



**safe work australia**

2014–15

# Annual Report







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**2014–15**

# **Annual Report**

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**safe work australia**

Chief Executive Officer  
**Ms Michelle Baxter**

Senator the Hon Michaelia Cash  
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 2015. The annual report includes details of annual performance statements and annual financial statements in accordance with the *Public Governance, Performance and Accountability Act 2013*, along with subsection 70(2) of the *Safe Work Australia Act 2008*.

Section 46 of the *Public Governance, Performance and Accountability Act 2013* requires me to provide you with a copy of the annual report for presentation to the Parliament by 31 October 2015.

The report has been prepared in accordance with the requirements of the *Public Governance, Performance and Accountability Act 2013* as well as section 70 of the *Public Service Act 1999*, in addition to 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

1 October 2015

## Guide to this report

This report provides information on the activities, achievements and performance of Safe Work Australia for the 2014–15 financial year.

### Part 1–Overview

Part 1 introduces the role and functions of Safe Work Australia, provides a snapshot of key achievements in 2014–15 and the Chief Executive Officer, Michelle Baxter, gives her review of the year and outlook for 2015–16.

### Part 2–Performance report

Part 2 reports on the performance of Safe Work Australia, measured against the Portfolio Budget Statement (PBS) 2014–15, the six strategies under the *Safe Work Australia Strategic Plan 2013–2016* and the *Operational Plan 2014–2015*.

### Part 3–Management and accountability

Part 3 introduces Safe Work Australia Members and details Safe Work Australia's management and accountability processes including internal governance arrangements.

### Part 4–The organisation

Part 4 includes information on Safe Work Australia's people, workforce planning achievements and corporate responsibilities.

### Part 5–Financial performance

Part 5 contains Safe Work Australia's financial management framework and provides the audited financial statements for 2014–15.

### Part 6–Appendices

Part 6 includes the *Safe Work Australia Strategic Plan 2013–2016* and the *Operational Plan 2014–2015*. A publications list for 2014–15 and a statement on ecologically sustainable development performance are also provided.

### Part 7–References and indexes

Part 7 includes a list of acronyms and abbreviations, glossary of terms, list of requirements and alphabetical index.

*Note: Quotes used throughout this report are attributed to participants of the Virtual Seminar Series, hosted by Safe Work Australia during Safe Work Australia Month in October 2014.*

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Part One

# Overview

“In terms of demonstrating leadership through an annual report, it’s not just about leading safety, it’s about leading safely.”

Dr Sharron O'Neill, Macquarie University

## 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*.

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

Safe Work Australia Members work with staff to deliver the objectives of the *Safe Work Australia Strategic Plan 2013–2016* and *Safe Work Australia Operational Plan 2014–2015*.

Safe Work Australia'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. Activities to support the 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
- > undertake and disseminate high quality nationally significant work health and safety and workers' compensation research, including on emerging issues
- > support implementation of the *Australian Work Health and Safety Strategy 2012–2022*
- > promote consistent work health and safety and workers' compensation messaging
- > improve consistency in workers' compensation arrangements, and
- > liaise with other countries and international organisations on matters relating to work health and safety and workers' compensation.

Safe Work Australia is subject to the *Public Governance, Performance and Accountability Act 2013* (PGPA Act).

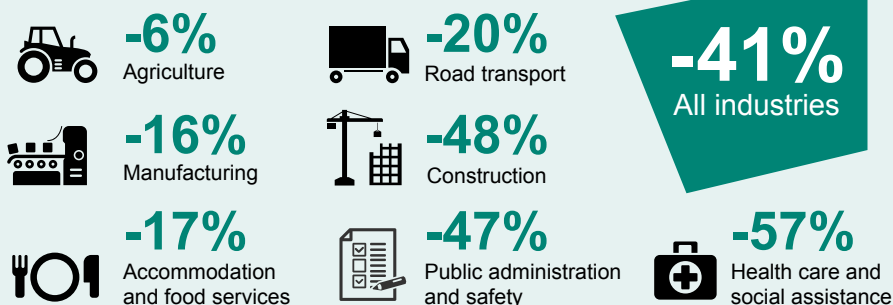
## Performance Highlights

There is a long-term trend showing a reduction in the number of work-related fatalities and serious injury claims.

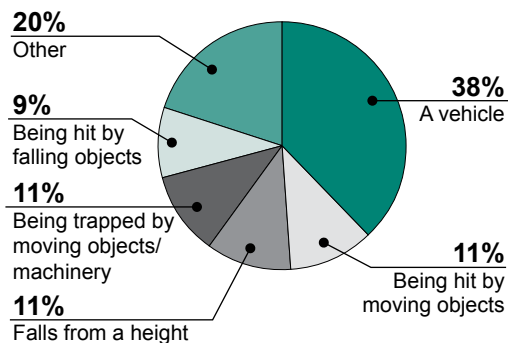


188 worker fatalities in 2014,  
**a 39% reduction**  
from a peak of 310 in 2007

All priority industries under the Australian Strategy have witnessed reductions in the rate of fatalities per 100 000 workers between 2003 and 2014:



In 2014 worker fatalities generally involved:



# 117 815


Number of serious claims\* in 2012–13, equating to 11.1 claims per 1000 workers (the latter decreased by 26% since 2000–01)

\* Claims involving at least one week off work.

**5.4 weeks**


**5.4 weeks**  
Median time lost from work for work-related injuries and illnesses in 2011–12

Some of the highlights of Safe Work Australia's activities over 2014–15:

 **59**  
New and revised model Codes of Practice and guidance materials published

 **24**  
Research and major statistical reports published

 **16**  
Meetings of Safe Work Australia and its committees

 **4**  
International meetings attended and international delegations hosted to share information about work health and safety

 **39**  
Films, live panels and reports launched for the 2014 Virtual Seminar Series

 **65 000**  
Views of Virtual Seminar Series films from October 2014 to June 2015

## Chief Executive Officer's review



Michelle Baxter, Chief Executive Officer, Safe Work Australia.

Safe Work Australia data show the number of work-related fatalities is falling, down to 188 people in 2014 from a peak of 310 in 2007 (a reduction of 39 per cent). The rate of serious injury claims also continues to fall, with the 117 815 serious claims lodged by Australian workers in 2012–13 representing a 26 per cent reduction since 2000–01. While just one death or serious injury should be considered too many, I am pleased that Safe Work Australia has actively contributed to the ongoing reduction in work-related death, injury and illness.

Across Australia the direct and indirect impact of work-related death, injury and illness on workers, their workplaces, families and communities is devastating. We must always remember that behind every death and injury statistic, there is a real person. While obviously helping workers, it is becoming increasingly clear among business leaders and the community that investing in work health and safety and human capital can result in more productive, healthier and more sustainable Australian businesses.

We should not lose sight of how far we have come in work health and safety, when death, injury and illness were seen to be a normal part of one's working life. This is illustrated on the front and back covers of this report, which shows farm machinery at the turn of each of the last two centuries; the management of health and safety, along with attitudes and perceptions has been matched by advances in technological innovation and improved work methods.

This annual report highlights a number of achievements made by Safe Work Australia in 2014–15 against the *Strategic Plan 2013–16* and the *Operational Plan 2014–15*. These documents reflect the vision of the *Australian Work Health and Safety Strategy 2012–2022* (Australian Strategy) of *healthy, safe and productive working lives*. Implementation of the Australian Strategy remains a key driver for Safe Work Australia in developing policy to improve work health and safety and workers' compensation arrangements.

Over the year Safe Work Australia has maintained its role as a national policy maker, technical expert and collaborator. Together with its Members, Safe Work Australia has worked to improve the work health and safety legislative framework, increase work health and safety awareness and develop a robust evidence and knowledge base to inform policy and practice.

Under the Australian Strategy, Safe Work Australia hosted the first ever Virtual Seminar Series throughout National Safe Work Australia Month in October 2014. With its theme of *Work Safe. Home Safe.*, the 2014 Virtual Seminar Series was a free online event that showcased the latest work health and safety thinking, innovations and research through live panel discussions, video presentations,

reports and infographics from work health and safety experts, regulators, business leaders and workers. The Agriculture industry was featured as one of the priority industries under the Australian Strategy.

During the year Safe Work Australia undertook a review of aspects of the model WHS laws, including looking at ways to reduce unnecessary regulatory burden without compromising safety outcomes. Safe Work Australia reviewed and re-published seven model Codes of Practice and published a further 52 national guidance materials. This now means Safe Work Australia has published nearly 150 documents to support the model WHS laws since 2011.

Safe Work Australia has made significant progress towards developing policy proposals to improve the consistency of Australia's explosives framework, with a discussion paper and consultation Regulation Impact Statement (RIS) to be released in mid-2015.

On workers' compensation, Safe Work Australia published case studies showcasing organisations' excellence in return to work practices. It has also continued important progress towards national consistency in classifying deemed occupational diseases and assessment of permanent impairment.

Safe Work Australia continued its nationally significant research, data collection and analysis activities to drive new policy development and support intervention activities. During the process Safe Work Australia has continued to excel in its efforts to collaborate with a wide range of academic institutions to produce research and enhance our data collection and analysis (refer Feature Story on next page).

As an agency, Safe Work Australia has made significant gains to develop our workforce to be capable of responding to our diverse stakeholders and addressing the policy challenges characteristic of a modern, twenty-first century world of work. As Chief Executive Officer, I am committed to ensuring that Safe Work Australia remains an influential and integral part of the national framework for work health and safety and workers' compensation. We are working hard to develop an agency that has an environment and culture that fosters the ability to drive real and measurable change in work health and safety and workers' compensation outcomes at all levels.

Some of the priorities Safe Work Australia will be focusing on over 2015–16 are to:

- > continue to implement the Australian Strategy, including the second Virtual Seminar Series in October 2015 and activities on safe design, leadership and supply chains
- > monitor, review and evaluate the model WHS laws
- > develop simple and user friendly practical guidance including via an improved Safe Work Australia website
- > collect, maintain and improve the reporting of national research on work health and safety and workers' compensation data, including continuing to address emerging issues
- > implement the Communications and Stakeholder Engagement Strategy, including promoting consistent key messages
- > develop policy proposals to support the nationally consistent explosives framework, and
- > improve consistency of workers' compensation arrangements.

### Collaboration: Enhancing the scope and influence of Safe Work Australia research and policy

Monash University, Macquarie University, the Australian National University, University of Western Australia, Curtin University, University of Sydney and University of South Australia are just some of the research institutions with whom Safe Work Australia has collaborated on research projects and policy initiatives over 2014–15.

From measuring workplace exposure to carcinogens in workplaces, to analysing longitudinal data on the prevalence of back pain in young people; from undertaking national surveys on psychosocial hazards to drafting a new chapter on safe work design for the OHS Body of Knowledge, Safe Work Australia's readiness to recognise and utilise the expertise of researchers and experts enables it to have a much greater presence in the field of work health and safety and workers' compensation. This is in addition to productive partnerships with state and territory work health and safety regulators and workers' compensation authorities to fund and partner projects for national benefit.

Safe Work Australia is proud of its strong identity as a key source of national work health and safety and workers' compensation research and data. Safe Work Australia has established and maintained multiple datasets on workers' compensation and work-related fatalities that are unrivalled sources for national statistics. It also undertakes a rigorous research programme on a broad range of work health and safety and workers' compensation issues, including emerging issues. These are important evidence bases that underpin policy initiatives developed by Safe Work Australia at the national level, as well as those implemented by others in Australia and overseas.

Safe Work Australia's identity as a key source of work health and safety and workers' compensation research and data is only enhanced by a willingness to engage the academic and research community through informal networks and formal partnerships. By doing so Safe Work Australia can improve the cost-effectiveness of research, open new opportunities for its research programme, improve the translation of research findings into policy and practice and ensure Safe Work Australia stays abreast of emerging issues and at the cutting edge of new research.





Part Two

# Performance report

“We’ve come a long way since the times when death, injury or illnesses were seen as just a normal part of earning a living. [...] Together, let’s keep up the momentum.”

Ms Michelle Baxter, CEO, Safe Work Australia

## Overview of performance

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

- > Safe Work Australia Act—functions (s. 6)
- > Portfolio Budget Statement (PBS) 2014–15
- > *Safe Work Australia Strategic Plan 2013–2016* (Strategic Plan), and
- > *Safe Work Australia Operational Plan 2014–2015* (Operational Plan).

The achievements reported in this document are measured against the PBS, Strategic Plan and Operational Plan. The following Part is structured around the six strategies of the Strategic Plan.

The table below provides a summary of the interaction between the six strategies and the other guiding documents.

Strategies under the Strategic Plan	Function from the Act	Strategy from the PBS	Activity from the Operational Plan
1. Support the implementation of the Australian Strategy	1, 9	1-2	8
2. Promote community awareness and knowledge of work health and safety and workers' compensation	10, 13	6	2, 11
3. Support evidence informed policy, programs and practice through national work health and safety and workers' compensation data, research and evaluation programs	7-8	5	3, 6, 7
4. Improve work health and safety laws in Australia that provide a consistent, equitable and high level of protection to all workers, while ensuring practicability for small business and individual workers	1-6	3-4	1, 2, 4
5. Promote consistent approaches and improved knowledge, skills and capabilities for managing health and safety hazards and risks	1, 4	7	5
6. Identify opportunities and develop proposals for improvements in workers' compensation arrangements	11	8	10



## Performance against Portfolio Budget Statement

The Safe Work Australia PBS 2014–15 outlines a single programme 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 eight strategies and three Key Performance Indicators (KPI) outlined in the PBS.

The eight strategies are:

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

- > The consistency of explosives legislation across Australia is improved.
- > The national work health and safety research, evaluation and data programmes support evidence-informed policy and practice.
- > Community awareness and knowledge of work health and safety is increased.
- > Assistance is provided to other agencies to promote consistent and improved approaches to managing health and safety hazards and risks.
- > Opportunities for improvements in workers' compensation arrangements are identified and proposals developed.

The three KPIs described in the following table measure Safe Work Australia's progress in achieving its outcome.

Key Performance Indicator from PBS	2014–15 target	Actual performance
The work health and safety framework continues to be developed, implemented and reviewed in accordance with COAG requirements.	COAG requirements are met.	Achieved. Framework developed in COAG timelines. Review completed.
Safe Work Australia is meeting the expectations of the Chair of Safe Work Australia in terms of quality, effectiveness and timeliness in achieving the deliverables of its operational plan.	Through a survey, the Chair rates the performance of the agency as very good or above in meeting expectations.	Achieved.
Safe Work Australia is meeting the expectations of the Members in terms of quality, effectiveness and timeliness in achieving the deliverables of its operational plan.	Through a survey, 80 per cent of Members agree the agency is achieving the deliverables of its operational plan.	Achieved— 92 per cent of Members agreed.

## Level of satisfaction

For the sixth consecutive year, Safe Work Australia has met its KPIs.


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

## Performance against Strategic Plan

Safe Work Australia is required to have a three-yearly strategic plan and an annual operational plan as outlined in Part 4 of the Safe Work Australia Act. The Strategic Plan sets out six strategies to achieve the outcome listed in the PBS (see above) within those three years. The Operational Plan sets out the activities to achieve the outcomes for the year.

## Corporate Plan 2015–2019

The PGPA Act amended the Safe Work Australia Act to require Safe Work Australia to have a four-yearly corporate plan, replacing the need for three-yearly strategic plans. *The Safe Work Australia Corporate Plan 2015–19* is available on the Safe Work Australia website. Performance against this plan will be reported in the Safe Work Australia Annual Report 2015–16.



“A good leader can ensure their organisation builds a strong reporting culture about all its risks, including health and safety—one that tells them honestly where the hard problems remain.

Ms Ann Sherry AO, Chair, Safe Work Australia



## Strategy 1: Support the implementation of the Australian Work Health and Safety Strategy 2012–2022

### The 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.

The Australian Strategy is in its third year of implementation and work continues towards achieving the four main strategic outcomes relating to reduced incidence of work-related death, injury and illness achieved by reduced exposure to hazards, improved hazard controls and improved work health and safety infrastructure.

### 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 per cent

- > a reduction in the incidence rate of claims resulting in one or more weeks off work of at least 30 per cent, and
- > a reduction in the incidence rate of claims for musculoskeletal disorders resulting in one or more weeks off work of at least 30 per cent.

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 per cent 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 Australian Strategy.

The final base period rate and target rate on the number and incidence rate of claims and musculoskeletal disorders resulting in one or more weeks off work will be determined once preliminary data is updated later in 2015.

### **Excerpt from Activity 8 of the 2014–15 Operational Plan.**

Coordinate and monitor the implementation of the Australian Strategy, including the programme of activities to support specific industries and action areas and hosting a digital conference to encourage discussions on work health and safety.

## **Annual report on the Australian Strategy**

The second Australian Strategy annual progress report, for the period 1 October 2013 to 30 September 2014 showcases examples of how Safe Work Australia and its Members are supporting businesses and other organisations to help achieve the vision of *healthy, safe and productive working lives*. The report and case studies will be available on the Safe Work Australia website in mid-2015.

## **Virtual Seminar Series**

Safe Work Australia piloted a free online programme—the Australian Strategy Virtual Seminar Series—during 2014 Safe Work Australia Month (Safety Month). It was designed to inform and promote discussion on selected themes of the Australian Strategy.

National and international industry experts, academics and business leaders shared their knowledge and insights in 39 items, including videos, live panel discussions, infographics and new publications. This material was viewed over 65 000 times (1 October 2014 – 30 June 2015) by people around Australia and overseas.

Since its release Australian and international universities, Registered Training Organisations and individual businesses have developed learning activities based on the content.

All sessions met the Australian Government accessibility requirements and Safe Work Australia's video player met WCAG 2.0 AA standard—making Safe Work Australia one of the first small government agencies to do so.

## **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.

In 2014–15 Safe Work Australia Members continued work on national collaborative projects in the areas of Healthy and safe by design, Health and safety capabilities, and Leadership and culture. Projects also commenced in the action area of Supply chains and networks.

### **Healthy and safe by design**

Activities under this action area aim to eliminate or minimise hazards and risks through the better design of work, structures, plant and substances. Evidence has shown that good work design is a critical factor in making workplaces healthier, safer and more productive.

The first stage of the Good Work Through Effective Design collaborative project has been completed with the

development of the *Good work design principles* and the *Principles of good work design—a work health and safety handbook*. These describe why good work design is important, what should be considered and how it can be achieved.

These will assist those who have specific design duties under work health and safety laws and people with responsibility for designing work processes and systems.

Stage two to develop supporting resources for use by those designing work is underway. These will demonstrate the application of the principles in practice, for example during organisational restructuring and designing work to manage fatigue risks.

### **Health and safety capabilities**

Activities under this action area aim to give workers the knowledge, skills and resources they need to fulfil their role in relation to work health and safety. National activities to support this are described under the *Work Health and Safety Capabilities Activity Plan 2012–2015*.

### **Leadership and culture**

Activities under this action area aim to encourage leaders in organisations and communities to promote a positive culture for work health and safety and to use community expectations to persuade business leaders to drive these changes.

In 2014–15, Safe Work Australia commenced developing tools for business leaders and managers to help them meet their legal obligations and to improve work health and safety in their workplaces. This national collaborative project will deliver an online resource incorporating a set of principles, and practical resources to support them.

These are expected to be available in 2015–16.

Safe Work Australia has also continued its collaboration with Monash University to develop work health and safety indicators, including one which would measure organisational culture. These indicators will allow businesses to report consistently on their work health and safety outcomes, and meet the community's interest in corporate social responsibility and transparency in business reporting. This report will be available later in 2015.

### **Supply chains and networks**

Activities under this action area aim to improve the health and safety of those working within Australian supply chains. In 2014, Safe Work Australia undertook background research and consultation to inform targeted national activities. This work programme commenced with an examination of the work health and safety regulatory framework and gathering case studies to demonstrate better practice. Supply chains and networks will be a focus for the 2015 Virtual Seminar Series.

### **OHS Body of Knowledge**

The OHS Body of Knowledge (BoK) provides important information which is required by work health and safety professionals. It also forms part of the accreditation of tertiary work health and safety education programmes. In 2014–15 Safe Work Australia co-funded and worked alongside noted experts to write four additional chapters for the BoK on organisational culture, safe design, work health and safety risk and decision-making and jurisprudence of work health and safety. The chapters were published during Safety Month in October 2014.

## Priority industries

The Australian Strategy has seven priority industries:

- > Agriculture
- > Road transport
- > Manufacturing
- > Construction
- > Accommodation and food services
- > Public administration and safety, and
- > Health care and social assistance.

The Agriculture and Road transport industries are the major focus for prevention activities during the first five years of the Australian Strategy. Both were themes of the 2014 Virtual Seminar Series to highlight innovative approaches to meeting specific safety challenges.

### Agriculture

In 2014 the Agriculture industry fatality rate was more than eight times the national average. Work to reduce the number of people killed in this industry continued to build momentum in 2014–15.

Safe Work Australia Members continued to undertake activities outlined in the *National Agriculture Activity Plan 2014–19* to improve work health and safety outcomes in this sector.

In 2014 Safe Work Australia released a fact sheet detailing the fatality and serious industry profile in the Agriculture industry. Annual editions will give Safe Work Australia and others the evidence needed to inform future interventions in this industry.

To support duty holders meeting their regulatory responsibilities Safe Work Australia published guidance material to support those working in rural workplaces including the *Guide on Working in the Vicinity of Overhead and Underground Electrical Lines*.

## Road transport

In 2014 the Road transport industry fatality rate was more than 10 times the national average. The Road transport industry makes up only two per cent of the Australian workforce but accounted for 21 per cent of those killed while at work.

Safe Work Australia is continuing to collaborate with its Members about research and interventions to improve the health and safety of truck drivers.

## Outlook for 2015–16

In 2015–16 Safe Work Australia will continue to work with its Members to reduce the unacceptably high number and rates of fatalities and injuries in the priority industries.

Safe Work Australia will again host the Virtual Seminar Series throughout Safety Month in October 2015. A fully accessible and interactive programme is planned to enable viewers the opportunity to speak to the experts following their presentations through interactive blogs. The Virtual Seminar Series will showcase and encourage discussion on the latest work health and safety evidence, research and concepts relating to the Australian Strategy themes of Healthy and safe by design and Supply chains and networks. Small business initiatives and the priority industries of Construction and Manufacturing will feature throughout the programme.

Safe Work Australia will continue to implement activities relating to all action areas under the Australian Strategy. It will also prepare the third progress report on the Australian Strategy, continuing to highlight through case studies innovative policies and initiatives undertaken by Safe Work Australia, Members and businesses.

### Australian Strategy Virtual Seminar Series

Cost effective and efficient information dissemination and community engagement is a common challenge for many public sector organisations.

The Virtual Seminar Series is Safe Work Australia's innovative approach to delivering key business objectives including supporting the implementation of the Australian Strategy and promoting community awareness and knowledge of work health and safety.

Safe Work Australia hosted this free online event throughout Safety Month in October 2014. The Virtual Seminar Series showcased the latest work health and safety thinking, developments, innovations and research on the themes of Leadership and culture, Responsive and effective regulatory framework, the Agriculture and Road transport industries and responding to challenges for small business.



Safe Work Australia Virtual Seminar Series graphic

Events used multiple formats including live panel discussions, pre-recorded video presentations, reports and infographics from work health and safety experts like Professor Patrick Hudson of Delft University of Technology in the Netherlands and work health and safety regulators, business leaders and workers.

