

Annual report

WORKSAFE NEW ZEALAND

2024/25



Te Kāwanatanga o Aotearoa
New Zealand Government

WORKSAFE
Mahi Haumarū Aotearoa

FOREWORD

The 2024/25 year has been one of significant transformation and purposeful progress for WorkSafe New Zealand. In a time of organisational change and evolving expectations, WorkSafe remained firmly focused on its core mission: to ensure that people across New Zealand are healthy and safe at work. Achieving this requires a shared commitment from businesses, workers, sector organisations and government agencies. As the primary regulator, WorkSafe plays a central role in supporting, influencing and partnering across the system to drive better health and safety outcomes.

WorkSafe's approach is grounded in engagement and partnership, recognising that most people want to do the right thing. At the same time, we remain prepared to use our enforcement powers when necessary to uphold standards and protect workers. This balanced approach has underpinned our work throughout a year of transition.

As part of that change, on 31 March 2025, WorkSafe implemented a new organisational structure, a key milestone in our journey to becoming a trusted, credible, safe and responsive regulator – one that keeps people safer while reducing regulatory burden where appropriate.

The Inspectorate Workforce Planning Project was a key area of development, with improvements made to recruitment, induction and training. The first cohort commenced in March 2025, and the insights gained will inform future enhancements. WorkSafe also strengthened internal systems for permits and guidance, improving engagement with persons conducting a business or undertaking (PCBUs) and enhancing the overall user experience. These achievements were made possible by prioritising resources and focusing on critical areas of impact.

Looking ahead, WorkSafe has developed a comprehensive work programme aligned with Government priorities and upcoming reforms. The organisation is positioning itself to make strategic shifts in response to legislative, operational and regulatory changes. Initiatives such as the temporary traffic management pilot and a renewed emphasis on engagement and education are already underway, reflecting WorkSafe's commitment to continuous improvement.

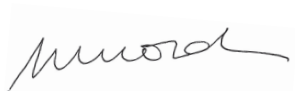
This has been a year of laying strong foundations and redefining focus. WorkSafe is now well positioned to evolve into a regulator that is modern, proactive, practical, responsive, proportionate and consistent – one that delivers improved outcomes, concentrates on managing critical risks, provides greater clarity around compliance and reduces unnecessary costs for businesses, particularly small enterprises.

WorkSafe is holding an accumulated operating surplus of \$31.545m. WorkSafe is going to utilise these reserves to fund up to \$27.680m of investment in WorkSafe's strategic work programme over the next three years, including capital expenditure. It is important to note that the organisational improvements delivered through the Strategic Work Programme will not increase WorkSafe's annual operating costs, nor will they require additional baseline funding once the accumulated operating surplus (reserves) is fully utilised.

On behalf of the Board, I would like to acknowledge the dedication and professionalism of WorkSafe's people and partners. Their efforts have enabled the organisation to navigate change with confidence and continue delivering on its important mandate. Together, we are building a safer and healthier future for all.

STATEMENT OF RESPONSIBILITY

The Board is responsible for the preparation of WorkSafe's statement of performance and financial statements and for the judgements made in them. We are responsible for any end-of-year performance information provided by WorkSafe under section 19A of the Public Finance Act 1989. We have responsibility for establishing and maintaining a system of internal controls designed to provide reasonable assurance as to the integrity and reliability of financial and services performance reporting. In our opinion, the statement of performance and financial statements fairly reflect the operations and financial position of WorkSafe New Zealand for the year ended 30 June 2025.



Bill Moran
Deputy Chair
WorkSafe Board

31 October 2025



Elena Trout
Chair
Audit, Risk and Finance Committee

31 October 2025

CONTENTS

1.0	Delivering our strategy	2
1.1	Snapshot of regulatory activity over 2024/25	3
1.2	Looking ahead to 2025/26	7
1.3	Delivering strategic priorities: Reducing harm at work	9
1.4	Priority sector plans	15
1.5	Contributing to the health and safety at work system	19
1.6	Implementing Government priorities	21
1.7	System-level outcome measures	22

2.0	Statement of performance	24
2.1	Measuring performance	25

3.0	Our organisation	31
3.1	About WorkSafe	32
3.2	WorkSafe works with others to amplify its efforts	32
3.3	How WorkSafe is set up	32
3.4	Organisational health	36
3.5	Key management personnel compensation	39
3.6	Organisational efficiency and effectiveness measures	41
3.7	Carbon Neutral Government Programme (CNGP)	41

4.0	Financial statements	44
5.0	Independent auditor's report	71
6.0	Other matters to report	76
6.1	Ministerial directions	77
6.2	Policy initiatives funded in previous Budgets	77

appendices

Appendix 1: WorkSafe's legislated functions	79
Appendix 2: Description of WorkSafe's regulatory interventions	80
Appendix 3: Full list of WorkSafe's enforcement and permit activities	81

1.0

Delivering our strategy

IN THIS SECTION:

- 1.1 Snapshot of regulatory activity over 2024/25
- 1.2 Looking ahead to 2025/26
- 1.3 Delivering strategic priorities: Reducing harm at work
- 1.4 Priority sector plans
- 1.5 Contributing to the health and safety at work system
- 1.6 Implementing Government priorities
- 1.7 System-level outcome measures

WorkSafe's strategy ensures a focus on its core responsibilities as a regulator. Our strategy focuses on critical risks by addressing three types of harm: acute, chronic and catastrophic.

1.1 Snapshot of regulatory activity over 2024/25

WorkSafe focused on areas where its efforts made the biggest difference and contributed to needs-based outcomes. How WorkSafe addresses critical risks:

- **Engages** – building understanding of businesses and workers on how to meet responsibilities so work is healthy and safe.
- **Enforces** – taking action when responsibilities are not met so work is healthy and safe.
- **Permits** – authorising, permitting and monitoring high-risk activities.

WorkSafe maintained a similar level of regulatory activity during the period of change in 2024/25 by prioritising resources and focusing on core regulatory activities.



ENGAGE

We continue to strengthen engagement as a mechanism to protect people's health and safety. In 2024/25, we focused on:

- providing advice and guidance, including workplace assessment
- promoting and targeting guidance and education materials and tools
- refreshing and formalising partnerships with sector lead organisations in high-risk sectors
- developing and supporting harm prevention programmes that focus on reducing ill health, injuries and fatalities and on regionally based activity in forestry, agriculture and manufacturing
- developing and supporting capability-building programmes for the health and safety workforce
- bringing our guidance products up to date and removing outdated guidance
- building understanding of the system by learning from our engagements and regulatory activities.

REGULATORY ACTIVITY	2022/23	2023/24	2024/25
Assessments both planned and in response to notifications completed	10,426	12,638	13,170
Notifications of health and safety issues received	8,654	10,039	10,402
Principal hazard management plans reviewed	51	65	91
High-risk activity notifications issued	3	5	4
Mine plans reviewed	54	36	55
Major hazard facilities incident notifications received	137	130	124
Product suppliers audited	142	178	191
Products audited	258	394	313
Well operation and well workover notifications for petroleum operations reviewed	78	57	56
Details of works notifications for geothermal operations reviewed	79	100	136
Certification audits completed	100	163	89
Installation audits completed	78	80	56

Pulse check on our impact and effectiveness

New insights into WorkSafe's value show our inspectors are influencing significant improvements to work health and safety across New Zealand.

Research New Zealand surveyed businesses visited by WorkSafe inspectors between 1 July 2024 and 30 June 2025. The Impacts Effectiveness Monitor survey found that, overall, 68% of businesses agreed that they now know more about what is required for health and safety in the workplace due to engagement with WorkSafe inspectors, 65% of respondents agreed that all the health and safety improvements their business has made will make a difference to improve health and safety and 80% of respondents in priority sector businesses that had received an enforcement notice agreed that WorkSafe educates.

Among the headline findings:

- 73% of businesses surveyed identified work health and safety improvements due to their interactions with WorkSafe.
- 68% reported improving their work practices, 63% said they would provide better training and information and 52% said they would make physical change to the workplace as a result of WorkSafe's input.
- 68% said they would be removing a health and safety hazard completely, and 65% said they would make physical changes to the workplace as a result of WorkSafe's input.

By capturing feedback from businesses, we can assess the effectiveness of our engagement, guidance and educational efforts and ensure our regulatory activities are driving meaningful and sustainable changes.



ENFORCE

In this activity area, WorkSafe focused on:

- responding to notifications
- holding those who do not meet their health and safety obligations to account
- monitoring legislative compliance, including taking enforcement action where appropriate
- using enforcement tools to improve health and safety practice and prevent harm
- issuing notices (which can include verbal directions, Health and Safety at Work Act (HSWA) improvement notices, directive letters and infringement notices)
- agreeing enforceable undertakings, where appropriate, when work systems and processes require change
- prosecuting where appropriate.

Snapshot of our main efforts

REGULATORY ACTIVITY	2022/23	2023/24	2024/25
Improvement notices issued	4,463	5,097	5,194
Directive letters issued	1,364	2,307	2,678
Sustained compliance letters issued	1,279	1,336	1,314
HSWA verbal directions issued	1,363	1,075	1,179
Prohibition notices issued	1,129	942	1,002
Enforceable undertakings accepted by WorkSafe (s123 of HSWA)	2	8	3
Enforceable undertaking discharged (completed) by WorkSafe (s123 of HSWA)	2	4	3
Enforceable undertakings ordered by Court (s156 of HSWA)	1	1	1
Enforceable undertakings discharged (completed) by Court (s156 of HSWA)	1	0	1
Prosecutions disposed	72	67	39
HSWA infringement notices issued	18	8	4

Appendix 3 provides a list of all enforcement activities in 2024/25.



PERMIT

In this activity area, WorkSafe focused on:

- developing codes of practice, safe work instruments and standards
- developing legal standards (for example, prescribed workplace exposure standards for hazardous substances) and instruments to set minimum standards for health and safety at work
- supporting businesses and organisations to self-review to help them improve their health and safety practice
- authorising, permitting and monitoring
- overseeing authorisation regimes for regulated people and activities
- assessing and auditing regulated people and activities
- helping control hazardous substances
- providing exemptions from compliance with regulation provisions, where appropriate.

Snapshot of our main efforts

REGULATORY ACTIVITY	2022/23	2023/24	2024/25
Controlled substances licences issued	587	537	571
Certificates of competence* of occupational divers granted or renewed	239	318	336
Amusement devices registered or reregistered	212	162	217
Supervisor nominations made separately to applications for a new/to renew a removal licence	NA	154	133
Certificates of competence ¹ for mining, quarrying and tunnelling operations issued	254	141	127

Appendix 3 provides the list of all permit activities in 2024/25.

Improving guidance

We commenced a work programme to make our guidance more effective, accessible and consistent and clear for businesses and workers to meet their responsibilities to ensure work is healthy and safe.

Guidance was prioritised in the priority areas of construction, forestry, agriculture and manufacturing, and WorkSafe also produced new guidance for quarrying and mining, pesticides, and asbestos surveyors.

Packages of guidance have been created and tested to improve accessibility of existing guidance on the website for the agriculture, forestry, construction and manufacturing sectors covering health and safety topics.

Guidance items that are no longer required or have been superseded have been removed, and WorkSafe will continue to review guidance products to keep them current.

¹ The significant factor in variations in the number of certificates of competence (CoCs) over a 5-year cycle is the influence of the first issue of CoCs to any person already holding a CoC under the old regulatory regime in 2015. Each CoC expires after 5 years. This results in 3 years of higher numbers and 2 years of lower numbers.

WorkSafe is refreshing its guidance suite in line with the Minister's health and safety reform priorities, to align with the sector plans and in conjunction with industry leadership and Ministry of Business, Innovation and Employment (MBIE) advice. WorkSafe will also develop and test technological solutions, including to support the efficient and collaborative development of guidance that is practical, understandable and accessible.

In our Impacts Effectiveness Monitor survey, 70% of respondents reported use of WorkSafe guidance material. HSWA guidelines were the most commonly used (42%) and also rated highly for usefulness (66%).

1.2 Looking ahead to 2025/26

Government's health and safety reforms

The Government is proposing a range of legislative, operational and regulatory changes to transform performance across the work health and safety system.

The main objectives of the reforms are to:

- focus the work health and safety system on critical risks
- move WorkSafe's main objective to 'managing critical risks from work' from 'providing a balanced framework to secure the health and safety of workers'
- reduce unnecessary costs for businesses, especially small businesses
- improve outcomes for businesses, workers and all New Zealanders
- increase business certainty about what to do to comply, reducing the potential of overcompliance.

WorkSafe is charting a new path to become a different kind of regulator.

WorkSafe will work differently with businesses and workers by taking a more active role in providing guidance and support and focusing its efforts on critical risk to ensure harm does not happen in the first place. In particular, WorkSafe will:

- provide clarity on the critical risks a workplace must address so that it can be certain it is meeting its obligations under the Act
- provide consistent and clear advice and support to duty holders about how to manage their risks and certainty so far as possible about what is reasonably practicable
- provide advice and guidance that addresses the realities of work in a practical way that businesses and workers understand, including through greater use of approved codes of practice (ACOPs) developed by WorkSafe or industry themselves
- focus on helping duty holders do what is proportionate to the risks and avoid overcompliance.

Strategic shifts

WorkSafe is making strategic shifts to become a more effective and responsive regulator. We are clear about what needs to change, what needs to be delivered and how we execute our role in a way that hits the mark for businesses and individuals. WorkSafe will rebalance the focus of activities so that it proactively engages early and well to assist and support businesses and individuals with clear and consistent guidance on how to meet their work health and safety duties. This means focusing on helping duty holders do what is proportionate to the risks of harm and avoiding overcompliance.

The shifts will ensure WorkSafe:

- is proportionate
- is practical
- is consistent and clear in its advice.

Proportionate

Focuses on helping duty holders to do what is proportionate to the risks and avoiding overcompliance:

- strengthens evidence-based decision-making in enforcement, including policies that are clear and consistent.

Practical

Provides advice and guidance that addresses the on-the-ground realities of work in a practical way that businesses and workers understand:

- builds collaborative, timely and educative interactions
- provides guidance that is easy to access and use.

Consistent and clear

Provides clear guidance and supports duty holders on how to manage their risks and provide certainty about what is reasonably practicable:

- is coordinated, consistent and clear
- responds to and resolves complaints and enquiries in a timely, efficient and supportive manner.

How WorkSafe will achieve the shifts

WorkSafe's strategic work programme will give effect to its strategy and deliver on the health and safety sector reforms. There are five parts of the integrated strategic work programme:

- Inspectorate work programme to lift inspectorate capability – businesses and workers will see:
 - a more visible and consistent inspection approach
 - improved business experience with inspectors
 - improved impact.
- Revamp and refresh of future guidance – duty holders and industries will see:
 - improved guidance and access to information
 - enhanced industry engagement and digital access.
- Proportionate approach to enforcement – businesses and workers will see:
 - greater and more consistent use of enforceable undertakings
 - enforcement that is strategically aligned, proportionate and clearly guided by established prosecution principles
 - an even-handed enforcement approach, which includes strengthening our approach to worker breaches of duty.

