Work Health & Safety

July 2020 Update

Recent significant changes to WHS legislation across both Victoria and New South Wales impact all organisations. Willis Towers Watson can assist to ensure your organisation's approach to risk management remains compliant.

On 1 July, **Victoria** introduced new workplace manslaughter offences. These apply to conduct by an employer or other duty holders (often referred to as officers) deemed negligent, specifically those who have the power and resources to improve safety.

In line with the Workplace Safety Legislation Amendment (Workplace Manslaughter and other matters) Bill 2019, if convicted of workplace manslaughter, the following penalties apply:

- a maximum of 25 years' imprisonment for individuals, and
- a maximum fine of $16.5 million for body corporates.

New South Wales also introduced several changes as part of the WHS Amendment (Review) Act 2020. These changes came into effect on 10 June. Three of the key changes include:

- Removing the ability to access insurance to meet monetary penalties for WHS offences
- Enhancing a category 1 offence by including "gross negligence" as a fault element of the offence. SafeWork NSW notes that this makes it easier to prosecute in comparison to the existing "recklessness" test
- Increased penalty amounts for all WHS offences in line with CPI increases.

These changes impose more significant penalties for organisations and make it easier for authorities to prosecute under safety legislation. It is vitally important that organisations take stock of their safety practices to ensure they are compliant, and to ensure they are across the risks to WHS within their workplace.

Willis Towers Watson IᵔᴵᵔIᴵᴵI

How WTW can help

Willis Towers Watson's national WHS team can assist organisations of any size in ensuring they have adequate processes and systems in place to ensure compliance with legislation, while providing a safe workplace for your workforce. Our team can help with:

Development or review of Work Health & Safety management systems

This system can assist in reducing workplace illness and injury, while minimising the costs associated with workplace incidents that might occur. It can demonstrate, both internally and externally, that your organisation is undertaking a systematic approach to controlling the risks to workers and others associated with work-related activities, products and/or services.

Implementing a Work Health and Safety Management System (WHSMS) can contribute to optimal work health and safety outcomes for all parties.

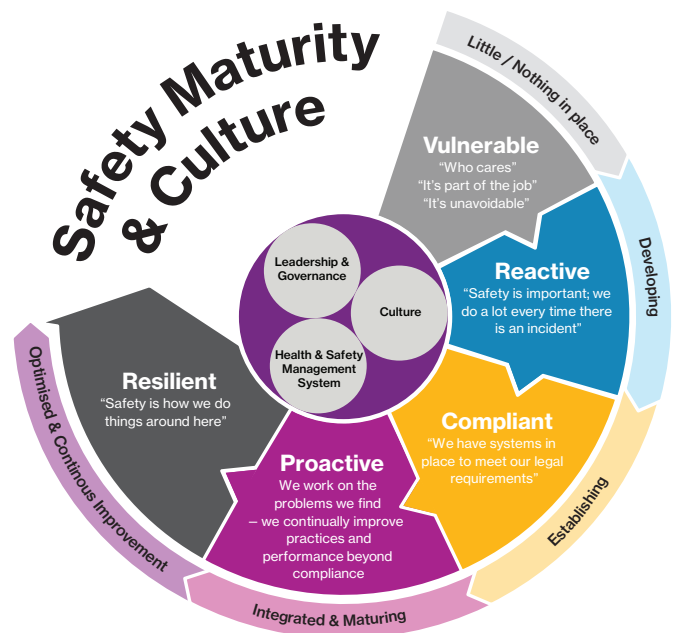## Building a safety culture: do you have the right model?

The three key safety pillars in best practice organisations are leadership and governance, culture and safety management systems. How these elements interact is crucial in developing the right approach to optimise your organisation's performance and support a sustainable and resilient safety culture.

The first step in your safety journey is to develop your organisation's safety vision, or long-term safety goals. Once this has been clearly defined, the challenge is to embed the safety mission across all business units and develop a strategic plan to achieve your organisational goals.

