff are covered by the Safe Work Australia Agency Determination 2012/01 (Determination). This Determination was signed and came into effect on 25 January 2012.

### Chief Executive Officer and Chair of Safe Work Australia

The remuneration for the Chief Executive Officer and the Chair of Safe Work Australia is set by determinations made in accordance with the *Remuneration Tribunal Act 1973*.

The acting Chief Executive Officer of Safe Work Australia was appointed to the full time acting position on 2 November 2013 for a period of three months. This was extended for an additional nine months on 9 February 2014.

The Chair of Safe Work Australia was appointed to the part time position on 5 February 2013 for a period of three years.

### Performance pay

Safe Work Australia staff do not receive performance bonuses or performance pay. For non SES staff annual performance ratings determine the increase in their annual remuneration within the Enterprise Agreement pay point increments with the exception of staff members already at the top of their salary band.

## Allowances and non-salary benefits

### Non-SES employees

The Enterprise Agreement that nominally expired on 30 June 2014 offered a number of allowances and non-salary benefits to non-SES staff including:

School Holiday Care Allowance	Restrictions Allowance
Workplace Responsibility Allowance	Cadets–Books and Equipment Allowance
Community and Indigenous Australian Languages Allowance	Loss, Damage and Indemnity Allowance
Annual Health Allowance	Overtime Meal Allowance
Support for professional and personal development including the Study Assistance Scheme	Departmental Liaison Officer Allowance
Emergency Duty and Additional Child Care Costs	Flexible and part time working arrangements
Travel Allowance	Motor Vehicle Allowance
Family Care Expenses when Travelling	Relocation Assistance
Disturbance Allowance	Flu Shots
Health and fitness program	Lactation breaks
Access to paid leave at half pay	Access to the Employee Assistance Program
Maternity, Maternal, Supporting Partner, Primary Carer, Parental, Adoption and Foster Care Leave	

### SES officers

SES officers are employed under the terms of a determination made under section 24(1) of the *Public Service Act 1999* for SES employees. The amount of remuneration received by SES officers at Safe Work Australia is determined on an individual basis by the CEO.

### Performance management

The Safe Work Australia Non-SES Performance and Development Agreement Guidelines and SES Remuneration and Performance Management Policy provide a framework to:

- > enhance productivity, accountability, leadership and learning and development through a culture of high performance
- > ensure all employees are aware of the expectations placed on them relevant to their role and classification including how these align with the outcomes of Safe Work Australia
- > ensure there is ongoing, regular, honest and constructive two-way performance feedback
- > establish a culture based on how outcomes are achieved is as important as the outcomes themselves



- > recognise career development is a responsibility of both the employee and their supervisor, and
- > provide a fair, equitable and objective framework for performance management and assessment.

Performance management allows managers and employees to establish individual performance expectations that align with Safe Work Australia's corporate goals. All ongoing and non-ongoing employees prepare a Performance Development Agreement (PDA) at the beginning of each financial year. A dual performance rating model measures performance against the key deliverables and observable work behaviours outlined in an employee's PDA. In addition to ongoing discussions between employees and managers, two formal points of review are conducted—the mid cycle review and the end cycle review.

## Learning and Development

Safe Work Australia's Corporate Learning and Development Plan (the L&D plan) outlines the learning and development framework. The L&D plan focuses on developing professional capability and addresses the skills and attributes needed by individuals to achieve:

- > organisational needs, and
- > the individual's own need for further development and advancement.

The L&D plan covers a range of training and development activities delivered both externally and through in-house training options. Other options for capability development may be determined through the PDA process.

During 2013-14, the following courses were run as in-house training programs as part of the L&D plan:

### Training program

Annual mandatory Agency Security Awareness training
APS Work Level Standards
Fraud awareness
Legislative training workshop
Managers' writing workshop
Parliamentary information session
Public Interest Disclosure Act 2013
Staff Information Session: 2014 Review of model WHS laws
Staff Information Session: explosives
Staff Information Session: workers' compensation
Strategic policy skills
Stress management
Workplace mental health awareness
Writing workshop

In 2013-14 Safe Work Australia ran a pilot staff information session program. The sessions were designed as a means for staff to share information on significant projects underway; to assist improved communication and understanding of what work was being done across Safe Work Australia; and provide staff presenting at the sessions with experience developing a presentation and speaking in front of an audience. The sessions were well attended and positive feedback from the pilot program resulted in the decision to continue the sessions for the remainder of 2014.

In addition to the L&D plan, Safe Work Australia recognises staff should also have the opportunity to develop their skills. This is achieved through job rotation, attendance at seminars, conferences and workshops being run internally or through specialised facilitators and courses.

Safe Work Australia encourages relevant tertiary study that balances strategic direction with the personal and career development of its staff. Assistance is available to all staff including the opportunity to apply for approved study leave as well as leave for undertaking examinations and financial support.

## Workplace Consultative Forum

The Workplace Consultative Forum (WCF) is a mechanism for staff consultation and is provided for in the Enterprise Agreement. It encourages open discussion between management and employees about workplace matters affecting Safe Work Australia and its staff.

The WCF has a minimum of 12 members comprising:

- > the Chief Executive Officer or nominee
- > two management representatives appointed by the Chief Executive Officer

- > a representative from People and Planning
- > a representative from Finance
- > the HSR
- > two elected employee representatives from each Branch in Safe Work Australia
- > a Safe Work Australia employee nominated by the Community and Public Sector Union (CPSU) and supplementary representation when requested by a majority of the WCF or by the Chief Executive Officer.

The forum meets with the following roles and objectives:

- > the implementation of the Enterprise Agreement
- > guidelines, policies and manuals
- > staffing and mobility arrangements
- > change management including information technology and training
- > effective use of resources
- > work health and safety issues affecting employees
- > information and records management
- > accommodation issues involving construction, building alteration or significant refurbishment
- > internal communication issues
- > social activities
- > any matter referred to it by the Chief Executive Officer, and
- > workplace matters generally but usually not matters involving individual or collective industrial disputes being dealt with by way of the dispute resolution provisions under the Enterprise Agreement or matters relating to the particular conduct of individual employees.

The WCF met five times over the 2013-14 financial year.

The following policies, guidelines and templates were revised or developed and approved in 2013-14 following comments and input from the WCF members:

- > Work Commitments Map
- > Social Media Policy and Guidelines
- > New Starter Induction checklist
- > 'Clear Desk and Clear Screen' Principles
- > Protective Security Policy
- > Personnel Security Aftercare and Review Policy
- > Security Awareness and Training Plan
- > Information Technology Security Policy
- > Information and Communications Technology Policy
- > Security Management Plan
- > Emergency Procedures Manual, and
- > Procedures for Determining Breaches of the APS Code of Conduct and for Determining Sanction.

## Communications and consultation

Safe Work Australia is committed to effective communication with staff enabling it to meet its business needs while maintaining a safe and productive workplace where all staff members are valued.

In 2013-14 staff participated in five surveys:

- > the annual APS employee census
- > new enterprise agreement pre-bargaining employee survey, and
- > three internal evaluation surveys on information sessions and training held in-house.

The surveys are used to assess staff satisfaction of our workplace, training and services.

The responses allowed the Chief Executive Officer and SES officers to see areas where Safe Work Australia was doing well and where improvements could be made. Safe Work Australia plans to continue participating in and undertaking staff surveys. These surveys will either be run by the APSC, internal surveys or engaging external consultants.

## Work health and safety

Safe Work Australia places a high importance on work health and safety and the creation of a safe work environment and increased staff wellbeing.

Safe Work Australia provides and maintains a safe and healthy workplace for all of its staff, contractors and visitors consistent with its duties under the *Work Health and Safety Act 2011*.

Safe Work Australia's Work Health and Safety Policy recognises and promotes effective and open communication and cooperation between the agency and its workers to achieve an environment that is safe, healthy and free from bullying and harassment for workers, contractors and visitors at all times.

The Work Health and Safety Officer assists the agency in complying with the *Work Health and Safety Act 2011*. This includes developing and implementing relevant policies, managing any hazard or incident reports and coordinating activities to ensure the health and safety of workers, contractors and visitors.

A number of other functions including advice and support on performance management, case management, return to work and breaches of the APS Code of Conduct are covered by an extended MOU with the former Department of Employment and Education and the Shared Services Centre.

## Work Health and Safety Committee and Health and Safety Representative

The Work Health and Safety Committee (WHS Committee) was established to ensure effective consultation between management and workers in relation to health and safety.

Membership comprises of a nominee of the Chief Executive Officer, the HSR, a Harassment Contact Officer representative, a CPSU staff representative, a staff representative from each branch, and two management representatives.

The WHS Committee meets at least once every three months. It met four times in 2013-14. Key achievements of the WHS Committee include:

- > promoting less sedentary work practices in the work areas
- > redrafting the Disability Employment Plan
- > endorsing the 2014 Health and Wellbeing Activity Plan and Smoking around the Workplace Policy
- > reviewing the Workplace Behaviours Policy, and
- > promoting and supporting health and wellbeing activities within Safe Work Australia.

The HSR and a Deputy HSR represent the health and safety interests of workers. The HSR and Deputy HSR

carried out a work health and safety inspection of our premises to ensure the health, safety and welfare of all workers. The HSR works with the Work Health and Safety Officer and Property Officer to have all issues identified in the inspection resolved as soon as possible.

## Health and wellbeing activities

Activities undertaken in 2013-14 include:

- > regular email updates to all staff about work health and safety
- > workstation assessments
- > voluntary sit to stand workstation trial and subsequent installation
- > voluntary influenza vaccinations
- > facilitation of corporate rates for gym memberships, and
- > voluntary involvement in the health assessment program. This program attracted a 64 percent participation rate of staff and involved staff undertaking a blood test and health assessment with a health report being provided to them.

## Compensation claims

In 2013-14 Safe Work Australia had no new claims lodged with Comcare.

## Work Health and Safety statistics

Under section 35 of the *Work Health and Safety Act 2011* Safe Work Australia is required to notify Comcare of any incidents arising out of the conduct of business or undertaking and results in the death, serious injury or serious illness of a person or involves a dangerous incident. One incident was reported in 2013-14.

## Disability Employment Plan

Safe Work Australia's Disability Employment Plan facilitates the employment of people with disability in our workplace through the removal of barriers and provision of improved support for people with disability.

Safe Work Australia has been implementing this plan throughout 2013-14 with the WHS Committee undertaking the role of the Disability Employment Committee. To provide additional support an accessibility forum was established for staff with disability (or interested in disability matters) to discuss relevant issues related to employment at Safe Work Australia. The forum meets on a quarterly basis. A representative of the WHS Committee attends to ensure any concerns or ideas raised are reported back to the WHS Committee for consideration and appropriate action.

Safe Work Australia participates in the APSC Diversity Council and Disability Champions Network.

## Agency Multicultural Plan

Safe Work Australia's Agency Multicultural Plan (AMP) outlines the agency's commitment to improve access and equity arrangements to government services for culturally and linguistically diverse communities. The AMP was approved by the Minister for Multicultural Affairs in July 2013 and will operate until 1 July 2015.

In 2013-14 the agency made significant progress in achieving the key actions outlined in the AMP, which is published on the Safe Work Australia website. Significant progress has been made by:

- > communicating the AMP to staff to ensure they understood and were committed to the implementation of the plan

- > nominating the Director of People and Planning as the Officer to support implementation of multicultural access and equity obligations
- > inviting discussion on agency wide multicultural issues at WCF meetings
- > sharing information through the Small Agencies HR Forum on initiatives taken under the AMP, and
- > adhering to whole-of-government standards/guidelines that have incorporated multicultural access and equity considerations.

A major achievement was securing a grant from the Department of Social Services to produce Arabic, Greek, Hindi, Italian, Simplified Chinese and Vietnamese translations of the:

- > Managing risks to health and safety at work fact sheet
- > Essential guide to WHS for organisations that engage volunteers, and
- > Essential guide to WHS for volunteers.

In 2014-15 we will continue to implement key actions outlined in the AMP.

## Public Interest Disclosure Act 2013

In accordance with the *Public Interest Disclosure Act 2013*, the agency has established effective and clearly articulated internal procedures for facilitating and responding to public interest disclosures. These procedures are published on the Safe Work Australia website. The agency has not received any disclosures since the introduction of the laws on 15 January 2014.



Australia Day Award recipients: From left to right: Heath Molloy, Kahren Maclean, Jane Teasey, acting CEO Amanda Grey and Wayne Creaser.

## Rewards and recognition

### Australia Day Awards

Safe Work Australia celebrated the agency's hard work over the past 12 months by rewarding outstanding achievers with Australia Day Medallions. Australia Day Medallions are reserved for the highest level of recognition and acknowledge high achievement in day-to-day work or on a special project.

Two awards were presented at a morning tea on 23 January 2014 as part of Safe Work Australia's Reward and Recognition Program.

Wayne Creaser, retiring SES officer and one of Safe Work Australia's longest standing staff members, and the High Risk Work Licensing team within the Plant and Licensing Section, Work Health and Safety Branch were recognised for their outstanding work performance, professionalism, commitment and dedication to their work and their contribution to the development of national and international work health and safety policy.



## Part 5

# Financial performance





## Financial overview

Safe Work Australia does not have any administered funding and there were no new measures sought or provided in the 2013-14 financial year. The agency had a full year operating deficit for 2013-14 that reduces the previous accumulated surplus in 2012-13. There are steps in place to fully expend the remaining surplus in 2014-15 while being very mindful of any impact on the out-year budgets, particularly in terms of staffing levels.

### Assets management

Safe Work Australia's major assets are its leasehold improvements and property, plant and equipment. These assets are presented in the financial information provided in the financial statements. Software assets are recognised at cost value in accordance with the AASB 138. Purchases of property, plant and equipment are recognised initially at cost value in the statement of financial position, except for purchases costing less than \$2000, which are expensed in the year of acquisition.

### Exempt contracts

There were no contracts in excess of \$10 000 (inclusive of GST) or standing offers that were exempt from the requirement to publish on AusTender during 2013-14.