- Permit improvement – permit holders and applicants will see:
 - more efficient, transparent and high-quality permitting processes
 - clear expectations for those carrying out high-risk work and for third-party certifiers
 - updated agreements setting out expectations for key designated third parties
 - risk-based monitoring framework.
- Feedback systems improvement.

These work programmes will be supported by three enablers of:

- formalised stakeholder partnerships
- digital and cyber solutions
- data and information.

1.3 Delivering strategic priorities: Reducing harm at work

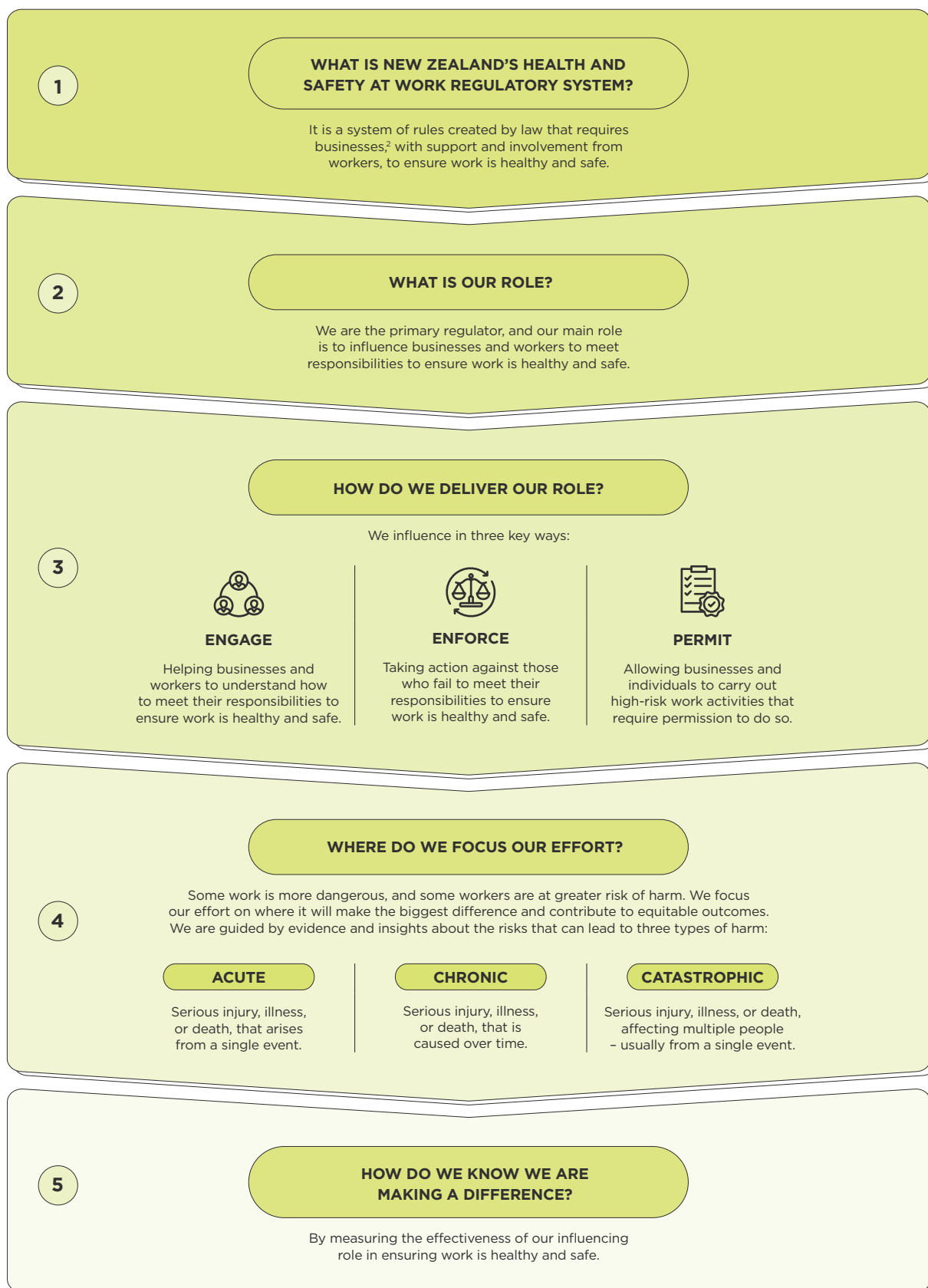
This section sets out WorkSafe's actions to reduce three types of harm – acute, chronic and catastrophic. With others in the system, WorkSafe's activities contribute to reducing the risks of harm.

WorkSafe uses evidence and insights to understand where the greatest potential for harm is. WorkSafe focuses on where its input as regulator will make the biggest difference.

A clear and simple strategy is critical for WorkSafe's purpose, connection and direction.

The strategy outlines how WorkSafe will deliver its main role to influence businesses with support and involvement from workers so they can meet their responsibilities and ensure work is healthy and safe.

The diagram below sets out the strategy that applied during the reporting period.



² In this context, we use the word 'businesses' as shorthand to refer to persons conducting a business or undertaking (PCBUs) as well as the officers of a PCBU, such as company directors.

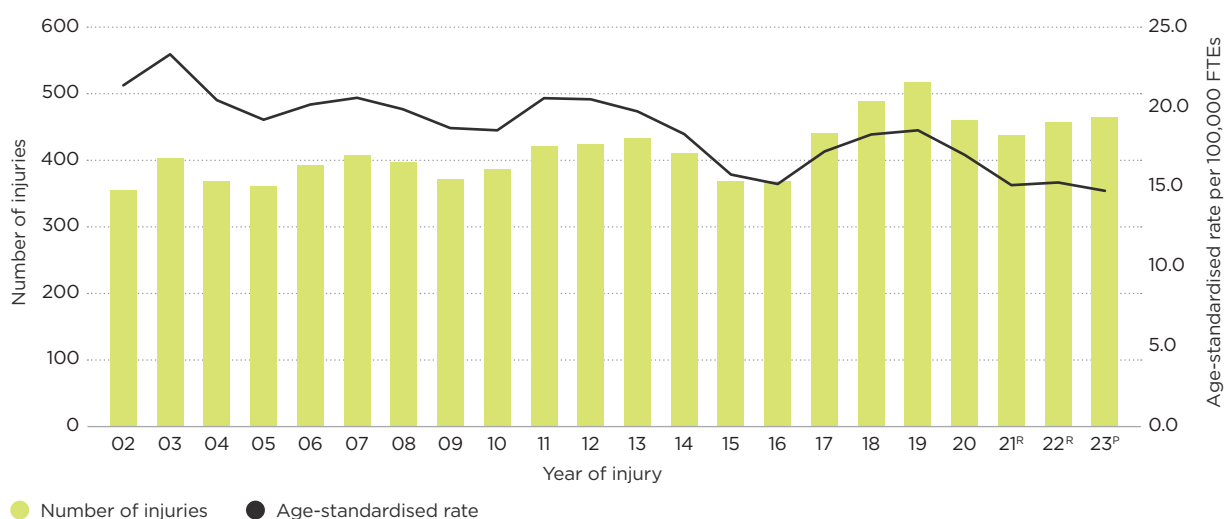
Acute harm

Since 2002, there has been a long-term downward trend in work-related acute fatalities (a fatality resulting from a single event rather than from chronic disease). Serious non-fatal injuries (hospitalisations with a probability of death of 6.9% or more) display a similar trend.

WORK-RELATED FATALITIES



WORK-RELATED SERIOUS NON-FATAL INJURIES



Source: Stats NZ. Stats NZ age standardises all data in its serious injury outcomes indicators. This is a statistical technique, which adjusts results for changes in the age structure of the relevant population – in this case, the New Zealand workforce.

Abbreviations: FTE (full-time equivalent employees) ^R revised since previous report ^P Provisional

Notes: Serious non-fatal injuries are those in which a patient admitted to hospital is determined to have a probability of death of 6.9% or more.

There is a long-term downward trend in work-related serious injuries, which is consistent across population groups. Significant change is usually not seen from one year to the next. Particular caution is advised when interpreting results for 2023 as some changes were being made to ACC's systems when the claims data used by Stats NZ was provided. WorkSafe expects there to be revisions to these results when Stats NZ releases its updated data series later in 2025. WorkSafe is the primary regulator in the work health and safety system and is one contributor in the system to reduce the serious non-fatal work-related injuries.

High-risk sectors include agriculture, construction, forestry and manufacturing as well as subsectors within these industries. Risks common across sectors include vehicles and machinery, falls from a height, falling and moving objects, and electrical and chemical hazards. WorkSafe engages with peak bodies, employers and workers to reduce work-related hazards and risks and make workplaces safer.

Chronic harm

An estimated 750–900 people die from work-related disease each year, and 5,000–6,000 hospitalisations each year are associated with work-related ill health. A worker is 15 times more likely to die from a work-related disease than from a workplace accident. Estimates indicate that work-related exposures (such as exposures to chemicals and welding fumes) account for 4.4% of all health loss³ and 6.7% of modifiable health⁴ in New Zealand (the equivalent figure for smoking is 10%).

Engineered stone in focus

The spotlight went on engineered stone businesses during the year, and overall workplace practices have improved, with greater awareness of the risks to worker health.

Throughout 2024/25, WorkSafe continued its efforts to ensure risk management is prioritised by engineered stone businesses.

Guidance on safe work practices has been developed, and information on the key controls and health information for engineered stone workers is available in multiple languages on our website.

Engineered stone is a man-made material used in products such as kitchen benchtops. When it is cut, respirable crystalline silica (RCS) dust particles are released that can cause silicosis and other serious lung diseases when breathed in.

Since 2019, WorkSafe inspectors have conducted assessment visits to the 157 engineered stone businesses nationwide to ensure they maintain safe work practices. In 2024/25, inspectors issued 107 improvement notices and one prohibition notice against businesses not managing RCS exposure effectively. A new round of inspections is planned in 2025/26.

Overall, workplace practices have improved and there is greater awareness of the risks to worker health. Guidance on safe work practices has been developed, and information on the key controls and health information for engineered stone workers is available in multiple languages on our website.

Catastrophic harm

While catastrophic harm events are rare, their impacts can be severe and significant. With some activities, the risks of catastrophic harm are significant enough to require regulation. Regulations can include specific processes to reduce risks that could lead to events such as explosion, fire, collapse and chemical spills. Some regulations are focused at industry level such as mining or petroleum exploration or at businesses with very large quantities of hazardous substances such as chemical plants (known as major hazard facilities). Others relate to specific activities such as managing the risk of explosive atmospheres.

³ The reduction or deterioration of a person's physical and mental wellbeing, encompassing the loss of healthy life due to premature death, illness or disability. Health loss is measured in disability-adjusted life years (DALYs). One DALY represents the loss of 1 year lived in full health.

⁴ Where one can change or improve aspects of health through lifestyle choices or modifiable factors.

Evonik: Collaboration to avoid catastrophe

A routine WorkSafe inspection has evolved into a transformation in safety at a major hazard facility in Waikato.

Multi-national Evonik has produced hydrogen peroxide at its Morrinsville site since 1998. Hydrogen peroxide is an oxidising and bleaching agent used predominantly in the pulp and paper, textile, metalliferous mining and food industry sectors.

In August 2022, specialist inspectors from WorkSafe visited the site for a deep dive on asset integrity. For a start, they were looking at pressure absorption devices and the associated piping. However, it quickly became clear much more needed attention.

The inspectors found gaps in integrity management of pressure equipment – specifically relating to pressure cycles and historical inspection records in effectively managing this risk. There was also a lack of multi-disciplinary input for non-destructive testing, which creates significant risks for a high-risk plant of this kind.

“Left unchecked, these shortcomings had the hallmarks of a catastrophe in the making,” says WorkSafe High Hazards Acting Chief Inspector Dave Bellett.

WorkSafe engaged with Evonik to reach a common understanding of what needed attention. This was formalised in an improvement notice, from which Evonik built a proactive work programme spanning 18 months. The company invested thousands of dollars in significant changes, including:

- more active monitoring of historical inspection records that indicated defects – a significant step for risk management
- implementing a risk-based inspection and testing plan for safety-critical components and site-wide equipment
- creating a pressure equipment management procedure, which has led to a gap analysis against the pressure equipment standard and remedial steps being put in place.

The risk of catastrophic harm is a key focus of WorkSafe’s new strategy, which took effect in August 2024. Businesses must manage their health and safety risks, and WorkSafe’s role is to influence businesses to meet their responsibilities to keep people healthy and safe.

“It’s clear that collaborating and cooperating in this way can influence far-reaching improvements that prevent catastrophic failure and harm to workers. This mahi also reinforces the value of deep-dive inspections by competent specialists, especially for asset integrity at high-risk sites,” says Dave Bellett.

“We are fully committed to enhancing our safety protocols and ensuring the highest standards of operational integrity,” says Terry Brown, Managing Director of Evonik Peroxide Ltd.

“The insights gained from this inspection have been invaluable in guiding our proactive measures, and we appreciate the collaborative effort with WorkSafe to safeguard not only our employees but also the community.”

Our actions to improve safety and reduce harm

To address three types of work-related harm, WorkSafe focuses on its core regulatory activities. WorkSafe's activities can be grouped into understanding harm, designing interventions, delivering services, measuring impact and organisational effectiveness. Some of the WorkSafe's actions and approach to address harm during 2024/25 are described below.

UNDERSTANDING RISK AND HARM

- WorkSafe uses evaluation, data and intelligence reporting on both severe and non-severe harm to guide our engagements and activities across priority sectors.

DESIGNING INTERVENTIONS

- WorkSafe developed a catalogue of all products and services available to support frontline workers to better engage with businesses to manage their health and safety risks.
- WorkSafe published the 15th edition of *Workplace exposure standards and biological exposure indices* to better manage health risks.
- WorkSafe with ACC and Health New Zealand published guidance for medical practitioners assessing engineered stone workers exposed to respirable crystalline silica to improve management of exposed workers.
- WorkSafe developed eight learning modules with information for managing and preventing the infectious disease leptospirosis. They are for people who work in close contact with animals, visit rural/farming areas or are rural businesses. Large rural companies have added this learning course to their own learning systems.
- WorkSafe co-constructed 12 bite-sized modules about governance reflecting Te Ao Māori *Health and safety governance* handbook to improve health and safety at work for at-risk workers.

DELIVERING SERVICES

- WorkSafe transitioned to an integrated inspectorate, enabling more efficient and coordinated delivery of engagement, enforcement and permitting services.
- WorkSafe improved permitting activities with a particular emphasis on improving performance (in terms of timeliness, quality and effectiveness), improved decision making, building stronger relationships with third parties involved in permitting work and better monitoring of compliance with permitted decisions.
- WorkSafe educated duty holders and workers at all levels through on-site discussions during workplace assessments and through engagement with sector groups at a broad range of conferences and industry events.
- WorkSafe technical specialists have contributed to the production of technical guidance and presented to industry bodies on effective practice.
- WorkSafe educated duty holders and workers at all levels.
- WorkSafe is archiving and removing outdated guidance from its website.
- WorkSafe has published new and updated guidance products on its website.
- WorkSafe has established the Monitoring Team to provide assurance on the integrity and function of WorkSafe's permit regimes⁵ including the performance of third parties carrying out permitting on our behalf, which reduces regulatory risk.
- The WorkSafe Board hosted engagement events with chief executives and senior leaders from key stakeholder organisations in the manufacturing and construction sectors.

