



Business Leaders'
Health & Safety Forum

**BUSINESS LEADERS' HEALTH AND SAFETY
FORUM**

**SUBMISSION TO THE INDEPENDENT
TASKFORCE FOR WORKPLACE HEALTH AND
SAFETY**

**'HEALTH AND SAFETY IS A LEADERSHIP
CHALLENGE'**

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EXECUTIVE SUMMARY

The challenge

No matter how you look at it New Zealand is not a safe place to work. Our record speaks for itself and we need urgent and sustained change to turn this around.

The health and safety challenge is significant. It is not a simple matter of changing legislation or improving regulations. Neither is it simply about increasing penalties or charging more people with offences. At its core it requires a change in attitude by business and government leaders, workers and their representatives, and by the general public. Health and safety is after all a reflection of our culture, our values and how we view work in general.

Despite these challenges and our poor outcomes there are workplaces that are doing well. Some have managed to reduce the risk of injury and illness in their business to almost zero. In all of these cases leadership commitment and action were critical.

This review of our health and safety system presents a once in a generation opportunity to make changes that will deliver healthier, safer and more productive workplaces in the future. The changes need to be significant. They must send the right signals that health and safety is not only the "right" thing to do but is also a key part of running any business or organisation. For many these changes will simply serve to reinforce their current mind set and practices, for others they will create uncertainty, will challenge their thinking and potentially present barriers to growth and development.

For these reasons the Taskforce needs courage to present a range of recommendations that will challenge the status quo, send the right signals that health and safety is a critical business function, and ultimately balance the requirement to have both a safe and productive business.

Health and safety is a leadership challenge. Leaders have the ability to change our performance by what they say, do and measure.

Is our system fit for purpose

The Forum believes that many aspects of our health and safety system are fit for purpose but changes are needed to ensure greater leadership accountability and delivery.

Our recommendations

Our recommendations focus on four areas that are most relevant to our membership. These are:

- Regulation and how it is applied
- Leadership and governance roles and responsibilities
- Employee participation
- Influencing outside one's own workplace.

We believe that these areas can all be influenced by strong and determined leadership and we propose a number of changes to refocus our system to ensure there is the right balance between individual and collective responsibility, to strengthened certain standards and expectations and to build leadership at all levels that will drive changes and ultimately make our workplaces safer and more productive.

INTRODUCTION

The Business Leaders' Health and Safety Forum (the Forum) welcomes the opportunity to submit on the health and safety review being undertaken by the Independent Taskforce for Health and Safety (the Taskforce). There is no doubt that New Zealand's record on health and safety is poor and the Forum believes urgent change is now required to improve this.

The Forum notes that the Taskforce has been asked to undertake a strategic review to:

- Identify whether the overall workplace health and safety system remains fit for purpose, and
- Recommend a package of practical recommendations that would be expected to result in at least a 25% reduction in the rate of fatalities and serious injury by 2020.

Given this direction, the Forum is encouraged that the Taskforce has undertaken a broad-based review of our wider health and safety system and has decided to describe it as a model of interrelated systems. Not only is this approach critical to determining whether the system is fit for purpose, it also provides direction for how any recommended changes should occur. The Forum submits that changes to one part of the system are likely to impact on or relate to other parts. This means we need a set of recommendations that take into account these interrelationships, rather than just focusing on one area.

There are no silver bullets for health and safety. While New Zealand's performance is not as good as many countries we compare ourselves with, these countries have also experienced catastrophe in their workplaces and have rates of injury and illness they would like to reduce. They too continue to debate the shape, size and role of their systems in an effort to reduce harm and improve productivity. This demonstrates there is no blueprint for change and there are no single changes that will result in improved performance. Equally, some apparently obvious changes may result in unwanted and unhelpful outcomes.

The Forum believes that what is needed is real and substantial change based on experience and evidence, rather than minor tinkering around the edges. We should be aiming for far higher improvements than the 25 percent reduction targets signalled by the government. To achieve more substantial reductions will require courage, commitment, leadership, adequate funding and on-going monitoring to ensure changes are fully implemented and are making a difference. It is likely to take many years and a great deal of effort to create a change in attitude, behaviour and culture across New Zealand workplaces.

The Commissioners who recently delivered their report into the Pike River mine tragedy made it clear that urgent change is needed. This change would require collaboration between government, business and workers to ensure that another similar disaster does not occur in the future. The Forum supports these sentiments.

We therefore encourage the Taskforce to be bold, to think big and to make a compelling argument for change that cannot be ignored. We also encourage the Taskforce to consider how its recommendations might be implemented so they lead to the changes that are required.

The challenge

Safe, healthy and productive workplaces do not occur by chance. They require many things working well together. Creating and maintaining a safe workplaces is one of the toughest leadership challenges. The interactions between people, their workplaces, their work tasks and their workmates are complex and difficult to control. That means health and safety outcomes are not always predictable.

The Taskforce has attempted to capture the factors that contribute to safe or unsafe work. They include:

- work organisation,
- people, and
- workplace features.

The Forum supports this approach and notes that these factors include complex interrelationships between:

- personal and business finances,
- personal values and collective beliefs and behaviours,
- business performance and wider economic factors,
- leadership and management commitment, skill and practice,
- systems and technology ,
- health and fitness to work,
- employment relationships, personal beliefs and other psychological factors,
- workforce and management engagement and participation.

The Forum argues that all of these factors shape an organisation's culture, and ultimately its safety culture. But in many workplaces this complexity is not recognised. Instead, health and safety is treated as a compliance function that simply involves adhering to processes, setting rules and providing workers with the right equipment, training and support. In our experience businesses are more successful if they understand this complexity and respond to it by making safety a critical leadership and strategic function.

Despite these complexities, in all but the most unusual circumstances everyone is trying to achieve the same thing. No one wants to run a business that causes harm and no workers want to suffer harm at work. It is important to remember this when change and improvements to the system are being considered.

To be successful New Zealand needs to undergo a fundamental shift in the way many people think and act. So our challenge is how do we create an environment where people understand what is needed and then act to prevent harm occurring in all workplaces.

Health and safety standards – context

Countries adopt health and safety legislation that reflects the minimum standards that society expects.

This legislation, and the regulations and guidance material that supports it, needs to set minimum levels of acceptable practice, demonstrate how these standards can be

achieved, clarify who is responsible, and set out the penalties if the standards are not met.

The health and safety standards adopted by businesses reflect many factors such as their values, goals, resources. These standards can range from significantly above to below the minimum standards set by law.

The role of a regulator in this environment is to set minimum standards that meet society's expectations, and to provide support and advice on how to meet these standards. The regulator must also ensure that businesses not meeting the standards are supported to improve their practices or stopped from operating until they can.

In this context, the Forum believes it is helpful to determine a set of principles from which the legislation and minimum standards can be adopted. We propose the following principles as a method for guiding thinking in this area:

1. All people have the right to work and to be productive without suffering injury or ill health **(rights)**.
2. The best people to manage risk are the people who create it **(commitment)**.
3. Standards should ensure safe work without negatively impacting on innovation, creativity and business performance **(balanced standards)**.
4. All people involved in work have a responsibility to ensure their own safety and the safety of others **(personal responsibility)**.
5. All workplaces must play their part – failure of one impacts on everyone else **(collective responsibility)**.
6. All people harmed by their work should have access to support and rehabilitation **(security)**.

We believe that the following steps can support these principles:

- Create a common and agreed vision for workplace health and safety that helps to inform and set society's expectations.
- Create legislation, regulation and guidance material that supports this vision and communicates it in a way that the wider society understands and adopts. Hold people and businesses to account when these standard are not met.
- Balance the personal and collective responsibility for health and safety and ensure standards are not preventing desirable behaviours and activities.
- Build a credible, evidence-based approach to injury prevention. Ensure research, data collection and analysis, education, advice and promotion are well resourced and focused on areas of most need.

- Create real opportunities to incentivise individual and collective behaviours that drive improvement in health and safety outcomes.
- Require leaders to set the example, to ensure standards are being met and to create an environment where people choose to be safe and where this is a normal part of business activities and performance.
- Create learning and knowledge systems that support health and safety.
- Foster an environment where health and safety leadership and performance are critical competencies and performance measures for senior leaders.
- Where possible utilise shared knowledge, resources and expertise.
- Maintain a comprehensive, no-fault, personal insurance system focused on rehabilitation and return to productive work.

Fit for purpose

It is our submission that for our health and safety system to be fit for purpose it requires the right design and the right delivery. It needs to be high level and principle based to ensure that it can apply to large multi-site businesses, high risk industries and small to medium-sized businesses.

It is our submission that many aspects of our system are fit for purpose but significant change is needed in how it is lead and delivery to ensure it is effective. Our submission outlines what we believe these changes should be.

BACKGROUND INFORMATION

Many factors contribute to New Zealand's poor workplace health and safety performance. While the taskforce highlighted many of these in the consultation document the Forum feels that they can be summarised by poor attitudes towards safety, an economy based on higher risk primary sectors like agriculture and forestry, a relatively immature regulatory environment, and a relatively high number of small and medium enterprises (SMEs) that haven't invested in safety.

None of these contributing factors are simple to fix, but despite the challenges, there are businesses that have dramatically reduced injuries in their workplaces, in some cases almost to zero. These businesses shed light on what is achievable. The Forum believes that a common feature of these companies is effective safety leadership and a jointly held belief that health and safety is an integral part of their business. They will not compromise safety over production pressures and they constantly seek to improve their safety performance.

The Business Leaders' Health & Safety Forum

The Forum believes that work should be safe and productive. It was established to achieve this goal by promoting and supporting the growth of effective safety leadership at the most senior level. The Forum's vision is for *"all leaders to be passionately committed to achieving Zero Harm Workplaces"*.

We represent over 100 individual members who hold a senior leadership role in many of New Zealand's most recognisable and respected businesses. See Appendix 1 for a full list of our members.

Launched in 2010, the Forum brings together business leaders who have been successful at improving health and safety performance in their businesses with others who aspire to achieve a similar performance. The Forum is based on the understanding that business leaders have a large and direct influence on health and safety performance and that by working together, sharing ideas and using our influence we can improve New Zealand's poor health and safety record.

We strongly believe that senior leaders set the conditions and influence the culture in their businesses. These leaders have significant leverage over conditions and arrangements within the supply chain and can therefore influence safety outcomes in both their own organisations and the organisations they interact with.

The Forum accepts that it cannot achieve Zero Harm Workplaces by itself. Government, industry, employee representatives, investors, directors and individuals all have a part to play. The Forum has the ability to work with and influence these broader stakeholder groups, but does not intend to replicate their work.

The Forum was established as a not for profit incorporated society in December 2011. We have established a substantial membership base and programme of work that ensures our sustainability in the medium term. We are focused on leaders making a real difference to health and safety performance and believe that we have a significant role to play in improving workplace health and safety in New Zealand.

Our strategy for 2012-2014

To work towards our vision of business leaders being committed to Zero Harm Workplaces, we have developed a strategy to lead a “step change” – a new way of thinking and acting on health and safety - by focusing on three key areas:

- Leadership– the Forum will work to develop and grow world-class safety leadership for business leaders,
- Influence– we will use the influence of business leaders to improve health and safety, and
- Shared learning and development– we will provide opportunities to share resources.

To deliver on our strategy, we believe business leaders must be actively engaged and we must be able to measure our impact.

What we have achieved

Growing safety leadership: There is a large amount of leadership and management training available for CEOs but virtually none of it relates to health and safety leadership. With that in mind, we are creating a pathway for business leaders to improve their safety leadership skills. This work has included creating a first-of-its-kind assessment tool that enables CEOs to assess their safety leadership against world-class practices. More than 100 of our members have completed this assessment. An analysis of the results has identified common strengths and weaknesses among New Zealand’s leaders and we are using this analysis to build a safety leadership programme.

There is a common saying among business leaders that “if you can’t measure it, you can’t manage it”. With that in mind, the Forum has developed an online benchmarking tool – again a first of its kind – enabling members to benchmark their organisation’s safety performance against that of their peers. The tool will also be used to track the Forum’s progress towards our goal of zero harm.

Learning from each other: We provide opportunities for business leaders to learn from each other and to share resources to overcome common challenges. Creating a safe workplace can be one of the toughest leadership challenges and very difficult to get right. Despite this, some of our members have achieved amazing results. We believe it is important that leaders are able to share how they have achieved these outcomes and to discuss the common challenges they face. The Forum runs highly successful peer learning events where members can share their findings with others who want to lift their performance.

Eight of these events have been held over the last 18 months, with presentations from the CEOs/Managing Directors of Refining New Zealand, Coca-Cola Amital, City Care, CentrePort, Holcim New Zealand, Progressive Enterprises, PF Olsen and Z Energy. The learnings are captured in case studies that are circulated widely, with summarised versions published as columns in the National Business Review.

Influencing others: As well as working to become better safety leaders ourselves, we are using our collective influence to try to lift health and safety performances across New Zealand. For example, we are undertaking a significant project to use the influence of CEOs to improve safety within our members’ supply chains. This

presents a real opportunity to improve safety performance of SMEs who often do not have well-developed safety systems.

In October 2012 we co-hosted a seminar with the Ministry of Business, Innovation and Employment (MBIE) on how to prevent process safety incidents, like the explosion at Pike River coal mine. The keynote speaker was Judith Hackett, chair of the United Kingdom's Health and Safety Executive. The seminar was attended by CEOs, senior managers, engineers, and safety experts and this was the first time such a large number of leaders from across business and government had come together to focus their attention on high hazard working environments.

Gaining membership views for the submission

We used two principal approaches for gaining members' views on the five key issues that we comment on in this submission.

On Friday 2 November the Forum ran two workshops for representatives of Forum member organisations to engage directly with the Taskforce on the review. The first workshop was attended by more than 60 health and safety representatives/managers. This workshop provided a useful insight into the views of our wider membership.

The second workshop included a round table discussion with eight Forum members. This discussion directly informed our submission and raised useful discussion points that became the key areas for focus.

Because of the diverse nature of our membership, we want to highlight that the following submission does not represent views shared by all of our members. However, we believe it does reflect the range of issues raised by members in response to the consultation document.