### Australian National Audit Office access clause

All contracts over \$100 000 entered into during the reporting period contained an ANAO access to premises clause.

## Purchasing

When undertaking procurement activities, Safe Work Australia adheres to the principles of:

- > value for money
- > encouraging competition among actual or potential suppliers
- > efficient, effective and ethical use of resources, and
- > accountability and transparency.

Safe Work Australia has a small procurement area responsible for co-ordinating key procurements for the agency, developing and maintaining procurement policies, procedures, templates and forms, and providing advice for staff undertaking procurements.

### Memorandum of understanding (MOU)

Safe Work Australia had an extended MOU arrangement with the Department of Employment and Department of Education Shared Services Centre (SSC) throughout 2013-14 that covered:

- > information technology services including records management and mailing services, and
- > enabling services including parliamentary, payroll, library and legal services and access to finance and human resources management systems.

During 2013-14, Safe Work Australia also had an MOU with Comcare for the reimbursement of costs associated with the management of the AMR. The arrangement has been extended for 2014-15.

## Grants and sponsorships

Information on grants awarded by Safe Work Australia during the period 1 July 2013 to 30 June 2014 is available on our website.

## Legal costs

Information required by the Legal Services Direction 2005 on the agency's legal services purchasing for 2013-14 is available on our website.

## Consultancy contracts

Information on the value of specific contracts and consultancies is available on the AusTender website. During 2013-14, 20 new consultancy contracts were entered into involving total actual expenditure of \$1 589 978.

Safe Work Australia engages consultants when certain specialist expertise or independent research, review or assessment is required. Consultants are typically engaged to investigate or diagnose a defined issue or problem; carry out defined reviews, evaluations or data collection for research; or provide independent advice, information or creative solutions to assist in Safe Work Australia's decision making. Prior to engaging consultants Safe Work Australia takes into account the skills and resources required for the task, the skills available internally and the cost-effectiveness of engaging external expertise. The decision to engage a consultant is guided by the requirements in the FMA Act and Regulations, the Commonwealth Procurement Rules and associated Financial Management Guidance Notes.

## Safe Work Australia Resource Statement 2013-14

	Actual available appropriation for 2013-14 \$'000 (a)	Payments made 2013-14 \$'000 (b)	Balance remaining 2013-14 \$'000
<b>Ordinary annual services (1)</b>			
Departmental appropriation	9,506	9,515	
<b>Total</b>	<b>9,506</b>	<b>9,515</b>	
<b>Total available annual appropriations</b>	<b>9,506</b>	<b>9,515</b>	
<b>Total appropriations excluding special accounts</b>	<b>9,506</b>	<b>9,515</b>	
<b>Special accounts</b>			
Opening balance	7,475	10,290	
Appropriation receipts	9,506	9,515	
Non-appropriation receipts to special account	9,751	10,340	
<b>Total special account</b>			<b>10,708</b>
Total resourcing	36,238	39,660	
Less appropriations drawn from annual appropriations above and credited to special accounts	9,506	9,515	
<b>Total net resourcing for Safe Work Australia</b>	<b>26,732</b>	<b>30,145</b>	
1. Appropriation Bill (No. 1) 2013-14			
Reader note: All figures are GST exclusive.			

## Expenses and Resources for Outcome 1

**Outcome 1: Safer and more productive Australian workplaces through harmonising national occupational health and safety and workers' compensation arrangements**

	Budget 2013-14 \$'000 (a)	Actual 2013-14 \$'000 (b)	Variation 2013-14 \$'000
<b>Departmental expenses</b>			
Ordinary annual services (Appropriation Bill No. 1)	9,374	9,374	0
Special accounts	9,751	8,531	1,220
Expenses not requiring appropriation in the budget year	548	729	-181
<b>Total for Outcome 1</b>	<b>19,673</b>	<b>18,634</b>	<b>1,039</b>
	<b>2012-13</b>	<b>2013-14</b>	
<b>Average staffing level (number)</b>	102	100	



## INDEPENDENT AUDITOR'S REPORT

### To the Minister for Employment

I have audited the accompanying financial statements of Safe Work Australia for the year ended 30 June 2014, which comprise: a Statement by the Chief Executive and Chief Financial Officer; Statement of Comprehensive Income; Statement of Financial Position; Statement of Changes in Equity; Cash Flow Statement; Schedule of Commitments; and Notes comprising a Summary of Significant Accounting Policies and other explanatory information.

#### *Chief Executive's Responsibility for the Financial Statements*

The Chief Executive of Safe Work Australia is responsible for the preparation of financial statements that give a true and fair view in accordance with the Finance Minister's Orders made under the *Financial Management and Accountability Act 1997*, including the Australian Accounting Standards, and for such internal control as is necessary to enable the preparation of financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

#### *Auditor's Responsibility*

My responsibility is to express an opinion on the financial statements based on my audit. I have conducted my audit in accordance with the Australian National Audit Office Auditing Standards, which incorporate the Australian Auditing Standards. These auditing standards require that I comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to Safe Work Australia's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Safe Work Australia's internal control. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of accounting estimates made by the Chief Executive of Safe Work Australia, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

GPO Box 707 CANBERRA ACT 2601  
19 National Circuit BARTON ACT 2600  
Phone (02) 6203 7300 Fax (02) 6203 7777

### *Independence*

In conducting my audit, I have followed the independence requirements of the Australian National Audit Office, which incorporate the requirements of the Australian accounting profession.

### *Opinion*

In my opinion, the financial statements of Safe Work Australia:

- (a) have been prepared in accordance with the Finance Minister's Orders made under the *Financial Management and Accountability Act 1997*, including the Australian Accounting Standards; and
- (b) give a true and fair view of the matters required by the Finance Minister's Orders, including Safe Work Australia's financial position as at 30 June 2014 and its financial performance and cash flows for the year then ended.

Australian National Audit Office



John Jones

Executive Director

Delegate of the Auditor-General

Canberra

1 October 2014

## STATEMENT BY THE CHIEF EXECUTIVE AND CHIEF FINANCIAL OFFICER

In our opinion, the attached financial statements for the year ended 30 June 2014 are based on properly maintained financial records and give a true and fair view of the matters required by the Finance Minister's Orders made under the Financial Management and Accountability Act 1997, as amended.

Signed.....

Michelle Baxter  
Chief Executive Officer (Acting)

30 September 2014

Signed.....

Kristy Gosang  
Chief Financial Officer (Acting)

30 September 2014

## Statement of Comprehensive Income for Safe Work Australia

for the period ended 30 June 2014

		2014	2013
	Notes	\$	\$
<b>NET COST OF SERVICES</b>			
<b>Expenses</b>			
Employee benefits	3A	13,582,194	12,007,250
Suppliers	3B	6,378,411	6,159,779
Depreciation and amortisation	3C	653,936	466,623
Write-down and impairment of assets	3D	29,989	-
<b>Total expenses</b>		<b>20,644,531</b>	<b>18,633,652</b>
<b>Own-Source Income</b>			
<b>Own-source revenue</b>			
Sale of goods and rendering of services	4A	10,363,849	10,081,983
<b>Total own-source revenue</b>		<b>10,363,849</b>	<b>10,081,983</b>
<b>Gains</b>			
Other gains	4B	46,000	46,000
Sale of assets	4C	91	-
<b>Total gains</b>		<b>46,091</b>	<b>46,000</b>
<b>Total own-source income</b>		<b>10,409,940</b>	<b>10,127,983</b>
<b>Net cost of services</b>		<b>(10,234,591)</b>	<b>(8,505,669)</b>
Revenue from Government	4D	9,356,000	9,241,000
<b>Surplus/(Deficit) attributable to the Australian Government</b>		<b>(878,591)</b>	<b>735,331</b>
<b>OTHER COMPREHENSIVE INCOME</b>			
<b>Items not subject to subsequent reclassification to profit or loss</b>			
Changes in asset revaluation surplus		-	441,961
<b>Total comprehensive income attributable to the Australian Government</b>		<b>(878,591)</b>	<b>1,177,292</b>
The above statement should be read in conjunction with the accompanying notes.			



# Statement of Financial Position for Safe Work Australia as at 30 June 2014

		2014	2013
	Notes	\$	\$
<b>ASSETS</b>			
<b>Financial Assets</b>			
Cash and cash equivalents	6A	302,850	355,124
Trade and other receivables	6B	10,634,785	10,118,548
Accrued revenue	6C	56,960	199,554
<b>Total financial assets</b>		<b>10,994,595</b>	<b>10,673,226</b>
<b>Non-Financial Assets</b>			
Land and buildings	7A,C	651,265	1,156,200
Property, plant and equipment	7B,C	131,685	70,560
Intangibles	7D,E	43,451	155,639
Other non-financial assets	7F	80,663	135,022
<b>Total non-financial assets</b>		<b>907,064</b>	<b>1,517,421</b>
<b>Total assets</b>		<b>11,901,659</b>	<b>12,190,647</b>
<b>LIABILITIES</b>			
<b>Payables</b>			
Suppliers	8A	2,008,048	1,903,307
Other payables	8B	392,944	374,434
<b>Total payables</b>		<b>2,400,992</b>	<b>2,277,741</b>
<b>Provisions</b>			
Employee provisions	9	3,675,474	3,359,121
<b>Total provisions</b>		<b>3,675,474</b>	<b>3,359,121</b>
<b>Total liabilities</b>		<b>6,076,466</b>	<b>5,636,862</b>
<b>Net assets</b>		<b>5,825,194</b>	<b>6,553,785</b>
<b>EQUITY</b>			
<b>Parent Entity Interest</b>			
Contributed equity		4,049,602	3,899,602
Reserves		859,917	859,917
Retained surplus		915,675	1,794,266
<b>Total parent entity interest</b>		<b>5,825,194</b>	<b>6,553,785</b>
<b>Total equity</b>		<b>5,825,194</b>	<b>6,553,785</b>
The above statement should be read in conjunction with the accompanying notes.			

## Statement of Changes in Equity for Safe Work Australia for the period ended 30 June 2014

	Retained earnings		Asset revaluation surplus		Contributed equity/capital		Total equity	
	2014	2013	2014	2013	2014	2013	2014	2013
	\$	\$	\$	\$	\$	\$	\$	\$
<b>Opening balance</b>								
Balance carried forward from previous period	1,794,266	1,058,935	859,917	417,956	3,899,602	3,848,602	6,553,785	5,325,493
<b>Adjusted opening balance</b>	<b>1,794,266</b>	<b>1,058,935</b>	<b>859,917</b>	<b>417,956</b>	<b>3,899,602</b>	<b>3,848,602</b>	<b>6,553,785</b>	<b>5,325,493</b>
<b>Comprehensive income</b>								
Surplus (Deficit) for the period	(878,591)	735,331	-	-	-	-	(878,591)	735,331
Other comprehensive income	-	-	-	441,961	-	-	-	441,961
<b>Total comprehensive income</b>	<b>(878,591)</b>	<b>735,331</b>	<b>-</b>	<b>441,961</b>	<b>-</b>	<b>-</b>	<b>(878,591)</b>	<b>1,177,292</b>
<b>Transactions with owners</b>								
<b>Contributions by owners</b>								
Departmental Capital Budget	-	-	-	-	150,000	51,000	150,000	51,000
<b>Sub-total transactions with owners</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>150,000</b>	<b>51,000</b>	<b>150,000</b>	<b>51,000</b>
<b>Closing balance as at 30 June 2013</b>	<b>915,675</b>	<b>1,794,266</b>	<b>859,917</b>	<b>859,917</b>	<b>4,049,602</b>	<b>3,899,602</b>	<b>5,825,194</b>	<b>6,553,785</b>

The above statement should be read in conjunction with the accompanying notes.

## Cash Flow Statement for Safe Work Australia

for the period ended 30 June 2014

		2014	2013
	Notes	\$	\$
<b>OPERATING ACTIVITIES</b>			
<b>Cash received</b>			
Appropriations		9,356,000	9,241,000
Sales of goods and rendering of services		11,108,819	10,850,785
<b>Total cash received</b>		<b>20,464,819</b>	<b>20,091,785</b>
<b>Cash used</b>			
Employees		13,207,045	11,943,927
Suppliers		6,487,253	5,515,784
Net GST Paid		460,143	604,523
Cash to the OPA		461,319	2,002,716
<b>Total cash used</b>		<b>(20,615,758)</b>	<b>(20,066,950)</b>
<b>Net cash from (used by) operating activities</b>	10	<b>(150,938)</b>	<b>24,835</b>
<b>INVESTING ACTIVITIES</b>			
<b>Cash received</b>			
Proceeds from sales of property, plant and equipment		91	-
<b>Total cash received</b>		<b>91</b>	<b>-</b>
<b>Cash used</b>			
Purchase of property, plant and equipment		60,427	9,505
<b>Total cash used</b>		<b>(60,427)</b>	<b>(9,505)</b>
<b>Net cash from (used by) investing activities</b>		<b>(60,336)</b>	<b>(9,505)</b>
<b>FINANCING ACTIVITIES</b>			
<b>Net cash from (used by) financing activities</b>		<b>159,000</b>	<b>42,000</b>
<b>Net increase (decrease) in cash held</b>		<b>(52,274)</b>	<b>57,330</b>
Cash and cash equivalents at the beginning of the reporting period		355,124	297,794
<b>Cash and cash equivalents at the end of the reporting period</b>	6A	<b>302,850</b>	<b>355,124</b>
The above statement should be read in conjunction with the accompanying notes.			