Using multiple delivery platforms, the Virtual Seminar Series remains accessible to everyone, anytime, anywhere, with content streamed to mobile devices as well as workstations, and available on a dedicated YouTube channel.

Safe Work Australia's Safety Month "App" was updated so people could get easy access to Virtual Seminar Series content on their mobile device.

Highlights of the 2014 Virtual Seminar Series included:

- > 39 contributions (videos, live panel discussions, reports and infographics) released over 23 days on the Safe Work Australia website
- > 11 500 participants during October 2014
- > over 65 000 views from October to June 2015
- > content reached remote and regional Australia through Aboriginal Broadcasting Australia



## Feature Story

- > an international audience with participants from New Zealand, the United States of America, Japan, the United Kingdom, Malaysia, Hong Kong, Netherlands, France and China
- > academic institutions used Virtual Seminar Series materials as teaching aids
- > all sessions met the Australian Government accessibility requirements and Safe Work Australia's video player met WCAG 2.0 AA standard—making Safe Work Australia one of the first small government agencies to do so, and
- > the transcripts allowed people with disability, people with language barriers and those with bandwidth issues or working in noisy environments to access, read and copy the material.

Participants commented positively on the innovative format and enjoyed the variety of presentations, including those given by known industry experts and academics.

The two live panel discussions were particularly popular with more than 640 people participating either via the live wall facility or as part of a small studio audience. Of note was that 25 international domains were identified for these two sessions alone. Participants were encouraged to tweet using the #virtualWHS or leave comments via the live wall. Over 100 comments and 40 questions were captured during the live discussions.


*"What a great initiative and having short sessions really works. The panel discussion on the second day was brilliant and this morning's Patrick Hudson lecture was well delivered. I would like to see SafeWork [sic] continue to lead such an event for next year in 2015. Great series and so easy to access. Thank you"*

Example of comments received on the 2014 Virtual Seminar Series



From left to right: David Caple (facilitator), Ann Sherry (Chair, Safe Work Australia), Diane Smith-Gander, Penny Bingham-Hall and Mark Goodsell who participated in the live panel discussion on Leadership and work health and safety in a challenging working environment





“Achieving good work health and safety outcomes improves your bottom line and enables success.”

Mr Bryan Russell, former Safe Work Australia Member



## **Strategy 2: Promote community awareness and knowledge of work health and safety and workers’ compensation**

### **Communications and engagement**

Safe Work Australia has maintained a strong and active public presence to promote community awareness and knowledge about work health and safety and workers’ compensation. Safe Work Australia is focused on pursuing innovation and excellence in communication and stakeholder engagement to effectively utilise its position as a high level national policy agency.

#### **Communications and stakeholder engagement**

Following a review in 2014 of Safe Work Australia’s stakeholder engagement and communication activities, a Communications and Stakeholder Engagement Strategy was developed to guide activities in raising awareness of work health and safety and workers’ compensation and support collaboration among Safe Work Australia Member organisations.

The Communications and Stakeholder Engagement Strategy has four strategic focus areas:

- > developing national key messages
- > recognising and promoting best practice
- > promoting national data, research and non-branded information products, and
- > working with key influencers.

A few of the key activities under the Communications and Stakeholder Engagement Strategy were progressed in 2014–15 and are described below.

#### **2014 Safe Work Australia Month—Work Safe. Home Safe**

Safety Month was held in October 2014. Building on the previous year’s successes, Safety Month encouraged businesses and workers to get involved in and focus on health and safety in their workplaces.

The 2014 theme *Work Safe. Home Safe* served to remind workers that the most important reasons for making workplaces safe, were not at work at all.

Activities during Safety Month included:

- > the inaugural Virtual Seminar Series
- > the first Workplace Participation Reward
- > over 930 Safety Ambassadors registered, and
- > more than 360 events organised by work health and safety regulators, businesses and workers across Australia.

The Safety Month “App” for smart phones and mobile devices was a successful promotional tool during Safety Month. Free to download through the Apple iStore and Google Play™, the App promoted work health and safety statistics, information and events organised across Australia.

Another key initiative of Safety Month was the Safety Ambassadors programme. In 2014 Safety Ambassadors could enter the inaugural Workplace Participation Reward. More than 930 Ambassadors registered who exemplified and promoted the importance of health and safety in their workplaces.

**Excerpt from Activity 9 of the 2014–15 Operational Plan.**

Promote consistent messages on work health and safety and workers’ compensation through the development and implementation of an engagement and communications strategy.

## Safety Month Workplace Participation Reward

Safe Work Australia awards were not held in 2014–15 as Safe Work Australia sought new ways to recognise excellence in work health and safety at the national level.

In 2014 Safe Work Australia held the inaugural Workplace Participation Reward which recognised and rewarded a workplace for its outstanding commitment, participation and creativity to raise the awareness of work health and safety. Howe Farming Enterprises was the inaugural winner of the Reward (refer Feature Story on page 27).

Safe Work Australia continues to recognise work health and safety excellence at a national level by:

- > promoting and supporting jurisdictional awards and events
- > exploring new ways to showcase jurisdictional winners, such as publishing case studies based on these winners on the Safe Work Australia website, and
- > introducing and sponsoring work health and safety awards into existing national industry or other relevant national awards.

## World Day for Safety and Health at Work and Workers’ Memorial Day

Safe Work Australia again assisted national efforts to support World Day for Safety and Health at Work and Workers’ Memorial Day on 28 April 2015. The 2015 theme *Work Health and Safety. Remember. Prevention* recognised the importance of taking action to prevent future work-related deaths, injuries and illnesses, and a day to remember those that have died from a work-related injury or illness. A poster, flyer and website banner were made available to interested organisations to download and use in their workplaces.

Safe Work Australia also recognised World Mental Health Day on 10 October 2014 by encouraging all Australians to focus on making a positive difference to mental health by creating a mentally healthy workplace.

## Sponsorships

Safe Work Australia's proactive Sponsorship Programme supports activities or initiatives aligned with the Australian Strategy or other key activities of Safe Work Australia. Developed in 2015, the Sponsorship Programme aims to build relationships with key national bodies and to support or initiate national activities.

## Safe Work Australia responsive website project

The Safe Work Australia website is the most important method for disseminating information. In 2014 the website had more than 1 192 000 unique visitors. Over the last three years the number of users accessing the website using a mobile device has doubled each year and this trend is expected to increase.

Safe Work Australia is currently developing a new and responsive website. It will allow website content to fit on multiple size screens and be accessed by computers and mobile devices including smartphones and tablets. It is anticipated that the new website will be launched in early 2016.

This work aligns with the *Australian Public Service Mobile Roadmap* designed to deliver a consistent, whole-of-government approach to adopting mobile technology.

## Work health and safety reporting in annual reports

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

Guidelines are currently being refined following pilot testing in a number of companies. The guidelines are underpinned by five issues papers related to the role of accounting in work health and safety governance. Three of the five issues papers have been published on the Safe Work Australia website. These are:

- > *Issues in the Assurance and Verification of WHS Information*
- > *Issues in the Measurement and Reporting of WHS Performance: A Review, and*
- > *The Business case for Safe Healthy and Productive Work.*

The final report *Performance Measurement, Incentives and Organisational Culture: Implications for Leading Safe and Healthy Work* will be published later in 2015.

## International liaison and engagement

During 2014–15 Safe Work Australia continued its dedication to strong engagement with the international community on work health and safety and workers' compensation matters.

Michelle Baxter, Chief Executive Officer, attended the XX World Congress on Safety and Health at Work in Frankfurt, Germany on 24–27 August 2014. The Congress attracted almost 4000 work safety experts, politicians and scientists from 141 countries. Ms Baxter participated in a symposium on Occupational Safety and Health and Corporate Social Responsibility leadership as drivers for successful businesses.

Safe Work Australia continues to lead the Australian delegation to the United Nations (UN) Subcommittee of Experts on the Globally Harmonised System of Classification and Labelling of Chemicals (GHS), and is a member of the Australian Government delegations to the UN Subcommittee of Experts on the Transport of Dangerous Goods and the Working Group on Explosives. Representatives from Safe Work Australia attended meetings in Geneva in July 2014 and June 2015.

Safe Work Australia hosted a delegation from Korea's Workers' Compensation and Welfare Service in October 2014.

Safe Work Australia continued to advise the New Zealand government on the implementation of the model WHS laws, the implementation of the GHS and the development of a nationally consistent explosives framework.

Safe Work Australia continued its role as secretary for the Working Group on Occupational Safety and Health in

Mining (MinOSH) with the International Commission on Occupational Health (ICOH). MinOSH has developed a work plan, a mining issues paper and a proposal to become an ICOH scientific committee. Safe Work Australia's role with MinOSH finished in June 2015.

### **Excerpt from Activity 11 of the 2014–15 Operational Plan.**

Liaise with other countries or international organisations on matters relating to work health and safety and workers' compensation activities, including representing Australia in relevant subgroups of the G20, United Nations and Organisation for Economic Cooperation and Development.

## Outlook for 2015–16

Safe Work Australia will continue the implementation of the Communications and Stakeholder Engagement Strategy in 2015–16 and in particular enhance its online presence, including hosting a YouTube channel.

Safe Work Australia Members are also exploring other, more innovative ways of communicating the key messages in the material developed to support the model WHS laws, including short videos, SMS messages and apps.

Safe Work Australia will continue to cooperate and share information, expertise and experience with international organisations. This includes consideration of international efforts on work health and safety in the G20 and the International Labour Organisation, as well as liaising with the Singaporean Government about its preparations for the XXI World Congress on Safety and Health in September 2017.

### Recognising and rewarding participation in Safety Month – October 2014

Howe Farming Enterprises won the inaugural Safe Work Australia Workplace Participation Reward held as part of Safety Month in October 2014.

The banana growers from Queensland received the reward for their outstanding commitment, participation and creativity in raising awareness of work health and safety throughout Safety Month.

Howe Farming Enterprises raised awareness of work health and safety by arranging different activities at its three banana farms each week, including:

- > *Sun Safety – Wear a Hat*—targeting skin cancer avoidance, sun safety and hydration
- > *Work-readiness – Morning Stretches*—targeting work fitness and avoidance of musculoskeletal injuries
- > *Healthy Eating – Nutrition*—targeting food, energy and nutrition, and
- > *Emergency First Aid – Injury Impact*—which focused on workplace policies and incident responses.

Howe Farming Enterprises also arranged for a Work Health and Safety Queensland inspector to talk to employees about the trauma and financial hardship experienced by families of injured workers.


For its efforts, Howe Farming Enterprises received a prize pack valued at up to \$5000 (GST inclusive) for an Australian work health and safety conference, expo or event in 2015.



Workers at Howe Farming Enterprises going through their morning stretching regime during 2014 Safety Month

Safe Work Australia received more than 60 entries for the award which was open to all 2014 registered Safety Ambassadors.

The Safety Month Workplace Participation Reward will be awarded again in October 2015 to illustrate and celebrate outstanding organisation and individual commitment to and participation in raising awareness of work health and safety in workplaces.



“We need to know where the greatest workplace hazards are, which workers are most at risk and, most importantly, what interventions work to eliminate or reduce exposures to hazards and risks.”

Ms Ann Sherry AO, Chair, Safe Work Australia



### **Strategy 3:**

## **Support evidence informed policy, programs and practice through national work health and safety and workers' compensation data, research and evaluation programs**

### **Evaluation of work health and safety laws**

Under the Evaluation Plan for the Harmonisation of Work Health and Safety in Australia, Safe Work Australia has conducted several studies to evaluate the health and safety performance and regulatory burden objectives of the model WHS laws.

In 2014–15, Safe Work Australia undertook the Health and Safety at Work Survey involving over 2300 business owners and operators across Australia. Findings from this study have been reported to Safe Work Australia Members and incorporated into a number of research projects currently underway.

Other studies about the effectiveness of the model WHS laws completed in 2014–15 included:

- > interviews with very large businesses (those with more than 2000 employees)
- > interviews with small and medium sized businesses and sole traders to investigate their experiences with work health and safety
- > a cost-benefit analysis of the effect of the model WHS laws on workers, business and government, and
- > a consolidated analysis of the findings from those surveys conducted between 2012 and 2014 examining costs or 'regulatory burden' of compliance with the model WHS laws.

Findings from these studies have been reported to Safe Work Australia Members.

### Excerpt from Activity 3 of the 2014–15 Operational Plan.

Continue the multi-year evaluation of the model WHS laws including a survey of the impacts and burden that the WHS laws place on Australian businesses of all sizes, a targeted study on small business, a study measuring the impact of the model WHS laws on government efficiency and studies focusing on the effectiveness of aspects of the model WHS laws.

Safe Work Australia partnered with the Australian National University and the Australian Research Council to learn more about businesses' motivations, attitudes and actions undertaken to comply with work health and safety regulation. Data was collected from interviews with managers and workers in small and medium enterprises in Queensland and South Australia from the Health care and social assistance, Construction and Manufacturing industries. Data were also collected from regulators in these jurisdictions on how they seek to influence organisations to comply.

Safe Work Australia is partnering with the National Research Centre for Occupational Health and Safety Regulation (a research centre within the Regulatory Institutions Network at the Australian National University) to undertake research examining the effectiveness of the model WHS laws. This research will be used to inform Safe Work Australia's policy direction.

## Work health and safety research

Safe Work Australia undertook a wide array of research on work health and safety issues, consistent with the *Research and Evaluation Work Plan 2014–15*. Thirteen reports were published, with four more due to be published in mid-2015. Safe Work Australia's research programme has both short-term projects and long-term projects of more than one year. Many projects are undertaken in collaboration with academic institutions and work health and safety regulators.

### Perceptions and attitudes

Safe Work Australia undertook a range of projects based on key findings of the *Perceptions of Work Health and Safety Survey 2012*. A report on health and safety risk taking and rule breaking was published in late 2014. Reports on health and safety mindfulness and sources of work health and safety information will be published in mid-2015. A further tranche of reports based on this survey is planned for 2015–16.

### Australian Strategy priority industries

In 2014–15 Safe Work Australia conducted several research projects focusing on priority industries under the Australian Strategy. These include examinations of hazard exposures and health and safety perceptions, attitudes and practices in the Manufacturing and Construction industries based on existing survey data held by Safe Work Australia. These reports were published in February 2015, with a further report on the Transport industry due in mid-2015. Further reports on the Health care, Agriculture and Accommodation and food services industries will be undertaken in 2015–16.



## Australian Strategy priority disorders

Several research projects were undertaken in 2014–15 focusing on the priority disorders under the Australian Strategy. Reports for the following projects are expected to be published later in 2015.

The Australian Work Exposure Study (AWES), led by Dr Lin Fritschi at Curtin University, collected self-reported data on exposure to 38 carcinogens from a national sample of about 5000 workers. In 2014–15 AWES provided data for an examination of the type and prevalence of carcinogens in the Construction, Manufacturing and Agriculture industries.

A study was undertaken with Curtin University to examine the productivity loss in young workers due to musculoskeletal disorders; specifically, back or neck pain, based on the longitudinal Raine study of over 1000 people who have been tracked since birth.

Safe Work Australia continues to work with researchers at the Australian National University on the work-related causes and effects of depression. This includes a study of the role of depression and other health problems on the decision to leave the workforce early.

The Work Design and Health project is being undertaken by the University of Sydney to examine the relationship between specific work design factors, work health and safety knowledge and outcomes like poor mental or physical health and injury. The design factors in this project include type of employment, job insecurity, job control and working hours.

### **Excerpt from Activity 7 of the 2014–15 Operational Plan.**

Identify new priority issues and undertake and disseminate research, including emerging issues through the implementation of the *Research and Evaluation Work Plan 2014–15* and the emerging issues surveillance programme.

## Hazard surveillance

Safe Work Australia continues to undertake and support research aimed at improving understanding of hazard exposure, use of risk controls and attitudes towards work health and safety. For example, in 2013 Safe Work Australia commissioned a project to measure exposure to noise, dust, vibration and chemicals like phosphine on small mixed crop and livestock farms in Western Australia. These measurements and information about risk management are providing useful information about work health and safety in farming. A report on this project is expected later in 2015.

Safe Work Australia funded the analysis of AWES data to examine workplace exposures to lead, formaldehyde and polycyclic aromatic hydrocarbons. Reports on each of these hazards are available on the Safe Work Australia website.

Researchers from Curtin University have extended the AWES by collecting self-reported information on exposures to asthma-causing agents (asthmagens). The Extended Australian Work Exposure Study (AWES-2) is supported by the National Health and Medical Research Council (NHMRC), Safe Work Australia, Cancer Council Australia and Cancer Council Western Australia as a NHMRC Partnership Project. Reports from this study are expected later in 2015.



In 2014–15 Safe Work Australia was one of eight partners in the People at Work project. This project aims to help organisations identify and manage psychosocial hazards that could contribute to the development of mental stress. A final report is expected later in 2015.

Safe Work Australia also contributed funding to the Australian Workplace Barometer project, a nationally representative survey that monitors workplace psychosocial risk factors. It provides information on Australian work conditions and their relationships to health and productivity, thereby informing the development of psychosocial health and wellbeing policy. Three reports highlighting the prevalence and cost of workplace bullying and the commitment of management to prevent it will be available later in 2015.

## Emerging issues pilot

In August 2014, Safe Work Australia began a 12 month pilot to systematically identify, prioritise and analyse emerging work health and safety issues. Emerging issues are those that are new or likely to be increasingly relevant, affecting a growing proportion of the workforce, and may not be adequately addressed by current systems or interventions. A reference group reflecting Safe Work Australia's membership submits issues for consideration and helps to filter and prioritise issues. Two issues considered in 2014–15 were on 'at risk' migrant workers and sedentary work practices, with a view to gaining a better understanding of the current known extent of the issues, current interventions and possible focus areas for future action.

## Data and analysis

Safe Work Australia undertook an expert data and analysis work programme consistent with the *Data and Analysis Work Plan 2014–15*. This included collecting statistics, maintaining and developing multiple databases, responding to statistical enquiries and producing numerous regular and subject-based statistical reports.

### Data collections

Safe Work Australia collects administrative data provided by jurisdictions and augments this with data from the National Coronial Information System, Australian Bureau of Statistics, Australian Institute of Health and Welfare, the Australian Mesothelioma Registry and other organisations. Together with its three main databases—the National Data Set for Compensation-based Statistics (NDS), the Traumatic Injury Fatalities and the Notifiable Fatalities collections—form the basis of Safe Work Australia's data and analysis capability.

The collective body of data compiled and maintained by Safe Work Australia provides a national picture of work-related injuries, fatalities and diseases to inform policy development, enable a statistical enquiry service and to maintain a statistical publications programme.

### The National Dataset for Compensation Based Statistics

The overall objective of the NDS is to assist in the prevention of occupational injury and disease by producing uniform national and nationally comparable indicators of work health and safety performance and experience across all jurisdictions. The first edition of the NDS was established in 1987.

The NDS is compiled annually from workers' compensation claims made under state, territory and the Commonwealth's workers' compensation laws. NDS data have approximately a two year lag time, due to the time needed to process claims and to code and compile a national data set.

### Fatality Data Collections

Safe Work Australia collects work-related fatality data from the following sources:

- > the Fatality Media Collection, to obtain a real-time, albeit preliminary, number of work-related fatalities
- > the Notifiable Fatality Collection, based on notifications received from jurisdictions
- > the Traumatic Injury Fatalities collection, which integrates a number of fatality data sources to provide details on the number of people and the characteristics of those people who die in Australia from injuries sustained while working, including deaths of bystanders, and
- > the quadbike fatality data collection, a component of QuadWatch, which draws data from media reports and information from jurisdictions.

Reports based on these collections are available on the Safe Work Australia website.

### Comparative Performance Monitoring

Safe Work Australia maintains the Comparative Performance Monitoring (CPM) programme to compare the performance of work health and safety and workers' compensation schemes in Australia and New Zealand. A review of the CPM programme is planned for 2015–16 following the substantial changes to work health and safety and workers' compensation arrangements across jurisdictions in recent years.

### Statistical enquiries service

Through its statistical enquiries service, Safe Work Australia responds to approximately 400 enquiries per year from a range of stakeholders, the public and the media. Most enquiries are answered with customised responses within 48 to 72 hours. The service enables Safe Work Australia to make its statistical assets and resources freely available.

### Key reports in 2014–15

Eleven major statistical reports were published during 2014–15 in addition to reports based on Safe Work Australia's data collections. Publication formats range from extensive, in-depth analyses to concise two-page fact sheets.

Key reports published in 2014–15:

- > *Australia Workers' Compensation Statistics, 2012–13* provides a summary of statistics for non-fatal workers' compensation claims by key employment and demographic characteristics.
- > *Work-related traumatic injury fatalities, Australia 2013* provides comprehensive statistics on work-related fatalities in Australia, including both workers and bystanders.
- > The 2014 *Comparative Performance Monitoring Report* provides a comparison of outcomes and performance across Australia and New Zealand in 2012–13. It also reports on the final measurements against the targets in the National Occupational Health and Safety Strategy 2002–2012.
- > *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 and is a valuable resource and essential guide for anyone working in the workers' compensation field.

- > *The Work-related fatalities associated with unsafe design of machinery, plant and power tools, 2006–2011* report examines certain work-related fatalities and the extent to which unsafe design contributed to the fatal incident.
- > *The Occupational Disease Indicators, 2014* report considers a number of diseases which are acknowledged as having a high correlation with hazards found in the work environment.
- > *The Construction Industry Profile* summarises the nature of work involved in this industry, the size of the workforce, incidence of work-related injuries and fatalities by occupation, nature, mechanism of injuries or fatalities.

Work-related injuries and fatalities reports in the Construction and Accommodation and food services industries (being two priority industries under the Australian Strategy) will be published in mid-2015.

#### **Excerpt from Activity 6 of the 2014–15 Operational Plan.**

Collect, maintain, improve and report on national work health and safety and workers' compensation data through the implementation of the *Data and Analysis Work Plan 2014–15*.

## **Australian Mesothelioma Registry**

The fourth Mesothelioma in Australia report presenting data for the period 1 January 2014 to 31 December 2014 was completed in May 2015. The report draws on data collected through the Australian Mesothelioma Registry (AMR), which provides the latest information on the incidence of mesothelioma and describes the likely asbestos exposure scenarios for a subset of people diagnosed since 2010.

Key findings of the report include that the AMR received 642 notifications of new mesothelioma diagnoses in 2014, up by 12 per cent from the previous year. This equates to 2.5 cases per 100 000 person-years.

Asbestos exposure has been assessed for 449 people diagnosed with mesothelioma since 1 July 2010. Sixty per cent of these survey respondents were found to have possible or probable occupational asbestos exposure and 84 per cent provided information suggesting non-occupational or mixed setting exposure to asbestos. Five per cent of respondents provided no information that would suggest they had asbestos exposure above background levels in either occupational or non-occupational contexts.

The Cancer Institute NSW maintains the AMR under a contract with Safe Work Australia. The Cancer Institute NSW receives funding from Safe Work Australia and Comcare to maintain the AMR. The Monash Centre for Occupational and Environmental Health (MonCOEH) plays a key role in collecting and analysing the asbestos exposure information. Safe Work Australia is represented on the AMR management committee along with representatives from state and territory cancer registries, the Cancer Institute NSW and MonCOEH.