Survey

To gain the views of as many of our members as possible, an online survey was sent to 106 Forum members, of which 47 responded (44 percent). This was a pleasing response rate considering the short timeframe and the many pressures on our members' time.

Issues raised in the survey have been included in the submission as appropriate, including quotes and real examples where this provides further insight.

Structure of the document

Because the Forum is focused on leadership, the decision was made to provide an in-depth response to five key issues that are directly relevant to our members. These areas are:

- Regulatory Framework and the Role of the Regulator
- Worker Participation and Engagement
- Leadership and Governance

- Incentives
- Influencing Health and Safety Outcomes Beyond One's Own Workplace

These areas are all interlinked, and ideas raised under one heading will often have an impact on other areas. We have endeavoured to highlight these linkages without repeating arguments; however there is some repetition because of the nature of this task.

Each section begins with an **opening commentary** where we introduce the Forum's high level view on that issue. This is followed by a discussion of **key issues** where we expand on the specific issues raised, and provide further information about why the Forum considers this to be a particular issue. Where possible we have provided **evidence/examples of good practice** that demonstrate ways the issue raised can be successfully addressed.

Each section then concludes with a list of **recommendations**. These are collated at the end of the document in a **summary of recommendations** outlining the Forum's primary and secondary recommendations for change.

OUR HEALTH AND SAFETY SYSTEM

The Taskforce used two models to describe New Zealand's health and safety system. This was a significant departure from the traditional approach of describing the system as a legislative framework that includes legislation, regulations and supporting codes of practice.

The Forum fully supports and endorses the models the Taskforce has created, and agrees that they present a useful way to describe our health and safety system.

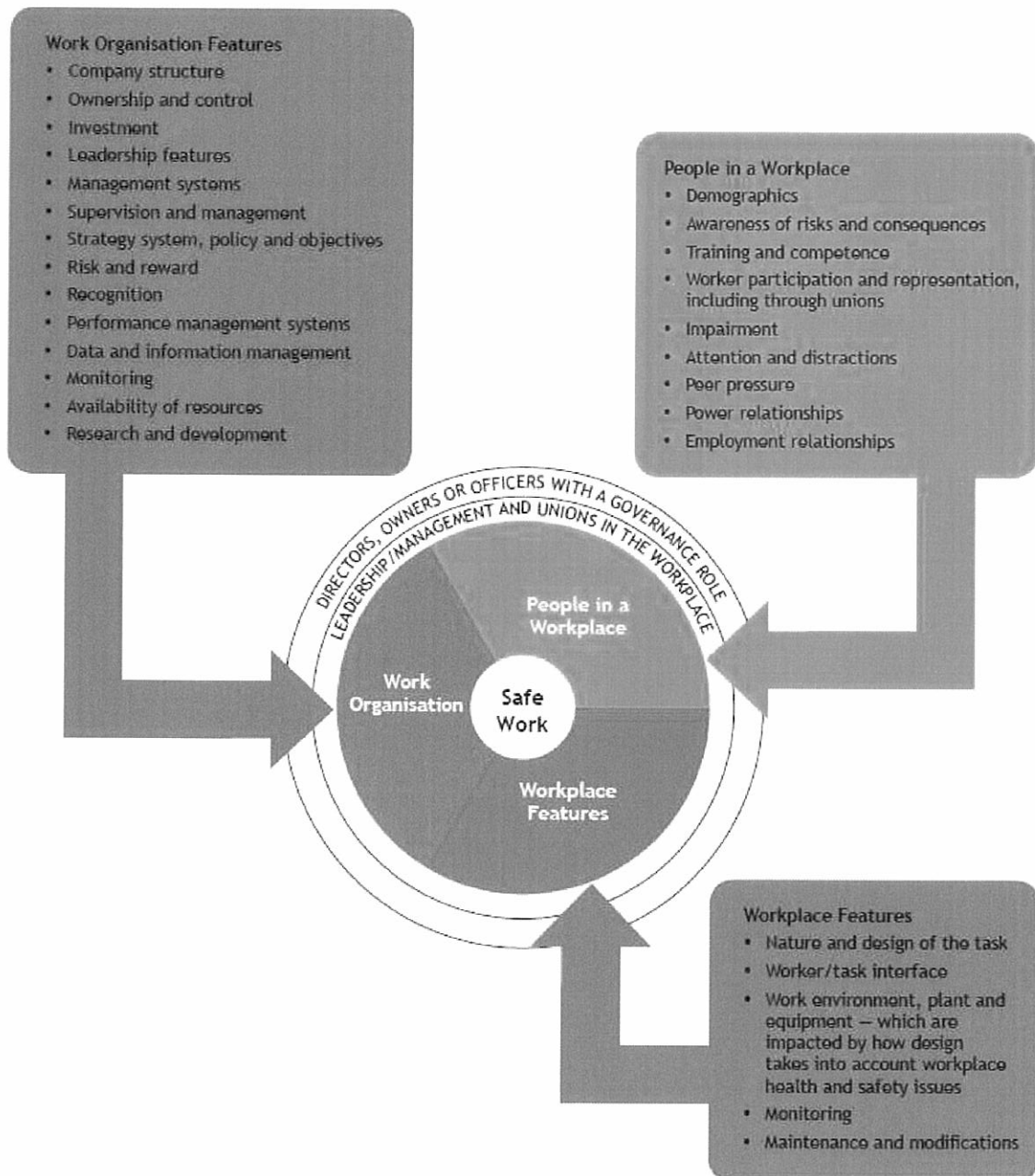


Figure 1: Framework for features that impact on workplace health and safety outcomes

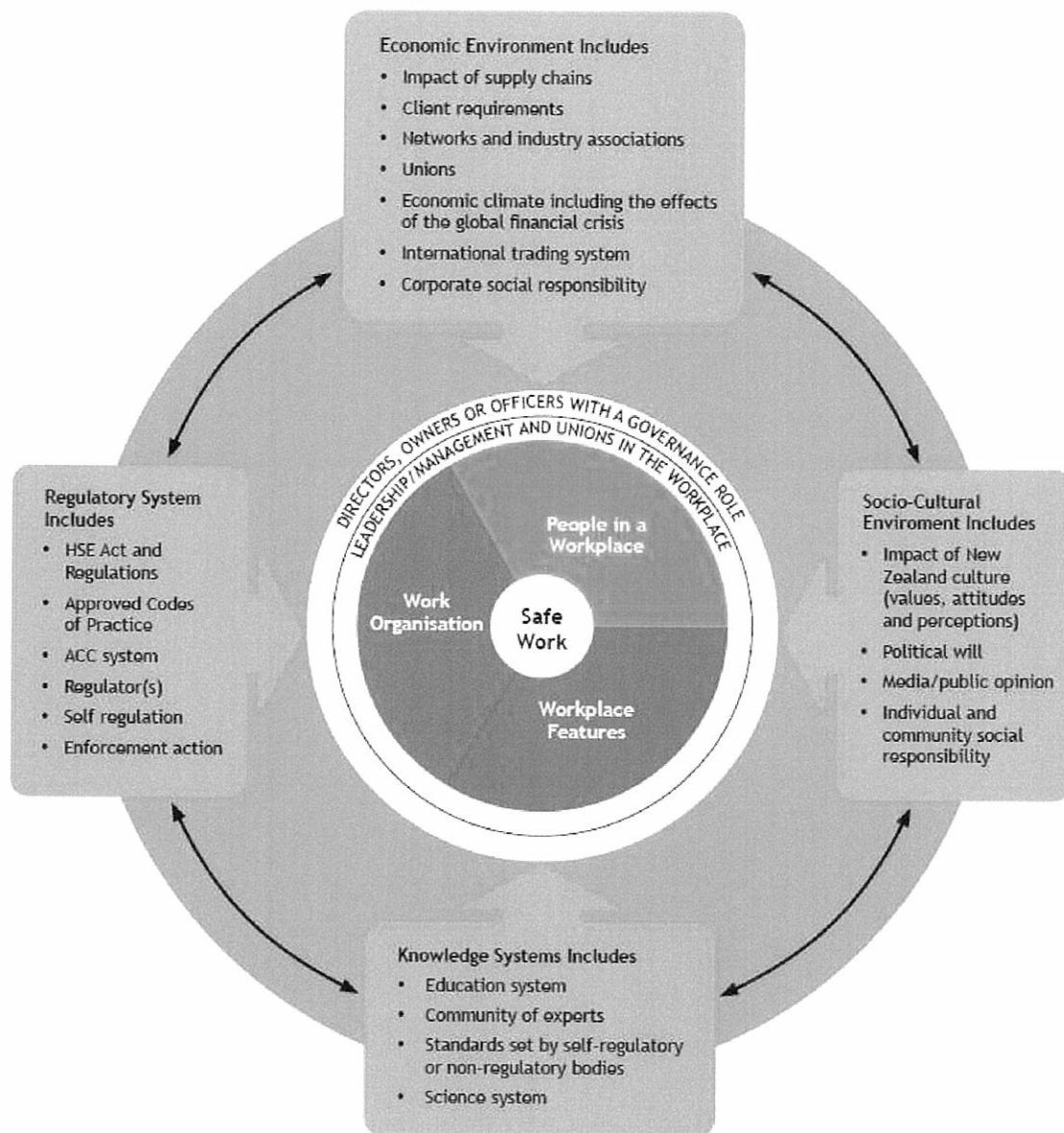


Figure 2: The overall workplace health and safety system

It is helpful to consider the models above as describing either direct (figure 1) or indirect (figure 2) influences that impact on the workplace and influence or create a safe workplace.

Interestingly, the key factor that mediates both direct and indirect factors is leadership, either via ownership, governance or management.

Given that safe work is achievable in the absence of any indirect input or influence, the Forum believes that direct influences are potentially more powerful drivers of performance. They are able to create immediate change and are ultimately more effective provided they are operating as they should. Direct influences are best moderated by leaders who have involvement with the organisations, including owners, shareholders, directors, senior managers, supervisors and unions.

Indirect influences are those areas that support and guide leaders and workers on what is acceptable, what is known and how these ideas should be implemented. They build broad-based consensus, create capacity, set minimum standards and ultimately can hold organisations to account.

Indirect influences are by their nature likely to be removed from the workplace, may take longer to influence change, will be more difficult to measure, but could potentially be more powerful in creating broad-based changes. Indirect influences can be led by organisation and community leaders, including government ministers, appointed officials and leaders from community institutions such as schools and universities.

It is our submission that changes need to focus on encouraging, promoting and in certain cases compelling leaders who have a direct influence to demonstrate their commitment to a safe workplace. This includes leaders from all workplaces, irrespective of size, function or risk profile.

There also needs to be a far greater commitment from leaders who have an indirect impact on health and safety. This includes greater visible leadership from government ministers, senior officials, union leaders and the wider public service. Equally, local government leaders and officials, including those with responsibility for local and regional councils, District Health Boards, and secondary and tertiary education providers also need to demonstrate leadership.

If all of our business and elected leaders share a similar aspiration to achieve safe and healthy workplaces, our performance will improve.

The Forum's experience

While there is no doubt that New Zealand has a poor health and safety record there are some examples of businesses with exceptional performance. This includes some who have been able to almost eliminate workplace injury and ill health from their business. Interestingly many of these businesses are involved in some of the most hazardous activities and all remain deeply committed to on-going improvement. They understand that health and safety requires consistent vigilance. It is not something that is achieved and put aside to focus on something else. In high risk industries the potential for a serious or fatal injury is ever present.

These businesses are characterised by the following principles:

- A common vision shared by leaders, managers and front-line employees for a safe workplace.
- A personal commitment from senior leaders to make health and safety a critical aspect of their own and their business success, resulting in investment of time and resources.
- A desire to create a safety culture that is typified by open reporting, a just culture, continuous improvement and a commitment to communicate and lead by example.
- Measuring and monitoring the right health and safety risks relevant to the business.

- Real employee participation and engagement – where those people exposed to the risks are intimately involved in identifying and implementing solutions.
- A belief that contractors are essentially an extension of the business when considering health and safety, and a commitment to maintain safe practices within this group that is equal to the commitment seen internally.

The drivers that shape the attitudes and behaviours of leaders in these organisations are not the same. In many cases they have changed over time and were not the attitudes and behaviours these leaders exhibited when they first joined the workforce or were first given responsibility to lead an organisation.

Common drivers identified by our members are:

- A moral commitment – not wanting to be responsible for running a business that injures people.
- A personal experience – generally being exposed to a serious or fatal injury in their workplace.
- A personal drive – often created from an internal reporting function or set of performance objectives.
- Direction from owners/shareholders – who do not want an unsafe or unproductive business.
- Damage to business or personal reputation – concerns that a major incident could have a personal impact and an impact on the businesses ability to function and/or be successful.

Note – in the survey of our members no responses mentioned previous enforcement action or the risk of action as a reason for engaging in and committing to health and safety.

While the views expressed above are from leaders of large businesses who potentially have more resources, it is important to note that their commitment and drive to create a safe workplace costs nothing. There is no reason why similar changes in attitude and behaviour cannot be achieved in leaders of small and medium sized businesses.

ROYAL COMMISSION IN THE PIKE RIVER MINE TRAGEDY

The lessons from the Pike River tragedy must not be forgotten. New Zealand needs to make urgent legislative, structural and attitudinal changes if future tragedies are to be avoided. Government, industry and workers need to work together.¹

The release of the Royal Commission's report into the Pike River coal mine tragedy on 05 November 2012 presents another opportunity to assess and review our health and safety system.

The Forum believes that while the Commissioners were focused on the Pike River tragedy they were able to uncover many of the more systemic issues that are currently wrong with our health and safety system.

Critically, the Commissioners highlighted that we seem to fail to learn from our experiences. This was after all the 12th commission of inquiry into coal mining disasters in New Zealand. The Commissioners clearly identified some of the major failings of our regulatory system, especially as it relates to mining. While much of their work focused on underground coal mining, the Forum believes it is relevant to almost all other workplaces. Of particular relevance are the findings that related to our legislative framework and the way this has been regulated, the lack of focus and accountability on leadership, management and corporate governance, the role of worker participation, and our readiness and response capability during significant emergencies.

