

**VOTE Labour**

# VOTE Labour

## OVERVIEW

Appropriations sought for Vote Labour in 1998/99 total \$47.483 million. This is intended to be spent as follows:

- \$4.176 million (9% of the Vote) on purchasing analysis, research and policy advice on the labour market, industrial relations, and occupational safety and health including monitoring and ministerial servicing.
- \$278,000 (less than 1% of the Vote) on the Government's relationship with the International Labour Organisation.
- \$11.160 million (23% of the Vote) on purchasing support services to the Employment Tribunal, Employment Court, and Higher Salaries Commission.
- \$2.810 million (6% of the Vote) on providing information to the public about, and the enforcement of, legislation and regulations relating to statutory minimum terms and conditions of employment.
- \$24.517 million (52% of the Vote) on purchasing services designed to promote excellence in self-managing occupational safety and health hazards and enforcing health and safety legislation.
- \$1.104 million (2% of the Vote) on purchasing public safety and health regulatory functions and enforcing public safety legislation.
- \$956,000 (2% of the Vote) on purchasing services from non-departmental providers in relation to the collection of the Health and Safety in Employment Levy and the promotion of equal employment opportunities.
- \$2.482 million (5% of the Vote) on other labour-related payments such as the Employment Court Judges and the subscription to the International Labour Organisation.

The Department expects to collect \$29.385 million of Crown revenue in 1998/99: \$490,000 from Employment Court/Tribunal fees; \$28.695 million from the Health and Safety in Employment Levy; and \$200,000 from Occupational Safety and Health fees and licences.

Details of how the appropriations are to be applied appear in Parts B1 and C of this Vote. Details of Crown revenue appear in Part F.

## Terms and Definitions Used

ARCIC/ACC	<i>Accident Rehabilitation and Compensation Insurance Corporation</i>
EEO	<i>Equal employment opportunities</i>
HSE	<i>Health and Safety in Employment</i>
HSNO	<i>Hazardous Substances and New Organisms</i>
ILO	<i>International Labour Organisation</i>
OSH	<i>Occupational Safety and Health</i>

## Footnotes

Note 1	<i>Not applicable as Crown revenue is not appropriated.</i>
Note 2	<i>Appropriations are stated GST inclusive (where applicable).</i>

# VOTE Labour

VOTE MINISTER: MINISTER OF LABOUR

ADMINISTERING DEPARTMENT: DEPARTMENT OF LABOUR

*The Minister of Labour is the Responsible Minister for the Department of Labour*

## Part A - Statement of Objectives and Trends

### Part A1 - Objectives for Vote Labour

#### **Related Government Outcomes**

The appropriations in Vote Labour will make an important contribution to the broad spectrum of the Government's economic growth and social cohesion objectives by helping create an environment which maximises the opportunity for people to participate safely in paid work. They will resource policy advice and services aimed at:

- providing advice on the operation of the labour market and the performance of labour market policies
- supporting the framework of employment relationships under the Employment Contracts Act 1991 and minimum employment codes, which is based on fairness, efficiency, flexibility and neutrality
- achieving improvements in workplace health while minimising industry compliance costs.

#### **Output Classes**

To achieve these objectives, the appropriations are intended to fund a wide range of activities, including:

- a comprehensive range of labour market monitoring and analysis, and policy advice on the operation of New Zealand's regulatory framework and systems for employment relations and occupational safety and health
- representing New Zealand at international fora on labour market issues
- ensuring the effective operation of the Employment Tribunal and Court
- providing information to the public about, and the enforcement of, legislation and regulations relating to statutory minimum terms and conditions of employment
- promoting excellence in self-managing occupational safety and health hazards
- promoting compliance with some specific health and safety regulations.