## National Return to Work Survey

Safe Work Australia manages the National Return to Work Survey which collects information via interviews from over 4000 injured workers with a workers' compensation claim from most Australian jurisdictions and New Zealand. The survey is co-funded by Safe Work Australia and participating jurisdictions.

In 2014 Safe Work Australia published the *Headline Measures report* as well as a full summary report based on the 2014 survey.

## Outlook for 2015–16

A key objective throughout 2015–16 is for Safe Work Australia to continue its role as a key source of high quality nationally significant work health and safety and workers' compensation research, evaluation and data in Australia. This is a fundamental element of its objective to be a model for the innovative development of multi-stakeholder policy.

The research and evaluation programme will continue short-term and multi-year projects that are directed towards the four focus areas under the *Research, Evaluation and Data Strategy 2013–2017*: hazard surveillance and risk management; occupational disease; attitudes to work health and safety; and

evaluation of interventions. Projects continuing include the ongoing evaluation of the model WHS laws, focusing on due diligence obligations and regulatory burden for businesses of all sizes and the identification of organisational risk factors associated with workplace bullying and psychosocial hazards. A key new project will be to develop a new work health and safety survey to be conducted in 2016 examining cost of compliance and regulatory burden of the model WHS laws.

Safe Work Australia will continue to publish a broad range of statistical reports and resources. While well-established and respected by stakeholders and statistics consumers, Safe Work Australia is reviewing the way it makes statistics available to users through publications and its enquiries service. This includes being innovative in the way it provides statistics to better engage audiences, such as the use of infographics and through Safe Work Australia's responsive website project.

Safe Work Australia is preparing a series of reports examining the relationship between certain variables and return to work outcomes from the 2013 and 2014 survey results. The third National Return to Work Survey will be conducted in April 2016.

## Exposure to multiple hazards in the workplace

Understanding hazard exposures in the workplace is a research priority set out in the Australian Strategy. Yet little is known about Australian workers' exposure to multiple occupational hazards.

To support this research priority, Safe Work Australia examined self-reported exposure to occupational hazards from 4500 workers who participated in the 2008 National Hazard Exposure Worker Surveillance Survey. Self-reported exposures are commonly used to obtain information on exposure in large surveys, as occupational hygiene measurements are often not feasible at a large scale.

The nine hazards covered in this study were biomechanical demands, noise, vibration, airborne hazards, chemicals (skin contact), wet work, biological materials, job demands and sun exposure. These hazards are most associated with the Australian Strategy priority work-related disorders.

Over 60 per cent of workers reported exposure to two or more of these hazards in their workplaces. Workers aged 15–24 years or those working more than 45 hours a week were more likely to report exposure to multiple hazards than other categories of workers.

About one in five workers reported exposure to both noise and vibration. Males, younger workers and those working longer hours were more likely to report exposure to these hazards. Technicians and trades workers and workers in Mining and Construction were more likely to report exposure to these two hazards compared to workers overall.

One in four workers reported exposure to both airborne hazards and chemicals (skin contact). About twice as many males reported exposure to these hazards than females and a high proportion of construction workers, workers in the Agriculture, forestry & fishing industry and Technicians and trades workers reported exposure to these hazards.

This study shows that self-reported exposure to multiple hazards was common among workers in the survey. While the findings need to be validated with workplace exposure measurements, they highlight the need to consider the whole range of potential hazards in the workplace. The full report from this study is available on Safe Work Australia's website.

### Falls from a height – work-related injuries and fatalities

In May 2015 Safe Work Australia published the *Construction Industry Profile* (the Profile) the first in a series of profiles for the seven priority industries under the Australian Strategy.

The Profile presents an overview of the main causes of workers' injuries and fatalities in the Construction industry and highlights falls from a height as an ongoing concern.


The Profile highlights that falls from a height is the main cause of fatalities in the Construction industry, accounting for 28 per cent of deaths. Of the 117 fatalities from falls from a height over 11 years (2002–03 to 2013–14) in Construction, 59 fatalities were from a height of four metres or less. Falls from roofs and ladders combined accounted for 58 per cent of the 117 fatalities.

In fact, falling from a height is the third leading cause of worker fatalities across all industries, accounting for 11 per cent of worker fatalities between 2003 and 2013. Falls, trips and slips was the second leading cause of worker injury responsible for 21 per cent of serious workers' compensation claims (claims involving an absence from work of at least one week) between 2000–01 and 2011–12. This is highlighted in the report *Work-related injuries and fatalities involving a fall from a height* available on Safe Work Australia's website.

This report shows that, in the period from 2003–04 to 2010–11, across all industries the most common origin of the fall were ladders (37 fatalities), vehicles (26), roofs (25) and horses (21). Falls can also happen when work is associated with steps and stairways (3 fatalities) or adjacent to holes, trenches or service pits (12 fatalities).


Further, workers' compensation data shows the occupations which are most at risk of serious injury from falls from a height are truck drivers, carpenters and joiners, electricians and building and plumbing labourers.

In recognition of the prevailing risk to workers from falls, in 2011 Safe Work Australia developed the model Code of Practice: *Managing the Risk of Falls at Workplaces*, which recognises the diverse causes of falls from heights across all industries and recommends ways to control them.



“We have to understand and articulate how workplace health and safety can actually add value to a business.”

Professor Dennis Else, former chair of NOHSC



## **Strategy 4:**

### **Improve work health and safety laws in Australia that provide a consistent, equitable and high level of protection to all workers, while ensuring practicability for small business and individual workers**

#### **Implementation of the model Work Health and Safety laws**

The model WHS laws have now been in place for three and a half years in five jurisdictions and two and a half in a further two jurisdictions, with the majority of workers in Australia covered by them. Safe Work Australia has continued to monitor the implementation of model WHS laws and resolve any issues with interpretation and workability as they arise.

In October 2014, Western Australia introduced the *Work Health and Safety Bill 2014* (WA) and sought public comment on this draft legislation. This bill is Western Australia's version of the model WHS Act and contains the core provisions of the model WHS Act with some modifications.

#### **Examination of the model Work Health and Safety laws**

In May 2014 COAG asked state and territory ministers responsible for work health and safety, to examine ways to improve the model WHS laws with a particular focus on reducing regulatory burden.

Safe Work Australia assisted ministers by drafting a report and accompanying RIS identifying options for their consideration.

#### **Excerpt from Activity 2 of the 2014–15 Operational Plan.**

Monitor and review the model WHS laws to improve safety outcomes, address issues impeding the effective and efficient operation of the laws and remove unnecessary over-regulation.



## Codes and guidance

Safe Work Australia is working to ensure that supporting material for the model WHS laws is clear and practical and that all sectors of business including small business are considered, without compromising safety standards or imposing additional regulatory burden.

A range of national material was published during the year. The published material is listed in Appendix 3. Nine of the revised 12 draft model Codes of Practice that Safe Work Australia Members had previously agreed to were published as national guidance material in July 2014. Of the three remaining topics, Safe Work Australia agreed to publish two packages of national guidance material for cranes and managing risks of plant in rural workplaces in December 2014. Safe Work Australia Members did not agree to national material for tree trimming and removal work—crane access method.

In response to feedback on published material, Safe Work Australia agreed to amend seven model Codes of Practice. The revised model Codes of Practice for demolition work, excavation work, first-aid in the workplace, spray painting and powder coating, labelling of workplace hazardous chemicals, managing electrical risks in the workplace and managing the risk of falls at workplaces were republished in March 2015.

In April 2015, Safe Work Australia Members agreed to the ongoing development and review of material to support the model WHS laws. Published supporting material will be reviewed every five years from its publication date, or sooner if there are changes in legislation or work practices relevant to the publication.

New material will continue to be relevant, clear and practical. Consideration will also be given to the most appropriate methods for disseminating supporting material.

Supporting small businesses to comply with work health and safety laws and assisting them to improve their work health and safety outcomes is progressing through many of Safe Work Australia's activities and in the jurisdictions through Safe Work Australia Members. This includes developing practical guidance material and other resources and understanding small business perceptions of regulatory burden and costs through the research and evaluation work described under Strategy 3.

## Workplace bullying

Safe Work Australia commenced a review of its workplace bullying guidance material in late 2014 to ensure it reflects any new developments since publication. This included a stocktake of published guidance material and gap analysis. The review is anticipated to be completed by the end of 2015.

Safe Work Australia also convened a Workplace Bullying Working Group to assist with work on preventing and dealing with workplace bullying. The Working Group's role includes providing advice in the review of Safe Work Australia's workplace bullying guidance material as well as sharing knowledge and resources among jurisdictions and social partners.



### **Excerpt from Activity 1 of the 2014–15 Operational Plan.**

Facilitate the development of accessible, effective and practical guidance to aid understanding and compliance; minimise regulatory cost; and support improved work health and safety outcomes, particularly for small business and individuals.

## **Nationally consistent explosives framework**

Safe Work Australia continued to develop policies to underpin a nationally consistent explosives framework.

The need for a nationally consistent explosives framework where there are clear benefits to be derived was recognised and approved by COAG. In March 2015, COAG Senior Officials noted the business case submitted by Safe Work Australia for this work and policy development is underway. Safe Work Australia is undertaking this work on behalf of work health and safety ministers. Legislation giving effect to the framework developed by Safe Work Australia and approved by ministers would be enacted by each jurisdiction.

Explosives are currently regulated across their lifecycle, including import, export, manufacture, transport, use, sale, storage and disposal. Developing a nationally consistent explosives framework may deliver benefits such as reduced duplication, compliance costs and regulatory burden, while maintaining security and the safety and protection of people, property and the environment.

A discussion paper and consultation RIS will be released by Safe Work Australia in mid-2015 for public comment. This process provides stakeholders and the public with the opportunity to provide information on issues that differences in state and territory explosives legislation may raise for participants in the explosives industry and members of the public. Bilateral, tripartite and workshop discussions through Safe Work Australia's governance arrangements will also be held to inform this work, including the Strategic Issues Group on Explosives.

Safe Work Australia continued to provide secretariat services and a central contact point for the Australian Forum of Explosives Regulators (AFER) during 2014–15.

### **Excerpt from Activity 4 of the 2014–15 Operational Plan.**

Continue to develop policy proposals to improve the consistency of explosives legislation across Australia.

## **Mining Regulations**

Safe Work Australia completed development of the model WHS Regulations for mines. While these regulations did not achieve the necessary consensus for inclusion in the model WHS Regulations, they have been provided to individual jurisdictions to implement them in their work health and safety laws. To date, South Australia and New South Wales have adopted the model Work Health and Safety (Mines) Regulations. New South Wales, Queensland and Western Australia will continue to regulate mine safety under separate industry-specific legislation.

## Outlook for 2015–16

In 2015–16, Safe Work Australia will continue to improve and reform the model WHS laws to provide a consistent, equitable, effective and high level of protection to all workers.

Safe Work Australia will work to implement any decisions made by state and territory work health and safety ministers on amendments to the model WHS Regulations.

In April 2015 Safe Work Australia Members agreed to the following supporting material to be completed during 2015–16:

- > construction related material for steel erection and roof work
- > prefabricated (tilt-up and pre-cast) concrete in building construction
- > tree trimming and removal work for the arboriculture industry
- > livestock management
- > high risk work licensing material for the vocational education and training sector
- > storage of chemicals
- > managing risks associated with diving work
- > technical guidance on classification of chemical mixtures
- > additional material for fatigue management
- > additional material for incident notification, and
- > diesel exhaust emissions.

A review of existing safe design material will also be completed. The draft model Code of Practice *Managing Risk in Stevedoring* will also be provided to ministers responsible for work health and safety for final approval later in 2015.

Safe Work Australia will continue to lead one of the most significant reforms to the explosives sector and develop a nationally consistent explosives framework, with a view to completing a Decision RIS during 2015–16.


## The power of explosives

What is an explosive in Australia? Blasting explosives are commonly used in mining, quarrying and rock breaking, construction, demolition and defence activities. Other common but less known explosives include air bag inflators, fireworks, distress flares and even rail track signals.

During the year Safe Work Australia staff attended an event at Canberra's Majura Firing Range to gain first-hand knowledge of explosives and their use. Staff witnessed how common household items could be used as explosives or used to make explosives, as well as the use of the most frequently used blasting explosives. Demonstrations were staged using vehicles, mannequins and everyday objects to illustrate the destructive effects explosives can have on people, property and the environment. Lessons learned on the day have informed Safe Work Australia's policy development to underpin a nationally consistent explosives framework, being progressed in accordance with COAG's request that greater consistency in explosives regulation be pursued where there are clear benefits to be derived.

Currently explosives are separately regulated by each of the Commonwealth, states and territories. The development of different regulatory frameworks has produced systems which address similar activities, such as licensing, transporting, selling, importing, exporting, manufacturing and using explosives, but can impose different requirements for each activity. These regulatory differences may raise issues for business and members of the public; however, the nature and extent of the impact of issues, if any, is currently unknown.

Safe Work Australia will release the *Explosives regulation in Australia: Discussion paper and consultation Regulation Impact Statement* in mid-2015 to gather information about issues the differences in state and territory explosives legislation may raise, and discover from respondents how issues can be best resolved.



“Work health and safety means collaboration, sharing practical advice, supporting each (other) [...]. Safe businesses are good businesses.”

Mr Peter Dunphy, former Safe Work Australia Member



## **Strategy 5:**

### **Promote consistent approaches and improved knowledge, skills and capabilities for managing health and safety hazards and risks**

#### **Hazardous chemicals**

##### **Hazardous Substances Information System**

Workplace hazardous chemicals are substances, mixtures and articles used in the workplace that can be classified according to their health and physicochemical hazards. Physicochemical hazards generally result from the physical or chemical properties, like flammable, corrosive, oxidising or explosive substances.

Under the model WHS Regulations, a new system of chemical classification and hazard communication on labels and Safety Data Sheets, based on the GHS will be mandatory from 1 January 2017.

Safe Work Australia has continued to improve its online hazardous chemical databases. The Hazardous Substances Information System is being upgraded to align with the implementation of the GHS in Australia. Safe Work Australia's database of hazardous chemicals helps reduce costs for anyone implementing

the GHS at their workplace by making GHS-compatible information about a large number of chemicals readily available to the Australian community.

Website usage statistics show the Hazardous Substances Information System is widely used, and was accessed over 93 000 times by more than 42 000 unique users during the 2014–15 financial year.

##### **Workplace hazardous chemicals training**

Training modules developed by Safe Work Australia to support businesses, regulators and third parties specialising in classification and labelling of hazardous chemicals based on the GHS were delivered again during 2014–15. Online learning resources about labelling, Safety Data Sheets and other aspects of the model WHS Regulations relating to hazardous chemicals were made available on the Safe Work Australia website.

## High risk work licensing

The model WHS Regulations identify 29 types of high risk work (HRW) activities that require a licence. To ensure that workers are trained and competent to undertake HRW in workplaces, Safe Work Australia endorses the units of competency against which candidates are trained and the national assessment instruments (NAI) that must be used by accredited assessors to assess a candidate's competency.

Safe Work Australia finalised a redeveloped unit of competency and NAI for operating a concrete placing boom incorporating both mobile and static boom operations, and developed and agreed to publish three HRW licensing guidance information sheets.

Safe Work Australia continued its ongoing management role of the NAI by completing a revision of all 29 HRW NAI. Safe Work Australia also continued its engagement with Industry Skills Councils, assisting with the translation of the 29 HRW units of competency into the new Vocational Education and Training (VET) endorsed units of competency template. This is part of the COAG training package reforms that are anticipated to be completed in 2015–16.

## High risk plant

The model WHS Regulations include registration arrangements for high risk plant to ensure equipment involving a high risk operation is designed to minimise the risk of injury or death. Manufacturers and suppliers of high risk plant register design details with Commonwealth, state and territory work health and safety regulators.

During 2014–15 Safe Work Australia developed a draft Plant Registration Decision Making Framework to help determine whether certain plant should be considered high risk and require a design registration intervention. This will assist in reviewing the schedules of the model WHS Regulations to identify areas for improvement and reducing red tape.

### Excerpt from Activity 5 of the 2014–15 Operational Plan.

Maintain and improve the framework for workplace hazardous chemicals including improving the effectiveness of workplace exposure standards and health reporting, identify issues for priority chemicals and providing up to date hazard information online.

## Outlook for 2015–16

In 2015–16, Safe Work Australia will continue to promote consistent approaches and improved knowledge, skills and capabilities for managing health and safety hazards and risks.

Extensive updates to Safe Work Australia's chemical databases are expected in 2015–16. These changes will reflect the outcomes of the National Industrial Chemical Notification and Assessment Scheme's Inventory Multi-tiered Assessment and Prioritisation programme. Over 1000 new hazard classifications are expected to be published or updated.

Safe Work Australia will continue to develop means to clarify and improve arrangements relating to high risk plant and equipment.

### High risk licensing review

Safe Work Australia plays an integral role in ensuring that high risk work (HRW) licensing arrangements remain nationally consistent and relevant to ensure that workers are trained and competent to undertake HRW in workplaces.


Under the model WHS Regulations there are 29 types of HRW activities for which workers need a licence before they are allowed to perform this work in their workplace. HRW includes scaffolding, dogging and rigging work. It also involves using cranes, forklifts, reach stackers, boilers and boom-type elevating work platforms. The requirement for a licence to perform HRW recognises there are specific industry hazards and conditions that should be considered when undertaking this type of work. To obtain a licence, workers must meet certain competency requirements specific to each type of HRW licence. State and territory work health and safety regulators are responsible for issuing licences and assessing workers' competency.

To ensure that workers are trained and competent to undertake HRW in workplaces, Safe Work Australia endorses the units of competency against which candidates are trained and the national assessment instruments (NAI) that must be used by accredited assessors to assess candidates.

During 2014–15 Safe Work Australia revised all 29 HRW NAI. A crucial aspect of the NAI revision process was to engage state and territory regulators, industry associations and technical specialists, VET sector stakeholders such as Registered Training Organisations (RTOs) and accredited assessors.

In completing this work Safe Work Australia achieved the review's primary objective to improve the overall safety and technical assessment outcomes for workers wishing to obtain a HRW licence. Safe Work Australia also focused on improving the readability and useability of the NAI to help RTOs and accredited assessors deliver training and undertake assessments.

In a further effort to streamline HRW licensing and assessment requirements into relevant training, Safe Work Australia has continued to engage with Industry Skills Councils to help translate the 29 HRW units of competency into the new VET-endorsed unit of competency template as a part of the COAG training package reforms. These are anticipated to be completed by the end of 2015.



“Your actions, although they may seem simple, could save your life, or the life of a workmate.”

Ms Michelle Baxter, CEO, Safe Work Australia



## **Strategy 6:**

### **Identify opportunities and develop proposals for improvements in workers' compensation arrangements**

In 2014–15, Safe Work Australia undertook a programme of work to improve workers' compensation arrangements in Australia including in the areas of deemed diseases, permanent impairment and return to work.

#### **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 was to develop a list of deemed diseases which if adopted by Commonwealth, state and territory workers' compensation authorities would streamline access to workers' compensation for those with a disease caused by their work, while reducing the likelihood of disputation for disease claims. The *Deemed diseases in Australia* report will be published in mid-2015 and will be available for the Commonwealth, state and territory governments to adopt the deemed diseases list as part of their workers' compensation laws.

#### **Assessment of permanent impairment**

Safe Work Australia has been working to implement nationally consistent arrangements for the assessment of permanent impairment resulting from an injury or disease within the context of workers' compensation. This work was requested by Commonwealth, state and territory ministers responsible for work health and safety and the scope was endorsed by Safe Work Australia Members.

As a first step, Safe Work Australia developed the Template National Guidelines for the Evaluation of Permanent Impairment. Safe Work Australia is currently developing supporting materials for use by Commonwealth, state and territory workers' compensation authorities which adopt the Template National Guidelines. This includes a consultancy undertaken by industry experts to develop a training package for jurisdictions to use when training permanent impairment assessors. The training package is expected to be completed in 2015–16.

**Excerpt from Activity 10 of the 2014–15 Operational Plan.**

Improve consistency in workers' compensation arrangements by developing an up-to-date Australian list of deemed work-related diseases, conducting the annual return to work survey, developing return to work principles and supporting national permanent impairments assessment arrangements.

## Return to work

A series of case studies of organisations with exemplary early intervention, rehabilitation and return to work practices were developed in 2014. The five organisations that took part in the project were selected from finalists and winners of jurisdictional return to work awards. A variety of organisations were selected to ensure the case studies had a diversity of sectors, practices and organisation types.

The case studies highlight that good work health and safety and good return to work practices are intrinsically linked. The published case studies are available on the Safe Work Australia website.

Safe Work Australia is preparing a series of reports examining the relationship between certain variables and return to work outcomes from the 2013 and 2014 National Return to Work Survey results.

## Outlook for 2015–16

In 2015–16, Safe Work Australia will work on a series of projects aimed at improving return to work outcomes, including those based on the National Return to Work surveys.

Safe Work Australia will also investigate best practice approaches aimed at ensuring effective involvement of general practitioners and other health practitioners in the return to work process, and also best practice in return to work processes for people with psychological injuries.

Safe Work Australia will co-fund an Institute of Safety Compensation and Recovery Research study with WorkSafe Victoria over three years, to examine the impact of workers' compensation system policy and practice on return to work in Australia, New Zealand and Canada.

Safe Work Australia will have an ongoing role in relation to permanent impairment to ensure the Template National Guidelines and the National Permanent Impairment Assessor's Training Package are maintained and updated.



## Profiling excellence in return to work

Five organisations were selected from finalists of recent jurisdictional return to work awards to help highlight exemplary organisational approaches to early intervention and return to work practices.

Safe Work Australia interviewed managers, rehabilitation coordinators and workers about workplace initiatives to improve return to work practices and outcomes for staff injured at work.

### **Catholic Homes**

Following a spike in workers' compensation claims in the late 2000s, Catholic Homes' Executive made a decision to strengthen their commitment to work health and safety and return to work practices by making it their key business driver and placed dedicated people into key health and safety roles.

### **Toowoomba Council**

Toowoomba Council regards immediate intervention as the most important influence on achieving positive return to work outcomes. If a worker reports an injury that requires medical attention, a rehabilitation coordinator from the 'safety team' will accompany the worker to the medical centre or hospital to support them through the process.

### **Union Hydraulics**

Management and staff at Union Hydraulics agree that a commitment to health and safety and positive return to work outcomes has become ingrained in the workplace. The development of the 'We Care We Prepare' toolkit is an example of this commitment.

### **Williams Seafoods**

Williams Seafoods describes its primary focus as the wellbeing and safety of its staff, having consciously decided to invest in this area 20 years ago, and attributes this focus to savings in claims costs, the retention of a stable workforce and a steady growth rate in a competitive market.

### **Pernod Ricard Winemakers**

Robust management systems to eliminate the risk of injury, together with timely treatment and effective rehabilitation for those who have sustained an injury, are essential elements of Pernod Ricard Winemakers' injury management programme.

Good prevention, early intervention and return to work were key business drivers for these organisations and resulted in significant reductions in workers' compensation premiums. The organisations suggest that changing workplace culture, having strong leadership, valuing the wellbeing of workers and having effective systems in place are the integral things to get right.





