

SAFE WORK AUSTRALIA

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SAFE WORK AUSTRALIA

Section 1: Agency overview and resources

1.1 STRATEGIC DIRECTION STATEMENT

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 developing and coordinating national policy and strategies, assisting with the implementation of model work health and safety legislation and reforming the legislative framework, undertaking and publishing research, and collecting, analysing and reporting data. In doing this Safe Work Australia works collaboratively with regulators, industry and worker associations and the community, to realise the national vision of healthy, safe and productive working lives.

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.

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
 - 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 2013–14 will be on:

- continuing to support the implementation of the Australian Work Health and Safety Strategy 2012–2022
- completing Codes of Practice and guidance material to support the model work health and safety laws
- monitoring, reviewing and evaluating the implementation of the model work health and safety laws across Australia
- working with and supporting those states yet to adopt the model work health and safety laws
- supporting ongoing work health and safety reform to promote continuous improvements in performance
- undertaking a program of work to improve workers' compensation arrangements including in the areas of Return to Work, deemed diseases, permanent impairment and developing minimum benchmarks for the National Injury Insurance Scheme
- implementing the *Research, Evaluation and Data Strategy 2013–2017*.

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 2013-14 as at Budget May 2013

	Estimate of prior year amounts available in 2013- 14 \$'000	Proposed at Budget = 2013- 14 \$'000	Total estimate 2013- 14 \$'000	Actual available appropriation 2012- 13 \$'000
Ordinary annual services¹				
Departmental appropriation				
Departmental appropriation ²	-	9,524	9,524	9,292
Total	-	9,524	9,524	9,292
Total ordinary annual services	-	9,524	9,524	9,292
Total available annual appropriations	-	9,524	9,524	9,292
Total appropriations excluding Special Accounts	-	9,524	9,524	9,292
Special Accounts				
Opening balance ³	-	7,475	7,475	8,126
Appropriation receipts ⁴	-	9,524	9,524	9,292
Non- appropriation receipts to Special Accounts	-	9,751	9,751	10,146
Total Special Account	-	26,750	26,750	27,564
Total resourcing				
A+B+C+D	-	36,274	36,274	36,856
Less appropriations drawn from annual or special appropriations above and credited to special accounts and/or CAC Act bodies through annual appropriations	-	(9,524)	(9,524)	(9,292)
Total net resourcing for Safe Work Australia	-	26,750	26,750	27,564

¹Appropriation Bill (No.1) 2013- 14

²Includes an amount of \$0.150m in 2013- 14 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'.

³Estimated opening balance for special accounts (less 'Special Public Money' held in accounts like Other Trust Monies accounts (OTM), Services for other Government and Non- agency Bodies accounts (SOG), or Services for Other Entities and Trust Moneys Special accounts (SOETM)). For further information on special accounts see Table 3.1.2.

⁴Appropriation receipts from Safe Work Australia annual and special 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 2012-13 Budget apart from the savings sought by Government. These are outlined in Table 1.2 Part 2.

Table 1.2 Agency 2013-14 Budget measures

Part 2: MYEFO measures not previously reported in a portfolio statement

	Program	2012-13 \$'000	2013-14 \$'000	2014-15 \$'000	2015-16 \$'000	2016-17 \$'000
Measures						
Targeted savings - public service efficiencies	1					
Administered expenses		-	-	-	-	-
Departmental expenses		(1)	(2)	(2)	(2)	(1)
Total		(1)	(2)	(2)	(2)	(1)
Total measures						
Departmental		(1)	(2)	(2)	(2)	(1)
Total		(1)	(2)	(2)	(2)	(1)

Prepared on a Government Finance Statistics (fiscal) basis

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

Healthier, safer and more productive workplaces through improvements to Australian work health and safety and workers' compensation arrangements

Outcome 1 strategy

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

- national work health and safety policy and practice is supported by the implementation of the Australian Work Health and Safety Strategy 2012-2022
- Australia has harmonised and improved work health and safety laws providing a consistent, equitable and high level of protection to all workers
- the national work health and safety research, evaluation and data programs support evidence informed policy, programs and practice
- community awareness and knowledge of work health and safety is increased
- assistance is provided to other agencies to promote consistent and improved approaches to managing health and safety hazards and risks
- opportunities for improvements in workers' compensation arrangements are identified and proposals developed.

