

# July 2013 Essential Update

## Helpful Hint

### Government Changes to Health & Safety Requirements

In New Zealand, it is estimated that one or two of us are killed each week while at work, and over the course of a year, almost one in ten of us are harmed in some way.

In response to these statistics, an independent task force on Health and Safety recently proposed a number of radical changes to health & safety requirements in New Zealand. In total there are 15 "Protective Cloaks", relating to accountability, motivation and knowledge. Some of the key ones are summarised below:

#### Accountability

- A new Workplace Health and Safety agency will develop and monitor strategy and implementation for the prevention of workplace harm. This would be a Crown agent.
- A new Act would set guidelines along Australian lines – with more emphasis on a risk-based approach; on reasonable actions; on acute/chronic and catastrophic harm; and on major hazards.
- Employers would be legally obliged to have employees participate in H&S, as this is known to improve outcomes.

#### Motivating

- Reward businesses for better health and safety performance by linking levies more to risk; performance and industry costs
- Increase the cost of poor health and safety performance

#### Knowledge

- Clarify expectations by implementing comprehensive regulations, codes of practice and guidance material
- Place more emphasis on harm prevention – in particular, root cause analysis and investigations.

You can find the full report of the taskforce's recommendations here: <http://hstaskforce.govt.nz/documents/report-of-the-independent-taskforce-on-workplace-health-safety.pdf>

*Ignoring H&S is going to become increasingly expensive, even without serious accidents. Do you have H&S discussions at staff meetings? Do you formally investigate all accidents? Do you know what codes of practice apply to you?*

## Contents

Our July 2013 update highlights a number of key H&S issues that all organisations should consider.

#### Included in this month's update:

- **Helpful Hint** – Government changes to health & safety requirements
- **Did You Know?** – ACC levy changes
- **Legal Latest** – Ranges of H+S fines and latest cases to learn from
- **Essential Essentials** – What are the basics needed

## For more information

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**Please note my 12 Nazareth Ave address and 03 9610892 numbers are no longer valid. Watch this space!**

## Did you Know?

### ACC Levy Changes

ACC levies payable are determined by the classification ACC assigns to your business. Therefore if your business is incorrectly classified, you may be paying a much higher levy than necessary. Many employers are not aware that they are able to challenge the classification ACC assigns to their business. You may be paying more than is required! It is worth checking that your business' classification accurately reflects the nature of your business, or it may be that you can pay a lower rate for a part of it.

## H+S Legal Updates

### Ranges of Health and Safety Fines

Just how big can an H&S infringement fine get? The Court has recently indicated their guide on fines depending on their assessment of culpability:

- Low culpability fines start below \$50,000
- Medium culpability fines start between \$50,000 - \$100,000
- High culpability fines start above \$100,000

It is important to remember that these fines are starting points and can be reduced for mitigating factors such as remorse, making amends and an early guilty plea, however they do not include reparations to victims so the total amounts that companies end up paying are usually higher than the fine given.

A number of recent cases highlight the importance of sorting the H&S processes in your company and hence the cost of an injury.

### Inadequate planning and supervision lead to large fine

In this case, two companies were fined – the employer for not taking all practicable steps to ensure an employee's safety, and another for not taking all practicable steps to ensure the safety of a contractor, the other company's employee. The employee was a window cleaner who had to abseil down the side of a building to clean windows and rigged her ropes to an unsuitable air conditioning bracket that then failed. There was no site specific safety plan in place, the window cleaners weren't appropriately supervised, and there were a number of other failures in their health and safety processes. Overall this resulted in a combined fine and reparation of over \$100,000, even after reductions of over \$70,000. *With the appropriate health and safety processes in place this incident could have been avoided and both companies could have avoided large fines.*

### Poor Machine Guarding

A meat processing plant was fined \$60,000 and ordered to pay \$20,000 in reparations after an employee's hand became trapped in a piece of machinery. The machine had been identified and documented in a hazard survey earlier in the year, however no steps had been taken towards isolating it – e.g. through appropriate machine guards. *The company had taken the first steps, but their lack of further action resulted in a serious accident that quite clearly could have been avoided.*

### Fine after worker loses finger

A company has paid over \$40,000 after an employee lost part of their finger on an unguarded table saw. The guidelines for the safe use of the equipment have been freely available for nearly 20 years and give guidance on the appropriate guards for the kind of tools used in the accident, and it was the neglect (or ignorance) of these guidelines that lead to the permanent disability of one of their employees. *There are a number of industries that are provided with guidelines for safe practice – check out the OSH website for the full range* <http://www.osh.govt.nz/order/catalogue/index.shtml>.

***If you don't have solid H+S process in place – check out our Essential Essentials.***

## Essential Essentials

### Basic H+S Requirements

As a minimum requirement for health and safety in the workplace, companies need to show that they have taken all practicable steps towards providing a safe working environment for their employees. This means thinking about the hazards in your workplace and doing what is reasonably practicable to ensure the safety of people faced with the hazard(s).

There are several general, basic workplace regulations companies should have in place:

- A detailed health and safety policy (and associated policies and procedures – e.g. emergency procedures)
- A hazards register – specifying significant hazards and reasonable controls
- Health and safety training and induction
- Site specific safety plan(s)
- A process for managing accidents (including investigation)
- Awareness and use of approved codes of practice and regulations applicable to your type of work

There is also the option of asking for an OSH review, and/or gaining accreditation on the ACC WSMP programme (this programme also gives discounts on standard ACC Workplace Cover levies).

For any health and safety system to work, basic or otherwise, the more employees are involved in hazard management, the better the outcomes (e.g. team discussions, H+S reps, etc.)

If you don't think you have a good, basic health and safety system in place, Essential HR can provide you with a more detailed check list – just send me an email, give me a ring or even send through a text! The DoL website also has a check list that may help you: <http://www.dol.govt.nz/infozone/businesentials/safety/manage/>