The Forum fully accepts the findings and recommendations of the Commission. We argue that to achieve the type of change the Commission recommends significant leadership is required at all levels. This includes government, business and workers and their representatives.

We do not believe that the fix is to simply require a change in legislation and regulation, and then expect more activity from the regulator. Equally it is not about providing more guidance materials with the hope that these will be unanimously adopted. These initiatives could have some impact, especially in the short term. But it will never be possible for regulations to cover all situations. Even if they did, it is unlikely that the regulator could be much more effective at ensuring all these regulations were followed.

What the Forum believes is critical is a wider change in attitude, behaviour and practice. The system needs to be positioned so that as well as providing the right legislative framework it provides other levers that send a strong messages of what is expected and how to achieve this.

Royal Commission recommendations

The Royal Commission made 16 recommendations. The Forum notes that the government has agreed to accept all but one of these at this stage. The one recommendation the government has failed to accept for now is to set up a new Crown agency focused on health and safety.

¹ Royal Commission on the Pike River Coal Mine Tragedy (2012). *Royal Commission on the Pike River Coal Mine Tragedy Volume One*. Wellington, New Zealand.

The Forum believes that this is a critical change that is required to demonstrate leadership, give appropriate focus and ensure a level of independence from the core public service. We believe that this recommendation should go further, and should include a number of additional functions for the independent regulator aimed at improving workplace health and safety. The Forum also believes that greater leadership for this new agency could be achieved by creating a new Ministerial portfolio for workplace health and safety.

The Forum believes that the Commission was right to remain committed to performance based legislation. But we agree that in critical areas, including high hazard industries such as underground mining, that this requires well supported modern regulations and appropriately funded and skilled inspection and enforcement activities.

The Forum is encouraged by the recommendation the Commission made in relation to changes that are needed to improve management and governance skills and experience. There is growing evidence from major incident investigations and from the process safety literature that high hazard industries require directors and senior leaders with the right mix of skills and experience.

The recommendations relating to emergency preparedness are specific to the coal mining industry. The Forum believes that they could be applied more generally. There are other examples where emergency preparedness is not well managed in New Zealand, especially around facilities and processes that deal with hazardous substances. The HSNO regimen has failed to address this and many sites continue to lack the appropriate certification and emergency preparedness.

The explosion and subsequent fire at the Icepak cool store in Tamahere on 05 April 2008 was an example of this. Further emphasis needs to be placed on ensuring those businesses that requires a comprehensive emergency plan have one in place, and that this plan is realistic and includes a connection to emergency service providers.

Concluding comments

The Commission outlined numerous failures that lead to 29 men losing their lives. These failings were at all levels - included the mine management and directors of the company, workers at the front line, regulations and the approach to regulation, and a lack of government leadership.

Critically the tragedy was preventable. The hurt and pain this tragedy caused must not be forgotten if we are to build an improved health and safety system that does not allow for this type of situation to be created again.

The solutions are not easy and will take time and effort. We believe that we have outlined a series of steps in our submission that support and in some cases go further than what the Commission suggested. They strike the right balance and ensure there is greater focus on health and safety as a critical business activity that forms part of the wider leadership challenge.

REGULATORY FRAMEWORK AND THE ROLE OF THE REGULATOR

Opening commentary

The Forum believes that health and safety legislation should reflect the society's minimum expectations for workplaces.

Our health and safety legislation uses a framework based on the Robens' approach designed in the United Kingdom 40 years ago. This includes a principal Act that sets out general duties of care supported by regulations, codes of practice and other guidance material. This approach places the responsibility to prevent harm with duty holders.

This legislative framework is in place in a number of other countries, including the United Kingdom and Australia, and has stood the test of numerous reviews, including recent scrutiny by the Royal Commission into the Pike River tragedy.

The effectiveness of the framework is impacted by the extent to which it is accepted and supported, and by how strongly it is regulated. To be effective the framework must, therefore, be well understood, accessible and accepted by all duty holders, provide appropriate advice and support, and ultimately be enforced, preferably prior to a breach that causes harm.

The Forum argues that the principal legislation is sound but in many cases it is poorly understood by duty holders. It lacks clarity in some critical areas and is impacted by factors that are unique to New Zealand's wider legislative framework. It is not well supported by the wider framework - which is incomplete, out of date and is generally not delivered in a way that is useful for businesses and workers. The approach to regulating the framework is also inconsistent and ineffective. In many cases it does not focus on areas of greatest risk, and fails to find and address systemic issues focusing instead on a "hazard spotting and management" approach.

Critically, there appears to be a lack of leadership to help shape society's expectations.

The Forum would like to see a regulatory framework that is:

- Founded on sound principle-based legislation.
- Well supported by relevant regulation and guidance material that uses health and safety best practice.
- Delivered to those who need it in a way they can understand and use.

The framework, while setting minimum standards, should also encourage innovation. It should be flexible enough to recognise steps being taken by organisations that already demonstrate a high level of accountability for health and safety.

Key issues

Implementing the Robens' model

New Zealand adopted performance-based health and safety legislation in 1993; 20 years after it was introduced in the United Kingdom and 10 years after most of the Australian states adopted it. The key conclusion in the Robens' report:

The most fundamental conclusion to which our investigations have led us is this: There are severe practical limits on the extent to which progressively better standards of safety and health at work can be brought about through negative regulation by external agencies. We need a more effectively self-regulating system.²

This fundamental conclusion has been tested many times and in almost all cases has been confirmed as the desirable position. There are some critical differences in New Zealand that are likely to impact on the effectiveness of performance-based legislation. These include:

- A failure to fully implement the required range of support material.
- A vastly different employment environment, characterised by high number of SMEs and contracting work arrangements.
- A 24 hour, no fault, social insurance scheme for personal injury– removing the ability to sue.
- Low union membership and density, especially in many high risk industries.
- A failure to implement a true governance model.
- Use of advisory committees.

A failure to provide good information, especially for SME employers who have limited access to additional resources, can result in inconsistent adoption and minimal participation. This is not unique to New Zealand.

Incentives

Incentives are commonly used to influence desired behaviours and drive performance excellence. These include the threat of enforcement action, prosecution, civil liability, and increased costs.

While all of these mechanisms are possible in New Zealand, we submit that these methods have had limited impact. The reasons for this are:

- Low risk of enforcement and/or prosecution action being taken.
- Relatively low penalties applied by the courts for breaches of health and safety legislation.
- Very low risk of personal liability or personal prosecution due to high thresholds in the HSE Act.
- Very limited ability to bring a civil case due to ACC legislation.
- Complex, inconsistent, and relatively limited ability to directly impact ACC levies.

²Robens Committee (1972) Committee on Safety and Health at Work, Safety and Health at Work: Report of the Committee, HMSO, London.

Performance versus regulation

The counter to performance-based legislation is to provide detailed prescription, generally via regulation, that covers as many different situations as possible. The risks associated with increased prescription, are that it can create confusion and drive a compliance culture. The Forum's view is that a compliance culture will only get you so far and a compliance focus does not support a safety culture. Prescription is important in some areas, especially high risk industries, but simply increasing regulation without fully understanding its impact could ultimately be detrimental to performance.

The review by Lord Young into health and safety in the UK in 2010 found this very thing.³ Lord Young concluded:

The Health and Safety at Work etc Act is a very good piece of legislation. It provides a clear framework for the risk-driven approach to health and safety. However, since its coming into effect the compliance-driven approach and prescription have continually eroded the principles of the Act's risk-based approach.

Many of the problems associated with the legislation have their origins in how the legislation is interpreted and implemented. These issues need to be addressed through non-legislative reforms and elsewhere in this report a number of measures have been identified to address these.

There is also a need to make some of the regulations more accessible for businesses. The Management of Health and Safety at Work Regulations Approved Code of Practice is a user friendly as it combines the actions needed in both hazardous and non-hazardous workplaces. SMEs need better targeted guidance.

There is a plethora of legislation and regulations in the field of health and safety covering almost every conceivable situation to be found in a workplace. These have grown up over time; each regulation and piece of legislation was no doubt well intentioned and seen as essential at the time it was introduced. However, for businesses trying to make sense of their responsibilities it is almost impossible to understand how it all fits together. This creates uncertainty and a tendency to look to external experts for guidance where this is not required.

Our members expressed similar views to Lord Young insofar as they were more concerned with how the legislation was being interpreted and implemented than with changing it. Their concerns included the lack of enforcement and low penalties for breaches.

Also of concern is the need to have greater clarity on who is accountable for health and safety on worksites where there are multiple contractors. This has become an increasing issue with the fragmentation of many industries and the use of subcontractors.

³Young, 2010. *Common Sense Common Safety*. HM Government, London. Accessed 16 November 2012 from http://www.number10.gov.uk/wp-content/uploads/402906_CommonSense_acc.pdf.

Changes are also needed to ensure there is an appropriate balance of accountability for all involved. The regulations need to be clear about who is responsible for health and safety, including individuals for their own behaviour.

Our members are keen to see a framework that focuses on initiatives that can tangibly improve health and safety outcomes, i.e. by encouraging focus on injury prevention through leadership, and worker participation and engagement.

The current health and safety regulation framework lacks focus on injury prevention. This is currently split between MBIE and ACC. This has resulted in limited consensus on policy approaches in this space.

Effective health and safety regulation needs to strike a balance between injury prevention, education and advice, and enforcement.

To strengthen our regulatory framework and implementation process we need to address the following issues:

1. The legislation and supporting framework need to be accepted by leaders, managers and workers.
2. Greater clarity is required regarding duty holder accountability. This includes business owners/directors, individuals at management and worker levels, and in situations of contract and supply.
3. Stronger, more consistent and focused leadership is required from the regulator.
4. Low frequency and relatively small sanctions related to enforcement action creates an environment where there are no significant deterrents to breaching the law. .
5. More effective approach to workplace injury prevention. Current approaches are fragmented, inconsistency, under resourced, and lack focus. The campaign to change behaviour related to drink driving is a good example of what is needed. It has taken a single focus, extensive investment, key leadership (and enforcement) from NZ Police, their partner agencies and the courts, and 20-30 years to turn around our drink driving culture to a point where society no longer accepts this behaviour. .
6. Lack of clarity between the HSE Act and related legislation e.g. ACC Act, The Hazardous Substances and New Organisms Act (HSNO) and the role of other regulators (Maritime NZ, Civil Aviation Authority, and Ministry for the Environment).
7. A lack of strategic level integration between the HSE Act and other government policy, including education, health, labour relations, and cross-government procurement processes.

Evidence from members/examples of good practice

One example of how guidance from the regulator can clarify the regulatory framework is the "Managing Contractors: Guide for Employers" which was produced by the Health and Safety Executive in the United Kingdom and aimed at SMEs in the

chemical industry⁴. This guide explains their responsibilities for health and safety when using contractors and describes good practice.

In Australia, Provisional Improvement Notices (PIN) are notified directly to regulator and therefore are much stronger than the Hazard Notices currently implemented in New Zealand. The current process doesn't necessarily force employers to respond to the issue raised. The Australian approach has two levels of PIN, one that forces work to stop and one that allows work to continue but requires action to be taken within a certain period of time. This recognises that some aspects of health and safety require immediate attention, while others may take longer to implement and have a less immediate impact on the safety of workers.

One member reported that their experienced staff believed that "regulations that are black and white would help improve health and safety, alongside qualified inspectors that kept them focused on always striving to maintain high standards".

Recommendations

Primary recommendations

- 1. Build cross party political support for health and safety regulation** – the health and safety challenge is too important, requires long term commitment and strong government leadership. It therefore needs cross party support to ensure it is not subjected to significant changes under different governments.
- 2. Retain current performance-based legislative framework** – including a principal Act, Regulations, Approved Codes of Practice and guidance materials. This framework is "fit for purpose" for New Zealand and provides the best approach to set and guide health and safety expectations across all workplaces.

Several significant changes are required, these include:

- **Provide greater clarity for roles and responsibilities** – focus on:
 - Roles of directors, owners and other officers.
 - Senior leaders and managers.
 - Principals and those with responsibility over workplaces with multiple employers.
 - Members of the supply chain.
 - Individual workers.
- **Update and maintain certain regulations** – focus on those regulations that specifically relate to high hazard work places, i.e. underground mining, offshore petroleum. The Forum does not believe that more regulation is needed for general workplaces and it would be better to ensure Codes of Practice and guidance materials are developed in these areas.
- **Update and maintain guidance materials** – including a complete set of fit for purpose approved Codes of Practice and other relevant guidance material. Initial focus should be on Codes of Practice for:
 - Boards, senior leadership and owners.

⁴Health and Safety Executive (2011). *Managing contractors: A guide for employers* (2nd Ed.). Retrieved from <http://www.hse.gov.uk/pubns/priced/hsg159.pdf> [2012, September 18].

- Employee participation.

The regulator should maintain responsibility for maintaining and delivering guidance materials. Serious consideration should be given to adopting the model Codes of Practice currently being published by Safe Work Australia.

3. Ensure greater consistency and compliance with legislation - recommended changes include:

- Introduce a consultancy based, audit model for regulator interaction with business.
- Conduct more frequent workplace visits and place greater emphasis on the use of low level enforcement action.
- Focus on intervening before an incident occurs.
- Introduce mediation services to help business and workers negotiate health and safety practices when there are concerns.
- Introduce higher penalties for breaches– consider removing section 49 and 50 of the HSE act and replace this with the three tier system outlined in the Australian model health and safety law. The cost of non-compliance needs to send strong messages that this is not acceptable.

4. Improve regulator leadership– Establish a separate Crown Entity (a safety agency) with an independent board, responsible to a minister. The agency should have its own funding stream and be responsible for setting and collecting revenue to fund its activities.

The board should appoint a Chief Executive who will then be responsible for leading all of the activities of the agency.

The agency should have responsibility for:

- Administering and regulating the legislation.
- Providing policy and advice, including development and maintenance of Codes of Practice and guidance materials.
- Health and safety data collection and analysis which informs research and development.
- Promoting good practice and providing advice and support to business.
- Injury prevention – including the role currently fulfilled by ACC for workplace health and safety.
- Occupational health – including promoting surveillance and monitoring programmes and enforcing non-compliance.
- Hazardous substances, including the administration and enforcement of the HSNO Act.
- Specialist areas, including high hazards, mining, oil and gas, maritime and aviation safety, investigation.