Refer to Appendix 3 for a full list of regulatory activity delivered in 2024/25.

⁵ For permits related to hazardous substances (including controlled substances licences and compliance certification), asbestos, occupational diving, pipelines, pressure equipment, cranes, passenger ropeways, amusement devices and adventure activities.

MEASURING IMPACT

- Ninety-five percent of businesses completed at least one of the identified changes following contact with WorkSafe (Impacts Effectiveness Monitor survey).

ORGANISATIONAL EFFECTIVENESS

- WorkSafe initiated the first stage of work to pilot artificial intelligence (AI) to augment the guidance development process.
- WorkSafe resumed external data sharing on our data centre for assessments, notifications and enforcements.
- WorkSafe resumed publishing the System for Work-related Injury Forecasting and Targeting (SWIFT) data, which is a combination of ACC and WorkSafe data.
- WorkSafe resumed risk-based targeting to support assessments.

1.4 Priority sector plans

During 2024/25, WorkSafe developed priority plans to deliver on our strategy. Our sector plans set out how WorkSafe will target its engagement and enforcement activity to influence better outcomes. The plans cover the sectors where most acute and chronic harm occurs – agriculture, forestry, construction and manufacturing.

Focus areas within the priority plans were established using available data and insights, including feedback from sector groups.

WorkSafe allocates its effort and resources based on criteria such as:

- the number of workers in each sector
- the number and rate of fatal and serious injuries
- the number of workers exposed to serious health risks.

Agriculture

WorkSafe's plan sets out how WorkSafe will target the biggest risks and work with others to influence improved health and safety culture in agriculture.

Agriculture accounts for around 25% of acute work-related fatalities and serious injuries, while only 6% of workers are employed in this sector.

Our priority plan for the agriculture sector covers farming and related services, with a particular emphasis on dairy, beef and sheep farming. Around a quarter of WorkSafe's targeted frontline activities will be in agriculture because of the high rate of acute harm and the range of serious risks in this sector.

PRIORITIES	PROGRESS/ACTIONS IN 2024/25
Reinforce the sector-led Farm Without Harm strategy	WorkSafe maintained regular engagement with Safer Farms, which leads Farm Without Harm, and used media releases and other communications to reinforce Safer Farms messaging, particularly about safe vehicle use.
Target interventions in areas of highest harm or risk	WorkSafe undertook targeted workplace assessments, focusing on vehicles and machinery, substances hazardous to health (such as pesticides), overlapping duties (businesses working together) and worker participation.
Work through trusted sources of influence to promote better health and safety practices	WorkSafe worked with key influencers in the agriculture sector such as Rural Contractors NZ and agriculture programmes at Massey and Lincoln Universities to share messages about health and safety in farming and its role as a regulator.

Forestry

Forestry has a very high rate of acute harm, mostly from felling and moving trees and logs. Over the past decade, the fatality rate in forestry has been about 20 times higher than the average for all sectors.

To reduce this harm, the whole sector needs to plan for and practise safe forest harvesting. WorkSafe's forestry plan sets out how WorkSafe will work with forest owners, managers, contractors, workers and communities to achieve this.

WorkSafe's priority plan for the forestry sector primarily covers forest harvesting in commercial forestry operations. Over the 2-year period of the priority plans, WorkSafe is directing around 15% of its targeted frontline activities to the forestry sector.

PRIORITIES	PROGRESS/ACTIONS IN 2024/25
Reinforce sector-led priorities	WorkSafe worked closely with the sector on updating the ACOP for forestry operations to ensure businesses and workers have a clear understanding of what good health and safety practice means for them. WorkSafe refreshed its assessment tool, which aligns with the priority plan. WorkSafe worked with Maritime New Zealand on a logging truck trailer lifting tackle – hammer lock failure. A joint safety message was shared with the Log Transport Safety Council, resulting in updated guidance and industry messaging.
Foster kaupapa Māori approaches to drive locally led shifts in health and safety practice	WorkSafe continued to support community-led alliance Te Kawa a Tāne, which was established with local iwi in the Gisborne region in 2023 to support a shared vision of health and safety in forestry with the aim of transitioning from a WorkSafe-led model to a community-led operation.
Target interventions to address the most serious risks in forestry	WorkSafe undertook targeted assessments at forestry sites using an updated assessment tool and focusing on safe tree felling and breaking out, working around vehicles and machinery, overlapping duties (businesses working together) and worker participation.

Construction

Construction has among the highest rates of acute and chronic harm. It accounts for around 15% of work-related fatalities and serious injuries and has the largest number of workers with exposure to toxic dusts and fumes.

To prevent harm on construction sites, businesses must keep up with constantly changing risks, especially where multiple businesses work together. Our plan sets out how WorkSafe will target the biggest risks to achieve safe construction sites and influence large businesses to lead the way.

WorkSafe's priority plan for the construction sector covers the residential, civil and commercial subsectors, specialist trades and the full construction life cycle, including excavation, building, maintenance and demolition. Over the 2-year period of the priority plans, WorkSafe is directing around a third of targeted frontline activity to construction.

PRIORITIES	PROGRESS/ACTIONS IN 2024/25
Reinforce sector-led priorities	WorkSafe had regular engagement with construction sector stakeholders to share insights and discuss priorities. During 2024/25, there was significant progress on a refresh of asbestos guidance, which has been a priority for the sector.
Target the management of risk and overlapping duties on complex sites	WorkSafe undertook targeted workplace assessments focusing on safety around mobile plant, traffic management, controlling substances hazardous to health (such as silica dust), safe excavation, overlapping duties (business working together) and worker participation.
Encourage large, influential businesses to lead improved health and safety practice	WorkSafe continued to engage proactively with businesses and groups that have greater influence in the construction sector. The box below describes an initiative to connect with key influencers in the residential construction supply chain and the successful multi-year engagement with a major infrastructure project in the civil construction sector.

Engaging with the residential construction sector

From January 2025 to March 2025, our inspectors focused on the construction sector, especially engaging with large multi-site construction businesses.

We worked with industry partners Master Builders, Certified Builders and Site Safe and carried out 657 assessments around the country. Together, we set clear expectations on how construction businesses can take proactive steps to strengthen their health and safety practices. This included overlapping duties – the shared responsibilities between businesses that work together.

A key theme from our assessments was risk management of falls from height and hazardous substances such as wood dust. These were addressed by inspectors with a combination of education and enforcement during site visits.

Only 3% of assessments identified issues with worker engagement, participation and representation and 4.5% identified issues with overlapping duties. Most group volume builders have good pre-qualification processes in place and use reputable contractors.

There was much less enforcement around overlapping duties than expected, which may have been for reasons such as improvements in systems to engage and inform contractors of what WorkSafe has seen in the past.

City Rail Link involvement

Auckland's City Rail Link (CRL) has been more than the country's largest transport infrastructure project – it has also been an opportunity to raise the standard of health and safety in the construction sector.

WorkSafe has been a crucial collaborator in the City Rail Link, which is nearing completion.

The \$5.493 billion project was funded equally by Auckland Council and the Crown.

The Project Alliance Board set out to raise the standard of health and safety in the construction sector. WorkSafe leveraged this vision by encouraging leaders to assure that critical risk controls were in place and effective and to continually improve their measurement of work health and safety.

Specialist teams from all operational arms of WorkSafe contributed to the project's success. Energy Safety collaborated on electrical protection for the tunnel boring machine, while the Extractives team focused on underground safety. The inspectorate took a lead role in vertical construction aspects and silica dust safety, and WorkSafe's hygienists were also involved in health and environmental monitoring. Two successive WorkSafe chief executives also took part in discussions with officers on the project.

Several near misses were reported in the project's early stages, with more than 5 injured workers per 1,000,000 hours worked. As at June 2025, that number has reduced to 1.07 injured workers. There have been no fatalities and only 2 on-site incidents requiring hospitalisation recorded in over 22.5 million hours worked. It is a remarkable achievement for a high-risk infrastructure project of this scale and complexity.

Proactive engagements of this type encourage businesses to make changes to improve their health and safety practices.

Manufacturing

Manufacturing is a large sector with high numbers of Māori and Pacific workers. It has the largest total number of injuries of any sector. Health and safety performance has been poor compared to other sectors over the past decade.

WorkSafe's priority plan for the manufacturing sector sets out how WorkSafe will influence better risk management and worker engagement, particularly the food product, metal fabrication and wood product manufacturing subsectors where most harm occurs.

Over the 2-year period of the priority plans, WorkSafe is directing around a quarter of its targeted frontline activities to manufacturing.

PRIORITIES	PROGRESS/ACTIONS IN 2024/25
Reinforce sector-led priorities	WorkSafe continued to develop engagement networks with the manufacturing sector. An event in February 2025 brought WorkSafe's Board together with sector stakeholders and highlighted the diversity of the sector and its priorities.
Target interventions to address the most serious risks	WorkSafe undertook targeted workplace assessments focusing on machinery safety, working around vehicles, falling objects, working at height, substances hazardous to health (such as silica dust and welding fumes), businesses working together (overlapping duties) and worker participation. WorkSafe continued its special programme of workplace assessments and enforcement action targeted at engineered stone fabrication businesses, where workers may be at risk of exposure to high levels of silica dust. Action was targeted at the highest-risk businesses based on several previous assessment rounds.
Encourage culturally responsive worker engagement	WorkSafe delivered its Come Home Safely programme to a range of manufacturing businesses, particularly in the Auckland area. The programme supports shared understanding of health and safety and improved communication between businesses and multi-cultural worker groups. WorkSafe delivered a series of harm prevention engagement initiatives, using data and insights, focusing on businesses and workers at the highest risk of harm, particularly in meat processing.

Shifting the inspectorate

WorkSafe is tackling new ways of building the capability and effectiveness of its inspectorate.

We kicked off the Inspectorate Workforce Planning Project to deliver six key operational shifts to ensure consistent, proportionate and practical delivery of our regulatory responsibilities with industry:

- we deliver integrated, responsive and impactful core regulatory services that make a difference to business health and safety performance
- we follow nationally consistent practices and standardised approaches, supported by the right tools to ensure consistent delivery
- the work that we do is informed by evidence and insights and supported by technology
- supported by strong leadership, we work as an integrated team within the inspectorate and across other WorkSafe teams (such as Regulatory Services) to deliver quality work
- the Inspectorate team have the right skills, capabilities and mindsets to be effective
- our team take ownership and accountability for their work and are focused on driving performance.

The inspectorate has defined and is beginning to implement high-level performance expectations, new operating rhythms and leadership behaviours aligned with the new structure.

These elements are now being extended to frontline staff through the inspectorate roadshow, which began with the Northern region area offices (successfully completed in June 2025) and finishing with the Central and Southern regions from August 2025. Key activities include clarifying inspectorate behaviours, resetting expectations and clarifying what success looks like.

Continued effort is required on the cultural shifts required within the inspectorate, including nationally consistent practices, evidence-based decision making, integrated teamwork, accountability and performance, right skills and capabilities and improved business impact.

In addition to health and safety outcomes, the improved inspectorate practices will improve businesses satisfaction with WorkSafe's engagements and interventions.

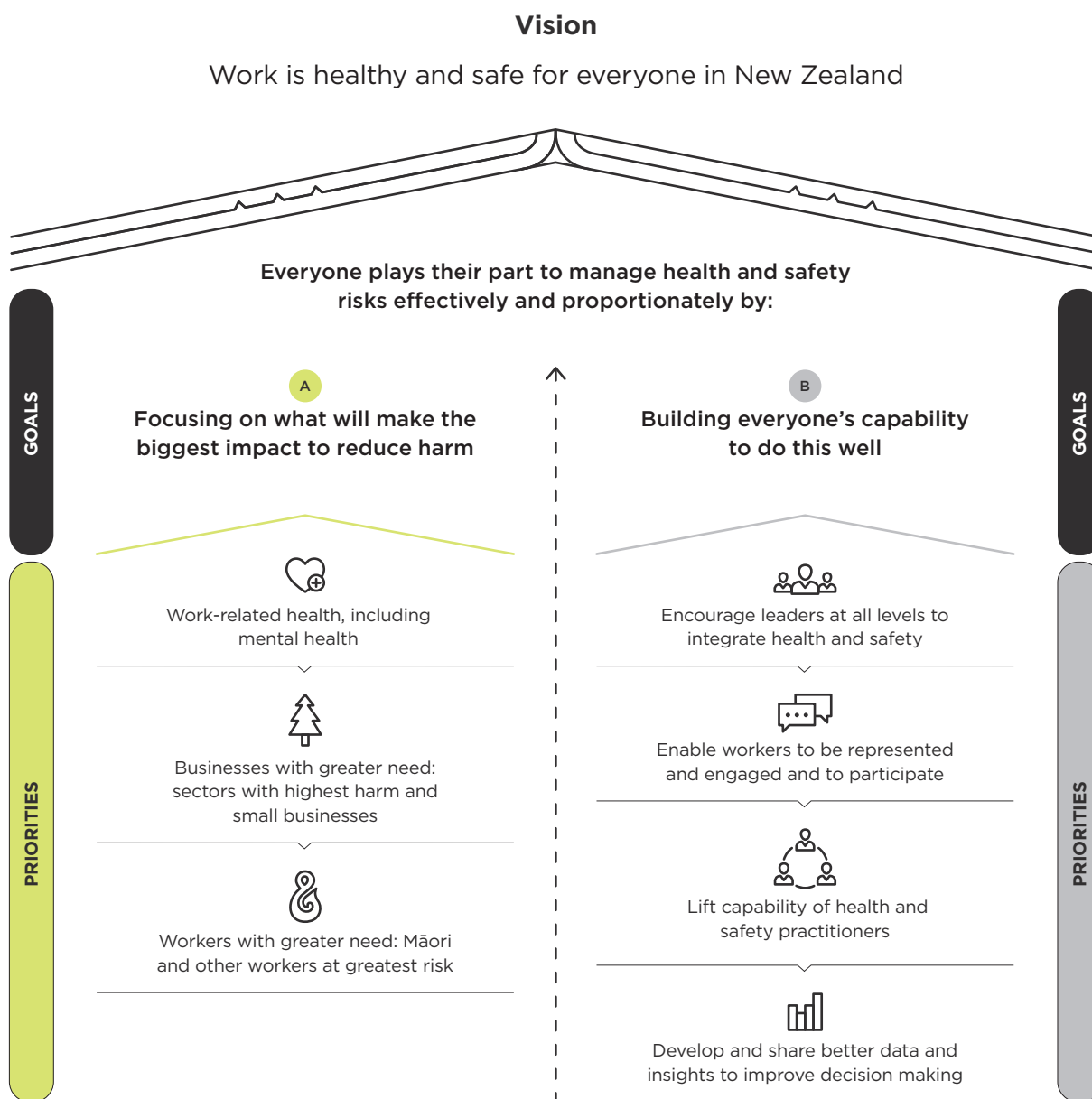
1.5 Contributing to the health and safety at work system

This section covers WorkSafe's contribution to the sector-wide Health and Safety at Work Strategy.