With the mission and strategy set, leadership is crucial to drive change. This can be supported by enhancing knowledge and fostering good safety governance. Any safety management system implemented also needs to be considered in parallel as it is impossible to change safety culture without modifying the signals the organisation sends through the management system.

Culture and context

The model considers the system, leadership and governance, and culture of an organisation, at strategic, tactical and operational levels. WTW's approach assesses how these elements interact to support a sustainable and resilient culture and optimise your organisation's performance. Here, we illustrate each stage of our model, and the cultural features that are relevant to each stage.

This is a useful tool that not only looks at your organisation's safety management system but also reflects the 'health and safety attitudes, beliefs, perceptions and values' that your employees share. Typically, the model has five phases: vulnerable, reactive, compliant, proactive and resilient.

WillisTowers Watson I.I'I'I.I

Why do I need this?

Every year, the impact of on-the-job safety incidents and accidents is felt by businesses, employees and their families. Despite a continued emphasis on the technical aspects of safety management, such as policies, procedures, engineering and training, many organisations are hitting safety performance plateaus.

Often, safety interventions are focused on operational processes, policies and procedures but addressing safety risks through these avenues may not be sufficient. Processes and procedures can support a safety mind-set, but will not overcome all the gaps.
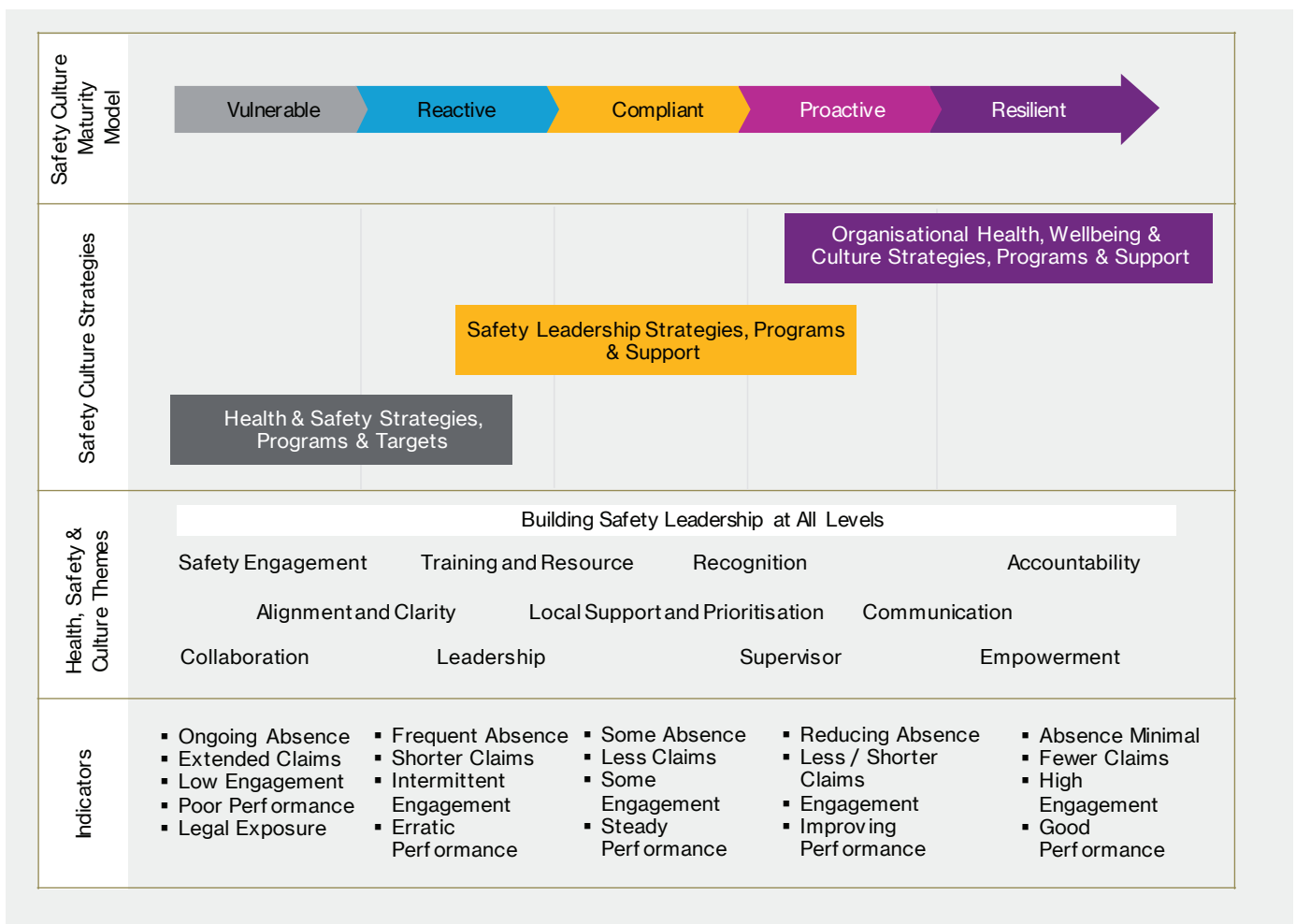
On top of this, to ensure you have the right safety mindset among your leaders, managers and employees, it is equally important to understand if your organisation's culture supports or poses risks to safety.

