

SAFE WORK AUSTRALIA

Section 1: Agency overview and resources	1
1.1 Strategic Direction Statement	1
1.2 Agency Resource Statement	3
1.3 Budget Measures	4
Section 2: Outcomes and planned performance	5
2.1 Outcomes and performance information	5
Section 3: Explanatory tables and budgeted financial statements	10
3.1 Explanatory tables	10
3.2 Budgeted Financial Statements	11

SAFE WORK AUSTRALIA

Section 1: Agency overview and resources

1.1 STRATEGIC DIRECTION STATEMENT

Safe Work Australia was initially established as an Executive Agency on 1 July 2009 under section 65 of the *Public Service Act 1999* and was transferred from the Portfolio Department. The Executive Agency was abolished and Safe Work Australia was established as a Statutory Agency on 1 November 2009 under the *Safe Work Australia Act 2008* (the Act). The agency operates under the Commonwealth Government's accountability and governance frameworks.

Safe Work Australia is the principal national body leading the development of policy to improve work health and safety and workers' compensation arrangements across Australia. It is responsible for coordinating and developing national policy and strategies, assisting with the implementation of model work health and safety legislation and reforming the legislative framework, undertaking research, and collecting, analysing and reporting data. In doing this, Safe Work Australia works collaboratively with the community, industry and worker associations and regulators to realise the national vision of healthier, safer and more productive workplaces.

The establishment of Safe Work Australia was provided for in the *Intergovernmental Agreement for Regulatory and Operational Reform in Occupational Health and Safety*, agreed by the Council of Australian Governments (COAG) on 3 July 2008. Safe Work Australia replaced the Australian Safety and Compensation Council which operated within the Department of Education, Employment and Workplace Relations. The Australian Government retains the functions specific to implementation of harmonised work health and safety practices within its jurisdiction.

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

Safe Work Australia has 15 members, including an independent Chair, nine members representing the Commonwealth and each state and territory, two members representing the interests of workers, two representing the interests of employers and the Chief Executive Officer of Safe Work Australia (CEO).

The CEO manages the agency under section 45 of the Act and in accordance with the *Financial Management and Accountability Act 1997*.

Together, the Safe Work Australia Members and the agency work to achieve:

- significant and continual reductions in the incidence of work-related death, injury and illness through
 - reduced exposure to work-related hazards causing injury and illness
 - improved quality of workplace controls, and
 - an improved work health and safety infrastructure including legislative reform, increased work health and safety knowledge and skills, and an evidence base which informs policy and practice
- improved outcomes for injured workers and their employers through more equitable, effective, efficient, clearly understood and sustainable workers' compensation arrangements.

The focus of Safe Work Australia during 2012-2013 will be on:

- completing Codes of Practice to support the model work health and safety laws
- monitoring and evaluating the implementation of the model work health and safety laws across Australia
- supporting ongoing work health and safety reform to promote continuous improvements in performance and reductions in red tape
- commencing implementation of the Australian Work Health and Safety Strategy 2012-2022
- continuing to implement the National Workers' Compensation Action Plan 2010 – 2013, and
- developing and implementing the National Research, Evaluation and Data Strategy.

The challenge for Safe Work Australia will be in achieving these outcomes in a changing operational environment.

1.2 AGENCY RESOURCE STATEMENT

Table 1.1 shows the total resources from all sources. The table summarises how resources will be applied by outcome and by departmental classification.

Table 1.1: Safe Work Australia Resource Statement — Budget Estimates for 2012-13 as at Budget May 2012

	Estimate of prior year amounts available in 2012-13 \$'000	Proposed at Budget = 2012-13 \$'000	Total estimate 2012-13 \$'000	Actual available appropriation 2011-12 \$'000
Ordinary annual services¹				
Departmental appropriation				
Departmental appropriation ²	-	9,293	9,293	8,932
Total	-	9,293	9,293	8,932
Total ordinary annual services	-	9,293	9,293	8,932
Total other services	-	-	-	-
Total available annual appropriations	-	9,293	9,293	8,932
Total special appropriations	-	-	-	-
Total appropriations excluding Special Accounts	-	9,293	9,293	8,932
Special Accounts				
Opening balance ³	-	6,422	6,422	8,507
Appropriation receipts ⁴	-	9,293	9,293	8,932
Non-appropriation receipts to Special Accounts	-	9,617	9,617	9,313
Total Special Account	-	25,332	25,332	26,752
Total resourcing	-	34,625	34,625	35,684
Less appropriations drawn from annual or special appropriations above and credited to special accounts and/or CAC Act bodies through annual appropriations	-	-	-	-
Total net resourcing for Safe Work Australia	-	25,332	25,332	26,752

¹Appropriation Bill (No. 1) 2012-13

² Includes an amount of \$0.051m in 2012-13 for the Departmental Capital Budget (refer to table 3.2.5 for further details). For accounting purposes this amount has been designated as 'contributions by owners'.