## Part Three

# Management and accountability

“An unsafe organisation has down time, it has injuries, it has incidents, equipment damage. These are all very expensive and a safe organisation doesn’t have any of those things. A safe organisation is an efficient organisation and that’s been one of the things that I’ve realised through my career.”

Mr Damien Renwick, General Manager, Sodium Cyanide, CSBP Ltd

## Government and Parliament

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

Senator the Hon. Eric Abetz, Minister for Employment was the Minister responsible for Safe Work Australia during 2014–15.

Throughout 2014–15 the Minister was 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 Safe Work Australia 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 four times in 2014–15. The members as at 30 June 2015 were:



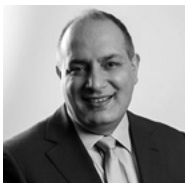
### **Ms Ann Sherry AO, Safe Work Australia Chair**

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), Myer Family Co Investments, Cape York Partnership and the Australian Rugby Union. Ms Sherry is also the Chair of Cruise Lines International Association South East Asia. In 2013, she was awarded an Honorary Doctor of Letters by Macquarie University for her contribution to business and civil society and in 2014, an Honorary Doctorate of Business by the University of Queensland.



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

Ms Baxter is the Chief Executive Officer of Safe Work Australia. Her biography can be found on page 63.



### **Mr Vivek Bhatia, New South Wales**

Mr Bhatia was appointed as Chief Executive Officer of Safety Return to Work and Support (SRWS) in August 2014. Mr Bhatia joins SRWS from previously being the CEO at Wesfarmers Insurance, where he led the multi-brand, multi-channel insurer through a significant transformation journey. He has also held several other prominent leadership roles in strategy, operations and technology at McKinsey & Company, Wesfarmers Insurance and QBE, both domestically and abroad over the past 15 years.

**Ms Clare Amies, Victoria**

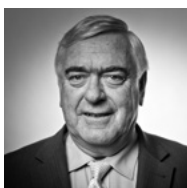
Ms Amies is the Chief Executive of WorkSafe Victoria. Ms Amies has held several Executive Director roles at WorkSafe, including Executive Director of the Insurance Business Unit and Executive Director of the Health and Disability Strategy Group. Ms Amies has held senior management positions for the past 15 years in social welfare, health policy, return to work, operational management, strategy and planning. Prior to joining WorkSafe, she was the Chief Executive Officer of Western Region Health Centre.

**Dr Simon Blackwood, Queensland**

Dr Blackwood is 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; 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.

**Ms Marie Boland, South Australia**

Ms Boland is Acting Executive Director of SafeWork SA. Prior to this Ms Boland held a number of positions at SafeWork SA including Director of Policy and Strategy, Director of Community Engagement and Industrial Relations Inspector. Ms Boland played a key role in supporting the enactment and implementation of the South Australian version of the model WHS Act and Regulations. She was also actively involved in the policy and legislative work surrounding South Australia's referral of workplace relations powers to the Commonwealth.

**Mr Brian Bradley, Western Australia**

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.



### **Mr Michael Young, Australian Capital Territory**

Mr Young is the Executive Director, Workplace Safety and Industrial Relations, a division of the ACT Government's Chief Minister, Treasury and Economic Development Directorate. In this capacity he is the senior ACT Government official responsible for the Territory's industrial relations, workers' compensation and work safety regulatory frameworks. In addition to his duties as Executive Director, Mr Young represents the Territory on two ministerial advisory committees, the ACT Work Safety Council and the Default Insurance Fund Advisory Committee, which he chairs. Mr Young is a personal injury management professional with over 15 years' experience in senior workers' compensation and work safety regulatory roles.



### **Mr Martin Shirley, Tasmania**

Mr Shirley joined WorkSafe Tasmania as Chief Executive in August 2013. Mr Shirley has held senior management positions for the past 20 years in workplace relations, operational management, strategy, planning and communications. Prior to joining WorkSafe, Mr Shirley 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 of health and safety innovation and communications. Mr Shirley is Tasmania's Asbestos Compensation Commissioner, Secretary of WorkCover Tasmania and Tasmania's Regulator of work health and safety.



### **Mr Stephen Gelding, Northern Territory**

Mr Gelding is the Executive Director of NT WorkSafe, a division of the Northern Territory Government Department of Business. He has over 35 years' experience as a clinician and in senior management positions predominantly within the health and community services sector of the NT public service. Mr Gelding is a member of two Northern Territory Ministerial Advisory Councils – the Work Health and Safety Advisory Council and the Workers' Rehabilitation and Compensation Advisory Council. He is also the Chair of the NT Workers' Rehabilitation and Compensation Scheme Monitoring Committee and a member of the (Northern Territory) Inter-Agency Asbestos Management Working Group.



### **Ms Justine Ross, Commonwealth**

Ms Ross is Branch Manager of the Work Health and Safety Policy Branch in the Department of Employment. Her current role is responsible for policy development and advice on Commonwealth work health and safety, maritime workers' compensation and work health and safety matters (for the Commonwealth's Seacare scheme), asbestos matters and workplace relations issues concerning the building industry. Ms Ross has a Bachelor of Laws and a Bachelor of Arts from Macquarie University. She is admitted to practice as a Barrister and Solicitor in the ACT. Ms Ross has expertise in workplace relations law including work health and safety and workers' compensation matters. Ms Ross is the chair of SIG-Explosives.



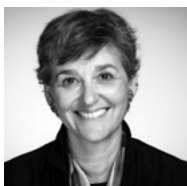
### **Mr Michael Borowick, Australian Council of Trade Unions**

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, 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.



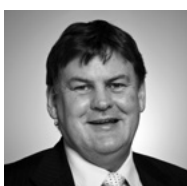
### **Mr Andrew Dettmer, Australian Council of Trade Unions**

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, Australian Chamber of Commerce and Industry**

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 20 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.



### **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 the chair of SIG-Workers' Compensation.

## 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 to assist Safe Work Australia Members. Secretariat support for each Strategic Issue Group (SIG) is provided by Safe Work Australia.

- > SIG-Work Health and Safety (SIG-WHS) assists in the implementation of model WHS laws and reform of the legislative framework.
- > SIG-Workers' Compensation oversees work on the improvement of workers' compensation arrangements.
- > SIG-Explosives assists in the development of a nationally consistent explosives framework.

Each SIG is tripartite and reflects Safe Work Australia membership.

### SIG-WHS

The SIG-WHS met three times during 2014–15.

#### SIG-WHS members as at 30 June 2015

Mr Paul Goldsborough	Chair
Mr Leigh Dwyer	Commonwealth
Ms Jodie Deakes	New South Wales
Ms Linda Timothy	Victoria
Mr Bradley Bick	Queensland
Mr Ian Munns	Western Australia
Ms Marie Boland	South Australia
Ms Wendy Clarkson	Tasmania
Mr Stephen Gelding	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 met five times during 2014–15.

### SIG-Workers' Compensation members as at 30 June 2015

Mr Mark Goodsell	Chair
Ms Monica Sapra	Commonwealth
Ms Caroline Walsh	New South Wales
Ms Clare Amies	Victoria
Mr Paul Goldsborough	Queensland
Ms Michelle Reynolds	Western Australia
Mr Greg McCarthy	South Australia
Mr Brad Parker	Tasmania
Mr Bevan Pratt	Northern Territory
Mr Michael Young	Australian Capital Territory
Mr Chris Prast	Australian Council of Trade Unions
Mr Dave Henry	Australian Council of Trade Unions
Ms Karin Lee	Australian Chamber of Commerce and Industry
Ms Tracey Browne	Ai Group
Ms Michelle Baxter	Safe Work Australia

## SIG-Explosives

The SIG-Explosives met four times during 2014–15.

### SIG-Explosives members as at 30 June 2015

Ms Justine Ross	Chair
Mr Leigh Dwyer	Commonwealth
Mr Tony Robinson	New South Wales
Ms Linda Timothy	Victoria
Mr Noel Erichsen	Queensland
Mr Phillip 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 Michael Borowick	Australian Council of Trade Unions
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 Safe Work Australia Members established three reference groups to share information between Safe Work Australia Member organisations and Safe Work Australia on specific topics. These are the:

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

The reference groups are tripartite and reflect Safe Work Australia membership.

### **Communications Reference Group**

The Communications Reference Group comprises communication professionals.

Safe Work Australia consulted the Communications Reference Group about key agency activities throughout 2014–15, including the development of the Communications and Stakeholder Engagement Strategy, Safety Month, the Virtual Seminar Series and World Day for Safety and Health at Work and Workers' Memorial Day.

## **Research and Evaluation Reference Group**

The Research and Evaluation Reference Group (RERG) comprises members with a sound understanding of research or evaluation. It also has representation from New Zealand's Ministry of Business, Innovation and Employment. In 2014–15 RERG met three times and advised on the identification, conduct and reporting of research and evaluation projects, contributed to the development of the annual Research and Evaluation Work Plan, provided comment on draft Safe Work Australia research reports and discussed the emerging issues pilot programme.

### **Data Reference Group**

The Data Reference Group met once during 2014–15 to discuss a range of topics, including a data sharing agreement with the University of New South Wales, indicators used in the Comparative Performance Monitoring report and the annual Psychosocial Health and Safety and Bullying in Australian Workplaces report.

## Other committees

The Chief Executive Officer of Safe Work Australia represents Safe Work Australia on the committees described in the table below.

Committee	Description	Representation
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.	Commissioner
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 mounts national compliance campaigns targeted at specific industries. These campaign initiatives facilitate the development of consistent approaches to nationally recognised priorities.	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.	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.

### Legislative framework

Safe Work Australia ensures compliance with statutory requirements through the corporate governance framework. This framework ensures all of Safe Work Australia's statutory requirements are met including the requirements of the PGPA 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.

## Integrated planning framework

During 2014–15 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 Safe Work Australia'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.

## Risk management framework

Safe Work Australia's risk management framework (the Framework) helps foster and promote a culture of identifying and mitigating risks at all levels within the organisation. The Framework includes a:

- > Risk Management Plan
- > Risk Management Toolkit including templates, and
- > Strategic Risk Assessment.

Safe Work Australia participates in Comcover's Risk Management Benchmarking Survey each year. Outcomes from this survey are used as a

guide when updating the Framework. The feedback received is a valuable tool used to identify gaps and opportunities for improvement in risk management processes.

Safe Work Australia is currently reviewing the Framework in light of the PGPA Act and is implementing a new internal online system, RiskActive.

RiskActive will enable staff and managers to access all risks, treatments, mitigation strategies and lessons learnt in a central online location. RiskActive allows for accurate reporting both at a project level and an agency risk level.

RiskActive will minimise the administrative burden on staff with project and risk management responsibilities by reducing the complexity of forms and providing an automated reporting system.

## Business Continuity Management

Business Continuity Management (BCM) is a requirement under the Protective Security Policy Framework which is an essential part of the agency's overall approach to effective risk management. BCM is the process by which the agency must follow in the event of a disruption to its business. A key risk for the agency is being unable to remain operational in the event of a crisis or major disruption.

Safe Work Australia is reviewing its current policy and procedural arrangements in conjunction with the Shared Services Centre (SSC) and may involve a move to a BCM programme similar to the SSC to minimise duplication and ensure more efficient BCM arrangements. This process will be completed in 2015.

## Fraud control

Safe Work Australia complies with Section 10 of the PGPA Rule and the Commonwealth Fraud Control Policy by minimising the incidence of fraud through the development, implementation and regular review of the Fraud Control Plan and fraud risks. This is undertaken in the context of Safe Work Australia's overarching Risk Management Framework

Safe Work Australia delivered fraud awareness training to all new starters in 2014–15. Safe Work Australia continued to remind staff of their responsibility for the prevention and detection of fraud against the Commonwealth. Safe Work Australia also provided regular updates and advice to staff on developments in this area to ensure knowledge remained current.

No incidences of fraud were reported during 2014–15.

## Certification of fraud control measures

*In accordance with Section 10 of the PGPA Rule, 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* (Cwth) are required to publish information to the public as part of the Information Publication Scheme (IPS) (which requires an

agency to display a plan on its website showing what information it publishes in accordance with the IPS requirements). Safe Work Australia's IPS Agency Plan is on the Safe Work Australia website.

Safe Work Australia received one Freedom of Information request in 2014–15.

## 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
- > the Department of Employment
- > the Department of the Prime Minister and Cabinet, and
- > the Australian Public Service Commission (APSC).

## External audit

The ANAO provides external audit services for Safe Work Australia. The outcome of the 2014–15 financial statements audit is in Part 5 of this report. Safe Work Australia was not subject to any other ANAO audits during 2014–15.

## Judicial decisions and decisions of administrative tribunals

No judicial decisions were made by courts or administrative tribunals, and no decisions were made by the Australian

Information Commissioner, that affected the operations of Safe Work Australia in 2014–15.

## Parliamentary committees

No adverse reports of Safe Work Australia's operations were made in 2014–15 by the Auditor-General, a Parliamentary Committee or the Commonwealth Ombudsman.

## Internal accountability

To ensure internal conformance and accountability, Safe Work Australia has in place:

- > financial and human resources delegations
- > Accountable Authority Instructions, and
- > various supporting policies, procedures and guidelines.

### Audit Committee

The Safe Work Australia Audit Committee operates in accordance with the requirements of the PGPA Act and PGPA Rule 17 – Audit Committee for Commonwealth entities.

The Audit Committee provides 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 at 30 June 2015 were:

- > Ms Julia Collins—Chair
- > Mr Alfred Bongji, and
- > Mr Dermot Walsh.

The Audit Committee met three times during 2014–15, as well as a September 2015 meeting at which it endorsed Safe Work Australia's Financial Statements for 2014–15.

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

### Internal audit

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

During the reporting period, the internal audit function was contracted to Oakton Services Pty Ltd.

## Public interest disclosure

In accordance with the *Public Interest Disclosure Act 2013 (Cwth)*, Safe Work Australia 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.



## Part Four

# The organisation

“We want all Australians to be safe at work so we can all return to our families and communities at the end of each and every day.”

Ms Michelle Baxter, CEO, Safe Work Australia

## Achievements in organisational effectiveness

Safe Work Australia is proud to be an organisation that values fairness, equity and diversity consistent with the Australian Public Service (APS) Values, Code of Conduct and Employment Principles. It is committed to building and promoting a supportive environment that values and utilises the contributions of people with different backgrounds, experiences and perspectives. Safe Work Australia engages a dynamic and skilled workforce capable of delivering its strategic vision and goals.

Throughout 2014–15, the agency committed to building a high performance culture and improving organisational effectiveness by focusing on a number of key areas, including:

- > workforce planning
- > capability development, including an unprecedented level of investment in mandatory training for all staff
- > diversity and inclusion
- > continuing to monitor and manage unscheduled absences
- > continuing to implement the IPF
- > increased collaboration with the SSC and the Department of Employment to streamline and provide efficient services to staff, reduce internal red tape, and priorities. This will introduce new technological solutions
- > implementing health and wellbeing strategies, and
- > commencing negotiations for a new enterprise agreement.

## Outlook for 2015–16

In 2015–16, Safe Work Australia intends to focus on its strong commitment to a high performance culture and will be incorporating this as a key theme to drive cultural change. This includes enhancing the capacity and capability of its workforce and developing its leaders within the organisation by implementing new strategies such as mentoring and leadership programmes.

The agency will refine its planning processes to ensure robust strategies are in place to manage both short and long term workforce and budgetary priorities. This will include project planning for the next three to five years, managing an ageing workforce and succession planning for vacancies and specialised skill sets.



## Organisational structure

The current structure of the agency as at 30 June 2015.



## The Executive Leadership Team

### Ms Michelle Baxter, Chief Executive Officer

Ms Baxter was appointed Chief Executive Officer of Safe Work Australia on 1 November 2014. Prior to her appointment, Ms Baxter acted in the role from November 2013.

Ms Baxter brings more than 20 years of public sector experience to her positions as Member of Safe Work Australia and its subsidiary committees and as a Commissioner of the Safety, Rehabilitation and Compensation Council.

Ms Baxter has worked in many senior roles across the APS including as Group Manager, 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.

Ms Baxter has 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 programme and the development of national workers' compensation policy. Ms Grey is responsible for managing financial and human resources, the IPF and strategic communications.

Ms Grey has worked in the APS for 20 years and has extensive experience in industry policy, workplace relations and work health and safety. Ms Grey has a Bachelor of Arts in Industrial Relations and Industrial Sociology from the University of Wollongong; a Masters of Management Studies (Human Resource Management) from the University of New South Wales and an Executive Masters of Public Administration from the Australian National University.

## Ms Julia Collins

Ms Collins is the Branch Manager of the WHS Framework Branch.

Ms Collins is responsible for reviewing and improving the model WHS laws, developing policy and guidance relating to hazardous chemicals and promoting the Australian Strategy.

Ms Collins has extensive experience in policy development at the national level and in the work health and safety regulatory field. Prior to working at Safe Work Australia and its predecessors, Ms Collins managed the inspectorate and the education unit at ACT WorkCover.

Ms Collins has an Executive Masters of Public Administration from the Australian National University and a Graduate Diploma in Safety Science from the University of New South Wales.

## Ms Jacinta Galluzzo

Ms Galluzzo is the acting Branch Manager of the Explosives and Engagement Branch. Ms Galluzzo is responsible for leading the development of the nationally consistent explosives framework, developing and reviewing codes of practice and national guidance material under the model WHS laws, and managing secretariat services.

Ms Galluzzo has worked in the APS for 15 years and is a policy specialist having held positions in the former DEEWR, Department of Industry and the Australian Workforce and Productivity Agency. Before joining the APS, Ms Galluzzo spent three years as a policy officer for a national industry association where she worked on fair trading and competition policy issues. Ms Galluzzo has a Bachelor of Arts in Communication with a major in politics from the University of Canberra.

## Agency employees

As at 30 June 2015 the agency employed 105 ongoing and eight non-ongoing employees under the *Public Service Act 1999*. Of the ongoing employees, 12 were on long term leave and two were on temporary transfer from external departments.

In 2014–15 the agency had 13 ongoing engagements and eight non-ongoing engagements. There were 16 cessations with four of these being age retirements.

The agency continues to support flexible working arrangements with 16 per cent of employees being part time. This has decreased from 22 per cent in 2013–14 and 18 per cent in 2012–13. A number of employees who have accessed this arrangement in previous years are

currently on maternity leave or have moved on from the agency. Other forms of flexible working arrangements undertaken by staff include condensed working weeks, purchased leave, and working from home arrangements.

No staff identify as Australian Aboriginal or Torres Strait Islander.

The agency is located in Canberra, Australian Capital Territory. One employee is based in the Department of Employment's Adelaide State Office.

The table provides the employee numbers per substantive classification level by male and female as at 30 June 2015, as well as the total staffing numbers for 2011–12 to 2013–14 for comparative purposes.

Substantive Classification	Total	Full time		Part time		Total 2013–14	Total 2012–13	Total 2011–12
		Male	Female	Male	Female			
Graduate – APS 3	1	1	0	0	0	0	0	0
APS 4	9	1	8	0	0	3	5	6
APS 5	13	4	4	0	5	21	18	15
APS 6	25	6	15	0	4	23	25	22
EL 1	43	16	17	5	5	40	41	40
Public Affairs Officer	0	0	0	0	0	1	1	1
Senior Government Lawyer	1	0	1	0	0	1	1	0
EL 2	16	3	12	0	1	11	12	14
Principal Government Lawyer	1	0	0	0	1	2	2	0
SES 1	2	0	2	0	0	3	3	4
Chair	1	0	0	0	1	1	1	1
CEO	1	0	1	0	0	1	1	1
<b>TOTAL</b>	<b>113</b>	<b>31</b>	<b>60</b>	<b>5</b>	<b>17</b>	<b>107</b>	<b>110</b>	<b>104</b>

The average age of Safe Work Australia's employees is 43, with 19 per cent of the agency staff between the ages of 36

and 40. The table shows the full profile of employees by age as at 30 June 2015.

Age profile (years)	Number of employees	Proportion (%) of total
Less than 20	0	0
20 – 25	3	3
26 – 30	16	14
31 – 35	19	17
36 – 40	21	19
40 – 45	13	12
46 – 50	13	12
50 – 55	15	13
56 – 60	5	4
61 – 65	6	5
66 – 70	1	1
71+	1	1

## Terms and conditions of employment and remuneration

### Non-senior executive service remuneration

As at 30 June 2015 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. Safe Work Australia is negotiating a new enterprise agreement.

### Performance pay

Safe Work Australia employees do not receive performance bonuses or performance pay. Annual performance ratings determine the increase of annual remuneration for non-senior executive employees within the pay point increments of the Enterprise Agreement.

Salary ranges for non-senior executive service staff as at 30 June 2015 are outlined in the following table.

Classification	Salary range \$
Graduate – APS 3	59 440 to 61 905
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
Senior Government Lawyer	98 700 to 121 620
Public Affairs Officer	112 350
EL 2	116 190 to 139 275
Principal Government Lawyer	132 510 to 142 930

## Senior Executive terms and conditions of employment and remuneration

Senior Executives are employed under the terms of a determination made under section 24(1) of the *Public Service Act 1999* known as the Safe Work Australia Agency Determination (the Determination). Each Senior Executive is covered by an individual Determination.

The amount of remuneration received by Senior Executives is determined on an individual basis by the Chief Executive Officer.

## Chief Executive Officer and Chair of Safe Work Australia

The remuneration of 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 Chief Executive Officer was appointed to the full-time position on 1 November 2014 for a period of one year.

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

## Allowances and non-salary benefits

The agency has entered into one Individual Flexibility Arrangement with a staff member to recognise the specialised skills they have in their role.

Examples of allowances and non-salary benefits provided to non-senior executive staff per the Enterprise Agreement are provided in the following table.

## Examples of non-senior executive employees allowances and non-salary benefits

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

## Enterprise agreement negotiations

On 28 March 2014 the Minister Assisting the Prime Minister for the Public Service, Senator the Hon. Eric Abetz, announced new workplace bargaining arrangements for the Australian Public Service.

The agency is negotiating a new enterprise agreement consistent with these arrangements. The new agreement will demonstrate a commitment to achieving consistency with community standards and expectations in areas such as entitlements and working conditions.

Safe Work Australia has engaged staff through feedback forums, staff meetings and regular email updates on status of

negotiations and proposed changes to the agreement including conditions and entitlements.

## Workforce planning

### Implementing the State of the Service Report

Following the release of the 2013–14 APSC State of the Service Report (SOSR), the agency focused on reviewing the capacity and capabilities of its workforce to ensure it has the right skills and experience. This process has been a key input in the development of the agency's workforce plan.

In 2014–15, the Safe Work Australia Executive Leadership Team committed to four action areas relating to workforce planning. These were:

- > Action area 1—Implement the mandated APS Work Level Standards (WLS) by undertaking a role evaluation process
- > Action area 2—Develop formal position descriptions
- > Action area 3—Undertake an agency capability review, and
- > Action area 4—Undertake a staff capability review.

### Action area 1

Safe Work Australia undertook a role evaluation process to ensure all roles were classified correctly in accordance with the WLS. Role evaluation is the method of determining the relative work value of a role through assessing its nature, impact and accountabilities. The focus is on the role, not the individual. The agency used the APS Role Evaluation Tool as a guide to assess roles.