There is a need to measure your organisation's safety culture strengths and identify improvement opportunities. This is followed by taking action at both the organisational and local team levels. We work with some of the most safety-conscious organisations in the world to help them understand and improve their safety culture and performance. We do so by accurately measuring and benchmarking employee attitudes and helping our clients proactively manage culture as a true leading indicator of safety performance.

From vulnerable to resilient

To create a resilient culture, a concerted effort is needed. The safety culture improvement process initially requires an assessment of the current level of maturity. Interventions can then be designed to remove weaknesses, moving the organisation from the current state to the desired state.

Enabling a Health & Safety culture

Safety Culture Maturity Model	Vulnerable → Reactive → Compliant → Proactive → Resilient				

Safety Culture Strategies					
	Health & Safety Strategies, Programs & Targets	Safety Leadership Strategies, Programs & Support		Organisational Health, Wellbeing & Culture Strategies, Programs & Support	

Health, Safety & Culture Themes

Building Safety Leadership at All Levels

Safety Engagement	Training and Resource	Recognition	Accountability
Alignment and Clarity	Local Support and Prioritisation	Communication	
Collaboration	Leadership	Supervisor	Empowerment

Indicators

▪ Ongoing Absence ▪ Extended Claims ▪ Low Engagement ▪ Poor Performance ▪ Legal Exposure	▪ Frequent Absence ▪ Shorter Claims ▪ Intermittent Engagement ▪ Erratic Performance	▪ Some Absence ▪ Less Claims ▪ Some Engagement ▪ Steady Performance	▪ Reducing Absence ▪ Less / Shorter Claims ▪ Engagement ▪ Improving Performance	▪ Absence Minimal ▪ Fewer Claims ▪ High Engagement ▪ Good Performance

Next steps

To find out more about how we can help please reach out to your Willis Towers Watson contact or contact our Workplace Risk team on:

Workplace.Risk@willistowerswatson.com

About Willis Towers Watson

Willis Towers Watson (NASDAQ: WLTW) is a leading global advisory, broking and solutions company that helps clients around the world turn risk into a path for growth. With roots dating to 1828, Willis Towers Watson has 45,000 employees serving more than 140 countries and markets. We design and deliver solutions that manage risk, optimise benefits, cultivate talent, and expand the power of capital to protect and strengthen institutions and individuals. Our unique perspective allows us to see the critical intersections between talent, assets and ideas — the dynamic formula that drives business performance. Together, we unlock potential. Learn more at willistowerswatson.com.

willistowerswatson.com/social-media

WTW643AU

willistowerswatson.com.au

WillisTowersWatson I.I'I'I.I.I