



Strategic Review of the Workplace Health and Safety System

Submission template

This template can be used to make a submission to the Independent Taskforce on Workplace Health and Safety. The template does not limit the length of your answers, and you can attach documents to supplement your answers if you wish. Alternatively, you can use the on-line questionnaire to make a submission, which can be found at www.hstaskforce.govt.nz. The on-line questionnaire restricts the length of your answers to about 300 words per question.

Please refer to the taskforce's consultation document, *Safer Workplaces* before completing this template. The consultation document can be found at www.hstaskforce.govt.nz

About you

* Indicates mandatory questions

1. *Your full name:

Bruce Cullen

2. *Is this submission on behalf of an individual or an organisation?

☐ Individual ☒ Organisation

Name of organisation: Downer New Zealand

3. *Region

- | | | |
|---|---|---|
| <input checked="" type="checkbox"/> Northland | <input checked="" type="checkbox"/> Whangarei | <input checked="" type="checkbox"/> Auckland |
| <input checked="" type="checkbox"/> Waikato | <input checked="" type="checkbox"/> Bay of Plenty | <input checked="" type="checkbox"/> Gisborne |
| <input checked="" type="checkbox"/> Hawke's Bay | <input checked="" type="checkbox"/> Taranaki | <input checked="" type="checkbox"/> Manawatu-Wanganui |
| <input checked="" type="checkbox"/> Wellington | <input checked="" type="checkbox"/> Marlborough | <input checked="" type="checkbox"/> Nelson |
| <input checked="" type="checkbox"/> West Coast | <input checked="" type="checkbox"/> Canterbury | <input checked="" type="checkbox"/> Otago |
| <input checked="" type="checkbox"/> Southland | <input checked="" type="checkbox"/> Overseas | |

4. *Respondent category

- | | |
|--|---|
| <input type="checkbox"/> Employer | <input type="checkbox"/> Not in paid employment |
| <input checked="" type="checkbox"/> Manager | <input type="checkbox"/> Occupational health nurse |
| <input type="checkbox"/> Employee | <input type="checkbox"/> Health and safety practitioner |
| <input type="checkbox"/> Self-employed | <input type="checkbox"/> Other: |
| <input type="checkbox"/> Employee representative | |

5. *Which type of industry do you manage, own a business in, or work in?

- ☐ Agriculture
- ☐ Forestry
- ☐ Fishing
- ☐ Mining
- ☐ Manufacturing
- ☒ Electricity, Gas, Water and Waste Services
- ☒ Construction
- ☐ Wholesale Trade
- ☐ Retail Trade
- ☐ Accommodation and Food Services
- ☐ Transport, Postal and Warehousing
- ☒ Information Media and Telecommunications
- ☐ Financial and Insurance Services
- ☐ Rental, Hiring and Real Estate Services
- ☐ Professional, Scientific and Technical Services
- ☐ Administrative and Support Services
- ☐ Public Administration and Safety
- ☐ Education and Training
- ☐ Health Care and Social Assistance
- ☐ Arts and Recreation Services
- ☐ Other Services

6. *Size of business that you own / manage or work for?

- | | |
|--|--|
| <input type="checkbox"/> Self employed | <input type="checkbox"/> 20-49 employees |
| <input type="checkbox"/> 1-5 employees | <input type="checkbox"/> 50-99 employees |
| <input type="checkbox"/> 6-9 employees | <input checked="" type="checkbox"/> 100+ employees |
| <input type="checkbox"/> 10-19 employees | |

7. Gender

☒ Male ☐ Female ☐ Other

8. Age

- | | |
|--------------------------------|---|
| <input type="checkbox"/> 15–24 | <input checked="" type="checkbox"/> 45–54 |
| <input type="checkbox"/> 25–34 | <input type="checkbox"/> 55–64 |
| <input type="checkbox"/> 35–44 | <input type="checkbox"/> 65+ |

9. Ethnicity

- | | |
|--|--|
| <input type="checkbox"/> NZ Maori | <input type="checkbox"/> Asian |
| <input checked="" type="checkbox"/> European | <input type="checkbox"/> Middle Eastern/Latin American/African |
| <input type="checkbox"/> Pacific Island | <input type="checkbox"/> Other ethnic group |
| <input type="checkbox"/> Other European | <input type="checkbox"/> Do not wish to indicate |

10. Your contact details

Phone number(s)

Email address:

Please tick the boxes below as appropriate

☒ I consent to my submission being placed on the Independent Taskforce on Workplace Health and Safety website

☐ I would like my name withheld from publication (submissions from individuals only)

Please note that your name and contact information, including any personal information, is being collected so that the Independent Taskforce on Workplace Health and Safety can publish the names of people and organisations who or that made submissions, follow up with a respondent if any submission needs clarification, and for the general purposes of the Strategic Review of the Workplace Health and Safety System. The Independent Taskforce on Workplace Health and Safety is the intended recipient and holder of the information and can be contacted at PO Box 3705, Wellington, New Zealand. In accordance with Privacy Principle 7, you have the right to access and correct any personal information you provide.