³ Estimated opening balance for special accounts (less 'Special Public Money' held in accounts like

⁴ Appropriation receipts from Safe Work Australia annual appropriations for 2012-13 included above

Reader note: All figures are GST exclusive.

1.3 BUDGET MEASURES

Safe Work Australia does not have any new measures since the 2011-12 Budget. For this reason Table 1.2 is not presented.

Section 2: Outcomes and planned performance

2.1 OUTCOMES AND PERFORMANCE INFORMATION

Government outcomes are the intended results, impacts or consequences of actions by the Government on the Australian community. Commonwealth programs are the primary vehicle by which government agencies achieve the intended results of their outcome statements. Agencies are required to identify the programs which contribute to Government outcomes over the Budget and forward years.

Each outcome is described below together with its related programs, specifying the performance indicators and targets used to assess and monitor the performance of Safe Work Australia in achieving Government outcomes.

Outcome 1: Safer and more productive Australian workplaces through harmonising national occupational health and safety and workers' compensation arrangements.

Outcome 1 Strategy

Safe Work Australia works in partnership with representatives of the Commonwealth, state and territory governments, employees and employers so that:

- strategic national work health and safety policy and practice is supported by the activities of the Australian Work Health and Safety Strategy 2012-2022
- Australia has harmonised and improved work health and safety laws that provide a consistent, equitable and high level of protection to all workers
- the national work health and safety research and data program supports evidence informed policy, programs and practice
- community awareness and knowledge of work health and safety is increased
- assistance is provided to other policy agencies to promote consistent and improved approaches to managing health and safety hazards and risks, and
- opportunities for improvements in workers' compensation arrangements are identified and assessed particularly for employers with workers in more than one jurisdiction.

Outcome 1 Expense Statement

Table 2.1 provides an overview of the total expenses for Outcome 1.

Table 2.1: Budgeted Expenses for Outcome 1

Outcome 1: Safer and more productive Australian workplaces through harmonising national occupational health and safety and workers' compensation arrangements.	2011-12 Estimated actual expenses \$'000	2012-13 Estimated expenses \$'000
Program 1: Education Services and Compliance Activities		
Departmental Expenses		
Departmental appropriation ¹	8,932	9,242
Special Accounts	11,656	9,617
Expenses not requiring appropriation in the Budget year ²	492	543
Total for Program 1	21,080	19,402
Outcome 1 Totals by appropriation type		
Departmental expenses		
Departmental appropriation ¹	8,932	9,242
Special Accounts	11,656	9,617
Expenses not requiring appropriation in the Budget year ²	492	543
Total expenses for Outcome 1	21,080	19,402
	2011-12	2012-13
Average Staffing Level (number)	110	110

¹ Departmental Appropriation combines "Ordinary annual services (Appropriation Bill No. 1)" and "Revenue from

² Expenses not requiring appropriation in the Budget year is made up of Depreciation Expense, Amortisation Expense and Audit Fees

Contributions to Outcome 1

Program 1: Reform of and improvements to Australian work health and safety and workers' compensation arrangements.

Program 1 Objective

The objective of Safe Work Australia is to monitor and evaluate harmonised laws, coordinate and develop national policy and strategies, undertake research and collect, analyse and report data to improve work health and safety and workers' compensation arrangements in Australia.

To be able to meet its objectives, Safe Work Australia works collaboratively with regulators, industry and worker associations and the community to achieve healthier, safer and more productive workplaces.

The Act prescribes that Safe Work Australia performs its functions in accordance with its Strategic and Operational plans. These plans are approved by Safe Work Australia Members and the Select Council on Workplace Relations.

Program 1 Expenses

The work of the agency continues to focus on the objectives of Program 1 and as prescribed by legislation. The agency has not identified any significant trends or variances over the forward years.