### ***Links Between the Output Classes and the Government's Outcomes***

The links between the Government's strategic objectives and the classes of outputs being purchased under Vote Labour are:

<b>Departmental Output Classes</b>	<b>Output Contribution</b>	<b>Government's Strategic Results Areas</b>
Policy Advice – Labour	Advising on ways to achieve the Government's labour market, industrial relations and occupational safety and health goals	Strong economic growth Enterprise and innovation Health and disability services
International Services	Management of the Government's relationship with the International Labour Organisation (ILO), other international institutions with an interest in the labour market and liaison with officials from other countries	External linkages
Support Services - Industrial Relations Institutions	Support services for the Employment Tribunal, Employment Court and the Higher Salaries Commission	Strong economic growth Enterprise and innovation
Support Services - Statutory Employment Conditions	Information provision and enforcement services relating to minimum terms and conditions of employment laid out in statutes	
Promoting Excellence in Self Managing Occupational Health and Safety Hazards in the Workplace	Implementing initiatives to achieve compliance with the Health and Safety in Employment (HSE) Act and promote health and safety in the workplace	Health and disability services

<b>Departmental Output Classes</b>	<b>Output Contribution</b>	<b>Government's Strategic Results Areas</b>
Regulatory Functions Outside the Health and Safety in Employment Act 1992	Implementing initiatives to ensure compliance with safety legislation where the public is affected by work activities, amusement devices, hazardous equipment, explosives and dangerous goods	Health and disability services  Protecting and enhancing the environment

<b>Non-Departmental Output Classes</b>	<b>Output Contribution</b>	<b>Government's Strategic Results Areas</b>
Health and Safety in Employment Levy - Collection Services	Services provided by ACC for the collection of the HSE levy on behalf of the Department	Health and disability services
Promotion of Equal Employment Opportunities	Purchase of programmes that promote equal employment opportunities (EEO) in the private sector	Enterprise and innovation

## Part A2 - Trends in Vote Labour

### ***Output Trends: 1993/94 to 1998/99***

Since the advent of the Employment Contracts Act 1991, the Government has focused on the development, implementation, monitoring and review of the regulatory framework constructed by the Act. The emphasis of the Act on individual choice, the freedom of the parties to employment relationships to negotiate appropriate arrangements between themselves, and the provision of statutory mechanisms to enforce the rights granted under the Act have led to a steady increase in demand for information and enforcement services and grievance and dispute resolution services. These are provided by the Department within the output classes Support Services - Statutory Employment Conditions, and Support Services - Industrial Relations Institutions.

The HSE Act 1992 created an environment that promotes self-management by employers of safety and health hazards in workplaces. The new environment has led to a steady increase in demand for information and other services. Since the Act came into effect, the Government has focused on the development and delivery of supporting regulations, codes of practice and other information aimed at assisting employers to achieve self-management of workplace safety and health hazards. This activity is supported by monitoring and enforcement action to ensure compliance.

In 1995/96 the output classes Promoting Excellence in Safety and Health Management and Administering Occupational Safety and Health Legislation were replaced by output classes Initiatives to Promote Self Management of Occupational Safety and Health Hazards in the Workplace and Regulatory Functions Outside the Health and Safety in Employment Act 1992. The change in the output classes was necessary to reflect better the intent of the HSE Act 1992 with its emphasis on those in the workplace taking primary responsibility for health and safety.

***Analysis by Appropriation Type: 1997/98 and 1998/99 Compared***

Appropriations for the output class Support Services - Industrial Relations Institutions have been increased for 1997/98 and beyond, to maintain the capacity of the Employment Tribunal.

There are increased appropriations in Output Classes Promoting Excellence in Self Managing Occupational Safety and Health Hazards in the Workplace, Policy Advice - Labour, and Regulatory Functions Outside the Health and Safety in Employment Act 1992 for delivery of occupational safety and health services to the extractive industries and issuing of mining licences. These functions have transferred to Vote Labour from Vote Energy.