Following the collection and analysis of information about all roles, it was demonstrated that the majority of roles were classified correctly against the WLS. A small number of roles required redesigning to ensure they met the required standard.

### Action area 2

Safe Work Australia used information from the role evaluation process to develop formal position descriptions for staff which will be implemented in mid-2015. The agency intends to use the position descriptions to design a talent management programme including future recruitment activities and mentoring programmes.

### Action areas 3 and 4

Safe Work Australia has commenced assessing capabilities at an organisational level with a view to commencing an assessment of individual capabilities in 2015–16.

### Graduate programme

The Safe Work Australia Graduate Programme was delivered for the first time in 2014–15 with one graduate being selected from a competitive selection process. The programme is now an integral part of the agency's future direction and will assist in building a strong workforce. Preparations are underway for the 2016 intake.

As part of the programme, the graduate was enrolled in the APSC Diploma of Government (Management) course.

The graduate programme allows for rotations in different areas of the agency.

## Capability development

### Corporate Learning and Development Plan

The 2014–15 Safe Work Australia Corporate Learning and Development Plan (the L&D Plan) outlines the agency's commitment to ensuring its employees have the right skills, competencies and capabilities to undertake their role effectively and to deliver the activities outlined in the Operational Plan.

The L&D Plan puts in place a learning and development environment which:

- > enhances employee performance
- > builds a mobile workforce which is adaptable to change
- > supports organisational needs, and
- > provides appropriate learning and development opportunities for all staff.

In 2014–15, the following courses were run as in-house training programmes:

- > annual mandatory agency Security Awareness training
- > APS Values and Codes of Conduct
- > Fraud Awareness, and
- > Strategic Policy Skills.

The L&D Plan complements any individual training that employees and managers may agree to in their individual performance development agreements.

## Core skills

Safe Work Australia's results from the 2014 APS Employee Census (the Census) identified a number of core skill gaps across the agency.

The APS Leadership and Core Skills Strategy (the core skills programme) formed the basis of the agency's commitment to addressing the skill gaps identified, developing a high performing, driven workforce and contributing to cultural change across the agency.

The core skills programme consists of courses that focus on foundation, core and management skills seen as essential for ensuring a high performing APS. It is based on the industry best-practice 70-20-10 learning model which acknowledges that formal classroom training is only one part of the learning process and recognises the importance of peer-to-peer learning, on-the-job learning and self-directed learning.

In 2014–15, the agency delivered four of the courses in the core skills programme:

- > Dealing with Change (selected staff nominated)
- > APS Performance Management (mandatory)
- > Structuring Work (mandatory), and

- > Building and Leading High Performing Teams (mandatory).

The core skills programme complements the activities outlined in the L&D Plan.

The agency will continue to implement the core skills programme in 2015–16.

To further strengthen the 70-20-10 learning principle and provide more learning flexibility for staff, Safe Work Australia has adopted a new online learning management system called LearnHub which will be fully implemented during 2015–16.

## Leadership

Safe Work Australia's commitment to building a high performance culture and enhancing the capability of its workforce is intrinsically linked to a focus on developing leaders.

The agency actively promotes the APSC's Executive Level Leadership Network (ELLN). The ELLN provides Executive Level employees with the opportunity to attend forums and discussions with senior leaders in the APS. This has provided a firm foundation for future initiatives designed to strengthen leadership capability and skills across the agency.

The agency also encourages and supports senior managers to attend APS-wide leadership programmes including the EL2 Leadership Expansion Program.

## Staff information sessions

The Staff Information Sessions programme continued in 2014–15. The sessions were designed to share information on significant projects underway, assist in improving communication and understanding of the agency achievements, and provide employees with experience developing



a presentation and speaking in front of an audience. In 2014–15 Staff Information Sessions were held on:

- > 2014 APS Employee Census
- > psychosocial risk factors at work—depression and anxiety
- > PGPA Act and the Commonwealth Contract Suite, and
- > ‘Stepping Into’ program—Australian Network on Disability (AND).

## Performance and development

A key finding of the SOSR was that performance management was a major area for improvement across the APS. Safe Work Australia’s 2014–15 Census results also showed that further work was required to make improvements to the performance management scheme.

Throughout 2014–15, the agency has actively supported managers and employees throughout the performance cycle. This includes:

- > ensuring all staff have a performance development agreement in place which includes individual learning and development opportunities
- > encouraging regular and ongoing two-way feedback and discussions
- > applying performance standards consistently
- > rewarding high performing employees
- > providing case management support to staff who require specialised assistance, and
- > training and mentoring managers.

Safe Work Australia has begun redesigning its framework based on the *APSC Strengthening the Performance Framework: Towards a High Performing Australian Public Service* to encourage a more collaborative process. This work will continue in 2015–16.

## Study assistance scheme and professional development

Safe Work Australia provides access to a study assistance scheme and a professional development scheme. Assistance is available in the form of:

- > financial support where an employee is required to be a member of a professional association or professionally licensed or registered in order to fulfil their role, and
- > financial or other assistance such as study leave to undertake formal courses of study at tertiary and higher education institutions and other vocational education courses where the study is agreed as part of an employee’s performance development agreement.

## Rewards and recognition

Safe Work Australia is committed to rewarding and recognising employees who have made significant achievements towards its strategic direction. This may be done through different mechanisms including:

- > Australia Day awards
- > Branch Manager and peer nominated awards, and
- > additional learning and development opportunities.

## Diversity and inclusion

Safe Work Australia is committed to diversity and inclusion. In 2014–15, the agency actively participated in disability forums and indigenous employee graduate recruitment programmes.

In 2015–16, the agency will continue to build on its diversity and inclusion activities with a focus on developing a strategy for mature age workers with

emphasis on succession planning and supporting the transition of older workers' to retirement.

## Disability Employment Plan

Safe Work Australia has a strong commitment to facilitating the employment of people with disability in its workforce, through the removal of barriers and provision of improved support. This is done through the Disability Employment Plan which is administered by the Work Health and Safety Committee.

The Workplace Accessibility Forum (a subcommittee of the Work Health and Safety Committee) has been an important consultative group to discuss how Safe Work Australia can increase its support to employees with disability. The Forum provides an opportunity for employees with disability or those employees who have an interest to participate in discussions about attracting and retaining people with disability. The Forum meets four times a year.

Throughout 2014–15, Safe Work Australia has strengthened its commitment to diversity and inclusion by undertaking activities under the Disability Employment Plan.

- > In August 2014 Safe Work Australia became a member of the Australian Network on Disability (AND) which helps to develop its disability confidence through training programmes and information sessions on topics such as reasonable adjustment and building the disability skills of the management team.
- > Ms Amanda Grey became Safe Work Australia's Disability Champion as part of the APSC's Diversity Council and Disability Champions Network. Ms Grey

actively leads and influences decisions about disability within the agency and represents it at APS-wide forums.

- > The agency has incorporated the RecruitAbility Scheme in its recruitment processes to provide applicants who may have a disability with assistance if they opt into the scheme and meet the minimum requirements for the job.
- > Safe Work Australia has committed to participating in the Stepping Into program facilitated by the AND which is an internship for university students to work in public and private sector organisations while completing their university studies. The agency will host the first intern early in 2015–16.

## Agency Multicultural Plan

The Agency Multicultural Plan (AMP) outlines Safe Work Australia's commitment to improving 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 30 June 2015. A revised AMP will come into effect from 1 July 2015.

Actions undertaken in 2014–15 include:

- > developing the Communications and Stakeholder Engagement Strategy
- > reviewing stakeholder engagement using social media including Facebook, LinkedIn, Twitter and YouTube
- > undertaking the responsive website project to make the agency's website easily accessible on mobile devices, using simplified language, and having more web-based content that can be translated into other languages, and
- > ongoing attendance at whole of government forums to assist in improved internal practices.

In 2014, the agency published Arabic, Greek, Hindi, Italian, Simplified Chinese and Vietnamese translations of three commonly downloaded documents on the model WHS laws.

## Managing absenteeism

The results of the 2013–14 SOSR indicated Safe Work Australia had made improvements to its unscheduled absence rate. During 2014–15 the agency continued to make improvements in this area with the rate reducing to 12.0 days per employee.

The definition of unscheduled absence in the SOSR does not take into account pre-planned or scheduled personal and carers leave where employees have required leave for surgeries or other known circumstances. Leave taken by five agency employees during 2014–15 has therefore elevated the agency's overall absence rate.

Safe Work Australia is continuing to manage unscheduled absenteeism as a priority, and will utilise the APSC publications *Turned up and tuned in: A guide for APS managers* and *Promoting an attendance culture: A guide for APS agencies* as key references to better understand, and address, the complex causes of unscheduled absence.

In 2015–16, the agency will expand the Connect Business Intelligence module to enable managers to monitor and manage absences within their sections.

## Agency planning

The agency conducted an extensive planning exercise during 2014–15 to review its current approach, and to begin considering its future direction,

such as what Safe Work Australia hopes to achieve in the future and how Australia can become a world leader in work health and safety and workers' compensation.

To help focus its efforts, the agency has reviewed the IPF to ensure all financial and human capital resources are aligned toward achieving success.

## Collaboration with other agencies

### Shared Services Centre

The agency has a Memorandum of Understanding (MoU) arrangement with the SSC to deliver services including IT support, IT infrastructure and storage, library and mail services, payroll, personnel processing and financial processing to assist in reducing red tape and improving efficiency.

In 2014–15, Safe Work Australia partnered with the SSC to deliver six new technological solutions to improve its day to day operations. These are:

- > eRecruit—an online recruitment system which will assist in streamlining recruitment processes. This system will be implemented in 2015–16.
- > LearnHub—an online learning and development system for staff. This system will be implemented in 2015–16.
- > RiskActive—an organisation-wide risk management information system designed to help identify, actively manage and report on agency risks. This system will be implemented in 2015–16.
- > Connect Business Intelligence module—a reporting tool to assist in providing timely, efficient, detailed and accurate finance and personnel reports.

- > Connect Travel module—an online acquittal system designed to streamline travel processing arrangements with electronic documents supporting all credit card transactions.
- > Connect Purchase module—a tool used to record and manage all Safe Work Australia's purchase requests.

All solutions have been tailored to Safe Work Australia's needs.

## Department of Employment

Safe Work Australia has in place a MoU arrangement with the Department of Employment to deliver services including corporate communications, ministerial and parliamentary services, people services, case management and Employee Assistance Program, and support for the Hazardous Substances Information System in early 2015–16 to assist in reducing red tape and improving efficiency.

## Communication and consultation

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

Effective communication is delivered through:

- > all staff stand up meetings
- > regular email messages from the Chief Executive Officer
- > all staff emails from corporate areas
- > branch and section meetings, and
- > a number of formal consultation mechanisms as provided for in the Enterprise Agreement.

## Workplace Consultative Forum

The Workplace Consultative Forum (WCF) is a mechanism for staff consultation and encourages discussion about workplace matters (other than work health and safety) affecting the agency and its employees.

The WCF met six times in 2014–15 to discuss matters including agency guidelines and policies, major changes, accommodation issues and social activities.

In 2014–15 the WCF helped reach agreement on a revised car parking policy and a new general enquiry policy and procedure.

Until it is replaced with an alternative consultation forum under the new Safe Work Australia Enterprise Agreement, the WCF will continue to be an important consultative forum.

## Work Health and Safety Committee

The Work Health and Safety Committee (WHS Committee) is a mechanism to facilitate consultation and cooperation between the agency and its employees on work health and safety matters.

The WHS Committee met four times in 2014–15. It advises the Chief Executive Officer and Senior Executive on policy matters concerning the work health and safety of employees.

In addition to this, the WHS Committee:

- > provides guidance on the development, implementation, review and improvement of work health and safety and rehabilitation standards, rules and procedures that are to be followed or complied within the agency

- > monitors the outcomes of policy initiatives on injury prevention and injury management issues
- > promotes health and safety initiatives in the workplace
- > reviews statistical data and identifies trends in accidents, injuries or diseases, and
- > reviews and reports on the implementation of and compliance with the *Work Health and Safety Act 2011* (Cwth) (WHS Act), its subordinate legislation and the agency's Work Health and Safety Policy.

A major achievement of the WHS Committee in 2014–15 was reviewing and revising the Work Health and Safety Policy.

## Health and Safety Representative

The Health and Safety Representative (HSR) and Deputy HSR represent the health and safety interests of employees. The HSR and Deputy HSR carry out a bi-annual inspection of Safe Work Australia premises to ensure the health, safety and welfare of all employees. The HSR works with the Work Health and Safety Officer and Property Officer to identify and resolve all issues as soon as possible.

## Health and wellbeing strategies

Health and wellbeing strategies are developed annually to support the Work Health and Safety Policy. These strategies are developed in consultation with the WHS Committee.

Activities undertaken to promote employee participation in health and wellbeing activities in 2014–15 include:

- > regular email updates to staff about work health and safety
- > workstation assessments
- > voluntary sit to stand workstation trial options and subsequent installation
- > voluntary influenza vaccinations
- > up to \$200 reimbursement to encourage health and wellbeing activities outside of work
- > voluntary participation in a variety of health, wellbeing and fitness initiatives during Safety Month in October 2014 including mental health awareness sessions, and
- > promotion to all staff of key safety days including World Safety Day, Fatality Free Friday and World No Tobacco Day.

Safe Work Australia provides employees and their families with access to the Employee Assistance Program which is a free support service to provide advice 24 hours a day, 7 days per week.

The agency also ensures all staff have access to fully-trained harassment contact officers, first aid officers and fire wardens.

## Work health and safety and compensation claims

Under section 35 of the WHS Act Safe Work Australia is required to notify Comcare of any incidents arising out of the conduct of a business or undertaking that result in death, serious injury or serious illness of a person or involve a dangerous incident. One incident was reported in 2014–15.

In 2014–15 Safe Work Australia had no new workers' compensation claims lodged with Comcare.

### Rewards and recognition—Australia Day awards

As part of Safe Work Australia's Reward and Recognition Programme, the agency celebrated the achievements of teams and individuals with the presentation of Australia Day Achievement Medallions.

These awards are reserved for the highest level of recognition for outstanding work performance on special projects or in performance of normal duties.

Three Australia Day Achievement Medallions were presented at an afternoon tea on 27 January 2015.

The first medallion was awarded to the team of people who successfully developed and implemented the Virtual Seminar Series, the first event of its kind delivered by Safe Work Australia. The team included Peta Miller, Janice Batt, Helen Righton, Ingrid Kimber, Liz Sweeney and Clare Sorensen.

The second medallion was awarded to Linda Prattley who coordinated the codes and guidance work for Safe Work Australia in 2014. Linda demonstrated her commitment, excellent organisational skills, stakeholder liaison ability, staff and resource management skills and dedication to delivering the project. The work of all the staff involved in the project is to be commended but the ultimate success of the project was due to Linda's significant leadership contributions.

The third medallion was awarded to Marc Mahon from the People and Planning Section. Marc has dealt with a variety of stakeholders and his sensitive approach and professionalism when dealing with these matters has been exemplary. The impact that Marc's contribution has had on Safe Work Australia's culture has been extraordinary, he is shaping a more dynamic and high performing culture.



All winners are pictured here with Michelle Baxter, Safe Work Australia Chief Executive Officer.



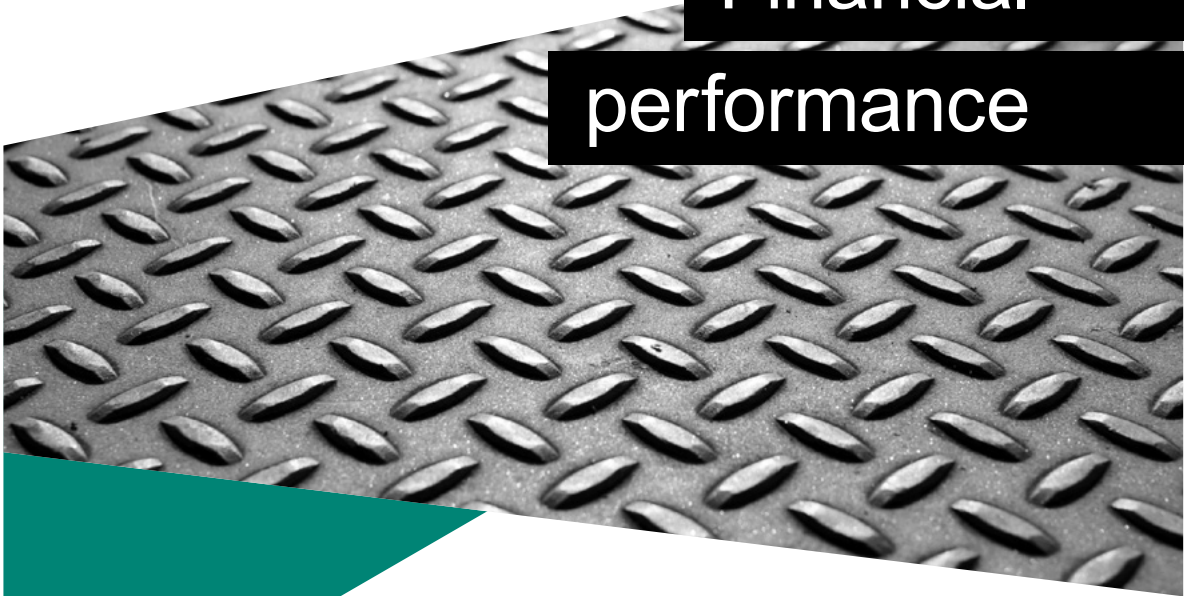
Part Five



Financial



performance





## Financial Overview

Safe Work Australia does not have any administered funding and there were no new measures sought or provided in the 2014–15 financial year. The agency had a full year operating surplus for 2014–15 that reduces the previous year's accumulated surpluses. There are steps in place to expend any remaining surplus in 2015–16 while being very mindful of the 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 2014–15.

### 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.

### Safe Work Australia's support of small business

Safe Work Australia is committed to supporting Small and Medium Enterprises (SME) by paying providers for goods and services in required timeframes, and engaging in ongoing monitoring and improvement to our procurement and contracting practices.

Safe Work Australia has significantly simplified and streamlined its procurement processes by adopting the Department of Finance's Commonwealth Contracting Suite for low-risk procurements. This has significantly reduced the length and complexity of most of our tender processes and contracts by using a set of Terms and Conditions that are consistent with other departments and SME would be familiar with.



Safe Work Australia also continues to monitor Commonwealth procurement processes and liaise with the Department of Finance and other entities to ensure they are commensurate with the risks involved and as simple as possible. Keeping things simple ensures there are no unnecessary barriers and red tape to small business participating in our tender processes.

For more information about:

- > SME participation refer to the Department of Finance's website: **[www.finance.gov.au/procurement/statistics-on-commonwealth-purchasing-contracts/](http://www.finance.gov.au/procurement/statistics-on-commonwealth-purchasing-contracts/)**.
- > The results of the Survey of Australian Government Payments to Small Business refer to Treasury's website: **[www.treasury.gov.au/](http://www.treasury.gov.au/)**.

## Grants

Information on grants awarded by Safe Work Australia during the period 1 July 2014 to 30 June 2015 is available on the Safe Work Australia website.

## Legal costs

Information required by the Legal Services Direction 2005 on the agencies' legal services purchasing for 2014–15 is available on the Safe Work Australia website.

## Consultancy contracts

Information on the value of specific contracts and consultancies is available on the AusTender website. During 2014–15, 11 consultancy contracts were entered into involving total expenditure of \$527,752.10.

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 under the PGPA Act, the PGPA Rule, the Commonwealth Procurement Rules and associated Guidance Notes.

## Safe Work Australia Resource Statement 2014-15

	Actual available appropriation for 2014-15 \$'000	Payments made 2014-15 \$'000	Balance remaining 2014-15 \$'000
<b>Ordinary annual services (1)</b>			
Departmental appropriation	9,832	9,832	
<b>Total</b>	<b>9,832</b>	<b>9,832</b>	
<b>Total available annual appropriations</b>	<b>9,832</b>	<b>9,832</b>	
<b>Total appropriations excluding special accounts</b>	<b>9,832</b>	<b>9,832</b>	
<b>Special accounts</b>			
Opening balance	10,311	10,708	
Appropriation receipts	9,832	9,832	
Non-appropriation receipts to special account	10,996	10,247	
<b>Total special account</b>			<b>12,636</b>
Total resourcing	40,971	40,619	
Less appropriations drawn from annual appropriations above and credited to special accounts	9,832	9,832	
<b>Total net resourcing for Safe Work Australia</b>	<b>31,139</b>	<b>30,787</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 2014-15 \$'000 (a)	Actual 2014-15 \$'000 (b)	Variation 2014-15 \$'000 (a)-(b)
<b>Departmental expenses</b>			
Ordinary annual services (Appropriation Bill No. 1)	9,607	9,607	0
Special accounts	10,996	7,791	3,205
Expenses not requiring appropriation in the budget year	544	659	-115
<b>Total for Outcome 1</b>	<b>21,147</b>	<b>18,057</b>	<b>3,090</b>
	<b>2013-14</b>	<b>2014-15</b>	
<b>Average staffing level (number)</b>	100	95.4	



## INDEPENDENT AUDITOR'S REPORT

### To the Minister for Employment

I have audited the accompanying annual financial statements of Safe Work Australia for the year ended 30 June 2015, which comprise:

- Statement by the Chief Executive Officer 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 to and forming part of the financial statements, including a Summary of Significant Accounting Policies.

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

The Chief Executive Officer of Safe Work Australia is responsible under the *Public Governance, Performance and Accountability Act 2013* for the preparation and fair presentation of annual financial statements that comply with Australian Accounting Standards and the rules made under that Act. The Chief Executive Officer is also responsible for such internal control as is necessary to enable the preparation and fair presentation of financial statements that 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 the entity's preparation and fair presentation of the financial

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statements 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 the entity'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 Officer 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.

#### ***Independence***

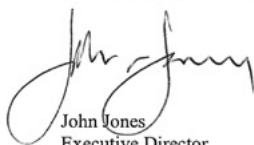
In conducting my audit, I have followed the independence requirements of the Australian National Audit Office, which incorporate the requirements of the Australian accounting profession.

#### ***Opinion***

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

- (a) comply with Australian Accounting Standards and the *Public Governance, Performance and Accountability (Financial Reporting) Rule 2015*; and
- (b) present fairly the financial position of Safe Work Australia as at 30 June 2015 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  
18 September 2015

## STATEMENT BY THE CHIEF EXECUTIVE OFFICER AND CHIEF FINANCIAL OFFICER

In our opinion, the attached financial statements for the year ended 30 June 2015 comply with subsection 42(2) of the *Public Governance, Performance and Accountability Act 2013* (PGPA Act), and are based on properly maintained financial records as per subsection 41(2) of the PGPA Act.

In our opinion, at the date of this statement, there are reasonable grounds to believe that Safe Work Australia will be able to pay its debts as and when they fall due.



