

Statement of Expectations

Safe Work Australia

The Australian Government agreed to portfolio Ministers issuing a Statement of Expectations to their portfolio agencies. A Statement of Expectations enables Ministers to provide greater clarity on the objectives and priorities of the deregulation agenda relevant to portfolio agencies.

Safe Work Australia was established by the *Safe Work Australia Act 2008* (the Act) with primary responsibility to lead the development of policy to improve work health and safety and workers' compensation arrangements across Australia. It performs its functions in accordance with strategic and operational plans agreed to annually by the relevant state and territory ministers.

Under Section 46 of the Act the Minister may, by legislative instrument, give written directions of a general nature to the CEO: about the performance of the CEO's functions or requiring the provision of a report or advice on a matter relating to Safe Work Australia's functions.

This Statement of Expectations outlines the objectives and priorities of the Government's deregulation agenda. Safe Work Australia is encouraged to be mindful of the Government's approach to regulation, to the extent that Safe Work Australia has discretion in conducting and exercising its regulatory and administrative functions, consistent with the Government's deregulation agenda.

THE GOVERNMENT'S DEREGULATION AGENDA

The Government is committed to reducing red tape for business and the community as part of its broader framework towards improving Australia's productivity. It has committed to reduce regulatory compliance costs on business, community organisations and individuals by at least \$1 billion a year.

The Government expects that the Safe Work Australia will:

- look for opportunities to reduce compliance costs for business, community organisations and individuals and to contribute to the Government's annual red tape reduction target
- act in accordance with regulatory best practice in its decision-making, policies, processes and communication practices to maximise transparency and minimise compliance costs
- seek to balance the effort of complying with the outcomes and benefits of regulation, in any instance where regulation is deemed necessary
- comply with the enhanced Regulatory Impact Statement requirements as outlined in the *Australian Government Guide to Regulation* and in accordance with other material issued by the Department of the Prime Minister and Cabinet
- consider adopting a risk-based approach to compliance obligations, engagement and enforcement allowing for proportionate approaches suited to the risk of regulated entities

- use international standards and risk assessments where appropriate and in accordance with guidance material issued by the Department of the Prime Minister and Cabinet
- apply the Regulator Performance Framework to its regulatory functions to assess its performance and engagement with stakeholders and make results publically available
- consider the specific impact of a regulatory proposal on small business in its decision-making process.

RELATIONSHIP WITH THE DEPARTMENT OF EMPLOYMENT

- The Department of Employment supports and advises the Employment portfolio Ministers in its responsibility as the primary source of advice on policy development and the performance of the portfolio's regulatory systems.
- The Minister expects that the department and Safe Work Australia maintain a collaborative working relationship to communicate the objectives of the deregulation agenda and to report progress on regulatory reforms delivered by the Employment portfolio to the Government.
- Safe Work Australia should work closely with the Deregulation Unit to advise the Minister of regulatory reform opportunities and of the implications of the Government's policy initiatives on the regulatory framework. The department takes into account the knowledge and expertise of the Safe Work Australia when considering changes to policy and legislation that impact on work health and safety.