## Schedule of Commitments

as at 30 June 2014

	2014	2013
BY TYPE	\$	\$
<b>Commitments receivable</b>		
State and territory contributions	(10,995,600)	(10,726,100)
Other commitments receivable	(150,000)	-
<b>Total commitments receivable</b>	<b>(11,145,600)</b>	<b>(10,726,100)</b>
<b>Commitments payable</b>		
<b>Other commitments</b>		
Operating leases <sup>1</sup>	1,375,659	2,434,959
Project commitments <sup>2</sup>	2,078,872	2,498,269
Other <sup>3</sup>	223,485	649,192
Net GST paid to ATO	652,320	494,073
<b>Total other commitments</b>	<b>4,330,337</b>	<b>6,076,493</b>
<b>Total commitments payable</b>	<b>4,330,337</b>	<b>6,076,493</b>
<b>Net commitments by type</b>	<b>(6,815,263)</b>	<b>(4,649,607)</b>
<b>BY MATURITY</b>		
<b>Commitments receivable</b>		
<b>Other commitments receivable</b>		
Within 1 year	(11,145,600)	(10,726,100)
<b>Total other commitments receivable</b>	<b>(11,145,600)</b>	<b>(10,726,100)</b>
<b>Total commitments receivable</b>	<b>(11,145,600)</b>	<b>(10,726,100)</b>
<b>Commitments payable</b>		
<b>Operating lease commitments</b>		
Within 1 year	1,098,596	1,060,741
Between 1 to 5 years	277,063	1,374,218
<b>Total operating lease commitments</b>	<b>1,375,659</b>	<b>2,434,959</b>
<b>Other Commitments</b>		
Within 1 year	1,691,404	1,119,887
Between 1 to 5 years	610,954	2,027,574
<b>Total other commitments</b>	<b>2,302,357</b>	<b>3,147,461</b>
<b>Net GST paid to ATO</b>		
Within 1 year	642,608	175,363
Between 1 to 5 years	9,712	318,710
<b>Total GST commitments</b>	<b>652,320</b>	<b>494,073</b>
<b>Total commitments payable</b>	<b>4,330,337</b>	<b>6,076,493</b>
<b>Net commitments by maturity</b>	<b>(6,815,263)</b>	<b>(4,649,607)</b>

Note:

1. Operating lease for office accommodation – effectively non-cancellable and subject to fixed annual increases. Safe Work Australia may exercise options in accordance with the terms of the lease.
2. Contracts related to specific projects such as research and data analysis.
3. Contracts related to general operating activities.

Note: Commitments are GST inclusive where relevant.

## Note 1: Summary of Significant Accounting Policies

### 1.1 Objectives of Safe Work Australia

Safe Work Australia is an Australian Government controlled entity. It is a not-for-profit entity. The objective of Safe Work Australia is to improve work health and safety and workers' compensation arrangements across Australia. Safe Work Australia was established as an Executive Agency on 1 July 2009 and as a Statutory Agency from 1 November 2009.

Safe Work Australia's functions under the *Safe Work Australia Act 2008* include to:

- > develop national policy relating to OHS and workers' compensation, and
- > prepare a model Act and model regulations relating to OHS and, if necessary, revise them:
  - i. for approval by the Ministerial Council, and
  - ii. for adoption as laws of the Commonwealth, each of the states and each of the territories.

Safe Work Australia has a single outcome as follows:

**Outcome 1:** Safer and more productive Australian workplaces through harmonising national occupational health and safety and workers' compensation arrangements.

The continued existence of the Agency in its present form is dependent on Government policy and on continuing appropriations by Parliament and contributions from State and Territory Governments for the Agency's administration and program.

The Agency's activities contribute toward the stated outcome and are classified as departmental. Departmental activities involve the use of assets, liabilities, income and expenses controlled or incurred by the Agency in its own right.

### 1.2 Basis of Preparation of the Financial Statements

The financial statements are required by section 49 of the *Financial Management and Accountability Act 1997* and are general purpose financial statements.

The Financial Statements have been prepared in accordance with:

- > Finance Minister's Orders for reporting periods ending on or after 1 July 2011, and
- > Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board that apply for the reporting period.

The financial statements have been prepared on an accrual basis and in accordance with the historical cost convention, except for certain assets and liabilities at fair value. Except where stated, no allowance is made for the effect of changing prices on the results or the financial position.

The financial statements are presented in Australian dollars and values are rounded to the nearest dollar unless otherwise specified.

Unless an alternative treatment is specifically required by an accounting standard or the Finance Minister's Orders, assets and liabilities are recognised in the statement of financial position when and only when it is probable that future economic benefits will flow to the entity or a future sacrifice of economic benefits will be required and the amounts of the assets or liabilities can be reliably measured. However, assets and liabilities arising under agreements equally proportionately unperformed are not recognised unless required by an accounting standard. Liabilities and assets that are unrecognised are reported in the schedule of commitments or the schedule of contingencies.

Unless alternative treatment is specifically required by an accounting standard, income and expenses are recognised in the statement of comprehensive income when and only when the flow, consumption or loss of economic benefits has occurred and can be reliably measured.

### 1.3 Significant Accounting Judgements and Estimates

No accounting assumptions or estimates have been identified that have a significant risk of causing a material adjustment to carrying amounts of assets and liabilities within the next accounting period.

### 1.4 New Australian Accounting Standards

#### **Adoption of New Australian Accounting Standard Requirements**

No accounting standard has been adopted earlier than the application date as stated in the standard.

The following new or revised standards were issued prior to the signing of the Statement by the Chief Executive Officer and Chief Financial Officer, were applicable to the current reporting period and had a material financial impact on the agency financial statements:

- > *AASB 13 Fair Value Measurement* – a significant increase to the level of disclosures for items carried at fair value (including requirement to designate items as level 1, 2 or 3).
- > *AASB 119 Employee benefits* – all government agencies will be required to recognise actuarial gains and losses for defined benefit plans on the same basis. Additional disclosures will be required for defined benefit plans, and annual leave will be disclosed as a long-term benefit. Revisions to termination benefits may result in changed timing for recognition of termination expenses.
- > All other new / revised / amending standards and/or interpretations that were issued prior to the sign-off date and are applicable to the current reporting period did not have a material effect, and are not expected to have a future material effect, on the agency's financial statements.

## **Future Australian Accounting Standard Requirements**

The following new or revised standard and interpretation that was issued by the Australian Accounting Standards Board prior to the signing of the Statement by the Secretary and Chief Financial Officer is expected to have a financial impact on the agency for future reporting periods:

- > AASB1055 Budgetary Reporting (effective date 1 July 2014) – new requirement to report budgetary information and explain significant variances between budget and actual at the individual entity level.

## **1.5 Revenue**

### **Revenue from Government**

Amounts appropriated for departmental outputs for the year (adjusted for any formal additions and reductions) are recognised as revenue when the Agency gains control of the appropriation, except for certain amounts that relate to activities that are reciprocal in nature, in which case revenue is recognised only when it has been earned. Appropriations receivable are recognised at their nominal amounts.

### **Revenue from States and Territories**

State and Territory contributions are recognised in equal monthly amounts over the course of the year as work is completed. All contributions are deemed as being earned at the reporting date. Contribution amounts are derived by reference to the Inter-Governmental Agreement for Regulatory and Operational Reform in Occupational Health and Safety.

### **Other Types of Revenue**

Revenue from rendering of services is recognised by reference to the stage of completion of contracts at the reporting date. The revenue is recognised when:

- > the amount of revenue, stage of completion and transaction costs incurred can be reliably measured, and
- > the probable economic benefits associated with the transaction will flow to the entity.

The stage of completion of contracts at the reporting date is determined by reference to the proportion that costs incurred to date bear to the estimated total costs of the transaction.

Receivables for goods and services, which have 30 day terms, are recognised at the nominal amounts due less any impairment allowance account. Collectability of debts is reviewed at balance date. Allowances are made when collectability of the debt is no longer probable.



## 1.6 Gains

### Resources Received Free of Charge

Resources received free of charge are recognised as gains when, and only when, a fair value can be reliably determined and the services would have been purchased if they had not been donated. Use of those resources is recognised as an expense.

Resources received free of charge are recorded as either revenue or gains depending on their nature.

Contributions of assets at no cost of acquisition or for nominal consideration are recognised as gains at their fair value when the asset qualifies for recognition, unless received from another Government agency or authority as a consequence of a restructuring of administrative arrangements (Refer to Note 1.7).

### Sale of Assets

Gains from disposal of assets are recognised when control of the asset has passed to the buyer.

## 1.7 Transactions with the Government as Owner

### Equity Injections

Amounts appropriated which are designated as 'equity injections' for a year (less any formal reductions) and Departmental Capital Budgets (DCBs) are recognised directly in contributed equity in that year.

### Restructuring of Administrative Arrangements

Net assets received from or relinquished to another Australian Government agency or authority under a restructuring of administrative arrangements are adjusted at their book value directly against contributed equity.

## 1.8 Employee Benefits

Liabilities for 'short-term employee benefits' (as defined in AASB 119 Employee Benefits) and termination benefits due within twelve months of end of reporting period are measured at their nominal amounts.

The nominal amount is calculated with regard to the rates expected to be paid on settlement of the liability.

Other long-term employee benefits are measured as net total of the present value of the defined benefit obligation at the end of the reporting period minus the fair value at the end of the reporting period of plan assets (if any) out of which the obligations are to be settled directly.

### Leave

The liability for employee benefits includes provision for annual leave and long service leave. No provision has been made for sick leave as all sick leave is non-vesting and the average sick leave taken in future years by employees of the Agency is estimated to be less than the annual entitlement for sick leave.

The leave liabilities are calculated based on employees' remuneration at the estimated salary rates that will apply at the time the leave is taken, including the Agency's employer superannuation contribution rates to the extent that the leave is likely to be taken during service rather than paid out on termination.

The liability for long service leave has been determined by reference to the Finance Minister's Orders issued by the Department of Finance. The estimate of the present value of the liability takes into account attrition rates and pay increases through promotion and inflation.

### **Separation and Redundancy**

Provision is made for separation and redundancy benefit payments. The agency recognises a provision for termination when it has developed a detailed formal plan for the terminations and has informed those employees affected that it will carry out the terminations.

### **Superannuation**

Staff of the Agency are members of the Commonwealth Superannuation Scheme (CSS), the Public Sector Superannuation Scheme (PSS), the PSS accumulation plan (PSSap) or other non-government superannuation funds.

The CSS and PSS are defined benefit schemes for the Australian Government. The PSSap and other non-government funds are defined contribution schemes.

The liability for defined benefits is recognised in the financial statements of the Australian Government and is settled by the Australian Government in due course. This liability is reported by the Department of Finance and as an administered item.

The Agency makes employer contributions to the employee superannuation scheme at rates determined by an actuary to be sufficient to meet the current cost to the Government of the superannuation entitlements of the Agency's employees. The Agency accounts for the contributions as if they were contributions to defined contribution schemes.

The liability for superannuation recognised as at 30 June 2014 represents outstanding contributions for the final fortnight of the year.

## **1.9 Leases**

A distinction is made between finance leases and operating leases. Finance leases effectively transfer from the lessor to the lessee substantially all the risks and rewards incidental to ownership of leased assets. An operating lease is a lease that is not a finance lease. In operating leases, the lessor effectively retains substantially all such risks and benefits.

Where an asset is acquired by means of a finance lease, the asset is capitalised at either the fair value of the lease property or, if lower, the present value of minimum lease payments at the inception of the contract and a liability is recognised at the same time and for the same amount.

The discount rate used is the interest rate implicit in the lease. Leased assets are amortised over the period of the lease. Lease payments are allocated between the principal component and the interest expense.

Operating lease payments are expensed on a basis, which is representative of the pattern of benefits, derived from the leased assets.

## 1.10 Cash

Cash is recognised at its nominal amount. Cash and cash equivalents include:

- a. cash on hand;
- b. demand deposits in bank accounts with an original maturity of 3 months or less that are readily convertible to known amounts of cash and subject to insignificant risk of changes in value;
- c. cash held by outsiders; and
- d. cash in special accounts.

## 1.11 Fair Value Measurement

The entity deems transfers between levels of the fair value hierarchy to have occurred at the end of the reporting period.

## 1.12 Financial Assets

Safe Work Australia classifies its financial assets in the following categories:

- a. financial assets at fair value through profit or loss;
- b. held-to-maturity investments;
- c. available-for-sale financial assets; and
- d. loans and receivables.

The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition. Financial assets are recognised and derecognised upon trade date.

### Loans and Receivables

Trade receivables, loans and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as 'loans and receivables'. Loans and receivables are measured at amortised cost using the effective interest method less impairment. Interest is recognised by applying the effective interest rate.

### Impairment of Financial Assets

Financial assets are assessed for impairment at the end of each reporting period.

Financial assets held at amortised cost - if there is objective evidence that an impairment loss has been incurred for loans and receivables or held to maturity investments held at amortised cost, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the asset's original effective interest rate. The carrying amount is reduced by way of an allowance account. The loss is recognised in the Statement of Comprehensive Income.

## 1.13 Financial Liabilities

Financial liabilities are classified as either financial liabilities 'at fair value through profit or loss' or other financial liabilities. Financial liabilities are recognised and derecognised upon 'trade date'.

### Other Financial Liabilities

Other financial liabilities, including borrowings, are initially measured at fair value, net of transaction costs. These liabilities are subsequently measured at amortised cost using the effective interest method, with interest expense recognised on an effective yield basis.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or, where appropriate, a shorter period.

Supplier and other payables are recognised at amortised cost. Liabilities are recognised to the extent that the goods or services have been received (and irrespective of having been invoiced).

## 1.14 Contingent Liabilities and Contingent Assets

Contingent liabilities and contingent assets are not recognised in the statement of financial position but are reported in the relevant schedules and notes. They may arise from uncertainty as to the existence of a liability or asset or represent an asset or liability in respect of which the amount cannot be reliably measured. Contingent assets are disclosed when settlement is probable but not virtually certain and contingent liabilities are disclosed when settlement is greater than remote.

Safe Work Australia has no contingent liabilities or assets for the reporting period. The Agency is unaware of any quantifiable, unquantifiable or significant remote contingencies for the reporting period.

## 1.15 Acquisition of Assets

Assets are recorded at cost on acquisition except as stated below. The cost of acquisition includes the fair value of assets transferred in exchange and liabilities undertaken. Financial assets are initially measured at their fair value plus transaction costs where appropriate.