Outcome 1 expense statement

Table 2.1 Budgeted expenses for Outcome 1

Outcome 1: Healthier, safer and more productive workplaces through improvements to Australian work health and safety and workers' compensation arrangements.	2012-13 Estimated actual expenses \$'000	2013-14 Estimated expenses \$'000
Program 1: Reform of and improvements to Australian work health and safety and workers' compensation arrangements.		
Departmental expenses		
Departmental appropriation ¹	9,241	9,374
Special Accounts	11,346	9,751
Expenses not requiring appropriation in the Budget year ²	552	599
Total for Program 1	21,139	19,724
Outcome 1 Totals by appropriation type		
Departmental expenses		
Departmental appropriation ¹	9,241	9,374
Special Accounts	11,346	9,751
Expenses not requiring appropriation in the Budget year ²	552	599
Total expenses for Outcome 1	21,139	19,724
	2012-13	2013-14
Average Staffing Level (number)	104	104

¹ Departmental Appropriation combines "Ordinary annual services (Appropriation Bill No. 1)" and "Revenue from independent sources (s31)".

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 implement, monitor, review and evaluate model work health and safety 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 healthy, safe and productive working lives.

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

Table 2.1.1 Program 1 expenses

	2012-13 Revised budget \$'000	2013-14 Budget \$'000	2014-15 Forw ard year 1 \$'000	2015-16 Forw ard year 2 \$'000	2016-17 Forw ard year 3 \$'000
Special Account Expenses:					
Safe Work Australia Special Account	11,346	9,751	9,977	10,066	10,322
Annual departmental expenses:					
Ordinary annual services (Appropriation Bill No. 1)	9,241	9,374	9,606	9,690	9,947
Expenses not requiring appropriation in the Budget year ¹	552	599	544	222	143
Total program expenses	21,139	19,724	20,127	19,978	20,412

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:

- implementation of the Australian Work Health and Safety Strategy 2012-2022
- completion of Codes of Practice and the development of guidance material to support the model work health and safety laws

- implementation, review and evaluation of the model work health and safety laws
- implementation of the *Research, Evaluation and Data Strategy 2013–2017*
- proposals to support reform of the work health and safety legislative framework, and
- proposals to improve outcomes for injured workers and their employers.

Program 1 key performance indicators

The key performance indicators are framed around the strategies the agency has put in place to achieve its outcome and the key deliverables in the Safe Work Australia Operational Plan 2013–14.

Key performance indicators	
Quality	2013–14 target
The work health and safety legislative framework continues to be developed, implemented and reviewed in accordance with COAG requirements. ¹	COAG requirements are met.
Level of satisfaction of the Chair of Safe Work Australia with how the agency is achieving the deliverables of its operational plan. ²	Chair rates the performance of the agency as very good or above.
Level of satisfaction of the Members of Safe Work Australia with how the agency is achieving the deliverables of its operational plan. ³	80% of Members agree the agency is achieving the deliverables of its operational plan.

¹ This indicator has been altered to reflect the original timeframe set by COAG for the development of model work health and safety laws has passed. Safe Work Australia met the previous indicator. All model work health and safety laws apart from the mining component were approved for implementation on 1 January 2012. COAG timeframes were extended for completion of the mining regulations.

² This indicator has been altered to align with the revised structure of Safe Work Australia’s strategic and operational plans and to test the performance of the agency in achieving its deliverables rather than the outcomes of the plans. The previous indicator was met in 2011–12 with the Chair satisfied the services of the agency were appropriately directed at achieving the outcomes to a very good to excellent levels in all areas.

³ This indicator has been altered to align with the revised structure of Safe Work Australia’s strategic and operational plans and to test the performance of the agency in achieving its deliverables rather than the outcomes of the plans. The previous indicator was met in 2011–12 with 90% of Safe Work Australia Members agreeing the services of the agency were 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 2013–14 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 Movement of administered funds between years

Safe Work Australia has no administered funds. For this reason Table 3.1.1 is not presented.

3.1.2 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 3.1.2 Estimates of Special Account flows and balances

	Outcome	Opening	Receipts	Payments	Adjustments	Closing
		balance	Receipts	Payments	Adjustments	balance
		2013-14	2013-14	2013-14	2013-14	2013-14
		2012-13	2012-13	2012-13	2012-13	2012-13
		\$'000	\$'000	\$'000	\$'000	\$'000
Safe Work Australia Special Account (D)	1	7,475	20,250	(19,874)	-	7,851
		8,126	20,400	(21,051)	-	7,475
Total Special Accounts						
2013-14 Budget estimate		7,475	20,250	(19,874)	-	7,851
Total Special Accounts						
2012-13 estimated actual		8,126	20,400	(21,051)	-	7,475

(D) = Departmental

3.1.3 Australian Government Indigenous Expenditure

The 2013–14 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 appropriations funding from the Commonwealth as provided for in the Intergovernmental Agreement.

