safe work australia

2015–16 Annual Report

safe work australia

2015–16 Annual Report

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

Creative Commons

With the exception of the Safe Work Australia logo and all other images, this report is licensed by Safe Work Australia under a Creative Commons 3.0 Australia licence.

To view a copy of this license, visit
https://creativecommons.org/licenses/by/3.0/au/deed.en

In essence, you are free to copy, communicate and adapt the work, as long as you attribute the work to Safe Work Australia and abide by the other licensing terms.

The report should be attributed as the Safe Work Australia Annual Report 2015–16.

Enquiries regarding the licence and any use of this publication are welcome at:

Copyright Officer

Safe Work Australia

GPO Box 641
Canberra ACT 2601
Email: copyrightrequest@swa.gov.au

ISSN 1838-059X

Published by Safe Work Australia

Contact Officer: Annual Report Coordinator

Postal address
GPO Box 641
Canberra ACT 2601

Office address
2 Phillip Law St, Canberra, ACT 2601

Phone: 1300 551 832

Email: **info@swa.gov.au**

http://www.safeworkaustralia.gov.au/sites/swa/about/annual-reports/pages/annual-reports

Design: Australian Government, Shared Services Centre

Printing: New Millennium Print

safe work australia

Chief Executive Officer
Ms Michelle Baxter

Senator the Hon Michaelia Cash
Minister for Employment
Parliament House
CANBERRA ACT 2600

Dear Minister

Safe Work Australia Annual Report 2015–16

I am pleased to present Safe Work Australia's annual report for the year ended 30 June 2016. The annual report includes details of our annual performance statement and our 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 2016.

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

4 October 2016

2 Phillip Law St, New Acton ACT 2601
GPO Box 641, Canberra ACT 2601

www.safeworkaustralia.gov.au

Guide to this report

This report provides information on the activities, achievements and performance of Safe Work Australia for the 2015–16 financial year.

Part 1—Overview

Part 1 introduces the role and functions of Safe Work Australia, provides a snapshot of key achievements in 2015–16 and the Chief Executive Officer, Michelle Baxter, gives her review of the year and outlook for 2016–17.

Part 2—Performance Report

Part 2 reports on the performance of Safe Work Australia, measured against the Portfolio Budget Statement (PBS) 2015–16, the eight strategies under the *Safe Work Australia Corporate Plan 2015–2019* and the *Safe Work Australia Operational Plan 2015–2016*. It also includes the Annual Performance Statement.

Part 3—Management and Accountability

Part 3 introduces the 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 2015–16.

Part 6—Appendices

Part 6 includes the *Safe Work Australia Corporate Plan 2015–2019* and the *Safe Work Australia 2015–16*. A publications list for 2015–16 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.

Contents

Part 1 Overview 1

Part 2 Performance Report 7

Strategy 1: Support the implementation of the Australian Strategy 13

Strategy 2: Promote community awareness and knowledge of work health and safety and workers' compensation 23

Strategy 3: Support evidence-informed policy, programs and practice through national work health and safety and workers' compensation data, research and evaluation programs 26

Strategy 4: Improve and reform work health and safety laws in Australia to provide a consistent, equitable, effective and high level of protection to all workers 38

Strategy 5: Promote consistent approaches and improved knowledge, skills and capabilities for managing health and safety hazards and risks 43

Strategy 6: Identify opportunities to improve workers' compensation arrangements 46

Strategy 7: Develop nationally consistent explosives regulation 49

Strategy 8: Cooperate and share information, expertise and experience with international organisations 50

Part 3 Management and Accountability 53

Part 4 The Organisation 67

Part 5 Financial performance 89

Part 6 Appendices 127

Part 7 References and Indexes 135

1

Overview

Role and functions

Safe Work Australia was established as a statutory agency on 1 November 2009 under the *Safe Work Australia Act 2008* (the Act). It is the body leading the development of national policy to improve work health and safety (WHS) 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 and maintaining model WHS laws, undertaking research and collecting, analysing and reporting data. Safe Work Australia works collaboratively with WHS authorities, industry groups and unions to achieve the national vision of healthy, safe and productive working lives.

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

Safe Work Australia Members work with staff to deliver the objectives of the *Safe Work Australia Corporate Plan 2015–2019* (the corporate plan) and *Safe Work Australia Operational Plan 2015–2016* (the operational plan).

Safe Work Australia's functions are set out in the Act. At the time of its establishment, a central function was to develop the model WHS laws. Other activities to support the functions include:

- Monitoring, reviewing and evaluating the model WHS laws including making changes that improve the operational efficiency of the laws, reduce regulatory burden and support ongoing reform to improve safety outcomes.
- Developing policy proposals to improve the consistency of explosives legislation across Australia.
- Facilitatating the provision of simple, practical guidance to aid compliance, especially for small business.
- Collecting, maintaining, improving and reporting on national WHS and workers' compensation data.
- Undertaking and disseminating high quality nationally significant WHS and workers' compensation research, including on emerging issues.
- Supporting the implementation of the *Australian Work Health and Safety Strategy 2012–2022* (Australian Strategy).
- Promoting consistent WHS and workers' compensation messaging.
- Improving consistency in workers' compensation arrangements.
- Liaising with other countries and international organisations on matters relating to WHS and workers' compensation.

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

Work health and safety statistics

Traumatic injury fatalities for 2014: 188 at a rate of 1.61 per 100,000 workers

This represents a reduction in the number of fatalities **of 27% from 2003** (when there were 259 fatalities)

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

-19% Agriculture, forestry and fishing

-47% Transport, postal and warehousing

-41% All industries

-17% Manufacturing

-48% Construction

-16% Accommodation and food services

-47% Public administration and safety

-57% Health care and social assistance

Total economic cost of work-related injury and disease was estimated to be **$61.8 billion** (4.1% of GDP) for the 2012–13 reference year.

106,565

Number of serious claims for the 2013–14 financial year, representing a rate of 9.8 claims per 1,000 employees

Serious claims between 2000–01 and 2012–13

there has been a reduction in claims of **13%**

and a **33%** reduction in the incidence rate

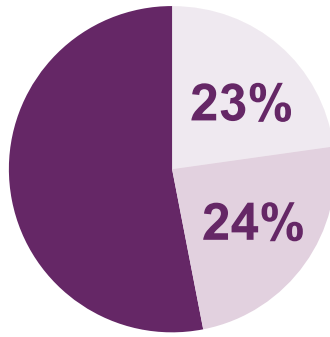
(claims per 1,000 employees)

A reduction of 41% in the rate of fatalities from 2003 (the rate was 2.76 in 2003)

The two highest fatality industries in 2014

Transport, postal and warehousing (46 fatalities, 24%)

Agriculture, forestry and fishing (43 fatalities, 23%)



Chief Executive Officer's review

Michelle Baxter, Chief Executive Officer, Safe Work Australia

Safe Work Australia is committed to ensuring healthier, safe and more productive workplaces through improvements to Australian WHS and workers' compensation arrangements. This annual report highlights our achievements, the opportunities and the challenges of the past financial year and provides information on how we are meeting the objectives of our corporate and operational plans.

Safe Work Australia data shows the number of work-related fatalities is falling, down to 188 in 2014 from a long-term average of 250 fatalities—a reduction of 27 per cent. The rate of serious injury claims also continues to fall, with the 116,325 serious claims lodged by Australian workers in 2012–13 representing a 13 per cent reduction since 2000–01. While just one death or serious injury is too many, I am pleased that we have actively contributed to the ongoing reduction in work-related death, injury and illness.

This year we welcomed a new Chair, with Ms Diane Smith-Gander who commenced working with us in February 2016. She brings to this role a strong passion for WHS and an extensive background in the private sector, as well as being active in non-government organisations. I would like to extend my thanks to the outgoing Chair, Ms Ann Sherry AO, for her strong leadership and guidance over her three productive years in the role.

Over 2015–16, Safe Work Australia continued to use the Australian Strategy as a national platform to tackle key areas that have the most potential to improve health and safety. This included releasing the *Principles of Good Work Design handbook* to show how the 10 principles of good work design can be practically applied by business and industry. We also worked collaboratively with Australian Government agencies to develop a practical framework to help integrate WHS into government policies and programs.

Safe Work Australia ran the third National Return to Work Survey in May 2016. This survey measures return to work outcomes of injured workers receiving workers' compensation and helps us to better understand the factors that may have an effect on their recovery. In the year to come, Safe Work Australia will continue to work on projects to improve return to work outcomes, including the development of best practice for claims management of people with psychological injuries; and work to promote the effective involvement of treating general practitioners in the process.

We continued our focus on prevention activities for the Australian Strategy's seven priority industries, shown pictorially throughout this report. Data continues

to show that these industries account for the majority of fatalities and serious injuries in Australia. Continued focus on prevention in these industries will mean measurable and enduring reductions in work-related fatalities and serious injuries across Australia. All levels of government, industry and unions must work together towards this goal.

Safe Work Australia is focused on improving communication about health and safety, specifically to integrate WHS into normal business practices and aid understanding and compliance, particularly for small business and individuals. In particular, we are working on using the array of technology available to develop innovative communication solutions to make guidance material more accessible.

To this end, Safe Work Australia hosted another successful Virtual Seminar Series, a collection of free seminars broadcast every day throughout National Safe Work Month in October. We featured panel discussions, video presentations, reports and infographics from WHS experts, business leaders and academics on key issues of supply chains, good work design and the construction and manufacturing industries.

As well as supporting national campaigns, such as World Day for Safety and Health at Work, Workers' Memorial Day, and National Safe Work Month, we partnered with a number of organisations to make WHS a prominent feature of national awards. In May 2015, Good Design Australia awarded the inaugural Safe Work Australia Award for Good Design to an innovative lifting device to prevent workers' back and shoulder injuries.

It has now been seven years since we took on the role of developing model WHS laws for Australia—the biggest reform to WHS in Australia's history. By setting the legislative framework for WHS, this reform has allowed us to address the key challenges affecting the way Australians approach WHS. We have continued to work with jurisdictions and social partners to refine the model WHS laws to remove unnecessary regulation and ensure the legislative framework reflects the needs of contemporary work places and workforce and indeed, the workforce and workplaces of the future.

Safe Work Australia Members approved the development of a national mental health plan to determine the types of resources that would assist businesses prevent psychological injuries, support workers recovering at work and ensure a safe and sustainable return to work after a psychological injury.

A key feature of the model WHS laws—the system of chemical classification and hazard communication for workplace chemicals (the 'GHS')—will be mandatory from 1 January 2017. We will continue our work to ensure Austalian businesses, importers and manufacturers are ready for this new requirement. We have also commenced a comprehensive review of exposure standards for airborne contaminants in the workplace.

Safe Work Australia Members have endorsed the preferred reform option for progressing the development of nationally consistent explosives regulation, which is expected to be considered by WHS ministers later in 2016. Leading this work will continue to be a priority for Safe Work Australia in 2016–17.

I look forward to continuing working with everyone to drive real and measurable change in WHS and workers' compensation outcomes throughout Australia.

2
Performance Report

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) 2015–16

> corporate plan, and

> operational plan.

Performance report

The achievements reported in this document are measured against the PBS, corporate plan and operational plan.

The following section provides Safe Work Australia's Annual Performance Statement and performance against the eight strategies of the corporate plan.

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

Strategies under the Corporate Plan	Function from the Act	Strategy from the PBS	Activity from the Operational Plan
Support the implementation of the Australian Strategy.	1, 9	1-2	1
Promote community awareness and knowledge of WHS and workers' compensation.	10	6	2, 9
Support evidence informed policy, programs and practice through national WHS and workers' compensation data, research and evaluation programs.	7–8	5	3–5
Improve and reform WHS laws in Australia to provide a consistent, equitable, effective and high level of protection to all workers.	1–6	3	5-6
Promote consistent approaches and improved knowledge, skills and capabilities for managing health and safety hazards and risks.	1, 4	7	5
Identify opportunities to improve workers' compensation arrangements.	11	8	7
Develop nationally consistent explosives regulation.	14	4	8
Cooperate and share information, expertise and experience with international organisations.	13	6	9

Performance against Portfolio Budget Statement

The *PBS 2015–16* outlines a single program structure with the outcome statement:

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

Performance against this outcome is measured by eight strategies and three key performance indicators (KPIs) outlined in the PBS.

The eight strategies are:

- support the implementation of the Australian Strategy
- promote community awareness and knowledge of WHS and workers' compensation
- support evidence-informed policy, programs and practice through national WHS and workers' compensation data, research and evaluation programs
- improve and reform WHS laws in Australia to provide a consistent, equitable and high level of protection to all workers, while ensuring practicability for small business and individual workers
- promote consistent approaches and improved knowledge, skills and capabilities for managing health and safety hazards and risks
- identify opportunities to improve workers' compensation arrangements
- develop nationally consistent explosives regulation, and
- cooperate and share information, expertise and experience with international organisations.

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

1. the WHS framework continues to be developed, implemented and reviewed in accordance with COAG requirements
2. level of satisfaction of the Chair of Safe Work Australia with how the agency is achieving the deliverables of its operational plan, and
3. level of satisfaction of the Members of Safe Work Australia with how the agency is achieving the deliverables of its operational plan

Performance against Corporate Plan

Safe Work Australia is required by the Act to prepare a corporate plan every four years that deals only with the outcomes to be achieved by Safe Work Australia and the strategies that will achieve those outcomes. The corporate plan sets out eight strategies to achieve the outcome listed in the PBS (see above) within those four years. The corporate plan is available on the Safe Work Australia website and at Appendix 1.

Operational Plan

Safe Work Australia is required to have an annual operational plan as outlined in Part 4 of the Act. The operational plan sets out the activities to achieve the outcomes for the year. The operational plan is available on the Safe Work Australia website and at Appendix 2.

Annual Performance Statement

I, Michelle Baxter, as the accountable authority of Safe Work Australia, present the 2015–16 annual performance statement of Safe Work Australia, as required under paragraph 39(1)(a) of the *Public Governance, Performance and Accountability Act 2013* (PGPA Act). In my opinion, the annual performance statement is based on properly maintained records, accurately reflects the performance of the entity and complies with subsection 39(2) of the PGPA Act.

Purpose

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

Performance Criteria

Reform of and improvements to Australian work health and safety and workers' compensation arrangements.

Source

Programme 1.1, *2015–16 Portfolio Budget Statement,* page 219.

Note: The *Safe Work Australia Corporate Plan 2015–2019* (the corporate plan) meets the requirements of the *Safe Work Australia Act 2008*. Performance criteria are not included in the corporate plan, however, a performance measurement framework is included in the Portfolio Budget Statement.

Result against performance criteria

The 2015–16 performance measurement framework includes three performance criteria. The table below outlines the targets set to meet the criteria along with the agency's 2015–16 results.

Quality	2015–16 Target	2015–16 Result
The work health and safety framework continues to be developed, implemented and reviewed in accordance with COAG requirements	COAG requirements are met	Achieved
Level of satisfaction of the Chair of Safe Work Australia with how the agency is achieving the deliverables of its operational plan	Chair rates the performance of the agency as very good or above	Achieved
Level of satisfaction of the Members of Safe Work Australia with how the agency is achieving the deliverables of its operational plan	80% of Members agree the agency is achieving the deliverables of its operational plan	Achieved

a. The WHS framework continues to be developed, implemented and reviewed in accordance with COAG requirements

Key activities for 2015–16 are outlined below.

> In 2015–16, the agency continued the evaluation studies outlined in the Evaluation Plan to measure the effectiveness of the work health and safety (WHS) Framework. The Evaluation Plan is concluding in 2017.

> The report and Decision Regulation Impact Statement (RIS) for reducing regulatory burden in the model WHS Regulations which identifies proposed amendments to the model WHS Regulations was finalised. The proposed amendments were provided to WHS ministers for consideration in mid-2016. If approved, the agency will progress drafting amendments to the model WHS Regulations.

> Additional guidance material was developed and published to assist duty holders to meet their obligations under the model WHS laws. In April 2015, Safe Work Australia Members agreed to review published material every five years from its publication date, or sooner if there are changes in legislation or work practices. The agency will commence the review of the first stage of model Codes in 2017.

> To support evidence based policy development, the agency funds a range of work including the development of surveys, research activities and data analysis. During 2015–16, a number of reports were published covering a wide range of workers' compensation, WHS and emerging issues. Highlights include the National Return to Work Survey, the annual Comparative Performance Monitoring Report, a report on the cost of work-related injury and illness for Australian employers, workers and the community 2012–13, the Work-related traumatic injury fatalities Australia 2014 report and a series of Australian Work Exposures Study reports on carcinogen exposures in the Agriculture, Construction and Manufacturing industries.

b. Level of satisfaction of the Chair of Safe Work Australia with how the agency is achieving the deliverables of its operational plan

The agency conducted an annual survey with its current and previous Chair to measure the level of satisfaction during 2015–16. A five point rating scale was used where the Chairs made an assessment of the agency's performance against three criteria — quality, effectiveness and timeliness. A final report on the Safe Work Australia Work Plan 2015–16 (which details deliverables against each activity under the operational plan) was enclosed to assist the Chairs to determine whether the agency had met its deliverables. Both Chairs rated the agency as 'very good' in achieving the overall outcomes of the operational plan.

c. Level of satisfaction of the Members of Safe Work Australia with how the agency is achieving the deliverables of its operational plan

The agency conducted an annual survey with its Members to measure the level of satisfaction during 2015–16. A four point rating scale was developed to assist Members to make an assessment of whether the agency had met the overall outcomes of the operational plan. A final report on the Safe Work Australia Work Plan 2015–16 (which details deliverables against each activity under the operational plan) was enclosed to assist in determining whether the Agency had met its deliverables. Members all agreed that the agency had met the relevant deliverables.

Analysis

In 2015–16, the agency announced a roadmap to navigate the next five years to ensure Safe Work Australia can continue to meet its strategic objective to become a world leader in WHS and workers' compensation and contribute to the healthy, safe and productive working lives for all Australians.

The roadmap was developed to build on past performance and strengthen our organisational capability in all areas from corporate support, technical expertise, data, research, strategy and policy to stakeholder management and collaboration.

Highlights of strategies implemented to ensure the agency met its performance criteria are below.

> The implementation of a new agency structure that recognises the key priorities and ensures the agency can perform to its optimal level.
> A strategic discussion by Members about the future of Safe Work Australia, the work the agency does and the value the agency adds.
> The development and launch of an agency specific vision and a set of values that:
  – underpin how we treat each other and work together
  – foster a culture that is collaborative, innovative, positive, solutions-driven, responsive and resilient
  – inform the image we project to our stakeholders and others outside the agency, and
  – assist people looking to join the agency understand what we stand for, expect and value.
> The implementation of a robust internal planning process that focussed on:
  – allocating resources (both financial and non-financial) appropriately
  – identifying capability gaps and recruiting new staff to fill those gaps
  – reviewing governance processes to embed risk management, accountability and collaboration across the agency, and
  – the review of all projects to ensure relevancy to the Safe Work Australia strategic objectives.
> Designing a new dashboard for Members which provides regular updates on the agency's performance such as the status of projects including key milestones and important updates.
> The review of the performance measurement framework resulting in new performance criteria being included in the *2016–17 Portfolio Budget Statement.*

Support the implementation of the Australian Strategy

Highlights

- Delivered the second Virtual Seminar Series, featuring the latest thinking, research, developments and best practice in WHS
- Published the *Principles of Good Work Design* handbook
- Developed a framework for considering WHS in policy development
- Developed a Leadership Hub for large and small businesses

The Australian Strategy

The Australian Strategy's vision is *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 fourth year and work continues towards achieving the outcomes: reduced incidence of work-related death, injury and illness by reducing exposure to hazards and risks by using improved hazard controls and supported by an improved WHS 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 is measured against an agreed base period from 2007 to 2010 when there was an annual average of 268 fatalities. The target is measured using a three year rolling average to smooth out annual volatility due to the relatively small number of injury fatalities.

The average annual number of fatalities fell 24 per cent between this base period and 2014. This is greater than the reduction required over the 10 years of the Australian Strategy. The challenge will be to sustain or improve this reduction with expected employment growth over the 10 years of the Australian Strategy.

The incidence rate of serious claims fell by 21 per cent from the base period (2009–10 to 2011–12) and 2013–14, with the incidence rate of musculoskeletal claims also dropping by 20 per cent.

Excerpt from Activity 1 of the 2015–16 Operational Plan

Coordinate and monitor the implementation of the *Australian Work Health and Safety Strategy 2012–2022*.

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.

Healthy and safe by design

This action area aims to eliminate hazards and risks during the design of jobs, work processes and systems of work and through the design of plant, structures and substances. In 2014, Safe Work Australia Members collaborated to develop 10 key principles of good work design based on evidence and expert advice. In August 2015, Safe Work Australia published the *Principles of Good Work Design* handbook, which provides information about how the 10 principles can be applied to any workplace, business or industry.

On 27 May 2016 the inaugural Safe Work Australia Award for Good Design was presented to Makinex Construction Products. Safe Work Australia's involvement with the Good Design Australia awards raises awareness of how good design can support WHS (see the feature story at page 22).

Leadership and culture

Activities under this action area aim to encourage leaders to promote a positive culture for WHS.

Safe Work Australia supports business and community leaders by creating a central point to find information and resources about leadership. The Leadership Hub, published on the Safe Work Australia website in March 2016, offers information and resources to large and small businesses, including how leadership can improve not only WHS but also business productivity and sustainability.

Government

Safe Work Australia worked with a range of Australian Government departments to develop a framework for embedding WHS considerations into the policy development cycle. The *Government WHS policy framework* was published on the Safe Work Australia website in March 2016.

The framework was specifically designed to be used by government agencies to practically promote and influence WHS through policy development and the programs and services they deliver.

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.

Agriculture

While agriculture only accounts for 2.6 per cent of the Australian workforce, in 2010–14 the sector accounted for 24 per cent of worker fatalities. The fatality rate continues to be almost eight times higher than the national average for all industries. Agricultural workers also have the highest rate of serious claims in Australia.

In mid-2016 Safe Work Australia will publish an *Agricultural Industry Profile* which provides more information about the nature of fatalities and serious injuries in this sector.

Safe Work Australia and its Members have continued to focus on activities that will help reduce the number of people killed or injured at work. This includes awareness campaigns covering a number of issues including farm safety, farm vehicles, working with agricultural chemicals, working with livestock, child safety on farms, working outdoors, and mental health. *The National Agriculture Activity Plan 2014–2019* includes a summary of current activities.

To help duty holders meet their regulatory responsibilities in the agriculture sector, Safe Work Australia published guidance material on:

> managing risks of machinery used in rural workplaces
> managing risks associated with quad bikes, and
> cattle handling.

Road transport

Over the period 2003 to 2014, 549 workers in the road transport sector were killed while at work and in 2014, the road transport fatality rate was over 10 times the national average.

Safe Work Australia continued to engage with whole-of-government activities to promote safety in the road transport sector, including through the National Transport Commission. For example, in its submission to the review of the Heavy Vehicle National Law, Safe Work Australia highlighted the importance of officers' duties in controlling the hazards involved in heavy vehicle operations and noted the review provided a valuable opportunity to improve the legal infrastructure governing heavy vehicle operations.

Virtual Seminar Series

In 2015 Safe Work Australia broadcast the second Virtual Seminar Series, featuring the latest thinking, research, developments and best practice in WHS.

The seminars are available on the Safe Work Australia website and YouTube channel and were broadcast throughout October 2015 to celebrate National Safe Work Month. Many seminars are also available as podcasts from Soundcloud and iTunes and proved very popular among participants.

The seminars increase community awareness and knowledge of WHS and themes are chosen to support the Australian Strategy. The 2015 series addressed supply chains and networks, good work design and the construction and manufacturing industries.

Since the first broadcast in 2014, Australian and international universities, Registered Training Organisations and individual businesses have developed learning activities based on the seminars' content.

Outlook for 2016–17

Safe Work Australia will continue to work with its Members to support the implementation of the Australian Strategy, leading to its scheduled mid-term review in 2017. Safe Work Australia will continue to drive a range of activities while facilitating national action.

Safe Work Australia will support the implementation of the *Government WHS policy framework* in Australian Government policy guidance documents, including through developing guides, tools and other user resources.

Safe Work Australia will promote the application of good work design to supply chains operations through the development of a handbook.

To support business leaders in understanding and reporting on how their organisation manages its risks, Safe Work Australia has been working with key experts to improve how businesses measure and report health and safety in internal documents and public company annual reports. This project will be completed in 2016–17 and practical information will be published.

Mental disorders remain a priority under the Australian Strategy. Safe Work Australia will continue to develop tools to assist businesses to prevent harm to workers' mental health and to support those with mental disorders.

The Virtual Seminar Series will return in 2016 with a program featuring industry experts, academics and business leaders sharing their knowledge and insights through video presentations, podcasts, live broadcasts and research and data to showcase Australia's most innovative and pioneering approaches to WHS.

Australian Strategy Progress Report

The Australian Strategy, launched in 2012, sets out a broad framework for improving WHS in Australia. Its seven Action Areas define the key areas where activities should be directed to have the greatest potential for reducing harm. The Australian Strategy also identifies priority industries and disorders to receive particular focus.

Annual reports on progress under the Australian Strategy were published in 2014 (covering the period 2012–2013) and 2015 (covering the period 2013–14).

Safe Work Australia Member organisations have undertaken more than 100 projects under the Australian Strategy. The following includes a small selection of projects, to illustrate the range and diversity of initiatives that have been undertaken since 2014.

The WHS regulators made particular efforts to improve WHS in three of the priority industries — agriculture, construction and road transport. Many of the projects targeting these industries focus on two of the Australian Strategy Action Areas of improving health and safety capabilities and healthy and safe by design.

Musculoskeletal disorders (which account for more than 40 per cent of compensation claims) and mental disorders, both priorities under the Australian Strategy, were also a particular focus.

Preventing Workers Falling From Trucks: Queensland

The transport industry has a high rate of injuries and fatalities due to falls. Workplace Health and Safety Queensland (WHSQ) ran an advisory campaign to reduce the number of falls from working on, in or around trucks. The campaign involved consultation workshops, inspector led assessments and resources to assist industry and resulted in a number of industry initiatives. To minimise the need for workers to access trailers, Toll NQX Central Queensland introduced an Australian standard forklift mounted man-cage which provides workers with greater and safer access to hard to reach areas.

WHSQ is currently working with both the road freight and trailer manufacturing industries to increase knowledge and strive for improved safety through better truck and trailer design.

Construction industry plant: Queensland

WHSQ identified that to prevent injuries from mobile and operational plant in the Queensland construction industry, it was important to improve workers' and managers' knowledge of health and safety risks and how to manage them.

The WHSQ campaign included inspector visits to construction worksites to perform assessments on high risk work involving four types of commonly used plant: earthmoving equipment, personnel and materials hoists, elevating work platforms and mobile and tower cranes.