Assets acquired at no cost, or for nominal consideration, are initially recognised as assets and income at their fair value at the date of acquisition, unless acquired as a consequence of restructuring of administrative arrangements. In the latter case, assets are initially recognised as contributions by owners at the amounts at which they were recognised in the transferor's accounts immediately prior to the restructuring.

## Asset Recognition Threshold

Purchases of leasehold improvements, plant and equipment are recognised initially at cost in the statement of financial position, except for purchases costing less than the thresholds listed below for each class of asset, which are expensed in the year of acquisition (other than where they form part of a group of similar items which are significant in total).

Asset class	Recognition threshold
Leasehold Improvements	\$20,000
Plant and Equipment	\$2,000
Purchased Software	\$2,000
Internally Developed Software	\$50,000

The initial cost of an asset includes an estimate of the cost of dismantling and removing the item and restoring the site on which it is located. This is particularly relevant to restoration provisions in property leases taken up by the Agency where there exists an obligation to restore the property to its original condition. These costs are included in the value of the Agency's leasehold improvements with a corresponding provision for the restoration recognised.

## 1.16 Buildings, Plant and Equipment

### Revaluations

Fair values for each class of asset are determined as shown below:

Asset class	Measurement
Leasehold Improvements	Fair Value
Plant and Equipment	Fair value

Following initial recognition at cost, leasehold improvements, plant and equipment are carried at fair value less subsequent accumulated depreciation and accumulated impairment losses.

Valuations are conducted with sufficient frequency to ensure that the carrying amounts of assets do not differ materially from the assets' fair values as at the reporting date. The regularity of independent valuations depends upon the volatility of movements in market values for the relevant assets.

Revaluation adjustments are made on a class basis. Any revaluation increment is credited to equity under the heading of asset revaluation reserve except to the extent that it reverses a previous revaluation decrement of the same asset class that was previously recognised in the surplus/deficit. Revaluation decrements for a class of assets are recognised directly in the surplus/deficit except to the extent that they reverse a previous revaluation increment for that class.

Any accumulated depreciation as at the revaluation date is eliminated against the gross carrying amount of the asset and the asset restated to the revalued amount.

### Depreciation

Depreciable leasehold improvements, plant and equipment assets are written-off to their estimated residual values over their estimated useful lives to the Agency using, in all cases, the straight-line method of depreciation.

Depreciation rates (useful lives), residual values and methods are reviewed at each reporting date and necessary adjustments are recognised in the current, or current and future reporting periods, as appropriate.

Depreciation rates applying to each class of depreciable asset are based on the following useful lives:

Asset class	2013-14	2012-13
Leasehold Improvements	Lease term	Lease term
Plant and Equipment	3 to 15 years	3 to 15 years

### Impairment

All assets were assessed for impairment at 30 June 2014. Where indications of impairment exist, the asset's recoverable amount is estimated and an impairment adjustment made if the asset's recoverable amount is less than its carrying amount.

The recoverable amount of an asset is the higher of its fair value less costs of disposal and its value in use. Value in use is the present value of the future cash flows expected to be derived from the asset. Where the future economic benefit of an asset is not primarily dependent on the asset's ability to generate future cash flows, and the asset would be replaced if the Agency were deprived of the asset, its value in use is taken to be its depreciated replacement cost.

### Derecognition

An item of property, plant and equipment is derecognised upon disposal or when no further future economic benefits are expected from its use or disposal.

## 1.17 Intangibles

Safe Work Australia's intangibles comprise internally developed software and purchased software for internal use. These assets are carried at cost less accumulated amortisation and accumulated impairment losses. Purchases costing less than \$2,000 are expensed in the year of acquisition, other than when they form part of a group of similar items, which are significant in total.

Software is amortised on a straight-line basis over its anticipated useful life, as shown below for each class:

Asset class	2013-14	2012-13
Purchased Software	2 to 5 years	2 to 5 years
Internally Developed Software	2 to 5 years	2 to 5 years

All software assets were assessed for indications of impairment as at 30 June 2014.

## 1.18 Taxation

The Agency is exempt from all forms of taxation except Fringe Benefits Tax (FBT) and the Goods and Services Tax (GST).

Revenues, expenses and assets are recognised net of GST except:

- > where the amount of GST incurred is not recoverable from the Australian Taxation Office; and
- > for receivables and payables.

## 1.19 Insurance

The risks associated with the business of the Agency are covered by arrangements with Comcover. Arrangements are in place with Comcare to protect the health, safety and welfare of the Agency's employees.

## 1.20 Commonwealth Expenditure

The Australian Government continues to have regard to developments in case law, including the High Court's most recent decision on Commonwealth expenditure in *Williams v Commonwealth* (2012) 288 ALR 410, as they contribute to the larger body of law relevant to the development of Commonwealth programs. In accordance with its general practice, the Government will continue to monitor and assess risk and decide on any appropriate actions to respond to risks of expenditure not being consistent with constitutional or other legal requirements.

## Note 2: Events After the Reporting Period

### Departmental

There were no significant events that occurred after 30 June 2014 but prior to the signing of the financial statements.



## Note 3: Expenses

### Note 3A: Employee Benefits

	2014	2013
	\$	\$
Wages and salaries	8,999,039	8,299,368
Superannuation:		
Defined contribution plans	624,634	522,165
Defined benefit plans	1,442,402	1,309,126
Leave and other entitlements	1,859,495	1,824,515
Separation and redundancies	656,625	52,076
<b>Total employee benefits</b>	<b>13,582,195</b>	<b>12,007,250</b>

### Note 3B: Suppliers

	2014	2013
	\$	\$
<b>Goods and services supplied or rendered</b>		
Advertising & Promotion	38,901	38,928
Consultants	2,605,959	2,947,926
Contractors	-	6,280
IT Related Costs	187,331	99,231
Corporate and IT Service Fees	1,123,924	1,082,458
Printing & Office Suppliers	187,805	103,323
Property Costs	276,995	128,917
Recruitment & Training Costs	175,600	116,990
Sponsorships	72,606	27,045
Subscriptions & Publications	23,899	127,337
Travel Costs	241,681	210,973
Venue Hire & Guest Speakers	29,041	19,606
Other	359,808	235,528
<b>Total goods and services supplied or rendered</b>	<b>5,323,550</b>	<b>5,144,542</b>
<b>Goods supplied in connection with</b>		
Related parties	-	4,920
External parties	41,922	239,512
<b>Total goods supplied</b>	<b>41,922</b>	<b>244,432</b>
<b>Services supplied in connection with</b>		
Related parties	791,377	1,410,071
External parties	4,490,251	3,490,039
<b>Total services rendered</b>	<b>5,281,628</b>	<b>4,900,110</b>
<b>Total goods and services supplied or rendered</b>	<b>5,323,550</b>	<b>5,144,542</b>
<b>Other supplier expenses</b>		
<b>Operating lease rentals in connection with</b>		
External parties		
Minimum lease payments	965,264	933,044
Workers compensation expenses	89,597	82,193
<b>Total other suppliers</b>	<b>1,054,861</b>	<b>1,015,237</b>
<b>Total suppliers</b>	<b>6,378,411</b>	<b>6,159,779</b>

## Note 3: (Cont'd) Expenses

Note 3C: Depreciation and Amortisation		
	2014	2013
<b>Depreciation:</b>		
Property, plant and equipment	47,604	59,295
Buildings	518,630	317,245
<b>Total depreciation</b>	<b>566,234</b>	<b>376,540</b>
<b>Amortisation:</b>		
<b>Intangibles:</b>		
Internally developed software	87,541	86,096
Purchased software	160	3,987
<b>Total amortisation</b>	<b>87,701</b>	<b>90,083</b>
<b>Total depreciation and amortisation</b>	<b>653,935</b>	<b>466,623</b>

Note 3D: Write-Down and Impairment of Assets		
	2014	2013
<b>Asset write-downs and impairments from:</b>		
Impairment on intangible assets	24,487	-
Write-down of assets – plant and equipment	5,502	-
<b>Total write-down and impairment of assets</b>	<b>29,989</b>	<b>-</b>

## Note 4: Income

Note 4A: Sale of Goods and Rendering of Services		
	2014	2013
<b>Own-Source Revenue</b>	<b>\$</b>	<b>\$</b>
<b>Rendering of services in connection with</b>		
Related parties	272,727	368,542
External parties	10,091,122	9,713,441
<b>Total rendering of services</b>	<b>10,363,849</b>	<b>10,081,983</b>

Note 4B: Other Gains		
	2014	2013
<b>Gains</b>	<b>\$</b>	<b>\$</b>
Resources received free of charge - ANAO	46,000	46,000
<b>Total other gains</b>	<b>46,000</b>	<b>46,000</b>

Note 4C: Gains from Sale of Assets		
	2014	2013
<b>Property, plant and equipment:</b>	<b>\$</b>	<b>\$</b>
Proceeds from sale	91	-
Carrying value of assets sold	-	-
Selling expense	-	-
<b>Total gains from sale of assets</b>	<b>91</b>	<b>-</b>

<b>Note 4D: Revenue from Government</b>		
	<b>2014</b>	<b>2013</b>
Appropriations:	<b>\$</b>	<b>\$</b>
Departmental appropriations	<b>9,356,000</b>	9,241,000
<b>Total revenue from Government</b>	<b>9,356,000</b>	9,241,000

## Note 5: Fair Value Measurements

The following tables provide an analysis of assets and liabilities that are measured at fair value. The different levels of the fair value hierarchy are defined below.

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the agency can access at measurement date.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3: Unobservable inputs for the asset or liability.

<b>Note 5A: Fair Value Measurements</b>				
Fair value measurements at the end of the reporting period by hierarchy for assets and liabilities in 2014				
	Fair value measurements at the end of the reporting period using			
	Fair value	Level 1	Level 2	Level 3
	\$'000	inputs	inputs	inputs
	\$'000	\$'000	\$'000	\$'000
<b>Non-financial assets</b>				
Property, Plant and Equipment	132	0	132	0
Leasehold improvements	651	0	0	651
Total non-financial assets	783	0	132	651
<b>Total fair value measurements of assets in the statement of financial position</b>	<b>783</b>	<b>0</b>	<b>132</b>	<b>651</b>

1. The agency did not measure any non-financial assets at fair value on a non- recurring basis as at 30 June 2014.

### Fair value measurements – highest and best use differs from current use for non-financial assets (NFAs)

SWA's assets are held for operational purposes and not held for the purposes of deriving a profit. The current use of all controlled assets is considered their highest and best use.

## Note 5: (Cont'd) Fair Value Measurements

### Note 5B: Level 1 and Level 2 Transfers for Recurring Fair Value Measurements

Recurring fair value measurements transferred between Level 1 and Level 2 for assets and liabilities

	Transferred from	
	Level 1 to Level 2	Level 2 to Level 1
	2014 \$'000	2014 \$'000
<b>Non-financial assets</b>		
Property, Plant and Equipment	-	-
Leasehold improvements	-	-
<b>Total non-financial assets</b>	-	-

There have been no transfers between levels of the hierarchy during the year.

The agency's policy for determining when transfers between levels are deemed to have occurred can be found in Note 1.

### Note 5C: Valuation Technique and Inputs for Level 2 and Level 3 Fair Value Measurements

Level 2 and 3 fair value measurements – valuation technique and the inputs used for assets and liabilities in 2014

	Category (Level 2 or Level 3)	Fair value \$'000	Valuation technique(s) <sup>1</sup>	Inputs used	Range (weighted average) <sup>2</sup>
<b>Non-financial assets</b>					
Property, Plant and Equipment	2	132	Market Approach and Cost Approach	adjusted market transactions and cost	
				Consumed economic benefit / Obsolescence of asset	6.66% - 9.84% (9.84 %) per annum
Leasehold improvements	3	651	Depreciated Replacement Cost (DRC)	Replacement Cost New	

1. There has been no changes to valuation techniques.

2. Significant unobservable inputs only. Not applicable for assets or liabilities in the Level 2 category.

There were no significant inter-relationships between unobservable inputs that materially affect fair value.

### **Recurring and non-recurring Level 3 fair value measurements – valuation processes**

The agency procured the service of the Australian Valuation Office (AVO) to undertake a comprehensive valuation of all non-financial assets at 30 June 2013. The agency tests the procedures of the valuation model at least once every 12 months (as obtained at least once every three years). If a particular asset class experiences significant and volatile changes in fair value (i.e. where indicators suggest that the value of the class has changed materially since the previous reporting period), that class is subject to specific valuation in the reporting period, where practicable, regardless of the timing of the last specific valuation. The agency has engaged Australian Valuation Solutions (AVS) to provide written assurance that the models developed comply with AASB 13.

There is no change in the valuation technique since the prior year.

Significant Level 3 inputs utilised by the entity are derived and evaluated as follows:

Leasehold Improvements – Obsolescence of asset (annual depreciation)

Assets that do not transact with enough frequency or transparency to develop objective opinions of value from observable market evidence have been measured utilising the cost (Depreciated Replacement Cost or DRC) approach. Under the DRC approach the estimated cost to replace the asset is calculated and then adjusted to take into account its consumed economic benefit / asset obsolescence (accumulated Depreciation). Consumed economic benefit / asset obsolescence has been determined based on professional judgment regarding physical, economic and external obsolescence factors relevant to the asset under consideration.

The weighted average is determined by assessing the fair value measurement as a proportion of the total fair value for the class against the total useful life of each asset.

### **Recurring Level 3 fair value measurements – sensitivity of inputs**

Leasehold Improvements – Obsolescence of asset (annual depreciation)

The significant unobservable inputs used in the fair value measurement of the agency's leasehold improvements asset class relate to asset obsolescence (annual depreciation). A significant increase (decrease) in this input would result in a significantly lower (higher) fair value measurement.