Table 2.2 Budgeted Expenses for Program 1

	2011-12 Revised budget \$'000	2012-13 Budget \$'000	2013-14 Forw ard year 1 \$'000	2014-15 Forw ard year 2 \$'000	2015-16 Forw ard year 3 \$'000
Special Account Expenses:					
Safe Work Australia Special Account (D)	11,656	9,617	9,863	10,104	10,192
Annual departmental expenses:					
Ordinary annual services (Appropriation Bill No. 1)	8,932	9,242	9,489	9,732	9,818
Expenses not requiring appropriation in the Budget year ¹	492	543	525	472	446
Total program expenses	21,080	19,402	19,877	20,308	20,456

(D) = Departmental

¹ Expenses not requiring appropriation in the Budget year is made up of Depreciation Expense, Amortisation Expense, and Audit Fees.

Program 1 Deliverables

The deliverables for Safe Work Australia are highlighted in its operational plan and include:

- completion of the Codes of Practice to support the model work health and safety laws
- assistance with the implementation and evaluation of the model work health and safety laws
- policy proposals to support reform of the work health and safety legislative framework
- implementation of the Australian Work Health and Safety Strategy 2012 -2022
- implementation of the National Workers' Compensation Action Plan 2010 – 2013, and
- development and implementation of the National Research, Evaluation and Data Strategy.

Program 1 Key Performance Indicators

The Key Performance Indicators are framed around how the agency works to achieve the key deliverables in the Safe Work Australia Strategic and Operational Plans.

Key Performance Indicators	
Quality	2012-13 Estimate
Model legislation continues to be developed in accordance with COAG timelines	COAG agreed timelines are met
Level of satisfaction of the Chair of Safe Work Australia with how the services of the Agency are directed at achieving the outcomes of its Strategic and Operational Plans.	Very good or above
Level of satisfaction of the members of Safe Work Australia with how the services of the Agency are directed at achieving the outcomes of its Strategic and Operational Plans.	80% of members agree the services of the Agency are appropriately directed at achieving the outcomes.

Section 3: Explanatory tables and budgeted financial statements

Section 3 presents explanatory tables and budgeted financial statements which provide a comprehensive snapshot of agency finances for the 2012-13 budget year. It explains how budget plans are incorporated into the financial statements and provides further details of the reconciliation between appropriations and program expenses, movements in administered funds, special accounts and government indigenous expenditure.

3.1 EXPLANATORY TABLES

3.1.1 Special Accounts

Special Accounts provide a means to set aside and record amounts used for specified purposes. Special Accounts can be created by a Finance Minister’s Determination under the FMA Act or under separate enabling legislation. Table 3.1.2 shows the expected additions (receipts) and reductions (payments) for each account used by Safe Work Australia.

Table 3.1.1: Estimates of Special Account Flows and Balances

	Opening	Receipts	Payments	Adjustments	Closing
	balance	2012-13	2012-13	2012-13	balance
	2011-12	2011-12	2011-12	2011-12	2011-12
Outcome	\$'000	\$'000	\$'000	\$'000	\$'000
Safe Work Australia Special Account (D)	6,422	19,872	(19,487)	-	6,807
	8,507	19,340	(21,425)	-	6,422
Total Special Accounts					
2012-13 Budget estimate	6,422	19,872	(19,487)	-	6,807
<i>Total Special Accounts</i>					
<i>2011-12 estimate actual</i>	<i>8,507</i>	<i>19,340</i>	<i>(21,425)</i>	<i>-</i>	<i>6,422</i>

(D) = Departmental

3.1.2 Australian Government Indigenous Expenditure

The 2012-13 Australian Government Indigenous Statement is not applicable because Safe Work Australia has no Indigenous specific expenses.

3.2 BUDGETED FINANCIAL STATEMENTS

3.2.1 Differences in agency resourcing and financial statements

The agency receives funds from states and territories and matched appropriation funding from the Commonwealth as provided for in the Intergovernmental Agreement