Signed  
Michelle Baxter  
Chief Executive Officer

18 September 2015



Signed  
Kristy Gosang  
Chief Financial Officer

18 September 2015

**Statement of Comprehensive Income for Safe Work Australia**  
for the period ended 30 June 2015

	Notes	2015 \$	2014 \$
<b>NET COST OF SERVICES</b>			
<b>Expenses</b>			
Employee benefits	4A	11,970,465	13,582,194
Suppliers	4B	5,887,634	6,378,411
Depreciation and amortisation	4C	599,911	653,936
Write-down and impairment of assets	4D	8,683	29,989
<b>Total expenses</b>		<b>18,466,693</b>	<b>20,644,531</b>
<b>Own-Source Income</b>			
<b>Own-source revenue</b>			
Sale of goods and rendering of services	5A	10,155,052	10,363,849
<b>Total own-source revenue</b>		<b>10,155,052</b>	<b>10,363,849</b>
<b>Gains</b>			
Gains from sale of assets	5B	9,150	91
Other gains	5C	51,000	46,000
Reversals of previous asset write-downs and impairments	5D	2,535	-
<b>Total gains</b>		<b>62,685</b>	<b>46,091</b>
<b>Total own-source income</b>		<b>10,217,737</b>	<b>10,409,940</b>
<b>Net cost of services</b>		<b>(8,248,956)</b>	<b>(10,234,591)</b>
Revenue from Government	5E	9,607,000	9,356,000
<b>Surplus/(Deficit) attributable to the Australian Government</b>		<b>1,358,044</b>	<b>(878,591)</b>
<b>OTHER COMPREHENSIVE INCOME</b>			
Changes in asset revaluation reserve		9,272	-
<b>Total other comprehensive income</b>		<b>9,272</b>	<b>-</b>
<b>Total comprehensive income/(loss) attributable to the Australian Government</b>		<b>1,348,772</b>	<b>(878,591)</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 2015*

	Notes	2015 \$	2014 \$
<b>ASSETS</b>			
<b>Financial assets</b>			
Cash and cash equivalents	7A	294,347	302,850
Trade and other receivables	7B	12,617,744	10,634,785
Accrued Income	7C	45,216	56,960
<b>Total financial assets</b>		<b>12,957,307</b>	<b>10,994,595</b>
<b>Non-financial assets</b>			
Land and buildings	8A	130,252	651,265
Property, plant and equipment	8B,C	154,202	131,685
Intangibles	8D,E	11,224	43,451
Other non-financial assets	8F	19,883	80,663
<b>Total non-financial assets</b>		<b>315,561</b>	<b>907,064</b>
<b>Total assets</b>		<b>13,272,868</b>	<b>11,901,659</b>
<b>LIABILITIES</b>			
<b>Payables</b>			
Suppliers	9A	1,770,168	2,008,048
Other payables	9B	793,441	392,944
<b>Total payables</b>		<b>2,563,609</b>	<b>2,400,992</b>
<b>Provisions</b>			
Employee provisions	10	3,301,021	3,675,474
<b>Total provisions</b>		<b>3,301,021</b>	<b>3,675,474</b>
<b>Total liabilities</b>		<b>5,864,630</b>	<b>6,076,466</b>
<b>Net assets</b>		<b>7,408,238</b>	<b>5,825,194</b>
<b>EQUITY</b>			
Contributed equity		4,274,602	4,049,602
Reserves		860,271	859,917
Retained surplus/(Accumulated deficit)		2,273,365	915,675
<b>Total equity</b>		<b>7,408,238</b>	<b>5,825,194</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 2015

	Notes	Retained earnings 2015	2014	Asset revaluation surplus 2015	2014	Contributed equity/capital 2015	2014	Total equity 2015	2014
		\$	\$	\$	\$	\$	\$	\$	\$
<b>Opening balance</b>									
Balance carried forward from previous period		915,675	1,794,266	859,917	859,917	4,049,602	3,899,602	5,825,194	6,553,785
<b>Adjusted opening balance</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>
<b>Comprehensive income</b>									
Surplus/(Deficit) for the period		1,358,044	(878,591)					1,358,044	(878,591)
Write off of asset revaluation decrements upon disposal of assets		(9,272)	-	9,272				-	-
Other comprehensive income		-	-	-	-	-	-	-	-
<b>Total comprehensive income</b>		<b>1,348,772</b>	<b>(878,591)</b>	<b>9,272</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,358,044</b>	<b>(878,591)</b>
<b>Transactions with owners</b>									
<b>Contributions by owners</b>									
Departmental Capital Budget		-	-	-	-	225,000	150,000	225,000	150,000
<b>Total transactions with owners</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>225,000</b>	<b>150,000</b>	<b>225,000</b>	<b>150,000</b>
Transfers between equity components		8,918	-	(8,918)	-	-	-	-	-
<b>Closing balance as at 30 June 2015</b>		<b>2,273,365</b>	<b>915,675</b>	<b>860,271</b>	<b>859,917</b>	<b>4,274,602</b>	<b>4,049,602</b>	<b>7,408,238</b>	<b>5,825,194</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 2015*

	Notes	2015 \$	2014 \$
<b>OPERATING ACTIVITIES</b>			
<b>Cash received</b>			
Appropriations		9,607,000	9,356,000
Sale of goods and rendering of services		11,246,677	11,108,819
<b>Total cash received</b>		<u>20,853,677</u>	<u>20,464,819</u>
<b>Cash used</b>			
Employees		12,018,395	13,207,045
Suppliers		6,418,661	6,487,253
Net GST paid		587,397	460,143
Transfers to OPA		1,936,229	461,319
<b>Total cash used</b>		<u>(20,960,682)</u>	<u>(20,615,758)</u>
<b>Net cash from/(used by) operating activities</b>	11	<u>(107,005)</u>	<u>(150,938)</u>
<b>INVESTING ACTIVITIES</b>			
<b>Cash received</b>			
Proceeds from sales of property, plant and equipment		9,150	91
<b>Total cash received</b>		<u>9,150</u>	<u>91</u>
<b>Cash used</b>			
Purchase of property, plant and equipment		135,648	60,427
<b>Total cash used</b>		<u>(135,648)</u>	<u>(60,427)</u>
<b>Net cash from investing activities</b>		<u>(126,498)</u>	<u>(60,336)</u>
<b>FINANCING ACTIVITIES</b>			
<b>Cash received</b>			
Contributed equity		225,000	159,000
<b>Total cash received</b>		<u>225,000</u>	<u>159,000</u>
<b>Net cash from/(used by) financing activities</b>		<u>225,000</u>	<u>159,000</u>
<b>Net increase/(decrease) in cash held</b>		<u>(8,503)</u>	<u>(52,274)</u>
Cash and cash equivalents at the beginning of the reporting period		302,850	355,124
<b>Cash and cash equivalents at the end of the reporting period</b>	7A	<u>294,347</u>	<u>302,850</u>

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

**Safe Work Australia**  
**Schedule of Commitments**  
*as at 30 June 2015*

	2015	2014
	\$	\$
<b>BY TYPE</b>		
<b>Commitments receivable</b>		
State and Territory contributions <sup>1</sup>	10,028,000	10,995,600
Return to Work Contributions	240,000	150,000
<b>Total commitments receivable</b>	<b>10,268,000</b>	<b>11,145,600</b>
<b>Commitments payable</b>		
<b>Capital commitments</b>		
Land and buildings <sup>2</sup>	30,580	-
<b>Total capital commitments</b>	<b>30,580</b>	<b>-</b>
<b>Other commitments</b>		
Operating leases <sup>3</sup>	5,890,798	1,375,659
Project commitments	1,703,421	2,078,872
Other	2,469,107	223,485
Net GST Payable to ATO <sup>4</sup>	312,459	652,320
<b>Total other commitments</b>	<b>10,375,785</b>	<b>4,330,337</b>
<b>Total commitments payable</b>	<b>10,406,365</b>	<b>4,330,337</b>
<b>Net commitments</b>	<b>(138,365)</b>	<b>6,815,263</b>
<b>BY MATURITY</b>		
<b>Commitments receivable</b>		
<b>State and Territory contributions</b>		
Within 1 year	10,028,000	10,995,600
Between 1 to 5 years	-	-
<b>Total operating lease income</b>	<b>10,028,000</b>	<b>10,995,600</b>
<b>Other commitments receivable</b>		
Within 1 year	240,000	150,000
Between 1 to 5 years	-	-
<b>Total other commitments receivable</b>	<b>240,000</b>	<b>150,000</b>
<b>Total commitments receivable</b>	<b>10,268,000</b>	<b>11,145,600</b>
<b>Commitments payable</b>		
<b>Capital commitments</b>		
Within 1 year	30,580	-
Between 1 to 5 years	-	-
<b>Total capital commitments</b>	<b>30,580</b>	<b>-</b>
<b>Operating lease commitments</b>		
Within 1 year	972,571	1,098,596
Between 1 to 5 years	4,002,906	277,063
More than 5 years	915,321	-
<b>Total operating lease commitments</b>	<b>5,890,798</b>	<b>1,375,659</b>

	2015 \$	2014 \$
<b>Other Commitments</b>		
Within 1 year	2,561,040	1,691,404
Between 1 to 5 years	1,611,488	610,954
More than 5 years	-	-
	<u>4,172,528</u>	<u>2,302,357</u>
<b>Net GST Payable to ATO</b>		
Within 1 year	810,614	642,608
Between 1 to 5 years	(414,945)	9,712
More than 5 years	(83,210)	-
	<u>312,459</u>	<u>652,320</u>
<b>Total commitments payable</b>	<u>10,406,365</u>	<u>4,330,337</u>
<b>Net commitments by maturity</b>	<u>(138,365)</u>	<u>6,815,263</u>

Notes:

1. State and Territory contributions relate to funding commitments made for 2015-16, as part of the *Inter-Governmental Agreement for Regulatory and Operational Reform in Occupational Health and Safety*. Future funding commitments will be the subject of negotiations currently underway.
2. Capital commitments relate to architectural services associated with the fit out of new premises for Safe Work Australia at level 7, Nishi Building, Canberra.
3. Operating lease commitments relate to lease payments for Safe Work Australia premises at 220 Northbourne Avenue, Canberra until the expiration of its lease in September 2015. Commitments as at 30 June 2015 also include lease commitments for Safe Work Australia's new office accommodation at Level 7, Nishi Building.
4. Net GST commitments include GST payable on State and Territory contributions, offset by GST on commitments payable.

## Note 1: Summary of Significant Accounting Policies

### 1.1 Objectives of Safe Work Australia

Safe Work Australia is an Australian Government controlled not-for-profit Agency. Safe Work Australia is the body leading the development of national policy to improve work health and safety and workers' compensation across Australia.

The establishment of Safe Work Australia was provided for in the *Intergovernmental Agreement for Regulatory and Operational Reform in Occupational Health and Safety* (IGA), agreed by the Council of Australian Governments on 3 July 2008. Safe Work Australia was established as a former Executive Agency on 1 July 2009 and as a Statutory Agency on 1 November 2009.

Safe Work Australia operates in accordance with the *Safe Work Australia Act 2008* (SWA Act) and its functions under this Act 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 these:
  - (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: Healthier, safer and more productive workplaces through improvements to Australian work 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 42 of the *Public Governance, Performance and Accountability Act 2013* and are general purpose financial statements.

The Financial Statements have been prepared in accordance with:

- *The Public Governance, Performance and Accountability (Financial Reporting) Rule 2015 (FRR)* for periods ending on or after 1 July 2014, 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 FRR, 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 Agency 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

The following new, revised or amended standards and interpretations that 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 effect on the Agency's financial statements.

<b>Standard/ Interpretation</b>	<b>Nature of change in accounting policy, transitional provisions<sup>1</sup>, and adjustment to financial statements</b>
AASB 1055 Budgetary Reporting	New requirement to report budgetary information and explain significant variances between budget and actual at the individual Agency level.

<sup>1</sup> When transitional provisions apply, all changes in accounting policy are made in accordance with their respective transitional provision.

In addition to the above, the Agency has early adopted *AASB2015-7 Amendments to Australian Accounting Standards – Fair value disclosures of Not-for-profit public sector entities*. AASB2015-7 amends AASB13 to provide relief to not-for-profit public sector entities to no longer disclose certain quantitative and narrative information for fair value measurements categorised within Level 3 quantitative information about the significant unobservable inputs used in the fair value measurement.

All other new or revised standards and interpretations issued prior to the signing of the Statement by the Chief Executive Officer and Chief Financial Officer that were applicable to the current reporting period had no material financial effect on the Agency, and are not expected to have a future material effect.

#### *Future Australian Accounting Standard Requirements*

The following new, revised or amended standards and interpretations were issued by the Australian Accounting Standards Board prior to the signing of the statement by the Chief Executive Officer and Chief Financial Officer, which are expected to have a material impact on the Agency's financial statements for future reporting period(s):

<b>Standard/ Interpretation</b>	<b>Application date for the Agency<sup>1</sup></b>	<b>Nature of impending change/s in accounting policy and likely impact on initial application</b>
AASB 2015-2 Amendments to Australian Accounting Standards – Disclosure Initiative: Amendments to AASB 10	1 January 2016	Amendments to AASB 101 Presentation of Financial Statements will amend financial statement disclosures from 2016-17, encouraging entities to eliminate immaterial disclosures. Likely impact: Minimal
AASB 2015-6 Amendments to Australian Accounting Standards – Extending Related Party Disclosures to Not-for-Profit Public Sector Entities	1 July 2016	Extends the scope of AASB 124 Related Party Disclosures to include application by not-for-profit (NFP) public sector entities and includes implementation guidance for these entities.

		Likely impact: Minimal
AASB 15 Revenue from Contracts with Customers	1 January 2017	<p>Changes to Revenue from Contracts with Customers will change aspects of the accounting treatment for all departmental revenue other than Gains and Revenues from Government. These revisions first apply in the 2017-18 financial statements, but will require retrospective adjustments for affected accounting treatments for the 2016-17 comparative disclosures.</p> <p>Likely impact: The likely impact is currently not known. Depending on the nature of the Agency's transactions, the new standard may have a significant impact on the timing of the recognition of revenue.</p>
AASB 9 Financial Instruments	1 July 2017	<p>Changes to the Financial Instruments standard will impact on classification and measurement of financial assets and liabilities of the Agency. These revisions are first effective in 2018-19, but will require retrospective adjustments for the 2017-18 comparative disclosures.</p> <p>Likely impact: Minimal due to the value and type of the Agency's financial assets and liabilities.</p>

<sup>1</sup> The Agency's expected initial application date is when the accounting standard becomes operative at the beginning of the Agency's reporting period.

## 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 Agency.

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.

## 1.8 Employee Benefits

Liabilities for 'short-term employee benefits' (as defined in AASB 119 *Employee Benefits*) and termination benefits expected 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 Standard Parameters 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 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 2015 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. The Agency only holds operating leases.

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 Agency 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) 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, 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 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 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).

<b>Asset class</b>	<b>Recognition threshold</b>
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:

<b>Asset class</b>	<b>Measurement</b>
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:

<b>Asset class</b>	<b>2013-14</b>	<b>2012-13</b>
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 2015. 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:

<b>Asset class</b>	<b>2013-14</b>	<b>2012-13</b>
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 2015.

### 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 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

There was no subsequent event that had the potential to significantly affect the ongoing structure and financial activities of the Agency.

## Note 3: Net Cash Appropriation Arrangements

	2015	2014
	\$	\$
<b>Total comprehensive income less depreciation/amortisation expenses previously funded through revenue appropriations<sup>1</sup></b>	<b>1,948,683</b>	(244,655)
Plus: depreciation/amortisation expenses previously funded through revenue appropriation	(599,911)	(653,936)
<b>Total comprehensive income - as per the Statement of Comprehensive Income</b>	<b>1,348,772</b>	(878,591)

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.



**Note 4: Expenses**

	2015 \$	2014 \$
<b><u>Note 4A: Employee Benefits</u></b>		
Wages and salaries	8,332,490	8,999,039
Superannuation		
Defined contribution plans	645,161	624,634
Defined benefit plans	1,247,824	1,442,402
Leave and other entitlements	1,351,046	2,349,069
Separation and redundancies	393,944	167,051
<b>Total employee benefits</b>	<b>11,970,465</b>	<b>13,582,195</b>
<b><u>Note 4B: Suppliers</u></b>		
<b>Goods and services supplied or rendered</b>		
Advertising and Promotion	59,655	38,901
Consultants	2,100,510	2,605,959
Contractors	136,864	-
IT Related Costs	268,591	187,331
Corporate and IT Service Fees	924,711	1,123,924
Printing and Office Supplies	64,834	187,805
Property Costs	225,490	276,995
Recruitment and Training Costs	153,885	175,600
Sponsorships	45,826	72,606
Subscriptions and Publications	17,333	23,899
Travel Costs	170,718	241,681
Venue Hire and Guest Speakers	9,874	29,041
Other	584,091	359,808
<b>Total goods and services supplied or rendered</b>	<b>4,762,382</b>	<b>5,323,550</b>
<b>Goods supplied in connection with</b>		
Related parties	-	-
External parties	81,212	41,922
<b>Total goods supplied</b>	<b>81,212</b>	<b>41,922</b>
<b>Services rendered in connection with</b>		
Related parties	1,230,272	791,377
External parties	3,450,898	4,490,251
<b>Total services rendered</b>	<b>4,681,170</b>	<b>5,281,628</b>
<b>Total goods and services supplied or rendered</b>	<b>4,762,382</b>	<b>5,323,550</b>
<b>Other suppliers</b>		
<b>Operating lease rentals in connection with</b>		
External parties		
Minimum lease payments	999,633	965,264
Workers compensation expenses	125,620	89,597
<b>Total other suppliers</b>	<b>1,125,253</b>	<b>1,054,861</b>
<b>Total suppliers</b>	<b>5,887,635</b>	<b>6,378,411</b>

**Note 4: Expenses continued**

	2015	2014
	\$	\$

**Note 4C: Depreciation and Amortisation****Depreciation**

Property, plant and equipment	46,672	47,604
Buildings	521,012	518,630
<b>Total depreciation</b>	<b>567,684</b>	<b>566,234</b>

**Amortisation**

Intangibles	32,227	87,701
<b>Total amortisation</b>	<b>32,227</b>	<b>87,701</b>
<b>Total depreciation and amortisation</b>	<b>599,911</b>	<b>653,935</b>

**Note 4D: Write-Down and Impairment of Assets**

Impairment on intangible assets	-	24,487
Write down of assets – Property, plant and equipment	8,683	5,502
<b>Total write-down and impairment of assets</b>	<b>8,683</b>	<b>29,989</b>

**Note 5: Own-Source Income**

	2015 \$	2014 \$
<b>Own-Source Revenue</b>		
<b><u>Note 5A: Sale of Goods and Rendering of Services</u></b>		
<b>Rendering of services in connection with</b>		
Related parties	150,000	272,727
External parties	10,005,052	10,091,122
<b>Total rendering of services</b>	<b>10,155,052</b>	<b>10,363,849</b>
<b>Total sale of goods and rendering of services</b>	<b>10,155,052</b>	<b>10,363,849</b>
<b>Gains</b>		
<b><u>Note 5B: Gains from Sale of Assets</u></b>		
<i>Property Plant and Equipment</i>		
Proceeds from Sale	9,150	91
<b>Total Gains</b>	<b>9,150</b>	<b>91</b>
<b><u>Note 5C: Other Gains</u></b>		
Resources received free of charge		
Remuneration of Auditors	46,000	46,000
Provision of Consultancy Services	5,000	-
<b>Total other gains</b>	<b>51,000</b>	<b>46,000</b>
<b><u>Note 5D: Reversals of Previous Asset Write-Downs and Impairments</u></b>		
Reversal of impairment losses- PP&E	2,535	-
<b>Total reversals of previous asset write-downs and impairments</b>	<b>2,535</b>	<b>-</b>
<b><u>Note 5E: Revenue from Government</u></b>		
Appropriations		
Departmental appropriations	9,607,000	9,356,000
<b>Total revenue from Government</b>	<b>9,607,000</b>	<b>9,356,000</b>

### Note 6: 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 department 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.

### Note 6A: Fair Value Measurements, Valuation Techniques and Inputs Used

Fair value measurements at the end of the reporting period			For Levels 2 and 3 fair value measurements		Inputs used
2015	2014	Category (Level 1, 2 or 3)	Valuation technique(s)		
\$	\$				
Non-financial assets					
Leasehold improvements	130,253	651,265	Level 3	Depreciated Replacement Cost	Replacement cost Expected useful lives
Property plant and equipment	154,202	131,685	Level 2	Market Approach and Cost Approach	Adjustments for obsolescence Adjusted market transactions and cost
Total non-financial assets	284,455	782,950			

#### Notes:

No changes in valuation techniques occurred during the period for level 2 and level 3 measurements.

The highest and best use of all non-financial assets are the same as their current use.

There are no assets held for sale under AASB 5 *Non-current Assets Held for Sale and Discontinued Operations*.

All non-financial assets are held for operational purposes.

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

The Agency procured the services 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 engaged Australian Valuation Solutions (AVS) to provide written assurance that the models developed comply with AASB13.

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

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

- Leasehold Improvements – Obsolescence of the 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 judgement 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.

### **Note 6B: Reconciliation for recurring Level 3 fair value measurements**

#### **Recurring Level 3 fair value measurements - reconciliation for assets**

	Non-financial assets			
	Leasehold Improvements		Total	
	2015 \$	2014 \$	2015 \$	2014 \$
<b>Opening balance</b>	<b>651,265</b>	1,156,200	<b>651,265</b>	1,156,200
Purchases	-	13,695	-	13,695
Depreciation	<b>(521,012)</b>	(518,630)	<b>(521,012)</b>	(518,630)
Disposals		-		
<b>Closing balance</b>	<b>130,253</b>	651,265	<b>130,253</b>	651,265

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

## Note 7: Financial Assets

	2015 \$	2014 \$
<b><u>Note 7A: Cash and Cash Equivalents</u></b>		
Cash in special accounts	294,347	302,850
<b>Total cash and cash equivalents</b>	<b>294,347</b>	<b>302,850</b>
<b><u>Note 7B: Trade and Other Receivables</u></b>		
<b>Goods and services receivables in connection with</b>		
Related parties	157,953	170,964
External parties	-	-
<b>Total goods and services receivables</b>	<b>157,953</b>	<b>170,964</b>
<b>Appropriations receivables</b>		
Safe Work Australia Special Account	12,341,612	10,405,382
<b>Total appropriations receivables</b>	<b>12,341,612</b>	<b>10,405,382</b>
<b>Other receivables</b>		
Statutory receivables	118,179	58,439
<b>Total other receivables</b>	<b>118,179</b>	<b>58,439</b>
<b>Total trade and other receivables (gross)</b>	<b>12,617,744</b>	<b>10,634,785</b>
<b>Total trade and other receivables (net)</b>	<b>12,617,744</b>	<b>10,634,785</b>
<b>Trade and other receivables (net) expected to be recovered</b>		
No more than 12 months	12,617,744	10,634,785
<b>Total trade and other receivables (net)</b>	<b>12,617,744</b>	<b>10,634,785</b>
<b>Trade and other receivables (gross) aged as follows</b>		
Not overdue	12,617,744	10,619,565
Overdue by		
More than 90 days	-	15,220
<b>Total trade and other receivables (gross)</b>	<b>12,617,744</b>	<b>10,634,786</b>

	2015 \$	2014 \$
<b><u>Note 7C: Other Financial Assets</u></b>		
Accrued income	<u>45,216</u>	<u>56,960</u>
<b>Total other financial assets</b>	<u>45,216</u>	<u>56,960</u>
 <b>Other financial assets expected to be recovered</b>		
No more than 12 months	<u>45,216</u>	<u>56,960</u>
<b>Total other financial assets</b>	<u>45,216</u>	<u>56,960</u>

## Note 8: Non-Financial Assets

	2015 \$	2014 \$
<b>Note 8A: Land and Buildings</b>		
<b>Leasehold improvements</b>		
Fair value	1,169,895	1,169,895
Accumulated depreciation	(1,039,642)	(518,630)
<b>Total leasehold improvements</b>	<b>130,253</b>	<b>651,265</b>
<b>Total land and buildings</b>	<b>130,253</b>	<b>651,265</b>

Leasehold improvements relate to the fitout and furniture for leased Safe Work Australia (SWA) premises at 220 Northbourne Avenue, Canberra. It is expected SWA will be vacating these premises in September 2015. A review of the fair value of this asset, which is assessed on its value in use, indicates it to be consistent with the expected expiry of this lease.