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
	2012-13	2013-14	2014-15	2015-16	2016-17
	\$'000	\$'000	\$'000	\$'000	\$'000
EXPENSES					
Employee benefits	12,530	12,553	12,772	12,946	13,378
Suppliers	8,017	6,532	6,771	6,770	6,851
Grants	100	100	100	100	100
Depreciation and amortisation	492	539	484	162	83
Total expenses	21,139	19,724	20,127	19,978	20,412
LESS:					
OWN-SOURCE INCOME					
Own-source revenue					
Sale of goods and rendering of services	10,146	9,751	9,977	10,066	10,322
Total own-source revenue	10,146	9,751	9,977	10,066	10,322
Gains					
Other	60	60	60	60	60
Total gains	60	60	60	60	60
Total own-source income	10,206	9,811	10,037	10,126	10,382
Net cost of (contribution by) services	10,933	9,913	10,090	9,852	10,030
Revenue from Government	9,241	9,374	9,606	9,690	9,947
Surplus (Deficit) attributable to the Australian Government	(1,692)	(539)	(484)	(162)	(83)
Total comprehensive income (loss) attributable to the Australian Government	(1,692)	(539)	(484)	(162)	(83)

Prepared on an Australian Accounting Standards basis.

Table 3.2.1 Comprehensive income statement (showing net cost of services) for the period ended 30 June (continued)

Note: Impact of Net Cash Appropriation Arrangements

	2012-13 \$'000	2013-14 \$'000	2014-15 \$'000	2015-16 \$'000	2016-17 \$'000
Total Comprehensive Income (loss) excluding depreciation/amortisation expenses previously funded through revenue appropriations.	(1,200)	-	-	-	-
less depreciation/amortisation expenses previously funded through revenue appropriations ¹	(492)	(539)	(484)	(162)	(83)
Total Comprehensive Income (loss) - as per the Statement of Comprehensive Income	(1,692)	(539)	(484)	(162)	(83)

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.

Prepared on an Australian Accounting Standards basis.

Table 3.2.2 Budgeted departmental balance sheet (as at 30 June)

	Estimated actual	Budget estimate	Forw ard estimate	Forw ard estimate	Forw ard estimate
	2012-13	2013-14	2014-15	2015-16	2016-17
	\$'000	\$'000	\$'000	\$'000	\$'000
ASSETS					
Financial assets					
Cash and cash equivalents	280	280	280	280	280
Trade and other receivables	7,300	7,676	8,042	8,408	8,588
Total financial assets	7,580	7,956	8,322	8,688	8,868
Non-financial assets					
Land and buildings	713	458	91	-	-
Property, plant and equipment	68	56	109	63	51
Intangibles	167	45	34	17	-
Other non-financial assets	55	55	55	55	55
Total non-financial assets	1,003	614	289	135	106
Total assets	8,583	8,570	8,611	8,823	8,974
LIABILITIES					
Payables					
Suppliers	865	865	865	865	865
Total payables	865	865	865	865	865
Provisions					
Employee provisions	4,033	4,409	4,709	5,009	5,009
Total provisions	4,033	4,409	4,709	5,009	5,009
Total liabilities	4,898	5,274	5,574	5,874	5,874
Net assets	3,685	3,296	3,037	2,949	3,100
EQUITY					
Contributed equity	3,900	4,050	4,275	4,349	4,583
Reserves	418	418	418	418	418
Retained surplus (accumulated deficit)	(633)	(1,172)	(1,656)	(1,818)	(1,901)
Total Equity	3,685	3,296	3,037	2,949	3,100

Prepared on an Australian Accounting Standards basis.

**Table 3.2.3 Departmental statement of changes in equity – summary of movement
(Budget year 2013-14)**

	Retained earnings \$'000	Asset revaluation reserve \$'000	Other reserves \$'000	Contributed equity/ capital \$'000	Total equity \$'000
Opening balance as at 1 July 2013					
Balance carried forward from previous period	(633)	418	-	3,900	3,685
Adjusted opening balance	(633)	418	-	3,900	3,685
Comprehensive income					
Surplus (deficit) for the period	(539)	-	-	-	(539)
Total comprehensive income	(539)	-	-	-	(539)
of which:					
Attributable to the Australian Government	(539)	-	-	-	(539)
Transactions with owners					
Contributions by owners					
Departmental Capital Budget (DCBs)	-	-	-	150	150
Sub-total transactions with owners	-	-	-	150	150
Estimated closing balance as at 30 June 2014	(1,172)	418	-	4,050	3,296
Closing balance attributable to the Australian Government	(1,172)	418	-	4,050	3,296

Prepared on an Australian Accounting Standards basis.