5. Improve funding for the health and safety regulator– introduce a new funding model for the Regulator based on combination of:

- Set levy on all business - flat fee.
- Premium based on risk classification.
- Fee for service based on performance. Options include:
 - i. fees structure for audits / engagement activities,
 - ii. cost recovery for investigations when liability established,
 - iii. loading for injury outcomes.

6. Create better balance between individual and collective accountability and responsibility – including:

- Make the Health and Safety in Employment (HSE) Act clearer on matters relating to personal responsibility.
- Enforce the legislation with appropriate balance between individual and collective responsibility.
- Consider changes to ACC law and/or entitlements that create greater incentives for individuals to act responsibly. Possible changes could include:
 - increasing surcharges for individuals,
 - delaying or restricting the length of time compensation can be received,
 - introducing greater opportunity to sue for personal injury – i.e. in cases where a breach was established by the courts,
 - increasing flexibility into existing levy discount programme to ensure a greater number of employers can participate in these programmes.

7. Confirm responsibility for health and safety on sites or projects with multiple employers and/or contractors. Consider the introduction of a provision similar to the Australian model laws for “Person Conducting a Business or Undertaking” (PCBU).

8. Create a focus on injury prevention by:

- Pooling available resources (from MBIE and ACC).
- Maintaining a high profile and long term focus.
- Ensuring adequate resourcing.
- Maintaining an evidence base and publishing outcomes.

9. Improve regulation of high hazard workplaces – maintain focus on high hazard facilities and workplaces. Additional focus should be on:

- Extending the current High Hazard Unit to areas outside of underground mining and offshore petroleum operations.
- Considering the introduction of safety cases for all high hazard facilities and/or processes.
- Developing and distributing guidance documents for specific hazards/high risk industries developed by and for industries and distributed through the regulator.

Secondary recommendations

1. Adjust principal Act to streamline with other similar legislation and move into a risk-based framework. Key changes include:

- Remove definition of serious harm – introduce more meaningful definition based on injury type and/or outcome. The Forum recommends the approach taken in UK with Reporting of Injuries, Diseases and Dangerous Occurrences Regulations 1995 (RIDDOR).
- Consider a change from “all practicable steps” to “reasonably practicable” to bring into line with Australian model laws.
- Change to a “risk-based” approach rather than one focused on “hazards”.
- Require all workplaces to have an employee participation system, but amend/modify the prescription in the Act and allow for greater flexibility for how this should occur.

- Add a section to clarify how and when it is appropriate for employers (or principle contractors) to conduct alcohol and drug testing for people accessing their sites.
2. **Maintain a focus on injury and illness quality data**– set up a single data collection and analysis facility to ensure accurate information is collected and presented. Set up a comprehensive measurement framework based on accepted international standards, such as those set by the Occupational Safety and Health Administration (OSHA).
 3. **Improve funding for health and safety research** – the regulator should set up and fund appropriate research to influence regulator activity, promote prevention activities, help inform business and workers on new risks, inform management techniques, and confirm the impact of changes over time.
 4. **Improve the accident investigation and corrective action process** – require the regulator to follow up on all accident investigations to ensure the findings were appropriate and that the corrective actions were implemented.

LEADERSHIP AND GOVERNANCE

Opening commentary

The Forum has strong views on the role of leadership and governance in shaping and changing health and safety practice and outcomes. While effective safety leadership is needed at all levels of a business, the Forum believes it starts at the top. Our members feel that directors and owners also have a leadership role, as do members of parliament and ultimately the responsible ministers.

Business leaders have the greatest chance of building an improved safety culture in our workplaces. For this to occur they need to have a mind-set that this is the right thing to do.

Each of our member organisations has made the decision that health and safety matters to them, and has taken steps to ensure this is reflected in their business. They are focusing on becoming more effective safety leaders by taking the time to develop their safety leadership mind-sets and practices, and by sharing learnings on leadership approaches, strategies, and performance.

The Forum would like to see a focus on safety leadership as a key area of change from this review. This requires courage, commitment and hard work from leaders. Importantly, we do not believe that simply increasing penalties or creating lists of duties is the answer. While these approaches may have some impact, ultimately health and safety will only improve when it is treated in the same way as other business functions, such as financial performance.

CEO safety leadership

Evidence and experience shows that business leaders who demonstrate specific safety leadership practices can influence health and safety performance. These leaders have a mind-set that does not accept injury and ill health as part of the job. They are aware of what they can do to influence health and safety performance. They demonstrate safety leadership in what they say, do and measure.

The Forum believes focusing on practice is the most beneficial way to grow safety leadership. In 2010 we developed a model of safety leadership that described these practices. The model includes 24 positional statements that can be broken down into eight core dimensions. These dimensions function on a leadership maturity continuum and can be measured and assessed. The model is based on research and practical experience. It is the basis of the Forum's safety leadership approach, including how to assess, develop and grow safety leadership performance.

This model is important because it describes safety leadership in a way that is accessible, measurable and teachable. The Forum would like to see this model form the basis of safety leadership development programmes. While the model was designed for business leaders it could also be used by other leaders, such as directors, government ministers, elected officials, community leaders and leaders of government agencies.

World-class safety leadership starts at the top and is about what I say , what I do , and what I measure .	
What does world-class chief executive safety leadership look like?	
1. Clarify the vision and focus	I am clear that nothing is more important than the health and safety of my people. I communicate that in a compelling way, I foster a sense of urgency, and I set a personal example for others to follow.
2. Understand that health and safety is an investment	I commit the necessary resources – people, equipment, systems, information and time – to strengthen safety culture and performance and to create a sustainable Zero Harm workplace.
3. Get personally involved	I actively seek opportunities to be involved in safety activities like incident investigations, frontline safety meetings, and safety briefings.
4. Engage my organisation	I inspire and work with my people so that we go the extra mile to achieve our common safety goals.
5. Recognise contributions and safety achievements	I take time to find out about, and acknowledge, the effort my people put into safety, and I look for meaningful ways to celebrate our safety successes.
6. Manage the risk	I ask the right questions and I insist on timely, accurate, and impartial information to ensure that safety opportunities and risks are balanced.
7. Monitor the right safety outcomes	I regularly monitor safety process and performance outcomes to know how my business is tracking, and I change the way we do things to reflect what we learn.
8. Let my people get on with it	I give my people the tools and responsibility for making the business safer, healthier, and more productive, and I hold myself and them accountable.

Table 1 CEO Safety Leadership Model

While the businesses of CEOs operating at an “engaging” maturity level are likely to demonstrate improved health and safety performance over time, this does not mean high performance is always achieved. What’s more, circumstances may dictate the need for a CEO to operate at different levels of maturity at different times.

Mature safety leaders engage their people so that health and safety performance is a shared value across their business. The different levels of safety “maturity” that CEOs demonstrate as outlined in the model below.

CEO Safety Leadership Maturity

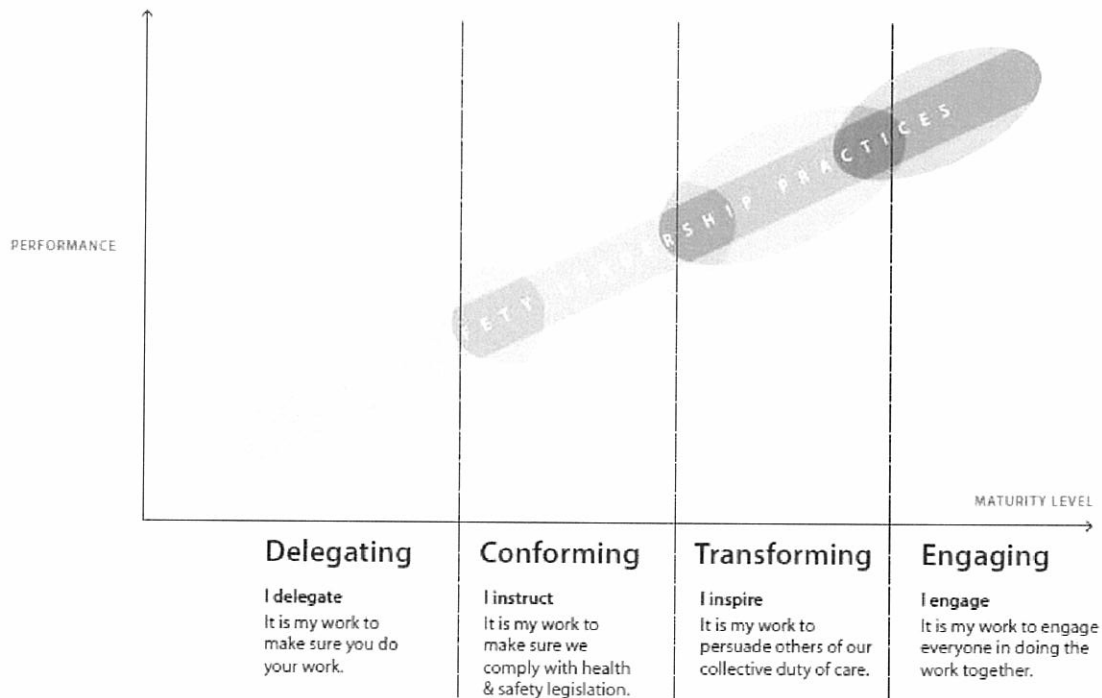


Figure 3 CEO Safety Leadership Maturity Model

Key issues

While the number of members already in the Forum demonstrates that a significant group of business leaders have made the commitment to be safety leaders, it is not always true that they are successful. More importantly, there are many other business leaders who are not committed and are not driving safety performance in their businesses.

There are likely to be a number of factors that challenge active safety leadership. Some examples given by our members are:

- A weak regulatory environment with unclear and conflicting legislation.
- Risk taking behaviour by workers and frontline managers, nurtured by a no fault compensation system.
- Slow pace of change in health and safety, i.e. the slow uptake of participation agreements.
- General acceptance of poor attitudes towards workplace health and safety practices demonstrated by New Zealand's "she'll be right" attitude.
- Poor representation and leadership from government. For example, concerns that health and safety leadership is buried layers within MBIE (and the Department of Labour prior to that). This lack of obvious leadership drives a perception that the government does not value health and safety in the workplace.
- Lack of commitment from government to provide health and safety advice. In other jurisdictions guidance material in health and safety is provided by the regulator.

- Procurement structures and frameworks that treat health and safety as an extra cost, i.e. clients that focus on price ahead of everything else. This provides little motivation for leaders responsible for the financial health of a business to put health and safety before cost.
- The absence of health and safety as a core competency in business leadership training.

We also asked our members what had enabled them to be actively engaged with health and safety. Some examples of factors that promote engagement are:

- Board/investors that see health and safety as equally important as the bottom line.
- Shareholder approval and recognition of health and safety. This can be achieved through reporting health and safety outcomes alongside financial reporting.
- Employee and union response to business interest in improved safety. Where employees are engaged it provides encouragement for leaders to maintain a focus.
- Senior leaders and board members fear of prosecution and damage to the businesses' reputation drives some of their engagement. While the members raised the low risk of prosecution as an issue, it was still seen as a motivator to engage for some leaders, particularly regarding possible damage to business reputation.
- Clients showing that they are prepared to support and pay more for a safe contractor. This was seen as a major motivator for engagement but relies on improved procurement practices. If purchasers insist on good health and safety practices then suppliers will be forced to deliver.

The Forum is keen to lift the level of active engagement in health and safety from senior business leaders and would like this to spread into areas of governance, government and across SMEs.

Evidence/examples of good practice

Members report a general appreciation that "good safety is good business" or that health and safety "makes great business sense". One member from a high risk industry commented that their "business success and growth depends on achieving leading safety performance". These examples demonstrate the positive impact that health and safety leadership can have on business performance.

Supporting the "good business" reasons for health and safety were a number of personal or moral convictions where members, and their organisations, saw health and safety as "the right thing to do". Leadership was seen as key to creating an environment or business culture that puts an emphasis on health and safety. One member highlighted that it provided an excellent opportunity to engage the workforce, which can lead to improved engagement on other issues and increased productivity. The member felt this was due to the willingness of staff to work hard when they feel their employer has their best interests at heart. This was achieved by "company leaders providing the environment to encourage safe attitudes" through "personal commitment, passion and clarity of expectation, backed by personal involvement in the business and with all contractors and sub-contractors that work with and for us".

Governance structures within our member organisations use a range of approaches to engage on health and safety, including:

- Reporting and monitoring performance of both leading and lagging indicators, as well as health and safety strategies, plans, actions and initiatives.
- Remuneration of board members that depends on safety performance and initiatives.
- Putting health and safety as the first item on the agenda at all board meetings.
- Directors joining management in completing safety observations and undertaking independent audits of leadership and infrastructure.
- Recognition that honest reporting of incidents demonstrates a superior level of maturity and encourages self-evaluation, allowing the business to lift its game.
- A board that constantly challenges management and the business to set ambitious targets in health and safety. This was something which the Pike River report highlighted as absent from Pike River Coal.
- A board that understands the broader business value you get from a highly engaged workforce that feels committed to, and cared for by the organisation.

Concluding comments

The Forum believes that committed, knowledgeable, skilled and engaged leadership, operating in all New Zealand businesses is the key to creating safe work place cultures and improving health and safety performance. This conclusion is supported by our understanding of the research in this area and our own experience.

While leadership is important at all levels of an organisation, the most senior leaders have the most critical role. This includes CEOs, Managing Directors and business owners, as they set the agenda for how the organisation will function. Leaders in governance functions also have a key leadership role. They set and monitor the business' direction and strategy, and are ultimately accountable for mitigating business risk.

Effective leadership does not need to be expensive. It is about what a leader does, say and measures.

Forcing leaders to comply with health and safety requirements will only bring limited success. The Forum believes that real success will only occur when the right environment exists that compels business leaders to choose to commit to health and safety excellence.