Downer New Zealand Submission on the Strategic Review of the Workplace and Safety System

Who gets hurt, killed or suffers from ill-health or disease as a result of work?

Q1. What do you think is driving the differences in health and safety outcomes for different demographic groups?

- There is a skills shortage that has manifested over the past 20 years with reduced training and cadet programmes within large Public and Private organisations. This has caused a 'gap' in experienced senior frontline leaders.
- Literacy and language levels within the construction industry are variable. Our experience is there is a correlation between literacy levels, learning capability and safety performance.
- Many of our employees are working into their late sixties or even seventies in physically demanding roles. They can become complacent to risk and are often unable to cope with the physical requirements of their role.
- The industry can be cyclical in nature and often construction companies are required to gear up or down to meet market conditions. This results in high levels of new employees, labour hire and sub contractors being recruited who often have a lack of industry knowledge. Often there are teams of new employees working together in a 'blind leading the blind' situation.

- Drug and alcohol abuse within the construction industry is likely to be at least the same or higher than in New Zealand society. With the inherent risks in the business this is clearly a significant issue.
- The industries with the highest exposure to critical risks and changing environments appear to have the highest injury rates.
- Our experience is that males tend to have a more 'she will be right' attitude.

Q2. What changes are needed to the workplace health and safety framework to improve outcomes for demographic groups with higher than average rates of injury and illness?

- Ensuring Government Organisations have clearly mandated requirements with regard to Health and Safety and there is more weight placed on Health and Safety in any procurement process.
- Mandate random workplace drug and alcohol testing for medium- high risk industries
- Improving the literacy and language skill base of employees
- The Governments support to reduce the cyclic nature of some industries by committing to less lumpy work programmes
- Introduce 'Retirement Education Programmes' to ensure older employees are educated in retirement planning.

Regulatory framework

3. What do you think the challenges are with the current health and safety regulatory framework?

- There currently appears to be more regulatory focus on large organisations. While this focus is acceptable more focus (and support) should be placed on SME's and other Primary Duty Holders particularly Clients, Consultants and Designers. This may focus Clients on valuing H & S when awarding contracts through their procurement processes.
- Our experience is that when health and safety is driven by the Client there are better outcomes, behaviours and culture across the workplace.
- Improved regulatory fairness and consistency across both large organisations and SME's
- The adoption of the principle that 'all workers and other persons should be given the highest level of protection against harm' could have significant cost implications.
- However our experience is that while this could improve the environment within people work, most of our significant incidents are based on employees often having poor behaviours and making fundamentally poor decisions.

4. How do you think the health and safety regulatory framework could be improved?

- The regulator could be more proactive in education, training and ensuring procurement is partially based on H & S requirements.
- The new Australian Model H & S legislation incentivises Clients to manage key H & S risks and any new framework should adopt this position.
- Safety consideration should be a legal requirement for the complete life cycle of a project (funding, design, construct, operate).
- Any framework should encourage the development of a safety culture in the workplace as our experience is that there needs to be a culture change within organisations to drive to the next level of H & S within the workplace.

Regulators' roles and responsibilities

5. How effective are the regulators in influencing workplace health and safety outcomes?

- The Labour Department appears more focused on lag (after event) than lead (before event) actions. They have progressively pulled back from the wider functions such as "to help employers, employees, and other persons improve safety at places of work, by providing information and education" and concentrated on taking a penalty approach to infringements especially targeting larger organisations.
- In the past there seems to have been a reluctance to prosecute Government Departments and this is possibly a contributing reason that there is variable quality and value across regulatory agencies.

6. How could the regulators' roles and responsibilities be changed to improve their effectiveness in influencing workplace health and safety outcomes?