## Trends in Vote Labour - Summary of Appropriations and Crown Revenue

Types of Appropriation	1993/94	1994/95	1995/96	1996/97	1997/98		1998/99 Appropriations to be Used				Total \$000
	Actual \$000	Actual \$000	Actual \$000	Actual \$000	Budget \$000	Estimated Actual \$000	By the Department Administering the Vote		For Non-Departmental Transactions		
							Annual \$000	Other \$000	Annual \$000	Other \$000	
<b>Operating Flows</b>											
Classes of Outputs to be Supplied	39,211	41,120	43,064	41,612	42,059	41,989	44,045	-	956	-	45,001
Benefits and Other Unrequited Expenses	-	-	-	-	-	-	N/A	N/A	-	-	-
Borrowing Expenses	-	-	-	-	-	-	N/A	N/A	-	-	-
Other Expenses	1,916	3,854	2,312	3,273	2,529	2,248	-	-	1,482	1,000	2,482
<b>Capital Flows</b>											
Capital Contributions	71	-	1,846	8,721	2,940	2,940	-	-	-	-	-
Purchase or Development of Capital Assets	-	-	186	-	-	-	N/A	N/A	-	-	-
Repayment of Debt	-	-	-	-	-	-	N/A	N/A	-	-	-
<b>Total Appropriations</b>	41,198	44,974	47,408	53,606	47,528	47,177	44,045	-	2,438	1,000	47,483
<b>Total Crown Revenue and Receipts (see note 1)</b>	9,008	23,476	28,231	27,117	28,317	28,362	N/A	N/A	N/A	N/A	29,385

## Part B - Statement of Appropriations

### Part B1 - Details of 1998/99 Appropriations (see note 2)

	1997/98				1998/99		Description of 1998/99 Appropriations
	Vote		Estimated Actual		Vote		
Appropriations	Annual \$000	Other \$000	Annual \$000	Other \$000	Annual \$000	Other \$000	
<b>Departmental Output Classes (Mode B Gross)</b>							
D1 Policy Advice - Labour	4,013	-	4,013	-	<b>4,176</b>	-	- Purchase of analysis research and policy advice on the labour market, industrial relations and occupational safety and health.
D2 International Services	278	-	278	-	<b>278</b>	-	- Management of the Government's relationship with the ILO, other international institutions with an interest in labour market administration, and liaison with labour officials from other countries.
D3 Support Services - Industrial Relations Institutions	11,069	-	11,069	-	<b>11,160</b>	-	- Purchase of support services to the Employment Tribunal, Employment Court and Higher Salaries Commission.
D4 Support Services - Statutory Employment Conditions	2,804	-	2,804	-	<b>2,810</b>	-	- Purchase of information provision and enforcement services relating to statutory minimum terms and conditions of employment.
D5 Promoting Excellence in Self Managing Occupational Health and Safety Hazards in the Workplace	22,006	-	22,006	-	<b>24,517</b>	-	- Purchase of initiatives to achieve and promote the self-management of occupational safety and health hazards in the workplace.

D6 Regulatory Functions Outside the Health and Safety in Employment Act 1992	1,090	-	1,090	-	<b>1,104</b>	-	Purchase of public safety by seeking to ensure compliance with legislative requirements where the public is affected by work activities, amusement devices, hazardous equipment, explosives and dangerous goods.
<b>Total Appropriations for Departmental Output Classes (Mode B Gross)</b>	41,260	-	41,260	-	44,045	-	<b>Refer to Part C1 for a full description.</b>
<b>Non-Departmental Output Classes</b>							
O1 Health and Safety in Employment Levy - Collection Services	515	-	445	-	<b>515</b>	-	Purchase of collection services from the Accident Rehabilitation and Compensation Insurance Corporation (ARCIC), to collect the Health and Safety in Employment Levy on behalf of the Department of Labour.
O2 Promotion of Equal Employment Opportunities	284	-	284	-	<b>441</b>	-	Purchase of programmes that promote EEO in the private sector by focusing on changing employer practices at the workplace level.
<b>Total Appropriations for Non-Departmental Output Classes</b>	799	-	729	-	956	-	<b>Refer to Part C2 for a full description.</b>