## Note 8B: Property, Plant and Equipment

<b>Property, plant and equipment</b>		
Fair value	226,032	179,289
Accumulated depreciation	(71,830)	(47,604)
<b>Total other property, plant and equipment</b>	<b>154,202</b>	<b>131,685</b>
<b>Total property, plant and equipment</b>	<b>154,202</b>	<b>131,685</b>

No indicators of impairment were found for property, plant and equipment.

## 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 or decrements in 2014-15 (2013-14: Nil).



**Note 8C: Reconciliation of the Opening and Closing Balances of Property, Plant and Equipment****Reconciliation of the opening and closing balances of property, plant and equipment for 2015**

	Leasehold Improvements \$	Property, plant & equipment \$	Total \$
<b>As at 1 July 2014</b>			
Gross book value	1,169,895	179,289	1,349,184
Accumulated depreciation and impairment	(518,630)	(47,604)	(566,234)
<b>Total as at 1 July 2014</b>	<b>651,265</b>	<b>131,685</b>	<b>782,950</b>
Additions			
Purchase or internally developed	-	75,335	75,335
Reversal of impairments recognised in other comprehensive income	-	2,535	2,535
Depreciation	(521,012)	(46,672)	(567,684)
Other movements			
Disposals	-	(31,127)	(31,127)
Depreciation on disposals		22,446	22,446
<b>Total as at 30 June 2015</b>	<b>130,253</b>	<b>154,202</b>	<b>284,455</b>
<b>Total as at 30 June 2015 represented by</b>			
Gross book value	1,169,895	226,032	1,395,927
Accumulated depreciation and impairment	(1,039,642)	(71,830)	(1,111,472)
<b>Total as at 30 June 2015</b>	<b>130,253</b>	<b>154,202</b>	<b>284,455</b>

**Reconciliation of the opening and closing balances of property, plant and equipment for 2014**

	Leasehold Improvements \$	Property, plant & equipment \$	Total \$
<b>As at 1 July 2013</b>			
Gross book value	1,156,200	70,560	1,226,760
Accumulated depreciation and impairment	-	-	-
<b>Total as at 1 July 2013</b>	<b>1,156,200</b>	<b>70,560</b>	<b>1,226,760</b>
Additions			
Purchase or internally developed	13,695	114,231	127,926
Impairments recognised in net cost of services	-	(5,502)	(5,502)
Assets held for sale or in a disposal group held for sale	-	-	-
Depreciation	(518,630)	(47,604)	(566,234)
Disposals			
From disposal of entities or operations (including restructuring)	-	-	-
Other	-	-	-
<b>Total as at 30 June 2014</b>	<b>651,265</b>	<b>131,685</b>	<b>782,950</b>
<b>Total as at 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>Total as at 30 June 2014</b>	<b>651,265</b>	<b>131,685</b>	<b>782,950</b>

	2015	2014
	\$	\$

**Note 8D: Intangibles**

**Computer software**

Purchased	14,986	14,986
Internally developed – in use	287,987	287,987
Accumulated amortisation	(291,749)	(259,523)
<b>Total computer software</b>	<b>11,224</b>	<b>43,451</b>
<b>Total intangibles</b>	<b>11,224</b>	<b>43,451</b>

No indicators of impairment were found for intangible assets.

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

**Note 8E: Reconciliation of the Opening and Closing Balances of Intangibles**

**Reconciliation of the opening and closing balances of intangibles for 2015**

	Computer software internally developed \$	Computer software purchased \$	Total \$
<b>As at 1 July 2014</b>			
Gross book value	287,987	14,986	302,973
Accumulated amortisation and impairment	(244,536)	(14,986)	(259,522)
<b>Total as at 1 July 2014</b>	<b>43,451</b>	<b>-</b>	<b>43,451</b>
Additions			
Purchase or internally developed	-	-	-
Amortisation	(32,227)	-	(32,227)
<b>Total as at 30 June 2015</b>	<b>11,224</b>	<b>-</b>	<b>11,224</b>
<b>Total as at 30 June 2015 represented by</b>			
Gross book value	287,987	14,986	302,973
Accumulated amortisation and impairment	(276,763)	(14,986)	(291,749)
<b>Total as at 30 June 2015</b>	<b>11,224</b>	<b>-</b>	<b>11,224</b>

## Reconciliation of the opening and closing balances of Intangibles for 2014

	Computer software internally developed \$	Computer software purchased \$	Total \$
As at 1 July 2013			
Gross book value	312,474	14,986	327,460
Accumulated amortisation and impairment	(156,995)	(14,826)	(171,821)
Total as at 1 July 2013	155,479	160	155,639
Additions			
Purchase or internally developed	-	-	-
Impairments recognised in net cost of services	(24,487)	-	(24,487)
Amortisation	(87,541)	(160)	(87,701)
Total as at 30 June 2014	43,451	-	43,451
Total as at 30 June 2014 represented by			
Gross book value	312,474	14,986	327,460
Accumulated amortisation and impairment	(269,023)	(14,986)	(284,009)
Total as at 30 June 2014	43,451	-	43,451

**Note 8F: Other Non-Financial Assets**

	2015 \$	2014 \$
Prepayments	19,883	80,663
<b>Total other non-financial assets</b>	<b>19,883</b>	<b>80,663</b>
<b>Other non-financial assets expected to be recovered</b>		
No more than 12 months	19,883	80,663
<b>Total other non-financial assets</b>	<b>19,883</b>	<b>80,663</b>

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

## Note 9: Payables

	2015 \$	2014 \$
<b><u>Note 9A: Suppliers</u></b>		
Trade creditors and accruals	1,762,980	1,940,546
Capital accruals	7,188	67,502
<b>Total suppliers</b>	<b>1,770,168</b>	<b>2,008,048</b>
<b>Suppliers expected to be settled</b>		
No more than 12 months	1,770,168	2,008,048
More than 12 months	-	-
<b>Total suppliers</b>	<b>1,770,168</b>	<b>2,008,048</b>
<b>Suppliers in connection with</b>		
Related parties	1,327,626	1,026,012
External parties	442,542	982,036
<b>Total suppliers</b>	<b>1,770,168</b>	<b>2,008,048</b>
Settlement was usually made within 30 days.		
<b><u>Note 9B: Other Payables</u></b>		
Wages and salaries	708,337	327,020
Superannuation	67,006	63,132
Other	18,098	2,792
<b>Total other payables</b>	<b>793,441</b>	<b>392,944</b>
<b>Other payables expected to be settled</b>		
No more than 12 months	793,441	392,944
More than 12 months	-	-
<b>Total other payables</b>	<b>793,441</b>	<b>392,944</b>

## Note 10: Provisions

	2015 \$	2014 \$
<b><u>Note 10: Employee Provisions</u></b>		
Leave	<u>3,301,021</u>	<u>3,675,474</u>
<b>Total employee provisions</b>	<u><b>3,301,021</b></u>	<u><b>3,675,474</b></u>
<b>Employee provisions expected to be settled</b>		
No more than 12 months	<u>1,187,976</u>	<u>1,125,854</u>
More than 12 months	<u>2,113,045</u>	<u>2,549,620</u>
<b>Total employee provisions</b>	<u><b>3,301,021</b></u>	<u><b>3,675,474</b></u>

# **Note 11: Cash Flow Reconciliation**

	2015 \$	2014 \$
<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	294,347	302,850
Statement of financial position	294,347	302,850
<b>Discrepancy</b>	-	-
 <b>Reconciliation of net cost of services to net cash from/(used by) operating activities</b>		
Net cost of services	(8,248,956)	(10,234,591)
Gain on disposal of assets	(9,150)	-
Reversal of Asset Impairment	(2,535)	-
Revenue from Government	9,607,000	9,356,000
Cash from (to) Official Public Account	(1,936,229)	(470,319)
<b>Adjustments for non-cash items</b>		
Depreciation/amortisation	599,911	653,935
Net write down of non-financial assets	8,683	29,989
<b>Movements in assets and liabilities</b>		
<b>Assets</b>		
(Increase)/Decrease in net receivables	24,755	(20,462)
(Increase)/Decrease in prepayments	60,780	54,359
(Increase)/Decrease in GST receivable	(59,740)	108,137
<b>Liabilities</b>		
Increase/(Decrease) in employee provisions	(374,453)	316,353
Increase/(Decrease) in suppliers payable	(177,567)	37,149
Increase/(Decrease) in other payables	400,496	18,510
<b>Net cash from/(used by) operating activities</b>	<b>(107,005)</b>	<b>(150,938)</b>

**Note 12: Senior Management Personnel Remuneration**

	2015 \$	2014 \$
<b>Short-term employee benefits</b>		
Salary	959,267	850,393
Motor vehicle and other allowances	40,219	12,561
<b>Total short-term employee benefits</b>	<b>999,486</b>	<b>862,954</b>
<b>Post-employment benefits</b>		
Superannuation	214,485	201,505
<b>Total post-employment benefits</b>	<b>214,485</b>	<b>201,505</b>
<b>Other long-term employee benefits</b>		
Annual leave	84,859	89,232
Long-service leave	30,630	32,940
<b>Total other long-term employee benefits</b>	<b>115,489</b>	<b>122,172</b>
<b>Termination benefits</b>		
Voluntary redundancy payments	196,047	-
<b>Total termination benefits</b>	<b>196,047</b>	<b>-</b>
<b>Total senior executive remuneration expenses</b>	<b>1,525,507</b>	<b>1,186,631</b>

The total number of senior management personnel that are included in the above table for 2015 are 6 individuals (2014: 6 individuals).

## Note 13: Financial Instruments

	2015 \$	2014 \$
<b>Note 13A: Categories of Financial Instruments</b>		
<b>Financial Assets</b>		
<b>Loans and receivables</b>		
Cash and cash equivalents	294,347	302,850
Trade and other receivables	157,953	170,964
Accrued revenue	45,216	56,960
<b>Total loans and receivables</b>	<b>497,516</b>	<b>530,774</b>
<b>Total financial assets</b>	<b>497,516</b>	<b>530,774</b>
<b>Financial Liabilities</b>		
<b>Financial liabilities measured at amortised cost</b>		
Trade creditors and accruals	1,770,168	2,008,048
<b>Total financial liabilities measured at amortised cost</b>	<b>1,770,168</b>	<b>2,008,048</b>
<b>Total financial liabilities</b>	<b>1,770,168</b>	<b>2,008,048</b>

Safe Work Australia's fair value of financial assets and liabilities approximates their carrying value.



**Note 13B: Credit Risk**

Safe Work Australia was 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 debtors which is \$157,953 (2014: \$170,964). The Agency has assessed the risk of default on payment and determined that an allowance for impairment is not required.

Safe Work Australia held no collateral to mitigate against credit risk.

**Note 13C: Liquidity Risk**

Safe Work Australia has sufficient available financial assets to meet all financial liabilities at 30 June 2015.

The Agency is jointly funded by Commonwealth, State and Territory governments. The Agency manages its budgeted funds to ensure it is able 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.

**Note 13D: 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**

	Notes	2015 \$	2014 \$
<b>Total financial assets as per statement of financial position</b>		<b>12,957,307</b>	10,994,595
<b>Less: Non-financial instrument components</b>	7B		
Appropriations receivables		12,341,612	10,405,382
Statutory Receivables		118,179	58,439
<b>Total non-financial instrument components</b>		<b>12,459,791</b>	10,463,821
<b>Total financial instruments</b>		<b>497,516</b>	530,774
<b>Total financial assets as per financial instruments note</b>		<b>497,516</b>	530,774

## Note 15: Appropriations

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

#### Annual Appropriations for 2015

	<i>Appropriation Act</i>		<i>PGPA Act</i>		Total appropriation	Appropriation applied in 2015 (current and prior years)	Variance	Section 51 Determinations
	Annual Appropriation <sup>1</sup>	AFM	Section 74	Section 75				
	\$	\$	\$	\$	\$	\$	\$	\$
Departmental								
Ordinary annual services	9,832,000	-	-	-	9,832,000	(9,832,000)	-	-
<b>Total departmental</b>	<b>9,832,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>9,832,000</b>	<b>(9,832,000)</b>	<b>-</b>	<b>-</b>

#### Notes:

1. Appropriations reduced under Appropriation Acts (Nos. 1,3&5) 2015: sections 10, 11, and 12 and under Appropriation Acts (Nos. 2,4&6) 2015: 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 2015, there were no reductions to departmental appropriations.

#### Annual Appropriations for 2014

	<i>Appropriation Act</i>		<i>FMA Act</i>				Appropriation applied in 2014 (current and prior years)	Variance
	Annual Appropriation <sup>1</sup>	Appropriations Reduced <sup>2</sup>	AFM	Section 30	Section 31	Section 32		
	\$	\$	\$	\$	\$	\$	\$	\$
Departmental								
Ordinary annual services	9,524,000	(18,000)	-	-	-	-	9,506,000	(9,515,000)
<b>Total departmental</b>	<b>9,524,000</b>	<b>(18,000)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>9,506,000</b>	<b>(9,515,000)</b>

#### 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.

2. 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.

**Note 16B: Departmental and Administered Capital Budgets ('Recoverable GST exclusive')**

	2015 Capital Budget Appropriations				Capital Budget Appropriations applied in 2015 (current and prior years)			
	<i>Appropriation Act</i> Annual Capital Budget	<i>PGPA Act</i> Section 75	Total Capital Budget Appropriations	Payments for non- financial assets <sup>2</sup>	Payments for other purposes	Total payments	Variance	\$
<b>Departmental</b> Ordinary annual services - Departmental Capital Budget <sup>1</sup>	\$ 225,000	\$ -	\$ 225,000	\$ (136,000)	\$ (89,000)	\$ (225,000)		\$ -

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 16A: Annual Appropriations.

2. 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.

3. In 2014-15, there were no material variances.

	2014 Capital Budget Appropriations				Capital Budget Appropriations applied in 2014 (current and prior years)			
	<i>Appropriation Act</i> Annual Capital Budget	<i>FMA Act</i> Section 75	Total Capital Budget Appropriations	Payments for non- financial assets <sup>2</sup>	Payments for other purposes	Total payments	Variance	\$
<b>Departmental</b> Ordinary annual services - Departmental Capital Budget <sup>1</sup>	\$ 150,000	\$ -	\$ 150,000	\$ (60,000)	\$ (99,000)	\$ (159,000)		\$ (9,000)

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 16A: Annual Appropriations.

2. 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.

3. In 2013-14, there were no material variances.

## Note 16: Special Accounts

	Safe Work Australia Special Account <sup>1</sup>	
	2015 \$	2014 \$
<b>Balance brought forward from previous period</b>	<b>10,708,233</b>	10,290,188
<b>Increases</b>		
Appropriation credited to special account	<b>9,607,000</b>	9,356,000
Capital Injection - Departmental Capital Budget	<b>225,000</b>	159,000
State and Territory Contributions and Commonwealth funded projects	<b>10,238,175</b>	10,339,633
Other receipts	<b>9,150</b>	1,581
<b>Total increases</b>	<b>20,079,325</b>	19,856,214
<b>Available for payments</b>	<b>30,787,558</b>	30,146,402
<b>Decreases</b>		
<b>Departmental</b>		
Payments made to suppliers	<b>6,133,502</b>	6,231,124
Payments made to employees	<b>12,018,097</b>	13,207,045
<b>Total departmental decreases</b>	<b>18,151,599</b>	19,438,169
<b>Total decreases</b>	<b>18,151,599</b>	19,438,169
<b>Total balance carried to the next period</b>	<b>12,635,959</b>	10,708,233

1. Appropriation: *Public Governance, Performance and Accountability Act 2013*, Section 80.

Establishing Instrument: The Safe Work Australia Special Account was established in accordance with Section 64 of the *Safe Work Australia Act 2008*.

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

### Note 17: Reporting of Outcomes

Safe Work Australia has one outcome: Outcome 1: Healthier, safer and more productive workplaces through improvements to Australian work health and safety and workers' compensation arrangements.

#### Note 17A: Net Cost of Outcome Delivery

	Outcome 1		Total	
	2015	2014	2015	2014
	\$	\$	\$	\$
<b>Departmental</b>				
Expenses	<b>18,466,693</b>	20,644,531	<b>18,446,693</b>	20,644,531
Own-source income	<b>10,217,737</b>	10,409,940	<b>10,217,737</b>	10,409,940
<b>Net cost/(contribution) of outcome delivery</b>	<b>8,248,956</b>	10,234,591	<b>8,248,956</b>	10,234,591

## Note 18: Budgetary Reports and Explanations of Major Variances

### Note 18A: Departmental Budgetary Reports

#### Statement of Comprehensive Income for Safe Work Australia

for the period ended 30 June 2015

	Actual	Budget estimate	
		Original <sup>1</sup>	Variance <sup>2</sup>
	2015	2015	2015
	\$	\$	\$
<b>NET COST OF SERVICES</b>			
<b>Expenses</b>			
Employee benefits	11,970,465	12,810,000	(839,535)
Suppliers	5,887,634	6,753,000	(865,366)
Grants	-	100,000	(100,000)
Depreciation and amortisation	599,911	484,000	115,911
Write-down and impairment of assets	8,683	-	8,683
Other expenses	-	-	-
<b>Total expenses</b>	<b>18,466,693</b>	<b>20,147,000</b>	<b>(1,680,307)</b>
<b>Own-Source Income</b>			
<b>Own-source revenue</b>			
Sale of goods and rendering of services	10,155,052	9,996,000	159,052
<b>Total own-source revenue</b>	<b>10,155,052</b>	<b>9,996,000</b>	<b>159,052</b>
<b>Gains</b>			
Gains from sale of assets	9,150	-	9,150
Reversals of previous asset write-downs and impairments	2,535	-	2,535
Other gains	51,000	60,000	(9,000)
<b>Total gains</b>	<b>62,685</b>	<b>60,000</b>	<b>2,685</b>
<b>Total own-source income</b>	<b>10,217,737</b>	<b>10,056,000</b>	<b>161,737</b>
<b>Net cost of services</b>	<b>(8,248,956)</b>	<b>(10,091,000)</b>	<b>1,842,044</b>
Revenue from Government	9,607,000	9,607,000	-
<b>Surplus from continuing operations</b>	<b>1,358,044</b>	<b>(484,000)</b>	<b>1,842,044</b>
<b>OTHER COMPREHENSIVE INCOME</b>			
<b>Items not subject to subsequent reclassification to net cost of services</b>			
Changes in asset revaluation surplus	9,272	-	9,272
<b>Total other comprehensive income</b>	<b>9,272</b>	<b>-</b>	<b>9,272</b>
<b>Total comprehensive income/(loss)</b>	<b>1,348,772</b>	<b>(484,000)</b>	<b>1,832,772</b>

1. The Agency's original budgeted financial statement that was first presented to parliament in respect of the reporting period.

2. Between the actual and original budgeted amounts for 2015. Explanations of major variances are provided further below.

**Statement of Financial Position for Safe Work  
Australia**  
*as at 30 June 2015*

	Actual	Budget estimate	
		Original <sup>1</sup>	Variance <sup>2</sup>
	2015	2015	2015
	\$	\$	\$
<b>ASSETS</b>			
<b>Financial assets</b>			
Cash and cash equivalents	294,347	355,000	(60,653)
Trade and other receivables	12,617,744	10,985,000	1,632,744
Accrued Revenue	45,216	-	45,216
<b>Total financial assets</b>	<b>12,957,307</b>	<b>11,340,000</b>	<b>1,617,307</b>
<b>Non-financial assets</b>			
Land and buildings	130,252	534,000	(403,748)
Property, plant and equipment	154,202	121,000	33,202
Intangibles	11,224	79,000	(67,776)
Other non-financial assets	19,883	135,000	(115,117)
<b>Total non-financial assets</b>	<b>315,561</b>	<b>869,000</b>	<b>(553,439)</b>
<b>Total assets</b>	<b>13,272,868</b>	<b>12,209,000</b>	<b>1,063,868</b>
<b>LIABILITIES</b>			
<b>Payables</b>			
Suppliers	1,770,168	1,927,000	(156,832)
Other payables	793,441	-	793,441
<b>Total payables</b>	<b>2,563,609</b>	<b>1,927,000</b>	<b>636,609</b>
<b>Provisions</b>			
Employee provisions	3,301,021	4,334,000	(1,032,979)
Other provisions	-	-	-
<b>Total provisions</b>	<b>3,301,021</b>	<b>4,334,000</b>	<b>(1,032,979)</b>
<b>Total liabilities</b>	<b>5,864,630</b>	<b>6,261,000</b>	<b>(396,370)</b>
<b>Net assets</b>	<b>7,408,238</b>	<b>5,948,000</b>	<b>1,460,238</b>
<b>EQUITY</b>			
Contributed equity	4,274,602	4,266,000	8,602
Reserves	860,271	859,000	1,271
Accumulated deficit	2,273,365	823,000	1,450,365
<b>Total equity</b>	<b>7,408,238</b>	<b>5,948,000</b>	<b>1,460,238</b>

1. The Agency's original budgeted financial statement that was first presented to parliament in respect of the reporting period.

2. Between the actual and original budgeted amounts for 2015. Explanations of major variances are provided further below.

**Statement of Changes in Equity for Safe Work Australia**  
for the period ended 30 June 2015

	Retained earnings		Asset revaluation surplus		Contributed equity/capital		Total equity	
	Actual	Budget estimate	Actual	Budget estimate	Actual	Budget estimate	Actual	Budget estimate
	Original <sup>1</sup>	Variance <sup>2</sup>	Original <sup>1</sup>	Variance <sup>2</sup>	Original <sup>1</sup>	Variance <sup>2</sup>	Original <sup>1</sup>	Variance <sup>2</sup>
	2015	2015	2015	2015	2015	2015	2015	2015
	\$	\$	\$	\$	\$	\$	\$	\$
<b>Opening balance</b>								
Balance carried forward from previous period	915,675	1,307,000	859,917	859,000	4,049,602	4,041,000	5,825,194	6,207,000
Adjusted opening balance	915,675	1,307,000	859,917	859,000	4,049,602	4,041,000	5,825,194	6,207,000
<b>Equity Transfers Not Affecting Comprehensive income</b>								
Transfer of Asset Revaluation Reserves to Retained Earnings	8,918	-	-	-	-	-	8,918	-
	8,918	-	-	-	-	-	8,918	-
<b>Comprehensive income</b>								
Surplus for the period	1,358,044	(484,000)					1,358,044	(484,000)
Write off of asset revaluation decrements upon disposal of assets	(9,272)	-	-	-	-	-	(9,272)	-
Other comprehensive income	-	-	-	-	-	-	-	-
<b>Total comprehensive income</b>	<b>1,348,772</b>	<b>(484,000)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,348,772</b>	<b>(484,000)</b>
<b>Transactions with owners</b>								
Contributions by owners	-	-	-	-	225,000	225,000	225,000	225,000
Departmental capital budget	-	-	-	-	-	-	-	-
<b>Total transactions with owners</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>225,000</b>	<b>225,000</b>	<b>225,000</b>	<b>225,000</b>
Transfers between equity components	-	-	-	-	-	-	-	-
<b>Closing balance as at 30 June</b>	<b>2,273,365</b>	<b>823,000</b>	<b>1,450,365</b>	<b>859,000</b>	<b>4,274,602</b>	<b>4,266,000</b>	<b>7,408,238</b>	<b>5,948,000</b>

1. The Agency's original budgeted financial statement that was first presented to parliament in respect of the reporting period.

