

Senate Standing Committee on Education Employment and Workplace Relations

QUESTIONS ON NOTICE Budget Estimates 2011-2012

Agency - Safe Work Australia

DEEWR Question No. EW0050_12

Senator Abetz provided in writing.

Question

Occupational Health And Safety Harmonisation

As a result of Occupational Health and Safety harmonisation, will the following be achieved?
a. Reduced compliance costs for business? i. If so, why? ii. If not, why not? b. Improved efficiency for regulatory agencies? i. If so, why? ii. If not, why not? c. Improved safety outcomes? i. If so, why? ii. If not, why not?

Answer

Safe Work Australia has provided the following response:

As part of developing the model Work Health and Safety (WHS) laws, Safe Work Australia is required to assess the impact of the laws through a Regulation Impact Statement (RIS). The result of this analysis for the model WHS Bill is included in the Decision RIS which is available on the Safe Work Australia website at www.safeworkaustralia.gov.au/AboutSafeWorkAustralia/WhatWeDo/Publications/Pages/PC200912DecisionRegulationImpactstatementForMOHSAAct.aspx.

The analysis indicated that the costs to multi-jurisdiction business of introducing the model WHS Bill were unlikely to be greater than the costs of ongoing changes under disparate jurisdictional regimes were the model WHS Bill not to be introduced. The analysis indicated that in terms of reducing compliance costs for business, the model Act could have benefits of around \$179 million per annum.

For small business it was felt that having the same set of harmonised laws would provide less complexity and confusion for all businesses. For single-state businesses, most jurisdiction specific changes were considered cost neutral or cost saving and those that may have an increase in costs was considered to be a small increase only. For small business it was considered that having the same set of harmonised laws would provide less complexity and confusion for all businesses.

The analysis concluded that costs to government are not likely to be substantial as jurisdictions are continually improving their training material, compliance and reporting requirements and that benefits to government were likely to be more significant in the long term. In addition to this, the Council of Australian Governments requires that after the model WHS Act is adopted, all further changes to WHS laws and subordinate instruments will be coordinated nationally through the Workplace Relations Ministers' Council which will improve regulatory efficiency.

As to improving safety outcomes, the analysis concluded that the reduction of red tape and greater certainty for duty holders should allow business to focus more pro-actively on health and safety improvements rather than compliance. As to regulatory efficiencies, there would be more scope for regulators to actively improve safety in workplaces.

For the draft model WHS Regulations, a Consultation RIS was released with the public comment versions of the draft model regulations and codes of practice and is available on the Safe Work Australia website at www.safeworkaustralia.gov.au/Legislation/AdministrativeRegulations/Pages/Model%20work%20health%20and%20safety%20Regulations.aspx.

The final analysis for the model Work Health and Safety Regulations and model Codes of Practice, taking account of public comment, is currently being developed and will be published in the Decision RIS for the model WHS Regulations and Codes of Practice on completion.