## Part B1 - Details of 1998/99 Appropriations (Continued)

	1997/98				1998/99		Description of 1998/99 Appropriations
	Vote		Estimated Actual		Vote		
Appropriations	Annual \$000	Other \$000	Annual \$000	Other \$000	Annual \$000	Other \$000	
<b>Other Expenses to be Incurred by the Crown</b>							
Employment Court Judges' Salaries and Allowances	-	1,047	-	918	-	1,000	As set by the Higher Salaries Commission in order to administer and enforce employment-related legislation (section 115 Employment Contracts Act 1991).
International Labour Organisation	1,022	-	870	-	<b>1,022</b>	-	New Zealand's annual subscription to the ILO.
Joint Equal Employment Opportunities Trust	445	-	445	-	<b>445</b>	-	In partnership with the private sector to promote EEO as a good management practice.
New Zealand Industrial Relations Foundation	15	-	15	-	<b>15</b>	-	To promote better industrial relations through education.
<b>Total Appropriations for Other Expenses to be Incurred by the Crown</b>	1,482	1,047	1,330	918	1,482	1,000	
<b>Capital Contributions to the Department</b>							
Capital Investment	2,940	-	2,940	-	-	-	
<b>Total Appropriations for Capital Contributions to the Department</b>	2,940	-	2,940	-	-	-	
<b>Total Appropriations</b>	46,481	1,047	46,259	918	46,483	1,000	

## Part C - Explanation of Appropriations for Output Classes

### Part C1 - Departmental Output Classes

#### ***Output Class D1 - Policy Advice - Labour***

##### *Description*

Under this output class the Minister of Labour purchases policy advice and labour market analysis related to:

- advising on the policy requirements to achieve the Government's labour market, industrial relations, and occupational safety and health goals
- monitoring and reporting on developments in the industrial relations framework and system, on occupational safety and health, and labour market trends and statistics
- providing advisory support and information for Ministers as required in Cabinet committees, select committees and Parliament

##### *Performance measures - quantity, quality and timeliness*

- The quantity and nature of advice and other services will be explicitly agreed with Ministers.

##### Quality

The Minister's view of the quality and timeliness of policy advice will be sought six-monthly through questionnaires or other appropriate means.

The Minister expects to receive advice consistent with the following quality standards:

- **Issue definition:** a clear and succinct description of the nature and scope of the issue or problem to be addressed is provided, which meets the needs of Ministers and reflects or recognises previous government decisions.
- **Data and analysis:** an appropriate search of data is undertaken, the data used is robust, and appropriate analytical techniques are employed.
- **Objectives:** a clear and succinct statement of the policy objective(s) to be achieved is provided, and the link to government priorities or strategic objectives is clear.
- **Options:** all viable options from a Department of Labour and wider government perspective are identified and assessed in terms of benefits, costs, risks, consequences, fiscal implications, practicality and relationship with other policy. Underlying assumptions are stated.
- **Consultation:** all internal and external groups with an interest in the issue are involved and consulted at all stages of the policy development process.

- **Style and presentation:** the report uses language familiar to the intended readership, and appropriate presentational aids; the format meets Cabinet Office requirements where applicable; and the recommendations are explicit, unambiguous, and provide clear authority for the decision.
- **Implementation:** where appropriate, guidance is provided on the implementation of the selected option(s).
- **Evaluation strategy:** a high-level evaluation plan is developed in tandem with the recommended option(s).
- **Compliance cost assessment:** all policy will be subject to an analysis of the compliance cost implications for the private and public sectors.

#### Timeliness

- Advice will be produced in sufficient time to allow thorough consideration prior to decision-making, or within the timeframe agreed with the Minister.

#### *Application of standards*

Note that all aspects of the standards may not apply to specific pieces of policy advice, given considerations of urgency or the particular nature of the advice to be provided.

- Evaluation advice and assistance provided will conform with appropriate standards for the conduct of evaluations and surveys, and the advice will be relevant and appropriate to the needs and resources available to Services.

#### *Ministerial servicing*

- The Minister's view on ministerial servicing will be sought through six-monthly questionnaires or through other appropriate means.

