

Thursday, 31 October 2024

Health and Safety Policy Team
Ministry of Business, Innovation and Employment
PO Box 1473
Wellington 6140

Tēnā koutou,

FEEDBACK ON THE WORK HEALTH AND SAFETY REGULATORY SYSTEM

Business Canterbury (formerly the Canterbury Employers' Chamber of Commerce) welcomes the opportunity to provide feedback on the work health and safety regulatory system on behalf of its members.

Business Canterbury is a not-for-profit membership-based service organisation that has been the home and voice of business in Waitaha Canterbury since 1859 and is the largest business support organisation in Te Wai Pounamu South Island.

Comprised of 2,700 members, we provide a voice for the local business community and advocate for policies that will help shape and enable a business environment that promotes innovation, productivity and economic growth as critical success factors underpinning a thriving economy and community.

General comments

The majority of Business Canterbury members (58%) believe that health and safety requirements effectively balance risk with cost and productivity. In addition, 62% view health and safety practices as a fundamental part of business culture and operations, with only 14% seeing health and safety as primarily a compliance requirement.

However, while embracing of the health and safety system as a component of good business practice, concerns and frustrations remain in several critical areas that impact on businesses:

System leadership and guidance

There is a desire for stronger leadership and advisory services from regulatory bodies such as WorkSafe. A more collaborative and enabling approach rather than an enforcement-centric model would help businesses better understand and meet health and safety requirements.

There is scope for organisations like Business Canterbury to assist the Government and regulators with the development and delivery of learning programmes that help businesses, particularly small businesses, gain the skills and mindset required for taking a risk-based approach to work health and safety practices in their businesses. We have built a strong reputation in this area over a 30-year period.

Fairness and flexibility

Members have raised concerns about inconsistencies in how health and safety laws and regulations are applied across industries and different Persons Conducting a Business or Undertaking (PCBUs). These inconsistencies (for example one businesses being required to add in a ventilation system while others are not) can lead to competitive imbalances, as some businesses may face greater regulatory scrutiny or costs than others without any corresponding differences in risk profile.

There are also downstream effects that need to be considered in the work health and safety system. While not directly related – there are situations where employers have done exactly the right thing from a work health and safety perspective – but then been penalised or treated unfairly by the ACC system or the Holidays Act.

There is a need for flexibility around niche or future sectors as they develop at pace in our economy. Where enabling regulations do not exist, or activity falls outside of a narrow interpretation of regulations, there must be clear and easy recourse for a business or sector to plan and seek approval for that activity on the basis that they are appropriately managing the risk.

Communication and transition periods for regulatory changes

The need for better communication around regulatory updates and changes is a common theme. Businesses require sufficient time to understand, plan for, and implement new practices that meet changing regulatory standards. Longer lead times for adjustments would allow businesses to make changes without sudden disruptions to operations, helping them to focus on where the risk lies and maintaining overall safety standards across their businesses.

Wellbeing as part of work health and safety

While wellbeing is increasingly recognised as a component of work health and safety by employers, clearer guidance is needed to define its role and scope within the regulatory framework. Members have indicated uncertainty about the extent to which mental and emotional wellbeing are regulated under health and safety law and would benefit from more specific guidelines on how to integrate these aspects effectively within their operations both to maintain best practice and to ensure compliance.

Risk management and shared responsibility

A shift towards a more risk-based approach would benefit both businesses and workers. Businesses believe there should be clearer guidelines outlining the responsibilities of both employers and the workforce in maintaining health and safety standards with the sharing of responsibility encouraging a collaborative safety culture that not only protects employees but also empowers them to play an active role in identifying and mitigating risks.

Focus on proportionate risk based on track record

There is scope to better align the work health and safety system with an approach to compliance that considers a business's safety track record. Recognising businesses with strong safety records and therefore allowing for a more proportionate risk-based approach that reflects this history would enable businesses to operate as normal while maintaining high safety standards and regulators would be freed up to focus on where the risk lies.

There is an opportunity and potential role for organisations like Business Canterbury to help regulators identify which businesses have good business practices. Business Canterbury runs a 'Canterbury Trusted' initiative which is an award recognising business excellence in the Canterbury region – based on a rigorous review of business practices including around health and safety, and referee checks with employees, suppliers, and customers.

Recourse should be available to businesses to test the decisions of inspectors where they do not make practical sense for a business, will not have an impact on the risk profile of activity, or even in some cases create additional risk.

Closing comments

By addressing these areas, we believe the work health and safety regulatory system can better meet the needs of the business community, benefit compliance, and ultimately contribute to a safer and more productive work environment across Canterbury. Business Canterbury looks forward to continued collaboration with the Government to ensure a health and safety framework that is practical, and supportive of business growth and workforce wellbeing.

Business Canterbury welcomes the opportunity to speak to this feedback further and any other opportunities to engage with policymakers as any changes are developed.

Kind regards,

A handwritten signature in blue ink, appearing to read 'Leeann Watson', with a stylized flourish at the end.

Leeann Watson
Chief Executive Officer | Business Canterbury

Business Canterbury
57 Kilmore Street, Christchurch
0800 50 50 96 | 03 366 5096
info@businesscanterbury.co.nz | businesscanterbury.co.nz