WHSQ developed audit tools which can be used as checklists when planning or coordinating mobile plant operations on construction sites.

Small business: Northern Territory

NT WorkSafe developed the 'Small Business Safety Program' to improve the capacity and capability of small businesses to manage their own health and safety systems.

Construction skills: New South Wales

SafeWork NSW focussed on four high-risk areas in the housing construction industry: preventing injuries from falls through voids, the movement of material and people on site, sun exposure, and improved recovery of injured workers at work.

The 'Focus on Industry Program' targeted small builders, sub-contractors and young and inexperienced workers with service visits, demonstration days and an industry-specific mentoring program. Short term indicators show improvement in safety awareness for each of the four high risk areas.

HSR training: Commonwealth

Comcare understood that Health and Safety Representatives (HSRs) needed better information to help them understand their role under the *Work Health and Safety Act 2011* (Cth). Comcare's HSR campaign set out to support the establishment of local HSR networks to assist HSRs in the exercise of their functions and powers.

Comcare held national forums with HSRs and partnered with a major public service union to deliver forums targeted specifically at HSRs. Participants learned some techniques for addressing workplace issues, shared their experiences and felt empowered to influence better health and safety outcomes.

Business to business support: Tasmania

Better Work Tasmania puts Tasmanian businesses in contact with their peers to share suggestions for improving WHS. Similar workplaces share similar issues, and the Better Work Tasmania website allows network members to talk directly to each other. WorkSafe Tasmania facilitates two meetings a year for the Better Work Tasmania network, and members are encouraged to organise their own meetings and catch ups — online or face-to-face.

Grain producers: South Australia

SafeWork SA is working with Grain Producers SA to provide farm managers with practical information about their legislative responsibilities. To date, activities have included talking with farmers about known WHS hazards and risks and potential solutions, visiting working properties to present walk-and-talks to owners and managers, revising the sector's Farmer's Guide and attending farm field days.

SafeWork SA will continue to work with Primary Producers SA and various commodity groups across the agricultural industry to improve cultural norms and WHS practice. Feedback and injury data will be used to fine-tune activities and guide progress.

Travelling horticultural workers: Queensland

WHSQ is working with other government agencies which regulate farm safety, workplace rights and workers' wellbeing to improve outcomes for travelling horticultural workers. This collaboration will reduce duplication of services and improve agencies' understanding of each other's priorities. Small teams, made up of agencies relevant to the issue being targeted, visit farms together, offering a holistic approach to farm safety and minimising the impact of the visit on farmers through having one visit rather than multiple visits from a number of agencies.

Getting Home Safely: Australian Capital Territory

In the year to September 2012, the ACT construction industry experienced three workplace fatalities. At the time, the ACT construction industry had one of the worst safety records of any Australian industry sector. In response to this, the ACT Government conducted the 'Getting Home Safely Inquiry' and WorkSafe ACT has responded to the recommendations from this inquiry.

The total number of WHS inspectors in the ACT has increased from 12 to 32. There have been targeted compliance, awareness, training and stakeholder engagement activities focusing on construction risks. New training resources have been developed in conjunction with the industry.

As a result, lost time injuries in the ACT construction industry have reduced by 34 percent in the two injury reporting years since the initiative began.

House construction: New South Wales

SafeWork NSW identified house construction as a high-risk industry. It conducted a workplace visit program including awareness-raising visits and engaging with businesses, and produced twelve short video clips covering key risks, such as 'Voids in House Construction', 'Benefits of Planning & Scheduling' and vox pop clips.

SafeWork NSW also held or participated in industry events and demonstration days and began an industry-specific Mentor Program tailored to the primary target audience: all participants made safety improvements in their workplace as a result of their participation.

Among key outcomes of this program was an increase in hazard awareness — for example, awareness of the dangers of voids in housing construction increased by 44% — from 48% to 92%.

Musculoskeletal disorders and mental health: Victoria

WorkSafe Victoria has set up the 'WorkHealth Improvement Networks' (WIN). This project integrates workers' health, safety and wellbeing to combat the complex issues where individual and workplace factors intersect, specifically mental wellbeing and musculoskeletal disorders, as well as safety culture.

Under this project, WorkSafe Victoria has set up manufacturing and health networks in partnership with the Victorian Chamber of Commerce and Industry and the Victorian Department of Health and Human Services respectively. The WIN project uses indirect influence and networked learning to bring about change in these industries.

Musculoskeletal disorders: Western Australia

To help prevent musculoskeletal disorders, WorkSafe WA's Industry and Ergonomics Inspectorate Teams have been working together on the *Ergonomics/Industry Team Knowledge Sharing Initiative*. By working together, industry inspectors learned from expert Ergonomics Inspectors and Scientific Officers, which improved their delivery of regulatory services. Inspectors who were not specialist ergonomists are now able to check workplaces for hazardous manual tasks and provide advice to workplaces on how to manage these. Feedback received from industry indicates that businesses have improved their practices following inspector visits.

What is Body Stressing?

Body stressing is muscular stress from manual handling: lifting, carrying, pushing, pulling objects; or stress from physical movements such as holding a posture or making repetitive movements.

Each year 72 040 claims are awarded for MSDs. Of these, 63 per cent are caused by body stressing and 23 per cent involved falls.

Body stressing: Tasmania

WorkSafe Tasmania's body stressing injuries project was a state-wide project to reduce body stressing injuries in the Health Care and Social Assistance industry in Tasmania. It aimed to reduce body stressing injuries and subsequent claims for workers' compensation in this industry by improving industry and stakeholder awareness of the risks associated with hazardous manual tasks. This project included interviewing injured workers, asking organisations about what they are doing to reduce body stressing injuries, providing information to the industry to help prevent body stressing injury, and analysing the issues faced by the industry and developing and implementing strategies to address those issues.

The project found that workplace culture and management attitude and behaviour have a major impact on the number of claims and on workers' behaviour and response to body stressing injuries. In the health sector, the increase in obese patients with specialist needs presents challenges. The use of equipment (such as ceiling-mounted hoists) has been useful, but workers still need to be skilled and appropriately trained to deal with obese patients.

Mental health at work: Queensland

WHSQ's Mental Health at Work Action Plan uses good work design to help industry to prevent work-related mental disorders and promote positive mental health.

Key activities include: raising awareness of mental health at work and the importance of good work design to prevent psychological hazards, targeted resources and tools to support businesses, information campaigns, websites and training for internal staff.

WHSQ's People at Work project assists businesses conduct a risk assessment that measures how different workplace characteristics influence worker health and well-being, focusing particularly on risks to psychological health. This collaboration is now working on developing on-line delivery of the risk assessment tool, ensuring its sustainability in to the future.

Mental health: South Australia

SafeWork SA's Mental health in the workplace project was a partnership with *beyondblue* and the Edwardstown Region Business Association, a local small business association, to engage South Australian businesses to learn about simple, practical actions to promote a mentally healthy workplace.

Rewarding good work health and safety design

A focus on health and safety in design helps eliminate hazards and risks before they enter the workplace. Good work design relates to improving the design of products, structures, equipment and substances, work processes and systems.

The 2016 Safe Work Australia Award for Good Design was the result of a partnership between Safe Work Australia and Good Design Australia. The award highlights the importance of good work design in improving WHS practices and is strongly aligned with the vision of the Australian Strategy.

The Makinex powered hand truck is a materials handling solution enabling one person to safely lift and load items weighing up to 140kg.

Safe Work Australia Branch Manager Julia Collins presents Makinex Construction Products Managing Director Rory Kennard with the Safe Work Australia Award for Good Design at the 2016 Good Design Awards gala ceremony.

The annual Good Design Awards showcase examples of good design across a broad range of industries and design disciplines and promote the very best in design, innovation and creativity at a national and international level. From digital design to architecture, the awards aim to create a better world through design.

The winner of the inaugural Safe Work Australia Award for Good Design was Makinex Construction Products for their powered hand truck. Makinex Construction Products was selected from finalists across all award categories. Their powered hand truck was found to excel in the approach to safe work design and judged as best against criteria of safety in construction, use and maintenance, safety innovation, sustainability and health and safety impact.

Safe Work Australia Branch Manager, Ms Julia Collins, presented Makinex Construction Products with their award as part of the 2016 Good Design Awards gala ceremony in Sydney on 27 May 2016.

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

Highlights

- Supported World Day for Safety and Health at Work and International Workers' Memorial Day on 28 April 2016
- Encouraged businesses and workers to focus on health and safety in their workplaces through National Safe Work Month in October 2016
- Promoted discussion of WHS by sponsoring key national bodies and national activities

Communication and stakeholder engagement strategy

As a policy agency with national influence, Safe Work Australia plans and delivers activities to build community awareness and knowledge about WHS and workers' compensation across Australia. The *Communication and Stakeholder Engagement Strategy* guides Safe Work Australia's activities and supports collaboration among Safe Work Australia Member organisations.

Communication and stakeholder engagement activities

Communication and stakeholder engagement activities delivered included promotion of World Day for Safety and Health at Work and International Workers' Memorial Day on 28 April 2016 and National Safe Work Month in October 2015.

During October 2015 the agency also delivered another successful Virtual Seminar Series.

Safe Work Australia entered into sponsorships with a number of key stakeholders to support initiatives aligned with the Australian Strategy and the corporate plan. Safe Work Australia provides sponsorships to meet the key strategic objective of elevating the importance of WHS and workers' compensation in the community.

Safe Work Australia continued to engage with media to support the release of Safe Work Australia research reports, publications, consultation processes and national projects to build awareness of WHS and workers' compensation.

Social media platforms Facebook, Twitter and LinkedIn were increasingly used to share and promote Safe Work Australia's work and engage and collaborate with stakeholders and influencers. Social media analytics show that these platforms have been successful in increasing the reach of Safe Work Australia's communication activities and informing the public about initiatives and guidance material.

The agency is redeveloping the Safe Work Australia website to ensure it has the functionality and content required to meet current and future business needs, including Australian Government accessibility requirements. A new website is due for release in early 2017.

We kept people informed:

We connected with our stakeholders and audiences through:

> 25 media releases
> 42 website news items
> 2,200 general enquiry emails
> 19,000 website subscribers

We connected on social media with:

> 913 Twitter followers (569 tweets)
> 5,056 LinkedIn followers (266 posts)
> 9,573 Facebook likes (321 posts)

2015 National Safe Work Month

National Safe Work Month, was held throughout October 2015. Safe Work Australia promoted the month nationally and delivered a range of activities to drive awareness among employers and workers across Australia. WHS authorities also held various awareness raising and educational events during October 2015.

The tagline, *Be safe. Be healthy. Because*…, was deliberately left open so people could add their own reasons for being safe and healthy at work. Participants were encouraged to think about what is important to them with the question, "There are so many reasons for being safe and healthy at work—what are yours?"

National Safe Work Month included a number of activities that were highly successful in raising awareness of WHS:

> creation of a digital information kit to help businesses and individuals promote WHS in their organisation, and
> broadcast the Virtual Seminar Series.

As part of National Safe Work Month, Safe Work Australia invited businesses to participate in the Workplace Participation Reward Program. This was the second year of the Program following a successful take up in 2014. From more than 40 entries from small, medium and large businesses around Australia, Mars Petcare Australia (Wodonga Factory) was named the winner (see the feature story at page 25).

Excerpt from Activity 2 of the 2015–16 Operational Plan

Promote consistent messages on WHS and workers' compensation through the implementation of the *Communication and Stakeholder Engagement Strategy*.

Outlook for 2016–17

Safe Work Australia will continue working with its Members and key stakeholders to promote community awareness and knowledge of WHS and workers' compensation. The *Communication and Stakeholder Engagement Strategy* will be reviewed to ensure it effectively guides Safe Work Australia's strategic objectives.

The implementation of national awareness-raising activities such as National Safe Work Month and the Virtual Seminar Series will also continue.

Safe Work Australia will engage with national mainstream and industry media to support the release of Safe Work Australia research reports, publications, consultation processes and national projects and continue to promote Safe Work Australia messages and build engagement through social media channels.

Safe Work Australia will continue to pursue partnership opportunities that elevate the importance of WHS in the community.

Workplace Participation Reward

Safe Work Australia held the second Workplace Participation Reward in 2015 awarded to Mars Petcare Australia. The Reward recognises and rewards a workplace for its outstanding commitment, participation and creativity to raise the awareness of WHS during National Safe Work Australia Month.

For the more than 300 workers who joined in National Safe Work Month activities, at the Wodonga factory their reason for staying safe and healthy at work was Because…' 'Mates make sure mates get home safe', reflecting the close friendships shared among Mars Petcare colleagues. One of the core messages used during the month was "If I see something is unsafe, I'm going to speak up." Workers participated in various workshops throughout the month and photos of workers were used creatively in posters, emails and newsletters to promote and personalise the tagline.

Safe Work Australia Acting Deputy Chief Executive Officer presents Mars Petcare Australia with their 2015 Workplace Participation Reward on location at the Wodonga factory

Safe Work Australia Acting Deputy Chief Executive Officer, Amanda Grey, travelled to Wodonga to present the Reward and meet workers involved with National Safe Work Month.

Mars Petcare Australia stood out from a strong field of over 40 entries from small, medium and large organisations across Australia. The Reward offers a prize valued at up to $5,000 to go towards an Australian WHS conference, expo or event.

Strategy 3

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

Highlights

- Published eight research reports and four statistical publications
- Responded to over 400 requests for statistical information
- Piloted the regulatory burden survey to understand business' WHS costs
- Published three reports about workers' exposure to carcinogens
- Undertook a review of the Comparative Performance Monitoring report and Australian Mesothelioma Registry

Evaluation of work health and safety laws

Under the *Evaluation Plan for the Harmonisation of Work Health and Safety in Australia* (Evaluation Plan), Safe Work Australia has conducted a wide range of research evaluating the health and safety performance and regulatory burden objectives of the model WHS laws.

In 2015–16, Safe Work Australia undertook a pilot study for the final regulatory burden survey included in the Evaluation Plan. This process has enabled Safe Work Australia to refine the survey tool to collect information on the cost of WHS activities undertaken in businesses and the perceptions of Chief Executive Officers and senior managers about complying with WHS laws.

The survey, which will be run in 2016–17, will also collect information on the broader impacts of WHS expenditure on the business and businesses' motivation for WHS expenditure.

In 2013 Safe Work Australia partnered with the National Research Centre for Occupational Health and Safety Regulation (a research centre within the Regulatory Institutions Network at the Australian National University) on a three-year project to undertake research examining the effectiveness of the model WHS laws. This work has continued throughout 2015–16 and it is expected all studies will be completed later in 2016. The findings will be used to inform the review of the model WHS laws and improve operational efficiency.

Safe Work Australia also partnered with the Australian National University and the Australian Research Council to undertake research aimed at understanding more about businesses' motivations, attitudes and actions taken to comply with WHS regulation. The research has focused on small and medium enterprises (SMEs) in Queensland and South Australia in the health care and social assistance, construction and manufacturing industries, and on collecting information from jurisdictions on how they seek to influence organisations to comply with WHS laws. A report summarising the findings of this research for SMEs will be published on the Safe Work Australia website in 2016–17.

Excerpt from Activity 4 of the 2015–16 Operational Plan

Identify new priority issues and undertake and disseminate research including on emerging issues and through implementation of the Research and Evaluation Work Plan 2015–2016.

Work health and safety research

In 2015–16 Safe Work Australia undertook a broad range of research on WHS issues in accordance with the *Research and Evaluation Work Plan 2015–16*, with eight reports and four research briefs published on the Safe Work Australia website.

Safe Work Australia's research program includes both short term and long term (greater than one year) projects. Many projects are undertaken in collaboration with academic institutions and WHS 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 number of reports have been published on the Safe Work Australia website including *Mindfulness of work health and safety in the workplace* and *Sources of work health and safety information in Australian workplaces*.

These reports contribute to understanding how WHS learning and information transmission is applied in practice in organisations and suggest ways in which these processes may be improved.

Workplace culture

Workplace culture is now recognised as a key influence on organisations' WHS outcomes. In 2016, Safe Work Australia formed an expert working group to design a survey to assess and measure aspects of workplace safety culture and identify areas that may be targeted by policy in an effort to reduce the occurrence of work-related injury and disease. It is anticipated that the survey design process will be completed in the second half of 2016. Subject to Safe Work Australia Members' approval, the next step will be to pilot the survey.

Hazard exposure and controls

A long-held focus of Safe Work Australia's research is to develop an understanding of how workers are exposed to hazards in their workplaces and how controls are used to eliminate or minimise the risks these hazards pose to worker health. This is critical evidence for WHS policy makers and practitioners because it is the timeliest information available for preventing the occurrence or exacerbation of disease, particularly diseases of long latency (time between disease-causing exposure and diagnosis of disease), like cancers. A variety of approaches have been taken with this research and a wide range of hazards have been studied including physical, chemical and psychosocial hazards.

In 2015–16 Safe Work Australia undertook a number of projects on hazard exposure and control:

> *National Occupational Hazard and Risk Management Surveillance: Noise, dust, vibration and chemical exposures in Agriculture* project measures exposures, observing workers and surveying farmers about their exposure to noise, dust, vibration and phosphine during harvesting and seeding operations on small mixed grain and sheep farms in Western Australia. The results of this study identify areas of concern for WHS policy, particularly around safety inductions, exposure to loud noise and phosphine handling. A report on this project is expected to be published later in 2016. This project was undertaken with Curtin University of Technology.

> *Australian Work Exposure Study* project estimates the number of workers who could potentially be exposed to carcinogens (agents that cause cancer) and asthmagens (agents that cause or aggravate asthma) at work (see the feature story at page 29). This project has been undertaken in collaboration with Curtin University of Technology.

> *People at Work* project aims to develop a tool that can be used by organisations to identify and manage psychosocial hazards that contribute to the development of mental stress. A final report on the project was received in May 2016 and the tool is currently being developed so it functions as a standalone online resource. Safe Work Australia has been involved in this project for a number of years through an Australian Research Council linkage grant that has now concluded.

> *The Australian Workplace Barometer* project monitors workplace psychosocial risk factors and aspects of safety climate that affect worker health and productivity. Two reports from this study will be published in 2016–17: one on the prevalence of workplace bullying and harassment; and one estimating productivity costs through absenteeism and presenteeism as a result of mental health conditions and poor psychosocial safety climate in organisations. Safe Work Australia partnered with a number of organisations to undertake this project including the University of Queensland, the Australian National University and the Queensland University of Technology.

Work health and safety reporting in annual reports

Currently there is a lack of standardised and accepted indicators to measure the WHS performance of organisations and businesses at the organisational level. WHS information can and is being reported on a voluntary basis, however reporting is often selective and inconsistent. This hinders comparisons of WHS performance and due diligence reporting over time and across organisations.

Safe Work Australia has continued to work with the International Governance and Reporting Research Centre at Macquarie University to improve the reporting of WHS.

Safe Work Australia has published a series of research papers that will inform the development of a standardised set of indicators businesses can use in annual reports.

Australian Work Exposure Studies (AWES)

An important focus of the research undertaken by Safe Work Australia is developing our understanding of workers' exposures to disease-causing hazards in workplaces especially those diseases that only show up decades later.

Collecting hazard exposure information by direct measurement in workplaces is very costly and has limited application generally. Instead, Safe Work Australia has sought to obtain a general understanding of hazard exposure through broader surveys of workers.

The Australian AWES uses tailored surveys that enable the researchers to explore how workers undertake specific jobs and tasks and then infer potential exposures using an expert assessment tool called OccIDEAS. The first AWES project began in 2011 and investigated self-reported work-related exposures to 38 known or suspected carcinogens among Australian workers. Through the tool researchers can investigate the types of controls being used in the workplace compared with those required by WHS laws or recommended in Codes of Practice or other guidance aimed at reducing exposure through eliminating some agents or work practices, substituting them with safer alternatives, or better use of engineering and lower order controls.

The research was led by Dr Lin Fritschi (now at the Curtin University of Technology) and was funded through a National Health and Medical Research Council (NHRMC) grant. A second AWES project commenced in 2014 to study exposure to agents that cause or aggravate asthma (asthmagens). This project was a NHRMC Partnership Project with co-funding from Safe Work Australia and others.

The AWES research has generated information to inform WHS policy. Much of the information has been published in peer-reviewed journals and includes carcinogen exposure prevalence estimates, exposures to specific carcinogens and exposures within specific groups of workers. The asthmagens research has helped to identify groups of asthmagens relevant to Australian workplaces.

Safe Work Australia has commissioned research that used the AWES data to examine exposures to specific carcinogens and exposures to carcinogens within the priority industries of agriculture, construction, and manufacturing. The focus of these studies has been on identifying the types of tasks or jobs where exposures have occurred, and describing the controls being used when those tasks are undertaken.

A further report examining the future burden of cancer and the impact WHS interventions might have on reducing future cancer cases is expected to be published later in 2016. This work will be extended in 2016–17 to develop a process to estimate the burden of work-related asthma.

Australian Strategy priority industries and disorders

The Australian Strategy identifies industries and disorders that require priority attention for prevention activities in order to achieve WHS outcome targets. Safe Work Australia's research activities are heavily influenced by these priorities and are designed to identify issues and to inform and respond to policy needs in these areas.

Priority industry research in 2015–16 has included the publication of a report synthesising information from a variety of data sources in the transport industry. Work also commenced on a project examining factors affecting the selection and use of controls to prevent falls from height. This project is expected to be completed in 2017.

Research activities in 2015–16 have touched on nearly all the priority disorders identified in the Australian Strategy including musculoskeletal disorders, mental disorders, cancers and asthma. An example of research with a specific priority disorder focus in 2015–16 is a critical review of the effectiveness of interventions to prevent musculoskeletal disorders in non-office workers. A report on this research is expected to be available in 2016–17. The AWES research on carcinogens is also being used to estimate the burden of cancer associated with work-related carcinogen exposure (see feature story on page 29).

Evaluation of the emerging issues pilot program

Safe Work Australia continued its pilot program to identify, prioritise and analyse emerging WHS issues by formalising it into an ongoing program using a three-phase methodology:

> Identification: initial assessment and prioritisation against agreed criteria

> Analysis: detailed analysis of the issue and recommendations

> Action: Safe Work Australia Members consider report and recommendations and decide whether and what action is required.

The two issues considered in 2014–15 ('at risk' migrant workers and sedentary work practices) progressed to analysis and action, with the findings outlined below. Safe Work Australia is currently considering two new issues under the program: working in heat and older workers in physically demanding jobs. Further intelligence gathering on emerging WHS issues is planned via a foresight study to commence later in 2016.

'At risk' migrant workers

Safe Work Australia developed an action plan to address concerns about reported exploitation of some categories of migrant workers, particularly those whose temporary visa status made them particularly vulnerable to unsafe working conditions. The first step was to provide migrant workers with information about their WHS and workers' compensation rights. A short information sheet was

published in May 2016. Safe Work Australia intends to work with community organisations, industry, employers, unions and other stakeholders to improve information for migrant workers and their employers. The agency will work with other Australian Government agencies with a connection with migrants to address information gaps and inform other compliance activities.

Sedentary work

Sedentary work (prolonged unbroken sitting time while at work) is a subset of sedentariness which is defined as 'any waking behaviour characterised by an energy expenditure ≤1.5 metabolic equivalent of task (METs), i.e. the energy expended for an activity while in a sitting or reclining posture'. It is conceptually different from 'physical inactivity', which is the lack of sufficient moderate/vigorous intensity physical activity.

Safe Work Australia commissioned a literature review on sedentary work from Curtin University, the Baker IDI Heart and Diabetes Institute and the University of Queensland. The report *Sedentary work: Evidence on an emergent work health and safety issue* was published on the Safe Work Australia website in March 2016 (see the feature story at page 32).

Outlook for 2016–17

Research and evaluation activities are outlined in the *Safe Work Australia Evidence Work Plan*. The agency will work with Safe Work Australia Members to redefine the framework for research and evaluation activities and set new priorities for future research.

Safe Work Australia will conduct, or be involved in, a range of research including: exploring the factors influencing the selection and use of controls to prevent falls from height in the Construction industry and WHS issues for the ageing workforce. Safe Work Australia will also explore existing longitudinal data sets to determine the impact of hazards and pre-existing conditions on WHS outcomes, early retirement, productivity loss and return to work.

Emerging work health and safety issue: sedentary work

Prolonged exposure to sedentariness is associated with significant negative health outcomes, such as musculoskeletal problems, cardiovascular disease, diabetes, obesity, some cancers, and premature mortality.

While exposure to sedentariness can take place in transport, leisure and domestic domains, it is also common in Australian workplaces. The authors of the report *Sedentary work: Evidence on an emergent work health and safety issue* found the harm associated with occupational sedentariness is likely due to insufficient dynamic muscle activity, energy expenditure and movement, lack of postural variety and reduced gravitational resistance. While there is no clear definition of excessive occupational sedentariness, sitting for longer than 30 minutes without a mini-break, and sitting all day at work (i.e. being 'too busy' to take a break) are likely to be detrimental to health. The report was published on the Safe Work Australia website in March 2016.

Safe Work Australia's *Principles of Good Work Design* handbook provides 10 useful principles to achieve good design of work and work processes to help reduce prolonged sedentariness. Multi-component interventions targeting multiple elements of work systems appear to have been most successful as assessed so far, albeit largely assessed in office work environments. In essence, employers and workers should aim for small and frequent changes from sitting as much as possible and less time sitting in total.

There are many inexpensive design options that reduce prolonged sitting at work, providing opportunities to increase incidental exercise. Some suggestions include:

> Encouraging staff to stand during meetings.
> Providing reading rooms with lecterns so employees can stand to read their books or electronic devices.
> Providing non-slip anti-fatigue flooring or mats to encourage standing.
> Building lunch rooms with standing-height benches as well as more traditional options.
> Making stairways between floors light and airy so employees are more likely to use them.
> Providing well-lit lockable bike cages and cycling friendly premises, including showers, lockers and change facilities.

Safe Work Australia is now considering blue collar workers exposed to sedentary work, and is also engaging in further research to provide tools to help employers and employees to manage this complex hazard.

Data and analysis

Safe Work Australia plays a key role in developing evidence-informed policy through the compilation and analysis of three key national data collections: the National Data Set for Compensation-based Statistics (NDS); the Traumatic Injury Fatalities (TIF) collection and the Comparative Performance Monitoring (CPM) program. The collections have a variety of data sources including administrative data provided by jurisdictions, fatality data from the National Coronial Information System (NCIS) and employment data from the Australian Bureau of Statistics (ABS).

In addition to the three main data collections, Safe Work Australia accesses other relevant data sources to supplement and augment current knowledge of work-related injuries, diseases and fatalities. These data sources include disease and injury statistics from the Australian Institute of Health and Welfare, information on mesothelioma from the Australian Mesothelioma Registry, and survey-based data on work-related injuries from the ABS.