- A single Government Department with H & S responsibility / focus may be required to quickly change behaviours at all levels of the supply chain.
- We note that 150 inspectors equates to 1 per 14,667 workers in New Zealand. This seems low but would be interested as to how this benchmarks against other like countries.
- We also believe all H&S inspectors should be required to do the IOSH international, NZSC diploma or equivalent qualified, so they can understand what skills and knowledge professional H&S manager has.
- A partnership approach with industry leaders should be adopted.
- The Government can be more proactive in promoting good H & S performance through its procurement practices. This will support the creation of a level playing field.
- A consistent treatment of all sector participants alike, not just targeting the larger organisations will also support the level playing field. From a contractors perspective, there is not a level playing field with large organisations expected to adhere to and comply with best practice while 2nd and 3rd tier players (most of whom have worked for and under 1st tier contractors), are given too much latitude. In particular agencies procuring their services often make allowances in compliance relative to the size of organisation, instead of requiring the same best practice from all.

New Zealand's changing workforce and work arrangements

7. What impacts are New Zealand's changing workforce and work arrangements having on health and safety outcomes?

- The following changes to the New Zealand workforce have been observed in the past decade or so
 - i. An older workforce.
 - ii. A loss of skilled workers to Australia over the past 5 years due to a weakening economy
 - iii. Many unskilled people are coming into the industry due to the boom bust nature of some of the work; two good examples are the Christchurch Earthquake repairs and UFB
 - iv. A loss of experienced frontline leaders due to the lack of investment in the 1990's and 2000's.
 - v. Migrant workers who have poor language skills and are often not familiar with the New Zealand H & S requirements.

8. What changes to the health and safety framework, if any, are needed as a result of the changing workforce and work arrangements?

- The lack of a formal retirement age and the inability to save for retirement increases the requirement for older workers to continue to work, despite failing health and reduced physical capacity. The aging workers are at greater risk of injury from physical limitations, fatigue, over exertion and when they do suffer injury (often mild injury) they take much longer to heal and return to full work.
- More Government supported programmes to assist with the training of unskilled workers to prepare them for the industry needs.

Worker participation and engagement

9. How effective do you think worker participation is in improving workplace health and safety in New Zealand?

- Unfortunately real worker participation in NZ is minimal to non-existent. In SME's (refer clause 268) 63% of construction workers work for businesses of less than 20 staff. In most instances there is no union involved, moreover, no real H&S committee in place.
- Worker participation is fundamental but you have to question the unions involvement when you can't implement random drug testing across the board. Where is the values alignment in this?

10. What improvements can be made to worker participation in workplace health and safety so as to get better workplace health and safety outcomes?

- Employers, unions and MBIE should encourage physical work capacity testing from age 60 so that employers can effectively screen at risk individuals and perhaps encourage retraining, health programs, etc. If employees can't get to an acceptable level of fitness then the person / job can be reviewed to reduce risk of injury.
- Employee H&S Reps should be encouraged to engage in an organisations safety culture journey and should be necessarily de coupled from the notion of union interference or agenda. It is suggested that employers be required to have elections for H&S Reps (at 10 or more employees) and that elections are open to everyone, not specifically to unions, who have other methods and agendas for representing employees.
- Give H&S Reps sufficient ability to work with their employers such as mandating that all injuries, resulting in serious harm, include trained H&S Reps in the full investigation, H&S Reps to be specifically included in the business safety planning, safety resourcing and H&S training planning forums annually, so staff have a voice where decisions are made.

Leadership and governance

11. To what extent do directors and other senior leaders provide effective leadership and governance of workplace health and safety?

- Large businesses have the ability to provide effective leadership and governance of workplace health and safety levels within their management structures.
- The capacity, skill or desire to provide this leadership within SMEs is less consistent and they would often have a lack of understanding of their legal obligations and risk profiles.

12. What improvements can be made to directors' and other leaders' participation in workplace health and safety, so as to get better workplace health and safety outcomes?

- All directors and senior officers should attend a course detailing their duty of care responsibilities, including penalties and some guidance on model H&S systems and frameworks that are risk based.
- Directors should take interest in the quality of the procurement safety processes. Their governance audit and review should include checking that CEO's are ensuring health and safety plans are produced and that they are operational on (sites) and they are being reviewed and audited regularly.

Capacity and capability of the workplace health and safety system

13. To what extent do firms have the capacity and capability to effectively manage workplace health and safety issues (including through accessing external resources)?

- If there is a failure of the education system then it is more difficult for businesses, especially SME's to deal with literacy and the like.

14. What options are there for improving firm level capacity and capability to deliver better health and safety outcomes?

- Not a problem for larger firms but there is a cost to this that most customers are not prepared to pay for currently.

Incentives

15. How effective are existing financial and non-financial incentives in improving workplace health and safety outcomes?

- The ACC system is generally fair and reasonable and awards those that have a better safety record and management of injuries. There is also a fundamental belief in most large organisations that 'safety pays' and there are benefits of a safe working environment including improved productivity and quality.