2. Between the actual and original budgeted amounts for 2014-15. Explanations of major variances are provided further below



**Cash Flow Statement for Safe Work Australia**  
for the period ended 30 June 2015

	Actual	Budget estimate	
	Original <sup>1</sup>	Variance <sup>2</sup>	
	2015	2015	2015
	\$	\$	\$
<b>OPERATING ACTIVITIES</b>			
<b>Cash received</b>			
Appropriations	9,607,000	9,607,000	-
Sale of goods and rendering of services	11,246,677	10,996,000	250,677
<b>Total cash received</b>	<b>20,853,677</b>	<b>20,603,000</b>	<b>250,677</b>
<b>Cash used</b>			
Employees	12,018,395	12,810,000	(791,605)
Suppliers	6,262,221	6,753,000	(490,779)
Grants	156,440	100,000	56,440
Net GST paid	587,397	687,000	(99,603)
Transfers to OPA	1,936,229	-	1,936,229
<b>Total cash used</b>	<b>20,960,682</b>	<b>20,350,000</b>	<b>610,682</b>
<b>Net cash from/(used by) operating activities</b>	<b>(107,005)</b>	<b>253,000</b>	<b>(360,005)</b>
<b>INVESTING ACTIVITIES</b>			
<b>Cash received</b>			
Proceeds from sales of property, plant and equipment	9,150	-	9,150
<b>Total cash received</b>	<b>9,150</b>	<b>-</b>	<b>9,150</b>
<b>Cash used</b>			
Purchase of property, plant and equipment	135,648	225,000	(89,352)
<b>Total cash used</b>	<b>135,648</b>	<b>225,000</b>	<b>(89,352)</b>
<b>Net cash from investing activities</b>	<b>(126,498)</b>	<b>(225,000)</b>	<b>98,502</b>
<b>FINANCING ACTIVITIES</b>			
<b>Cash received</b>			
Contributed equity	225,000	225,000	-
<b>Total cash received</b>	<b>225,000</b>	<b>225,000</b>	<b>-</b>
<b>Cash used</b>			
Other	-	253,000	(253,000)
<b>Total cash used</b>	<b>-</b>	<b>253,000</b>	<b>(253,000)</b>
<b>Net cash from/(used by) financing activities</b>	<b>225,000</b>	<b>(28,000)</b>	<b>253,000</b>
<b>Net increase in cash held</b>	<b>(8,503)</b>	<b>-</b>	<b>(8,503)</b>
Cash and cash equivalents at the beginning of the reporting period	302,850	280,000	22,850
<b>Cash and cash equivalents at the end of the reporting period</b>	<b>294,347</b>	<b>280,000</b>	<b>14,347</b>

1. The Agency's original budgeted financial statement that was first presented to parliament in respect of the reporting period.

2. Between the actual and original budgeted amounts for 2015. Explanations of major variances are provided further below.

### **Note 18B: Departmental Major Budget Variances for 2015**

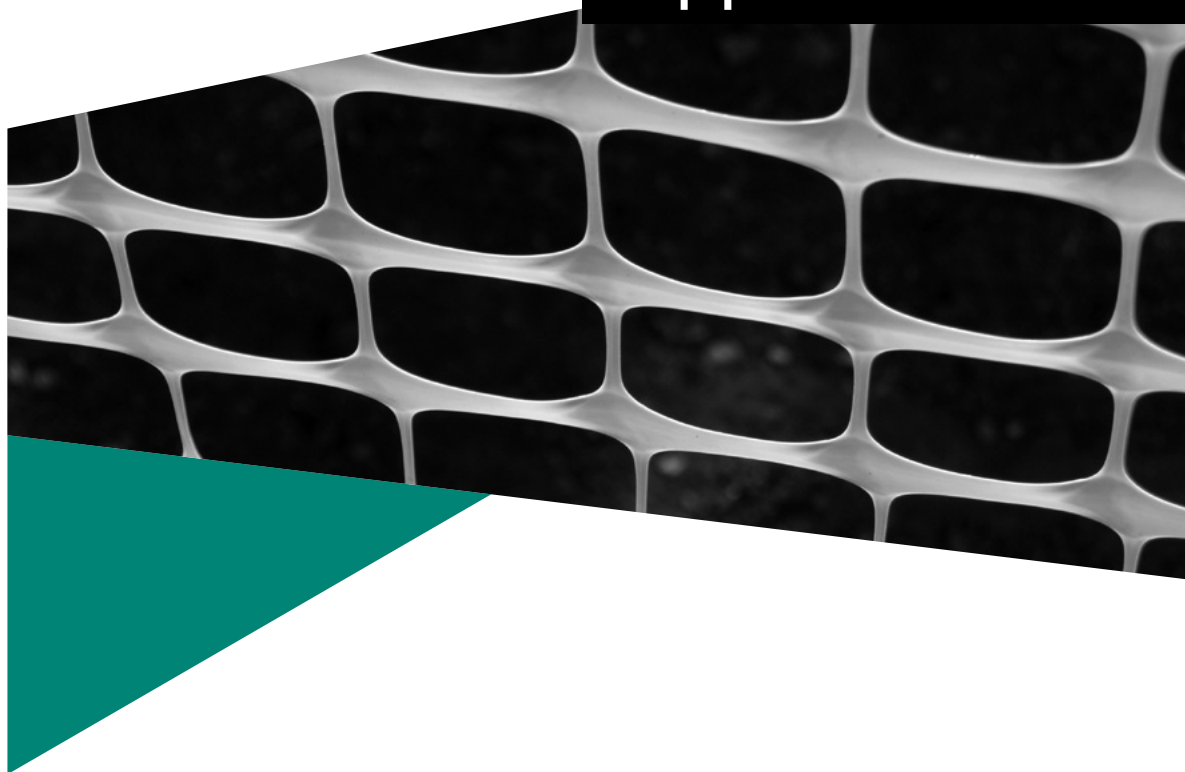
The following tables provide a comparison of the original budget as presented in the 2014-15 Portfolio Budget Statements (PBS) to the 2014-15 final outcome as presented in accordance with Australian Accounting Standards for Safe Work Australia. The Budget is not audited. Variances are considered to be 'major' based on the following criteria: -the variance between budget and actual is greater than 10%; and -the variance between budget and actual is greater than 2% of total expenses or total own source revenues: or -the variance between budget and actual is below this threshold but is considered important for the reader's understanding or is relevant to an assessment of the discharge of accountability and to an analysis of performance of the agency.

In some instances, a budget has not been provided for in the PBS, for example non-cash items such as asset revaluations, foreign exchange and sale of assets adjustments. Unless the variance is considered to be 'major' no explanation has been provided.

<b>Explanations of major variances</b>	<b>Affected line items (and statement)</b>
<u>Employees</u> The variance is largely due to reduced average staffing levels as a result of the Agency not recruiting for a number of vacant positions during 2014-15.	<i>Employee benefits expense (Statement of Comprehensive Income), Employee Provisions (Statement of Financial Position), Operating cash used – employees (Cash Flow Statements)</i>
<u>Suppliers paid</u> Supplier expenses were less than budget predominantly as a result of lower than anticipated corporate and IT service fees, combined with a reduction in the use of consultancy services.	<i>Suppliers expense (Statement of Comprehensive Income), Suppliers payable (Statement of Financial Position), Operating cash used - suppliers (Cash Flow Statement).</i>
<u>Depreciation and Amortisation</u> Depreciation and amortisation expense is greater than budget by \$0.115 million. Budgeted figures did not reflect the flow through impact of a prior year revaluation of assets. This has also resulted in a variance against budget for non-financial assets.	<i>Depreciation and amortisation expense (Statement of Comprehensive Income), Non financial assets (Statement of Financial Position)</i>
<u>Trade and Other Receivables</u> The increase in trade and other receivables reflects the impact of a reduction in cash outflows as a result of the decreases in employee and supplier costs discussed above. This balance sheet account reflects money which is held by the Official Public Account until required to meet Safe Work Australia's financial obligations.	<i>Non financial assets (Statement of Financial Position, Operating cash received - sales of goods and rendering of services (Cash Flow Statement).</i>

Part Six

# Appendices



## Appendix 1: Safe Work Australia Strategic Plan 2013–2016

### Preamble

Safe Work Australia is the body leading the development of national policy to improve work health and safety and workers' compensation across Australia. The interests of the Commonwealth, states and territories as well as workers and employers in Australia are all represented.

Together we will work to achieve:

- > Significant and continued reductions in the incidence of work-related death, injury and illness including through:
  - reduced exposure to work-related hazards causing injury and illness
  - improved quality of workplace controls, and
  - an improved work health and safety framework, increased work health and safety awareness and skills and an evidence base which informs policy and practice.
- > Improved outcomes for injured workers and their employers through more effective, efficient, clearly understood and sustainable workers' compensation arrangements.

Safe Work Australia has overseen a large degree of harmonisation which has resulted in the majority of Australian workers covered by similar work health and safety (WHS) laws. We will continue to monitor, review and evaluate the implementation of the model WHS laws, make changes to improve operational efficiency and support ongoing reform to promote continuous improvements in safety outcomes, while ensuring practicability for small business and individual workers.

Safe Work Australia will remain a key source for high quality nationally significant data and research to inform the development of new work health and safety and workers' compensation policy.

During 2012 Safe Work Australia launched the *Australian Work Health and Safety Strategy 2012–2022* (the Australian Strategy). 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. This strategic plan reflects the vision, goals and outcomes of the Australian Strategy.

## Outcome

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

### Strategies to achieve the outcome

1. Support the implementation of the *Australian Work Health and Safety Strategy 2012–2022*.
2. Promote community awareness and knowledge of work health and safety and workers' compensation.
3. Support evidence informed policy, programs and practice through national work health and safety and workers' compensation data, research and evaluation programs.
4. Improve work health and safety laws in Australia that provide a consistent, equitable and high level of protection to all workers, while ensuring practicability for small business and individual workers.
5. Promote consistent approaches and improved knowledge, skills and capabilities for managing health and safety hazards and risks.
6. Identify opportunities and develop proposals for improvements in workers' compensation arrangements.

The effectiveness of the strategies in achieving the outcome will be measured through systematic review and evaluation. The Safe Work Australia annual operational plan outlines the activities to be undertaken to give effect to the strategies. Reports on the Australian Strategy will be published annually, the evaluation of the objectives of the *Intergovernmental Agreement on Regulatory and Operational Reform in Occupational Health and Safety* is underway and the review of the *Safe Work Australia Act 2008*, including its functions will commence in 2015.

## Appendix 2:

# Safe Work Australia Operational Plan 2014–2015

### Preamble

Safe Work Australia is the body leading the development of national policy to improve work health and safety and workers' compensation across Australia. The interests of the Commonwealth, states and territories as well as workers and employers in Australia are all represented. Together we will work to achieve healthier, safer and more productive workplaces through improvements to Australian work health and safety and workers' compensation arrangements. Efforts have been made over recent years to maximise to the greatest extent possible the degree of uniformity of work health and safety in Australia. This remains a focus of Safe Work Australia along with improving safety outcomes, developing accessible and practical guidance and removing unnecessary over-regulation.

This plan describes the activities to be undertaken by Safe Work Australia in performing its statutory functions during 2014–2015, within the total operating budget of \$19.603m.

This plan is consistent with the *Safe Work Australia Strategic Plan 2013–2016*.

### In 2014–2015 Safe Work Australia will:

1. Facilitate the development of accessible, effective and practical guidance to aid understanding and compliance; minimise regulatory cost; and support improved work health and safety outcomes, particularly for small business and individuals (Strategy 4) by:
  - 1.1 revising model codes of practice and guidance
  - 1.2 developing and implementing a small business strategy which will identify ways to assist small business to overcome impediments to managing work health and safety, and
  - 1.3 identifying and pursuing opportunities to support the delivery of nationally consistent messaging and effective resources for small business.
2. Monitor and review the model Work Health and Safety (WHS) laws to improve safety outcomes, address issues impeding the effective and efficient operation of the laws and remove unnecessary over-regulation (Strategy 4).
3. Continue the multi-year evaluation of the model WHS laws (Strategy 3) including:
  - 3.1 a survey on the impacts and burden that national WHS laws place on Australian businesses of all sizes and changes in hazard control methods and WHS compliance activities
  - 3.2 a targeted study involving interviews and focus groups examining the impact of the WHS laws on small business
  - 3.3 a study measuring the impact of the model WHS laws on government efficiency, and
  - 3.4 studies focussing on the legal concepts and changes brought about by the model WHS laws including research on regulator activity, risk based regulation and the efficacy of codes of practice and guidance material.

4. Continue to develop policy proposals to improve the consistency of explosives legislation across Australia (Strategy 4).
5. Maintain and improve the framework for workplace hazardous chemicals (Strategy 5) including:
  - 5.1 improving the effectiveness of workplace exposure standards and health monitoring
  - 5.2 identifying health and safety issues for priority chemicals, and
  - 5.3 providing up to date hazard information online to assist businesses and workers manage the risks of workplace chemicals.
6. Collect, maintain, improve and report on national work health and safety and workers' compensation data through the implementation of the *Data and Analysis Work Plan 2014–2015* (Strategy 3).
7. Identify new priority issues and undertake and disseminate research, including on emerging issues (Strategy 3) through implementation of the:
  - 7.1 *Research and Evaluation Work Plan 2014–2015*, and
  - 7.2 emerging issues surveillance program.
8. Coordinate and monitor the implementation of the *Australian Work Health and Safety Strategy 2012–2022* (Strategy 1) including:
  - 8.1 coordinating a program of activities to support improved health and safety in specific industries, such as the agriculture industry
  - 8.2 coordinating a program of activities to support the action areas healthy and safe by design, health and safety capabilities and leadership and culture, and
  - 8.3 hosting a digital conference to encourage discussions on responsive regulation; leadership; small business; and health and safety in the agriculture and transport industries.
9. Promote consistent messages on work health and safety and workers' compensation through the development and implementation of an engagement and communications strategy (Strategy 2).
10. Improve consistency in workers' compensation arrangements (Strategy 6) by:
  - 10.1 developing an up to date Australian list of diseases deemed to be work related for compensation purposes
  - 10.2 conducting, analysing and reporting on the annual national return to work survey
  - 10.3 developing principles to promote timely, safe and sustainable return to work, and
  - 10.4 supporting jurisdictions to implement national permanent impairment assessment arrangements.
11. Liaise with other countries or international organisations as appropriate on matters relating to work health and safety and workers' compensation activities including representing Australia (SWA Act function 13) on the:
  - 11.1 G20 sub-group on safer workplaces
  - 11.2 United Nations (UN) sub-committee of experts on the Globally Harmonised System of Classification and Labelling of Chemicals
  - 11.3 OECD Chemical Accidents Working Group, and
  - 11.4 UN Working Group on Explosives.

## Performance Measurement

This plan outlines the activities to be undertaken to give effect to Safe Work Australia's strategies. The effectiveness of the strategies in reducing death, injury and disease and the outcome of healthier, safer and more productive workplaces will be measured through systematic review and evaluation. Performance will also be measured against the Key Performance Indicators included in the 2014–2015 Safe Work Australia Budget Statements and reported in the Safe Work Australia Annual Report. Reports on progress in achieving the targets set out in the Australian Strategy will be published annually. The multi-year evaluation of the objectives of the *Intergovernmental Agreement on Regulatory and Operational Reform in Occupational Health and Safety* (IGA) is underway and achievement of the IGA's objectives also serves as a key measure of success. A review of the IGA, including Safe Work Australia's functions and funding arrangements by the Department of Employment, is due for completion by December 2014.

## Related Documents

- > Safe Work Australia Act 2008
- > Safe Work Australia Strategic Plan 2013–2016
- > *Data and Analysis Work Plan 2014–2015*
- > *Research and Evaluation Work Plan 2014–2015*
- > *Australian Work Health and Safety Strategy 2012–2022*
- > *2014–2015 Safe Work Australia Budget Statements*



## Appendix 3: Publication list

Safe Work Australia published 56 publications throughout 2014–15. These publications are listed below by publication type. They are available on the Safe Work Australia website.

### Research publications

- > Return to Work Survey: 2013/14 summary report
- > National Return to Work Survey 2014—Headline measures report
- > Attitudes towards risk taking and rule breaking in Australian workplaces
- > Research brief—Attitudes towards risk taking and rule breaking in Australian workplaces
- > Australian Work Exposures Study (AWES)—Lead and lead compounds
- > Research brief—Australian Work Exposures Study (AWES)—Lead and lead compounds
- > Australian Work Exposures Study (AWES)—Polycyclic aromatic hydrocarbons (PAHs)
- > Research brief—Australian Work Exposures Study (AWES)—Polycyclic aromatic hydrocarbons (PAHs)
- > Australian Work Exposures Study (AWES)—Formaldehyde
- > Research brief—Australian Work Exposures Study (AWES)—Formaldehyde
- > Workplace health and safety, business productivity and sustainability
- > Review of hazards and health effects of inorganic lead—implications for WHS regulatory policy
- > Work ability in Australia—Pilot study
- > Research brief—Work ability in Australia—Pilot study

- > Work health and safety perceptions: Manufacturing industry
- > Research brief—Work health and safety perceptions: Manufacturing industry
- > Work health and safety perceptions: Construction industry
- > Research brief—Work health and safety perceptions: Construction industry
- > Exposure to multiple hazards among Australian workers
- > Research brief—Exposure to multiple hazards among Australian workers
- > Engineered Nanomaterials—an update on the toxicology and work health hazards
- > The role of accounting in work health and safety governance

### Statistical reports

- > Australian workers' compensation statistics 2012–13
- > Work-related fatalities associated with unsafe design of manufacturing, plant and powered tools, 2006–2011
- > Comparative Performance Monitoring Report 16th Edition
- > Comparison of workers' compensation arrangements in Australia and New Zealand (2014)
- > Australian workers' compensation statistics 2011–12
- > Work-related traumatic injury fatalities Australia 2013
- > Occupational disease indicators 2014
- > Mesothelioma in Australia: Incidence (1982 to 2013) and mortality (1997 to 2012)
- > Key work health and safety statistics, Australia, 2015
- > Notifiable fatalities monthly report
- > Key workers' compensation information, Australia 2014

## Materials supporting the model Work Health and Safety laws

- > Model Code of Practice: *Demolition work (revised and republished)*
- > Model Code of Practice: *Excavation work (revised and republished)*
- > Model Code of Practice: *First aid in the workplace (revised and republished)*
- > Model Code of Practice: *Spray painting and powder coating (revised and republished)*
- > Model Code of Practice: *Labelling of workplace hazardous chemicals (revised and republished)*
- > Model Code of Practice: *Managing electrical risks in the workplace (revised and republished)*
- > Model Code of Practice: *Managing the risk of falls at workplaces (revised and republished)*
- > Workplace traffic management package of guidance material
- > Managing cash-in-transit package of guidance material
- > Managing risks in forestry operations package of guidance material
- > Industrial lift trucks package of guidance material
- > Amusement devices package of guidance material
- > Safe design, manufacture, import and supply of plant package of guidance material
- > Working in the vicinity of overhead and underground electric lines package of guidance material
- > Formwork and falsework package of guidance material
- > Scaffolds and scaffolding work package of guidance material

## Fact sheets

- > Construction industry profile
- > Jurisdictional progress against targets 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

## Australian Strategy progress report

- > The first progress report on the *Australian Work Health and Safety Strategy 2012–2022*

## Appendix 4: Advertising and market research

During 2014–15 Safe Work Australia spent the following amount on advertising and market research.

Advertising cost	Provider	Reason for placement
\$2 162.50	Australian Public service Commission	2014–15 subscription to APS Jobs

## Appendix 5: 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 programme
- > 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 Seven

# References and indexes

## Acronyms and abbreviations

Acronym/Abbreviation	Meaning
ACTU	Australian Council of Trade Unions
AFER	Australian Forum of Explosives Regulators
AMP	Agency Multicultural Plan
AMR	Australian Mesothelioma Registry
ANAO	Australian National Audit Office
AND	Australian Network on Disability
APS	Australian Public Service
APSC	Australian Public Service Commission
ARC	Australian Research Council
AWES	Australian Work Exposure Study
AWES-2	Extended Australian Work Exposure Study
AWU	Australian Workers' Union
BCM	Business Continuity Management
BoK	Body of Knowledge
COAG	Council of Australian Governments
CPM	Comparative Performance Monitoring
CPSU	Community and Public Sector Union
DEEWR	Department of Education, Employment and Workplace Relations
ELLN	Executive Level Leadership Network
ESD	Ecologically Sustainable Development
FMAAct	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

Acronym/Abbreviation	Meaning
IPF	Integrated Planning Framework
IPS	Information Publication Scheme
KPI	Key Performance Indicator
MinOSH	Working Group on Occupational Safety and Health in Mining
MonCOEH	Monash Centre for Occupational and Environmental Health
MOU	Memorandum of Understanding
NAI	national assessment instruments
NDS	National Data Set for Compensation-based Statistics
NHMRC	National Health and Medical Research Council
OECD	Organisation for Economic Co-operation and Development
PBS	Portfolio Budget Statements
PDA	Performance Development Agreement
PGPA Act	Public Governance, Performance and Accountability Act 2013
RERG	Research and Evaluation Reference Group
RIS	Regulation Impact Statement
RTO	Registered Training Organisation
SCWR	Select Council of Workplace Relations
SES	Senior Executive Service
SIG	Strategic Issues Group
SOSR	State of the Service Report
SRCC	Safety, Rehabilitation and Compensation Commission
SRWS	Safety Return to Work and Support
SSC	Shared Services Centre
UN	United Nations
UVR	Solar Ultraviolet Radiation
VET	Vocational Education and Training
WCF	Workplace Consultative Forum
WHS	Committee Work Health and Safety Committee
WHS	Work Health and Safety

## 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.
Model WHS laws	The model WHS laws consist of the model WHS Act, supported by model WHS Regulations, model Codes of Practice and a National Compliance and Enforcement Policy.
Safe Work Australia Act	This Act creates a body called Safe Work Australia to improve occupational health and safety outcomes and workers' compensation arrangements in Australia.
Australian Strategy	The <i>Australian Work Health and Safety Strategy 2012–2022</i> is a framework to help improve work health and safety in Australia. Its vision is <i>healthy, safe and productive working lives</i> . It promotes collaboration between the Commonwealth, state and territory governments, industry, unions and other organisations to reach the vision.



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