Data and analysis activities were undertaken in accordance with the *Data and Analysis Work Plan 2015–16* with key activities including the maintenance and progressive development of data collections, the delivery of a statistics enquiry service, and the production of a suite of statistical publications.

Excerpt from Activity 3 of the 2015–2016 Operational Plan

Collect, maintain, improve and report on national WHS and workers' compensation data through implementation of the *Data and Analysis Work Plan 2015–2016.*

Data collections

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 WHS performance and experience. In 2017 the NDS data collection will have been in operation for 30 years and, despite two revisions to the data collection framework, provides an unparalleled time series of information on work-related injuries in Australia.

The NDS is compiled annually from administrative data associated with workers' compensation claims made under workers' compensation laws. NDS data have an approximate two-year lag-time due to the time needed to process claims and code and compile a national data set. Therefore, in 2015–16, the latest available NDS data were for claims lodged in 2013–14.

Fatality data collections

Safe Work Australia collects information on work-related traumatic injury fatalities from the following sources:

> The Fatality Media Collection (FMC), to obtain a current, although preliminary, count of work-related fatalities. Updates on media-reported work-related fatalities are published regularly on the Safe Work Australia website.

> The NDS, which holds information on compensated fatalities resulting from injuries.

> The Notifiable Fatality Collection (NFC) based on fatality notifications from WHS jurisdictions. This data is published on a monthly basis in the Notifiable Fatality report.

> The NCIS, which includes records of all unexpected fatalities in Australia.

> The quad bike fatality data collection, a component of QuadWatch, which draws data from media reports and information from jurisdictions.

The data from the FMC, NDS, NFC and NCIS are integrated into one overarching data collection—the Traumatic Injury Fatalities (TIF) collection. Combining the data sets is critical as it ensures Safe Work Australia identifies uncompensated fatalities, those that occur on roads and those of bystanders to someone else's work activity. As a result, the TIF collection is the most comprehensive and accurate source of work-related injury fatalities in Australia.

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

Comparative Performance Monitoring

Safe Work Australia maintains a data collection and reporting program that compares the performance of WHS and workers' compensation schemes in Australia and New Zealand. The CPM program was established in 1998 and is supported by a Data Providers Network involving representatives from Australian jurisdictional authorities and New Zealand. The CPM collection is complemented by the NDS and TIF collections.

The CPM program produces an annual report containing the latest NDS data and jurisdictional performance against agreed indicators. The 17th edition of the CPM report was published in October 2015. This edition includes the first measurements of progress against the Australian Strategy.

In 2015–16 a review of the CPM program was completed and 19 recommendations were made. This review followed substantial changes to WHS and workers' compensation arrangements across jurisdictions over recent years. The recommendations will be implemented between 2015–16 and 2018–19.

The CPM is complemented by two Safe Work Australia publications that provide important reference information. These are the *Comparison of Workers' Compensation Arrangements in Australia and New Zealand report* and *Measuring progress towards targets – reducing the incidence of work-related death, injury and illness*. The former report provides information on the operation of workers' compensation schemes in each of the Australian jurisdictions and New Zealand. This report is a valuable resource and essential guide for anyone working in the workers' compensation field. The latter

publication was produced to accompany the Australian Strategy and the CPM. It outlines how the Australian Strategy targets were determined and how the targets will be measured into the future.

Statistical enquiries service

Through its statistical enquiries service, Safe Work Australia responded to over 400 enquiries in 2015–16 from a range of stakeholders. Most enquiries are answered with customised responses within three days. The service enables Safe Work Australia to make its statistical assets and resources available to all with an interest in WHS and workers' compensation.

Key reports in 2015–16

Four major statistical reports were published during 2015–16:

- *Australian Workers' Compensation Statistics 2013–14* provides a summary of statistics for non-fatal workers' compensation claims by key employment and demographic characteristics. The report also included a special focus on serious claims that involved ladders and comparisons of serious claims between blue collar and white collar employees (see feature story at page 37).
- *Work-related traumatic injury fatalities, Australia 2014* provides comprehensive statistics on work-related traumatic injury fatalities in Australia, including both workers and bystanders. Information for this report was sourced from the TIF collection.
- *Work-related mental disorders profile 2015* provides a concise and factual statistical profile of mental disorders as compensated by Australian workers' compensation schemes.
- *2015 Comparative Performance Monitoring Report (CPM) (17th edition)* provides a comparison of WHS outcomes and workers' compensation scheme performance across jurisdictions in Australia and New Zealand in 2013–14. It also reports on the first measurements against the targets in the Australian Strategy.

Australian Mesothelioma Registry

In 2015–16, Safe Work Australia continued its active role on the Australian Mesothelioma Registry (AMR) management committee. The AMR collects information on all new cases of mesothelioma and the occupational and environmental exposure to asbestos in individuals diagnosed with mesothelioma. The AMR is managed by the Cancer Institute NSW under a contract with Safe Work Australia. The Monash Centre for Occupational and Environmental Health (MonCOEH) plays a key role in collecting and analysing the asbestos exposure information.

The data collected by the AMR is reported in the annual Mesothelioma in Australia report. The 2015 report is expected to be published in September 2016.

In January 2016 Safe Work Australia commissioned an independent review designed to evaluate the AMR's success in achieving its objectives and ensuring effectiveness, efficiency and value for money. The review was informed by extensive consultations with key stakeholders and the outcomes are expected to be presented to Safe Work Australia Members in August 2016.

National Return to Work Survey

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

The third survey was conducted in April 2016. A high-level summary of previous survey results is available on the Safe Work Australia website.

Safe Work Australia is preparing a series of reports and factsheets examining the relationship between certain variables and return to work outcomes from the 2013 and 2014 survey results. Results from the third survey conducted in 2016 will be analysed and further reports may be produced.

Outlook for 2016–17

Safe Work Australia will continue to support policy development by developing and publishing themed, issues-based data and analysis reports which combine research and other evidence gathering. Safe Work Australia will also enhance its capability and capacity to disseminate evidence more effectively and efficiently by better engaging with audiences and by using contemporary technologies to make data more readily available.

Injuries and fatalities involving ladders

During 2015–16, Safe Work Australia responded to a large number of enquiries regarding the involvement of ladders in workplace incidents. This interest is justified given that incidents involving ladders account for around 1.5 per cent of all serious workers' compensation claims and five workers are killed as a result of falling from ladders every year. Workers' compensation and fatalities data show no consistent improvement in ladder-related incidents over the past 10 years or more.

Ladders are used in a variety of work-related settings but the injuries and fatalities are concentrated in two main occupations and one main industry. Technicians and trades workers and labourers accounted for 68 per cent of ladder-related serious workers' compensation claims over the five years to 2013–14. The frequency rates of their claims (29.5 and 28.8 claims per 100 million hours worked respectively) were about five times greater than the national average (5.9 serious claims per 100 million hours worked). Not surprisingly, between 2003 and 2014, over half (30) of the 54 workers whose death involved a ladder, worked in the construction industry.

Most injuries and fatalities associated with ladders occur due to falls, trips and slips of the worker. Workers tend to injure their knee, back or ankle and more than a quarter of all serious workers' compensation claims involving ladders are for a fracture. Serious workers' compensation claims involving ladders resulted in a median time lost from work of 7.2 working weeks—33 per cent higher than the median time lost associated with all serious workers' compensation claims.

Older workers have higher rates of serious workers' compensation claims for ladder-related incidents than younger workers. For example, over the five years to 2013–14, employees aged 60–64 years were twice as likely to make a serious workers' compensation claim as 25–29 year olds (15.5 versus 7.5 serious claims per 100 million hours worked). This is an area of concern given that the proportion of Australian workers aged over 60 years has doubled from 3.9 per cent of the workforce in 2001 to 7.8 per cent in 2014.

Ladders are a longstanding workplace hazard and Safe Work Australia continues to take a variety of approaches to address it. In 2015 Safe Work Australia republished the Model Code of Practice *Managing the Risk of Falls at Workplaces*, which includes a chapter specifically on the use of ladders. Safe Work Australia is undertaking research on factors influencing the selection and use of controls to prevent falls from height in the construction industry This project is expected to be completed in mid-2017.

For more information see *Australian Workers' Compensation Statistics, 2013–14* available on the Safe Work Australia website.

Strategy 4

Improve and reform work health and safety laws in Australia to provide a consistent, equitable, effective and high level of protection to all workers

Highlights

- Finalised the COAG report *Improving the model Work Health and Safety Laws* and published updated model WHS laws
- Commenced a review of the model WHS Regulations for diving
- Undertook public consultation on the role of workplace exposure standards in WHS laws
- Undertook public consultation for proposed amendments to WHS requirements for inorganic lead

Implementation of the model work health and safety laws

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

Western Australia is taking steps to align its WHS laws with the model WHS laws with some modifications to suit their jurisdiction. On 1 June 2016, the Western Australian government released a discussion paper to seek views on proposed variations to the model WHS Regulations for adoption in the state. Victoria has maintained its existing *Occupational Health and Safety Act 2004*.

Examination of the model work health and safety laws

In May 2014, COAG asked WHS ministers to examine ways to improve the model WHS laws with a particular focus on reducing regulatory burden. The agency assisted WHS ministers by drafting the COAG report *Improving the model Work Health and Safety Laws* (the COAG report) and an accompanying Decision Regulation Impact Statement (RIS). The COAG report and Decision RIS formed the basis for the amendments to the model WHS laws that were published in mid-2016.

In drafting the COAG report, WHS ministers tasked the agency with reviewing the model WHS Regulations separately to identify opportunities to reduce regulatory burden to businesses. In 2016, Safe Work Australia finalised the report and Decision RIS *Reducing regulatory burden in the model Work Health and Safety Regulations* which identifies proposed amendments to the model WHS Regulations. The proposed amendments have been provided to WHS ministers for consideration. The agency will progress drafting any approved amendments to the model WHS Regulations where agreed by WHS ministers.

Review of model WHS Regulations for diving work

In 2015, Safe Work Australia commenced a review of the model WHS Regulations for diving work. The review aims to ensure the model WHS laws for diving work improve safety outcomes without imposing unnecessary compliance burden on businesses working in this industry.

To help inform the review and the development of a RIS, Safe Work Australia sent a questionnaire to diving representatives in October 2015. Thirty responses were received from a range of recreational businesses as well as government, commercial, research and education organisations and associations.

Safe Work Australia has met with diving representatives and WHS regulators to consult on options to address the problems that have been identified with the current model WHS Regulations for diving work. These options will be included in a Consultation RIS which is expected to be released for public consultation in the second half of 2016.

Workplace exposure standards for airborne contaminants

In November 2015, Safe Work Australia published a discussion paper and sought public comment on the role of workplace exposure standards in WHS laws. Exposure standards are legal limits of airborne chemicals that must not be exceeded. Under the model WHS Regulations there are 644 exposure standards.

Forty-six submissions were received on the use of exposure standards, the impacts of compliance, their role in the regulatory framework and how they can best be reviewed and maintained. The agency has commenced a review of the mandated exposure standards to inform the preparation of a Consultation RIS for public comment in 2017.

Work health and safety requirements for inorganic lead

In December 2015 and January 2016 Safe Work Australia sought public comment on proposed amendments to WHS requirements for inorganic lead. Scientific evidence suggests that current legislated blood lead levels and workplace exposure standards for inorganic lead do not adequately protect worker health. Thirty submissions were received from industry, unions, WHS regulators and others. The submissions will inform possible changes to the legislation for blood lead levels and workplace exposure standards for inorganic lead (see feature story at page 42).

Submissions are available on the Safe Work Australia website.

Excerpt from Activity 5 of the 2015–6 Operational Plan

Monitor, evaluate and improve 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 material

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.

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 materials.

Supporting small businesses to comply with WHS laws and assisting them to improve their WHS 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.

In order to comply with the Australian Government's mandatory accessibility requirements accessible Word and PDF versions of all 23 model Codes of Practice have been re-published on the Safe Work Australia website.

Safe Work Australia developed an information sheet to assist with minimising any perceived misconceptions about the role and status of Australian or joint Australian/New Zealand Standards referenced in model WHS Regulations and model Codes of Practice. The information sheet provides general guidance on the role of Australian Standards and their relationship to the model WHS laws, in particular that only when standards are mandated in the law is compliance with them required. The information sheet will be published in mid-2016.

Safe Work Australia has also developed guidance on managing risks in the stevedoring industry. These guidelines have been submitted to WHS ministers to consider whether they should be a model Code of Practice.

Other guidance materials published on the Safe Work Australia website were:

> Handling isocyanates
> Managing risks of exposure to solvents in the workplace
> Workplace vibration
> Incident notification
> Split rims
> High risk work licensing
> Cranes
> Managing the risks of machinery in rural workplaces
> Managing the risks of diesel exhaust
> Construction work – steel erection
> Safe work on roofs
> Labelling requirements for agricultural and veterinary (AgVet) chemicals
> Managing risks associated with quad bikes
> Managing risks when unpacking shipping containers
> Managing risks associated with the use of compressed air in the workplace
> Working safely in Australia
> GHS requirements

Excerpt from Activity 6 of the 2015–16 Operational Plan

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

Outlook for 2016–17

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 amend the model WHS Regulations in line with decisions of WHS ministers following their consideration of the *RIS Reducing regulatory burden in the model Work Health and Safety Regulations*.

A comprehensive review of workplace exposure standards is underway with the outcome of the independent technical review of all 644 standards due by mid-2017. This will inform the development of a Consultation RIS for updating workplace exposure standards to ensure they are consistent with international best practice.

Safe Work Australia will commence a 5-year review of the model Codes of Practice.

New material developed will continue to be relevant, clear and practical. Consideration will also be given to the most appropriate communication products for the materials and the methods for disseminating them to target audiences.

Managing the risks associated with lead in the workplace

The requirements for controlling exposure to lead in the workplace under the model WHS laws include general duties to identify hazards, apply the hierarchy of control and undertake air monitoring. Specific requirements include health monitoring, reporting removal from lead risk work and hygiene controls applied to lead risk work.

A Safe Work Australia commissioned report into the health effects of lead exposure found that the currently legislated blood lead level for lead and the workplace exposure level for airborne lead dusts and fumes may not adequately protect all workers. The report recommended that the model WHS Regulations be updated to ensure lead-risk workers are protected from the range of health hazards of lead.

As part of best practice regulation processes, Safe Work Australia conducted a public comment process via the release of a Consultation RIS and targeted interviews with key stakeholders in December 2015 to February 2016. The purpose of this consultation was to gauge accurately the extent of the problem and to identify the options for regulatory reform to be considered. Specifically, feedback was sought on proposed amendments to laws to improve WHS, including on the permitted levels of lead in workers' blood and lead concentrations in the air; and the likely cost and impact on businesses any changes might have. Information was also sought on current practices, control measures and costs, primary sources and routes of exposure.

The Consultation RIS process received 30 submissions. Submissions ranged from individuals with experience in lead risk work and companies undertaking lead processes to regulators, jurisdictional health departments, union, industry and expert representatives and the Australian Government. Targeted interviews with key stakeholders were conducted to clarify data submitted and assist in developing a cost benefit analysis for changing the blood lead levels and workplace exposure standard for lead.

The overall consultation process was used to identify, inform and shape the preferred options for regulatory control of lead in the workplace using biological and air monitoring. Safe Work Australia is now using this information to draft a Decision RIS, which includes a cost benefit analysis, and outlines the preferred course of action for managing the risks associated with exposure to lead in the workplace. The Decision RIS is expected to be presented to WHS ministers for consideration in 2016–17.

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

Highlights

- Published a hazardous chemical database that aligns with the implementation of the GHS in Australia
- Continued to engage with key stakeholders to address issues identified with National Assessment Instruments
- Translated high risk work units of competency into the new VET-endorsed units of competency

Hazardous chemicals

Workplace hazardous chemicals are substances, mixtures and articles used in the workplace that pose health or physicochemical hazards. They include poisons, carcinogens, flammable liquids and explosives. Under the model WHS Regulations, a new system of chemical classification and hazard communication called the GHS—the Globally Harmonised System for the classification and labelling of chemicals—will be mandatory from 1 January 2017.

Safe Work Australia has published a new hazardous chemical database that aligns with the implementation of the GHS in Australia. Safe Work Australia's database of hazardous chemicals helps reduce costs for businesses implementing the GHS by making GHS-compatible hazard information for over 6,000 chemicals readily available.

Safe Work Australia has published a suite of comprehensive hazardous chemical frequently asked questions (FAQs) in partnership with WHS regulators. These FAQs provide practical guidance for all businesses handling hazardous chemicals, including importers, manufacturers, suppliers and end users and provide answers to commonly asked questions about:

- preparing safety data sheets and labels
- classifying hazardous chemicals
- prohibited and restricted hazardous chemicals, and
- managing the risks of hazardous chemicals in the workplace.

High risk work licensing

The model WHS Regulations identify 29 types of high risk work (HRW) activities that require a licence. A risk based tool has been developed to assist policy makers assess whether a work activity is high risk and should be considered for a licensing regulatory intervention as part of controlling the risk of injury or death.

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 (NAIs) that must be used by accredited assessors to assess a candidate's competency (see the feature story at page 45).

Safe Work Australia continued its ongoing management role of the NAIs by addressing issues raised about the application of the NAIs and clarifying intent through a collaborative consultation process with Safe Work Australia Members and engagement with Skills Service Organisations where necessary.

High risk plant

The model WHS Regulations include registration arrangements for high risk plant to ensure this type of equipment is designed to minimise the risk of injury or death. Manufacturers and suppliers of high risk plant register design details with WHS regulators.

As for HRW, a similar tool has been developed to assist policy makers determine whether an item of plant is sufficiently high risk to warrant design registration.

During 2015–16 Safe Work Australia developed and updated guidance material relating to cranes, split rim tyres, compressed air and plant used in rural workplaces including quad bikes.

Excerpt from Activity 5 of the 2015–16 Operational Plan

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

Outlook for 2016–17

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

Safe Work Australia will continue to update the database of hazardous chemicals to reflect the outcomes of assessments undertaken by the National Industrial Chemicals and Assessment Scheme and the European Union.

Guidance material will continue to be developed and published to improve managing the risks of hazardous chemicals. A guide on storage of hazardous chemicals is being developed, as well as revisions to guidance for health monitoring.

Safe Work Australia will review the HRW NAI as part of a continuous improvement strategy to ensure they reflect contemporary safe work practices.

Maintaining a national high risk work licensing system

Safe Work Australia plays an integral role in ensuring that HRW licensing arrangements remain nationally consistent and relevant to ensure that workers are competent to undertake HRW in workplaces, for example the operation of cranes, forklifts, material hoists, boiler operations, dogging and rigging. 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.

Under the model WHS Regulations there are 29 types of HRW activities for which workers need a licence before they are deemed competent to perform this work in their workplace. These licenses are issued by WHS regulators in each state and territory. Regulators rely on the Vocational Education and Training (VET) sector for the delivery of training and then apply a further competency test, specific to HRW licensing activities. This competency test is undertaken using the NAI. All candidates must pass this test before being eligible for a HRW licence.

The use of NAIs ensures that a candidate is competent to perform the HRW activity in any state or territory in Australia through mutual recognition.

Ensuring that the NAIs remain current and reflect new practices is an ongoing process. While there is a scheduled formal review cycle (next review cycle is scheduled for 2016–17) Safe Work Australia continues to address identified issues and ensure the technical accuracy of the NAIs. This involves engaging with WHS regulators, industry associations and technical specialists.

In a further effort to streamline HRW licensing and assessment requirements into relevant training, Safe Work Australia continued to engage with the former Industry Skills Councils (up to 1 January 2016) to help translate the 29 HRW units of competency (UoC) into the new VET-endorsed UoC as a part of the COAG training package reforms. These were partially completed (16 of the 29 UoC completed) due to limitations of the Industry Skills Councils at the time. It is anticipated that the remaining UoC will be completed under the new VET sector arrangements by the end of 2016.

Strategy 6

Identify opportunities to improve workers' compensation arrangements

Highlights

> Developed template National Guidelines for the Evaluation of Permanent Impairment

> Commissioned the third National Return to Work Survey

In 2015–16, Safe Work Australia undertook a program of work to improve workers' compensation arrangements in Australia including in the areas of permanent impairment and return to work.

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 WHS ministers and the scope was endorsed by Safe Work Australia Members.

Safe Work Australia developed template National Guidelines for the Evaluation of Permanent Impairment in December 2014. Since that time, Safe Work Australia has developed supporting materials for use by government workers' compensation authorities which adopt the template National Guidelines, including the development of a training package for jurisdictions to use when training permanent impairment assessors (see the feature story at page 48).

Return to work

Safe Work Australia uses data from the National Return to Work survey to prepare reports and factsheets.

Safe Work Australia is examining the relationship between certain variables and return to work outcomes from the 2013 and 2014 survey results. Factsheets examining the return to work of people with a psychological injury claim will be published in 2016–17. A report will also be published in 2016–17 which examines how differences in age can impact the experiences of injured workers in the workers' compensation claim process, their health and recovery and in returning to work.

Safe Work Australia will consider preparing additional reports examining the relationship between certain variables and return to work outcomes from the 2013, 2014 and 2016 survey results.

Excerpt from Activity 7 of the 2015–16 Operational Plan

Improve consistency in workers' compensation arrangements through implementation of the Workers' Compensation Work Plan 2015–16.

Outlook for 2016–17

Safe Work Australia will work on a series of projects aimed at improving return to work outcomes of injured workers. Safe Work Australia will continue developing a best practice framework for claims management of psychological injuries. It will also complete a project on supporting general practitioners to achieve better health and return to work outcomes.

Safe Work Australia will investigate making de-identified data from the National Return to Work Survey available through the Australian Data Archive.

Safe Work Australia will continue to 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. The Compensation Policy and Return to Work Effectiveness (ComPARE) Project is scheduled to finish in early 2018.

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. This process will be facilitated by the National Permanent Impairment Co-ordinating Committee, which will be convened in 2016–17.

National consistency in the assessment of permanent impairment for workers' compensation purposes

When a person sustains an injury they may not always completely recover, resulting in a permanent impairment.

In late-2014, Safe Work Australia Members endorsed template National Guidelines for the Evaluation of Permanent Impairment. These Guidelines are used to assess the degree of permanent impairment arising from an injury or disease within the context of workers' compensation.

The Guidelines were developed through a national process facilitated by Safe Work Australia. The Guidelines are available for adoption and use by government workers' compensation authorities. To date, New South Wales and Queensland have adopted the Guidelines and other workers' compensation authorities have indicated their intention to adopt the Guidelines in the near future.

In November 2015, Safe Work Australia completed a project to develop a National Permanent Impairment Assessor Training Package for use by governments that adopt the Guidelines. The aim is to provide an accepted standard of training and competency based assessment to ensure that assessors are competent in conducting accurate and consistent permanent impairment assessments of injured workers. The Queensland workers' compensation authority is conducting a pilot of the training package in mid-2016. Necessary revisions will be made to the training package following the pilot.

Safe Work Australia plans to convene the National Permanent Impairment Coordinating Committee in late-2016. This is a new Committee established to provide a national approach to maintaining and updating the Guidelines and the training package. Under the national approach, Safe Work Australia will maintain a register of medical, legal and other issues raised by its members and provide a national forum to periodically review and update the Guidelines and training package.

Develop nationally consistent explosives regulation

Highlights

> Released the *Explosives Regulation in Australia: Discussion Paper and Consultation RIS* for public consultation

Nationally consistent explosives framework

Each jurisdiction has its own system for regulating the lawful use, manufacture, supply, storage, import/export and transport of commercial explosives in Australia. 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 agreed WHS ministers take forward work on nationally consistent explosives regulation. Ministers asked Safe Work Australia to undertake this work on their behalf.

In July 2015, Safe Work Australia released for public comment the *Explosives Regulation in Australia: Discussion paper and Consultation Regulation Impact Statement*. The purpose of the public comment process was to gather information about any issues that differences in state and territory explosives legislation may raise for businesses in the explosives industry and members of the public. As part of this information gathering, Safe Work Australia also consulted specifically with businesses and jurisdictional explosives regulators on their experience of explosives legislation.

Further, Safe Work Australia conducted a targeted consultation process with businesses, industry groups and regulators to gather information on possible implementation options for reforms to explosives regulations. The information and evidence gathered through these consultation activities has informed the development of the *Explosives Regulation in Australia: Decision Regulation Impact Statement* (Decision RIS).

The Decision RIS explores the potential options, costs and benefits of pursuing national consistency in explosives regulation and will present the preferred option which delivers the greatest net benefit to the community. Reforms to explosives regulation may deliver benefits to the explosives industry such as lower compliance costs and reduced regulatory burden. The Decision RIS is expected to be provided to WHS ministers for consideration in mid-2016.

Safe Work Australia provided secretariat services and a central contact point for the Australian Forum of Explosives Regulators during 2015–16.

Outlook for 2016–17

Pending a decision by WHS ministers, Safe Work Australia will continue to lead the development of reforms to explosives regulation.

Excerpt from Activity 8 of the 2015–16 Operational Plan

Develop policy proposals that will lead to nationally consistent explosives regulation.

Strategy 8

Cooperate and share information, expertise and experience with international organisations

Highlights

- Participated on Singapore's International Advisory Panel on Workplace Safety and Health
- Represented Australia on the G20 Occupational Safety and Health Experts Network
- Hosted two delegations from Singapore's Workplace Safety and Health Council
- Attended the 8th International Conference on OSH in Istanbul

International liaison and engagement

Safe Work Australia liaises with other countries and international organisations on WHS and workers' compensation matters, including representing Australia as appropriate.

In September 2015, Safe Work Australia strengthened its relationship in the Asia-Pacific, with Ms Michelle Baxter, Chief Executive Officer, becoming a member of Singapore's International Advisory Panel on Workplace Safety and Health (IAP). As a member of the IAP, Ms Baxter shares expertise and approaches to managing WHS challenges.

Ms Baxter is also Australia's representative on the G20 Occupational Safety and Health (OSH) Experts Network which contributes to the improvement of communication, coordination and information sharing between G20 countries on OSH in line with Ministerial Declaration and Leader expectations.

Safe Work Australia continues to lead the Australian delegation to the United Nations (UN) Subcommittee of Experts on the GHS, and a representative from Safe Work Australia attended GHS discussions in Geneva in December 2015.

Safe Work Australia hosted two delegations from Singapore's Workplace Safety and Health Council in October 2015 and February 2016.

Ms Baxter attended the 8th International Conference on OSH held in Istanbul, Turkey from 8–10 May 2016. Ms Baxter participated in a side event round table meeting with her colleagues on the G20 OSH Experts Network. The meeting focused on OSH sustainability in a changing world of work, the efficacy of the G20 OSH Experts Network itself, and progress in promoting OSH in line with the commitments made by G20 Leaders (see feature story on page 52).

International comparison

The corporate plan states that Australia seeks to become a world leader in the delivery of improved safety and compensation claims.