Our experience is that leaders choose to commit to health and safety for different reasons, mainly based on values, personal experience or rewards. In some cases they may be influenced by sanctions, loss of profile or bad publicity. We therefore believe that a framework of changes is needed to motivate leaders to choose to commit to health and safety. The framework includes five areas:

1. **Promote a common vision for health and safety leadership** – build a common understanding of what we are trying to achieve, what is acceptable and how leaders can influence this.
2. **Increase visibility of health and safety performance** – promote good and poor performance. Make this visible to people who matter, including shareholders, owners, governments and elected officials. Bring greater

transparency and visibility to health and safety performance and ensure it covers all areas of activity.

3. **Create improved health and safety leadership capacity, knowledge and skill** – ensure that leaders know how they can become more effective safety leaders, ensure they have the right skills and experiences and promote and encourage high performance.
4. **Develop health and safety leadership as a core and desired competency for senior leaders** – when health and safety is a sought after competency for senior leaders this will drive focus and practice in this area.
5. **Ensure awareness and accountability** – make it clear who is accountable, ensure there are suitable sanctions that serve to improve performance, prevent risk exposure and send a strong message that health and safety is important.

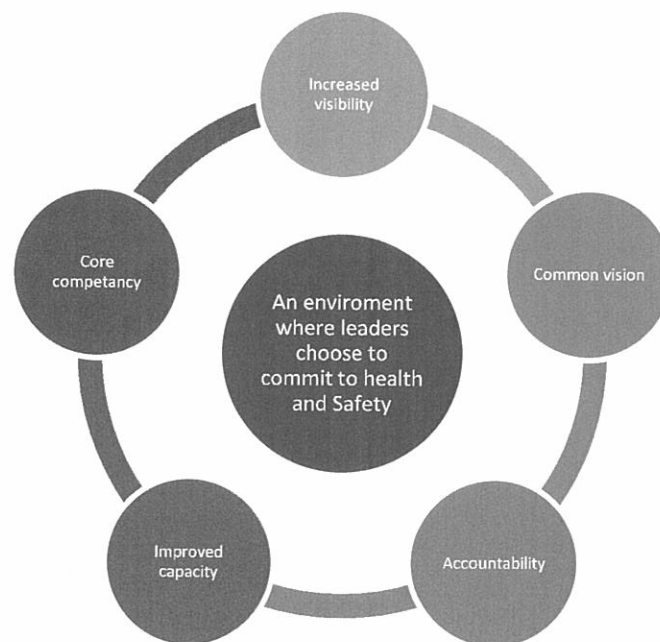


Figure 4 Factors that will influence leadership engagement in health and safety

Recommendations

Primary recommendations

1. Create a common vision and demonstrate health and safety leadership.

- Business to lead by:
 - creating a common vision and binding leaders to it,
 - promoting health and safety performance as a key performance indicator, and
 - including health and safety performance as a key industry productivity indicator.
- Government to led by:

- creating of a new independent safety agency,
- creating of a new Ministerial portfolio for Workplace Health and Safety,
- requiring all CEOs of government agencies to personally commit to a common health and safety vision, and
- supporting business-led initiatives that promote safety leadership.

2. Increase visibility of health and safety performance

- Drive a reporting culture in New Zealand business by:
 - requiring all publically listed companies (including SOEs) to provide, at a minimum, a standard report on health and safety performance relating to their activities as part of their annual reporting process to shareholders – to include their own and their contractors performance, and
 - requiring all government ministries, departments and other Crown agencies to provide as a minimum a standard report on health and safety performance relating to their own and their contractors performance as part of their annual reporting process to Parliament.
- Make directors and senior leaders' accountabilities clear by requiring:
 - the regulator to establish and then publish director and senior leadership responsibilities,
 - the regulator to work with the Institute of Directors and the Business Leaders' Health and Safety Forum to establish and then publish guidance material on how directors and senior leaders can meet their obligations,
 - directors to treat health and safety as a risk that is comparable to financial risk, and
 - the regulator to issue an approved Code of Practice to guide directors on how good governance practices can be used to manage health and safety risk. (*Recommendation 6 from the Royal Commission on the Pike River Coal Mine Tragedy*).
- Increase visibility of good and poor performance by requiring the regulator to:
 - promote and formally recognise high performing business leaders,
 - provide accurate and timely reports showing health and safety performance of New Zealand businesses, and
 - produce improved analysis, reports and key findings from investigations in a way that can be easily communicated to media, to other leaders and workers – see the Chemical Safety Board safety video's as an example⁵.

2. Create improved health and safety leadership capacity, knowledge and skill. Suggested approaches include:

- Fostering safety leadership groups that are focused on improving health and safety outcomes, e.g. Be Safe Taranaki, Business Leaders' Forum.
- Encouraging providers of leadership training to include concepts of health and safety leadership.
- Developing a health and safety leadership training programme similar to the Health and Safety Representative training programme – designed for senior leaders and directors.

3. Develop health and safety leadership as a core competency for senior leaders. Options for addressing this include:

⁵http://www.csb.gov/videoroom/videos.aspx?cid=1&F_All=y

- Establishing a new performance-based funding model for health and safety regulation.
- Promoting access to work opportunities – most obvious example would be to require all government contracts to set a standard for health and safety performance, and make sure this is an assessed item in the procurement process.
- Consider the introduction of a “licence to practice” system for all businesses conducting hazardous work.
- Reinforcing contractor pre-qualification, assessment and induction as steps that need to be taken prior to engaging contractors.

4. Ensure business leaders are accountable for their actions or inaction.

- Ensure senior leaders are more involved and responsible for health and safety leadership and performance by:
 - requiring their (or their immediate delegate) involvement in safety management audits administered by the regulator or ACC,
 - requiring their (or their immediate delegate) sign off of on accident investigations for reportable injuries, Hazard Notice (or similar) responses, and actions taken following regulator engagement for non-compliance,
 - requiring their (or their immediate delegate) involvement during engagement or enforcement action with the regulator,
 - redirecting engagement and enforcement action undertaken by the regulator to consider a review of leadership practice and corporate governance structures and processes.
- Change approach of regulator engagement and enforcement actions including:
 - introducing more frequent lower level enforcement action, aimed at preventing injury and ill health,
 - for serious breaches, increase penalties to establish a significant deterrent – care is needed to ensure this promotes leadership engagement and not the “cover-up” of poor practice.
- Consider the introduction of provisions outlined in the Australian model laws for a Person Conducting a Business or Undertaking (PCBU) to make it clear who is responsible and ultimately accountable for workplace health and safety in a greater range of workplace situations.
- Consider introducing new statutory duties for directors and senior leaders that require them to undertake “due diligence” of all work they are responsible for to ensure it can be completed safely before work commences. This includes work contracted to others.
- Consider the value of introducing corporate manslaughter or similar provisions.

EMPLOYEE PARTICIPATION AND ENGAGEMENT

Opening commentary

The Forum believes employee engagement is vital to achieving health and safety outcomes. Involving workers in health and safety decisions can improve safety performance, relationships with management, and can help create a safety culture. Achieving health and safety outcomes in these areas can improve business performance and reputation with clients. These lessons come through strongly in both the international literature, and the experience of our members.

Productive employee engagement largely comes down to strong, open leadership and workers willing to take responsibility and be accountable for their actions. In many cases the effectiveness of employee participation on health and safety is reflective of a wider employment relationship and the level of trust that exists between the management and the workers.

The Forum does not want the legislation to be overly prescriptive in what it requires businesses to do in terms of engaging employees. However we believe that the application and implementation should be more robust and enforced. Our members are of the view that the current system focuses on only one view of how to engage employees, and does not give employee participation enough emphasis.

The Forum believes that an employee participation system should be in place in all workplaces. In some workplaces this should take the form of an agreement between the management and the workforce. Ensuring participating systems and agreements are in place will go some way to ensuring there is more effective and engaged participation on health and safety. In some high risk industries (e.g. where there is risk of death) the Forum believes there should be compulsory participating agreements.

Key issues

Our members have seen real improvements in health and safety outcomes since instituting employee participation initiatives, and these outcomes have paid off in terms of business performance. These include the following.

1. Employee participation in health and safety decision-making gives employees a sense of ownership and raises awareness and pride.
2. When employees participate in health and safety processes they engage constructively with management and supervisors, which creates potential to lift performance and productivity.
3. Staff engagement is a good reflection of risk in the workplace, results in less accidents (at work and at home), and means accidents take less time to deal with.
4. Open, clear and regular communication is key to both achieving good staff engagement, and getting results from that engagement.

Open and direct communication

Our members' experience fits with the international evidence, which stresses open and direct communication is key to achieving engagement. Their experience shows engaging employees in health and safety decision-making creates good results that flow on to improved business performance. When employees are involved in a process that makes positive change, they feel ownership and become motivated. Where employees feel loyalty to, and pride in, the business they can be increasingly empowered to make independent and informed decisions about health and safety.

The participation of employees in health and safety is one of the best opportunities for staff to engage with management. The interaction empowers employees, and can create a constructive relationship where workers and managers are aligned and working towards common goals. Rules and guidelines cannot replace the positive attitude created through good engagement.

When staff actively participate in health and safety processes, businesses know where the risks are and if they are being properly managed. Engaged workers also become more aware of risks outside the workplace, and harm and absenteeism due to accidents at home can be reduced. Engaged and healthier workers are more productive and generally perform better. When workers and frontline management are involved in deciding safety processes they take ownership of the issues in the workplace, and there is a greater chance they will display attitudes and behaviours that will keep themselves and others safe.

Employee Participation Agreements

The HSE Act requires businesses with more than 30 employees to have an Employee Participation Agreement (EPA). It appears that these are rarely, if ever, used despite the guidance offered in the legislation and the clear benefits that could be gained from such agreements. This is not to say there is a form of EPA suitable for everyone. The actions taken, the form of employee participation, and the level of detail required, will be different for each workplace. Different industries have different levels of risk and different methods for engaging with workers. The Forum believes that all workplaces should have a system for how workers participate in health and safety. In some high risk industries and when workers are represented by a union we believe that compulsory participating agreements should be in place to clarify how engagement and participation will occur.

Health and Safety Representatives and Hazard Notices

The creation of a formal Health and Safety Representative role was designed to encourage employee engagement in health and safety practices, and to provide a voice for workers. Health and safety representatives were given specific powers and time off work to attend training. When working well, health and safety representatives can provide employees with another avenue to report health and safety concerns or ideas for improvement.

The current legislation allows for training health and safety representatives to issue Hazard Notices when they are concerned that a health and safety issue has not been addressed. However, as the consultation document points out, these are rarely reported to the regulator and it is therefore unclear how often they are used or how effective they are.

In some Australian states Health and Safety Representatives are able to issue Provisional Improvement Notices (PIN). A PIN is a notice issued to a person requiring them to address a health and safety concern in the workplace. All PINS are notified to the regulator and the employer is required to respond to all PINS. PINS can either be a warning of a health and safety concern or they can be issued to stop unsafe work. The increased power of PINs aims to improve the effectiveness of health and safety representatives. The requirement to notify the regulator for all PINS issued ensures a much stronger approach than Hazard Notices.

Evidence/examples of good practice

Many of the Forum's members have instituted steps to improve employee participation in health and safety processes, and have had positive outcomes as a result.

Research undertaken in the United Kingdom illustrates that creating, supporting and maintaining a "dialogue culture" is "the most decisive factor" in engaging employees in health and safety activities.⁶ The experience of our members supports this finding, with many members emphasising the importance of internal communications and health and safety being a standard element of meetings at every level. One member notes that their meetings are structured so that health and safety messages can "cascade up and down" the organisation, and there is on-going dialogue. Several members emphasise that health and safety issues can be raised in multiple forums. Another way our members foster an open culture is through reporting health and safety statistics. Some members report this information internally, while others choose to report it in external communications, such as client newsletters. Positive health and safety messages can be good for business reputation.

Many Forum members begin employee participation in health and safety with training. Some members ensure their employees' training pathways include basic health and safety qualifications. For employees to continue to participate in health and safety activities, their training needs to be reinforced by senior leadership, frequent messaging, and business practice.

Leaders need to "walk the talk" to maintain employee participation in health and safety. Our leaders demonstrate the behaviours they expect of their employees, and they invest in appropriate infrastructure that reduces risk to the workforce.

Branding health and safety messages is one way to engage employees with our vision. Many of our members extend the "Zero Harm" message into their workplace safety programmes. One of our larger members has found celebrity endorsement by a former All Black helped get the message across to staff.

Health and safety committees have proven effective with a number of our members. Encouraging employee representation on these committees is a key way for some individuals to show leadership and responsibility. Some international evidence has suggested union representatives can have an important role in achieving health and

⁶Poxon, B., Coupar, W., Findlay, J., Luckhurst, D., Stevens, R. & Webster, J. (2007). *Using soft people skills to improve worker involvement in health and safety* (RR580). [London]: Health and Safety Executive. Retrieved from <http://www.hse.gov.uk/research/rrpdf/rr580.pdf>

safety outcomes⁷, whereas other research has shown union involvement can have either negative or positive results, depending on the role the union takes in the process.⁸ The Forum believes that union representatives will have a role to play in businesses where large numbers of the workforce are union members, but other forms of worker representation are also significant.

Recommendations

Primary recommendations

1. Foster wider employee participation by:

- Requiring **all** workplaces to have some form of employee participating system in place and **certain** workplaces to formalise this system as an agreement.
- Introducing a participation framework that allows employers and workers to negotiate an agreed system, when this is required, that is suitable for their workplace.
- Requiring employers to include unions in the system when they represent workers who will be covered by it.
- Requiring the system to consider how participation will be incorporated into important areas of health and safety management and practice including;
 - training,
 - hazard/risk identification and management,
 - investigation, and
 - attending meetings or other relevant discussions that relate to health and safety.
- Requiring the system to confirm the role management and workers will have in the system.

2. Mandate participation systems in certain workplaces – introduce compulsory adoption of participation agreements in certain high risk occupations/industries.

3. Ensure that all workers are aware of their rights and responsibilities– by requiring all workplaces to display information in a way that their workforce can reasonably be expected to understand. This information should outline their rights, responsibilities and the employee participation system in place in the workplace.

4. Develop an approved Code of Practice for employee participation – as recommended by the Royal Commission into Pike River.