The Minister expects the following services to be timely accurate, accessible and have the relevant issues highlighted:

- Draft replies to ministerial correspondence will be provided within 15 working days unless specific approval for late replies is given. An estimated 610 draft replies will be provided.
- Replies to all parliamentary questions will be provided within the deadlines specified by the Speaker of the House. An estimated 240 draft replies will be provided.
- Draft replies to requests for official information will be provided to the Minister within 15 working days unless specific approval for an extension is given.
- Speech notes, briefing notes and other information to the Minister will be provided within agreed timeframes.

## Cost

Expenses will not exceed actual revenue.

Year	Cost GST incl \$000	Cost GST excl \$000	Total Revenue GST excl \$000	Revenue Crown GST excl \$000	Revenue Other GST excl \$000
1998/99	4,176	3,712	3,712	3,712	-
1997/98	4,013	3,567	3,567	3,567	-

## Output Class D2 - International Services

### Description

This output class comprises the management of the Government's relationship with the ILO, other international institutions with an interest in labour market administration including the Organisation for Economic Cooperation and Development (OECD), and liaison with labour officials from other countries. In particular this relationship involves:

- providing regular reports to the ILO about New Zealand's compliance in law and practice with ILO conventions
- providing advisory support to the Minister on relevant issues
- consulting with designated representative organisations of employers and workers on all reports submitted to the ILO and other related matters
- reporting to Parliament on the texts of newly adopted ILO standards, for the enactment of legislation or other action
- arranging and funding the attendance of New Zealand delegates at
  - the annual ILO Conference
  - the annual Asian/Pacific pre-Conference symposium on standards-related topics
- arranging visits to New Zealand by ILO fellows and other overseas labour officials.

### Performance measures - quantity, quality and timeliness

- Article 19 and Article 22 reports relating to ILO Conventions will be provided to the ILO within the timeframe requested.
- Report A7 of the New Zealand Government Delegates to the ILO Conference will be presented to Parliament within 12 to 18 months of the close of the Conference.
- The Minister's view of the quality and timeliness of advisory support will be sought six-monthly through questionnaires or other appropriate means.
- Administrative servicing will be provided in a timely and effective manner.

- Full written briefing material will be provided for the New Zealand delegation to the annual ILO Conference by 31 May 1999.

### Cost

Expenses will not exceed actual revenue.

Year	Cost GST incl \$000	Cost GST excl \$000	Total Revenue GST excl \$000	Revenue Crown GST excl \$000	Revenue Other GST excl \$000
1998/99	278	247	247	247	-
1997/98	278	247	247	247	-

### **Output Class D3 - Support Services - Industrial Relations Institutions**

#### *Description*

This output class provides support services to the:

- Employment Tribunal
- Employment Court
- Higher Salaries Commission.

These institutions have been established under the Employment Contracts Act 1991 and the Higher Salaries Commission Act 1977.

The support services will relate to:

- processing applications and servicing hearings in the Employment Tribunal and Employment Court
- providing legal, library and monitoring services to the Employment Tribunal and Employment Court
- promulgating Determinations on Remuneration issued by the Higher Salaries Commission.

#### *Performance measures - quantity, quality and timeliness*

##### Support services to the Employment Tribunal

- Up to 5,900 applications will be received and processed.
- Between 2,400 and 3,000 hearings will be scheduled.
- Between 1,000 and 1,200 adjudication hearings will be serviced.

- Headnotes will be produced for up to 1,200 adjudication decisions.
- Transcripts will be produced for the purposes of appeals to the Employment Court on demand within one to two months of receipt of the appeal notice.
- Performance standards specified in the Department's service contract with the Employment Tribunal will be assessed six-monthly.
- Performance standards contained in the *Registry Handbook*, or as advised by Tribunal members from time to time, will be complied with. Satisfaction will be assessed six-monthly and will confirm that the Chief of the Employment Tribunal is satisfied that performance reaches at least (3) on a scale of (1) to (5) (5 being the highest).

Note: Estimates of the numbers of applications to be processed and scheduled are based on the previous year's trends. They must be qualified by the fact that:

- the number of applications is demand driven and the choice between mediation and adjudication is up to the parties concerned
- an average of 25% are withdrawn either prior to scheduling or hearing - this is reflected in the ranges given above
- the number of headnotes required will vary according to the outcome of a hearing (eg, referrals to the Court will not require a written decision).