Safe Work Australia has commenced a construction industry pilot project to trial a methodology to identify potential best practice international WHS approaches with possible application in Australia. Once the pilot is complete it is expected the methodology will be applied to

the remaining priority industries. The ultimate targeted deliverable will be an overview of strategies and initiatives that have been successful in other countries that can be used to inform Australian WHS authorities in designing appropriate WHS measures and interventions for their jurisdiction.

Outlook for 2016–17

Safe Work Australia will continue to liaise and collaborate with other countries and international organisations on WHS and workers' compensation matters.

This includes contributing to the ILO's OSH Global Action for Prevention through Safe Work Australia's membership on the G20 OSH Experts Network and contributing to the improvement of communication, coordination and information sharing between G20 countries on OSH.

Australia will host the 33rd International Congress on Occupational Health (ICOH) in Melbourne in 2021. Safe Work Australia is actively contributing in planning the Congress through representation on the Organising and Scientific Committees.

In August 2016, Ms Baxter will travel to Singapore to attend a meeting of Singapore's IAP. Ms Baxter will moderate a symposium on 'Work Ability and Fitness for Work—the way forward' at the Workplace Safety and Health Conference 2016 which runs concurrently with the IAP meeting.

Excerpt from Activity 9 of the 2015–16 Operational Plan

Liaise with other countries or international organisations on WHS and workers' compensation matters, including representing Australia as appropriate.

G20 statement on safe and healthy workplaces

In 2014, G20 Labour and Employment Ministers adopted the G20 statement on safe and healthy workplaces, in which the leaders committed to take measures in 10 areas to improve occupational safety and health (OSH) in G20 member countries and to collaborate on initiatives to improve OSH more broadly.

Australia is a signatory to the *G20 Statement on Safer and Healthier Workplaces*. The 10 areas of improvement relate to:

> ensuring safety and health agencies are responsive to the needs of workers and employers
> strengthening legislation, resourcing, prevention, training, compliance and enforcement efforts
> improving data collection
> supporting vulnerable workers and those in high-risk sectors
> awareness-raising
> sharing best practice internationally
> sharing technologies and coordinating technical cooperation
> partnering with the ILO to improve global efforts
> engaging closely with social partners, and
> promoting responsible business practices.

In 2014, Ms Baxter represented Australia at meetings of the G20 Employment Working Group in Istanbul and was again asked to participate as Australia's representative at this group's meeting in May 2016. This meeting was held in conjunction with the 8th International Conference on Occupational Safety and Hazards in Istanbul on May 8–11, 2016.

The topic of the meeting was 'Sustainable Occupational Health and Safety' and the meeting provided the opportunity for countries to share experiences about the sustainability of WHS. The meeting also examined how to improve the coordination of G20 countries through the active and efficient use of the G20 Network on WHS.

Ms Baxter discussed Australia's approach to ensuring OHS sustainability in a changing world of work which includes a strong legal framework that is broad enough in scope to cover new forms of work, complemented by a responsive approach to compliance and enforcement that includes a mix of support, education and enforcement.

3

Management and Accountability

Government and Parliament

Under the Act, the Chief Executive Officer is to keep the Minister informed of Safe Work Australia's progress in performing functions. Minister for Employment Senator the Hon Michaelia Cash was the Minister responsible for Safe Work Australia from 21 September 2015. Prior to this, Senator the Hon Eric Abetz was the responsible Minister.

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 seven times in 2015–16. The members as at 30 June 2016 were:

Ms Diane Smith-Gander, Chair

Ms Smith-Gander was welcomed as the new Chair on 5 February 2016. Ms Smith-Gander is Chairman of Broadspectrum Limited, non-executive director of Wesfarmers Limited, a CEDA board member and President of Chief Executive Women, Australia's pre-eminent women's advocacy group. Ms Smith-Gander has held a wide range of non-executive roles in the past including Deputy Chairperson of NBNCo, non-executive director of the CBH Group, Commissioner of Tourism WA and board member of the Committee for Perth. She holds an MBA from the University of Sydney and a BEc from the University of Western Australia (UWA). In 2015 she was awarded an Honorary Doctorate of Economics from UWA. She is a Fellow of the AICD and Governance Institute of Australia and an adjunct professor of corporate governance at UWA where she serves on the advisory board of the Business School. She is a Council member of Perth's Methodist Ladies College.

Ms Ann Sherry AO, Chair (to February 2016)

Ms Sherry completed her three year term as Chair on 4 February 2016. 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 Associate 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 70.

Mr Anthony Lean, New South Wales

Mr Lean is the Deputy Secretary Better Regulation and Chief Executive of State Insurance Regulatory Authority. In addition Mr Lean has responsibility for SafeWork and the Government's Better Regulation agenda and a number of Government businesses: NSW StateFleet, ServiceFirst, State Records Authority and the GovConnect.nsw. Mr Lean's previous roles in the Department were as Deputy Secretary Government Services, and Deputy Secretary Policy and Executive Services where he led whole-of-government reforms in ICT, procurement, government data centres and shared services transformation. Prior to this, Anthony spent seven years as the Executive Director of Legal Branch in The Cabinet Office and the Department of Premier and Cabinet before coming to the Department of Finance and Services as General Counsel in August 2009.

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 the Office of Industrial Relations, within Queensland Treasury. 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 the Executive Director of SafeWork SA. Prior to this she has held the position of Director, Policy and Strategy, Director, Community Engagement, Chief Policy Officer and Industrial Relations Inspector, all at SafeWork SA. Marie played a key role in supporting the enactment and implementation of the South Australian version of the model Work Health and Safety Act and Regulations. She was also actively involved in the policy and legislative work surrounding South Australia's referral of industrial relations powers to the Commonwealth.

Mr Lex McCulloch, Western Australia

Mr McCulloch is the Western Australian Commissioner of WorkSafe Western Australia. He has been in the Western Australian Public Sector since 1978 when he joined the Department for Community Welfare. He has worked in a variety of locations and roles across the State including Derby, Kalgoorlie, Port Hedland and Perth. Mr McCulloch's various roles have provided him with a range of experiences such as leading restructuring processes, delivering on significant projects and leading service delivery units, all of which have been aimed at improving the wellbeing of people in Western Australia.

Mr Michael Young, Australian Capital Territory

Mr Young is a personal injury management professional with over 15 years' experience in senior workers' compensation and work safety regulatory roles. He is currently 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 also the Chair of SIG-Workers' Compensation.

Mr Martin Shirley, Tasmania

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

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 commenced with NT WorkSafe as Senior Director in July 2013. 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 also appointed as the Work Health Authority, the Electricity Safety Regulator and the Chief Inspector under the Radioactive Ores and Concentrates (Packaging and Transport) Act. He is a member of the Workers' Rehabilitation and Compensation Advisory Council, as well as being 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 WHS Policy Branch in the Department of Employment. In her current role she is responsible for policy development and advice on Commonwealth WHS, maritime workers' compensation and WHS 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 WHS and workers' compensation matters. Ms Ross is deputy member of the Safety Rehabilitation and Compensation Commission and 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 and oversees the work of the Occupational Health and Safety and Workers' Compensation team. He represents the ACTU as a member of the National Workplace Relations Consultative Council; Safe Work Australia; Safety Rehabilitation and Compensation Commission; Defence Reserves Support Council and Asbestos Safety and Eradication Council. Prior to his current position, Mr Borowick was an official of the Australian Workers' Union 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. Prior to this he was State Secretary for the Queensland/ NT Branch from 2003 until 2012. He has been an official of the union, at both National and State levels, since 1988. Mr Dettmer has held a number of board positions, including the boards of QMI Solutions, the Queensland Training and Employment Recognition Council, and Construction Skills Queensland. He was also Chair of Manufacturing Skills Qld, and an ACTU nominee to the Australian Workforce and Productivity Agency prior to its abolition. He is currently on the board of Carbon Nexus, the Australia Institute, and Australian People for Health, Education and Development Abroad (APHEDA), the ACTU's overseas aid arm.

Ms Carolyn Davis, Australian Chamber

Ms Davis is Director Work Health, Safety and Workers' Compensation Policy in the Australian Chamber. She has more than 20 years' experience in WHS 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.

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 was the previous Chair of SIG-Workers' Compensation.

Safe Work Australia Strategic Issues Groups

Safe Work Australia Members established strategic issues groups to progress WHS, 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 the agency.

- SIG-WHS assists Safe Work Australia in performing its statutory functions as outlined in the Act with regard to WHS matters.
- 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 2015–16.

SIG-WHS MEMBERS AS AT 30 JUNE 2016	
Mr Paul Goldsborough	Chair
Mr Mark Burton	Commonwealth
Ms Jodie Deakes	New South Wales
Ms Maryanne Aynsley	Victoria
Mr Bradley Bick	Queensland
Mr Ian Munns	Western Australia
Ms Marie Boland	South Australia
Mr Mark Cocker	Tasmania
Mr Stephen Gelding	Northern Territory
Mr John Rees	Australian Capital Territory
Mr Michael Borowick	Australian Council of Trade Unions
Dr Deborah Vallance	Australian Council of Trade Unions
Ms Carolyn Davis	Australian Chamber
Ms Tracey Browne	Ai Group
Ms Michelle Baxter	Safe Work Australia

SIG-Workers' Compensation

The SIG-Workers' Compensation met three times during 2015–16.

SIG-WORKERS' COMPENSATION AS AT 30 JUNE 2016	
Mr Michael Young	Chair
Mr Mark Roddam	Commonwealth
Mr Gary Jeffery	Comcare
Ms Carmel Donnelly	New South Wales
Mr Shane O'Dea	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 Bill Smith	Australian Capital Territory
Mr Chris Prast	Australian Council of Trade Unions
Mr Dave Henry	Australian Council of Trade Unions
Mr Craig Milton	Australian Chamber
Ms Tracey Browne	Ai Group
Ms Amanda Grey	Safe Work Australia

SIG-Explosives

The SIG-Explosives met six times during 2015–16.

SIG-EXPLOSIVES AS AT 30 JUNE 2016	
Ms Justine Ross	Chair
Mr Mark Burton	Commonwealth
Mr Tony Robinson	New South Wales
Ms Angela Jolic	Victoria
Mr Noel Erichsen	Queensland
Mr Philip Hine	Western Australia
Mr Stephen de Musso	South Australia
Ms Wendy Clarkson	Tasmania
Ms Melissa Garde	Northern Territory
Mr John Rees	Australian Capital Territory
Mr Jim Ward	Australian Council of Trade Unions
Mr Keith Shaw	Australian Council of Trade Unions
Ms Carolyn Davis	Australian Chamber
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:

> Communication Reference Group
> Research and Evaluation Reference Group, and
> Data Reference Group.

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

Communication Reference Group

The Communication Reference Group (CRG) is made up of communication officers representing each Safe Work Australia Member. The group works to share information regarding communication activities, awareness raising campaigns and findings of communication research.

Safe Work Australia worked collaboratively with the CRG throughout 2015–16, including consulting with the group on the planning and delivery of activities to build awareness of National Safe Work Month, World Day for Safety and Health at Work and Workers' Memorial Day and the Virtual Seminar Series. The agency also updates the group about new Safe Work Australia publications, factsheets and research so these can be distributed through their networks.

Research and Evaluation Reference Group

The Research and Evaluation Reference Group (RERG) comprises members with a sound understanding of policy, research or evaluation. The RERG also has representation from WorkSafe New Zealand. In 2015–16 RERG met four times and advised on the scope, content, methodology and reporting of research and evaluation projects, provided comment on draft research reports and contributed to the development of the new Evidence work plan.

The RERG also separately provided input to the evaluation of the emerging issues pilot program.

Data Reference Group

The Data Reference Group held one teleconference in 2015–16 to discuss a range of topics including the formalisation of a data sharing agreement with the University of New South Wales, indicators used in the Comparative Performance Monitoring report and NDS data provision.

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 its statutory requirements through its corporate governance framework. This framework ensures that the statutory functions, duties and obligations provided for under the Act are discharged.

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.

Risk management framework

Safe Work Australia's risk management framework helps foster and promote a culture of identifying and mitigating risks at all levels within the organisation. The risk management 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 risk management framework. The feedback received is a valuable tool used to identify gaps and opportunities for improvement in risk management processes.

Safe Work Australia is implementing an online risk management system that allows for accurate reporting both at the project level and an agency risk level. This system will be managed centrally and used for monitoring and reporting.

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 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 this may involve a move to a BCM program similar to the SSC to minimise duplication and ensure more efficient BCM and Disaster Recovery arrangements. This process commenced in 2015, following the agency's move to the NISHI Building and will be completed in 2016.

Fraud control

Safe Work Australia complies with Section 10 of the PGPA Rule and the Australian Government 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 provides annual mandatory fraud awareness training to all staff through an internal online system called LearnHub. Safe Work Australia continued to remind staff of their responsibility for the prevention and detection of fraud against the Commonwealth through this training and as part of the induction process for new starters. Safe Work Australia provided regular updates and advice to staff on developments in this area to ensure knowledge remained current.

No incidences of fraud were reported during 2015–16.

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

Safe Work Australia is covered by the *Freedom of Information Act 1982* (Cth) (FOI Act) and is required to publish information to the public as part of the Information Publication Scheme (IPS). This requirement is in Part II of the FOI Act and has replaced the former requirement to publish a section 8 statement in an annual report. Safe Work Australia must display a plan on its website showing what information it publishes in accordance with the IPS. Safe Work Australia's 'IPS Agency Plan' is available on its website.

Safe Work Australia received four requests under the FOI Act in 2015–16.

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 2015–16 financial statements audit is in Part 5 of this report. Safe Work Australia was not subject to any other ANAO audits during 2015–16.

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 2015–16.

Parliamentary committees

No adverse reports of Safe Work Australia's operations were made in 2015–16 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 resource delegations
> Accountable Authority Instructions, and
> 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 2016 were:

> Ms Julia Collins, Chair
> Mr Alfred Bongi, and
> Mr Dermot Walsh.

The Audit Committee met four times during 2015–16, including a September 2016 meeting at which it endorsed Safe Work Australia's 2015–16 Financial Statements.

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

The internal audit function is provided by RSM Australia Partners.

Public interest disclosure

In accordance with the *Public Interest Disclosure Act 2013* (Cwlth), 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. Safe Work Australia did not receive any disclosures in 2015–16.

A farewell to one Chair, and a warm welcome to another

In February 2016, Safe Work Australia farewelled Ms Ann Sherry AO after three years as the Chair of Safe Work Australia. Ms Sherry was appointed as Chair of Safe Work Australia in February 2013 and during her tenure chaired over 20 meetings of Safe Work Australia Members.

Ms Sherry's tenure commenced at the time of the implementation of the model WHS laws around Australia and a broadening of Safe Work Australia's focus beyond the development of the model WHS laws. Ms Sherry showed strong leadership and a collaborative approach to help Safe Work Australia develop national policy to drive real improvements in workplace safety performance across Australia.

The first Virtual Seminar Series was held while Ms Sherry was Chair and her strong support and participation in the series in 2014 and 2015 were the key drivers in its take up by Safe Work Australia Members. Ms Sherry participated in seven videos and two live broadcasts, which combined have been viewed over 6,000 times.

During 2015, Ms Sherry was awarded the overall winner of the Australian Financial Review and Westpac 100 Women of Influence Awards which demonstrated the breadth of her experience and ability. Safe Work Australia has certainly benefited from this experience during her time as Chair.

In saying farewell to Ms Sherry, in February 2016 Safe Work Australia welcomed Ms Diane Smith-Gander as Safe Work Australia's fourth Chair. Her interest in WHS issues arose as a child when her father was injured in a workplace incident. This experience inspired her lifelong belief in a worker's right to a safe and healthy workplace, a conviction she brings to her role as Safe Work Australia Chair.

Ms Smith-Gander also brings to the role an extensive background in high-level executive positions. She is Chairman of Broadspectrum Limited, non-executive director of Wesfarmers Limited, a CEDA board member and President of Chief Executive Women. She has held senior roles with Westpac Banking Corporation and McKinsey & Company. Ms Smith-Gander has also held numerous positions with government boards, such as Deputy Chairperson of NBNCo and Tourism WA.

Ms Smith-Gander has quickly acquainted herself with national WHS and workers' compensation policy and is leading strongly Safe Work Australia Members and the agency to deliver their strategic objectives of improving WHS and workers' compensation arrangements across Australia.

4

The Organisation

Achievements in organisational effectiveness

Safe Work Australia is proud to have made 2015–16 a year of significant progress in organisational change which has laid a strong foundation for a major transformation.

The corporate plan, together with the Australian Strategy, defines the agency's vision for Safe Work Australia to become 'an innovative world leader in improved safety and compensation outcomes in the workplace and promote healthy, safe and productive working lives for all Australians'.

This vision has set the benchmark for Safe Work Australia's agenda for change. Building on key initiatives introduced in recent years to build a high performance culture, in March 2016 the agency launched a major change program: TRANSFORM. This program represents a new chapter for the agency and has been designed to provide both a framework and a package of initiatives that chart the course for the next five years to achieve exemplary outcomes across the agency—in everything from corporate support, technical expertise, data, research, strategy and policy to stakeholder management and collaboration.

Underpinning this program are a number of important achievements through the past year, including:

> negotiating a new enterprise agreement, the *Safe Work Australia Enterprise Agreement 2015–2018* which received a positive vote and took effect in January 2016
> introducing a range of important APSC initiatives focused on workforce planning, capability development, management structures, performance management and equity and diversity
> the development of an agency-specific vision and set of values by staff, and
> moving to the state of the art Nishi Building in New Acton.

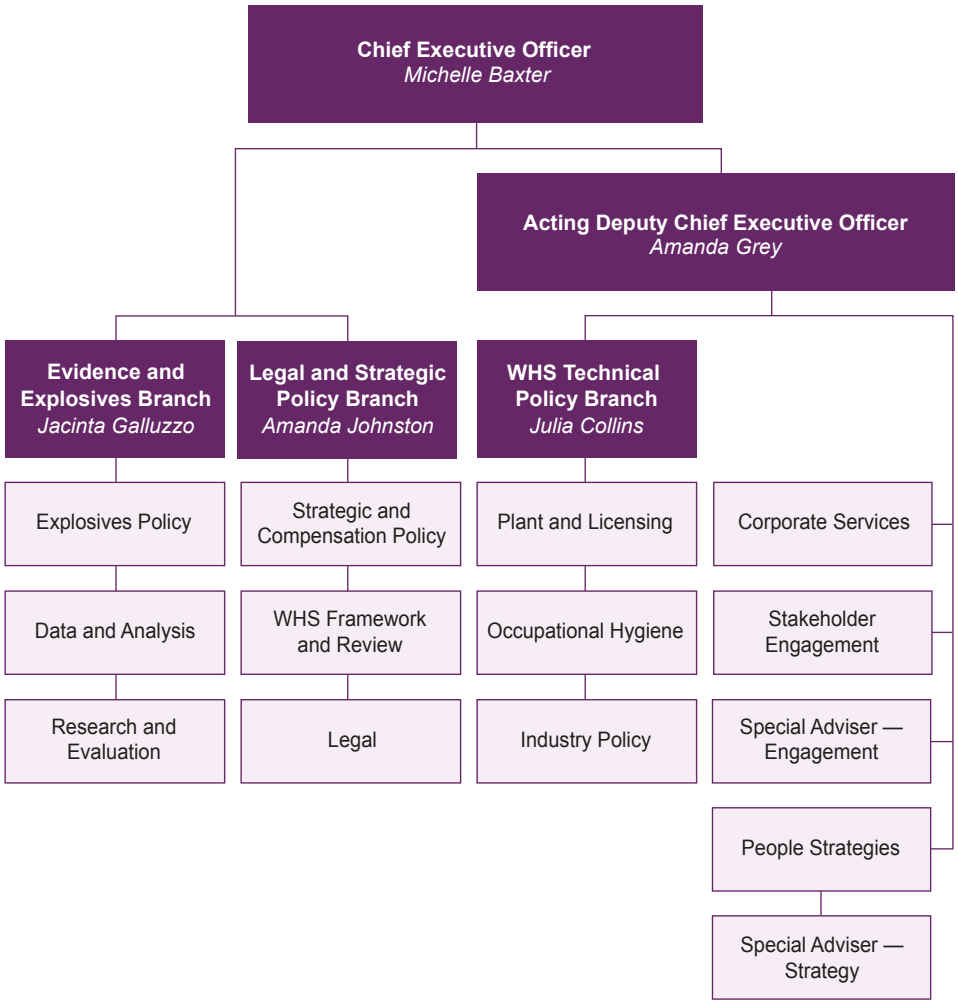
Outlook for 2016–17

A key focus during 2016–17 will be the roll out of the various programs and initiatives under TRANSFORM including development of a new People Strategy and continuing to embed the agency Vision and Values.

More detail on each of these programs and strategies is provided later in this part.

Organisational structure

The current structure of the agency as at 30 June 2016



The Executive Leadership Team

Safe Work Australia's Executive Leadership meetings, Chaired by the Chief Executive Officer, are the key forum in which cross-agency issues on policy and corporate governance are discussed. The team meets on a weekly basis and comprises the agency's CEO and SES officers.

Ms Michelle Baxter, Chief Executive Officer

Ms Baxter was re-appointed Chief Executive Officer of Safe Work Australia on 1 November 2015 for a five-year term. Prior to her re-appointment, Ms Baxter held 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 Australian Public Service (APS) including as Group Manager in the former Department of Education, Employment and Workplace Relations (DEEWR), 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 ACT.

Ms Amanda Grey

Ms Grey is the Acting Deputy Chief Executive Officer of Safe Work Australia. She manages the day to day operations of a large and busy group and provides strategic advice to the Chief Executive Officer to ensure the proper performance of Safe Work Australia. Ms Grey is also responsible for leading the development and implementation of the major change program: TRANSFORM.

Ms Grey's career in the APS spans more than 20 years in various policy, corporate and senior management positions. Ms Grey has extensive experience in developing national policy relating to WHS, workers' compensation and workplace relations and has successfully represented Australia at various international forums on these topics. Ms Grey has also led the delivery of critical corporate governance services including overseeing the development and passage of Safe Work Australia's enabling legislation and managing the human resource, financial and strategic planning functions of the organisation.

Ms Grey has graduate and post graduate qualifications in workplace relations, human resource management and public sector management.

Ms Julia Collins

Ms Collins is the Branch Manager of the WHS Technical Policy Branch. Ms Collins is responsible for developing policy and guidance relating to various workplace hazards and high risk industries including agriculture, transport and construction. Her role also involves developing strategies to improve WHS training and skills.

Ms Collins has extensive experience in WHS policy development at the national level and in the regulatory field, including a significant contribution in developing the model WHS laws. Prior to working at Safe Work Australia and its predecessor, 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 Branch Manager of the Evidence and Explosives Branch. She is responsible for leading the development of the nationally consistent explosives framework and oversees Safe Work Australia's evidence program.

Ms Galluzzo has worked in the APS for over 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.

Ms Amanda Johnston

Ms Johnston is Safe Work Australia's General Counsel and the Branch Manager of the Legal and Strategic Policy Branch. Ms Johnston is responsible for leading the in-house Legal Team, reviewing and improving the model WHS Act and developing policy and guidance relating to workers' compensation and emerging WHS issues.

Ms Johnston has worked for the Australian Government for 13 years and is an employment law specialist, having led the Employment Law practice in the Office of General Counsel in the Australian Government Solicitor and worked in the Workplace Relations Legal Group in the former DEEWR. Ms Johnston has a double degree in Arts (major in Industrial Relations)/Law (Hons) from the University of Wollongong and is admitted to the Supreme Court of the ACT.

Agency employees

As at 30 June 2016 the agency employed 101 ongoing employees and five non-ongoing employees under the *Public Service Act 1999* (Cwlth). Of the ongoing employees, seven were on long term leave and one was on temporary transfer to an external department.

In 2014–15 the agency had 105 ongoing employees and eight non-ongoing employees.

The agency continues to support flexible working arrangements with 21 per cent of employees being part time. This has increased from 16 per cent in 2014–15. Other forms of flexible working arrangements undertaken by staff include condensed working weeks, purchased leave and working from home and remote working arrangements.

No staff identify as Australian Aboriginal or Torres Strait Islander.

The agency is located in Canberra, Australian Capital Territory. Two employees are based in the Department of Employment's Adelaide State Office and three employees have a working from home arrangement based in regional Australia.

The table provides the employee numbers per substantive classification level by male and female as at 30 June 2016 as well as the staffing numbers for 2012–13, 2013–14 and 2014–15 for comparative purposes.

Substantive Classification	Total	Full time		Part time		Total 2015–16	Total 2014–15	Total 2013–14
		Male	Female	Male	Female			
Graduate – APS 3	1	0	1	0	0	1	0	0
APS 4	6	1	5	0	0	9	3	5
APS 5	12	3	5	0	4	13	21	18
APS 6	30	7	15	1	7	25	23	25
EL 1	38	9	21	4	4	43	40	41
Public Affairs Officer	0	0	0	0	0	0	1	1
Senior Government Lawyer	1	0	1	0	0	1	1	1
EL 2	10	1	9	0	0	16	11	12
Principal Government Lawyer	2	0	1	0	1	1	2	2
SES 1	4	0	3	0	1	2	3	3
SES 2	0	0	0	0	0	0	0	0
Chair	1	0	0	0	1	1	1	1
CEO	1	0	1	0	0	1	1	1
TOTAL	**106**	**21**	**62**	**5**	**18**	**113**	**107**	**110**

The average age of Safe Work Australia's employees is 40, with 24 per cent of the agency staff between the ages of 31 and 35. The table shows the full profile of employees by age as at 30 June 2016.

Age profile (years)	Number of employees	Proportion (%) of total
Less than 20	0	0
20 – 25	4	4
26 – 30	14	13
31 – 35	25	24
36 – 40	18	17
41 – 45	12	11
46 – 50	12	11
51 – 55	10	9
56 – 60	6	6
61 – 65	4	4
66 – 70	1	1
71-+	0	0

Graduate program

Safe Work Australia's first Graduate commenced in February 2015, completing a 12-month graduate program. The program provides graduates with the skills to work as valued members of Safe Work Australia and the wider APS. Graduates also participate in an APSC driven learning and development program this includes completing a Diploma in Government which involves working on a collaborative project with another small agency and a range of training courses and networking opportunities.

Following the success of the 2015 program, Safe Work Australia's second Graduate commenced in February 2016. The agency is looking to expand the program in future years with a view to engaging more graduates in late 2016 and beyond.

Meeting the Grads – Joel and Cassie

Safe Work Australia graduates Joel Burns and Cassie Edwards

What did you study at University?

Joel: I studied a laws/commerce double degree at the University of Newcastle. During this time I also completed my graduate diploma of legal practise enabling me to be admitted to practise law.