5. Require participation systems to consider wider engagement – when there is more than one employer acting on a site or during a project. One option could be to require the person in control of that workplace/project to be responsible for organising and coordinating the participation system for all others on that workplace.

⁷Walters, D. (2010). *The role of worker representation and consultation in managing health and safety in the construction industry*. Geneva: International Labour Organization. Retrieved from http://www.ilo.org/wcmsp5/groups/public/ed_dialogue/sector/documents/publication/wcms_160793.pdf

⁸Poxon, B., Coupar, W., Findlay, J., Luckhurst, D., Stevens, R. & Webster, J. (2007). *Using soft people skills to improve worker involvement in health and safety* (RR580). [London]: Health and Safety Executive. Retrieved from <http://www.hse.gov.uk/research/rrpdf/rr580.pdf>

- 6. Increase the influence of trained health and safety representatives** – to ensure they are able to:
- Engage with managers and senior leaders on matters relating to health and safety.
 - Provide input into decision that will affect the health and safety of workers.
 - Participate in health and safety management processes or practices.
 - Stop unsafe work.
 - Issue improvement notices – the current “Hazard notice” should be replaced with an “Improvement notice” that is similar to what is used in Victoria and New South Wales. Specific changes include:
 - i. all improvement notices must be notified to the senior leadership in the business and to the regulator,
 - ii. employers must provide a written response to all improvement notices outlining their response and actions, and make this available to everyone in the organisation and the regulator.

It is noted that many of these provisions already exist in current legislation. Effort is therefore required to ensure the provisions are operating and effective, and changes are needed to ensure there is clarity that failure to have an employee participation system is an offence.

The Forum does not see the need for union appointed check inspectors, except in underground mining.

Secondary recommendations

- 1. Provide greater flexibility for health and safety training** – allow businesses to develop their own training that is specifically targeted to the health and safety needs of their workplaces.
- 2. Develop and provide frontline supervisor training** – utilising a similar model to Health and Safety Representative training.
- 3. Provide opportunities for joint training** – for managers, supervisors and health and safety representatives.

INCENTIVES

Opening commentary

Incentives are designed to modify behaviours to achieve a desired outcome. They therefore aim to influence people who are not already displaying the behaviours or practices that are desirable. For this reason they need to present either a big enough incentive or disincentive to gain people's attention and to get them to act.

It is possible that over time incentives can lead to attitudinal and cultural changes that then elicit the desired behaviour without the need for the incentive. This is clearly desirable and important when considering what incentives should be used to improve health and safety outcomes.

In many cases incentives fail to change behaviours and the person or the group being incentivised to change constantly weighs up whether the incentive is worth the change or not. For these reasons incentives should always be seen as a means to an end. They may help to motivate change, but they are not in themselves the change that is required, and unless they present real benefits they are not generally strong motivators of change.

The consultation paper states that there is limited evidence that incentives are effective at improving workplace health and safety outcomes. It goes on to state that incentives can be either financial non-financial.

Incentives can be directed at individuals or groups, and in the context of health and safety can be provided internally (via the business) or externally (via some other agency).

The Forum proposes that the current incentives to modify behaviour of individuals and/or groups provide only weak to moderate motivation for change. They tend to be focused almost entirely on providing financial discounts via the ACC levy scheme or penalties via prosecutions.

Both of these options are negated somewhat in New Zealand due to:

- A complex experience rating system that focuses more on the cost of claims than injury prevention initiatives, and limited access to true discount programmes.
- The low risk of prosecution and the low level of fines.

Up until 2003 businesses could insure against fines from a successful prosecution. This provision still exists for awards of reparations meaning the actual financial penalty for serious breaches of the health and safety legislation is actually very low in relative terms and when compared with Australia and the United Kingdom.

There are also very limited non-financial incentives in place and very limited incentives that promote injury prevention.

	Internal	External
Individual	Moderate <ul style="list-style-type: none"> • Risk of job loss, loss of skill, connection to workplace, compliance with company policy • Pain and suffering and some costs 	Weak <ul style="list-style-type: none"> • HSE prosecution (almost non-existent)
Collective	Moderate <ul style="list-style-type: none"> • Personal gain – e.g. loss of performance bonus • Build engagement • Maintain reputation (employer of choice) 	Moderate <ul style="list-style-type: none"> • Fines – low frequency and low cost • Protection from personal liability • Limited relationship to performance, costs (levies), including limited access to risk sharing (AEP)
Financial	Moderate <ul style="list-style-type: none"> • Attract good people • Increased engagement – production • Grow business opportunities 	Weak <ul style="list-style-type: none"> • Access to work/contracts (very limited and not structured) • Fines for breaches in legislation • Increase costs (direct or indirect)
Non financial	Moderate <ul style="list-style-type: none"> • Financial rewards for achieving certain outcomes/targets (not always positive) • Recognition • Promotion (potentially) 	Weak <ul style="list-style-type: none"> • Awards – Safeguard and industry • Limited recognition

Table 2 Internal and external incentives

The Forum does not believe that the current incentives for health and safety are working as they should. A new approach is needed that splits incentives between positive “carrot” incentives and negative “stick” enforcement that means something to the people whose behaviour needs to change.

Incentives need to reinforce best practice, particularly around strategies for injury prevention. Where possible they also need to ensure that the incentive for compliance is stronger than any cost of compliance. Most Forum members agreed that current incentives are not strong enough to encourage organisations that are under-performing on health and safety.

Key issues

The role of the Accident Compensation Corporation

Like most international workers compensation schemes the work account within ACC has been used to provide financial incentives for employers to improve health and safety performance. This approach works on the notion that the closer the cost for

work injury claims are to the employer the more motivated they will be to do something about reducing workplace injuries and ill health.

The approach taken by ACC has changed considerably over the years but has included experience rating (at individual company or industry level), discount programmes and partial self-insurance (since 2000). There was also a very short period on private insurance. Given the length of time this was available (less than 12 months) it is meaningless to use this period to compare results between the two models.

Experience rating – There is no evidence that experience rating introduced in the 1990's for individual businesses has resulted in reductions in serious or fatal injuries, reductions in the injury or illness rates and/or reductions in the costs of claims on New Zealand. It is still too early to tell whether the more recent reintroduction of experience rating for individual business in 2011 has been successful. The new experience rating model however is complex and many of the issues experienced in the past appear to still be in place. The main issue with experience rating is that it measures claims management performance and not injury prevention performance. This places the emphasis on the wrong end (return to work) of the process. Experience rating is also an ineffective model for reducing the risk of occupational illness given the lag between the exposure and the presence of ill health. Despite these outcomes and some of the criticism levelled at experience rating systems, including the risk of under reporting, experience rating does have a role to play and can incentivise behaviours that focus on injury prevention and return to work management for injured workers.

Levy discount programmes – ACC has provided access to levy discounts for employers who demonstrate a sound health and safety management system. This programme has been in place for over 10 years. Unfortunately there is still no published information on whether it has been successful at reducing injury and illness rates. There is some anecdotal evidence that it has focused employers on implementing health and safety management systems and for many this has been a significant step forward. Over 2000 employers participate in this scheme and many of them have been able to access levy discounts of between 10-20 percent for 11 or 12 years in a row. There is some mismatch between these programmes and the requirements in the legislation to take "all practicable steps" to prevent harm. The scheme is focused on system performance, not hazard identification and management.

Partial self-insurance – while essentially an extension of a simply levy discount programme, the Accredited Employers Programme also allows employers to manage their own claims, either directly or via a third party. To qualify for this programme a health and safety management system must be in place and standards of rehabilitation need to be met. There is some evidence – see the ACC stocktake review completed in 2010 – that suggests employers in this programme perform better than employers who are not in the programme. This is related mainly to the reduced cost of claims rather than reduced claim rates and suggests that this programme has been successful at incentivising employers to manage the return to work process.

While it could be argued that the levy discount programmes offered by ACC have been the single greatest advancement in focus on health and safety since the HSE Act was introduced, it is difficult to understand whether they have had any effect on reducing the rate and cost of workplace injuries.

Forum members did not rate these programmes as significant motivators for change in behaviour. They also reported it is uncommon for any saving achieved via levy discounts to be reinvested into injury prevention programmes or activities, as was the initial intention.

There is also a significant disconnect between these programmes and the health and safety regulator. The audit standards and audit regime were set up and managed by ACC. This has resulted in ACC becoming the dominant player in workplace health and safety since 2000. Interestingly, this looks set to continue with the ACC Minister recently announcing a new safety star rating system based on the British system.

Procurement processes

Existing procurement processes provide little incentive to implement health and safety best practice. This was identified by many of our members as the strongest incentive for good, and poor, health and safety practices. Some companies felt they had little choice but to skimp on health and safety when it came to bidding for work in the tight fiscal environment. There is an opportunity for government and other large purchasers to provide incentives through the procurement process by placing a focus on health and safety, equal to cost considerations, when evaluating tenders for work.

Currently, there is no requirement to report health and safety outcomes (including serious injuries and near misses) for boards and/or investors. Equally there is only very minimal reporting of injuries to the regulator given the unusual nature of the "serious harm" definition in the Act. A requirement to make health and safety more visible along these lines, alongside greater accountability for health and safety outcomes for those in leadership roles, would provide a strong incentive for business leaders to pay more attention to health and safety outcomes and risks.

To require health and safety accreditation would provide a strong positive incentive for businesses to demonstrate good health and safety practices; particularly if this was linked to an ability to participate in the procurement process. This could be similar to the "licence to practice" approach currently in place in Australia.

Penalties

There are currently relatively low financial penalties and an inability to sue for damages under common law when a breach has occurred. There is, therefore, a need for stronger fines and potentially more frequent enforcement action, not necessarily only when a fatality or serious injury occurs.

It would be good to see incentives from the Regulator that focus on lead indicators rather than lag i.e. reporting of appropriate health and safety strategies, initiatives and processes that focus on injury prevention rather than a focus on penalising breaches. Therefore strengthening the "carrot" rather than relying on the "stick" to encourage good practice.

Other options to incentivise good practice

Members commented on the limited flexibility within the ACC scheme. Some members discussed the idea of cost recovery from employers by ACC, where health

and safety processes are to blame for worker injury. It was felt this could be one way to strengthen motivation for best practice.

As mentioned in the regulatory framework section, there is a need for support/guidance materials for directors and management that makes it easy for them to implement good practice and qualify for the incentives, while clarifying their role in leading safety performance. This would address any confusion as to which aspects of the regulations are relevant in any given situation.

There is a lack of consistency in current enforcement of infringement notices and a lack of strong penalties for breaches. Some members were concerned by regulator focus on what they perceived as “minor details” while not following up on what they saw as more major concerns, including notifications of hazardous work. It was also felt that at times there appears to be a stronger focus on the health and safety practices of large firms, while SMEs were largely left to their own devices, even when inappropriate practice was highlighted. Enforcement and penalties should be aimed at those that actively undermine safety through cost cutting or failing to act on identified hazards, as well as those that choose to remain “blissfully unaware” of the health and safety practices of their businesses.

The Forum believes that in some situations accreditation and self-regulation can be effective; however this only occurs when there is an active oversight and review by a competent agency. Our members were interested in ways that self or co-regulation could be appropriately introduced and/or strengthened. The Forum is keen to highlight, however, that this should not result in a lack of focus from the principal regulator, as processes need to be put in place to ensure that best practice continues to be followed.

Recommendations

Primary recommendations

1. Introduce incentives to influence individual’s behaviour:

- Consider introducing greater risk sharing options for individuals via ACC scheme – i.e. high users pay more, low users pay less.
- Maintain cost recovery programmes for employers – including experience rating. Consider introducing direct cost recovery for certain claims and/or injuries – i.e. when a breach has been confirmed via a successful prosecution.
- Increase the likelihood individuals will be held accountable for actions or inactions that breach the legislation.

2. Introduce incentives to influence collective or organisational behaviours:

- Increase penalties for serious breaches – consider three tier system as per Australian model laws up to a maximum of \$3million – maintain insurance options for reparations.
- Introduce a model of high volume of low level enforcement action – i.e. closing sites until compliance has been attained.
- Introduce new funding model for the regulator based on performance.
- Maintain accreditation and discount programmes offered by ACC – consider changes to these programmes that

- a. Provide more flexibility that allow more employers the opportunity to access them
- b. Review and up-date the audit standards and the audit practices to more closely align with core aspects of the health and safety legislation
- c. Consider moving the audit function for health and safety practices and systems away from ACC to sit with the regulator to build stronger practice, consolidate their role and function as the primary delivery option for health and safety advice and support and to create more opportunities for health and safety engagement.

3. Introduce incentives focused on promoting injury prevention:

- Introduce a programme where employers can apply for reimbursement or subsidies from the regulator for injury prevention initiatives or programmes – focused on SMEs.
- Review and update the current audit standard used by ACC to assess health and safety management programme, create greater flexibility in this programme and consider moving the audit function to the regulator.
- Mandate that a percentage of saving achieved by participating in discount programme must be reinvested in the injury prevention.

4. Introduce incentives based on performance:

- Provide greater access to work for high performing businesses – require whole of government assessments for health and safety and stipulate that this must be achieved for all government tenders,
- Promote same approach in private industry – start with large employers and purchasers.
- Increase visibility via mandating reporting of performance.
- Implement a “licence to practice” system whereby businesses need to demonstrate health and safety good practice in order to participate in the procurement process. This could be led by government procurement and would later spread to private procurement.
- Investigate how self or co-regulation could be implemented, particularly in lower risk sectors.

INFLUENCING HEALTH AND SAFETY BEYOND ONE'S OWN WORKPLACE

Opening commentary

Business leaders can have a significant impact on the health and safety performance of their own business and in the businesses within their supply chains.

There are a number of reasons for this, including the role they play in providing effective safety leadership, providing the right resources, monitoring safety performance and promoting safety as a critical and normal part of their businesses.

The Forum has taken steps to understand how it can influence health and safety practice beyond one's workplace through an initiative "Improving health and safety outcomes in the supply chain".