Table 3.2.4 Budgeted departmental statement of cash flows (for the period ended 30 June)

	Estimated actual 2012-13 \$'000	Budget estimate 2013-14 \$'000	Forw ard estimate 2014-15 \$'000	Forw ard estimate 2015-16 \$'000	Forw ard estimate 2016-17 \$'000
OPERATING ACTIVITIES					
Cash received					
Appropriations	9,241	9,374	9,606	9,690	9,947
Sale of goods and rendering of services	11,108	10,726	10,975	11,073	11,354
Total cash received	20,349	20,100	20,581	20,763	21,301
Cash used					
Employees	12,530	12,553	12,772	12,946	13,378
Suppliers	8,017	6,532	6,771	6,770	6,851
Grants	100	100	100	100	100
Net GST paid	692	663	687	687	695
Total cash used	21,339	19,848	20,330	20,503	21,024
Net cash from (used by) operating activities	(990)	252	251	260	277
INVESTING ACTIVITIES					
Cash received					
Proceeds from sales of property, plant and equipment	-	-	-	-	-
Total cash received	-	-	-	-	-
Cash used					
Purchase of property, plant and equipment	42	150	159	8	54
Total cash used	42	150	159	8	54
Net cash from (used by) investing activities	(42)	(150)	(159)	(8)	(54)
FINANCING ACTIVITIES					
Cash received					
Contributed equity	51	150	225	74	234
Cash received from other financing activities	1,200	-	-	-	-
Total cash received	1,251	150	225	74	234
Cash used					
Other financing activities	237	252	317	326	457
Total cash used	237	252	317	326	457
Net cash from (used by) financing activities	1,014	(102)	(92)	(252)	(223)
Net increase (decrease) in cash held	(18)	-	-	-	-
Cash and cash equivalents at the beginning of the reporting period	298	280	280	280	280
Cash and cash equivalents at the end of the reporting period	280	280	280	280	280

Prepared on an Australian Accounting Standards basis.

Table 3.2.5 Departmental capital budget statement

	Estimated actual	Budget estimate	Forw ard estimate	Forw ard estimate	Forw ard estimate
	2012-13	2013-14	2014-15	2015-16	2016-17
	\$'000	\$'000	\$'000	\$'000	\$'000
NEW CAPITAL APPROPRIATIONS					
Capital budget - Bill 1 (DCB)	51	150	225	74	234
Total new capital appropriations	51	150	225	74	234
Provided for:					
Purchase of non-financial assets	51	150	225	74	234
Total Items	51	150	225	74	234
PURCHASE OF NON-FINANCIAL ASSETS					
Funded by capital appropriation - DCB ¹	42	150	159	8	54
TOTAL	42	150	159	8	54
RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE					
Total purchases	42	150	159	8	54
Total cash used to acquire assets	42	150	159	8	54

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

Prepared on an Australian Accounting Standards basis.

Table 3.2.6 Statement of asset movements (2013–14)

	Asset Category			Total
	Buildings	Other property, plant and equipment	Computer software and intangibles	
	\$'000	\$'000	\$'000	\$'000
As at 1 July 2013				
Gross book value	1,029	169	366	1,564
Accumulated depreciation/amortisation and impairment	(316)	(101)	(199)	(616)
Opening net book balance	713	68	167	948
CAPITAL ASSET ADDITIONS				
Estimated expenditure on new or replacement assets				
By purchase - appropriation ordinary annual services ¹	100	50	-	150
Total additions	100	50	-	150
Other movements				
Depreciation/amortisation expense	(355)	(62)	(122)	(539)
Total other movements	(355)	(62)	(122)	(539)
As at 30 June 2014				
Gross book value	1,129	219	366	1,714
Accumulated depreciation/amortisation and impairment	(671)	(163)	(321)	(1,155)
Closing net book balance	458	56	45	559

¹ "Appropriation ordinary annual services" refers to funding provided through Appropriation Bill (No.1) 2013-14 for depreciation / amortisation expenses, DCBs or other operational expenses.

Prepared on an Australian Accounting Standards basis.

Notes to the financial statements

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