## Note 5: (Cont'd) Fair Value Measurements

### Note 5D: Reconciliation for Recurring Level 3 Fair Value Measurements

#### Recurring Level 3 fair value measurements – reconciliation for assets

	Financial assets	
	Leasehold improvements	Total
	2014	2014
	\$'000	\$'000
<b>Opening balance<sup>1</sup></b>	1,156	<b>1,156</b>
Total gains/(losses) in accumulated depreciation <sup>2</sup>	(518)	<b>(518)</b>
Purchases	13	<b>13</b>
Sales	-	-
Issues	-	-
Settlements	-	-
Transfers into Level 3 <sup>3</sup>	-	-
Transfers out of Level 3 <sup>4</sup>	-	-
<b>Closing balance</b>	<b>651</b>	<b>651</b>
Changes in unrealised gains/(losses) recognised in net cost of services for assets held at the end of the reporting period <sup>5</sup>	-	-

1. Opening balance as determined in accordance with AASB 13

2. The presentation of these gains/(losses) in the Statement of Comprehensive Income will depend on the agency.

4. There have been no transfers between levels of the hierarchy during the year.

5. The presentation of unrealised gains/(losses) in the Statement of Comprehensive Income will depend on the agency.

The agency's policy for determining when transfers between levels are deemed to have occurred can be found in Note 1.

## Note 6: Financial Assets

### Note 6A: Cash and Cash Equivalents

	2014	2013
	\$	\$
Cash on hand or on deposit	302,850	355,124
<b>Total cash and cash equivalents</b>	<b>302,850</b>	<b>355,124</b>

### Note 6B: Trade and Other Receivables

	2014	2013
	\$	\$
<b>Goods and Services:</b>		
Goods and services - related entities	170,964	7,081
Goods and services - external parties	-	827
<b>Total receivables for goods and services</b>	<b>170,964</b>	<b>7,908</b>

#### Other receivables:

GST receivable from the Australian Taxation Office	58,439	166,576
Safe Work Australia Special Account	10,405,382	9,944,064
<b>Total other receivables</b>	<b>10,463,821</b>	<b>10,110,640</b>
<b>Total trade and other receivables (gross)</b>	<b>10,634,785</b>	<b>10,118,548</b>

#### Receivables are expected to be recovered in:

No more than 12 months	10,634,785	10,118,548
More than 12 months	-	-
<b>Total trade and other receivables (net)</b>	<b>10,634,785</b>	<b>10,118,548</b>

#### Receivables are aged as follows:

Not overdue	10,619,565	10,117,721
Overdue by:		
0 to 30 days	-	827
31 to 60 days	-	-
61 to 90 days	-	-
More than 90 days	15,220	-
<b>Total receivables (net)</b>	<b>10,634,785</b>	<b>10,118,548</b>

No indicators of impairment were found for trade and other receivables.

### Note 6C: Accrued Revenue

	2014	2013
	\$	\$
Goods and services	56,960	199,554
<b>Total accrued revenue</b>	<b>56,960</b>	<b>199,554</b>

#### Total accrued revenue is expected to be recovered in:

No more than 12 months	56,960	199,554
More than 12 months	-	-
<b>Total accrued revenue</b>	<b>56,960</b>	<b>199,554</b>



## Note 7: Non-Financial Assets

### Note 7A: Land and Buildings

	2014	2013
	\$	\$
<b>Leasehold improvements:</b>		
Fair value	1,169,895	1,156,200
Accumulated depreciation	(518,630)	-
Accumulated impairment losses	-	-
<b>Total leasehold improvements</b>	<b>651,265</b>	<b>1,156,200</b>
<b>Total land and buildings</b>	<b>651,265</b>	<b>1,156,200</b>

No indicators of impairment were found for land and buildings.

No land or buildings were expected to be sold or disposed of within the next 12 months.

### Note 7B: Property, Plant and Equipment

	2014	2013
	\$	\$
<b>Property, plant and equipment:</b>		
Fair value	179,289	70,560
Accumulated depreciation	(47,604)	-
Accumulated impairment losses	-	-
<b>Total other property, plant and equipment</b>	<b>131,685</b>	<b>70,560</b>
<b>Total property, plant and equipment</b>	<b>131,685</b>	<b>70,560</b>

Indicators of impairment were found for property, plant and equipment.

No property, plant or equipment is expected to be sold or disposed of within the next 12 months.

### Revaluations of non-financial assets

A materiality review was conducted based on the agency's non-financial assets. The outcome of the review was that the agency's non-financial assets carrying amounts do not have a material difference to their fair value. No revaluation of property, plant and equipment was required in accordance with the revaluation policy stated at Note 1.

There were no revaluation increments during 2014 (2013: revaluation increment of \$438,939 for leasehold improvements, \$3,022 for plant and equipment). No decrements were expensed during 2014 (2013: nil).

**Note 7C: Reconciliation of the Opening and Closing Balances of Property, Plant and Equipment 2014**

	<b>Buildings</b>	<b>Plant &amp; equipment</b>	<b>Total</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>As at 1 July 2013</b>			
Gross book value	1,156,200	70,560	1,226,760
Accumulated depreciation and impairment	-	-	-
<b>Net book value 1 July 2013</b>	<b>1,156,200</b>	<b>70,560</b>	<b>1,226,760</b>
Additions:			
By purchase	13,695	114,231	127,926
Depreciation	(518,630)	(47,604)	(566,234)
Impairments recognised in net cost of services		(5,502)	(5,502)
<b>Net book value 30 June 2014</b>	<b>651,265</b>	<b>131,685</b>	<b>782,950</b>
<b>Net book value as of 30 June 2014 represented by:</b>			
Gross book value	1,169,895	179,289	1,349,184
Accumulated depreciation and impairment	(518,630)	(47,604)	(566,234)
<b>Net book value 30 June 2014</b>	<b>651,265</b>	<b>131,685</b>	<b>782,950</b>
<b>As at 1 July 2012</b>			
Gross book value	1,025,000	187,059	1,212,059
Accumulated depreciation and impairment	-	(60,225)	(60,225)
<b>Net book value 1 July 2012</b>	<b>1,025,000</b>	<b>126,833</b>	<b>1,151,834</b>
Additions:			
By purchase	9,505	-	9,505
Revaluations and impairments recognised in other comprehensive income	438,939	3,022	441,961
Depreciation	(317,245)	(59,295)	(376,540)
Disposals			
Other	-	-	-
<b>Net book value 30 June 2013</b>	<b>1,156,200</b>	<b>70,560</b>	<b>1,226,760</b>
<b>Net book value as of 30 June 2013 represented by:</b>			
Gross book value	1,156,200	70,560	1,226,760
Accumulated depreciation and impairment	-	-	-
<b>Net book value 30 June 2013</b>	<b>1,156,200</b>	<b>70,560</b>	<b>1,226,760</b>

## Note 7: (Cont'd) Non-Financial Assets

Note 7D: Intangibles		
	2014	2013
	\$	\$
<b>Computer software:</b>		
Internally developed – in progress	-	24,487
Internally developed – in use	287,987	287,987
Purchased	14,986	14,986
Accumulated amortisation	(259,523)	(171,821)
Accumulated impairment losses	-	-
<b>Total computer software</b>	<b>43,451</b>	<b>155,639</b>
<b>Total intangibles</b>	<b>43,451</b>	<b>155,639</b>

Indicators of impairment were found for intangible assets.

No intangibles are expected to be sold or disposed of within the next 12 months.

Note 7E: Reconciliation of the Opening and Closing Balances of Intangibles 2013			
	Computer software internally developed	Computer software purchased	Total
	\$	\$	\$
<b>As at 1 July 2013</b>			
Gross book value	312,474	14,986	327,460
Accumulated amortisation and impairment	(156,995)	(14,826)	(171,821)
<b>Net book value 1 July 2013</b>	<b>155,479</b>	<b>160</b>	<b>155,639</b>
Additions:			
By purchase	-	-	-
Internally developed - in progress	-	-	-
Internally developed - in use	-	-	-
Impairments recognised in net cost of services	(24,487)	-	(24,487)
Amortisation	(87,541)	(160)	(87,701)
<b>Net book value 30 June 2014</b>	<b>43,451</b>	<b>-</b>	<b>43,451</b>
<b>Net book value as of 30 June 2014 represented by:</b>			
Gross book value	312,474	14,986	327,460
Accumulated amortisation and impairment	(269,023)	(14,986)	(284,009)

#### Note 7E: Reconciliation of the Opening and Closing Balances of Intangibles 2013

	Computer software internally developed	Computer software purchased	Total
	\$	\$	\$
<b>Net book value 30 June 2014</b>	<b>43,451</b>	<b>-</b>	<b>43,451</b>
<b>As at 1 July 2012</b>			
Gross book value	312,474	14,986	327,460
Accumulated amortisation and impairment	(70,899)	(10,838)	(81,737)
<b>Net book value 1 July 2012</b>	<b>241,575</b>	<b>4,148</b>	<b>245,723</b>
Additions:			
By purchase	-	-	-
Internally developed - in progress	(96,680)	-	(96,680)
Internally developed - in use	96,680	-	96,680
Amortisation	(86,096)	(3,988)	(90,084)
<b>Net book value 30 June 2013</b>	<b>155,479</b>	<b>160</b>	<b>155,639</b>
<b>Net book value as of 30 June 2013 represented by:</b>			
Gross book value	312,474	14,986	327,460
Accumulated amortisation and impairment	(156,995)	(14,826)	(171,821)
<b>Net book value 30 June 2013</b>	<b>155,479</b>	<b>160</b>	<b>155,639</b>

#### Note 7F: Other Non-Financial Assets

	2014	2013
	\$	\$
Prepayments	80,663	135,022
<b>Total other non-financial assets</b>	<b>80,663</b>	<b>135,022</b>
<b>Total other non-financial assets - are expected to be recovered in:</b>		
No more than 12 months	80,663	135,022
More than 12 months	-	-
<b>Total other non-financial assets</b>	<b>80,663</b>	<b>135,022</b>

No indicators of impairment were found for other non-financial assets.

## Note 8: Payables

Note 8A: Suppliers		
	2014	2013
	\$	\$
Trade creditors and accruals	2,008,048	1,903,307
<b>Total suppliers payables</b>	<b>2,008,048</b>	<b>1,903,307</b>
<b>Suppliers expected to be settled</b>		
No more than 12 months	2,008,048	1,903,307
More than 12 months	-	-
<b>Total suppliers</b>	<b>2,008,048</b>	<b>1,903,307</b>
<b>Suppliers in connection with</b>		
Related parties	1,026,012	610,113
External parties	982,036	1,293,195
<b>Total</b>	<b>2,008,048</b>	<b>1,903,307</b>
Settlement was usually made within 30 days.		

Note 8B: Other Payables		
	2014	2013
	\$	\$
Wages and salaries	329,812	300,905
Superannuation	63,132	50,802
Unearned income (Commonwealth-funded projects)	-	22,727
<b>Total other payables</b>	<b>392,944</b>	<b>374,434</b>
<b>Total other payables are expected to be settled in:</b>		
No more than 12 months	392,944	374,434
More than 12 months	-	-
<b>Total other payables</b>	<b>392,944</b>	<b>374,434</b>

## Note 9: Provisions

Note 9: Employee Provisions		
	2014	2013
	\$	\$
Leave	3,675,474	3,359,121
<b>Total employee provisions</b>	<b>3,675,474</b>	<b>3,359,121</b>
<b>Employee provisions are expected to be settled in:</b>		
No more than 12 months	1,125,854	1,172,793
More than 12 months	2,549,620	2,186,328
<b>Total employee provisions</b>	<b>3,675,474</b>	<b>3,359,121</b>

## Note 10: Cash Flow Reconciliation

Note 10: Cash Flow Reconciliation		
	2014	2013
	\$	\$
<b>Reconciliation of cash and cash equivalents as per statement of financial position to cash flow statement</b>		
<b>Cash and cash equivalents as per</b>		
Cash flow statement	302,850	355,124
Statement of financial position	302,850	355,124
<b>Difference</b>	-	-
<b>Reconciliation of net cost of services to net cash from operating activities:</b>		
Net cost of services	(10,234,591)	(8,505,669)
Add revenue from Government	9,356,000	9,241,000
Cash from (to) the OPA	(470,319)	(2,002,716)
<b>Adjustments for non-cash items</b>		
Depreciation / amortisation	653,936	466,623
Net write down of assets	29,989	-
<b>Changes in assets / liabilities</b>		
(Increase) / decrease in net receivables	(20,462)	(29,665)
(Increase) / decrease in prepayments	54,359	(79,519)
Increase / (decrease) in GST receivables	108,137	(108,054)
Increase / (decrease) in employee provisions	316,353	55,540
Increase / (decrease) in supplier payables	37,149	1,037,310
Increase / (decrease) in other payable	18,510	(50,015)
<b>Net cash from (used by) operating activities</b>	<b>(150,938)</b>	<b>24,835</b>

## Note 11: Senior Executive Remuneration

Note 11A: Senior Executive Remuneration Expenses for the Reporting Period		
	2014	2013
	\$	\$
<b>Short-term employee benefits</b>		
Salary	850,393	735,113
Other	12,561	101,698
<b>Total short-term employee benefits</b>	<b>862,954</b>	<b>836,811</b>
<b>Post-employment benefits</b>		
Superannuation	180,847	163,287
<b>Total post-employment benefits</b>	<b>180,847</b>	<b>163,287</b>
<b>Other long-term employee benefits</b>		
Annual leave accrued	80,386	75,696
Long-service leave	22,875	57,207
<b>Total other long-term employee benefits</b>	<b>103,261</b>	<b>132,903</b>
<b>Termination benefits</b>	-	-
<b>Total termination benefits</b>	-	-
<b>Total senior executive remuneration expenses</b>	<b>1,147,063</b>	<b>1,133,001</b>

1. Note 11A is prepared on an accrual basis (therefore the performance bonus expenses disclosed above may differ from the cash 'Bonus paid' in Note 11B).
2. Note 11A excludes acting arrangements and part-year service where total remuneration expensed as a senior executive was less than \$195,000.
3. 'Other' includes reportable fringe benefits, motor vehicle and other allowances.