Health and Safety at Work Strategy

WorkSafe is a key contributor to the Health and Safety at Work Strategy 2018–2028, working alongside MBIE, ACC, Maritime New Zealand and the Civil Aviation Authority. The vision for this strategy is: Work is healthy and safe for everyone in New Zealand.

The goals and priorities are set below:



WorkSafe's actions to advance the Health and Safety at Work Strategy are summarised below.

WORK-RELATED HEALTH

- WorkSafe continued to support MBIE by providing information to support its consideration of regulatory options for the engineered stone industry.
- WorkSafe has developed a new triage decision-making model to strengthen the oversight of cases accepted for investigation to focus more efforts on the priority sectors.

BUSINESSES WITH GREATER NEED: SECTORS WITH HIGHEST HARM AND SMALL BUSINESSES

- WorkSafe developed assessment tools to target safe tree-felling practice.
- WorkSafe undertook a nationwide series of engagements with large multi-site residential construction businesses.

WORKERS WITH GREATER NEED: WORKERS AT GREATEST RISK

- WorkSafe delivered multi-cultural workshops to improve business awareness of health and safety responsibilities and good practice.
- WorkSafe delivered Come Home Safely workshops.
- WorkSafe partnered with iwi and Eastland Wood Council to improve worker participation and engagement in the forestry sector on the East Coast.
- WorkSafe delivered workshops at youth career expos in west and south Auckland to promote safe pathways into higher-risk industries.

ENCOURAGE LEADERS AT ALL LEVELS TO INTEGRATE HEALTH AND SAFETY

- WorkSafe engaged with sector groups and industry body to communicate expectations and provide information on initiatives prior to assessment activity.

ENABLE WORKERS TO BE REPRESENTED AND ENGAGED AND TO PARTICIPATE

- WorkSafe developed new resources and approaches to encourage improved worker engagement, participation and representation.

LIFT CAPABILITY OF HEALTH AND SAFETY PRACTITIONERS

- WorkSafe published newsletters with a readership of approximately 1,800 each with information to support health and safety representatives.
- WorkSafe engaged with professional bodies (New Zealand Institute of Safety Management, New Zealand Occupational Health Nurses Association) and businesses (construction sector) on health risk management.

DEVELOP AND SHARE BETTER DATA AND INSIGHTS TO IMPROVE DECISION MAKING

- WorkSafe published Work health and safety: An overview of harm and risk in New Zealand, which describes patterns and trends in work-related fatalities, injuries and risk factors associated with ill health.
- WorkSafe published a Segmentation and Insights Programme report that examined employer health and safety maturity, worker engagement and participation, and representation, the impact of workplace safety cultures and workers' exposure to work-related health and safety risk.

1.6 Implementing Government priorities

The Minister for the Public Service has communicated expectations for all Crown entities, which complements expectations set by the Minister for Workplace Relations and Safety:

- Drive **greater value** from funds received. WorkSafe is developing the outcomes framework, which will be completed during 2025/26.
- Have a full understanding of **cost drivers and performance against key outcomes**. For example the Permit Effort Pilot Application tool has given good insight into cost of activity versus fees and valuable management insight about where effort is going. This information is actively used for worker deployment, and as the tool is applied, it will provide more robust data about our time spent and cost against fees received. WorkSafe has initiated a time and costing measurement for permit activity.
- Demonstrate **strong evidence and evaluation** practices. WorkSafe used available data and intelligence to understand patterns of harm and risk and identify focus areas of targeted interventions.

WorkSafe's planning processes enable regular reprioritisation in response to evidence of changing needs and the effectiveness of WorkSafe's activities. Evidence considered includes Stats NZ and ACC data, in-house operations data evaluation results and research.

1.7 System-level outcome measures

Together with others in the health and safety system, WorkSafe contributes to reducing the risk of harm. MBIE has led the development of system-level measures and WorkSafe contributes to reporting on progress.

1. Fatal work-related acute injuries per 100,000 FTEs age-standardised – target <2.0 by 2027/28

WORK-RELATED FATALITIES	BASELINE (2008-10)**	2019-21 ^R	2020-22 ^R	2021-23 ^P	CHANGE FROM 2008-10
Number of fatalities*	200	183	159	139	
Age-standardised rate per 100,000 FTEs	3.3	2.3	1.9	1.6	-52%

* The number and rate of fatalities are given across a 3-year period to control for volatility in the data.

** Excludes the 29 fatalities at Pike River mine in November 2010.

Source: Stats NZ

Abbreviations: FTE (full-time equivalent employees) ^R revised since previous report ^P Provisional

Notes: Stats NZ age standardises all data in its serious injury outcomes indicators. This is a statistical technique that adjusts results for changes in the age structure of the relevant population.

Comment: The latest data available is from 2021-23 period. Over the last 20 years, there has been a long-term downward trend in the rate of work-related fatalities, although significant change is usually not seen from one period to next. Caution is advised when interpreting results for 2021-23, as some changes were being made to ACC's systems when claims data was provided to Stats NZ for its December 2024 information release. Based on later updates to the ACC data, WorkSafe has identified a larger number of fatalities for 2023 than were included in the Stats NZ release. We expect there to be revisions to these results when Stats NZ releases its updated data series later in 2025.

2. Serious non-fatal work-related injuries per 100,000 FTEs age-standardised – target <14.0 by 2027/28

WORK-RELATED SERIOUS NON-FATAL INJURIES	BASELINE (2008-10)*	2021 ^R	2022 ^R	2023 ^P	CHANGE FROM 2008-10
Number of injuries	385	438	458	465	
Age-standardised rate per 100,000 FTEs	19.1	15.1	15.4	14.8	-23%

* Number and rate for baseline year given as 3-year average.

Source: Stats NZ

Abbreviations: FTE (full-time equivalent employees) ^R revised since previous report ^P Provisional

Notes: Serious non-fatal injuries are those in which a patient admitted to hospital is determined to have a probability of death of 6.9% or more. Stats NZ age standardises all data in its serious injury outcomes indicators. This is a statistical technique that adjusts results for changes in the age structure of the relevant population.

3. Serious non-fatal work-related injuries per 100,000 FTEs age-standardised by ethnicity

WORK-RELATED SERIOUS NON-FATAL INJURIES BY ETHNICITY	BASELINE (2008-10)**	2019-21 ^R	2020-22 ^R	2021-23 ^P	CHANGE FROM 2008-10
Age-standardised rate per 100,000 FTEs (Māori)	27.6	23.7	20.6	18.9	-32%
Age-standardised rate per 100,000 FTEs (Pacific)	14.3	18.2	16.4	12.5	-13%
Age-standardised rate per 100,000 FTEs (non-Māori non-Pacific)	19.5	17.4	16.7	16.6	-15%

Source: Stats NZ

Abbreviations: FTE (full-time equivalent employees) ^R revised since previous report ^P Provisional

Notes: Serious non-fatal injuries are those in which a patient admitted to hospital is determined to have a probability of death of 6.9% or more. Stats NZ age standardises all data in its serious injury outcomes indicators. This is a statistical technique that adjusts results for changes in the age structure of the relevant population. Rates for Māori, Pacific and non-Māori non-Pacific workers are age-standardised separately and therefore cannot be directly compared.

Comment: The latest data available is from 2021-23 period. Over the last 20 years, there has been a long-term downward trend in the rate of work-related serious non-fatal injuries. The downward trend for injuries is seen for Māori and for non-Māori non-Pacific workers. Numbers are too small to detect a trend for Pacific workers.

Significant change in injury rates is usually not seen from one year to the next. Caution is advised when interpreting results for 2023 as some changes were being made to ACC's systems when claims data was provided to Stats NZ for its December 2024 information release. We expect there to be revisions to these results when Stats NZ releases its updated data series later in 2025.

4. Proportion of high hazard notifiable events that are high potential incidents

INCIDENT TYPE	2021/22	2022/23	2023/24	2024/25
Notifiable incidents	270	348	284	296
High potential incidents	25	48	40	26
Percentage	9.3%	13.8%	14.1%	8.8%

A high potential incident is an event or a series of events that causes or has the potential to cause a significant adverse effect on the safety or health of a person. This indicator is designed to provide a measure of how well duty holders manage high hazard risks that could result in high potential or actual incidents at high hazard sites. It highlights a continued effort to encourage New Zealand high hazard industries to increase their notification of incidents. The reactive nature of the measure causes yearly fluctuations in the results, and it is too early to be certain of a trend.

2.0

Statement of performance

IN THIS SECTION:

2.1 Measuring performance

Disclosure of judgements relating to statement of performance

WorkSafe continued to review and improve performance measures to address the requirements of the External Reporting Board (XRB) reporting standards on service performance reporting that came into force in January 2022.

WorkSafe has introduced several new performance measures this year to measure the success of the new strategy. The performance measures have been developed in accordance with the Public Benefit Entity Financial Reporting Standard 48 (PBE FRS 48) *Service Performance Reporting*.

This section provides information about our performance of delivering the services stated in the *Statement of performance expectations 2024/25* and strategic intent stated in the *Statement of intent 2024/25–2027/28*.

WorkSafe's key achievements and deliverables for 2024/25 are highlighted in delivering priorities (**or Reducing harm**) on page 9.

This annual report provides information on activity as well as reporting against the strategic objectives and operations in WorkSafe's *Statement of intent 2024/25–2027/28*, and performance measures in WorkSafe's *Statement of performance expectations 2024/25* and financial performance for 2024/25.

WorkSafe's performance measures relate to the Vote Labour Market appropriation Workplace Relations and Safety – Workplace Health and Safety. This appropriation is limited to information, education, leadership, guidance, support and enforcement relating to the health and safety of workers and workplaces. This appropriation is intended to achieve healthier, safer and more knowledgeable workplaces.

The performance measures reflect WorkSafe's activities and the success of its work. They include the quality, timeliness and effectiveness of our work. WorkSafe monitored and measured performance at different points throughout 2024/25. WorkSafe provides performance reports to the Minister for Workplace Relations and Safety and monitoring department MBIE each quarter and in the WorkSafe annual report.

2.1 Measuring performance

How WorkSafe fulfils its role as the primary regulator:

- **Engages** – building understanding of businesses and workers on how to meet responsibilities so work is healthy and safe.
- **Enforces** – taking action when responsibilities are not met so work is healthy and safe.
- **Permits** – authorising, permitting and monitoring high-risk activities.

WorkSafe focuses on industries and occupations where there is a greater risk of harm: agriculture, construction, forestry and manufacturing.



ENGAGE

What WorkSafe achieved during 2024/25:

- delivered 80 Come Home Safely workshops. The total reach for 2024/25 was 2,371 individuals, which was 521 individuals more than the target of 1,850 set for the year. These multi-cultural workshops were delivered in Mandarin, Samoan, Tongan and English and focused on helping workers from different backgrounds understand health and safety rights and responsibilities
- delivered workshops for directors in the forestry sector (Te Tairāwhiti Whenua Charitable Trust) on governance health and safety leadership
- along with the Institute of Directors, released *Health and Safety Governance: A Good Practice Guide*, which was developed in collaboration with the Business Leaders' Health and Safety Forum and the Government Health and Safety Lead
- created a needs-based approach to deliver a series of harm prevention engagement initiatives
- undertook over 6,500 assessments in the construction sector focused on risks of falling from heights, management of overlapping duties and substances hazardous to health
- undertook over 3,200 assessments in the manufacturing sector, including nationally focused assessment in the wood, metal and food manufacturing subsectors
- undertook over 750 assessments in the agriculture sector primarily focused on addressing harm related to vehicles, machinery and substances hazardous to health
- undertook over 550 assessments in the forestry sector focused on manual felling of trees, management of overlapping duties and fitting of protective structures
- inspected 190 hazardous substance sites and facilities.

Partnering with small business to make work healthier and safer

Positive outcomes are more likely when businesses and WorkSafe work together. Through a partnership approach, WorkSafe supports small businesses by educating them on how to improve their health and safety practices. This approach helps employers better understand their responsibilities and take meaningful steps to enhance workplace safety.

Our inspector Thomas visited a panel beater in Hamilton that was operating with some poor practices. He worked with the business owners to enact changes.

"They've made positive changes, including small, low-cost ones such as changing where they work to be more in the open air, how they store the paints and chemicals, and protecting power points and exposed power supplies from being potential sources of ignition," says Thomas.

WorkSafe is grateful that the business owners were honest about what their knowledge gaps were and open to working with us to make their work safer.

WorkSafe is not always going to visit a business and demand major, high-cost changes. Safety improvements can often be made with a few small, targeted changes. Part of what WorkSafe inspectors do is offer their expertise to work with businesses to make improvements.

Although it may seem daunting when WorkSafe visits, at the end of the day, the regulator has the same goal as industry – to make sure people get home safely from work.

"They really want this business to be a success, and as part of that, they really want to look after their own health and safety. It's a really great result," says Thomas.

2023/24 ACTUAL	PERFORMANCE MEASURE	TARGET	2024/25 ACTUAL
Output measures from the <i>Statement of performance expectations 2024/25</i>			
New measure	The percentage of recipients satisfied with WorkSafe's interventions	70%	Achieved 97%
New measure	The percentage of resource directed into high-risk sectors and regions with high harm inequity	80%	Achieved 89% ⁶
New measure	The net promoter score of priority partners and sector lead groups that have trust and confidence in WorkSafe	>0	Not reported ⁷
Impact measures from the <i>Statement of intent 2024/25-2027/28</i>			
New measure	The percentage of people who make a change after interaction with WorkSafe ⁸	≥85%	Achieved 95%
New measure	The percentage of employers who know more about what they need to do after interaction with WorkSafe	≥60%	Achieved 68%

Total revenue and expenses

2023/24 ACTUAL	\$MILLION	2024/25 ACTUAL	2024/25 BUDGET	VARIANCE
65.26	Revenue	71.63	64.57	7.06
63.91	Expenditure	57.33	66.64	(9.31)
1.35	Net surplus/(deficit)	14.30	(2.07)	16.37

⁶ This measure is calculated based on the number of health and safety assessments undertaken in high-risk sectors as a percentage of the total number of health and safety assessments undertaken.

⁷ This measure is not reported on as the sample size of the survey issued was not deemed sufficient.

⁸ This is also a reportable output.



ENFORCE

What WorkSafe achieved during 2024/25:

- developed a standardised focused assessment delivery process for the residential construction sector that sees engagement with sector lead organisations and businesses to communicate expectations and information regarding national assessment activity prior to site assessment
- undertook a range of enforcement or corrective action as an outcome of 49% of health and safety assessments or investigations.

White Island | Whakaari recap

Convictions and sentences remain in place for six entities prosecuted by WorkSafe in relation to health and safety failures in the lead-up to the 2019 eruption of Whakaari | White Island. However, the conviction of Whakaari Management Limited was quashed on appeal to the High Court in February 2025.

WorkSafe investigated 56 PCBUs and completed 20 investigation reports, leading to 19 charges against 13 defendants. The litigation process was also complex – one of the most complex and difficult cases that has come before the courts, especially in relation to health and safety – with over 100,000 documents for criminal disclosure and 900 exhibits produced during the trial.