#### Support services to the Employment Court

- Up to 500 applications will be received and processed.
- Between 300 and 500 hearings will be scheduled.
- Between 300 and 500 hearings will be serviced.
- Headnotes will be produced for up to 500 judgments.
- Transcripts will be produced for the purposes of appeals to the Court of Appeal on demand within one to two months of receipt of appeal notice.
- Performance standards specified in the Department's service contract with the Employment Court will be assessed six-monthly.
- Performance standards contained in the *Registry Handbook*, or as advised by judges from time to time, will be complied with. Satisfaction will be assessed six-monthly and will confirm that the Chief Judge of the Employment Court is satisfied that performance reaches at least (3) on a scale of (1) to (5) (5 being the highest).

#### Support services to the Higher Salaries Commission

- Between 50 and 60 Determinations will be produced.
- Performance standards specified in the Department's service contract with the Higher Salaries Commission will be assessed six-monthly.

- Performance standards contained in the Commission Procedures Sheets, or as advised by Commissioners from time to time, will be complied with. Satisfaction will be assessed six-monthly and will confirm that the Higher Salaries Commission Chair is satisfied that performance reaches at least (3) on a scale of (1) to (5) (5 being the highest).

#### Cost

Expenses will not exceed actual revenue.

Year	Cost GST incl \$000	Cost GST excl \$000	Total Revenue GST excl \$000	Revenue Crown GST excl \$000	Revenue Other GST excl \$000
1998/99	11,160	9,920	9,920	9,740	180
1997/98	11,069	9,839	9,839	9,659	180

### **Output Class D4 - Support Services - Statutory Employment Conditions**

#### *Description*

Through this output class the Minister of Labour purchases the provision of information to the public concerning statutory minimum terms and conditions of employment, and the investigation and resolution of complaints relating to breaches of statutory and regulatory provisions including, where necessary, referral to mediation or adjudication in the Employment Tribunal to recover workers' financial entitlements.

#### *Performance measures - quantity, quality and timeliness*

- Approximately 160,000 inquiries will be answered. Subject to the nature and complexity of the query, 98% of telephone inquiries answered relating to statutory terms and conditions of employment will be responded to within 24 hours. The remainder will be written to within one week of receipt, acknowledging the inquiry, and giving a proposed timeframe for reply.
- 100% of written inquiries will be answered within five working days, subject to the nature and complexity of the query.
- Approximately 1,800 formal complaints will be received. Subject to the nature and complexity of the query, 100% of formal complaints will have investigations commenced within one to three months of receipt; and 90% of formal complaints will be resolved, or have papers filed in the Employment Tribunal, within four to six months of receipt.
- The number of complaints received by the Department about the manner in which it investigated breaches of the statutory minimum employment code will not exceed 5% of all minimum code complaints investigated.
- The number of complaints received by the Department about the information provided regarding minimum code entitlements will not exceed 1% of all minimum code inquiries answered.

- A process of peer review will be operated to ensure that information provided to employers, employees and the general public is accurate, consistent and, where appropriate, backed by sound legal advice. It will also identify any areas where additional training or support is required.

#### Cost

Expenses will not exceed actual revenue.

Year	Cost GST incl \$000	Cost GST excl \$000	Total Revenue GST excl \$000	Revenue Crown GST excl \$000	Revenue Other GST excl \$000
1998/99	2,810	2,498	2,498	2,498	-
1997/98	2,804	2,493	2,493	2,493	-

#### **Output Class D5 - Promoting Excellence in Self Managing Occupational Health and Safety Hazards in the Workplace**

##### *Description*

Through this output class the Minister of Labour purchases services designed to promote excellence in self-managing occupational health and safety hazards. These include:

