



Orica New Zealand Limited
Orica Chemnet House
123 Carlton Gore Rd Newmarket
PO Box 900 Auckland New Zealand
Tel 64-9-368 2700 Fax 64-9-368 2710

Submissions

Independent Taskforce on Workplace Health and Safety

PO Box 3705

WELLINGTON 6140

16 November 2012

Dear Taskforce Members

Thank you for the opportunity to contribute Orica's views on the most important things that we believe will improve New Zealand's workplace health and safety system. Please find attached our submission.

We would be pleased to discuss this further with you at your convenience.

Kind regards

General Manager

Orica New Zealand

Submission to the Independent Taskforce on Workplace Health and Safety

16 November 2012

1. Regulatory Framework - we promote a regulatory framework that:

- Is risk based, aligned to OHSAS 18000 and performance managed
 - Alignment with a best practice internationally recognised standard will make it easier for businesses operating in overseas markets
- Is based on Australian WHS Act Harmonisation laws where possible
- Has regulations to define a minimum societal acceptable standard, with higher protection to be only as practicable within the resources of the business
- Clearly defines the role of the Regulator
- Is supported by codes of practice
- Emphasises advice, with the Regulator providing 'how to' guidance to comply while not precluding other approaches (i.e. the reverse onus of proof is a secondary not primary approach)
- Is backed up by an effective, graduated enforcement regime
- Requires 'primary duty holders' to have established formal risk management programs.
 - Lack of a consistent approach on a site/ facility could result in contract workers putting themselves and others at an unacceptable level of risk

2. Regulator's Roles and Responsibilities – we promote:

- Establishment of an independent body for workplace health & safety (WH&S) – a single body responsible for general oversight regulation with single focus sub bodies for specific high risk industries or activities
 - The Regulator providing information for organisations, groups and individuals to perform well in WH&S. For the Regulatory Framework is to be supported by codes of practice there needs to be resources to write the codes of practice - many of the SMEs and even the larger players do not have the resources. The Regulator should have a role to play a role in the development of codes of practice with industry.
- The Regulator enabling a 'level playing field' with an effective enforcement regime.
 - The current regime unfairly penalises the larger players who are doing the right thing, as there is insufficient quality support or enforcement for poor performers
- The Regulator being appropriately resourced with competent people of relevant industry experience

3. Worker Participation and Engagement – we promote:

- Election of H&S representatives by all employees – not appointed e.g. by Unions

- H&S committees formed only upon request or agreement of a majority of workers (to ensure effective communications with full work force)
- H&S representatives being able to stop unsafe work and engage in consultation but not to issue Provisional Improvement Notices (to prevent vexatious use for other purposes e.g. around union negotiations)

4. Major Hazards – we support:

- A focus on major hazards, recognising that many of the larger players are owned by large overseas companies with sound H&S practices. Many of NZ's H&S challenges relate to SMEs
- Adoption of the best practice Australian model workplace health and safety regulations for major hazard facilities (e.g. Queensland rather than the more prescriptive Victoria approach)

About Orica

Orica is the largest provider of commercial explosives and blasting systems to the mining and infrastructure markets, the global leader in the provision of ground support in mining and tunnelling, and the leading supplier of sodium cyanide for gold extraction. Orica also supplies general chemicals across a diverse range of markets, including agriculture, building and construction, food and beverage, pharmaceutical and personal care, plastics, pulp and paper and water treatment industries. The company is headquartered in Melbourne, Australia. Orica reported AUD403m statutory profit after tax in 2012.

Orica has a strong portfolio of manufacturing and distribution assets strategically located across Australia, New Zealand, Asia, and Latin America. Orica employs more than 15,000 people in over 50 countries, servicing customers in more than 100.

In NZ Orica is represented by two business units: Chemicals NZ and Mining Services NZ. Orica is the leading supplier of industrial chemicals to the dairy, pulp & paper and water sectors and blasting systems to the mining and quarrying industries. The NZ business generates revenue of ~NZD300m and employs over 220 people.