**Note 11B: Average Annual Reportable Remuneration Paid to Substantive Senior Executives during the Reporting Period**

**Average annual reportable remuneration paid to substantive senior executives in 2014**

Average annual reportable remuneration <sup>1</sup>	Substantive senior executives		Reportable salary <sup>2</sup>	Contributed superannuation <sup>3</sup>	Reportable allowances <sup>4</sup>	Bonus paid <sup>5</sup>	Total reportable remuneration
	No.	\$					
Total reportable remuneration (including part-time arrangements)							
Less than \$195,000	-	-	-	-	-	-	-
\$195,000 to \$224,999	2	175,888	35,702	-	-	-	211,590
\$225,000 to \$254,999	2	195,358	41,042	-	-	-	236,400
\$255,000 to \$284,999	-	-	-	-	-	-	-
\$285,000 to \$314,999	-	-	-	-	-	-	-
\$315,000 to \$344,999	-	-	-	-	-	-	-
\$345,000 to \$374,999	-	-	-	-	-	-	-
\$375,000 to \$404,999	1	370,296	20,658	-	-	-	390,954
Total number of substantive senior executives	5						

# Note 11B: Average Annual Reportable Remuneration Paid to Substantive Senior Executives during the Reporting Period

Average annual reportable remuneration paid to substantive senior executives in 2013									
Average annual reportable remuneration <sup>1</sup>	Substantive senior executives		Reportable salary <sup>2</sup>	\$	Contributed superannuation <sup>3</sup>	\$	Reportable allowances <sup>4</sup>	\$	Total reportable remuneration
	No.								
Total reportable remuneration (including part-time arrangements)									
Less than \$195,000	1		72,479		11,139		-		83,618
\$195,000 to \$224,999	1		179,975		33,679		-		213,654
\$225,000 to \$254,999	2		198,946		38,238		-		237,184
\$255,000 to \$284,999	-		-		-		-		-
\$285,000 to \$314,999	-		-		-		-		-
\$315,000 to \$344,999	-		-		-		-		-
\$345,000 to \$374,999	1		308,735		53,132		-		361,867
\$375,000 to \$404,999	-		-		-		-		-
Total number of substantive senior executives	5								

1. This table reports substantive senior executives who received remuneration during the reporting period. Each row is an averaged figure based on headcount for individuals in the band.
2. 'Reportable salary' includes the following:
  - a) gross payments (less any bonuses paid, which are separated out and disclosed in the 'bonus paid' column);
  - b) reportable fringe benefits (at the net amount prior to 'grossing up' for tax purposes);
  - c) reportable employer superannuation contributions; and
  - d) exempt foreign employment income."
3. The 'contributed superannuation' amount is the average cost to the entity for the provision of superannuation benefits to substantive senior executives in that reportable remuneration band during the reporting period.
4. 'Reportable allowances' are the average actual allowances paid as per the 'total allowances' line on individuals' payment summaries.
5. 'Bonus paid' represents average actual bonuses paid during the reporting period in that reportable remuneration band. The 'bonus paid' within a particular band may vary between financial years due to various factors such as individuals commencing with or leaving the entity during the financial year.

### Note 11C: Average Annual Reportable Remuneration Paid to Other Highly Paid Staff during the Reporting Period

1. This table reports staff:
  - a. who were employed by the entity during the reporting period;
  - b. whose reportable remuneration was \$195,000 or more for the reporting period; and
  - c. were not required to be disclosed in Table B or director disclosures.
2. During the current and prior reporting periods, there were no other employees whose total reportable remuneration was \$195,000 or more.

## Note 12: Remuneration of Auditors

Note 12: Remuneration of Auditors		
	2014	2013
	\$	\$
Financial statement audit services were provided free of charge to the Agency by the Australian National Audit Office (ANAO).		
<b>Fair value of services received</b>		
Financial statement audit services	<b>46,000</b>	46,000
<b>Total fair value of services received</b>	<b>46,000</b>	46,000

No other services were provided by the auditors of the financial statements.

## Note 13: Financial Instruments

### Note 13A: Categories of Financial Instruments

	2014	2013
	\$	\$
<b>Financial Assets</b>		
<b>Loans and receivables:</b>		
Cash and cash equivalents	302,850	355,124
Trade receivables	170,964	7,908
Accrued revenue	56,960	199,554
<b>Total</b>	<b>530,774</b>	<b>562,586</b>
<b>Carrying amount of financial assets</b>	<b>530,774</b>	<b>562,586</b>
<b>Financial Liabilities</b>		
<b>At amortised cost:</b>		
Trade creditors and accruals	2,008,048	1,903,307
Unearned income (Commonwealth-funded projects)	-	22,727
<b>Total</b>	<b>2,008,048</b>	<b>1,926,034</b>
<b>Carrying amount of financial liabilities</b>	<b>2,008,048</b>	<b>1,926,034</b>

No income or expense from financial instruments for 2014 (2013: nil).

### Note 13B: Fair Value of Financial Instruments

	Carrying amount 2014	Fair value 2014	Carrying amount 2013	Fair value 2013
	\$	\$	\$	\$
<b>Financial Assets</b>				
Cash and cash equivalents	302,850	302,850	355,124	355,124
Trade receivables	170,964	170,964	7,908	7,908
Accrued revenue	56,960	56,960	199,554	199,554
<b>Total</b>	<b>530,774</b>	<b>530,774</b>	<b>562,586</b>	<b>562,586</b>
<b>Financial Liabilities</b>				
Trade creditors and accruals	2,008,048	2,008,048	1,903,307	1,903,307
Unearned income (Commonwealth-funded projects)	-	-	22,727	22,727
<b>Total</b>	<b>2,008,048</b>	<b>2,008,048</b>	<b>1,926,034</b>	<b>1,926,034</b>

1. The fair value for each class of financial asset and liability are the same as the carrying amount due to the short-term nature of each class held.

### Note 13C: Credit Risk

Safe Work Australia is exposed to minimal credit risk as loans and receivables are cash and trade receivables. The maximum exposure to credit risk is the risk that arises from potential default of a debtor. This amount is equal to the total amount of trade receivables in 2014: \$170,964 (2013: \$7,908). The Agency has assessed the risk of the default on payment and has determined that an allowance for impairment is not required.

Safe Work Australia has no significant exposures to any concentrations of credit risk. The Agency holds no collateral to mitigate against credit risk.

The following table illustrates the Safe Work Australia's gross exposure to credit risk, excluding any collateral or credit enhancements.

Note 13C: Credit Risk		
	2014	2013
	\$	\$
<b>Financial assets</b>		
Cash and cash equivalents	302,850	355,124
Trade receivables	170,964	7,908
Accrued revenue	56,960	199,554
<b>Total</b>	<b>530,774</b>	<b>562,586</b>
<b>Financial liabilities</b>		
Trade creditors and accruals	2,008,048	1,903,307
Unearned income (Commonwealth-funded projects)	-	22,727
<b>Total</b>	<b>2,008,048</b>	<b>1,926,034</b>

Credit quality of financial instruments not past due or individually determined as impaired				
	Not past due nor impaired	Not past due nor impaired	Past due or impaired	Past due or impaired
	2014	2013	2014	2013
	\$	\$	\$	\$
Cash and cash equivalents	302,850	355,124	-	-
Trade receivables	155,744	7,081	15,220	827
Accrued revenue	56,960	199,554	-	-
<b>Total</b>	<b>515,554</b>	<b>561,759</b>	<b>15,220</b>	<b>827</b>

## Note 13: (Cont'd) Financial Instruments

### Ageing of financial assets that were past due but not impaired for 2014

	0 to 30 days	31 to 60 days	61 to 90 days	90+ days	Total
	\$	\$	\$	\$	\$
Trade receivables	-	-	-	15,220	15,220
<b>Total</b>	-	-	-	15,220	15,220

### Ageing of financial assets that were past due but not impaired for 2013

	0 to 30 days	31 to 60 days	61 to 90 days	90+ days	Total
	\$	\$	\$	\$	\$
Trade receivables	827	-	-	-	827
<b>Total</b>	827	-	-	-	827

### Note 13D: Liquidity Risk

The Agency is jointly funded by Commonwealth, State and Territory governments. The Agency manages its budgeted funds to ensure it has adequate funds to meet payments as they fall due. In addition, the Agency has policies in place to ensure timely payments are made when due and has no past experience of default.

### Maturities for non-derivative financial liabilities 2014

	On demand	within 1 year	Total
	\$	\$	\$
Trade creditors and accruals	-	2,008,048	2,008,048
Unearned income (Commonwealth-funded projects)	-	-	-
<b>Total</b>	-	2,008,048	2,008,048

### Maturities for non-derivative financial liabilities 2013

	On demand	within 1 year	Total
	\$	\$	\$
Trade creditors and accruals	-	1,903,307	1,903,307
Unearned income (Commonwealth-funded projects)	-	22,727	22,727
<b>Total</b>	-	1,926,034	1,926,034

The Agency had no derivative financial liabilities in either 2014 or 2013

### Note 13E: Market Risk

Safe Work Australia holds basic financial instruments that do not expose the Agency to market risks such as 'Currency risk' and 'Other price risk'.

## Note 14: Financial Assets Reconciliation

Note 14: Financial Assets Reconciliation			
		2014	2013
		\$	\$
Financial assets	Notes		
Total financial assets as per statement of financial position		10,994,595	10,673,227
Less: Non-financial instrument components			
Appropriations receivable	6B	10,405,382	9,944,064
Other receivables	6B	58,439	166,576
Total non-financial instrument components		10,463,821	10,110,640
Total financial assets as per financial instruments note		530,774	562,586



## Note 15: Appropriations

### Note 15A: Annual Appropriations ('Recoverable GST exclusive')

	2014 Appropriations						Appropriation applied in 2013 (current and prior years)	Variance \$'000
	Appropriation Act		FMA Act					
	Annual Appropriation	Appropriations reduced <sup>1</sup>	AFM	Section 30	Section 31	Section 32		
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Departmental								
Ordinary annual services	9,524	(18)	-	-	-	-	9,506	(9,515) (9)
Total departmental	9,524	(18)	-	-	-	-	9,506	(9,515) (9)
Notes: 1. Appropriations reduced under Appropriation Acts (Nos. 1,3&5) 2014: sections 10, 11, and 12 and under Appropriation Acts (Nos. 2,4&6) 2014: sections 12,13, 14, and 17. Departmental appropriations do not lapse at financial year-end. However, the responsible Minister may decide that part or all of a departmental appropriation is not required and request the Finance Minister to reduce that appropriation. The reduction in the appropriation is effected by the Finance Minister's determination and is disallowable by Parliament. During 2014, there was a reduction to departmental appropriations for Reforms to the APS management and efficient procurement of agency software. The amount of the reduction under Appropriation Act No. 1 for 2014 was \$18,000.								
	2013 Appropriations						Appropriation applied in 2013 (current and prior years)	Variance \$'000
	Appropriation Act		FMA Act					
	Annual Appropriation	Appropriations reduced <sup>1</sup>	AFM	Section 30	Section 31	Section 32		
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Departmental								
Ordinary annual services	9,293	-	-	-	-	-	9,293	(9,283) 10
Total departmental	9,293	-	-	-	-	-	9,293	(9,283) 10
Notes: 1. Appropriations reduced under Appropriation Acts (Nos. 1,3&5) 2013: sections 10, 11, and 12 and under Appropriation Acts (Nos. 2,4&6) 2013: sections 12,13, 14 and 17. Departmental appropriations do not lapse at financial year-end. However, the responsible Minister may decide that part or all of a departmental appropriation is not required and request the Finance Minister to reduce that appropriation. The reduction in the appropriation is effected by the Finance Minister's determination and is disallowable by Parliament. In 2013, there was no reduction in departmental and non-operating departmental appropriation; however, on 30 June 2013, the Prime Minister announced a decision to reduce the Departmental appropriation by \$1,000. This meets the recognition criteria of a formal addition or reduction in revenue (in accordance with FMO division 101) but at law the appropriations had not been amended before the end of the reporting period.								

**Note 15B: Departmental and Administered Capital Budgets ('Recoverable GST exclusive')**

		2014 Capital Budget Appropriations				Capital Budget Appropriations applied in 2014 (current and prior years)			
		<i>Appropriation Act</i>		<i>FMA Act</i>					
		Annual Capital Budget	Appropriations reduced <sup>2</sup>	Section 32 Appropriations	Total Capital Budget Appropriations	Payments for non-financial assets <sup>3</sup>	Payments for other purposes	Total payments	Variance
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Departmental</b>									
<b>Ordinary annual services –</b>									
Departmental Capital Budget <sup>1</sup>	150	-	-	-	150	(60)	(99)	(159)	(9)
Notes: 1. Departmental and Administered Capital Budgets are appropriated through Appropriation Acts (No.1,3,5). They form part of ordinary annual services, and are not separately identified in the Appropriation Acts. For more information on ordinary annual services appropriations, please see Note 15A: Annual Appropriations.									
2. Appropriations reduced under Appropriation Acts (No.1,3,5) 2013-14: sections 10, 11, 12 and 15 or via a determination by the Finance Minister.									
3. Payments made on non-financial assets include purchases of assets, expenditure on assets which has been capitalised, costs incurred to make good an asset to its original condition, and the capital repayment component of finance leases.									
		2013 Capital Budget Appropriations				Capital Budget Appropriations applied in 2013 (current and prior years)			
		<i>Appropriation Act</i>		<i>FMA Act</i>					
		Annual Capital Budget	Appropriations reduced <sup>2</sup>	Section 32 Appropriations	Total Capital Budget Appropriations	Payments for non-financial assets <sup>3</sup>	Payments for other purposes	Total payments	Variance
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Departmental</b>									
<b>Ordinary annual services –</b>									
Departmental Capital Budget <sup>1</sup>	51	-	-	-	51	(10)	(32)	(42)	9
Notes: 1. Departmental and Administered Capital Budgets are appropriated through Appropriation Acts (No.1,3,5). They form part of ordinary annual services, and are not separately identified in the Appropriation Acts. For more information on ordinary annual services appropriations, please see Table A: Annual Appropriations.									
2. Appropriations reduced under Appropriation Acts (No.1,3,5) 2012-13: sections 10, 11, 12 and 15 or via a determination by the Finance Minister.									
3. Payments made on non-financial assets include purchases of assets, expenditure on assets which has been capitalised, costs incurred to make good an asset to its original condition, and the capital repayment component of finance leases.									