- initiatives in the community to promote compliance with the HSE Act 1992, including:
  - marketing excellence in health and safety practice by running a Worksafe Week
  - promoting ongoing consultation and partnership arrangements with industry, training and community groups to develop standards and promote occupational health and safety best practice
  - developing information products which promote excellence and ownership in health and safety management
  - providing ready access for employers and employees to best practice information of a consistent nature
  - presenting seminars, workshops, lectures and displays to targeted audiences
- initiatives in the workplace to promote compliance with the HSE Act 1992, by:
  - proactively targeting workplaces in high fatality and injury areas, identified as agriculture, construction, forestry, occupational diseases that result in death or permanent health impairment and also small business through field visits to workplaces to assess the effectiveness of health and safety systems and practices

- providing advice on how to comply with the Act
- undertaking compliance assessments and/or initiating enforcement as appropriate

(It is expected that between 18,000 and 23,000 workplaces (including 1,000 - 1,500 extractive industry operations such as coalmining, tunnelling, petroleum and geothermal operations) will be visited during the year.)

- investigating notified events such as accidents, incidents, complaints and notifiable occupational diseases for compliance with the HSE Act
- taking prosecutions against persons in breach of the HSE Act where the most serious breaches of legislation are made and to have the greatest exemplary effect.

(It is expected that approximately 200 prosecutions (initiated in the year or carried over from the previous year) will be taken during the year.)

#### *Performance measures - quantity, quality and timeliness*

- Information products will be pre-tested by potential users and a survey will confirm that 75% of users are satisfied with the product.
- 70% of presentations will be delivered in high fatality and high injury areas.
- Workplace visits will follow an approved programme targeting high risk areas and the pattern of visits will be monitored during the year.
- 500 workplaces previously rated for compliance will be reassessed in the forestry, farming and construction industries and will be measured for continued compliance or for improvement in health and safety management.
- 70% of detected non-compliance will be rectified within 180 days.
- 80% of uncontrolled hazards will be controlled within 90 days.
- At least 60 quality system audits will be completed to check that controllers and suppliers are designing, manufacturing, inspecting and operating equipment and processes in accordance with recognised standards. These will be the subject of a client survey.
- All specified extractive industry operations will be inspected once a year with additional inspections based on risk assessment.
- All underground mines and specified other major operations will be inspected quarterly.
- Workplaces where investigations are carried out will be assessed for improved health and safety management following the investigation.
- Serious harm events will be evaluated to decide what proactive steps may be taken (such as accident alerts, industry alerts, press releases etc) to help prevent re-occurrence.

- 80% of all specified events requiring investigation will be responded to within 24 hours of notification.
- 80% of investigations will be completed in 90 days.
- 80% of uncontrolled hazards identified by Departmental officers during investigations will be eliminated, isolated or minimised within 90 days of the hazard being detected.
- At least 75% of prosecutions taken and not withdrawn will result in a conviction.
- No more than 5% of those prosecution cases taken will be lost because no prima facie case is established.

### Cost

Expenses will not exceed actual revenue.

Year	Cost GST incl \$000	Cost GST excl \$000	Total Revenue GST excl \$000	Revenue Crown GST excl \$000	Revenue Other GST excl \$000
1998/99	24,517	21,793	21,793	21,493	300
1997/98	22,006	19,561	19,561	19,261	300

### **Output Class D6 - Regulatory Functions Outside the Health and Safety in Employment Act 1992**

#### *Description*

This output class promotes compliance with safety legislation where the public is affected by work activities, amusement devices, hazardous substances, equipment, explosives or dangerous goods, and compliance with the relevant sections of the Hazardous Substances and New Organisms (HSNO) Act when they come into force. Under the HSNO legislation the Department will provide information to assist places of work to comply with the Act, seek evidence of compliance and, where necessary, initiate enforcement.

#### *Performance measures - quantity, quality and timeliness*

- In association with health and safety workplace compliance assessments, assessments will also be made of compliance with the relevant sections of the HSNO legislation when they come into force.
- All improvised explosive device callouts and any other notified incidents that involve immediate public danger will be responded to within 60 minutes of receipt.
- All amusement devices registered and re-registered will have the required engineering endorsements prior to approval. It is estimated 220 amusement device registrations and re-registrations will be issued.