Cassie: I studied a Law/Arts double degree at the University of Adelaide and have made the move to Canberra with my little family, my partner Josh and my dog Milo.

Why did you apply for the graduate position at Safe Work Australia?

Joel: The graduate position presented itself as a fantastic opportunity to be a part of a program to develop the skills and experience in an engaging environment, that would set me up for an exciting career in the broader APS.

Cassie: I applied for the Graduate position at Safe Work Australia, because I have a personal interest in WHS. My Grandad was exposed to asbestos at work and 30 years later passed away from mesothelioma. This experience sparked a personal interest for me to pursue a career in the field of health and safety. The Graduate position at Safe Work Australia aligned perfectly with my career goals and I was very excited to learn I was successful in getting the position.

What did you learn and what skills did you develop during your graduate year at Safe Work Australia?

Joel: During my second rotation in the Workers' Compensation Policy team I was exposed to a broad range of work and opportunities to learn and develop skills in a supportive team environment. I was given challenging and interesting work including being given responsibility for leading a large project which required

consulting with stakeholders from the state and territory regulators. I was also exposed to preparing briefs for our CEO for her role as a Commissioner on the SRCC and many other core skills central to an APS employee.

Cassie: My first rotation has been with the Legal team. I have been exposed to a broad range of legal work including drafting legal advice, writing case notes, editing guidance materials and updating corporate governance materials. I am also participating in the APS Graduate Program, and as a part of this I am working on a project to build on the Diversity and Inclusion work the agency has already completed.

What training is available to you as a graduate at Safe Work Australia?

Joel: I was also given the opportunity to work towards a Diploma of Government through the APSC where I learnt broader skills and acquired comprehensive knowledge of the broader functions and workings of the APS. As a newcomer to Canberra, I found the training days a great opportunity to connect with graduates from other agencies and make new friends. The broader APSC graduate events were always very enjoyable and something to look forward to.

Cassie: Safe Work Australia has enrolled me in the APSC Graduate Program. The Graduate Program has taught me a broad range of corporate and APS specific knowledge which I have been able to bring back and use in my everyday work. The Graduate Program now contributes to half of a Master's Degree in Public Policy. This is a great opportunity for Graduates and I am very grateful to have this incentive to further my education. Being new to Canberra, the APSC Graduate Program has also given me the chance to meet new people and make friends in Canberra. The level of support and training offered by Safe Work Australia has made my transition to a new city and new job very smooth.

Would you recommend Safe Work Australia to those considering a graduate program?

Joel: Most definitely, being a graduate at Safe Work Australia has allowed me to engage in some really interesting work and learn valuable lessons from experienced mentors and supervisors. The APSC program that I undertook as part of the SWA graduate program was a great introduction to the APS and introduced me to a lot of graduates from other agencies that I continue to remain in contact with.

Cassie: I have found Safe Work Australia to be a friendly and supportive workplace and I have truly enjoyed my time here so far. I am looking forward to gaining more exposure to different areas in the agency in my future rotations and developing my professional skills further.

Terms and conditions of employment and remuneration

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* (Cth).

The Chief Executive Officer, Ms Michelle Baxter, was appointed to the full-time position on 1 November 2015 for a period of five years, following a two year period acting in the position.

The Chair of Safe Work Australia, Ms Diane Smith-Gander, was appointed to the part time position on 5 February 2016 for a period of three years. The previous Chair, Anne Sherry AO completed her three year term on 4 February 2016.

Senior Executive Service employee's terms and conditions of employment and remuneration

Senior Executives terms and conditions are set by way of individual determinations made under section 24(1) of the *Public Service Act 1999* known as the Safe Work Australia Agency Determination (the Determination).

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

Senior Executive employees received a pay increase of 2 per cent on 12 January 2016 in line with Safe Work Australia non-senior executive service employees.

Non-senior executive service remuneration

As at 30 June 2016 all Safe Work Australia non-senior executive service staff were covered by the terms and conditions of the *Safe Work Australia Enterprise Agreement 2015–18* (the EA).

The Safe Work Australia Enterprise Agreement 2011–14 nominally expired on 30 June 2014. Safe Work Australia started preparing for negotiations in July 2014 with the first formal bargaining meeting held in October 2014.

The Safe Work Australia Bargaining Team engaged staff through staff surveys, feedback forums, staff meetings, drop-in sessions and regular email updates on the status of negotiations and proposed changes to the EA including conditions and entitlements.

The EA vote was held on 10 and 11 December 2015 with the outcome being a majority 'yes' vote. The EA was approved by the Fair Work Commission on 5 January 2016 and took effect on 12 January 2016.

Key changes under the EA include a pay increase of 6 per cent over the life of the EA, a new performance and development scheme aimed at building a high performance culture, a new consultation and dispute resolution model and modernisation of the agreement to simplify it, increase readability and remove inflexible, outdated work practices.

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 service employees within the pay point increments of the EA.

Salary ranges for non-senior executive service staff as at 30 June 2016 are outlined in the following table.

Classification	Salary range $
Graduate – APS 3	60,629 to 63,143
APS 4	65,948 to 70,956
APS 5	72,838 to 77,744
APS 6	81,819 to 90,143
EL 1	100,572 to 111,833
Senior Government Lawyer	100,674 to 124,052
Public Affairs Officer	114,597
EL 2	118,514 to 142,061
Principal Government Lawyer	135,160 to 145,789

Winners of the Australia Day Achievement Medallions and Certificates

The CEO presented Australia Day Achievement Medallions and Certificates at a ceremony on 27 January 2016.

Kylie James was awarded the Individual Achievement Medallion for her work on the negotiation of the EA. Two teams were awarded Achievements Medallions. The Workers' Compensation Team was recognised for their work in progressing a number of significant projects. The Accommodation Team received the award for their work on the relocation to the NISHI building.

Allowances and non-salary benefits

Over the course of 2015–16, Safe Work Australia agreed to two Individual Flexibility Arrangements (IFAs) and three short term IFAs with staff members on an ongoing basis to recognise the specialised skills they bring to their roles.

Examples of allowances and non-salary benefits provided to non-senior executive staff under the EA are provided in the following table.

Examples of non-senior executive employees allowances and non-salary benefits	
Incremental advancement for meeting the criteria of the Performance and Development Scheme	Access to flexible working conditions
Temporary performance loading for performing work at a higher classification	Flexible remuneration and salary packaging
Christmas closedown from 12.30 pm on the last working day before Christmas day until the first working day in January	Time off in lieu for Executive Level employees
Workplace Responsibility Allowance	Maternity, Maternal, Supporting Partner, Primary Carer, Parental, Adoption and Foster Care Leave
Community and Indigenous Australian Languages Allowance	Overtime Meal Allowance
Loss, Damage and Indemnity Allowance	Travel Allowance and Motor Vehicle Allowance
Relocation Assistance	Access to the Employee Assistance Program
Support for professional and personal development including the Study Assistance Scheme	Emergency Duty and Additional Child Care Costs

Workforce planning

TRANSFORM 2016–2020

TRANSFORM is a change management program which provides a roadmap to navigate Safe Work Australia through the next five years as Australia continues to work to become a world leader in WHS and workers' compensation. TRANSFORM is designed to make Safe Work Australia a contemporary, innovative and outward looking organisation with a strong, supportive and positive culture with great leaders and open communication.

It will strengthen Safe Work Australia's leadership, policy and strategic capability and make it an employer of choice.

A program is being developed to build leadership, people and communication capabilities at all staff levels. This will include formal training, mentoring and coaching, formal and informal networking opportunities, seminars and discussion sessions.

A critical first step in TRANSFORM was the development, by all staff, of an agency vision and set of values and also the development of a new People Strategy.

Vision and values

On 1 March 2016, Safe Work Australia launched its first ever agency Vision and Values. The Vision and Values focus on organisational culture with the aim of making Safe Work Australia 'a great place to work'.

Staff were active in developing a clear, meaningful vision and a robust, practical set of values that will foster a culture that is collaborative, innovative, positive, solutions-driven, responsive and resilient.

These values:

- > align with and complement the APS Values
- > underpin how staff treat each other and work together
- > reinforce the image Safe Work Australia projects to our stakeholders and others outside the agency, and
- > assist people looking to join Safe Work Australia to understand what we stand for, expect and value.

Monthly 'Walk the Talk' awards have been introduced and are presented to a staff member who has been nominated by their peers as practically demonstrating the agency values.

Agency vision

To be a centre of excellence in WHS and workers' compensations data, research, policy and strategy by creating a great workplace that enables everyone to be and do their best.

Agency Values

We are committed to:

EXCELLENCE

We take **pride** in our work
We are innovative and look to work **smarter**
We are **positive** and **resilient**
We **strive** to be subject matter **experts**

PEOPLE

We treat each other with **respect** and **support** one another
We are empowered to **learn** and **develop** professionally
We are effective **leaders** and celebrate our success
We **promote** wellbeing and work-life **balance**
We promote a participative, model **healthy** and **safe** workplace

COMMUNICATION

We know and **value** each other
We effectively consult and **communicate**
We **collaborate** and work as one team
We **strive** to raise the **profile** and impact of SWA

SERVICE

We build quality **relationships**
We **respect** the knowledge, expertise and views of our stakeholders
We **deliver** effective and workable **outcomes**
We seek **opportunities** to improve our service

People Strategy

Safe Work Australia is developing its first ever People Strategy for release in late 2016. The People Strategy builds on Safe Work Australia's commitment to promote a supportive working environment that values fairness, equity and diversity consistent with the APS Values, Code of Conduct, Employment Principles and the agency Vision and Values.

The People Strategy will ensure Safe Work Australia is in the best position to invest in its staff and ensure the right people are in the right jobs with the right skills. A number of supporting documents will form part of the strategy focusing on key matters including:

> workforce planning encompassing capability development and attraction and retention
> rewards and recognition
> meaningful and supportive performance management, and
> learning and development opportunities.

Rewards and recognition

With the launch of TRANSFORM and the focus on our people and promoting excellence Safe Work Australia has developed a Rewards and Recognition Scheme to recognise staff achievements.

2015–16 has seen the launch of the 'Walk the Talk' award and is designed to recognise someone in the agency who has demonstrated one or more of the corporate values over the month – excellence, people, communication and service.

Staff achievements are also recognised through participation in the Australia Day awards, SES and peer nominated awards and through additional learning and development opportunities.

Agency planning

During 2015–16, 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.

Safe Work Australia Members, the Executive Leadership Team and staff attended planning sessions on separate occasions throughout 2015–16 to discuss future direction and priorities.

Based on these planning sessions, the agency developed the operational plan for 2016–17 which was endorsed by Members in April 2016 and provided to WHS ministers for approval.

In August 2015, WHS ministers approved the corporate plan and operational plan in accordance with the Act.

Workforce planning

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 by undertaking a role evaluation process
> Action area 2: Develop formal position descriptions
> Action area 3: Undertake an agency capability review
> Action area 4: Undertake a staff capability review.

Throughout 2015–16, action areas 1 and 2 were largely completed and substantial progress has been made on action areas 3 and 4.

Safe Work Australia has worked closely with the APSC to develop a number of surveys that will provide data-driven insights to help inform decisions about the most appropriate strategies to implement including the Job Family Model (JFM) survey and the Capability Survey. The JFM survey is key to segmenting the workforce to ensure any risks are understood and addressed. The Capability Survey will be used to identify capability gaps and align capabilities with positions.

The overall objective of the surveys is to collect accurate and up-to-date data to better design jobs and understand the skills, attributes, knowledge and experience required to undertake them. This information is also being used to design strategies to build capabilities such as a new learning and development program, a strategic recruitment plan and a talent management program.

Capability development

Corporate Learning and Development Plan

Safe Work Australia is developing new policies and strategies to support the EA. The 2016 Learning and Development Strategy and Plan were approved in June 2016 and demonstrate the agency's commitment to the ongoing learning program needs of its staff. Having an effective learning and development strategy not only personally benefits staff, it helps the organisation to achieve its strategic goals and objectives.

The agency has adopted the 70:20:10 model of learning and has made training opportunities available through:

> on-the-job learning
> attending external training and conferences
> undertaking online learning through LearnHub and Lynda.com
> attending APS-wide training sessions including the APS Core Skills Program
> attending APS-wide forums
> studies assistance
> becoming a member of professional development associations where required
> participating in an internal Learn From Others Seminar series
> participating in the Leadership and Mentoring Program
> secondment opportunities, and
> other development opportunities identified through the agency's Rewards and Recognition Scheme and Leadership and Mentoring Program.

In 2015–16, the following courses were run as in-house training programs:

> Life Line – Handling challenging calls and behaviours, and
> Core Skills – High performing teams and Structuring work.

Safe Work Australia staff also undertook mandatory training in fraud awareness, risk management, WHS, security and cultural awareness. Staff have also been given access to Lynda.com which provides online training in people management, graphic design and Web design software and core business skills such as communication, dealing with stakeholders, project management and liaison.

The Learning and Development Strategy and Plan complements individual training that employees and managers may agree to in their individually tailored Performance Development Agreement.

Study assistance scheme and professional development

Safe Work Australia offers study assistance and professional development to all staff. This may be facilitated through:

> providing staff with time and/or leave to attend formal courses and conferences, and/or
> providing financial support for vocational education courses, professional memberships and/or registrations.

Performance and development

On 1 July 2015 the Australian Public Service Commissioner's Amendment (Performance Management) Direction 2014 came into effect, providing a clearer direction on how the APS can support and achieve effective performance and uphold the effective performance employment principle. The amendments to the Directions included:

> strengthening the obligations on agency heads with respect to the effective performance Employment principles
> making provision for certain obligations on supervisors and employees relevant to the effective performance Employment Principle, and
> encouraging APS best or better practice by including a requirement to periodically assess and compare an agency's performance management policy and associated processes and practices.

As part of the negotiation of the EA, Safe Work Australia has introduced a new Performance and Development Scheme (the Scheme) with a five point rating scale. The Scheme focuses on achieving effective performance through the:

> development and implementation of individually tailored Performance Development Agreements that clearly set and communicate priorities and provide clarity about strategic goals, and
> introduction of a new feedback process where employees and managers meet four times a year.

The Scheme provides the opportunity for managers and employees to work together on personal and organisational goals to achieve high performance. It aims to improve the quality of performance discussions so employees can grow and develop in their roles.

Leadership

A key element of TRANSFORM is to design and implement a robust leadership program to enhance the management and leadership capability for all levels of staff, with a particular focus on executive level staff.

During 2015–16, a number of initiatives were rolled out:

> a monthly Learn From Others Seminar Series
> external leadership programs
> mentoring and coaching
> leadership conversations for the SES with high profile and inspirational leaders
> TED talks on all aspects of leadership for all staff, and
> regular 'Leadership Learnings'.

During 2016–17, further initiatives under the Leadership Program will be implemented:

> internal leadership training program tailored to agency requirements
> formal mentoring and coaching programs, and
> establishment of a Safe Work Australia Alumni.

Diversity and inclusion

Safe Work Australia is committed to providing a diverse and inclusive workplace. Throughout 2014–15 Safe Work Australia participated in the Australian Network on Disability's (AND) Stepping Into Program and the Jawun Program and developed a new Diversity and Inclusion Strategy.

The Strategy provides a path to ensure the workforce represents the Australian community, and increases awareness among staff of the benefits of having a diverse and inclusive workplace. The Strategy also provides practical and accountable ways of providing employment opportunities and support for a number of diversity groups, including:

> women
> people with disability
> Aboriginal and Torres Strait Islanders
> people from culturally and linguistically diverse backgrounds
> mature age employees, and
> lesbian, gay, bisexual, transgender and intersex people.

Safe Work Australia has an active Disability Champion and is a member of the AND. AND is a not-for-profit organisation that helps advance the inclusion of people with disability and increase disability confidence within the agency.

One of Safe Work Australia's employees participated in the launch of *As One: Making it Happen, APS Disability Employment Strategy 2016–2019* on 31 May 2016. The launch was a call to action for agencies to improve the representation of people with disability in the APS. The event was hosted by the APSC.

Part of the launch involved a panel discussion on employment experiences of APS employees with disability and experiences by managers of managing employees with disability. A Safe Work Australia employee with a disability participated in this panel discussion to discuss their experiences within the APS and provide insight into what the APS can do to better support employees with disability.

Since 1994, non-corporate Commonwealth entities have reported on their performance as policy adviser, purchaser, employer, regulator and provider under the Commonwealth Disability Strategy. In 2007–08, reporting on the employer role was transferred to the Australian Public Service Commission's State of the Service reports and the APS Statistical Bulletin. These reports are available at www.apsc.gov.au. From 2010–11, entities have no longer been required to report on these functions.

The Commonwealth Disability Strategy has been overtaken by the National Disability Strategy 2010–2020, which sets out a 10-year national policy framework to improve the lives of people with disability, promote participation and create a more inclusive society. A high-level, two-yearly report will track progress against each of the six outcome areas of the strategy and present a picture of how people with disability are

faring. The first of these progress reports was published in 2014, and can be found at www.dss.gov.au.

Throughout 2015–16, key initiatives included:

> The AND Stepping Into Program provides university students with disability the opportunity to participate in paid employment. Safe Work Australia employed two interns through the Stepping Into Program in 2015–16 and will participate in the Winter Program in the second half of 2016.

> Discussions commenced with the Department of Human Services and Specialisterne about potential participation in the Dandelion Project. The Dandelion Project provides employment opportunities for people on the Autism Spectrum.

> Participating in the Indigenous Australian Government Development Program (IAGDP). The IAGDP is a 15 month program that aims to increase the representation of Indigenous Australians working in the Australian Government.

> Safe Work Australia sought ways to achieve outcomes in the Commonwealth Aboriginal and Torres Strait Islander Employment Strategy. Safe Work Australia participated in the 2016 Jawun Secondee Program (see Feature story on page 85). This saw one staff member spend five weeks working in a community project in North East Arnhem Land. Learnings about Indigenous culture from that program are being shared with all agency staff.

> Procurement policies are in place to support the Commonwealth Indigenous Procurement Policy and wherever possible the agency seeks to engage Indigenous business service providers.

As at 1 January 2016 small agencies are no longer required to have individual multicultural plans in place. Safe Work Australia has incorporated multicultural equity and awareness into the Diversity and Inclusion Strategy.

Supporting Indigenous work health and safety

For the first time, Safe Work Australia participated in the Jawun program sending Dr Peta Miller, Special Advisor, to work with the Dhimurru Aboriginal Corporation in Nhulunbuy in the Northern Territory for five weeks.

Djalinda, Dhimurru's senior activity cultural adviser welcoming Peta

This well regarded program brings together corporate, government and Indigenous leaders to share their skills and knowledge to create practical change. This participation formed part of the agency's 2016 contribution to the Australian Government's Indigenous Advancement Strategy.

Established by Yolngu land-owners in Northeast Arnhem Land, Dhimurru oversee the protection, conservation and sustainable management of Indigenous Protected Areas including the picturesque and well-used recreation reserves near Gove. The rangers' duties range from conservation of the local flora, fauna and general environment, relocation of problem crocodiles, issuing visitor permits, and undertaking cooperative projects (like surveying crazy yellow ant, ghost nets and endangered species). Their work with local educators to deliver 'learning on country' programs is helping improve school attendance and engaging the next generation of Yolngu young leaders in caring for their country.

In this very remote and beautiful part of the world, the rangers have an interesting and unique mix of common and quite unusual health and safety risks. Using a collaborative model Dr Miller helped them identify their key workplace hazards and risks and culturally appropriate practical policies and procedures. She was well supported by the local NT Worksafe.

Interestingly, while Safe Work Australia in Canberra was developing and implementing its 'TRANSFORM program', thousands of kilometres away senior support officer Thomas Amagula was also thinking about organisational and safety values. He worked with Dr Miller to develop organisational and WHS values that would meld balanda (white people) and the Yolngu ways. His model used the Yolngu concept of *raypirri,* which speaks to obligations and responsibility to family, country, culture and law. While independently developed, the Safe Work Australia and Dhimurru values have great commonality and underscore that, despite our differences, we have many more similarities.

Health and wellbeing strategies

Safe Work Australia is committed to providing a healthy, safe and productive working life for all staff. The 2016 Health and Wellbeing Strategy was approved in May 2016 and offers initiatives to staff to promote health and wellbeing. These include:

> regular email updates to staff about WHS
> workstation assessments for all staff
> voluntary influenza vaccinations
> promotion of healthy eating
> participation in 'Stand Up, Sit Less, Move More' pilot
> participation in the Stepathlon 10,000 step challenge, and
> promotion of key safety days including World Safety Day, Fatality Free Friday and World No Tobacco Day.

Staff were encouraged to participate in a number of health and safety activities as part of National Safe Work Month held in October 2015.

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.

Staff have access to trained harassment contact offices, first aid officers, fire wardens and a dedicated Equity and Diversity officer.

Managing absenteeism

Safe Work Australia has continued to make improvements in relation to the amount of unscheduled leave taken by staff. A number of strategies were implemented in 2015–16 to increase awareness and understanding of the reasons staff were accessing high levels of leave. As a result, there has been a reduction in the unscheduled leave rate from 12 days per person in 2014–15 (State of the Service Report) to 11.4 days per person in 2015–16.

The agency will continue to work with staff and managers to understand and improve unscheduled leave usage.

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 2015–16.

In 2015–16 Safe Work Australia had one new workers' compensation claim lodged with Comcare, which was declined.

Safe Work Australia has been working closely with managers and employees on early intervention strategies to minimise the potential impact of injuries on employees and the workplace. The agency has engaged a third party provider to assist in the early intervention strategies and provide case management assistance where required.

Communication and consultation

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

Effective communication is delivered through the following:

> all staff stand up meetings
> regular email messages from the Chief Executive Officer
> all staff emails and corporate newsletters
> branch and section meetings
> information and drop in sessions
> the Intranet, and
> the Employee Consultative Forum (ECF).

Employee Consultative Forum

The ECF was formed in March 2016 following the commencement of the EA. The ECF ensures Safe Work Australia meets its requirements under the EA, the *Fair Work Act 2009* (Cth) and the WHS Act.

The ECF is a mechanism to ensure effective communication, understanding and cooperation between management and employees. It replaces the Workplace Consultative Forum (WCF) and the Work Health and Safety Committee (WHSC) that was in place under the previous EA.

The ECF meets four times a year to discuss issues surrounding the implementation of the EA, planned changes to employment related policies and procedures, consultation and discussion of WHS issues.

Since its establishment, the ECF has met on two occasions to discuss a number of key documents including the Health and Wellbeing Strategy, the Diversity and Inclusion Strategy, the Learning and Development Strategy and Plan, the internal Client Service Charter and the Working Arrangements Policy. A presentation on a potential new records management system was also discussed at its last meeting.

The former WCF met on three occasions in 2015 to discuss issues arising out of bargaining, employment matters and the relocation of Safe Work Australia to new premises. The former WHSC met on four occasions with the major achievement being an updated Health and Wellbeing Policy and the safe relocation to the premises.

Health and Safety Representative

The Health and Safety Representative (HSR) and Deputy HSR represent the health and safety interests of Safe Work Australia employees. The HSR and Deputy HSR carry out bi-annual inspections of agency premises to identify any actual or potential health and safety concerns ensuring the health, safety and welfare of all employees. The HSR works closely with both the Work Health and Safety Officer and the Property Team to identify and resolve issues as quickly as possible.

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 and personnel processing to assist in reducing red tape and improving efficiency.

Safe Work Australia continues to partner with the SSC for the delivery of the following technological solutions to improve its day to day operations:

> eRecruit – an online recruitment system which assists with streamlining recruitment processes.

- LearnHub – an online learning and development system for staff.
- RiskActive – an organisation-wide risk management information system designed to help identify, manage and report on agency risks.
- Connect Business Intelligence model – 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.

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

Department of Employment

Safe Work Australia has an arrangement in place with the Department of Employment to deliver services including corporate communications, ministerial and parliamentary services, Employee Assistance Program and support for the Hazardous Substances Information System.

Australian Competition and Consumer Commission

The agency has a MoU arrangement with the Australian Competition and Consumer Commission (ACCC) to sub-lease their premises at Level 7, 2 Phillip Law Street New Acton. The lease is for a term of 15 years ending 17 December 2027.

5 Financial performance

Financial Overview

Safe Work Australia does not have any administered funding and there were no new measures sought or provided in the 2015–16 financial year. The agency had a full year operating surplus for 2015–16 that reduces the previous years 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 2015–16.

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 and support for staff undertaking procurements.

Compliance reporting

In 2015–16 there were no instances of significant non-compliance with finance law related to Safe Work Australia.

Safe Work Australia's support of small business

Safe Work Australia is committed to supporting SMEs 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 tender processes and contracts by using a set of Terms and Conditions that are consistent with other departments that SMEs 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.

Safe Work Australia supports small business participation in the Commonwealth Government procurement market. SME and Small Enterprises participation statistics are available on the Department of Finance's website.

For more information about:

> SME participation refer to the Department of Finance's website: www.finance.gov.au/procurement/statistics-on-commonwealthpurchasing-contracts, and
> the results of the Survey of Australian Government Payments to Small Business refer to Treasury's website: www.treasury.gov.au

Grants

Information on grants awarded by Safe Work Australia during the period 1 July 2015 to 30 June 2016 is available on the Safe Work Australia website.

Legal costs

Information required by the Legal Services Directions 2005 on Safe Work Australia's legal services purchasing for 2015–16 will be made available on the Safe Work Australia website by 30 October 2016.

Consultancy contracts

Annual reports contain information about actual expenditure on contracts for consultancies. Information on the value of contracts and consultancies is available on the AusTender website. During 2015–16, 26 new consultancy contracts were entered into involving total actual expenditure of $1.436 million including GST. In addition, 4 ongoing consultancy contracts were active during the period, involving total actual expenditure of $0.691 million including GST.

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 Regulations, the Commonwealth Procurement Rules and associated Guidance Notes.

Australian National
Audit Office

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 2016, which comprise:

- Statement by the Accountable Authority and Chief Financial Officer;
- Statement of Comprehensive Income;
- Statement of Financial Position;
- Statement of Changes in Equity;
- Cash Flow Statement; and
- Notes comprising a Summary of Significant Accounting Policies and other explanatory information.

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 2016 and its financial performance and cash flows for the year then ended.

Accountable Authority'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 and is also responsible for such internal control as the Chief Executive Officer determines 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 statements in order to design audit procedures that are appropriate in the

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

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 Accountable Authority of the entity, 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.

Australian National Audit Office

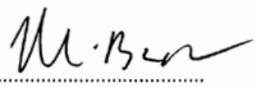
John Jones
Executive Director
Delegate of the Auditor-General
Canberra
23 September 2016

STATEMENT BY THE ACCOUNTABLE AUTHORITY AND CHIEF FINANCIAL OFFICER

In our opinion, the attached financial statements for the year ended 30 June 2016 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.