A coronial inquest into the tragedy is due to begin in late 2025.

2023/24 ACTUAL	PERFORMANCE MEASURE	TARGET	2024/25 ACTUAL
Output measures from the <i>Statement of performance expectations 2024/25</i>			
New measure	The percentage of investigations in priority sectors (agriculture, construction, forestry and manufacturing)	≥85%	Achieved 85% ⁹
84%	The percentage of prosecutions that result in the relevant parties being held to account	≥80%	Achieved 83%
Impact measures from the <i>Statement of intent 2024/25–2027/28</i>			
New measure	The percentage of businesses in priority areas or sectors that improve workplace safety following improvement notices ¹⁰	≥95%	Achieved 96%
New measure	The percentage of businesses that improve workplace safety following improvement notices	≥95%	Achieved 95%

Total revenue and expenses

2023/24 ACTUAL	\$MILLION	2024/25 ACTUAL	2024/25 BUDGET	VARIANCE
59.00	Revenue	47.16	57.58	(10.42)
57.70	Expenditure	44.12	55.81	(11.69)
1.30	Net surplus/(deficit)	3.04	1.77	1.27

⁹ The measure was designed to increase the proportion of investigative resources directed toward priority sectors. As a number of investigations were already underway at the start of the year, it was essential that these were allowed to run their course to conclusion. For this reason, it was expected to take 12–18 months to meaningfully influence the measure. Throughout 2024/25, WorkSafe focused on completing these legacy investigations while increasing the proportion of new investigations in priority sectors. The reported figure reflects the position at year-end and the progress made in shifting the balance.

¹⁰ Improvement notices are one of the most commonly used enforcement measures by inspectors. They are written notices that require a duty holder to comply with a specific provision of the Act or regulations or prevent a contravention of the Act or regulations from occurring. The notice sets out the safety improvement required to ensure that duties under the Act are met and a timeframe for achievement of this improvement. The figure used for the measure is based on the percentage of improvement notices issued by the regional inspectorate due within the reporting period that are completed within the prescribed timeframe.



PERMIT

What WorkSafe achieved during 2024/25:

- published a permit compliance framework setting out WorkSafe's regulatory approach
- developed a risk-based framework for decision making
- developed a performance reporting mechanism.

Improving the efficiency of our permit processes to ensure more timely authorisation outcomes

Timely, risk-based decision making coupled with effective monitoring are critical to ensuring good safety and business outcomes for permit. WorkSafe recognised the need to improve our performance, including our timeframes for processing permit applications, so we launched the Permit Programme to bring about this change.

By the end of 2024, WorkSafe introduced new standards to help enable faster decision making. These included setting specific time targets for each major step in the permit process, with a target of making all permit decisions within 30 working days.

At the beginning of 2025, there were 71 permit applications that had taken longer than 30 working days to process, spread across five different areas. By 30 June 2025, that number had dropped to 19 applications across three areas.

2023/24 ACTUAL	PERFORMANCE MEASURE	TARGET	2024/25 ACTUAL
Output measures from the <i>Statement of performance expectations 2024/25</i>			
New measure	The percentage of authorisations processed within agreed timeframes	≥85%	Not achieved 85%¹¹
New measure	The percentage of authorisation applications and renewals processed according to WorkSafe's quality standards	≥85%	Not achieved 75%¹²
Impact measures from the <i>Statement of intent 2024/25-2027/28</i>			
New measure	Develop and implement a framework to assess the proportion of businesses that carry out regulated work activity in accordance with their authorisation	by 30 June 2025	Achieved

Total revenue and expenses

2023/24 ACTUAL	\$MILLION	2024/25 ACTUAL	2024/25 BUDGET	VARIANCE
21.00	Revenue	29.63	20.80	8.83
20.40	Expenditure	23.37	20.45	2.92
0.60	Net surplus/(deficit)	6.26	0.35	5.91

¹¹ The measure is reported as not achieved as the year-end result is rounded up to closest whole number. The result trended positively over the year. However, dealing with the backlog has impacted the overall timeliness result.

¹² The measure does not measure whether the application meets the criteria for authorisation. It measures whether the administration process for the application has been followed.

Reportable output

WorkSafe has also received funding through Workplace Relations and Safety – Capital for WorkSafe New Zealand. This appropriation is limited to capital injections and loans to WorkSafe to support the delivery of its functions as the health and safety at work regulator. This appropriation is intended to achieve the design and implementation of an appropriate information technology system for WorkSafe that supports the processing of licences and authorisations and to enable WorkSafe to administer the refrigeration licensing scheme in advance of fees being received. The measure used to report against the appropriation is that any major capital project proposals are developed in accordance with Treasury business case guidelines.

WorkSafe did not draw down the remaining balance of the loan facility during the year and did not develop any new major capital project proposals.

2023/24 ACTUAL	PERFORMANCE MEASURE	TARGET	2024/25 ACTUAL
Achieved	Any major capital project proposals are developed in accordance with published Treasury business case guidelines	Achieved	Not applicable

3.0

Our organisation

IN THIS SECTION:

- 3.1 About WorkSafe
- 3.2 WorkSafe works with others to amplify its efforts
- 3.3 How WorkSafe is set up
- 3.4 Organisational health
- 3.5 Key management personnel compensation
- 3.6 Organisational efficiency and effectiveness measures
- 3.7 Carbon Neutral Government Programme (CNGP)

3.1 About WorkSafe

WorkSafe operates under a legislative mandate to promote and enforce health and safety in workplaces across New Zealand. Its core responsibilities are defined through the following.

Primary legislations

- **WorkSafe New Zealand Act 2013:** Establishes WorkSafe as the primary workplace health and safety regulator and outlines its functions, including developing safe work instruments.
- **Health and Safety at Work Act 2015:** The cornerstone of New Zealand's health and safety system. It sets out the duties of businesses, workers and regulators to ensure healthy and safe work environments.¹³
- **Electricity Act 1992 and Gas Act 1992:** Provide WorkSafe with regulatory responsibilities for the safe supply and use of electricity and gas.

Supporting regulations and instruments

- A range of regulations under these Acts, including those for hazardous substances, major hazard facilities and specific work activities.
- **Safe work instruments (SWIs):** Developed by WorkSafe to provide technical specifications or standards that support compliance with regulations.

3.2 WorkSafe works with others to amplify its efforts

Work health and safety is everyone's responsibility. Safer, healthier work benefits workers and their families and communities. WorkSafe's main focus is to influence businesses and other organisations to protect the health and safety of people at work. WorkSafe engages with workers, iwi organisations, unions, employers, businesses and industry and sector bodies to amplify its efforts and achieve collective goals for worker health and safety.

WorkSafe carries out its function alongside and in collaboration with MBIE, other HSWA regulators (Maritime New Zealand and Civil Aviation Authority), New Zealand Police, NZ Transport Agency, ACC, Environmental Protection Authority, businesses, iwi and unions.

3.3 How WorkSafe is set up

Board

WorkSafe is governed by a Board appointed by the Minister under the WorkSafe New Zealand Act. The Board provides governance and leadership, sets WorkSafe's strategic direction and guides the organisation's work programme.

Board members have backgrounds that include expertise in public sector governance, central government processes, New Zealand's work health and safety environment, perspectives of businesses, administration of work health and safety legislation and risk management frameworks and business generally. The table below lists current Board members with dates of appointment and expiry.

¹³ The Government has announced its intention to review health and safety legislation. This section relates to legislation current as at October 2025.

MEMBERS	DATE OF ORIGINAL APPOINTMENT	DATE OF EXPIRY OF CURRENT TERM ¹⁴
Jennifer Kerr (Chair)	October 2022	October 2025
Bill Moran (Deputy Chair)	June 2019	June 2026
Kristen Thompson	June 2019	June 2025 (ongoing)
Bill Newson	March 2022	March 2025 (ongoing)
Mark Leslie	July 2023	July 2026
Elena Trout	July 2024	June 2027
Paul Connell	July 2024	June 2027
Kevin Jenkins	July 2024	June 2027

The Board is supported by two committees:

- the Audit, Risk and Finance Committee monitors WorkSafe’s finances and provides independent assurance and advice to the Board relating to WorkSafe’s risk, control and compliance framework as well as external accountability responsibilities
- the People, Remuneration and Diversity Committee reviews and advises the Board on measures to improve the health, safety and wellbeing of WorkSafe people, talent strategy, diversity, senior leader succession planning and WorkSafe’s remuneration policies as well as environmental sustainability policies.

Board remuneration information is available on page 39.

Organisational structure

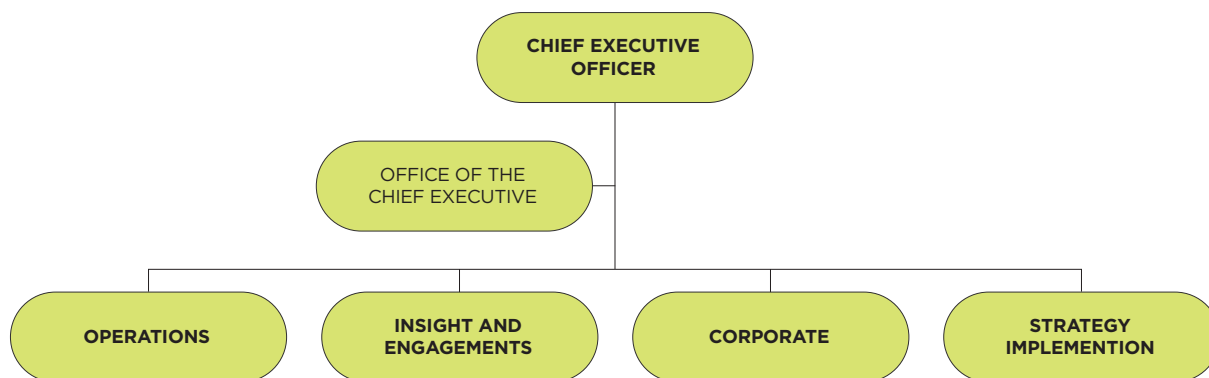
WorkSafe is led and managed by our Executive Leadership Team (ELT), including the Chief Executive, three Deputy Chief Executives and the Director, Strategy Implementation. Together, they bring extensive leadership, management and technical experience to their roles.

WorkSafe’s new structure, including the ELT, came into effect on 31 March 2025. As at 30 June 2025, the new Chief Executive has been on board for 8 months and three ELT roles have changed. The new ELT brings a strong mix of experience in delivering transformational change – with a focus on stakeholder engagement, digital enablement, delivering performance and organisational cultural change. The ELT and new structure enable a refocusing of the organisation with more resource placed in the front line versus the back office. This will support an increase in engagement activity and better interaction with PCBUs and duty holders to manage critical risks and improve workplace health and safety.

The Chief Executive is accountable to the WorkSafe Board and reports to the Board Chair.

WorkSafe staff work in 18 locations across New Zealand. WorkSafe is organised in four groups. The largest is the Operations group, which focuses on frontline services.

¹⁴ An appointment/reappointment process is currently in train for the board members whose terms have expired.



- Operations provides frontline delivery, including inspecting workplaces, specialist interventions, energy safety and managing hazards, technical specialist advice and delivering the permit and authorisations functions
- Insights and Engagement gathers data and evidence to form insights that are used to identify where and how WorkSafe will intervene for greatest impact and optimum outcomes, monitors whether the organisation's activities are having the desired impact, provides regulatory advice and manages and maintains relationship with other health and safety regulators, iwi, unions and sector leadership groups. It also develops guidance products.
- Corporate services provides core corporate and enabling functions, including people and capability, legal, safety, property, Ministerial services, performance reporting, finance, risk and compliance, and digital information services.
- Strategy implementation provides the systems and processes needed to implement, embed and monitor Government health and safety reform and WorkSafe's strategy as well as functional model.
- The Office of the Chief Executive supports and advises the Chief Executive and supports the Board.



Headcount

562

(555.8 FTEs)

546

Permanent
(540.38 FTEs)

15

Fixed term
(14.41 FTEs)

1

Seconded out
(1.0 FTEs)

WorkSafe staff profile at a glance

GENDER

50.36%

Male

49.29%

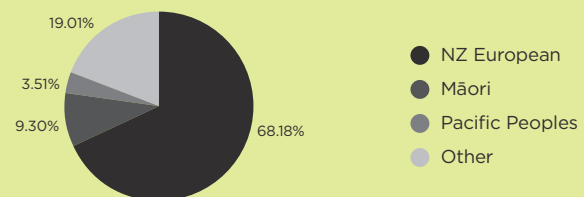
Female

0.36%

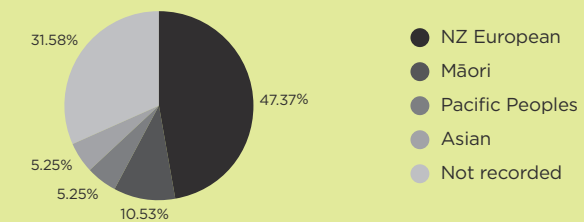
Gender
diverse

ETHNICITY

Workforce ethnicity



Leaders tier 1-3 ethnicity



LENGTH OF SERVICE

Years

6.57

Average length
of service

AGE

47.85

Average
age

PAY GAP

Gender

10.2%

stayed the same

Māori

4.0%

↑ 1.6%

Pacific Peoples

9.1%

↑ 4.8%

3.4 Organisational health

Creating a culture where people thrive

Our vision is to create a culture that is values driven, embraces diversity and inclusion and creates an environment where our people belong, care about each other and thrive. WorkSafe's diversity, equity and inclusion (DEI) approach has four strategic priority areas:

- **Inclusion metric:** By 31 December 2025, 97% of employees will feel they are included, respected and valued at WorkSafe.
- **Gender and ethnic pay gap:** Development of a workplan to deliver on and make progress towards the goals of the Public Service Pay Gaps Action Plan (Kia Toipoto)
- **Leadership composition:** Establishment of an inclusion baseline metric in 2022.
- **Te ao Māori:** By 2025, WorkSafe will have increased the number of Māori employees to reflect our communities.¹⁵

In 2024/25, WorkSafe worked to complete actions from the DEI action plan and pay action plan, developed with the PSA and WorkSafe's employee-led networks (ELNs). WorkSafe partnered with ELNs to create support tools for diverse communities during periods of change and transition.

WorkSafe has planned to refresh the DEI approach in quarter 1 of 2025/26 in partnership with ELNs and the PSA. WorkSafe has also signed up for the Accessibility Tick, focusing on commitment, recruitment and selection, employee support and career development. The Accessibility Tick stocktake will form the foundation of the DEI plans, allowing WorkSafe to take an intersectional approach with ELNs to ensure the plan is equitable for all.¹⁶

ELN leads now meet bimonthly to share experiences and collaborate with an intersectional lens. WorkSafe has created a sustainable resourcing framework for our ELNs, endorsed by the ELT. This framework provides dedicated time for ELN work, learning and development opportunities, funding support and regular collaboration forums to ensure the networks can effectively support their communities.