Key issues

The Forum's members often find themselves in the position of working with others who are not necessarily aware of their health and safety duties or requirements. Procurement relationships offer the best opportunity to influence others' health and safety outcomes, but big businesses and government must lead the way if real progress is to be made across sectors.

1. Many businesses still make procurement decisions based on price, making it difficult for some businesses to prioritise health and safety activities while competing to cut costs.
2. Influencing health and safety throughout the supply chain is not just about purchasing decisions and contracts – health and safety must be included in the design, project objectives, and in business values. It is much easier to drive out poor behaviour when there is buy-in to a health and safety focus across an industry.
3. Government is not leading by example in taking steps to positively influence health and safety through procurement.

Large companies and principal purchasers are in the best positions to use the supply chain to influence others' health and safety outcomes. They can do this through identifying key health and safety practices that suppliers must meet, or through requiring transparent reporting of health and safety statistics. Many of the Forum's members practice these influencing tactics. However, this is not yet an industry wide practice, and many of our members find themselves in the difficult position of being required to prioritise ideal health and safety activities while competing with other businesses on costs. If key businesses in major sectors are not demonstrating commitments to health and safety outcomes through their supply chains, it becomes more difficult for others to implement best practice.

Ensuring businesses work for good health and safety outcomes throughout the supply chain is not just about contractor and supply management. The whole system needs to support businesses, clients, and consultants to "sing from the same song sheet" on health and safety. Health and safety should be emphasised in project design and in business values. Where an entire industry is focused on health and safety, no one is disadvantaged by following regulation and implementing best

practice. For example, an industry-wide approach to workplace drug and alcohol testing would soon deliver the message of zero tolerance.

A government-administered scheme which would allow anonymous reporting of poor health and safety practices would encourage industries and others in a supply chain to demonstrate good practice, and allow smaller enterprises the opportunity to focus on health and safety without fear of being shut out of competition. This shouldn't be seen as an alternative to formal Hazard Notices.

Government purchasers are responsible for between 14 and 20 percent of procurement in the economy. Government is in a unique place to influence health and safety business practice both in the companies it purchases from, and through demonstration of its procurement practices. The government does not currently require agencies to commit to prioritising health and safety activities in its procurement practice or project management. This lack of leadership sets the wrong example for the public and private sectors, and does not support the government's own Workplace Health and Safety Strategy for New Zealand.⁹

Evidence/examples of good practice

Guidelines and frameworks to influence health and safety outcomes through procurement are common practice overseas, most commonly in relatively high accident risk industries such as the construction sector. The Office of the Federal Safety Commissioner in Australia promotes the use of a "Model Client Framework" to embed occupational health and safety into its procurement and project management practices.¹⁰ The Office of Government Commerce in the UK launched the guide *Achieving Excellence in Construction* in March 1999 to improve the performance of central government departments, executive agencies and non-departmental public bodies as clients of the construction industry. In the guide it is noted that "client leadership is recognised as a crucial driver for improving health and safety performance throughout the supply chain".¹¹

In other jurisdictions governments have launched strategies to effect cultural change and embed a health and safety focus throughout industries. The Queensland Government's *Zero Harm at Work Leadership Program* aims to build a positive culture of safety in Queensland workplaces. This leadership programme targets industry leaders who have the capacity to significantly influence the way in which, not only their own organisation operates, but also that of their supply chains.¹²

Publishing health and safety indicators across industries is a proven way to influence practice across whole sectors, and influence cultural health and safety expectations. A pilot study in the Australian construction sector found participants thought safety effectiveness indicators were simple to use and robust in their applicability across

⁹<http://www.dol.govt.nz/whss/action-agenda/index.asp>

¹⁰Lingard, H., Blismas, N., Cooke, T. & Cooper, H. (2009). The model client framework: Resources to help Australian Government agencies to promote safe construction. *International Journal of Managing Projects in Business*, 1, 131-140

¹¹Office of Government Commerce (2007). *Achieving excellence in construction procurement guide: Health and safety*. London: Office of Government Commerce. Retrieved from

<http://213.251.150.223/tna/20110822131357/http://www.ogc.gov.uk/documents/CP0070AEGuide10.pdf>, p.4.

¹²Zero Harm at Work Leadership Program <http://www.deir.qld.gov.au/workplace/zeroharm/index.htm>

the sector. A workbook provided as part of the study was also well-received as it supported “consistency across the industry”.¹³

The European Union takes a supply chain focus to manage health and safety risks in workplaces. The European Agency for Safety and Health at Work (EU-OSHA) runs the Healthy Workplaces campaign, encouraging managers, workers, representatives, and other stakeholders to work together to manage risks in workplaces. The campaign takes a partnership approach, aiming to have a “cascade effect” encouraging leaders to partner with those in their supply chain. The campaign website cites the example of one company that “...has seen a drop of around 30% in maintenance injuries since 2008 thanks to incorporating ideas from previous campaigns into training, managing to reach leaders and workers within the supply chain”.¹⁴

SMEs are responsible for 43.6% of New Zealand’s economic output, and employ over 30% of New Zealand workers.¹⁵ SMEs are often at a disadvantage in the supply chain however, and may not have the industry clout to take the health and safety focus they may want to. Some SMEs also have poor health and safety records, due to lack of access to best practice resources. Industry wide health and safety practices that link larger organisations to SMEs may help improve SMEs’ health and safety records. Recent research emphasises that it is in the interests of larger organisations to assist SMEs within their supply chains, as absences resulting from poor health and safety management in SMEs can result in supply disruption, affecting business performance.¹⁶

Recommendations

Primary recommendations

1. **Supply chain guidance for strengthening consideration of health and safety in procurement processes.** This is seen as the strongest incentive for businesses to improve health and safety practice.
2. **Establish a requirement for all government agencies to assess health and safety** alongside cost and other factors when evaluating tenders for work.
3. **Industry-led and based initiatives for addressing the main risk factors** for health and safety in their particular workplaces.
4. **Benchmarking of health and safety outcomes within industries,** recognising the different health and safety needs of different industries. This could include additional focus on known high risk industries.
5. **Government-led initiative for anonymous reporting** of poor health and safety practice.

¹³Biggs, H., Dinsdag, D., Kirk, P. J. and Cipolla, D. (2010) Safety culture research, lead indicators, and the development of safety effectiveness indicators in the construction sector. *International Journal of Technology, Knowledge and Society*, 6(3), 133-140. Retrieved from <http://eprints.qut.edu.au/37632/1/c37632.pdf>

¹⁴Campaign website: <http://www.healthy-workplaces.eu/en/>

¹⁵<http://www.med.govt.nz/business/business-growth-internationalisation/small-and-medium-sized-enterprises>

¹⁶Lehaney, B., Diugwu, I.A., Willemyns, M. & Hosie, P. (2012). A survey that contributes to the development of a framework to evaluate health and safety strategies in supply chains. *International Journal of Networking and Virtual Organisations*, 10(1), 59-72.

SUMMARY OF RECOMMENDATIONS

This section collates all the recommendations made throughout this submission.

Primary Recommendations

Recommendation	Suggested Approach	Issue addressed
Build cross party political support for health and safety regulation	Develop formal agreement on health and safety principles between main political parties	Builds stability, confirms long term commitment to common policy and resourcing models and cements government role and commitment to strong leadership
Retain current performance based legislative framework including the principal Act, Regulations, approved Codes of Practice and guidance materials.	Significant changes required however to: <ul style="list-style-type: none"> • provide greater clarity for roles and responsibilities; • update and maintain certain regulations; and • update and maintain guidance materials. Serious consideration should be given to adopting the model Codes of Practice currently being published by Safe Work Australia.	Lack of clarity around roles and responsibilities and absence of guidance materials to support good practice.
Ensure greater consistency and compliance with legislation.	Options for change include: <ul style="list-style-type: none"> • introduce a consultancy based, audit model for regulator interaction with business; • more regular low level enforcement actions; • focus on intervening before an incident occurs; • introduction of mediation services to help business and workers negotiate health and safety practices when there are concerns; and • introduction of harsher penalties for breaches 	Lack of consistency of implementation of regulation across different sectors and by different government agencies.
Improve regulator leadership by establishing a separate Safety Agency with an independent Board that is responsible to a Minister.	<ul style="list-style-type: none"> • The agency should have its own funding stream and be responsible for setting and collecting revenue to fund its activities. The agency should have responsibility for: <ul style="list-style-type: none"> • Administering and regulating the legislation; • Providing policy and advice, including development and maintenance of Codes of 	Lack of leadership in health and safety from government.

Recommendation	Suggested Approach	Issue addressed
	<p>Practice and guidance materials;</p> <ul style="list-style-type: none"> • Health and safety data collection and analysis which informs research and development; and • Promoting good practice and providing advice and support to business; • Injury prevention – including the role currently fulfilled by ACC for workplace health and safety; • Occupational health – including promoting surveillance and monitoring programmes and enforcing non-compliance; • Hazardous substances, including the administration and enforcement of the HSNO Act; and • Specialist areas, including high hazards, mining, oil and gas, maritime and aviation safety, investigation. 	
Improve funding for the health and safety regulator	<p>Introduce a new funding model for the Regulator based on combination of;</p> <ul style="list-style-type: none"> • Set levy on all business - flat fee; • Premium based on risk classification; and • Fee for service based on performance – options include: <ul style="list-style-type: none"> i. Fees structure for audits / engagement activities; ii. Cost recovery for investigations when liability established; and iii. Loading for injury outcomes. 	Concern that a separate safety agency would be expensive to implement.
Create better balance between individual and collective accountability and responsibility	<p>Suggested approaches include:</p> <ul style="list-style-type: none"> • make the Health and Safety in Employment (HSE) Act clearer on matters relating to personal responsibility; • enforce the legislation with appropriate balance between individual and collective responsibility; and 	Concern that accountability for health and safety could swing too far towards businesses or individuals.

Recommendation	Suggested Approach	Issue addressed
	<ul style="list-style-type: none"> consider changes to ACC law and/or entitlements that create greater incentive for individuals to act responsibly. 	
Confirm responsibility for health and safety on sites with multiple employers, contractors.	Consider the introduction of a provision similar to the Australian model laws for "Person in Control of a workplace" (PIC).	Lack of clarity regarding overall health and safety responsibility on worksites with multiple contracts/sub contractors.
Create a focus on injury prevention	<p>Suggested approaches include:</p> <ul style="list-style-type: none"> pooling available resources (from MBIE and ACC); maintaining a high profile and long term focus; ensuring adequate resourcing; and maintaining an evidence base and publishing outcomes. 	A reliance on enforcement after incidents occur to incentivise health and safety best practice. The 'ambulance at the bottom of the cliff approach'.
Improve regulation of workplaces with a focus on high hazard facilities and workplaces	<p>Additional focus should be on:</p> <ul style="list-style-type: none"> extending the current High Hazard Unit considers other areas outside of underground mining and off shore petroleum operations; considering the introduction of safety cases for all high hazard facilities and/or processes; and developing and distributing guidance documents for specific hazards/high risk industries that are developed by and for industries and made available for distribution through the regulator. 	The difficulty for a currently under resourced regulator to provide appropriate regulatory focus on all workplaces.
Foster the adoption of participation systems in all workplaces	<ul style="list-style-type: none"> Introducing a flexible participation framework that allows employers and workers to negotiate an agreed system that works for their workplace; Requiring employers to include unions in the system when they represent workers who will be covered by it; Requiring the system to consider how participation will be incorporated into 	Need to recognise that employee participation agreements should not be a 'one size fits all' initiative.

Recommendation	Suggested Approach	Issue addressed
	important areas of health and safety management and practice; and <ul style="list-style-type: none"> Ensuring management and workers both receive appropriate training. 	
Mandate participation systems in certain workplaces	Introduce compulsory adoption of Employee Participation Agreements in certain high risk occupations/industries.	There are some workplaces/industries which are higher risk and therefore require more strict enforcements of initiatives.
Ensure that all workers are aware of their rights and responsibilities	By requiring all workplaces to display information in a way that their workforce can reasonably be expected to understand, which outlines their rights, responsibilities and the employee participation system in place in the workplace.	Lack of awareness should not be an excuse for inaction for workers.
Require participation systems to consider wider engagement	When there is more than one employer acting on a site or during a project. One option could be to require the person in control of that workplace/project to be responsible for organising and coordinating the participation system for all others on that workplace.	Concern that where multiple contractors are working on a single site there is little clarity about who is in charge.
Increase the influence of trained health and safety representatives	Ensure they are able to: <ul style="list-style-type: none"> engage with managers and senior leaders on matters relating to health and safety; provide input into decisions that will affect the health and safety of workers; participate in health and safety management processes or practices; stop unsafe work; and issue improvement notices. 	Concern that initiatives currently provided for, such as health and safety representatives, are not being utilised to their full extent.
Create a common vision and demonstrate health and safety leadership	Business to lead by: <ul style="list-style-type: none"> creating a common vision and binding leaders to it; promoting health and safety performance as a key performance indicator; and including health and safety performance as a key industry productivity indicator. 	Lack of strength of leadership across business and government.

Recommendation	Suggested Approach	Issue addressed
	<p>Government to led by:</p> <ul style="list-style-type: none"> • creation of a new independent Safety Agency, • creation of a new Ministerial portfolio for Workplace Health and Safety, • requiring all Chief Executives of Government agencies to personally commit to a common health and safety vision; and • supporting business led initiatives that promote safety leadership. 	
Increase visibility of health and safety performance	<ul style="list-style-type: none"> • Drive a reporting culture in New Zealand business; • Make directors and senior leadership accountabilities clear; and • Increase visibility of good and poor performance. 	Positive reinforcement of good health and safety outcomes should be central to lifting New Zealand's overall performance in this area.
Create improved health and safety leadership capacity, knowledge and skill	<p>Suggested approaches include:</p> <ul style="list-style-type: none"> • fostering safety leadership groups that are focused on improving health and safety outcomes, e.g. Be Safe Taranaki, Business Leaders Forum; • encouraging providers of leadership training to include concepts of health and safety leadership; and • developing a health and safety leadership training programme similar to the Health and Safety Representative training programme – designed for senior leaders and directors. 	Concern that there are not sufficient health and safety skills across the business sector.
Develop health and safety leadership as a core competency for senior leaders	<p>Options for addressing this include:</p> <ul style="list-style-type: none"> • establish a new performance based funding model for health and safety regulation; • promote access to work opportunities – most obvious example would be to require all government led contracts to set a standard for health and safety performance and make sure this is an assessed item in the procurement 	Most business leaders have had very little, if any, training in health and safety as they have worked their way through their chosen industries.