- No amusement device will be allowed to continue operating where it is found to present an immediate danger to the public.

#### Cost

Expenses will not exceed actual revenue.

Year	Cost GST incl \$000	Cost GST excl \$000	Total Revenue GST excl \$000	Revenue Crown GST excl \$000	Revenue Other GST excl \$000
1998/99	1,104	981	981	969	12
1997/98	1,090	969	969	969	-

## Part C2 - Non-Departmental Output Classes

### ***Output Class O1 - Health and Safety in Employment Levy - Collection Services***

#### *Description*

Through this output class, the Government purchases collection services from ARCI to collect the HSE Levy on behalf of the Department of Labour.

#### *Significant provider*

ARCI.

#### *Performance measures - quantity, quality and timeliness*

- ARCI will collect a levy at the rate prescribed in the Health and Safety in Employment (Rates of Funding Levy) Regulations. For 1998/99, this rate is \$0.06 in every \$100.00 of total liable earnings.
- ARCI will pay the Secretary of Labour (on behalf of the Crown) 100% of the HSE Levy (which is collected along with the employer premium and is received from Inland Revenue) for the premium year.
- This sum will be paid in a series of monthly instalments; by the 20th day of the month following the month of receipt as prescribed by the HSE Act 1992.

#### *Cost*

The total cost of this output class is \$515,000 including GST. The 1997/98 final appropriated sum for this output class was \$515,000 including GST.

## ***Output Class O2 - Promotion of Equal Employment Opportunities***

### *Description*

Through this output class the Government funds programmes that promote equal employment opportunities in the private sector by focusing on changing employer practices at the workplace level. Programmes include:

- projects developing and implementing EEO programmes within a specific private sector workplace
- programmes producing resource material which promotes EEO as good management practice.

### *Significant providers*

Any group or individual is eligible to seek funding from this output class, with applications being assessed against predetermined criteria. Groups which have received funding in the past include employers, unions, consultants, joint employer/consultant applications, organisations with an EEO focus and the Equal Employment Opportunities Trust.

### *Performance measures - quantity, quality and timeliness*

- Applications to the fund will be processed within timeframes agreed with the Minister.
- All approved applications will meet the specified criteria for the fund.
- Performance contracts will be negotiated and monitored with the providers of projects approved through the fund.
- A report will be provided to the Minister of Labour on project delivery at the completion of each annual fund cycle.

### *Cost*

The total cost of this output class is \$441,000 including GST. The 1997/98 final appropriated sum for this output class was \$284,000 including GST.

## Part E - Explanation of Appropriations for Capital Flows

### Part E1 - Capital Contributions

There is no appropriation for Part E1.

## Net Worth of Entities Owned

### Statement of Estimated and Forecast Net Worth

	Balance Date	Estimated Net Worth 1998 \$ million	Forecast Net Worth 1999 \$ million
Department of Labour	30 June	24.939	24.439

### Part E2 - Purchase or Development of Capital Assets by the Crown

There is no appropriation for Part E2.

### Part E3 - Repayment of Debt

There is no appropriation for Part E3.

## Part F - Crown Revenue and Receipts

### Part F1 - Current and Capital Revenue and Receipts

	1997/98		1998/99	Description of 1998/99 Crown Revenue
	Budgeted	Estimated Actual	Budget	
	\$000	\$000	\$000	
<b>Current Revenue</b>				
Non-Tax Revenue				
Employment Court/Tribunal Fees	360	360	490	Fees and charges as per regulations prescribed under the Employment Contracts Act 1991.
Health and Safety in Employment Levy	27,757	27,757	28,695	Levy collected to cover costs of administering the HSE Act 1992.
OSH Fees and Licences	200	245	200	Revenue collected from fees and licences pertaining to amusement devices, explosives and dangerous goods; and from the issue of certificates of competency for safety supervision.
Total Non-Tax Revenue	28,317	28,362	29,385	
<b>Total Current Revenue</b>	28,317	28,362	29,385	
<b>Total Crown Revenue and Receipts</b>	28,317	28,362	29,385	