## Note 15 (Cont'd): Appropriations

Note 15C: Unspent Annual Appropriations ('Recoverable GST exclusive')		
	2014	2013
Authority	\$'000	\$'000
<b>DEPARTMENTAL</b>		
Appropriation Act (No. 1) 2012-13	-	-
Appropriation Act (No. 1) 2012-13 – Departmental Capital Budget (DCB)	-	9
Appropriation Act (No. 1) 2013-14	-	-
Appropriation Act (No. 1) 2013-14 – Departmental Capital Budget (DCB)	-	-
<b>Total</b>	-	9

## Note 16: Special Accounts and FMA Act Section 39 Investments

Note 16: Special Accounts (Recoverable GST exclusive)		
	Safe Work Australia Special Account <sup>1</sup>	
	2014	2013
	\$	\$
<b>Balance brought forward from previous period</b>	<b>10,290,188</b>	<b>8,126,564</b>
<b>Increases:</b>		
Appropriation credited to special account	<b>9,356,000</b>	9,241,000
Capital Injection - Departmental Capital Budget	<b>159,000</b>	42,000
State and Territories and Commonwealth-funded projects	<b>10,339,633</b>	10,029,812
Other receipts	<b>1,581</b>	-
<b>Total increases</b>	<b>19,856,214</b>	19,312,812
<b>Available for payments</b>	<b>30,146,402</b>	27,439,376
<b>Decreases:</b>		
<b>Departmental</b>		
Payments made to suppliers	<b>(6,231,124)</b>	(5,205,261)
Payments made to employees	<b>(13,207,045)</b>	(11,943,927)
<b>Total departmental decreases</b>	<b>(19,438,169)</b>	(17,149,188)
<b>Total decreases</b>	<b>(19,438,169)</b>	(17,149,188)
<b>Total balance carried to the next period</b>	<b>10,708,233</b>	10,290,188

1. Appropriation: Financial Management and Accountability Act 1997 section 21.

Establishing Instrument: Section 64 of the Safe Work Australia Act 2008.

Purpose: To provide a source of finance to resource Safe Work Australia.

Note: During 2013, additional legal advice was received that indicated there could be breaches of Section 83 under certain circumstances with payments for long service leave, goods and services tax and payments under determinations of the Remuneration Tribunal. Safe Work Australia has reviewed its processes and controls over payments for these items to minimise the possibility for future breaches as a result of these payments. Safe Work Australia has determined that there is a low risk of the certain circumstances mentioned in the legal advice applying to the Agency. Safe Work Australia is not aware of any specific breaches of Section 83 in respect of these items.

## Note 17: Compensation and Debt Relief

<b>Note 17: Compensation and Debt Relief</b>		
	<b>2014</b>	<b>2013</b>
	<b>\$</b>	<b>\$</b>
<b>Compensation and Debt Relief – Departmental</b>		
No ‘Act of Grace Payments’ were expensed during the reporting period (2013: nil).	-	-
No waivers of amounts owing to the Australian Government were made pursuant to subsection 34(1) of the Financial Management and Accountability Act 1997 (2013: nil).	-	-
No payments were provided under the Compensation for Detriment caused by Defective Administration (CDDA) Scheme during the reporting period (2013: nil)	-	-
No ex-gratia payments were provided for during the reporting period (2013: nil).	-	-
No payments were provided in special circumstances relating to APS employment pursuant to section 73 of the Public Service Act 1999 (PS Act) during the reporting period (2013: nil).	-	-

## Note 18: Reporting of Outcomes

Safe Work Australia has a single outcome and single program. The outcome is: Safer and more productive Australian workplaces through harmonising national occupational health and safety and workers' compensation arrangements.

### Note 18: Net Cost of Outcome Delivery

	Outcome 1		Total	
	2014	2013	2014	2013
	\$	\$	\$	\$
<b>Departmental</b>				
Expenses	20,644,531	18,633,652	20,644,531	18,633,652
Own-source income	10,409,940	10,127,983	10,409,940	10,127,983
<b>Net cost/(contribution) of outcome delivery</b>	<b>10,234,591</b>	<b>8,505,669</b>	<b>10,234,591</b>	<b>8,505,669</b>

1. Outcome 1 is described in Note 1.1. Net costs shown include intra-government costs that are eliminated in calculating the actual Budget Outcome. Refer to Outcome 1 Resourcing Table in this annual report.

## Note 19: Net Cash Appropriation Arrangements

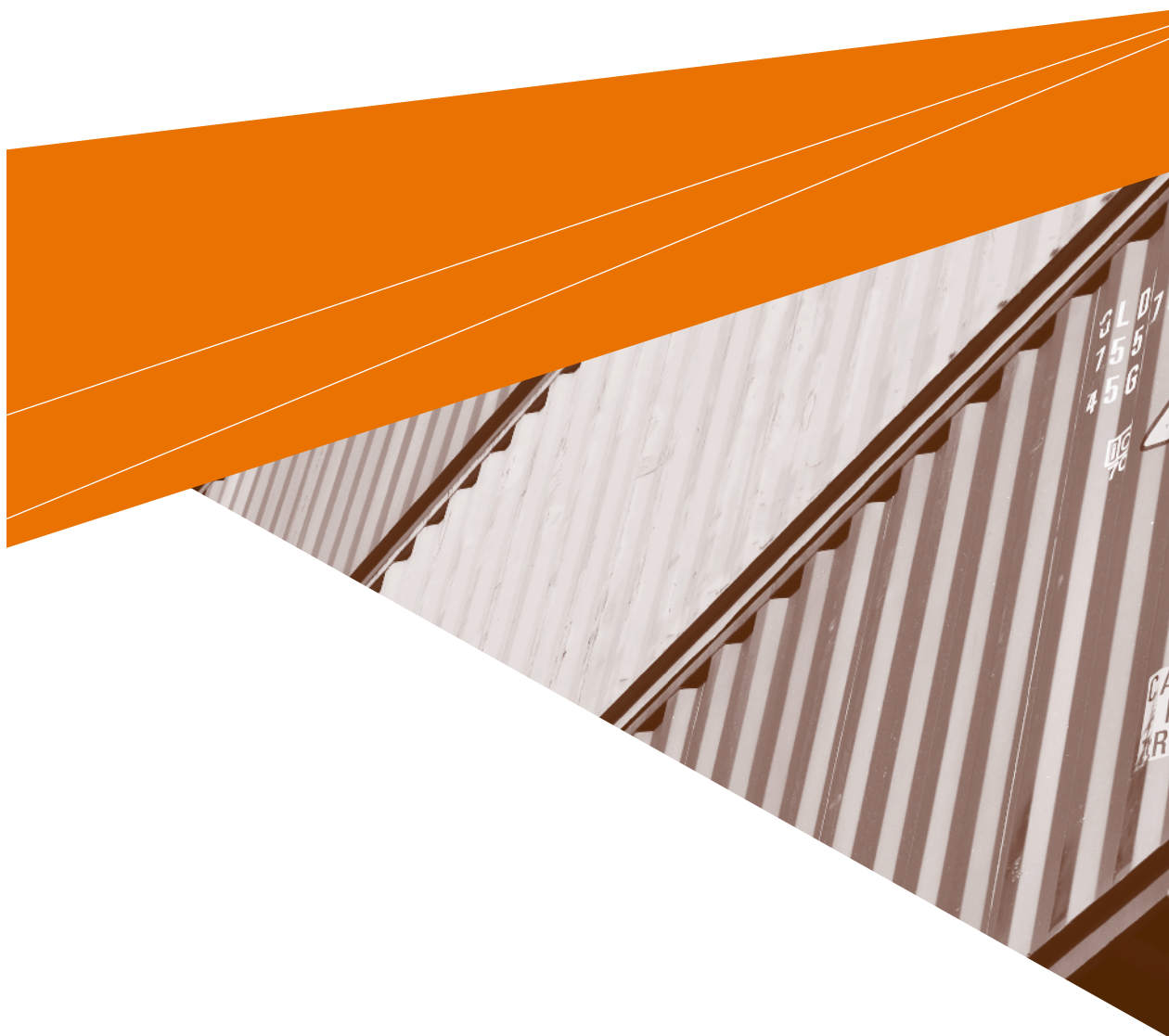
### Note 19: Net Cash Appropriation Arrangements

	2014	2013
	\$	\$
<b>Total comprehensive income less depreciation/ amortisation expenses previously funded through revenue appropriations<sup>1</sup></b>	<b>(224,655)</b>	<b>1,643,915</b>
Plus: depreciation/amortisation expenses previously funded through revenue appropriation	<b>(653,936)</b>	<b>(466,623)</b>
<b>Total comprehensive income – as per the Statement of Comprehensive Income</b>	<b>(878,591)</b>	<b>1,177,292</b>

1. From 2010-11, the Government introduced net cash appropriation arrangements, where revenue appropriations for depreciation/amortisation expenses ceased. Entities now receive a separate capital budget provided through equity appropriations. Capital budgets are to be appropriated in the period when cash payment for capital expenditure is required.

# Part 6

## Appendices



## Appendix 1: Publication list

Safe Work Australia published 53 publications throughout 2013-14. These publications are displayed below in publication date order.

### July 2013

- > Four Traffic management guides
- > Key Workers' Compensation Information, Australia 2013
- > Comparison of Workers' Compensation Arrangements in Australia and New Zealand (2013)

### August 2013

- > Guide on Exposure to Solar Ultraviolet Radiation (UVR)
- > Development of an Automated High-throughput Screening Procedure for Nanomaterials Genotoxicity Assessment

### September 2013

- > Model Code of Practice: *Managing the Risks of Plant in the Workplace (revised and republished)*
- > Model Code of Practice: *Spray Painting and Powder Coating (revised and republished)*
- > National Return to Work Survey 2013–Headline Measures Report

### October 2013

- > Model Codes of Practice: *Excavation Work (revised and republished)*
- > Work-related Traumatic Injury Fatalities Australia 2012
- > Work-related Injuries and Fatalities Involving a Fall from Height, Australia
- > Comparative Performance Monitoring Report 15th Edition
- > Mesothelioma in Australia Incidence 1982 to 2009 Mortality 1997 to 2011

- > Work Health and Safety in the Road Freight Transport Industry

### November 2013

- > Model Code of Practice: *Construction Work (revised and republished)*
- > Model Code of Practice: *Demolition Work (revised and republished)*
- > Jurisdictional Progress Against Targets fact sheet
- > Priority Industries fact sheet
- > Agriculture Forestry and Fishing fact sheet
- > Health and Community Services fact sheet
- > Manufacturing fact sheet
- > Mining fact sheet
- > Transport and Storage fact sheet
- > Construction fact sheet
- > Incident Notification fact sheet
- > Dealing with Workplace Bullying—a Worker's guide
- > Guide for Preventing and Responding to Workplace Bullying
- > Guide for Managing the Risk of Fatigue at Work
- > Fatigue Management—a Worker's guide
- > Guide for Tunnelling Work
- > Work Health and Safety in Structural Metal Product Manufacturing: A Qualitative Research Study
- > Measuring Progress Towards Targets –Reducing the Incidence of Work-related Death, Injury and Illness

### December 2013

- > Guide to Managing Risks in Cable Logging
- > Guide to Growing and Managing Forests
- > Guide for Managing Risks from High Pressure Water Jetting



- > Guide to Handling Refractory Ceramic Fibres
- > Sizing up Australia – the next step
- > Issues in the Measurement and Reporting of Work Health and Safety Performance: Review
- > Key Work Health and Safety Statistics Booklet Australia 2014

### **February 2014**

- > Model Code of Practice: *Confined Spaces (revised and republished)*
- > Issues in the Assurance and Verification of Work Health and Safety Information

### **May 2014**

- > Preventing Psychological Injury under Work Health and Safety Laws fact sheet
- > Workers' Compensation Legislation and Psychological Injury fact sheet
- > Return to Work Survey: Role of the Employer and Workplace. Australia and New Zealand 2013
- > Factors Contributing to the Development of Occupational Contact Dermatitis and Occupational Contact Urticaria
- > Psychosocial Health and Safety and Bullying in Australian Workplaces
- > Work-related Fatalities Involving Trucks, Australia, 2003 to 2012
- > Asbestos-related Disease Indicators 2014

### **June 2014**

- > Forestry Operations guidance material
- > Guide to Managing Risks when New and Inexperienced Persons Interact with Horses

## Appendix 2: Model Codes and guidance material

This appendix provides a complete list of published supporting material for the model WHS laws.

### Model Codes of Practice

The following model Codes of Practice have been finalised for implementation under the IGA.

- > Abrasive Blasting
- > Confined Spaces
- > Construction Work
- > Demolition Work
- > Excavation Work
- > First Aid in the Workplace
- > Hazardous Manual Tasks
- > How to Manage and Control Asbestos in the Workplace
- > How to Manage Work Health and Safety Risks
- > How to Safely Remove Asbestos
- > Labelling of Workplace Hazardous Chemicals
- > Managing Electrical Risks at the Workplace
- > Managing Noise and Preventing Hearing Loss at Work
- > Managing Risks of Hazardous Chemicals in the Workplace
- > Managing Risks of Plant in the Workplace
- > Managing the Risk of Falls at Workplaces
- > Managing the Work Environment and Facilities
- > Preparation of Safety Data Sheets for Hazardous Chemicals
- > Preventing Falls in Housing Construction
- > Safe Design of Structures
- > Spray Painting and Powder Coating
- > Welding Processes
- > Work Health and Safety Consultation Cooperation and Coordination

### Guidance material

Safe Work Australia publishes a range of guidance material to provide information on the model WHS laws and to assist compliance. Safe Work Australia has developed the following guides.