16. How could incentives be better used to improve workplace health and safety outcomes?

- If Clients are truly committed to H & S their methods of procurement should be heavily weighted on the organisations H & S commitments and historical performance.
- Incentives for organisations committed to Industry Self Governance, developed in collaboration with the Regulator, would also improve H & S.

Influencing health and safety outcomes beyond one's own workplace

17. How successful are government, industry, corporate or other potentially influential bodies in influencing health and safety outcomes beyond their own workplaces (for example through influencing their suppliers, counterparts, and competitors)?

- Government agencies in particular could do more, their respective CEO's could be more visible in the wider market place with regard to H&S issues.
- As already commented on there needs to be more visibility of H&S performance in their procurement practices. Even some acknowledgement that they are ultimately the employer would go a long way.

18. What could be done to get government, industry, corporate or other potentially influential bodies to exert greater influence on improving workplace health and safety outcomes beyond their own workplaces?

- Some overseas governments require international safety certifications and they audit and review regularly to ensure standards are maintained. It is believed that all organisations vying for local / central government work have suitable certification / accreditations in safety. Smaller organisations that don't have such certification can only work for / with a larger organisation (under direct supervision) that does have it.
- There should be a stronger partnership approach with industry, including regulators. It would be very effective if such a partnership approach resulted in investment in industry training rather than legal proceedings

Major hazards

19. How strong is New Zealand's current approach to regulating major hazards?

20. What improvements to the regulation of major hazards would lead to better health and safety outcomes?

- We do not believe the consequences of a major hazard are well enough understood by our customers as they either do not have the technical knowledge or choose to ignore them due to the potential cost impact. Simply put we need more of our customers to focus on real risk management.
- Legislation should also require H&S professionals working in High Hazard areas to be Tertiary qualified, with appropriate skills and knowledge in that industry and be Registered Safety Professionals.

Health and hazardous substances

21. What are the most significant challenges to managing occupational health risks and exposure to hazardous substances?

22. What changes could be made to the existing health and safety framework to reduce the harm caused by occupational disease and ill-health?

- Legislation should be clearer in requiring employers to identify occupational health risks and exposure to hazardous substances. It should require employers to take a transparent "All practical steps" approach (documented and shown to / discussed with employees on their company induction).

Small to medium-sized enterprises

23. What workplace health and safety challenges are specific to the self-employed and small-to-medium enterprises?

- Clause 265 correctly articulates the challenges relating to and for SME's and clearly the challenges with regard to skills training and literacy and the like are more manifest for SME's. However there should be no differential between any business in NZ.
- The current perception is that MBIE have a light handed approach with small enterprises such that many ignore their H&S obligations and they can plead lack of knowledge or capability to get light fines. MBIE's message should be strengthened so that everyone, especially business owners and directors understand they will be treated the same irrespective of organisation size.

24. What improvements could be made to the workplace health and safety framework, and its implementation, to ensure that it's effective for self-employed and small-to-medium sized enterprises?

- Larger organisations should be encouraged to share their leadership and skills with SME's by engaging and managing the supply chain. However this knowledge sharing will only improve if Client procurement methods change and reinforce the importance of H & S.
- Several years ago the Australian Contractors Federation issued a concise H&S system called Conpack, which assisted a small organisation to identify their basic H&S requirements and obligations. A similar model could be put online, with some guidance documents on how to populate the document and encourage all small businesses, without H&S systems to work through it.
- We believe that H & S requirements and the consequences for non compliance should be the same for all sizes of organizations.

Measurement and data

25. To what extent are New Zealand's workplace injury and occupational disease data collection mechanisms conducive to robust monitoring, investigation and comparative analysis?

- There should be a common definition of what an LTI, MTI etc is across NZ and Australia.
- In NZ we have a number of industry bodies such as NZTA, RNZ and NZCF all collecting data however there appears to be no 'single source of the truth' with regard to correct industry data that companies can benchmark themselves against.

26. What opportunities are there for improving data collection, integration and reporting?

- Data should be collected and distributed by one government agency

National Culture and Societal Expectations

27. Do you think NZ culture influences our workplace health and safety outcomes?

- Our culture most definitely is a key factor and clause 293 highlights this well. As further evidence you might want to look at our boating/drowning, sporting injuries, hunting fatalities and the like. There is little to no consequence for stupid and dangerous behaviour.

28. What might we do to improve our culture relating to workplace health and safety?

- New Zealand needs to deliver more school education about safety around the home, farm, road etc. Also H&S in the work place should be a compulsory subject for all university and technical qualifications etc.