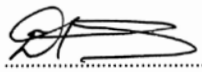
Signed



Michelle Baxter
Chief Executive Officer

23 September 2016

Signed



Danette Fenton-Menzies
Chief Financial Officer

23 September 2016

Statement of Comprehensive Income

for the period ended 30 June 2016

	Notes	2016 $'000	2015 $'000	Original Budget $'000
NET COST OF SERVICES				
Expenses				
Employee Benefits	1.1A	**13,081**	11,970	12,868
Suppliers	1.1B	**5,885**	5,888	6,752
Grants	1.1C	**196**	-	100
Depreciation and Amortisation	2.2A	**711**	600	171
Write-Down and Impairment of Assets	1.1D	**4**	9	-
Total expenses		**19,877**	18,467	19,891
Own-Source Income				
Own-source revenue				
Sale of Goods and Rendering of Services	1.2A	**10,274**	10,155	10,028
Other Revenue	1.2B	**54**	51	-
Total own-source revenue		**10,328**	10,206	10,028
Gains				
Reversal of Write-downs and Impairment	1.2C	**-**	3	-
Other Gains	1.2D	**3,040**	9	60
Total gains		**3,040**	12	60
Total own-source income		**13,368**	10,218	10,088
Net (cost of)/contribution by services		**(6,509)**	(8,249)	(9,803)
Revenue from Government	1.2E	**9,625**	9,607	9,632
Surplus/(Deficit) before income tax on continuing operations		**3,116**	1,358	(171)
Surplus/(Deficit) after income tax on continuing operations		**3,116**	1,358	(171)
OTHER COMPREHENSIVE INCOME				
Items not subject to subsequent reclassification to net cost of services				
Changes in asset revaluation surplus		**(84)**	(9)	-
Items subject to subsequent reclassification to net cost of services				
Total other comprehensive income before income tax[1]		**(84)**	(9)	-
Total other comprehensive income after income tax		**(84)**	(9)	-

1. There are no reclassification adjustments relating to items of other comprehensive income.

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

Budget Variances Commentary

Statement of Comprehensive Income for not-for-profit Reporting Entities

- Suppliers : The variance of -$0.867m (-12.84%) was mostly due to staffing changes which enabled work to be undertaken in-house resulting in a reduction in the use of consultancy services.
- Grants : The variance of $0.096m (96%) was due to an increase in one-off grants funded during the year as a result Safe Work Australia engaging in more targeted funding.
- Depreciation and Amortisation: The variance of $0.540m (315.79%) was due to Safe Work Australia moving to new premises at Level 7, Nishi Building, 2 Phillip Law Street, Acton during the year. The leasehold fitout of the new premises was recognised at fair value from 1 July 2015 and the Agency incurred additional fitout costs for alterations (this work was internally funded by the Agency). The recognition of the fitout is also recognised in Changes in Asset Revaluation Surplus.
- Other Gains : The variance of $2.980m (4966.67%) was due to budgeted gains not including the recognition of new fitout asset as described in the Depreciation and Amortisation variance

Statement of Financial Position

as at 30 June 2016

	Notes	2016 $'000	2015 $'000	Original Budget $'000
ASSETS				
Financial assets				
Cash and Cash Equivalents	2.1A	**375**	294	303
Trade and Other Receivables	2.1B	**11,749**	12,618	11,291
Other Financial Assets	2.1C	**42**	45	-
Total financial assets		**12,166**	12,957	11,594
Non-financial assets				
Buildings	2.2A	**3,048**	130	183
Plant and Equipment	2.2A	**172**	154	167
Computer Software	2.2A	**28**	11	117
Other Non-Financial Assets	2.2B	**40**	20	82
Total non-financial assets		**3,288**	315	549
Assets held for sale		**-**	-	-
Total assets		**15,454**	13,272	12,143
LIABILITIES				
Payables				
Suppliers	2.3A	**1,217**	1,770	2,008
Grants	2.3B	**19**	-	-
Other Payables	2.3C	**196**	793	392
Total payables		**1,432**	2,563	2,400
Provisions				
Employee Provisions	4.1A	**3,509**	3,301	4,013
Total provisions		**3,509**	3,301	4,013
Total liabilities		**4,941**	5,864	6,413
Net assets		**10,513**	7,408	5,730
EQUITY				
Contributed Equity		**4,948**	4,275	4,296
Reserves		**776**	860	859
Retained surplus/(Accumulated deficit)		**4,790**	2,273	575
Total equity		**10,513**	7,408	5,730

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

Budget Variances Commentary

- Buildings: The variance of $2.865m (1565.57%) relates to capital expenditure on the fitout at Safe Work Australia's new premises and recognition and revaluation of the fitout at fair value.
- Supplier and Other Payables: The variances of -$0.791m (-39.39%) (Supplier Payables) and -$0.196m (-49.96%) (Other Payables) relate to the timing of invoices received.
- Employee Provisions: The variance of -$0.504m (-12.56%) reflects a change in the composition of employee annual and long service leave provisions compared with the budgeted amount due to a combination of staff turnover and changes to the standard parameters issued by the Department of Finance.

Statement of Changes in Equity

for the period ended 30 June 2016

	Notes	2016 $'000	2015 $'000	Original Budget $'000
CONTRIBUTED EQUITY				
Opening balance				
Balance carried forward from previous period		**4,275**	4,050	4,223
Adjusted opening balance		**4,275**	4,050	4,223
Transactions with owners				
Distributions to owners				
Contributions by owners				
Departmental capital budget		**73**	225	73
Total transactions with owners		**73**	225	73
Transfers between equity components		**600**	-	-
Closing balance as at 30 June		**4,948**	4,275	4,296
RETAINED EARNINGS				
Opening balance				
Balance carried forward from previous period		**2,274**	916	746
Write off of asset revaluation decrements upon disposal of assets		**-**	(9)	-
Adjusted opening balance		**2,274**	907	746
Comprehensive income				
Surplus/(Deficit) for the period		**3,116**	1,358	(171)
Total comprehensive income		**3,116**	1,358	(171)
Transfers between equity components		**(600)**	9	-
Closing balance as at 30 June		**4,790**	2,274	575
ASSET REVALUATION RESERVE				
Opening balance				
Balance carried forward from previous period		**860**	860	859
Adjusted opening balance		**860**	860	859
Comprehensive income				
Write off of asset revaluation decrements upon disposal of assets		**-**	9	-
Other comprehensive income		**(84)**	-	-
Total comprehensive income		**(84)**	9	-
Transfers between equity components		**-**	(9)	-
Closing balance as at 30 June		**776**	860	859

	Notes	2016 $'000	2015 $'000	Original Budget $'000
TOTAL EQUITY				
Opening balance				
Balance carried forward from previous period		**7,408**	5,825	5,828
Adjusted opening balance		**7,408**	5,825	5,828
Comprehensive income				
Surplus/(Deficit) for the period		**3,116**	1,358	(171)
Other comprehensive income		**(84)**	-	-
Total comprehensive income		**3,032**	1,358	(171)
Transactions with owners				
Distributions to owners				
Contributions by owners				
Departmental capital budget		**73**	225	73
Total transactions with owners		**73**	225	73
Closing balance as at 30 June		**10,513**	7,408	5,730

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

Accounting Policy
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.

Budget Variances Commentary

- Opening Balance Retained Earnings : The variance of $1.528m (204.87%) is due to budget being prepared before actual results for 2014-15 financial year were known.
- Total Comprehensive Income : The variance of $3.287m was mainly due to Safe Work Australia moving to new premises at Level 7, Nishi Building, 2 Phillip Law Street, Acton during the year. The leasehold fitout of the new premises was recognised at fair value from 1 July 2015 and recognised under Other Gains in the Statement of Comprehensive Income. The fitout was subsequently revalued as at 30 June 2016 which is reflected in the Asset Revaluation Reserve.

Cash Flow Statement

for the period ended 30 June 2016

	Notes	2016 $'000	2015 $'000	Budget $'000
OPERATING ACTIVITIES				
Cash received				
Appropriations		**9,625**	9,607	9,632
Sale of goods and rendering of services		**11,314**	11,247	11,038
Other		**815**	-	-
Total cash received		**21,754**	20,854	20,670
Cash used				
Employees		**13,571**	12,019	12,868
Suppliers		**6,816**	6,419	6,752
Grants		**196**	-	100
Net GST paid		**452**	587	687
Section 74 receipts transferred to OPA		**-**	1,936	-
Total cash used		**21,035**	20,961	20,407
Net cash from/(used by) operating activities		**719**	(107)	263
INVESTING ACTIVITIES				
Cash received				
Proceeds from sales of property, plant and equipment		**-**	9	-
Total cash received		**-**	9	-
Cash used				
Purchase of property, plant and equipment		**712**	136	73
Total cash used		**712**	136	73
Net cash from/(used by) investing activities		**(712)**	(127)	(73)
FINANCING ACTIVITIES				
Cash received				
Contributed equity		**73**	225	73
Total cash received		**73**	225	73
Cash used				
Other		**-**	-	263
Total cash used		**-**	-	263
Net cash from/(used by) financing activities		**73**	225	(190)
Net increase/(decrease) in cash held		**80**	(9)	-
Cash and cash equivalents at the beginning of the reporting period		**294**	303	303
Cash and cash equivalents at the end of the reporting period	2.1A	**375**	294	303

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

Budget Variances Commentary

Cash Flow Statement for not-for-profit Reporting Entities

- Grants : The variance of $0.096m (96%) was due to an increase in one-off grants funded during the year.
- Net GST paid: The variance of -$0.235m (-34.21%) was due to the different GST statuses of Safe Work Australia's Suppliers.
- Purchase of property, plant and equipment: The variance of $0.542m (742.47%) is due to additional fitout costs of alterations to the leasehold fitout at Nishi, 2 Phillip Law Street, Acton. This work was internally funded by the Agency.

Summary of Significant Accounting Policies

Objectives of Safe Work Australia

Safe Work Australia is an Australian Government controlled not-for-profit entity. 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 and with its present programmes is dependent on Government policy and on continuing funding by Parliament for the entity's administration and programmes.

Agency activities contributing toward this outcome are classified as departmental. Departmental activities involve the use of assets, liabilities, income and expenses controlled or incurred by the entity in its own right.

The Basis of Preparation

The financial statements are general purpose financial statements and are required by section 42 of the *Public Governance, Performance and Accountability Act 2013* .

The financial statements have been prepared in accordance with:

a) *Public Governance, Performance and Accountability (Financial Reporting) Rule 2015* (FRR) for reporting periods ending on or after 1 July 2015; and

b) Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (AASB) 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.

New Accounting Standards

Adoption of New Australian Accounting Standard Requirements
No accounting standard has been adopted earlier than the application date as stated in the standard.

Future Australian Accounting Standard Requirements
The following new, revised or amended standards and/or interpretations, which are expected to have a material impact on the entity's financial statements for future reporting period(s), were issued by the Australian Accounting Standards Board prior to the signing of the statement by the accountable authority and chief financial officer:

Standard/ Interpretation	Application date for the entity[1]	Nature of impending change/s in accounting policy and likely impact on initial application
AASB 15 Revenue from Contracts with Customers, AASB 2014-5 Amendments to Australian Accounting Standards arising from AASB 15, AASB 2016-3 Amendments to Australian Accounting Standards - Clarifications to AASB 15	1-Jan-18	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 accounting treatments for the 2016-17 comparative disclosures. 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.
AASB 16 Leases	1-Jan-19	Changes to Leases will bring all leases onto the balance sheet of lessees. These revisions first apply in the 2018-19 financial statements. Likely impact: The likely impact is currently not known. Depending on the nature of the Agency's leases, the new standard may have a material impact at the time of adoption.

1. The entity's expected initial application date is when the accounting standard becomes operative at the beginning of the entity's reporting period.

All other [new/revised/amending standards and/or interpretations] that were issued prior to the sign-off date and are applicable to future reporting period(s) are not expected to have a future material impact on the entity's financial statements.

Taxation

The entity 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:

a) where the amount of GST incurred is not recoverable from the Australian Government; and

b) for receivables and payables.

Events After the Reporting Period

Departmental

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

Breach of Section 83 of the Constitution

Safe Work Australia is not aware of any breach of Section 83 of the Constitution.

The Australian Government continues to have regard to developments in case law, including the High Court's 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.

Financial Performance

This section analyses the financial performance of Safe Work Australia for the year ended 2016.

1.1 Expenses

	2016 $'000	2015 $'000
1.1A: Employee Benefits		
Wages and salaries	**8,564**	8,332
Superannuation		
Defined contribution plans	**748**	645
Defined benefit plans	**1,286**	1,248
Leave and other entitlements	**2,110**	1,351
Separation and redundancies	**373**	394
Total employee benefits	**13,081**	11,970

Accounting Policy
Accounting policies for employee related expenses is contained in the People and Relationships section.

1.1B: Suppliers		
Goods and services supplied or rendered		
Consultants	**1,938**	2,101
Contractors	**42**	137
Travel	**223**	171
IT services	**381**	269
Recruitment and Training	**221**	154
Advertising	**129**	60
Office Supplies	**46**	65
Venue Hire / Guest Speakers	**27**	10
Subscriptions	**36**	17
Corporate Costs	**1,068**	925
Property Costs	**144**	225
Sponsorships	**65**	46
Other	**505**	584
Total goods and services supplied or rendered	**4,825**	4,762
Goods supplied	**57**	81
Services rendered	**4,768**	4,681
Total goods and services supplied or rendered	**4,825**	4,762
Other suppliers		
Operating lease rentals in connection with		
Subleases	**987**	1,000
Workers compensation expenses	**73**	126
Total other suppliers	**1,060**	1,125
Total suppliers	**5,885**	5,888

Leasing commitments

Safe Work Australia in its capacity as lessee of Level 7, Nishi Building, 2 Phillip Law Street, Acton has entered into a 7 year lease ending on 30 June 2022, with a five years, five months and 16 day option commencing on 3 July 2022 and expiring on 16 December 2027.

Commitments for minimum lease payments in relation to non-cancellable operating leases are payable as follows:		
Within 1 year	**729**	973
Between 1 to 5 years	**3,275**	4,003
More than 5 years	**916**	915
Total operating lease commitments	**4,920**	5,891

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

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

Operating lease payments are expensed on a straight-line basis which is representative of the pattern of benefits

	2016	2015
	$'000	$'000
1.1C: Grants		
External	**196**	-
Total grants	**196**	-
1.1D: Write-Down and Impairment of Assets		
Impairment of property, plant and equipment	**4**	9
Total write-down and impairment of assets	**4**	9

1.2 Own-Source Revenue and Gains

	2016 $'000	2015 $'000
Own-Source Revenue		
1.2A: Sale of Goods and Rendering of Services		
Rendering of services	**10,274**	10,155
Total sale of goods and rendering of services	**10,274**	10,155

Accounting Policy

Revenue from rendering of services - States and Territory contributions

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 amunts are derived by reference to the *Inter-Governmental Agreement for Regulatory and Operational Reform in Occupational Health and Safety*.

Other revenue from rendering of services

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:

a) the amount of revenue, stage of completion and transaction costs incurred can be reliably measured; and
b) 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 of costs incurred to date compared 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 end of the reporting period. Allowances are made when collectability of the debt is no longer probable.

	2016 $'000	2015 $'000
1.2B: Other Revenue		
Resources received free of charge		
Remuneration of auditors	**44**	46
Provision of consultancy services	**-**	5
Other	**10**	-
Total other revenue	**54**	51

Accounting Policy

Resources Received Free of Charge

Resources received free of charge are recognised as revenue 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.

Gains

1.2C: Reversal of Write-downs and Impairment		
Reversal of impairment losses	**-**	3
Total reversals of previous asset write-downs and impairments	**-**	3

	2016 $'000	2015 $'000
1.2D: Other Gains		
Gains from sale of assets	-	9
Other	3,040	-
Total other gains	3,040	9

Accounting Policy

Sale of Assets

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

Other

This is associated with with Other Revenue.

Safe Work Australia recognised leasehold fitout for its new premises - Nishi Building, 2 Phillip Law Street, Acton, as at commencement of the sub-lease on 1 July 2015.

1.2E: Revenue from Government		
Appropriations		
Departmental appropriations	9,625	9,607
Total revenue from Government	9,625	9,607

Accounting Policy

Revenue from Government

Amounts appropriated for departmental outputs for the year (adjusted for any formal additions and reductions) are recognised as Revenue from Government when the entity 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.

Financial Position

This section analyses Safe Work Australia's assets used to conduct its operations and the operating liabilities incurred as a result.
Employee related information is disclosed in the People and Relationships

2.1 Financial Assets

	2016 $'000	2015 $'000
2.1A: Cash and Cash Equivalents		
Cash in special accounts	**375**	294
Cash on hand or on deposit	**-**	-
Total cash and cash equivalents	**375**	294

Accounting Policy
Cash is recognised at its nominal amount. Cash and cash equivalents includes:
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; and
c) cash in special accounts.

2.1B: Trade and Other Receivables		
Goods and services receivables		
Goods and services	**142**	158
Total goods and services receivables	**142**	158
Appropriations receivables		
Appropriation receivable	**11,537**	12,342
Total appropriations receivables	**11,537**	12,342
Other receivables		
Statutory receivables	**70**	118
Total other receivables	**70**	118
Total trade and other receivables (gross)	**11,749**	12,618
Less impairment allowance	**-**	-
Total trade and other receivables (net)	**11,749**	12,618
Trade and other receivables (net) expected to be recovered		
No more than 12 months	**11,749**	12,618
Total trade and other receivables (net)	**11,749**	12,618
Trade and other receivables (gross) aged as follows		
Not overdue	**11,749**	12,618
Total trade and other receivables (net)	**11,749**	12,618

Credit terms for goods and services were 30 days (2015: 30 days).

Accounting Policy
Loans and Receivables
Trade receivables, loans and other receivables that have fixed or determinable payments and 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.

	2016 $'000	2015 $'000
2.1C: Other Financial Assets		
Accrued income	**42**	45
Total other financial assets	**42**	45
Other financial assets expected to be recovered		
No more than 12 months	**42**	45
Total other financial assets	**42**	45

2.2 Non-Financial Assets

2.2A: Reconciliation of the Opening and Closing Balances of Property, Plant and Equipment and Intangibles

Reconciliation of the opening and closing balances of property, plant and equipment for 2016

	Buildings $'000	Plant and equipment $'000	Computer Software1 $'000	Total $'000
As at 1 July 2015				
Gross book value	**1,170**	**226**	**303**	**1,699**
Accumulated depreciation, amortisation and impairment	**(1,040)**	**(72)**	**(292)**	**(1,404)**
Total as at 1 July 2015	**130**	**154**	**11**	**295**
Additions				
Leasehold Fitout Resource Received Free of Charge	**3,040**	**-**	**-**	**3,040**
Purchases	**593**	**91**	**-**	**684**
Internally developed	**-**	**-**	**28**	**28**
Revaluations and impairments recognised in other comprehensive income	**(81)**	**(4)**	**-**	**(85)**
Depreciation and amortisation	**(634)**	**(66)**	**(11)**	**(711)**
Disposals				
Other	**-**	**(4)**	**-**	**(4)**
Total as at 30 June 2016	**3,048**	**172**	**28**	**3,248**
Total as at 30 June 2016 represented by				
Gross book value	**3,048**	**187**	**319**	**3,554**
Accumulated depreciation, amortisation and impairment	**-**	**(15)**	**(291)**	**(306)**
Total as at 30 June 2016	**3,048**	**172**	**28**	**3,248**

1. The carrying amount of computer software includes $27,636 for internally generated software under construction.

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

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

Revaluations of non-financial assets
All revaluations were conducted in accordance with the revaluation policy stated at Note 5.3. On 18 May 2016, an independent valuer conducted the revaluations.

Contractual commitments for the acquisition of property, plant, equipment and intangible assets
Safe Work Australia has no significant contractual commitments for the acquisition of property, plant, equipment and intangible assets.

Reconciliation of the opening and closing balances of property, plant and equipment for 2015

	Buildings $'000	Plant and equipment $'000	Computer Software $'000	Total $'000
As at 1 July 2014				
Gross book value	1,170	179	303	1,652
Accumulated depreciation, amortisation and impairment	(519)	(47)	(260)	(826)
Total as at 1 July 2014	651	132	43	826
Additions				
Purchase	-	75	-	75
Revaluations and impairments recognised in other comprehensive income	-	3	-	3
Depreciation and amortisation	(521)	(47)	(32)	(600)
Disposals				
Other	-	(9)	-	(9)
Total as at 30 June 2015	130	154	11	295
Total as at 30 June 2015 represented by				
Gross book value	1,170	226	303	1,699
Accumulated depreciation, amortisation and impairment	(1,040)	(72)	(292)	(1,404)
Total as at 30 June 2015	**130**	**154**	**11**	**295**

Accounting Policy
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 property, 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).

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 'make good' provisions in property leases taken up by the entity where there exists an obligation to restore the property to its original condition. These costs are included in the value of the entity's leasehold improvements with a corresponding provision for the 'make good' recognised.

Revaluations
Following initial recognition at cost, property, 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 did 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 reversed 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 reversed a previous revaluation increment for that class.

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

Depreciation
Depreciable property, plant and equipment assets are written-off to their estimated residual values over their estimated useful lives to the entity 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:

Leasehold Improvements: Lease term
Plant and Equipment: 3 to 15 years

Impairment
All assets were assessed for impairment at 30 June 2016. 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 entity 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.

Computer Softwares

The Safe Work Austraia's intangibles comprise internally developed software for internal use. These assets are carried at cost less accumulated amortisation and accumulated impairment losses.

Software is amortised on a straight-line basis over its anticipated useful life. The useful lives of the entity's software are 2 to 5 years (2015: 2 to 5 years).

All software assets were assessed for indications of impairment as at 30 June 2016.

	2016 $'000	2015 $'000
2.2B: Other Non-Financial Assets		
Prepayments	**40**	20
Total other non-financial assets	**40**	20
Other non-financial assets expected to be recovered		
No more than 12 months	**40**	20
Total other non-financial assets	**40**	20

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

2.3 Payables

	2016 $'000	2015 $'000
2.3A: Suppliers		
Trade creditors and accruals	**1,217**	1,770
Total suppliers	**1,217**	1,770
Suppliers expected to be settled		
No more than 12 months	**1,217**	1,770
Total suppliers	**1,217**	1,770

Settlement terms for supplier invoices range from 7 days to 30 days. Accrued expenses were not yet invoiced as at 30 June 2016.

2.3B: Grants		
Other		
External parties	**19**	-
Total grants	**19**	-
Grants expected to be settled		
No more than 12 months	**19**	-
Total grants	**19**	-

Settlement terms for grants are within 30 days of providing a correctly rendered invoice.

2.3C: Other Payables		
Salaries and wages	**54**	708
Superannuation	**7**	67
Other	**135**	18
Total other payables	**196**	793
Other payables to be settled		
No more than 12 months	**196**	793
Total other payables	**196**	793

Funding

This section identifies Safe Work Australia's funding structure.

3.1 Appropriations

3.1A: Annual Appropriations ('Recoverable GST exclusive')

Annual Appropriations for 2016

	Appropriation Act		*PGPA Act*				
	Annual Appropriation $'000	**Advance to the Finance Minister $'000**	**Section 74 Receipts $'000**	**Section 75 Transfers $'000**	**Total appropriation $'000**	**Appropriation applied in 2016 (current and prior years) $'000**	**Variance[1] $'000**
Departmental							
Ordinary annual services	**9,632**	**-**	**-**	**-**	**9,632**	**9,625**	**7**
Capital Budget[2]	**73**	**-**	**-**	**-**	**73**	**73**	**-**
Total departmental	**9,705**	**-**	**-**	**-**	**9,705**	**9,698**	**7**

1. During 2016, $7,470 was withheld from Safe Work Australia's departmental appropriation under section 51 of the *PGPA Act* and quarantined for administrative purposes. This reduction was for Whole of Government savings relating to Public Sector Superannuation Accumulation Plan administration expenses.
2. Departmental 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.

Annual Appropriations for 2015

	Appropriation Act		*PGPA Act*				
	Annual Appropriation[1] $'000	Advance to the Finance Minister $'000	Section 74 Receipts $'000	Section 75 Transfers $'000	Total appropriation $'000	Appropriation applied in 2015 (current and prior years) $'000	Variance $'000
Departmental							
Ordinary annual services	9,607	-	-	-	9,607	9,607	-
Capital Budget[2]	225	-	-	-	225	225	-
Total departmental	9,832	-	-	-	9,832	9,832	-

1. During 2015, there were no appropriation amounts withheld under section 51 of the *PGPA Act* or quarantined for administrative purposes.
2. Departmental 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.

3.1B: Unspent Annual Appropriations ('Recoverable GST exclusive)

	2016 $'000	2015 $'000
Departmental		
Appropriation Act (No. 1) 2015-16	**7**	-
Total departmental	**7**	-

3.2 Special Accounts

	Safe Work Australia Special Account[1]	
	2016	2015
	$'000	$'000
Balance brought forward from previous period	**12,636**	10,708
Increases		
Appropriation credited to Special Account	**9,625**	9,607
Capital injection - Departmental Capital Budget	**73**	225
Revenue from services	**11,314**	10,238
Other receipts	**10**	9
Total increases	**21,022**	20,079
Available for payments	**33,658**	30,788
Decreases		
Departmental		
Payments made to suppliers	**7,724**	6,134
Payments made to employees	**13,571**	12,018
Net GST paid	**452**	-
Total departmental	**21,747**	18,152
Total decreases	**21,747**	18,152
Total balance carried to the next period	**11,911**	12,636

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.

3.3 Net Cash Appropriation Arrangements

	2016 $'000	2015 $'000
Total comprehensive income/(loss) less depreciation/amortisation expenses previously funded through revenue appropriations	**2,321**	749
Total comprehensive income less depreciation/amortisation expenses previously funded through revenue appropriations	**2,321**	749
Plus: depreciation/amortisation expenses previously funded through revenue appropriation	**711**	600
Total comprehensive income/(loss) - as per the Statement of Comprehensive Income	**3,032**	1,349
Total comprehensive income - as per the Statement of Comprehensive Income	**3,032**	1,349

3.4 Cash Flow Reconciliation

3.4A: Cash Flow Reconciliation

	2016 $'000	2015 $'000
Reconciliation of cash and cash equivalents as per statement of financial position and cash flow statement		
Cash and cash equivalents as per		
Cash flow statement	**375**	294
Statement of financial position	**375**	294
Discrepancy	**0**	0
Reconciliation of net cost of services to net cash from/(used by) operating activities		
Net(cost of)/contribution by services	**(6,509)**	(8,249)
Revenue from Government	**9,625**	9,607
Cash from (to) OPA	**805**	(1,936)
Adjustments for non-cash items		
Depreciation/amortisation	**711**	600
Net write down of non-financial assets	**4**	9
Gain on disposal of assets	**-**	(12)
Resources received free of charge	**44**	51
Gain on recognition of asset for first time	**(3,040)**	-
Movement in assets and liabilities		
Assets		
(Increase)/Decrease in net receivables	**(10)**	25
(Increase)/Decrease in prepayments	**(20)**	61
(Increase)/Decrease in GST receivable	**16**	(60)
Liabilities		
Increase/(Decrease) in employee provisions	**225**	(374)
Increase/(Decrease) in suppliers payables	**(395)**	(229)
Increase/(Decrease) in other payables	**(712)**	400
Increase/(Decrease) in GST payable	**(25)**	-
Net cash from/(used by) operating activities	**719**	(107)

People and relationships

This section describes a range of employment and post employment benefits provided to our people and our relationships with other key people.