- > Cash-in-transit
- > Controlling Risks Associated with Electroplating guide
- > Dealing with Workplace Bullying – a Worker's Guide
- > Fatigue Management – a Worker's Guide
- > Forestry Operations
- > Formwork and Falsework
- > Guidance for the Safe Design, Manufacture, Import and Supply of Plant
- > Guidance of the Classification of Hazardous Chemicals under the WHS Regulations
- > Guidance on the Interpretation of Workplace Exposure Standards for Airborne Contaminants
- > Guide for Handling and Transporting Cash
- > Guide for Managing Risks from High Pressure Water Jetting
- > Guide for Managing Risks Involving Heritage Plant
- > Guide for Managing the Risk of Fatigue at Work
- > Guide for Preventing and Responding to Cyanide Poisoning in the Workplace
- > Guide for Preventing and Responding to Workplace Bullying

- > Guide for Tunnelling Work
- > Guide on Exposure to Solar Ultraviolet Radiation (UVR)
- > Guide to Growing and Managing Forests
- > Guide to Handling Refractory Ceramic Fibres
- > Guide to Managing Risks Associated with Foundry Work
- > Guide to Managing Risks in Cable Logging
- > Guide to Managing Risks when New and Inexperienced Persons Interact with Horses
- > Guide to the model Work Health and Safety (WHS) Act
- > Guide to the model Work Health and Safety (WHS) Regulations
- > Hazardous Chemicals Requiring Health Monitoring
- > Health Monitoring for Exposure to Hazardous Chemicals – Guide for Persons Conducting a Business or Undertaking
- > Health Monitoring for Exposure to Hazardous Chemicals – Guide for Workers
- > Health Monitoring for Exposure to Hazardous Chemicals – Guide for Medical Practitioners
- > How to Determine what is Reasonably Practicable to Meet a Health and Safety Duty
- > Industrial Lift Trucks
- > Major Hazards Facilities guides
- > Safe Handling and Use of Carbon Nanotubes
- > Scaffolds and Scaffolding Work
- > Traffic Management guides
- > Worker Representation and Participation guide
- > Working in the Vicinity of Overhead and Underground Electric Lines

- > Workplace Amusement Devices
- > Workplace Traffic Management

### **Fact Sheets**

Safe Work Australia has developed a series of work health and safety fact sheets to provide guidance for persons conducting a business or undertaking.

- > Agriculture Forestry and Fishing fact sheet
- > Australian Work Health and Safety Strategy 2012-2022 fact sheet
- > Classification of Carbon Nanotubes as Hazardous Chemicals fact sheet
- > Codes of Practice and Guidance Material fact sheet
- > Construction fact sheet
- > Electrical Risks at the Workplace fact sheet
- > Emergency Plans fact sheet
- > Emissions of Nanomaterials during Machining Processes information sheet
- > Falling Objects fact sheet
- > First Aiders fact sheet
- > Hand-arm Vibration fact sheet
- > Hazardous Chemicals Register fact sheet
- > Health and Community Services fact sheet
- > How Volunteer Organisations can Comply with the model Work Health and Safety (WHS) Act fact sheet
- > Incident Notification fact sheet
- > Jurisdictional Progress Against Targets fact sheet
- > Labour Hire, Duties of a Person Conducting a Business or Undertaking fact sheet
- > Laser Classification and Potential hazards fact sheet
- > Managing Risks to Health and Safety at the Workplace fact sheet

- > Manufacturing fact sheet
- > Measuring and Assessing Emissions of Nanomaterials from Processes information sheet
- > Mining fact sheet
- > Minor Contamination' of Asbestos-Containing Dust or Debris fact sheet
- > Preventing Psychological Injury Under Work Health and Safety Laws fact sheet
- > Priority Industries fact sheet
- > Priority Mechanisms fact sheet
- > Progress Against Targets fact sheet
- > Review of Hazards and Health Effects of Inorganic Lead information sheet
- > Safe Handling and Use of Carbon Nanotubes in the Workplace information sheet
- > Safety Hazards of Engineered Nanomaterials information sheet
- > Slips and Trips fact sheet
- > Transport and Storage fact sheet
- > Understanding Hazardous Chemical Labels fact sheet
- > Understanding Safety Data Sheets for Hazardous Chemicals fact sheet
- > Volunteers 'Officers' and their Duties under the model Work Health and Safety (WHS) Act fact sheet
- > Volunteers and the model Work Health and Safety (WHS) Act fact sheet
- > Volunteers Organisations and the model Work Health and Safety (WHS) Act fact sheet
- > Volunteers Resource kit
- > Whole-body Vibration fact sheet
- > Workers' Compensation Legislation and Psychological Injury fact sheet

## Appendix 3: Advertising and market research

During 2013-14 Safe Work Australia spent the following amount on advertising and market research.

Advertising cost	Provider	Reason for placement
\$4 575	Australian Public Service Commission	2013–14 subscription to APS Jobs

## Appendix 4: Ecologically sustainable development and environmental performance

Section 516A of the *Environment Protection and Biodiversity Conservation Act 1999* requires that government organisations report annually on their environmental performance and contribute to ecologically sustainable development (ESD).

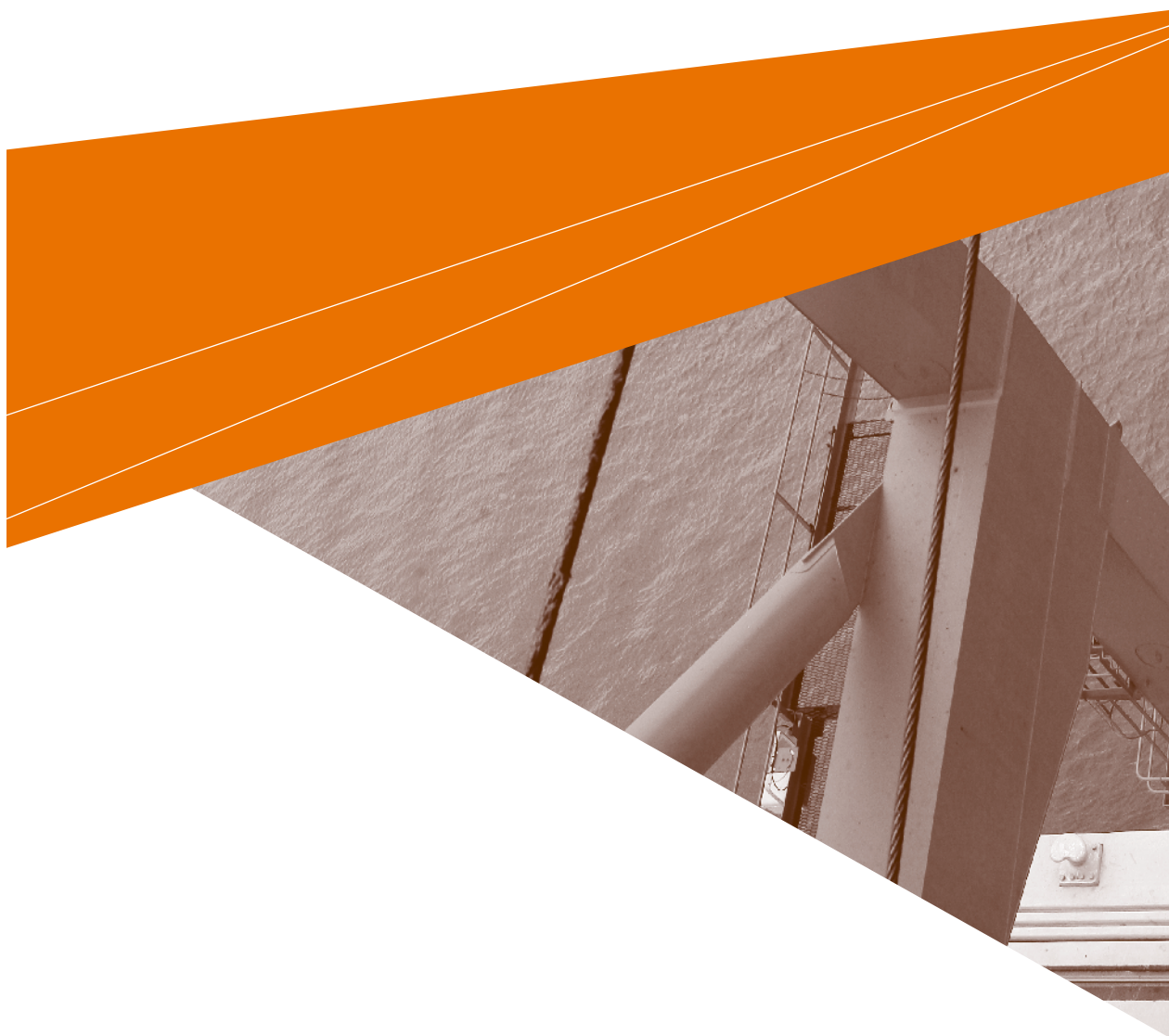
Safe Work Australia's operations reflect ESD principles by:

- > operating a paper, plastic, glass and cardboard recycling program
- > the effective use of electricity by using efficient office machinery
- > paper and toner cartridge recycling
- > the use of energy efficient computer monitors
- > low wattage lights used throughout the Safe Work Australia office
- > operating lighting via motion sensors on the lights to reduce energy consumption, and
- > reduction in paper usage by centralising printers and setting them to double-sided printing as a default.

Print on demand is mandatory for all employees to reduce the use of paper across the agency as well as the number of individual printers being used.

## Part 7

# References and indexes



## Acronyms and abbreviations

Acronym/Abbreviation	Meaning
ACTU	Australian Council of Trade Unions
AFER	Australian Forum of Explosives Regulators
AMR	Australian Mesothelioma Registry
ANAO	Australian National Audit Office
ANU	Australian National University
APS	Australian Public Service
APSC	Australian Public Service Commission
ARC	Australian Research Council
AWES	Australian Work Exposure Study
AWU	Australian Workers' Union
BoK	Body of Knowledge
COAG	Council of Australian Governments
CPSU	Community and Public Sector Union
ESD	Ecologically Sustainable Development
FMA Act	Financial Management and Accountability Act 1997
FOI Act	Freedom of Information Act 1982
GHS	Globally Harmonized System of Classification and Labelling of Chemicals
HRW	High Risk Work
HSR	Health and Safety Representative
HWCA	Heads of Workers' Compensation Authorities
HWSA	Heads of Workplace Safety Authorities
ICOH	International Commission on Occupational Health
IGA	Intergovernmental Agreement for Regulatory and Operational Reform in Occupational Health and Safety
IPF	Integrated Planning Framework
IPS	Information Publication Scheme
KNOHMi	Knowledge Network in Occupational Health in Mining
KPI	Key Performance Indicator



Acronym/Abbreviation	Meaning
MinOSH	Working Group on Occupational Safety and Health in Mining
MonCOEH	Monash Centre for Occupational and Environmental Health
MOU	Memorandum of Understanding
NDS	National Data Set for Compensation-based Statistics
NHMRC	National Health and Medical Research Council
OECD	Organisation for Economic Co-operation and Development
PATH	Personality and Total Health
PBS	Portfolio Budget Statements
PDA	Performance Development Agreement
PGPA Act	Public Governance, Performance and Accountability Act 2013
SAWS	Chinese State Administration of Work Safety
SCWR	Select Council of Workplace Relations
SES	Senior Executive Service
SIG	Strategic Issues Group
SRCC	Safety, Rehabilitation and Compensation Commission
TAG	Temporary Advisory Group
TIF	Traumatic Injury Fatalities collection
UVR	Solar Ultraviolet Radiation
WCF	Workplace Consultative Forum
WHS	Work Health and Safety
WHS Committee	Work Health and Safety Committee

## Glossary of terms

Term	Description
Model WHS Act	The model WHS Act has been developed under the Inter-Government Agreement for Regulatory and Operational Reform in Occupational Health and Safety as part of the new harmonised work health and safety framework in Australia. The model WHS Act was endorsed by the Workplace Relations Ministers' Council on 11 December 2012.
Model WHS Regulations	The model WHS Regulations support the model WHS Act and cover a wide range of matters relating to work health and safety.
The Alliance	Mentally Healthy Workplace Alliance established by the National Mental Health Commission. Safe Work Australia is a founding member of the Alliance.

## List of requirements

Part of Report	Description	
	Letter of transmittal	3
	Table of contents	5–6
	Index	137
	Glossary	132
	Contact officer(s)	2
	Internet home page address and Internet address for report	2
<b>Review by Secretary</b>		
	Review by departmental secretary	9
	Summary of significant issues and developments	9, 12–18
	Overview of department's performance and financial results	12–18
	Outlook for following year	14, 18, 33, 37, 39, 42, 43
	Significant issues and developments – portfolio	Not applicable
<b>Departmental Overview</b>		
	Role and functions	8
	Organisational structure	62
	Outcome and programme structure	13–14
	Where outcome and programme structures differ from PB Statements/PAES or other portfolio statements accompanying any other additional appropriation bills (other portfolio statements), details of variation and reasons for change	Not applicable
	Portfolio structure	Not applicable
<b>Report on Performance</b>		
	Review of performance during the year in relation to programmes and contribution to outcomes	12–45
	Actual performance in relation to deliverables and KPIs set out in PB Statements/PAES or other portfolio statements	12–14
	Where performance targets differ from the PBS/PAES, details of both former and new targets, and reasons for the change	Not applicable

Part of Report	Description	
	Narrative discussion and analysis of performance	12–45
	Trend information	15, 35–36, 64
	Significant changes in nature of principal functions/services	Not applicable
	Performance of purchaser/provider arrangements	75
	Factors, events or trends influencing departmental performance	12–45
	Contribution of risk management in achieving objectives	57
	Performance against service charter customer service standards, complaints data, and the department's response to complaints	Not applicable
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