WorkSafe is aligning its efforts with the broader public sector diversity and inclusion (Papa Pounamu) commitments, which include:

- enhancing recruitment methods to attract diverse candidates and reduce bias
- developing and implementing a gender and ethnic pay gap action plan
- crafting and providing focused leadership development programmes
- evaluating the performance and development process, including reward and recognition, to establish a clear, equitable system for measuring performance
- utilising technology to foster connections and support relationship building across WorkSafe.

¹⁵ This is an evidence-based approach to improve the effectiveness of health and safety regulation for a population that faces significantly higher workplace risks.

¹⁶ The goal is to create a WorkSafe that is more culturally competent, better informed about diverse worker experiences and more effective at delivering health and safety reforms because it can design and implement solutions that actually work for all New Zealand workers. This systematic approach to inclusion directly improves WorkSafe's regulatory capabilities and effectiveness.

Professional development recognised

An immersive training programme for WorkSafe inspectors fared well in late 2024 at international awards for learning and development.

Investigations Essentials is an augmented reality experience where inspectors carry out a virtual scene examination of a shed where a worker has been seriously injured. WorkSafe began delivering this training in mid-2024 to improve consistency among inspectors.

The programme won a diamond award in the Custom/Bespoke Learning category at the 2024 LearnX awards. There are contributions from over 30 countries worldwide for these awards, so achieving the diamond award recognises that our training is competing with the best globally.

Having this training available for WorkSafe inspectors is a significant milestone and will support the organisation's investigative capability into the future.

Pay gap action plan

WorkSafe reduced its gender pay gap from 12.9% to 10.2% through its co-designed pay gap action plan, developed with ELNs and the PSA. In 2024/25, WorkSafe maintained this improvement while increasing women in leadership roles (tiers 1–3) by 10%.

Inclusive leadership

WorkSafe continued to build on the Leadership Capabilities framework, launched in 2023/24, which defines the role of a leader at WorkSafe and the characteristics and behaviours of good leadership at every level of our organisation.

In 2024/25, WorkSafe launched the Leadership Development Programme to boost skills and ensure consistent leadership across the organisation. WorkSafe delivered additional leadership clinics to support people leaders navigating ongoing change and complexity. WorkSafe continued the 360° assessment tool and coaching programme, training more staff to deliver these assessments internally to support the leadership programme rollout.

Addressing bias

WorkSafe continued to offer unconscious bias e-learning to all staff throughout 2024/25. All hiring managers involved in recruitment processes completed training in unconscious bias and diversity in recruitment to support fair and inclusive practices.

Employee-led networks

WorkSafe supported the establishment of the Multi-Ethnic Network in 2024/25, bringing our total to six ELNs. WorkSafe supported our ELNs with awareness-raising activities and developed a sustainable resourcing framework, endorsed by the ELT, which provides dedicated time, funding support and collaboration opportunities to ensure our networks can effectively support their communities.

Employee experience

WorkSafe paused quarterly worker engagement surveys during 2024/25, responding to staff feedback requesting a break during the organisational change period, allowing staff to concentrate on the restructuring process, providing feedback on changes and applying for the roles. WorkSafe conducted the first post-change survey in May 2025 and will resume quarterly surveys to gather regular feedback from staff and address any concerns. These surveys allow WorkSafe to monitor the positive impact of workplace improvements and ensure a supportive environment for all employees.

The engagement score is measured internally and has improved from the November 2023 low of 49% to 58% in May 2025. Benchmark questions are used to compare against other organisations in the public sector. WorkSafe scored 53% compared to the public sector average of 63% on standardised benchmark questions that allow comparison with other public sector agencies. We cannot compare the results with all agencies because not all use the same survey tool. The May 2025 survey was completed only 2 months after WorkSafe completed a major organisational change (in March 2025) so the increased score is encouraging. WorkSafe is focused on rebuilding culture, leadership and performance management practices following a 2-year period of change, including two organisational restructures, which has directly impacted engagement.

Good-employer obligations

WorkSafe is dedicated to offering fair employment opportunities and fostering a healthy and safe environment where people can thrive. The table below outlines some of the key initiatives to achieve this.

We grow our people	- Learn, grow and adapt policy - Leadership capability framework - WorkSafe Leadership Development Programme - 360° leadership assessment and coaching tool - Evolving management fundamentals learning programme - LinkedIn Learning subscription secured to provide cost-effective, flexible training for staff – rollout is planned for quarter 1 of 2025/26 - Study leave and educational support - Funding support for professional development
We provide a healthy and safe environment	- Professional supervision and Employee Assistance Programme (EAP) available to everyone - Return-to-work support - Update of Health and Safety Committee structure and improved representation among workgroups - Ongoing support for the health and safety representative (HSR) network and individual HSRs - Health and wellbeing initiatives such as a flu vaccination programme, blood donation programme and baseline occupational health surveillance assessments - Effective channels to report and address workplace-related concerns and improvement opportunities - Improved internal health and safety reporting mechanism for WorkSafe's executive level - Physical safety stocktake for staff visiting PCBU sites - Ergonomic workstation assessments
We enable flexible work and support staff wellbeing	- Working here policy - Remote work technology and equipment support - Health and wellbeing initiatives - Professional supervision and EAP available to everyone - Psychological first aid training provided to help staff support colleagues during change - Support tools developed with our ELNs and the PSA for diverse communities during organisational change - Flexible leave arrangements - Ergonomic workplace assessments - Return-to-work support programmes

We assess and monitor fair pay, diversity, equity and inclusion in our organisation	- Working here policy and starting here policy - Gender and ethnic pay gap action plan in line with Te Kawa Mataaho Public Service Pay Gap Action Plan requirements - Conscious inclusion learning - DEI metrics and reporting - Accessibility improvements (WorkSafe has signed up for Accessibility Tick) - Development and growth of ELNs
We recruit, select and induct the best people	- Competency-based interview processes - Starting here policy - Secondments, including interagency secondments - Robust inspector recruitment programme - Strengthening our manager and employee induction and onboarding processes - Regular induction feedback and improvement
We support our people to grow in their roles	- Learn, grow and adapt policy - Evolving inspector workforce planning and development pathway - Tools and resources to support leaders and staff in creating individual development plans, providing feedback and preventing bias - Career development reflection tool - Performance planning and review processes - Inspectorate mentoring and coaching programmes - Conference and external training opportunities
We fairly remunerate and recognise our staff	- Getting paid policy - Regular market salary reviews - Benefits package (life insurance, KiwiSaver contributions) - Remuneration framework

3.5 Key management personnel compensation

Payments to key management personnel during the year ended 30 June 2025 amounted to \$2.147m compared to \$2.880m for the 2023/24 financial year.

Board remuneration

\$000	ACTUAL 2025	ACTUAL 2024
Jennifer Kerr (Chair)	47.25	47.25
William Moran (Deputy Chair)	30.39	30.39
Kristen Thompson ¹⁷	24.30	26.73
Elena Trout ¹⁸	24.30	-
Lois Hutchinson ²⁰	-	16.20
Pauline Lockett ²⁰	-	16.20
Bill Newson	24.30	24.30
Mark Leslie	24.30	24.30
Kevin Jenkins ¹⁹	24.30	-
Paul Connell ¹⁹	24.30	-
TOTAL BOARD MEMBER REMUNERATION	223.44	185.37

¹⁷ Board Member and People, Remuneration and Diversity Committee Chair.

¹⁸ Amended from independent Audit, Risk and Finance Committee Chair to Board Director effective from 1 July 2024.

¹⁹ Appointed as Board member effective from 1 July 2024.

²⁰ Resigned as Board member in 2024.

Fees to committee members

\$000	ACTUAL 2025	ACTUAL 2024
Mining Board of Examiners remuneration	35	42
Audit, Risk and Finance Committee remuneration	2	18
Puataunofo Strategic Advisory Group	17	7
People, Remuneration and Diversity Committee	2	-
TOTAL COMMITTEE MEMBER REMUNERATION	56	67

Personnel costs including employee remuneration

Personnel costs during the year ended 30 June 2025 amounted to \$92.3m compared to \$99.4m for the 2023/24 financial year.

	ACTUAL 2025	ACTUAL 2024
\$100,000 - \$109,999	98	102
\$110,000 - \$119,999	35	51
\$120,000 - \$129,999	64	49
\$130,000 - \$139,999	30	42
\$140,000 - \$149,999	54	63
\$150,000 - \$159,999	30	31
\$160,000 - \$169,999	24	22
\$170,000 - \$179,999	32	36
\$180,000 - \$189,999	11	10
\$190,000 - \$199,999	5	8
\$200,000 - \$209,999	10	9
\$210,000 - \$219,999	3	4
\$220,000 - \$229,999	4	3
\$230,000 - \$239,999	4	3
\$240,000 - \$249,999	-	1
\$250,000 - \$259,999	2	1
\$260,000 - \$269,999	6	4
\$270,000 - \$279,999	1	-
\$280,000 - \$289,999	1	-
\$290,000 - \$299,999	-	1
\$310,000 - \$319,999	1	1
\$350,000 - \$359,999	1	1
\$360,000 - \$369,999	-	1
\$370,000 - \$379,999	1	1
\$390,000 - \$399,999	-	1
\$400,000 - \$409,999	-	1
\$470,000 - \$479,999	1	-
\$500,000 - \$509,999	1	-
TOTAL EMPLOYEES	419	446

In addition to this, during the year ended 30 June 2025, there were six hurt and humiliation payments amounting to \$121,000 (2023/24: three payments amounting to \$137,210) and 60 cessation and settlement payments amounting to \$3,107,682 (2023/24: 85 payments amounting to \$3,799,469).

3.6 Organisational efficiency and effectiveness measures

In addition to outcome and impact measures, WorkSafe monitors organisational efficiency and effectiveness. WorkSafe's five organisational performance measures and results are in the table below.

2023/24 ACTUAL	PERFORMANCE MEASURE	TARGET	2024/25 ACTUAL
74:26	The ratio of frontline staff relative to support staff	Improvement from 2023/24	Achieved 76:24 ²¹
49%	Staff engagement score	Improvement from 2023/24	Achieved 58% ²²
New	Budget management	Spend is within ±2% of budget	Not achieved 12.65% ²²
New	The cost of inspectorate activities	Within 2% of 2023/24 costs	Not achieved 13.3% ²³
New	The cost of processing authorisation applications and renewals	Within 2% of 2023/24 costs	Not achieved 8.2% ²⁴

3.7 Carbon Neutral Government Programme (CNGP)

WorkSafe's ambition for environmental performance

WorkSafe is committed to making meaningful contributions to public sector decarbonisation. WorkSafe has set emissions reduction targets to reduce gross emissions and their negative environmental impacts. These targets, designed to help us measure our progress to 2030, are:

- 25% reduction in gross emissions (no less than 21%) by 2025
- 45% reduction in gross emissions (no less than 42%) by 2030.

The targets relate to the 2018/19 base year during which WorkSafe's activities were responsible for emitting 2019 tonnes of carbon dioxide equivalent (tCO₂e).

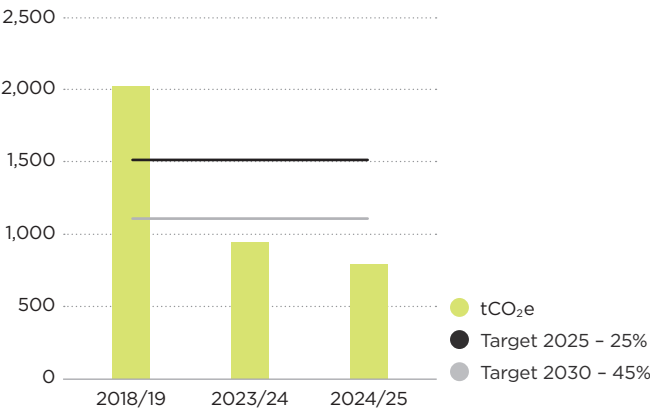
²¹ Note that fixed-term employees engaged for the Strategic Investment Programme have been excluded as they are not part of our establishment of 675.

²² Underspensing occurred due to organisational changes and resulting higher-than-expected staff vacancies. Additionally, planned spending on learning and development, ICT, facilities and other operations was deferred during the change consultation and implementation of the new structure.

²³ The cost of inspectorate activities is significantly lower due to vacancies. However, the volume of activities undertaken is relatively consistent for the capacity.

²⁴ Whilst the measure has not been achieved, WorkSafe has processed more authorisations in the year and therefore lowered the cost per authorisation as a result.

EMISSIONS PERFORMANCE

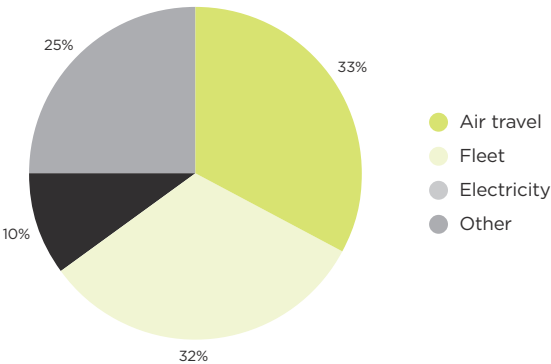


WorkSafe maintains Toitū Carbon Reduce certification, which is evidence WorkSafe is measuring and managing its carbon footprint in line with international best practice.

In 2024/25, WorkSafe's emissions were 791 tCO₂e – 61% (1,248 tonnes) below the 2018/19 base year of 2,019 tCO₂e and significantly lower than our 2025 25% reduction target. This reflects the impact of expenditure control and reduced FTE on business travel. If we maintain our current performance, we will meet our 2030 target.

WorkSafe will continue to embed sustainable practices and procedures to ensure that we maintain our positive emissions reduction trajectory.

EMISSIONS BREAKDOWN



Air travel – 33% of emissions

Air travel remains WorkSafe's single-largest emissions source. Travel-related emissions have significantly reduced over the last few years due to economic pressures and reduced FTE. Sustainability considerations are already embedded in WorkSafe's travel policy. WorkSafe will need to continue to scrutinise decision making around discretionary business travel to maintain progress in this area.

Fleet – 32% of emissions

The greatest emissions reduction opportunity for WorkSafe is the transition to a well-optimised electric fleet. In line with CNGP requirements, WorkSafe applies an electric-first policy to vehicle replacements and one-quarter of the fleet is now electric. This electrification will continue through an ongoing asset replacement plan to 2030. This has the potential to reduce total emissions by around 15%.

WorkSafe is deepening its understanding of how the fleet is currently used to identify opportunities for a future fleet operating model that is fit for purpose, flexible and efficient.

Other – 25% of emissions

The other category includes other travel, including accommodation, staff commuting and rental cars, the emissions associated with working from home and purchased goods and services. WorkSafe has less operational control over most of these emissions sources.

Electricity – 10% of emissions

Electricity use in our 18 offices is another significant emissions source. Changes to WorkSafe's property requirements offer an opportunity to further embed sustainability in upcoming lease negotiations and planned site enhancements.