3.2.2 Budgeted Departmental Financial Statements Tables

**Table 3.2.1 Comprehensive Income Statement (Showing Net Cost of Services)
(for the period ended 30 June)**

	Estimated actual	Budget estimate	Forw ard estimate	Forw ard estimate	Forw ard estimate
	2011-12	2012-13	2013-14	2014-15	2015-16
	\$'000	\$'000	\$'000	\$'000	\$'000
EXPENSES					
Employee benefits	13,146	12,530	12,778	13,023	13,198
Suppliers	7,422	6,289	6,534	6,773	6,772
Grants	70	100	100	100	100
Depreciation and amortisation	442	483*	465*	412*	386*
Write-down and impairment of assets	-	-	-	-	-
Total expenses	21,080	19,402	19,877	20,308	20,456
LESS:					
OWN-SOURCE INCOME					
Own-source revenue					
Sale of goods and rendering of services	9,477	9,617	9,863	10,104	10,192
Total own-source revenue	9,477	9,617	9,863	10,104	10,192
Gains					
Other (ANAO Resources Free of Charge)	50	60	60	60	60
Total gains	50	60	60	60	60
Total own-source income	9,527	9,677	9,923	10,164	10,252
Net cost of (contribution by) services	(11,553)	(9,725)*	(9,954)*	(10,144)*	(10,204)*
Revenue from Government	8,932	9,242	9,489	9,732	9,818
Surplus (Deficit) attributable to the Australian Government	(2,621)	(483)*	(465)*	(412)*	(386)*
Note: Impact of Net Cash Appropriation Arrangements					
	2011-12	2012-13	2013-14	2014-15	2015-16
	\$'000	\$'000	\$'000	\$'000	\$'000
Total Comprehensive Income (loss) less depreciation/amortisation expenses previously funded through revenue appropriations.	(2,179)	-	-	-	-
plus depreciation/amortisation expenses previously funded through revenue appropriations ¹	(442)	(483)	(465)	(412)	(386)
Total Comprehensive Income (loss) - as per the Statement of Comprehensive Income	(2,621)	(483)	(465)	(412)	(386)

¹ From 2010-11, the Government introduced net cash appropriation arrangements where Bill 1 revenue appropriations for the depreciation/amortisation expenses of FMA Act agencies were replaced with a separate capital budget (the Departmental Capital Budget, or DCB) provided through Bill 1 equity appropriations. For information regarding DCBs, please refer to Table 3.2.5 Departmental Capital Budget Statement.

Table 3.2.2: Budgeted Balance Sheet (as at 30 June)

	Estimated actual	Budget estimate	Forw ard estimate	Forw ard estimate	Forw ard estimate
	2011-12	2012-13	2013-14	2014-15	2015-16
	\$'000	\$'000	\$'000	\$'000	\$'000
ASSETS					
Financial assets					
Cash and cash equivalents	280	280	280	280	280
Trade and other receivables	6,438	6,823	7,199	7,515	8,032
Total financial assets	6,718	7,103	7,479	7,795	8,312
Non-financial assets					
Buildings	1,324	1,023	722	421	120
Property, plant and equipment	94	69	20	121	64
Intangibles	280	165	50	50	33
Other non-financial assets	86	86	86	86	86
Total non-financial assets	1,784	1,343	878	678	303
Total assets	8,502	8,446	8,357	8,473	8,615
LIABILITIES					
Payables					
Suppliers	928	928	928	928	928
Total payables	928	928	928	928	928
Provisions					
Employee provisions	3,528	3,904	4,280	4,580	4,880
Total provisions	3,528	3,904	4,280	4,580	4,880
Total liabilities	4,456	4,832	5,208	5,508	5,808
Net assets	4,046	3,614	3,149	2,965	2,807
EQUITY					
Contributed equity	3,849	3,900	3,900	4,128	4,356
Reserves	636	636	636	636	636
Retained surplus (accumulated deficit)	(439)	(922)	(1,387)	(1,799)	(2,185)
Total Equity	4,046	3,614	3,149	2,965	2,807

**Table 3.2.3: Statement of Changes in Equity — Summary of Movement
(Budget Year 2012-13)**

	Retained earnings	Asset revaluation reserve	Other reserves	Contributed equity/capital	Total equity
	\$'000	\$'000	\$'000	\$'000	\$'000
Opening balance as at 1 July 2012					
Balance carried forward from previous period	(439)	636	-	3,849	4,046
Adjusted opening balance	(439)	636	-	3,849	4,046
Comprehensive income					
Surplus (deficit) for the period	(483)	-	-	-	(483)
Total comprehensive income	(483)	-	-	-	(483)
Transactions with owners					
Contributions by owners					
Departmental Capital Budget (DCBs)	-	-	-	51	51
Sub-total transactions with owners	-	-	-	51	51
Estimated closing balance as at 30 June 2013	(922)	636	-	3,900	3,614
Less: non-controlling interests *	-	-	-	-	-
Closing balance attributable to the Australian Government	(922)	636	-	3,900	3,614