4.1 Employee Provisions

	2016 $'000	2015 $'000
4.1A: Employee Provisions		
Leave	**3,509**	3,301
Total employee provisions	**3,509**	3,301
Employee provisions expected to be settled		
No more than 12 months	**1,255**	1,188
More than 12 months	**2,254**	2,113
Total employee provisions	**3,509**	3,301

Accounting policy

Liabilities for 'short-term employee benefits and termination benefits expected within twelve months of the end of reporting period are measured at their nominal amounts.

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.

The leave liabilities are calculated on the basis of employees' remuneration at the estimated salary rates that will be applied at the time the leave is taken, including the entity'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 entity 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

The entity's staff are members of the Commonwealth Superannuation Scheme (CSS), the Public Sector Superannuation Scheme (PSS), or the PSS accumulation plan (PSSap), or other superannuation funds held outside the Australian Government.

The CSS and PSS are defined benefit schemes for the Australian Government. The PSSap is a defined contribution scheme.

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 in the Department of Finance's administered schedules and notes.

The entity makes employer contributions to the employees' defined benefit superannuation scheme at rates determined by an actuary to be sufficient to meet the current cost to the Government. The entity accounts for the contributions as if they were contributions to defined contribution plans.

The liability for superannuation recognised as at 30 June represents outstanding contributions.

4.2 Senior Management Personnel Remuneration

	2016 $'000	2015 $'000
Short-term employee benefits		
Salary	**983**	959
Motor vehicle and other allowances	**37**	40
Total short-term employee benefits	**1,020**	999
Post-employment benefits		
Superannuation	**204**	214
Total post-employment benefits	**204**	214
Other long-term employee benefits		
Annual leave	**82**	85
Long-service leave	**46**	31
Total other long-term employee benefits	**128**	116
Termination benefits		
Voluntary redundancy payments	**-**	196
Total termination benefits	**-**	196
Total senior executive remuneration expenses	**1,352**	1,526

Total number of senior management personnel included in the above table (Table 4.2): 2016: 5 (2015: 6).

Managing uncertainties

This section analyses how Safe Work Australia manages financial risks within its operating environment.

5.1 Contingent Assets and Liabilities

Accounting Policy
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.

5.2 Financial Instruments

	2016 $'000	2015 $'000
5.2A: Categories of Financial Instruments		
Financial Assets		
Loans and receivables		
Cash and cash equivalents	**375**	294
Goods and other receivables	**142**	158
Accrued revenue	**42**	45
Total loans and receivables	**559**	497
Total financial assets	**559**	497
Financial Liabilities		
Financial liabilities measured at amortised cost		
Suppliers	**1,217**	1,770
Other Payables	**215**	793
Total financial liabilities measured at amortised cost	**1,432**	2,563
Total financial liabilities	**1,432**	2,563

Accounting Policy

Financial assets

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

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.

Effective Interest Method

Income is recognised on an effective interest rate basis except for financial assets that are recognised at fair value through profit or loss.

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.

Financial Assets at Fair Value Through Profit or Loss

Financial assets are classified as financial assets at fair value through profit or loss where the financial assets:

a) have been acquired principally for the purpose of selling in the near future;
b) are derivatives that are not designated and effective as a hedging instrument; or
c) are parts of an identified portfolio of financial instruments that the entity manages together and has a recent actual pattern of short-term profit-taking.

Assets in this category are classified as current assets.

Financial assets at fair value through profit or loss are stated at fair value, with any resultant gain or loss recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any interest earned on the financial asset.

Available-for-Sale Financial Assets

Available-for-sale financial assets are non-derivatives that are either designated in this category or not classified in any of the other categories.

Available-for-sale financial assets are recorded at fair value. Gains and losses arising from changes in fair value are recognised directly in reserves (equity) with the exception of impairment losses. Interest is calculated using the effective interest method and foreign exchange gains and losses on monetary assets are recognised directly in profit or loss. Where the asset is disposed of or is determined to be impaired, part (or all) of the cumulative gain or loss previously recognised in the reserve is included in surplus and deficit for the period.

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.

Available for sale financial assets - if there is objective evidence that an impairment loss on an available-for-sale financial asset has been incurred, the amount of the difference between its cost, less principal repayments and amortisation, and its current fair value, less any impairment loss previously recognised in expenses, is transferred from equity to the Statement of Comprehensive Income.

Financial assets held at cost - if there is objective evidence that an impairment loss has been incurred, the amount of the impairment loss is the difference between the carrying amount of the asset and the present value of the estimated future cash flows discounted at the current market rate for similar assets.

Financial liabilities

Financial liabilities are classified as other financial liabilities. Financial liabilities are recognised and derecognised upon 'trade date'.

Financial Liabilities at Fair Value Through Profit or Loss

Financial liabilities at fair value through profit or loss are initially measured at fair value. Subsequent fair value adjustments are recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any interest paid on the financial liability.

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 interest basis.

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).

	2016 $'000	2015 $'000

5.2B: Fair Value of Financial Instruments

	Carrying amount 2016 $'000	Fair value 2016 $'000	Carrying amount 2015 $'000	Fair value 2015 $'000
Financial Assets				
Loans and receivables	**559**	**559**	497	497
Total financial assets	**559**	**559**	497	497
Financial Liabilities				
Financial liabilities measured at amortised cost	**1,432**	**1,432**	2,563	2,563
Total financial liabilities	**1,432**	**1,432**	2,563	2,563

5.2C: Credit Risk

Safe Work Australia was exposed to minimal credit risk as the majority of loans and receivables comprises cash, appropriations receivable and statutory receivables (GST receivable from the Australian Taxation Office). 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 $141,790 (2015: $157,953).

No collateral is held by Safe Work Australia to mitigate against credit risk.

Credit quality of financial assets not past due or individually determined as impaired

	Not past due nor impaired 2016 $'000	Not past due nor impaired 2015 $'000	Past due or impaired 2016 $'000	Past due or impaired 2015 $'000
Loans and receivables	**559**	458	**-**	39
Total	**559**	458	**-**	39

Ageing of financial assets that were past due but not impaired in 2016

	0 to 30 days $'000	31 to 60 days $'000	61 to 90 days $'000	90+ days $'000	Total $'000
Loans and receivables	**-**	**-**	**-**	**-**	**-**
Total	**-**	**-**	**-**	**-**	**-**

Ageing of financial assets that were past due but not impaired in 2015

	0 to 30 days $'000	31 to 60 days $'000	61 to 90 days $'000	90+ days $'000	Total $'000
Loans and receivables	39	-	-	-	39
Total	39	-	-	-	39

No assets have been individually assessed as impaired.

5.2 Financial Instruments

5.2D: Liquidity Risk

Liquidity risk is the risk that Safe Work Australia will not be able to meet its obligations as they fall due.

Safe Work Australia has sufficient available financial assets to meet all financial liabilities at 30 June 2016. The Agency is jointly funded by the Commonwealth and State and Territory governments and 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.

Maturities for non-derivative financial liabilities in 2016

	On demand $'000	Within 1 year $'000	Between 1 to 2 years $'000	Between 2 to 5 years $'000	More than 5 years $'000	Total $'000
Trade creditors and accruals	**1,432**	**-**	**-**	**-**	**-**	**1,432**
Total	**1,432**	**-**	**-**	**-**	**-**	**1,432**

Maturities for non-derivative financial liabilities in 2015

	On demand $'000	Within 1 year $'000	Between 1 to 2 years $'000	Between 2 to 5 years $'000	More than 5 years $'000	Total $'000
Trade creditors and accruals	2,563	-	-	-	-	2,563
Total	2,563	-	-	-	-	2,563

5.2E: Market Risk

Safe Work Australia holds basic financial instruments that do not expose the Agency to market risks such as 'currency risk' or 'interest rate risk'.

5.3 Fair Value Measurement

The following tables provide an analysis of assets and liabilities that are measured at fair value. The remaining assets and liabilities disclosed in the statement of financial position do not apply the fair value hierarchy.

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 entity 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.

Accounting Policy

Safe Work Australia engaged the services of the Australian Valuation Solutions (AVS) to conduct a detailed external valuation of non-financial assets at 30 June 2016 and has relied upon those outcomes to establish carrying amounts. An annual assessment is undertaken to determine whether the carrying amount of the assets is materially different from the fair value. Comprehensive valuations carried out at least once every three years. AVS has provided written assurance to SWA that the models developed are in compliance with AASB 13.

The methods utilised to determine and substantiate the unobservable inputs are derived and evaluated as follows:

Physical Depreciation and Obsolescence - 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 Depreciated Replacement Cost approach. Under the Depreciated Replacement Cost approach the estimated cost to replace the asset is calculated and then adjusted to take into account physical depreciation and obsolescence. Physical depreciation and obsolescence has been determined based on professional judgement regarding physical, economic and external obsolescence factors relevant to the asset under consideration. For all Leasehold Improvement assets, the consumed economic benefit / asset obsolescence deduction is determined based on the term of the associated lease.

Safe Work Australia's policy is to recognise transfers into and transfers out of fair value hierarchy levels as at the end of the reporting period. There were no transfers between levels for 2016.

A number of property, plant and equipment assets were invoiced and capitalised after the external valuation took place. These assets are recorded at cost.

5.3A Fair Value Measurement

	Fair value measurements at the end of the reporting period				
	2016 $'000	2015 $'000	**Category (Level 1, 2 or 3) [3,4]**	**Valuation Technique(s)**	**Inputs used**
Non-financial assets [2]					
Buildings	**3,048**	130	Level 3	Depreciated replacement cost (2015: Depreciated replacement cost)	Building costs per square metre; physical depreciation and obsolescence
Plant and equipment	**172**	154	Level 2	Market approach (2015: Market approach)	Prices and relevant market transactions for similar assets

1. No non-financial assets were measured at fair value on a non-recurring basis as at 30 June 2016 (2015: Nil).
2. Safe Work Australia's assets are held for operational purposes and not held for the purposes of deriving a profit. The current use of all non-financial assets is considered their highest and best use.
3. There were no transfers between levels for recurring fair value measurements during the year.
4. The remaining assets and liabilities reported by Safe Work Australia are not measured at fair value in the Statement of Financial Position.

5.3B: Reconciliation for Recurring Level 3 Fair Value Measurements

	Financial assets		**Non-financial assets**		**Financial liabilities**		**Non-financial liabilities**	
			Buildings					
	2016 $'000	2015 $'000	**2016 $'000**	2015 $'000	**2016 $'000**	2015 $'000	**2016 $'000**	2015 $'000
As at 1 July	**-**	-	**130**	651	**-**	-	**-**	-
Total gains/(losses) recognised in other comprehensive income1	**-**	-	**(81)**	-	**-**	-	**-**	-
Leasehold fitout received free of charge	**-**	-	**3,040**	-	**-**	-	**-**	-
Purchases			**593**					
Depreciation	**-**	-	**(634)**	(521)	**-**	-	**-**	-
Total as at 30 June	**-**	-	**3,048**	130	**-**	-	**-**	-

1. These gains/(losses) are presented in the Statement of Comprehensive Income under Changes in Asset Revaluation Surplus.

Other information

6.1 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.

	Outcome 1[1]		Total	
	2016	2015	**2016**	2015
	$'000	$'000	**$'000**	$'000
Expenses				
Employee benefits	**13,081**	11,970	**13,081**	11,970
Suppliers	**5,885**	5,888	**5,885**	5,888
Grants	**196**	-	**196**	-
Depreciation and amortisation	**711**	600	**711**	600
Write-down and impairment of assets	**4**	9	**4**	9
Total expenses	**19,877**	18,467	**19,877**	18,467
Own-source income			**-**	-
Sale of goods and rendering of services	**10,274**	10,155	**10,274**	10,155
Other Revenue	**3,094**	63	**3,094**	63
Total own-source income	**13,368**	10,218	**13,368**	10,218
Net cost/(contribution) of outcome delivery	**6,509**	8,249	**6,509**	8,249
Assets				
Financial assets	**12,166**	12,957	**12,166**	12,957
Non-financial assets	**3,288**	315	**3,288**	315
Total assets	**15,454**	13,272	**15,454**	13,272
Liabilities				
Payables	**1,432**	2,564	**1,432**	2,564
Provisions	**3,509**	3,301	**3,509**	3,301
Total liabilities	**4,941**	5,865	**4,941**	5,865

1. Outcome 1 is described in the Overview. Net costs shown included intra-government costs that were eliminated in calculating the actual Budget Outcome. Refer to Outcome 1 Resourcing Table on page 10 of this Annual Report. Safe Work Australia has only one Outcome. Refer to the Statement of Financial Position for further details about the classes of assets and liabilities.

6 Appendices

Appendix 1:
Safe Work Australia Corporate Plan 2015–2019

Preamble

Safe Work Australia was established under the *Safe Work Australia Act 2008* (the Safe Work Australia Act) and it operates under the Commonwealth Government governance, performance and accountability frameworks. Safe Work Australia is required by the Safe Work Australia Act to prepare a corporate plan every four years which deals only with the outcomes to be achieved by Safe Work Australia and the strategies that are to be followed to achieve those outcomes.

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

Together we continue to work to achieve:

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

During 2015–2019, Safe Work Australia will continue to be a model for the innovative development of multi-stakeholder policy and be central to Australia becoming a world leader in the delivery of improved safety and compensation outcomes. We will do this by:

> acting as a forum to bring together and recognise varying views and interests to enable the effective development of national policy
> using our influence to increase knowledge and awareness of health and safety and workers' compensation and normalise the conversation about safe work, and
> being a key source of WHS and workers' compensation research, evaluation and data.

The *Australian Work Health and Safety Strategy 2012–2022* (Australian Strategy), with its vision of healthy, safe and productive working lives, is designed to drive key national activities to achieve improvement in WHS. This corporate plan reflects the vision, goals and outcomes of the Australian Strategy.

Outcome

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

Strategies to achieve the outcome

1. Support the implementation of the Australian Strategy.
2. Promote community awareness and knowledge of WHS and workers' compensation.
3. Support evidence informed policy, programs and practice through national WHS and workers' compensation data, research and evaluation programs.
4. Improve and reform WHS laws in Australia to provide a consistent, equitable, effective and high level of protection to all workers.
5. Promote consistent approaches and improved knowledge, skills and capabilities for managing health and safety hazards and risks.
6. Identify opportunities to improve workers' compensation arrangements.
7. Develop nationally consistent explosives regulation.
8. Cooperate and share information, expertise and experience with international organisations.

Performance measurement

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.

Reports on the implementation and success of the Australian Strategy will be published annually, the multi-year evaluation of the model WHS laws is underway, the Comparative Performance Monitoring Report is published annually, and the review of the SWA Act, including its functions will commence in late 2015.

Appendix 2:
Safe Work Australia Operational Plan 2015–2016

Preamble

Safe Work Australia is the body leading the development of national policy to improve WHS 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 WHS and workers' compensation arrangements.

This plan describes the activities to be undertaken by Safe Work Australia in performing its statutory functions during 2015–2016, within the total operating budget of $19.549m. The activities give effect to the strategies outlined in the *Safe Work Australia Corporate Plan 2015–2019.*

In 2015–2016 Safe Work Australia will:

1. Coordinate and monitor the implementation of the *Australian Work Health and Safety Strategy 2012–2022* (Strategies 1 and 5).
2. Promote consistent messages on WHS and workers' compensation through the implementation of the Communication and Stakeholder Engagement Strategy (Strategy 2).
3. Collect, maintain, improve and report on national WHS and workers' compensation data through implementation of the Data and Analysis Work Plan 2015–2016 (Strategy 3).
4. Identify new priority issues and undertake and disseminate research including on emerging issues and through implementation of the *Research and Evaluation Work Plan 2015–2016* (Strategy 3).
5. Monitor, evaluate and improve the model Work Health and Safety laws to improve safety outcomes, address issues impeding the effective and efficient operation of the laws and remove unnecessary over-regulation (Strategies 3, 4 and 5).
6. Facilitate the development of accessible, effective and practical material to aid understanding and compliance; minimise regulatory cost; and support improved WHS outcomes, particularly for small business and individuals (Strategies 4 and 5).
7. Improve consistency in workers' compensation arrangements through implementation of the *Workers' Compensation Work Plan 2015–2016* (Strategy 6).
8. Develop policy proposals that will lead to nationally consistent explosives regulation (Strategy 7).
9. Liaise with other countries or international organisations on WHS and workers' compensation matters, including representing Australia as appropriate (Strategy 8).

Performance measurement

The effectiveness of these activities in assisting to reduce death, injury and disease and towards meeting the outcome of healthier, safer and more productive workplaces will be measured through systematic review and evaluation.

Performance will be measured against the key performance indicators included in the 2015–2016 Safe Work Australia Budget Statements and reported in the Safe Work Australia Annual Report.

Appendix 3: Publications list

Safe Work Australia published 57 publications throughout 2015–16. These publications are listed below by publication type. They are available on the Safe Work Australia website.

Research publications

- Australian Work Exposures Study —Carcinogen exposures in the construction industry
- Australian Work Exposures Study —Carcinogen exposures in the agriculture industry
- Australian Work Exposures Study —Carcinogen exposures in the manufacturing industry
- Deemed diseases in Australia
- Mindfulness of work health and safety in the workplace (including research brief)
- Psychosocial health and safety and bullying in Australian workplaces
- Return to work survey 2016, Headline measure report Australia
- Sedentary work—Summary of the literature review evidence on emergent work health and safety issue
- Sources of work health and safety information in Australian workplaces (including research brief)
- The role of accounting in work health and safety governance
- Transport industry: Synethesis of research findings (including research brief)
- Work productivity loss in young workers (including research brief)
- Work health and safety in the accommodation and food services industry

Statistical reports

- Australian workers' compensation statistics, 2013–14
- Comparative peformance monitoring report 17th edition
- Comparison of workers' compensation arrangements in Australia and New Zealand (2015)
- Explanatory notes for Safe Work Australia datasets
- Notifiable fatalities monthly reports
- The cost of work-related injury and illness for Australian employers, workers and the community 2012–13
- Work-related injuries and fatalities in construction, 2003 to 2013
- Work-related mental disorders profile 2015
- Work-related traumatic injury fatalities Australia 2014

Guidance materials supporting the model WHS laws

- Cranes guidance material
- Guide for managing the risks of machinery in rural workplaces
- Guide for managing the risks of diesel exhaust
- Guide to handling isocyanates
- Guide to identifying and handling low density asbestos fibreboard
- Labelling requirements for agricultural and veterinary (AgVet) chemicals
- Managing risks associated with quad bikes
- Split rim tyres
- Compressed air
- Workplace vibration

Information sheets

- Construction work—work of a minor nature
- Construction work—steel erection

- GHS requirements
- High risk work licensing
- Incident notification fact sheet
- Managing risks associated with the use of compressed air in the workplace
- Managing risks of exposure to solvents in the workplace
- Managing risks when unpacking shipping containers
- Quad bikes in rural workplaces
- Safe work on roofs
- Safe work method statement for high risk construction work
- Working safely in Australia
- Workplace induction for construction workplaces

Australian Strategy

- Case Study: Use of good work design (Australian Bureau of Statistics)
- Does the evidence and theory support the good work design principles? An educational resource
- Handbook: Principles of good work design
- The second progress report on the *Australian Work Health and Safety Strategy 2012–2022*

Corporate

- Corporate Plan 2015–2019
- Operational Plan 2015–2016
- Harradine indexed file list 1 July 2015 to 31 December 2015
- Annual report 2014–15

Appendix 4: Advertising and market research

During 2015–16 Safe Work Australia spent the following amount on advertising and market research:

Advertising cost	Provider	Reason for placement
$2768.00	Australian Public Service Commission	2015–16 subscription to APS jobs

Safe Work Australia did not conduct advertising campaigns.

Appendix 5: Ecologically sustainable development and environmental performance

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

Safe Work Australia's operations reflect ESD principles by:

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

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

7

References and Indexes

Acronyms and abbreviations

Acronym/abbreviations	Meaning
ABS	Australian Bureau of Statistics
ACTU	Australian Council of Trade Unions
AgVet chemicals	agricultural and veterinary chemicals
AMR	Australian Mesothelioma Registry
ANAO	Australian National Audit Office
AND	Australian Network on Disability
APS	Australian Public Service
APSC	Australian Public Service Commission
AWES	Australian Work Exposure Studies
BCM	business continuity management
COAG	Council of Australian Governments
ComPARE Project	Compensation Policy and Return to Work Effectiveness Project
CPM	Comparative Performance Monitoring
CRG	Communication Reference Group
EA	Enterprise Agreement (*Safe Work Australia Enterprise Agreement 2015–18*)
ECF	Employee Consultation Forum
ESD	ecologically sustainable development
FAQs	frequently asked questions
FMC	Fatality Media Collection
FOI Act	*Freedom of Information act 1982*
GHS	Globally Harmonized System of Classification and Labelling of Chemicals
GST	Goods and Services Tax
HRW	high risk work
HSR	Health and Safety Representative
HWCA	Heads of Workers' Compensation Authorities
HWSA	Heads of Workplace Safety Authorities
IAGDP	Indigenous Australian Government Development Program
IAP	International Advisory Panel
AFA	Individual Flexibility Agreements
IGA	Intergovernmental Agreement for Regulatory and Operational Reform in Occupational Health and Safety
IPF	integrated planning framework

Acronym/abbreviations	Meaning
IPS	Information Publication Scheme
JFM survey	Job Family Model survey
KPI	key performance indicator
MET	Metabolic equivalent of task
MonCOEH	Monash Centre for Occupational and Environmental Health
MoU	Memorandum of understanding
MSDs	musculoskeletal disorders
NAI	national assessment instruments
NCIS	National Coronial Information System
NDS	National Data Set for Compensation-based Statistics
NFC	Notifiable Fatality Collection
NHMRC	National Health and Medical Research Council
NRWS	National Return to Work Survey
OSH	Occupational Safety and Health
PBS	Portfolio Budget Statements
PGPA Act	*Public Governance, Performance and Accountability Act 2013*
RERG	Research and Evaluation Reference Group
RIS	Regulation Impact Statement
SIG	Strategic Issues Group
SME	Small and medium enterprise
SRCC	Safety, Rehabilitation and Compensation Commission
SSC	Shared Services Centre
TIF	Traumatic Injury Fatalities
UoC	units of competency
VET	vocational education and training
WCF	Workplace Consultative Forum
WHS	Work Health and Safety
WHSC	Work Health and Safety Committee
WHSQ	Workplace Health and Safety Queensland
WIN	WorkHealth Improvement Networks

Glossary of terms

Term	Description
Australian Strategy	The *Australian Work Health and Safety Strategy 2012–2022* is a framework to help improve work health and safety in Australia. Its vision is healthy, safe and productive working lives. It promotes collaboration between the Commonwealth, state and territory governments, industry, unions and other organisations to reach the vision.
G20 countries	The Group of Twenty (G20) is the premier international forum for cooperation on global economic governance. The members of the G20 are: Argentina, Australia, Brazil, Canada, China, France, Germany, India, Indonesia, Italy, Japan, Republic of Korea, Mexico, Russia, Saudi Arabia, South Africa, Turkey, United Kingdom, United States, and the European Union. G20 members account for 86 per cent of the world economy, 78 per cent of global trade, and two-thirds of the world's population, including more than half of the world's poor'
Model WHS Act	The model WHS Act was 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 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.