EMISSIONS PROFILE BROKEN DOWN BY SOURCE/SCOPE (tCO₂e)

CATEGORY (ISO 14064-1:2018)	SCOPE (ISO 14064-1:2006)	2019	2024	2025
Category 1: Direct emissions (tCO ₂ e)	Scope 1	636.34	273.79	246.32
Category 2: Indirect emissions from imported energy* (tCO ₂ e)	Scope 2	127.65	90.93	76.17
Category 3: Indirect emissions from transportation (tCO ₂ e)	Scope 3	1,209.12	550.13	451.10
Category 4: Indirect emissions from products used by organisation (tCO ₂ e)		45.86	33.08	17.21
Category 5: Indirect emissions associated with the use of products from the organisation (tCO ₂ e)		-	-	-
Category 6: Indirect emissions from other sources (tCO ₂ e)		-	-	-
Total direct emissions (tCO₂e)		636.34	273.79	246.32
Total indirect emissions* (tCO₂e)		1,382.63	674.14	544.49
Total gross emissions* (tCO₂e)		2,018.97	947.93	790.81
Category 1 direct removals (tCO ₂ e)		0.00	0.00	0.00
Total net emissions (tCO₂e)		2,018.97	947.93	790.81

* Location-based method

EMISSIONS INTENSITY

	2018/19	2024/25	2025/26
Operating revenue (gross tCO ₂ e/\$millions)	-	7.12	5.34
Operating revenue (gross mandatory tCO ₂ e/\$millions)	-	5.35	4.14

4.0

Financial statements

Statement of comprehensive revenue and expense for the year ended 30 June 2025

\$000	NOTES	ACTUAL 2025	BUDGET 2025	ACTUAL 2024
Revenue				
Funding from the Crown	2	138,886	135,035	132,470
Interest revenue	2	2,666	1,569	1,813
Other revenue	2	6,872	6,340	10,975
Total revenue		148,424	142,944	145,258
Expenditure				
Personnel costs	3	92,261	95,732	99,408
Other expenses	4	23,757	36,950	34,807
Depreciation and amortisation expense	8, 9	7,479	8,850	6,499
Finance costs	14	1,319	1,365	1,298
Total expenditure		124,816	142,897	142,012
SURPLUS FOR THE YEAR		23,608	47	3,246
TOTAL COMPREHENSIVE REVENUE AND EXPENSE		23,608	47	3,246

Explanations of major variances against budget are provided in note 22.

The accompanying notes form part of these financial statements.

Statement of financial position as at 30 June 2025

\$'000	NOTES	ACTUAL 2025	BUDGET 2025	ACTUAL 2024
Assets				
Current assets				
Cash and cash equivalents	5	30,198	21,047	28,283
Receivables and prepayments	6	1,716	4,257	8,086
Investments	7	40,712	15,000	10,008
TOTAL CURRENT ASSETS		72,626	40,304	46,377
Non-current assets				
Property, plant and equipment	8	7,263	11,295	9,206
Intangible assets	9	24,705	27,128	29,282
TOTAL NON-CURRENT ASSETS		31,968	38,423	38,488
TOTAL ASSETS		104,594	78,727	84,865
Liabilities				
Current liabilities				
Payables and provisions	10, 13	8,827	5,201	9,530
Revenue in advance	11	560	–	100
Employee entitlements	12	8,023	7,643	8,147
Borrowings – current	14	10,000	5,000	5,000
TOTAL CURRENT LIABILITIES		27,410	17,844	22,777
Non-current liabilities				
Employee entitlements	12	1,005	591	864
Provisions	13	489	–	461
Borrowings	14	6,562	12,945	14,528
TOTAL NON-CURRENT LIABILITIES		8,056	13,536	15,853
TOTAL LIABILITIES		35,466	31,380	38,630
NET ASSETS		69,128	47,347	46,235
Equity				
Capital reserves	17	35,063	37,925	35,778
Memorandum account	17	2,520	1,853	2,443
Accumulated surplus	17	31,545	7,569	8,014
TOTAL EQUITY		69,128	47,347	46,235

Explanations of major variances against budget are provided in note 22.

The accompanying notes form part of these financial statements.

Statement of changes in equity for the year ended 30 June 2025

\$000	NOTES	ACTUAL 2025	BUDGET 2025	ACTUAL 2024
Balance at 1 July		46,235	46,351	42,957
Total comprehensive revenue and expense		23,608	47	3,246
Owner transactions				
Capital contribution	14, 17	(715)	949	1,643
Return of funding	17	-	-	(1,611)
BALANCE AT 30 JUNE		69,128	47,347	46,235

Explanations of major variances against budget are provided in note 22.

The accompanying notes form part of these financial statements.

Statement of cash flows for the year ended 30 June 2025

\$000	NOTES	ACTUAL 2025	BUDGET 2025	ACTUAL 2024
Cash flows from operating activities				
Receipts from the Crown		134,645	135,035	135,100
Interest received		1,962	1,571	1,813
Receipts from other revenue		9,805	6,356	13,552
Payments to suppliers		(21,093)	(40,490)	(34,205)
Payments to employees		(87,638)	(95,517)	(98,177)
GST (net)		(123)	(200)	530
Net cash flow from operating activities		37,558	6,755	18,613
Cash flows from investing activities				
Receipts from sale of property, plant and equipment		245	-	1,354
Purchase of property, plant and equipment	8	(39)	(2,801)	(2,686)
Purchase of intangible assets	9	(849)	(3,637)	(4,731)
(Payments)/receipts for new term deposits		(30,000)	(5,000)	10,163
Net cash flow (used in)/from investing activities		(30,643)	(11,438)	4,100
Cash flows from financing activities				
Loan drawdown	14	-	3,000	4,650
Loan repayment	14	(5,000)	(5,000)	(5,000)
Net cash flow used in financing activities		(5,000)	(2,000)	(350)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS		1,915	(6,683)	22,363
Cash and cash equivalents at the beginning of the year		28,283	27,730	5,920
Cash and cash equivalents at the end of the year		30,198	21,047	28,283

Explanations of major variances against budget are provided in note 22.

The accompanying notes form part of these financial statements.

**Reconciliation of net surplus/(deficit)
to net cash flow from operating activities
for the year ended 30 June 2025**

\$000	ACTUAL 2025	ACTUAL 2024
Net surplus	23,608	3,246
Add/(less) non-cash items		
Depreciation and amortisation expense	7,479	6,499
Loss from impairment of assets	39	1,368
Fringe benefit tax provision	4,073	-
Make good provision	35	572
Restructuring provision	754	221
Reversal of doubtful debt provision	(858)	-
Return of capital	(4,241)	(1,611)
Total non-cash items	7,281	7,049
Add/(less) items classified as investing or financing activities		
Gains from disposal of property, plant and equipment	(201)	-
Interest expense on loan	1,319	1,298
Total items classified as investing or financing activities	1,118	1,298
Add/(less) movements in statement of financial position items		
Decrease in receivables	2,567	1,175
Decrease in prepayments	3,803	1,402
(Decrease)/increase in payables	(1,296)	3,361
Increase/(decrease) in revenue in advance	460	(30)
Increase in employee entitlements	17	1,112
Net movements in working capital items	5,551	7,020
NET CASH FLOW FROM OPERATING ACTIVITIES	37,558	18,613

The accompanying notes form part of these financial statements.

Notes to the financial statements

1. Statement of accounting policies

REPORTING ENTITY

WorkSafe New Zealand, a Crown Agent as defined by the Crown Entities Act 2004, was established on 16 December 2013 and is domiciled and operates in New Zealand. The relevant legislation governing WorkSafe's operations includes the Crown Entities Act 2004, the WorkSafe New Zealand Act 2013 and the Health and Safety at Work Act 2015. WorkSafe's ultimate parent is the New Zealand Crown. WorkSafe is funded primarily by Crown through Vote Labour Market.

WorkSafe's primary objective is to provide public services to the New Zealand public, as opposed to making a financial return. Accordingly, WorkSafe has designated itself as a public benefit entity (PBE) for financial reporting purposes.

The financial statements for WorkSafe are for the 12 months ended 30 June 2025 and were approved by the Board on 31 October 2025.

BASIS OF PREPARATION

The financial statements have been prepared on a going-concern basis, and the accounting policies have been applied consistently throughout the period.

Certain prior year comparative balances have been reclassified to align with the current year presentation.

STATEMENT OF COMPLIANCE

The financial statements of WorkSafe have been prepared in accordance with the requirements of the Crown Entities Act 2004, which include the requirement to comply with generally accepted accounting practice in New Zealand (NZ GAAP).

These financial statements have been prepared in accordance with, and comply with, Tier 1 PBE accounting standards.

Measurement base

The financial statements have been prepared on a historical cost basis, except for some non-financial assets and liabilities, which are stated at fair value.

Functional and presentation currency

The financial statements are presented in New Zealand dollars, and all values are rounded to the nearest thousand dollars (\$000), unless otherwise stated. The functional currency of WorkSafe is New Zealand dollars (NZ\$).

STANDARDS ISSUED AND NOT YET EFFECTIVE AND NOT EARLY ADOPTED

Standards and amendments issued but not yet effective and not early adopted are as follows.

2024 Omnibus Amendment to PBE Standards issued October 2024

2024 Omnibus Amendments issued by the External Reporting Board (XRB) include the amendments to PBE IPSAS 1. The amendment clarifies the principles for classifying a liability as current or non-current.

This is effective for accounting periods which begin on or after 1 January 2026. This amendment is not expected to have a significant impact on WorkSafe's financial statements.

PBE Conceptual Framework Update issued August 2024

PBE Conceptual Framework Update amends Chapter 3 Qualitative Characteristics and Chapter 5 Elements in General Purpose Financial Reports of the Public Benefit Entities' Conceptual Framework ('PBE Conceptual Framework').

The amendments are based on recent limited-scope updates to the International Public Sector Accounting Standards Board's (IPSASB's) Conceptual Framework, which reflect the latest international thinking on certain conceptual matters and provide additional guidance and clarifications.

The amendments include clarification of the role of prudence in the context of representational faithfulness and updates to the guidance on materiality, as well as updates to the definition of an asset and a liability and the related guidance.

The PBE Conceptual Framework is not a Standard. However, PBEs in Tiers 1, 2 and 3 may refer to it when preparing financial reports – for example, when determining how to account for a transaction not specifically covered by a Standard. Adoption of the update is effective for accounting periods beginning on or after 1 January 2028. This update is not expected to have a significant impact on WorkSafe's financial statements.

NEW OR AMENDED STANDARDS ADOPTED

Disclosure of fees for audit of Firm's services (Amendment to PBE IPSAS 1)

Amendments to PBE IPSAS 1 Presentation of Financial Reports change the required disclosures for fees relating to services provided by the audit or review provider, including a requirement to disaggregate the fees into specified categories.

The amendments to PBE IPSAS 1 aim to address concerns about the quality and consistency of disclosures an entity provides about fees paid to its audit or review firm for different type of services.

The enhanced disclosures are expected to improve the transparency and consistency of disclosures about fees paid to an entity's audit or review firm. This is effective for the year ended 30 June 2025.

Adoption of this amendment did not result in any significant impact on WorkSafe's financial statements.

SIGNIFICANT ACCOUNTING POLICIES

Significant accounting policies are included in the notes to which they relate. Significant accounting policies that do not relate to a particular note are outlined below and have been applied consistently to all periods presented in these financial statements.

Foreign currency

Foreign currency transactions are translated into New Zealand dollars using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end of monetary assets and liabilities denominated in foreign currencies are recognised in the surplus or deficit.

Goods and services tax (GST)

All items in the financial statements are presented exclusive of GST, except for receivables and payables, which are presented on a GST-inclusive basis. Where GST is not recoverable as input tax, it is recognised as part of the related asset or expense.

The net amount of GST recoverable from, or payable to, Inland Revenue is included as part of receivables or payables in the statement of financial position.

The net GST paid to, or received from, Inland Revenue (including the GST relating to investing and financing activities) is classified as an operating cash flow in the statement of cash flows.

Commitments and contingencies are disclosed exclusive of GST.

Income tax

WorkSafe is a public authority and consequently is exempt from the payment of income tax. Accordingly, no charge for income tax has been provided for.

Budget figures

The budget figures are derived from the Statement of Performance Expectations 2024/25 as approved by the Board at the beginning of the financial year.

The budget figures have been prepared in accordance with NZ GAAP, using accounting policies that are consistent with those adopted by the Board in preparing these financial statements. The budget figures are unaudited.

Critical accounting estimates and assumptions

In preparing these financial statements WorkSafe have made estimates and assumptions concerning the future. These estimates and assumptions may differ from the subsequent actual results. Estimates and assumptions are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed reasonable under the circumstances. There are no critical assumptions to detail specifically.

2. Revenue

The specific accounting policies for significant revenue items are explained below:

Funding from the Crown

WorkSafe is primarily funded through revenue received from the Crown and is restricted in its use for the purpose of WorkSafe meeting its objectives as specified in its Statement of Performance Expectations and Statement of Intent.

WorkSafe considers there are no conditions attached to the funding, unless specified, and it is recognised as revenue at the point of entitlement. This is considered to be the start of the appropriation period to which the funding relates. The fair value of funding from the Crown has been determined to be equivalent to the amounts received and due.

Provision of services

Services provided to third parties on commercial terms are exchange transactions. Revenue from these services is recognised in proportion to the stage of completion at balance date. The liability for any revenue not recognised at balance date is shown in the statement of financial position as revenue in advance.

Interest revenue

Interest revenue includes revenue recognised by accruing on a time proportion basis the interest due for the investment.

Rental revenue

Lease receipts under an operating sublease are recognised as revenue on a straight-line basis over the lease term.

OTHER REVENUE

\$000	ACTUAL 2025	ACTUAL 2024
ACC funding	5,886	9,462
Safety case revenue	307	226
Registration fees collected	145	166
Rent from sub-leases	104	148
Other revenue	430	973
TOTAL OTHER REVENUE	6,872	10,975

The ACC multi-year partnering agreement provides funding for the Harm Reduction Action Plans funds, which are fully allocated and accounted for in accordance with an Injury Prevention Measure Commitment. These are reported to ACC regularly. The agreement with ACC was concluded during year.

3. Personnel costs**SALARIES AND WAGES**

Salaries and wages are recognised as an expense as employees provide services.

SUPERANNUATION SCHEMES**Defined contribution schemes**

Employer contributions to KiwiSaver, the Government Superannuation Fund and the State Sector Retirement Savings Scheme are accounted for as defined contribution superannuation schemes and are expensed in the surplus or deficit as incurred.

Defined benefit schemes

WorkSafe makes employer contributions to the Defined Benefit Plan Contributors Scheme (the scheme), which is managed by the Board of Trustees of the National Provident Fund. The scheme is a multi-employer defined benefit scheme.

Insufficient information is available to use defined benefit accounting, as it is not possible to determine from the terms of the scheme the extent to which the surplus/deficit in the plan will affect future contributions by individual employers, because there is no prescribed basis for allocation. The scheme is therefore accounted for as a defined contribution scheme.