Recommendation	Suggested Approach	Issue addressed
	<ul style="list-style-type: none"> process; consider the introduction of a 'licence to practice' system for all businesses conducting hazardous work; and reinforce contractor pre-qualification, assessment and induction as all being practical steps that need to be taken prior to engaging contractors to complete work. 	
Ensure business leaders are accountable for their actions or inaction	<ul style="list-style-type: none"> Ensure senior leaders are more involved and responsible for health and safety leadership; Change approach of Regulator engagement and enforcement actions; Consider the introduction of provisions outlined in the Australian model laws for a Person Conducting a Business or Undertaking (PCBU) to make it clear who is responsible and ultimately accountable for workplace health and safety in a greater range of workplace situations; Consider introducing new statutory duties for directors and senior leaders that require them to undertake 'due diligence' of all work to ensure it can be completed safely before work commences. This includes work contracted to others; and Consider value of introducing corporate manslaughter provisions. 	Concern highlighted by the Pike River Report that some business leaders have taken an 'I didn't know so you can't blame' me approach to health and safety in the past.
Introduce incentives to influence individual's behaviour	<ul style="list-style-type: none"> Consider introduction on greater risk sharing options for individuals via ACC scheme – i.e. high users pay more, low users pay less; Maintain cost recovery programmes for employers – including experience rating. Consider introducing direct cost recovery for certain claims and/or injuries – i.e. when a breach has been confirmed via a successful 	Recognition that individuals at all levels need to have some level of responsibility for their own actions.

Recommendation	Suggested Approach	Issue addressed
	<ul style="list-style-type: none"> prosecution; and Increase the likelihood individuals will be held accountable for actions or inactions that breach the legislation. 	
Introduce incentives to influence collective or organisational behaviours	<ul style="list-style-type: none"> Increase penalties for serious breaches; Introduce a model of high volume of low level enforcement action – i.e. closing sites until compliance has been attained; and Introduce new funding model for the regulator based on performance. Maintain accreditation and discount programmes offered by ACC with some changes 	<p>Recognising that organisation wide initiatives in health and safety are likely to have wide reaching impact.</p> <p>Maintains a focus on health and safety systems and provides a stronger link between performance and costs.</p>
Introduce incentives focused on promoting injury prevention	<ul style="list-style-type: none"> Introduce a programme where employers can apply for reimbursement or subsidies from the regulator for injury prevention initiatives or programmes – focused on SMEs; Review and update the current audit standard used by ACC to assess health and safety management programme, create greater flexibility in this programme and consider moving the audit function to the regulator; and Mandate that percentage of saving achieved by participating in discount programme must be reinvested in the injury prevention. 	Promotion of injury prevention as the way forward rather than relying on enforcement action after the fact.
Introduce incentives based on performance.	<ul style="list-style-type: none"> Provide greater access to work for high performing businesses – require whole of government for health and safety and stipulate that this must be achieved for all government tenders; Promote same approach in private industry – start with large employers and purchasers; Increase visibility via mandating reporting of performance; Implement a 'licence to practice' system 	Positive reinforcement for good health and safety performance is recognised as a positive approach and can increase company reputations, which is recognised as a strong motivator for many leaders.

Recommendation	Suggested Approach	Issue addressed
	<p>whereby businesses need to demonstrate health and safety good practice in order to participate in the procurement process. This could be led by government procurement and would later spread to private procurement; and</p> <ul style="list-style-type: none"> Investigate how self or co-regulation can be implemented, particularly in lower risk sectors. 	
Supply chain guidance for strengthening consideration of health and safety in procurement processes	<ul style="list-style-type: none"> This is seen as the strongest incentive for businesses to improve health and safety practice. 	Price demands in the procurement process can have a negative impact on health and safety practice.
Establish a requirement for all government agencies to assess health and safety	<ul style="list-style-type: none"> Health and safety to be a compulsory consideration for government alongside cost and other factors when evaluating tenders for work. 	Price demands in the procurement process can have a negative impact on health and safety practice.
Industry led and based initiatives for addressing the main risk factors	<ul style="list-style-type: none"> Encouraging industry bodies to develop initiatives for identifying the main risk factors for health and safety in their particular workplaces. 	Recognition that different industries have different health and safety needs and industry led initiatives are likely to receive more support from business.
Benchmarking of health and safety outcomes within industries	<ul style="list-style-type: none"> Identify and benchmark industry specific health and safety outcomes, therefore recognising the different health and safety needs of different industries. This could include additional focus on known high risk industries. 	Recognition that different industries have different health and safety needs and benchmarking should be based on current outcomes.
Government led initiative for anonymous reporting	<ul style="list-style-type: none"> Establish an avenue of anonymous reporting of poor health and safety practice. 	Some workers and others businesses have little avenue for highlighting poor practice which can help the Regulator to target their compliance activities.

Secondary Recommendations

Recommendation	Suggested approach	Issue addressed
Adjust principal Act to streamline with other similar legislation and move into a risk based framework.	<p>Key changes include:</p> <ul style="list-style-type: none"> remove definition of serious harm – introduce more meaningful definition based on injury type and/or outcome. The Forum recommends the approach taken in UK with Reporting of Injuries, Diseases and Dangerous Occurrences Regulations 1995 (RIDDOR); considering a change from “all practicable steps” to “reasonably practicable” to bring into line with Australian model laws; changing to a “risk” based approach rather than one focused on “hazards”; remove prescription requirements for “Employee Participations Agreements”; require all workplaces to have an employee participation system, but remove the prescription in the Act about how this should occur for participating agreements; and add a section to clarify ‘how’ and ‘when’ it is appropriate for employers (or principle contractors) to conduct alcohol and drug testing for people accessing their sites. 	Confusion created by lack of consistency with other legislation and/or through poorly defined terms within the current legislation.
Maintain a focus on injury and illness quality data	Set up a single data collection and analysis facility to ensure accurate information is collected and presented – set up a comprehensive measurement framework based on accepted international standards – such as those set by the Occupational Safety and Health Administration (OSHA).	Consistent data collection which includes a focus on quality aids research which can then be used to inform policy and practice.
Improve funding for health and safety research	The regulator should set up and fund appropriate research to influence regulator activity, promote prevention activities, help inform business and workers on new risks, inform management	Implementation of new initiatives should both be informed by research findings, and also evaluated to ensure best practice going forward.

Recommendation	Suggested approach	Issue addressed
	techniques, and confirm impact of changes over time.	
Improve the accident investigation and corrective action process	Require the regulator to follow up on all accident investigations to ensure the findings were appropriate and that the corrective actions were implemented.	Concern that in the past the regulator has not always followed up reported incidents to ensure appropriate practice was implemented.
Provide greater flexibility for health and safety training	Allow businesses to develop their own training that is specifically targeted to the health and safety needs of their workplaces.	Different industries and different organisations have different training needs and should be able to manage this where they can demonstrate appropriate health and safety training is in place.
Develop an approved Code of Practice for employee participation	As recommended by the Royal Commission into Pike River.	Confusion around what is appropriate for employee participation in certain industries.
Develop and provide front line supervisor training	Utilise a similar model to Health and Safety Representative training	Too often those 'in charge' of people do not have sufficient knowledge of appropriate health and safety practice and therefore are unable to demonstrate good practice.
Provide opportunities for joint training	Encourage managers, supervisors and health and safety representatives to participate in joint health and safety training initiatives.	Health and safety training attended by workers and/or managers is often not informed by the 'realities' of the others. Attending health and safety training together would aid understanding and implementation of new learning.

APPENDIX ONE – FORUM MEMBERSHIP

Member	Role	Organisation
Alan Clarke	Managing Director	Abano Healthcare Group
John Beaglehole	GM Insurance and Injury Prevention	ACC
Mark Cameron	Managing Director	Action Engineering Ltd
Dave Morgan	Chief Pilot	Air New Zealand
Judy Nichol	Chief Operations Officer	Auckland International Airport
Mary-Anne Macleod	Chief Executive	Bay of Plenty Regional Council
David Carter	Executive Director	Beca Group
Gerard Smith	General Manager	Bluebird Foods Ltd
Matt Elliott	Managing Director	BP New Zealand Holdings
Ken Oyama	Director	Bridgestone New Zealand
Chris Ellis	Chief Executive Officer	Brightwater Group
Dean Camplin	Chief Executive	C3 Limited
Shige Takatori	Managing Director	Cableprice New Zealand
Blair O'Keeffe	Chief Executive Officer	CentrePort Limited
Mike O'Brien	Country Manager	CHEP New Zealand
Jim Boulton	Chief Executive	Christchurch International Airport
Onno Mulder	Chief Executive Officer	City Care
George Adams	Managing Director	Coca-Cola Amatil (NZ) Ltd
Alistair Morison	Chief Executive Officer	Cold Storage Nelson Limited
Glenn Corbett	Managing Director	Compass Group
Jono Brent	Chief Executive	Conettics
Dennis Barnes	Chief Executive Officer	Contact Energy
Grady Cameron	Chief Executive Officer	DELTA
Cos Bruyn	Chief Executive Officer	Downer EDI Works
Gary Saunders	Managing Director	Envirowaste
Bruce Emson	Chief Operating Officer	Earthquake Commission
Dean Addie	CEO	EIS
Thomas Song	Managing Director	Ernst & Young
Gavan Jackson	Managing Director	Electrix Ltd
Tom Barratt	Managing Director	Evonik-Degussa Peroxide Ltd
		Express Couriers
Richard Ellis	Managing Director	Fitzroy Engineering Group Ltd
John Beveridge	Chief Executive	Fletcher Distribution
Chris Caldwell	MD, People, Culture and Services	Fonterra Co-operative Group
Steve Anderson	Managing Director	Foodstuffs (New Zealand) Ltd
Nick Miller		Fulton Hogan
Dr Alex Malahoff	Chief Executive	GNS Science
Chris Birkett	Managing Director, Oceania Region	General Cable
Albert Brantley	Chief Executive	Genesis Energy
Andrew Durrans	Group GM - New Zealand	Geon Group Holdings
Bill McCallum	General Manager	Hancock Forest Management Ltd
Paul Ainsworth	General Manager	Hikurangi Forest Farms Ltd
Jeremy Smith	Chief Executive	Holcim New Zealand
Greg Dickson	Managing Director	ISO Limited
Jim Quinn	Chief Executive	Kiwi Rail
Albert De Geest	Chief Executive Officer	Liquigas Ltd
Marcel Manders	Chief Executive	MB Century
Peter Gomm	Chief Executive Officer	Mainzeal
Gerry Lynch	General Manager	Mars Nederland BV
Roger McRae	General Manager	McConnell Dowell Constructors

Member	Role	Organisation
Mark Binns	Chief Executive	Meridian Energy
Harvey Weake	Managing Director	Methanex New Zealand
Lesley Haines	DCE - Safety and Regulation	MBIE
Peter McCarty	General Manager	Norske Skog Tasman
Don Stock	Managing Director	Naylor Love
Deane Manley	Managing Director	NZ Crane Group Limited
Mark Gatland	Chief Executive	Northpower
Zane Fulljames	Chief Executive Officer	NZ Bus
Paul Baxter	CE / National Commander	New Zealand Fire Service
Terry Stack	General Manager	NZ Oil Services Limited
Ken Rivers	Chief Executive Officer	Refining NZ
Tony Cummins	Chief Executive Officer	NZL Group Ltd
James Fletcher	Managing Director	OCS Ltd
Peter Zeilinger	Managing Director	OMV New Zealand
David Prentice	Chief Executive	Opus International Consultants
Alison Andrew	General Manager	Orica NZ Ltd
Max Murray	General Manager	Origin Energy New Zealand
Philip Orchard	Chief Executive	PAE (New Zealand) Limited
Peter Clark	Chief Executive Officer	PF Olsen
Garth Cowie	Chief Executive	Port of Napier
Geoff Plunket	Chief Executive	Port Otago
Tony Gibson	Chief Executive Officer	Ports of Auckland
Nigel Barbour	Chief Executive Officer	Powerco Limited
Dave Chambers	Managing Director	Progressive Enterprises
Rodney Green	Chief Executive Officer	Ravensdown Fertiliser Co-op
Paul Nicholls	Managing Director	Rayonier New Zealand Ltd
RusselCreedy	Chief Executive Officer	Restaurant Brands New Zealand
Paul McNoe	Chief Executive Officer	Red Bus Ltd
John Gilbert	Managing Director	Rebain International (NZ)
Peter Hart	Managing Director	SGS New Zealand Ltd
Rob Jager	Chairman	Shell Companies in New Zealand
Keith Cooper	Chief Executive Officer	Silver Fern Farms
Mark Franklin	Chief Executive Officer	Stevenson Group Limited
Mark Taylor	Vice President NZ Operations	Tenon Manufacturing Ltd
Chris Hilson	CEO	The NZDDA Ltd
Mark Powell	Chief Executive	The Warehouse Limited
Haydy Davis	Country Manager	Thomson Reuters
John Young	Chief Executive	Todd Corporation Limited
John Brockies	Executive Director - New Zealand	Transfield Services
Pat Hills	Chief Executive Officer	Transfield Worley Limited
Brian McCarthy	Chief Executive Officer	United Containers Ltd.
Ian Cathcart	General Manager	Veolia Water
Simon MacKenzie	Chief Executive Officer	Vector
Andrew Stevens	General Manager	Vision Stream
Mark Ford	Chief Executive	Watercare Services Limited
Dr Julian Elder	Chief Executive	WEL Networks Ltd
Garry Poole	Chief Executive	Wellington City Council
Graham Wells	Managing Director	Wells Group Limited
Chris Whitaker	Managing Director	Whitaker Civil Engineering Ltd
Ian J. Cummings	General Manager	Wiri Oil Services Limited (WOSL)
Mike Bennetts	Chief Executive Officer	Z Energy