List of requirements

PGPA Rule Reference	Part of Report	Description	Requirement
17AD(g)	**Letter of transmittal**		
17AI		A copy of the letter of transmittal signed and dated by accountable authority on date final text approved, with statement that the report has been prepared in accordance with section 46 of the Act and any enabling legislation that specifies additional requirements in relation to the annual report.	iii
17AD(h)	**Aids to access**		
17AJ(a)		Table of contents.	v
17AJ(b)		Alphabetical index.	146
17AJ(c)		Glossary of abbreviations and acronyms.	136–138
17AJ(d)		List of requirements.	139
17AJ(e)		Details of contact officer.	ii
17AJ(f)		Entity's website address.	ii
17AJ(g)		Electronic address of report.	ii
17AD(a)	**Review by accountable authority**		
17AD(a)		A review by the accountable authority of the entity.	4–5
17AD(b)	**Overview of the entity**		
17AE(1)(a)(i)		A description of the role and functions of the entity.	2
17AE(1)(a)(ii)		A description of the organisational structure of the entity.	69
17AE(1)(a)(iii)		A description of the outcomes and programmes administered by the entity.	9
17AE(1)(a)(iv)		A description of the purposes of the entity as included in corporate plan.	8, 9
17AE(1)(b)		An outline of the structure of the portfolio of the entity.	Not applicable

PGPA Rule Reference	Part of Report	Description	Requirement
17AE(2)		Where the outcomes and programs administered by the entity differ from any Portfolio Budget Statement, Portfolio Additional Estimates Statement or other portfolio estimates statement that was prepared for the entity for the period, include details of variation and reasons for change.	Not applicable
17AD(c)	**Report on the Performance of the entity**		
	Annual performance Statements		
17AD(c)(i); 16F		Annual performance statement in accordance with paragraph 39(1)(b) of the Act and section 16F of the Rule.	10–12
17AD(c)(ii)	**Report on Financial Performance**		
17AF(1)(a)		A discussion and analysis of the entity's financial performance.	90–91
17AF(1)(b)		A table summarising the total resources and total payments of the entity.	126
17AF(2)		If there may be significant changes in the financial results during or after the previous or current reporting period, information on those changes, including: the cause of any operating loss of the entity; how the entity has responded to the loss and the actions that have been taken in relation to the loss; and any matter or circumstances that it can reasonably be anticipated will have a significant impact on the entity's future operation or financial results.	Not applicable
17AD(d)	**Management and Accountability**		
	Corporate Governance		
17AG(2)(a)		Information on compliance with section 10 (fraud systems)	63-64
17AG(2)(b)(i)		A certification by accountable authority that fraud risk assessments and fraud control plans have been prepared.	64

PGPA Rule Reference	Part of Report	Description	Requirement
17AG(2)(b)(ii)		A certification by accountable authority that appropriate mechanisms for preventing, detecting incidents of, investigating or otherwise dealing with, and recording or reporting fraud that meet the specific needs of the entity are in place.	64
17AG(2)(b)(iii)		A certification by accountable authority that all reasonable measures have been taken to deal appropriately with fraud relating to the entity.	64
17AG(2)(c)		An outline of structures and processes in place for the entity to implement principles and objectives of corporate governance.	62–64
17AG(2)(d) – (e)		A statement of significant issues reported to Minister under paragraph 19(1)(e) of the Act that relates to noncompliance with Finance law and action taken to remedy noncompliance.	Not applicable
	External Scrutiny		
17AG(3)		Information on the most significant developments in external scrutiny and the entity's response to the scrutiny.	64–65
17AG(3)(a)		Information on judicial decisions and decisions of administrative tribunals and by the Australian Information Commissioner that may have a significant effect on the operations of the entity.	64
17AG(3)(b)		Information on any reports on operations of the entity by the AuditorGeneral (other than report under section 43 of the Act), a Parliamentary Committee, or the Commonwealth Ombudsman.	64–65
17AG(3)(c)		Information on any capability reviews on the entity that were released during the period.	Not applicable
	Management of Human Resources		
17AG(4)(a)		An assessment of the entity's effectiveness in managing and developing employees to achieve entity objectives.	81–83

PGPA Rule Reference	Part of Report	Description	Requirement
17AG(4)(b)		Statistics on the entity's APS employees on an ongoing and nonongoing basis; including the following: > Statistics on staffing classification level; > Statistics on fulltime employees; > Statistics on parttime employees; > Statistics on gender; > Statistics on staff location; > Statistics on employees who identify as Indigenous.	72–73
17AG(4)(c)		Information on any enterprise agreements, individual flexibility arrangements, Australian workplace agreements, common law contracts and determinations under subsection 24(1) of the *Public Service Act 1999*.	72, 76, 78
17AG(4)(c)(i)		Information on the number of SES and nonSES employees covered by agreements etc identified in paragraph 17AD(4)(c).	72, 76, 78
17AG(4)(c)(ii)		The salary ranges available for APS employees by classification level.	77
17AG(4)(c)(iii)		A description of nonsalary benefits provided to employees.	78
17AG(4)(d)(i)		Information on the number of employees at each classification level who received performance pay.	77
17AG(4)(d)(ii)		Information on aggregate amounts of performance pay at each classification level.	Not applicable
17AG(4)(d)(iii)		Information on the average amount of performance payment, and range of such payments, at each classification level.	Not applicable
17AG(4)(d)(iv)		Information on aggregate amount of performance payments.	Not applicable

PGPA Rule Reference	Part of Report	Description	Requirement
	Assets Management		
17AG(5)		An assessment of effectiveness of assets management where asset management is a significant part of the entity's activities.	90
	Purchasing		
17AG(6)		An assessment of entity performance against the *Commonwealth Procurement Rules*.	90
	Consultants		
17AG(7)(a)		A summary statement detailing the number of new contracts engaging consultants entered into during the period; the total actual expenditure on all new consultancy contracts entered into during the period (inclusive of GST); the number of ongoing consultancy contracts that were entered into during a previous reporting period; and the total actual expenditure in the reporting year on the ongoing consultancy contracts (inclusive of GST).	91
17AG(7)(b)		A statement that *"During [reporting period], [specified number] new consultancy contracts were entered into involving total actual expenditure of $[specified million]. In addition, [specified number] ongoing consultancy contracts were active during the period, involving total actual expenditure of $[specified million]".*	91
17AG(7)(c)		A summary of the policies and procedures for selecting and engaging consultants and the main categories of purposes for which consultants were selected and engaged.	91
17AG(7)(d)		A statement that *"Annual reports contain information about actual expenditure on contracts for consultancies. Information on the value of contracts and consultancies is available on the AusTender website."*	91

PGPA Rule Reference	Part of Report	Description	Requirement
	Australian National Audit Office Access Clauses		
17AG(8)		If an entity entered into a contract with a value of more than $100 000 (inclusive of GST) and the contract did not provide the AuditorGeneral with access to the contractor's premises, the report must include the name of the contractor, purpose and value of the contract, and the reason why a clause allowing access was not included in the contract.	90
	Exempt contracts		
17AG(9)		If an entity entered into a contract or there is a standing offer with a value greater than $10 000 (inclusive of GST) which has been exempted from being published in AusTender because it would disclose exempt matters under the FOI Act, the annual report must include a statement that the contract or standing offer has been exempted, and the value of the contract or standing offer, to the extent that doing so does not disclose the exempt matters.	90
	Small business		
17AG(10)(a)		A statement that *"[Name of entity] supports small business participation in the Commonwealth Government procurement market. Small and Medium Enterprises (SME) and Small Enterprise participation statistics are available on the Department of Finance's website."*	91
17AG(10)(b)		An outline of the ways in which the procurement practices of the entity support small and medium enterprises.	90–91
17AG(10)(c)		If the entity is considered by the Department administered by the Finance Minister as material in nature—a statement that *"[Name of entity] recognises the importance of ensuring that small businesses are paid on time. The results of the Survey of Australian Government Payments to Small Business are available on the Treasury's website."*	Not applicable

PGPA Rule Reference	Part of Report	Description	Requirement
	Financial Statements		
17AD(e)		Inclusion of the annual financial statements in accordance with subsection 43(4) of the Act.	92–125
17AD(f)	**Other Mandatory Information**		
17AH(1)(a)(i)		If the entity conducted advertising campaigns, a statement that *"During [reporting period], the [name of entity] conducted the following advertising campaigns: [name of advertising campaigns undertaken]. Further information on those advertising campaigns is available at [address of entity's website] and in the reports on Australian Government advertising prepared by the Department of Finance. Those reports are available on the Department of Finance's website."*	Not applicable
17AH(1)(a)(ii)		If the entity did not conduct advertising campaigns, a statement to that effect.	134
17AH(1)(b)		A statement that *"Information on grants awarded to [name of entity] during [reporting period] is available at [address of entity's website]."*	91
17AH(1)(c)		Outline of mechanisms of disability reporting, including reference to website for further information.	83
17AH(1)(d)		Website reference to where the entity's Information Publication Scheme statement pursuant to Part II of FOI Act can be found.	64
17AH(1)(e)		Correction of material errors in previous annual report	Not applicable
17AH(2)		Information required by other legislation	Not applicable

Alphabetical index

A

abbreviations, 136–7
Aboriginal and Torres Strait Islander employment, 72, 84
absentee management in Safe Work Australia, 86
absenteeism productivity costs, 28
accountability, 64–5 *see also* corporate governance
address and contact details, ii
administrative datasets, 33
administrative tribunal decisions, 64
advertising and market research, 134
ageing workforce, 30
agency resource statement, 126
agriculture industry, 3, 15, 19, 28, 29
airborne contaminants in the workplace, 39, 42
  exposure standards, 5, 42
allowances, 78
Amagula, Thomas, 85
Amies, Clare, 55
annual reports, work health and safety reporting, 28
asbestos exposure, 35
assets management, 90
asthmagens, exposure to, 28, 29
'at risk' migrant workers, 30–1
Audit Committee, 65
Auditor-General, 65 *see also* Australian National Audit Office
audits
  external, 64
  independent auditor's report, 92–3
  internal, 65
AusTender, 90, 91
Australia Day Achievement Medallions, 77
Australian Competition and Consumer Commission, 88
Australian Financial Review and Westpac 100 Women of Influence Awards, 66
Australian Information Commissioner, 64
Australian Institute of Health and Welfare, 33
Australian Mesothelioma Registry, 33, 35
Australian National Audit Office, 65
  access clauses, 90
  independent auditor's report, 64, 92–3
Australian National University, 26, 28
Australian Network on Disability, 83, 84
Australian/New Zealand Standards, 40
Australian Public Service Commission, 68
  As One: Making it Happen launch, 83
  performance management direction, 82
Australian Research Council, 26, 28
Australian Standards, 40
Australian Work Exposure Study, 11, 28, 29
Australian Work Health and Safety Strategy 2012–2022, 4
  action areas, 14
  outcomes and targets, 13
  outlook, 16
  priority disorders, 30
  priority industries, 4–5, 14–15
  progress report, 17–21
  Safe Work Australia functions in relation to, 2
Australian Workers' Compensation Statistics 2013–14, 35
Australian Workplace Barometer project, 28
awards (recognition)
  national, 5, 14, 22
  staff of Safe Work Australia, 77, 79, 80
  Workplace Participation Reward, 24, 25

B

Baker IDI Heart and Diabetes Institute, 31
Baxter, Michelle, 50, 51, 52, 54, 70, 76
Better Work Tasmania, 19
beyondblue, 21
Blackwood, Simon, 55
blood lead levels and workplace exposure standards, 39, 42
body stressing, 20, 21 *see also* musculoskeletal disorders
Boland, Marie, 56
Borowick, Michael, 57
bullying, 28
business continuity arrangements, 63 *see also* plans and planning

C
Cancer Institute NSW, 35
capability development, 81–3
carcinogens, exposure to, 11, 27–9, 30
Chair, 4, 54, 66
  satisfaction with agency performance, 10, 11
change management program (TRANSFORM), 68, 78, 80
chemicals
  hazardous, 28–9
  worker exposure to, 27–9, 39, 41, 42
chemicals databases, 43, 44
Chief Executive Officer, 55
  biography, 70
  external committee membership, 62
  remuneration, 76
  review of year, 4–5
  role, 54
Codes of Practice, 40 *see also* guidance material
collaboration, 87–8
Collins, Julia, 22, 71
Comcare
  claims, 86
  HSR campaign, 18
  notifications, 86
Comcover Risk Management Benchmarking Survey, 63
committees
  Audit Committee, 65
  Safe Work Australia represented on, 62
  Strategic Issues Groups, 59–60
Commonwealth Aboriginal and Torres Strait Islander Employment Strategy, 84
Commonwealth Indigenous Procurement Policy, 84
Commonwealth Ombudsman, 65
communication and engagement, 5, 23–5
Communication Reference Group, 61
Communications and Stakeholder Engagement Strategy, 23, 24
Comparative Performance Monitoring Report, 11, 33, 34–5
Comparison of Workers' Compensation Arrangements in Australia and New Zealand report, 34
Compensation Policy and Return to Work Effectiveness (ComPARE) Project, 47
competency units, 43, 45
compliance reporting, 90
conferences and seminars
  attended by staff, 50, 51, 52
  presented by Safe Work Australia, 5, 15, 16
construction industry, 18, 19–20, 29, 50
consultancy contracts, 91
consultation
  with staff, 86–7
  stakeholder engagement, 23, 24
contact details, ii
corporate governance, 62–4 *see also* plans and planning
corporate plan, 2, 9, 68, 80, 128–9
corporate services *see* Shared Services Centre
Council of Australian Governments, 2, 38
court decisions, 64
Curtin University of Technology, 28, 31

D
Dandelion Project, 84
Data and Analysis Work Plan 2015–16, 33
data collection and reporting, 33–6 *see also* research
Data Reference Group, 61
Davis, Carolyn, 58
Decision Regulation Impact Statement, 11
definitions of terms, 138
Department of Employment, 88
Dettmer, Andrew, 58
Dhimurru Aboriginal Corporation, 85
disability strategies, 83–4
disaster recovery arrangements, 63
Diversity and Inclusion Strategy, 83–4
diving work, 39

E
ecologically sustainable development, 134
Edwardstown Region Business Association, 21
emerging WHS issues, 30–1
Employee Assistance Program, 86, 88
Employee Consultation Forum, 87
employees of Safe Work Australia *see* staff

employment datasets, 33
enabling legislation, 2
enterprise agreements, 68, 76
environmental performance, 134
ergonomics, 20
ethical standards, 62–3
evaluation and research *see* research
Evaluation Plan for the Harmonisation of Work Health and Safety in Australia, 26
Executive Leadership Team, 70–1
exempt contracts, 90
explosives regulation, 5, 49
external scrutiny, 64–5

F
falls
  from height, 18, 31
  ladder-related workplace incidents, 37
  model code of practice, 37
  from trucks, 17
farmers, hazard exposure, 28 *see also* agriculture industry
fatalities *see* work-related fatalities, injury and illness
fatality data collections, 33, 34
feature stories, 17, 22, 25, 29, 32, 37, 42, 45, 48, 52, 66, 74–5, 85
financial performance overview, 90–1
financial statements, 90–126
flexible working arrangements, 72, 78
fraud control, 63–4
freedom of information, 64
funding, 2, 90

G
G20 Employment Working Group, 52
G20 Occupational Safety and Health (OSH) Experts Network, 50, 52
G20 statement on safe and healthy workplaces, 52
Galluzzo, Jacinta, 71
Gelding, Stephen, 57
Getting Home Safely Inquiry, 19
Globally Harmonized System of Classification and Labelling of Chemicals (GHS), 5, 43
glossary, 138
Good Design Australia awards, 5, 14, 22
good work design principles, 4, 14, 32
Goodsell, Mark, 58
governance, 62–4 *see also* plans and planning
Government WHS policy framework, 14, 16
graduate program, 73, 74–5
Grain Producers SA, 19
grants, 91
Grey, Amanda, 25, 70
guidance material, 5, 11, 16, 39–40, 44, 132

H
hand trucks, 22
harassment, 28
harmonisation of laws *see* model Work Health and Safety laws
hazard exposure and controls, 27–9, 39, 41, 42
hazardous chemicals, 28
  classification and communication system, 43
  database, 43, 44
  see also asthmagens; carcinogens; lead (inorganic lead) exposure
Hazardous Substances Information System, 88
Heads of Workers' Compensation Authorities, 62
Heads of Workplace Safety Authorities, 62
Health and Safety Representatives
  Commonwealth agencies, 18
  Safe Work Australia, 87
health and wellbeing of staff, 86
health sector, 21
Heavy Vehicle National Law, review of, 15
high risk work and plant, 43–4, 45
human resources management *see* staff

I
impairment, permanent, 46, 47, 48
Improving the model Work Health and Safety Laws, 38
incidents (work health and safety), 86
Indigenous Advancement Strategy, 85
Indigenous Australian Government Development Program, 84
Individual Flexibility Arrangements, 72, 78

Industry Skills Councils, 45
Information Publication Scheme, 64
information technology systems, 87
injuries *see* work-related fatalities, injury and illness
inorganic lead, 39, 42
Institute of Safety Compensation and Recovery Research, 47
integrated planning framework, 80
Intergovernmental Agreement for Regulatory and Operational Reform in Occupational Health and Safety, 2
internal audit arrangements, 65
International Advisory Panel on Workplace Safety and Health, 50, 51
international best-practice WHS approaches
identification methodology trial, 50–1
International Conference on OSH, 8th, Istanbul, Turkey 2016, 50, 52
International Congress on Occupational Health, 33rd, Melbourne 2021, 51
International Labour Organization, OSH Global Action for Prevention, 50
international liaison and engagement, 50–2
International Workers' Memorial Day, 5, 23
Internet address, ii

J

Jawun Program, 83, 84
Johnston, Amanda, 71
judicial decisions, 64

K

Kennard, Rory, 22
key performance indicators, 8–9 *see also* performance

L

ladder-related workplace incidents, 37
lead (inorganic lead) exposure, 39, 42
leadership and culture in industry, 14
Leadership Hub, 14
leadership in Safe Work Australia, 62–3, 82–3
  Executive Leadership Team, 70–1
Lean, Anthony, 55
Learning and Development Strategy and Plan, 81–2 *see also* training (staff)
legal costs, 91
legislation
  establishing Safe Work Australia, 2
  legislative framework, 62
  see also model Work Health and Safety laws
letter of transmittal, iii
library services, 87
licensing arrangements for high risk work, 43–4, 45
lifting devices, 5

M

Macquarie University International Governance and Reporting Research Centre, 28
Makinex powered hand truck, 22
management and accountability, 54–66
manufacturing industry, 29
market research, 134
Mars Petcare Australia (Wodonga Factory), 24, 25
McCulloch, Lex, 56
Measuring progress towards targets – reducing the incidence of work-related death, injury and illness, 34–5
media releases, 24 *see also* communication and engagement
Members, 54–8
  Chair, 4, 54, 66
  satisfaction with agency's performance, 10, 11
memoranda of understanding, 87–8
mental health in the workplace, 5, 16, 20, 21, 28, 35
mesothelioma registry, 33, 35
methodologies, 30
migrant workers, 30–1
Miller, Peta, 85
Minister responsible, 54
model Codes of Practice, 40, 41
model Work Health and Safety laws
  amendments, 38
  evaluation of, 26
  GHS and, 5
  guidance material, 5, 11, 16, 39–40, 44, 132
  implementation of, 38–9

refinement, 5
review of, 11
Safe Work Australia functions in relation to, 2
model Work Health and Safety Regulations, 11, 38–9
chemical classification and hazard communication system, 5, 43
review and proposed amendments, 38, 41
multicultural plan, 83–4
musculoskeletal disorders, 20, 30 *see also* body stressing

N

National Agriculture Activity Plan 2014–2019, 15
national assessment instruments, 43–4, 45
National Coronial Information System, 33, 34
National Dataset for Compensation Based Statistics, 33, 34
National Disability Strategy, 83–4
National Guidelines for the Evaluation of Permanent Impairment, 46, 47, 48
National Health and Medical Research Council, 29
National Industrial Chemicals and Assessment Scheme, 44
National Occupational Hazard and Risk Management Surveillance: Noise, dust, vibration and chemical exposures in Agriculture project, 28
National Permanent Impairment Co-ordinating Committee, 47
National Research Centre for Occupational Health and Safety, 26
National Return to Work Survey, 4, 11, 36, 46, 47
National Safe Work Month, 5, 23, 24
non-salary benefits, 78
Notifiable Fatality Collection, 34
notifiable incidents at Safe Work Australia, 86
NT WorkSafe, 18

O

obese patients, 21
Office of the Australian Information Commissioner FOI review, 64
older workers in physically demanding jobs, 30
Ombudsman, 65
operational plan, 2, 9, 11, 80, 130–1
organisational culture (Safe Work Australia), 62–3, 82–3
organisational effectiveness, 68
organisational structure, 69
outcome and program
outcome statement, 9
performance report *see* performance
resource statement, 126
strategies, 8–9
outlook for 2016–17, 16, 24, 31, 36, 41, 44, 47, 51
overview, 2–3

P

Parliamentary committees, 65
People at Work project, 28
People Strategy, 80
Perceptions of Work Health and Safety Survey 2012, 27
performance
financial, 90–1
guiding documents interaction with strategies, 8
highlights, 13, 23, 26, 38, 43, 46, 49, 50
Members' satisfaction rating, 10, 11
overview, 8–12
performance criteria, 10–11, 12
PBS KPIs, 9, 10–12
Strategy 1, 13–22
Strategy 2, 23–5
Strategy 3, 26–37
Strategy 4, 38–42
Strategy 5, 43–5
Strategy 6, 46–7
Strategy 7, 49
Strategy 8, 50–2
performance management (people), 82
performance pay, 77
permanent impairment assessment, 46, 47, 48
physical inactivity, 31 *see also* sedentary work practices
plans and planning, 12
business continuity arrangements, 63 *see also* plans and planning

corporate plan, 2, 9, 68, 80, 128–9
diversity, inclusion and multicultural awareness, 83–4
integrated planning framework, 80
learning and development, 81–2
operational plan, 2, 9, 11, 80, 130–1
research plans, 27
risk management framework, 63
Safe Work Australia roadmap, 12
workforce planning, 78, 80–1
plant *see* high risk work and plant
policy development, 14, 16
Portfolio Budget Statements
new KPIs, 12
performance against KPIs, 8–12
portfolio membership, 54
Principles of Good Work Design handbook, 4, 14, 32
priority disorders, 30
priority industries, 4–5, 14–15
procurement, 84, 90–1
programme structure *see* outcome and program
Protective Security Policy Framework, 63
psychological injuries, 47 *see also* mental health in the workplace
psychosocial hazards, 28
Public Governance, Performance and Accountability Act 2013, 2
public interest disclosure, 65
Public Service Act 1999, 72
section 24(1) determinations, 76
publications, 4, 11, 14, 27, 35, 132–3
purchasing, 90
purpose of Safe Work Australia, 10

Q

quad bikes, 34
QuadWatch, 34
Queensland University of Technology, 28

R

recruitment processes, 87
Reducing regulatory burden in the model Work Health and Safety Regulations, 38, 41
reference groups, 61
Regulation Impact Statements, 11, 38, 42, 49
regulatory burden reduction, 11, 38
relocation of Safe Work Australia, 68
remuneration, 76–7
non-salary benefits, 78
research, 26–32, 37 *see also* data collection and reporting; publications
Research and Evaluation Reference Group, 61
Research and Evaluation Work Plan 2015–16, 27
resource statement, 126
return to work surveys, 4, 11, 36, 46, 47
reward and recognition programs *see* awards (recognition)
risk management in Safe Work Australia, 63, 88
road transport industry, 15, 17
roadmap for strategic directions (Safe Work Australia), 12
role and functions
CEO, 54
Safe Work Australia, 2, 8–9
Ross, Justine, 57

S

Safe Work Australia
Chair, 4, 54, 66
establishment, 2
guiding documents, 8–9
Members, 54–8
outlook for 2016–17, 16, 24, 31, 36, 41, 44, 47, 51
overview, 2–3
performance report *see* performance
planning *see* plans and planning
publications, 4, 11, 14, 27, 35, 146–7
purpose, 10
relocation, 68
roadmap, 12
role and functions, 2, 8–9
staff awards, 77, 79, 80
structure, 12
submissions made, 15
Safe Work Australia Act 2008, 2
Safe Work Australia Award for Good Design, 5, 14, 22
Safe Work Australia Corporate Plan 2015–2019, 2, 9, 68, 80, 128–9

Safe Work Australia Enterprise Agreement 2015–2018, 68, 76
Safe Work Australia Evidence Work Plan, 31
Safe Work Australia Operational Plan 2015–2016, 2, 9, 11, 80, 130–1
Safe Work Australia Work Plan 2015–16, 11
Safety Rehabilitation and Compensation Commission, 62
SafeWork NSW, 20
SafeWork SA, 19, 21
salaries *see* remuneration
satisfaction rating from Members, 10–11
section 24(1) determinations, 76
Sedentary work: Evidence on an emergent work health and safety issue, 31, 32
sedentary work practices, 31, 32
seminars and conferences
  attended by staff, 50, 52
  presented by Safe Work Australia, 5, 15, 16
Senior Executive Service, 76
senior executives, 70–1
Shared Services Centre, 63, 87–8
Sherry, Ann, 4, 54, 66, 76
Shirley, Martin, 56
Singapore, International Advisory Panel on Workplace Safety and Health, 50, 51
small business participation in procurement, 90–1
small business WHS perception and compliance, 18, 19, 21, 26, 40
Smith-Gander, Diane, 4, 54, 66, 76
social media, 15, 23, 24
sponsorships, 23
staff
  absentee management, 86
  allowances and non-salary benefits, 78
  consultative arrangements, 86–7
  diversity and inclusion, 83–4
  employment arrangements, 72, 76, 78
  graduate program, 73, 74–5
  health and wellbeing, 86
  performance management, 82
  recognition and awards, 77, 79, 80
  remuneration, 76–7
  senior executives, 70–1 *see also* Chief Executive Officer
  statistics, 72–3
  training, 63, 81–3
  workforce planning, 78, 80–1
stakeholder engagement, 23, 24
statistical enquiries service, 35
Stepping Into Program, 83, 84
stevedoring industry, 40
strategic directions roadmap (Safe Work Australia), 12
Strategic Issues Groups, 59
  SIG-Explosives, 59, 60
  SIG-WHS, 59
  SIG-Workers' Compensation, 59, 60
strategic outcomes *see* performance
strategic plans
  national *see Australian Work Health and Safety Strategy 2012–2022*
Safe Work Australia roadmap, 12
study assistance scheme, 82
surveys
  perceptions of work health and safety, 27
  return to work, 4, 11, 36, 46, 47
  workforce and capability, 81

T

terminology (definitions), 138
training (staff), 63, 81–3
TRANSFORM (change management program), 68, 78, 80
Traumatic Injury Fatalities collection, 33, 34
travel processing, 88
tribunal decisions, 64

U

United Nations Subcommittee of Experts on the Globally Harmonised System, 50
units of competency, 43, 45
University of Queensland, 28, 31

V

values, 12, 68, 79
Victorian OHS legislation, 38
Virtual Seminar Series, 5, 15, 16
vision and values, 12, 68, 79

vocational education and training units of competency, 43, 45

W

'Walk the Talk' awards, 79, 80
website, 14, 23
Western Australia WHS legislation, 38
Work Health and Safety Committee, 87
work health and safety in Australia
  data collection and reporting, 33–6
  emerging issues, 30–1
  fatalities/injuries *see* work-related fatalities, injury and illness
  framework development and evaluation, 10, 11
  guidance material, 5, 11, 16, 39–40, 44, 132
  harmonised laws *see* model Work Health and Safety laws
  mental health in the workplace, 5, 16, 20, 21, 35
  national strategy *see Australian Work Health and Safety Strategy 2012–2022*
  reporting in annual reports, 28
  statistics, 3
work health and safety in Safe Work Australia workplace
  compensation claims, 86
  Health and Safety Representatives, 87
  organisational culture, 62–3
work health and safety reporting in annual reports, 28
work-related fatalities, injury and illness
  agriculture industry, 3, 15
  construction industry, 18
  economic cost of, 3
  fatality data collections, 33, 34
  publications (key reports), 35
  publications list, 132–3
  reduction in, 3, 4
  road transport industry, 15
  statistics, 3, 13
  transport, postal and warehousing industry, 3
Work-related mental disorders profile 2015, 35
Work-related traumatic injury fatalities, Australia 2014, 35
workers' compensation
  claims involving ladder-related incidents, 37
  comparison of schemes, 34–5
  datasets, 33
  permanent impairment assessment, 46, 47, 48
  publications, 34–5, 132
  research, 47
  Safe Work Australia claims, 86
Workers' Memorial Day, 5, 23
workforce planning (Safe Work Australia), 78, 80–1
WorkHealth Improvement Networks' (WIN) project, 20
working in heat, 30
workplace bullying, 28
Workplace Consultative Forum, 87
workplace culture in Australia, 27 *see also* organisational culture (Safe Work Australia)
workplace diversity, 83–4
workplace exposure standards review, 41
Workplace Health and Safety Queensland, 17, 18, 19, 21
Workplace Participation Reward Program, 24, 25
Workplace Safety and Health Conference, Singapore 2016, 51
WorkSafe ACT, 19
WorkSafe Tasmania, 21
WorkSafe Victoria, 20
Worksafe Victoria, 47
WorkSafe WA, 20
World Day for Safety and Health at Work, 5, 23

Y

Young, Michael, 56

www.safeworkaustralia.gov.au

MOU16-0003