**Table 3.2.4: Budgeted Statement of Cash Flows
(for the period ended 30 June)**

	Estimated actual	Budget estimate	Forw ard estimate	Forw ard estimate	Forw ard estimate
	2011-12	2012-13	2013-14	2014-15	2015-16
	\$'000	\$'000	\$'000	\$'000	\$'000
OPERATING ACTIVITIES					
Cash received					
Appropriations	8,932	9,242	9,489	9,732	9,818
Sale of goods and rendering of services	10,408	10,579	10,849	11,114	11,211
Total cash received	19,340	19,821	20,338	20,846	21,029
Cash used					
Employees	13,146	12,530	12,778	13,023	13,198
Suppliers	7,422	6,289	6,534	6,773	6,772
Grants - Cash Used	70	100	100	100	100
Net GST paid	749	652	676	700	692
Total cash used	21,387	19,571	20,088	20,596	20,762
Net cash from (used by) operating activities	(2,047)	250	250	250	267
INVESTING ACTIVITIES					
Cash received					
Proceeds from sales of property, plant and equipment	-	-	-	-	-
Total cash received	-	-	-	-	-
Cash used					
Purchase of property, plant and equipment	21	42	-	162	11
Purchase/development of software	150	-	-	50	-
Total cash used	171	42	-	212	11
Net cash from (used by) investing activities	(171)	(42)	-	(212)	(11)
FINANCING ACTIVITIES					
Cash received					
Contributed equity	-	51	-	228	228
Transfers from the OPA	2,207	-	-	-	-
Total cash received	2,207	51	-	228	228
Cash used					
Transfers to the OPA	-	259	250	266	484
Total cash used	-	259	250	266	484
Net cash from (used by) financing activities	2,207	(208)	(250)	(38)	(256)
Net increase (decrease) in cash held					
Cash and cash equivalents at the beginning of the reporting period	291	280	280	280	280
Cash and cash equivalents at the end of the reporting period	280	280	280	280	280

Table 3.2.5: Departmental Capital Budget Statement

	Estimated actual	Budget estimate	Forw ard estimate	Forw ard estimate	Forw ard estimate
	2011-12	2012-13	2013-14	2014-15	2015-16
	\$'000	\$'000	\$'000	\$'000	\$'000
NEW CAPITAL APPROPRIATIONS					
Capital budget - Bill 1 (DCB)	-	51	-	228	228
Total new capital appropriations	-	51	-	228	228
Provided for:					
Purchase of non-financial assets	-	51	-	228	228
Total Items	-	51	-	228	228
PURCHASE OF NON-FINANCIAL ASSETS					
Funded by capital appropriation - DCB ¹	-	42	-	212	11
Funded internally from departmental resources ²	171	-	-	-	-
TOTAL	171	42	-	212	11
RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE					
Total purchases	171	42	-	212	11
Total cash used to acquire assets	171	42	-	212	11

(DCB) = Departmental Capital Budget

¹ Does not include annual finance lease costs. Include purchase from current and previous years' Departmental Capital Budgets (DCBs).

² Includes the following sources of funding:

- current and prior year Bill 1/3/5 appropriations (excluding amounts from the DCB).

Table 3.2.6: Statement of Asset Movements (2012-13)

	Buildings \$'000	Other property, plant and equipment \$'000	Computer plant and software and intangibles \$'000	Total \$'000
As at 1 July 2012				
Gross book value	1,625	172	357	2,154
Accumulated depreciation/amortisation and impairment	(301)	(78)	(77)	(456)
Opening net book balance	1,324	94	280	1,698
CAPITAL ASSET ADDITIONS				
Estimated expenditure on new or replacement assets				
By purchase - appropriation ordinary annual services ¹	-	42	-	42
Disposals	-	(18)	-	(18)
Total additions	-	24	-	24
Other movements				
Depreciation/amortisation expense	(301)	(67)	(115)	(483)
Disposals	-	18	-	18
Total other movements	(301)	(49)	(115)	(465)
As at 30 June 2013				
Gross book value	1,625	196	357	2,178
Accumulated depreciation/amortisation and impairment	(602)	(127)	(192)	(921)
Closing net book balance	1,023	69	165	1,257

¹ "Appropriation ordinary annual services" refers to funding provided through Appropriation Bill (No.1) 2012-13 for depreciation / amortisation expenses, DCBs or other operational expenses.

3.2.3 Notes to the financial statements

Other gains represented in the Comprehensive Income Statement are resources received free of charge from other Commonwealth agencies.