PERSONNEL COSTS

\$000	ACTUAL 2025	ACTUAL 2024
Salaries and wages	75,881	85,958
Contractors	4,018	4,065
Restructuring costs	3,638	3,937
Other personnel-related costs	2,915	2,853
Fringe benefit tax provision (Note 13)	4,073	-
Defined contribution plan employer contributions	2,431	2,693
Decrease in net leave provision	(695)	(98)
TOTAL PERSONNEL COSTS	92,261	99,408

KEY MANAGEMENT PERSONNEL COMPENSATION

\$000	ACTUAL 2025	ACTUAL 2024
Board members		
Remuneration	223	185
Number of FTE members ²⁵	1.05	0.95
Leadership members		
Remuneration	1,924	2,695
Number of FTE members	5.00	8.00
TOTAL KEY MANAGEMENT PERSONNEL REMUNERATION	2,147	2,880

Key management personnel include all Board members, the Chief Executive and members of the WorkSafe Executive Leadership Team.

4. Other expenses

\$000	ACTUAL 2025	ACTUAL 2024
ICT costs and technical support	5,880	7,509
Rental and leasing costs	3,409	4,480
Outsourced professional services ²⁶	3,338	5,485
Consultancy	2,434	1,615
Other property costs	2,225	3,621
Legal services	2,137	3,649
Staff travel	2,032	2,375
Levy Collection (services paid to ACC)	869	869
Shared services provided by MBIE ²⁷	593	1,670
Advertising, publicity, and sponsorship	318	714
Other expenses	260	1,216
Fees to Board members	223	185
Fees to Advisory Board members	56	67
(Gain)/loss on disposal of assets	(242)	355
Impairment of intangible asset (Note 9)	39	814
Auditor's remuneration		
Audit fees – WorkSafe's financial statements ²⁸	186	183
TOTAL OTHER EXPENSES	23,757	34,807

²⁵ Board member FTE calculations are based on the assumptions noted in Cabinet Office Circular CO (22) 2.

²⁶ Outsourced professional services includes payments for ACC and other partnership funding activities, expert witness and other services from industry experts, research and survey services.

²⁷ MBIE provides support as part of a service-level agreement which includes ICT, property services and contact centre services.

²⁸ Deloitte did not provide any other services during the year and the previous year.

5. Cash and cash equivalents

Cash and cash equivalents include cash on hand, deposits held on call with banks and other short-term, highly liquid investments with original maturities of three months or less.

CASH AND CASH EQUIVALENTS

\$000	ACTUAL 2025	ACTUAL 2024
Cash at bank and on hand	30,198	28,283
TOTAL CASH AND CASH EQUIVALENTS	30,198	28,283

While cash and cash equivalents at 30 June 2025 and 2024 are subject to the expected credit loss requirements of PBE IPSAS 41, no loss allowance has been recognised because the estimated loss allowance for credit losses is insignificant.

There are no assets recognised in a non-exchange transaction that are subject to restrictions.

WorkSafe is permitted to expend its cash and cash equivalents in line with the scope and limits of its funding requirements, including specifications by Treasury and ACC's harm prevention agreement.

6. Receivables and prepayments

Short-term receivables are recorded at the amount due, less an allowance for expected credit losses. WorkSafe applies the simplified expected credit loss model of recognised lifetime expected credit losses for receivables.

In measuring expected credit losses, short-term receivables have been assessed on a collective basis as they possess shared credit risk characteristics. They have been grouped based on the days past due.

Short-term receivables are written off when there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include the debtor being in liquidation.

RECEIVABLES AND PREPAYMENTS

\$000	ACTUAL 2025	ACTUAL 2024
Receivables from the sales of goods and services (exchange transactions)	914	4,339
Less: Allowance for credit losses	(191)	(1,049)
Receivables, net	723	3,290
Prepayments	993	4,796
TOTAL RECEIVABLES AND PREPAYMENTS	1,716	8,086

The potential credit loss rates of receivables as of 30 June 2025 and 30 June 2024 are based on the payment profile of revenue on credit over the prior two years at the measurement date and the corresponding historical credit losses experienced for that period. The historical loss rates are adjusted for current and forward-looking macroeconomic factors that might affect the recoverability of receivables. Given the short period of credit risk exposure, the impact of macroeconomic factors is not considered significant.

There have been no changes in the estimation techniques or significant assumptions used in measuring the loss allowance.

The allowance for credit losses as at 30 June 2025 and 30 June 2024 was determined as follows.

30 JUNE 2025	RECEIVABLES DAYS PAST DUE				TOTAL
	CURRENT	MORE THAN 30 DAYS	MORE THAN 60 DAYS	MORE THAN 90 DAYS	
Expected credit loss rate	-	-	-	45%	21%
Gross carrying amount (\$000)	488	-	-	426	914
Lifetime expected credit loss (\$000)	-	-	-	(191)	(191)
Receivables, net	488	-	-	235	723

30 JUNE 2024	RECEIVABLES DAYS PAST DUE				TOTAL
	CURRENT	MORE THAN 30 DAYS	MORE THAN 60 DAYS	MORE THAN 90 DAYS	
Expected credit loss rate	-	-	-	67%	24%
Gross carrying amount (\$000)	2,777	-	-	1,562	4,339
Lifetime expected credit loss (\$000)	-	-	-	(1,049)	(1,049)
Receivables, net	2,777	-	-	513	3,290

The carrying amounts of receivables approximates the fair value. There are \$0.19m potential credit losses for receivables (2023/24 – \$1.05m).

7. Investments

Bank term deposits are initially measured at the amount invested. Interest is subsequently accrued and shown as receivable.

INVESTMENTS

\$000	ACTUAL 2025	ACTUAL 2024
Current portion		
Term deposits	40,712	10,008
TOTAL CURRENT INVESTMENTS	40,712	10,008

There is no impairment provision for investments.

The carrying amount of term deposits with maturities less than 12 months approximates their fair value.

8. Property, plant and equipment

Property, plant and equipment consist of furniture and office equipment, leasehold improvements, computer hardware and motor vehicles.

MEASUREMENT

Property, plant and equipment are measured at cost, less accumulated depreciation and impairment losses.

ADDITIONS

Items of property, plant and equipment are recognised at cost and where it is probable that the future economic benefits or service potential associated with the items will flow to WorkSafe, and the cost of the items can be measured reliably. Work in progress is recognised at cost less impairment and is not depreciated.

Costs incurred subsequent to initial acquisition are capitalised only when it is probable that the future economic benefits or service potential associated with the items will flow to WorkSafe and the cost of the items can be measured reliably.

Capital expenditure for property, plant and equipment that are not in use or completed at the balance sheet date are recorded in work in progress. Items are transferred from work in progress into the asset classes when completed and/or available for use.

The costs of day-to-day servicing of property, plant and equipment are recognised in the statement of comprehensive revenue and expenses as they are incurred.

DEPRECIATION

Depreciation is calculated using the straight-line basis at rates that will write off the cost (or valuation) of the assets to their estimated residual values over their useful lives. The useful lives and associated depreciation rates of major classes of asset have been estimated as below.

Leasehold improvements are depreciated over the unexpired period of the lease or the estimated remaining useful lives of the improvements, whichever is the shorter.

The residual value and useful life of an asset are reviewed, and adjusted if applicable, at each financial year end.

ASSET CLASS	DEPRECIATION METHOD
Furniture and office equipment	5 years, 20% straight line (SL)
Leasehold improvements	The shorter of 10 years, 10% SL or the remaining term of the lease of the building that has been fitted out
Computer hardware	4 years, 25% SL
Motor vehicles	5–6 years, 16.67% – 20% SL

DISPOSALS

Gains and losses on disposal of an item of property, plant and equipment represent the difference between disposal proceeds, if any, and the carrying value of the asset at the time of disposal and are recognised in the surplus or deficit.

During the year ended 30 June 2025 a gain on disposal of \$0.20m was recognised (2023/24 – loss on disposal of \$0.35m).

IMPAIRMENT

Property and equipment are reviewed for impairment at least annually or whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. If an asset's carrying amount exceeds its recoverable service amount, the asset is regarded as impaired and the carrying amount is written down to its recoverable service amount.

PROPERTY, PLANT AND EQUIPMENT

\$'000	FURNITURE AND OFFICE EQUIPMENT	LEASEHOLD IMPROVEMENTS	COMPUTER HARDWARE	MOTOR VEHICLES	WORK IN PROGRESS	TOTAL
Cost or valuation						
Balance at 30 June 2023	3,956	5,365	2,785	7,051	2,430	21,587
Additions	-	-	-	-	2,686	2,686
Disposals	(2,117)	(2,344)	(84)	(1,167)	(554)	(6,266)
Transfers from WIP	-	1,859	506	2,134	(4,499)	-
Balance at 30 June 2024	1,839	4,880	3,207	8,018	63	18,007
Additions	-	-	-	-	39	39
Disposals	-	-	(72)	(145)	(11)	(228)
Transfers from WIP	32	12	25	-	(69)	-
Balance at 30 June 2025	1,871	4,892	3,160	7,873	22	17,818
Accumulated depreciation and impairment losses						
Balance at 30 June 2023	2,601	2,873	2,021	2,957	-	10,452
Depreciation expense	463	823	558	863	-	2,707
Disposals	(1,692)	(1,806)	(83)	(777)	-	(4,358)
Balance at 30 June 2024	1,372	1,890	2,496	3,043	-	8,801
Depreciation expense	198	516	325	901	-	1,940
Disposals	-	-	(71)	(115)	-	(186)
Balance at 30 June 2025	1,570	2,406	2,750	3,829	-	10,555
Carrying amounts						
At 30 June 2024	467	2,990	711	4,975	63	9,206
At 30 June 2025	301	2,486	410	4,044	22	7,263

There are no restrictions over the titles of WorkSafe's property, plant, and equipment. No items of property, plant, and equipment are pledged as security for liabilities.

9. Intangible assets**MEASUREMENT**

Intangible assets are measured at cost, less accumulated amortisation, and any impairment losses.

ADDITIONS

Purchased computer software is capitalised on the basis of the costs incurred to acquire and bring the software into use. Costs of software updates or upgrades are capitalised only when they increase the usefulness or value of the software.

Internally generated intangible assets are recognised at the cost associated with bringing the asset into use, including the cost of all materials used in construction, and employee costs.

Capital expenditure for intangible assets that are not in use or completed at the balance sheet date are recorded in work in progress. Items are transferred from work in progress into the asset classes when completed or available for use.

Expenditure incurred on the research of an internally generated intangible asset is expensed when it is incurred. When the research phase cannot be distinguished from the development phase, the expenditure is expensed when it is incurred.

Staff training costs are recognised as an expense when incurred. Costs associated with maintaining intangible assets are recognised as an expense when incurred.

AMORTISATION

Amortisation begins when an asset is available for use and ceases at the date that the asset is de-recognised. The amortisation charge for each period is recognised in the statement of comprehensive revenue and expense.

The useful lives and associated amortisation rates of major classes of intangible asset have been estimated as follows.

ASSET CLASS	DEPRECIATION METHOD
Acquired computer software	2–8 years, 12.5–50% SL
Developed computer software	5–8 years, 12.5–20% SL

IMPAIRMENT

Intangible assets that have a finite useful life are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. Work in progress is regularly reviewed to identify any impairment of the carrying value its assets. If an asset's carrying amount exceeds its recoverable service amount, the asset is regarded as impaired and the carrying amount is written down to its recoverable service amount.

During the year ended 30 June 2025 an impairment loss of \$0.04m was recognised (2023/24: \$0.81m) in relation to software assets in development which are to be replaced by a more cost-effective alternative.

INTANGIBLE ASSETS

\$'000	ACQUIRED SOFTWARE	INTERNALLY GENERATED SOFTWARE	WORK IN PROGRESS	TOTAL
Balance at 30 June 2023	12,318	16,385	15,669	44,372
Additions	-	-	4,731	4,731
Impairment of WIP	-	-	(814)	(814)
Transfers from WIP	-	18,744	(18,744)	-
Balance at 30 June 2024	12,318	35,129	842	48,289
Additions	-	-	849	849
Adjustment	152	-	-	152
Impairment	-	-	(39)	(39)
Transfers from WIP	-	803	(803)	-
Balance at 30 June 2025	12,470	35,932	849	49,251
Accumulated amortisation and impairment losses				
Balance at 30 June 2023	5,575	9,640	-	15,215
Amortisation expense	1,897	1,895	-	3,792
Balance at 30 June 2024	7,472	11,535	-	19,007
Amortisation expense	1,806	3,733	-	5,539
Balance at 30 June 2025	9,278	15,268	-	24,546
Carrying amounts				
Balance at 30 June 2024	4,846	23,594	842	29,282
BALANCE AT 30 JUNE 2025	3,192	20,664	849	24,705

There are no restrictions over the titles of WorkSafe's intangible assets. No intangible assets are pledged as security for liabilities.

10. Payables and provisions – current

PAYABLES

\$000	ACTUAL 2025	ACTUAL 2024
Payables under exchange transactions		
Creditors	750	564
Accrued expenses	1,558	2,659
Other	215	247
Total payables under exchange transactions	2,523	3,470
Payables under non-exchange transactions		
Taxes payables (GST, PAYE, and rates)	1,359	1,487
Return of funding (Note 23)	–	4,241
Provisions (Note 13)	4,945	332
Total payables under non-exchange transactions	6,304	6,060
TOTAL PAYABLES	8,827	9,530

Creditors and other payables are non-interest-bearing and are normally settled within 30 days, and their carrying value approximates their fair value.

11. Revenue in advance

Safety Case reviews for Major Hazard Facilities are recognised in proportion to the stage of completion at balance date. The liability for any revenue not recognised at balance date is shown in the statement of financial position as revenue in advance.

REVENUE IN ADVANCE

\$000	ACTUAL 2025	ACTUAL 2024
Safety case revenue	560	100
TOTAL CURRENT REVENUE IN ADVANCE	560	100

12. Employee entitlements

Employee entitlements WorkSafe expected to be settled within 12 months of balance date are measured at accrued entitlements at current rates of pay. These include salaries and wages accrued up to balance date and leave earned but not yet taken at balance date.

WorkSafe recognises a liability and an expense for bonuses where it is contractually obliged to pay them or where there is a past practice that has created a constructive obligation, and a reliable estimate of the obligation can be made.

Employee benefits that are due to be settled beyond 12 months after the end of the period in which an employee renders a related service, such as long service leave and retirement leave, have been calculated on an actuarial basis. The calculations are based on likely future entitlements accruing to staff based on years of service, years to entitlement, the likelihood that staff will reach the point of entitlement, contractual entitlement information and the present value of the estimated future cash flows.

EMPLOYEE ENTITLEMENTS

\$000	ACTUAL 2025	ACTUAL 2024
Current portion		
Accrued salaries and wages	2,640	2,138
Annual leave	4,916	5,558
Leave in lieu of overtime	24	79
Retirement and long service leave	443	372
Total current portion	8,023	8,147
Non-current portion		
Retirement and long service leave	1,005	864
Total non-current portion	1,005	864
TOTAL EMPLOYEE ENTITLEMENTS	9,028	9,011

Melville Jessup Weaver completed a valuation of the liability for retirement and long service leave that was expected to be accrued by all eligible employees as of 30 June 2025 and 30 June 2024. The amount noted above reflects the revised actuarial calculations provided by them, which are in accordance with PBE International Public Sector Accounting Standard 25 Employee Benefits.

Two key assumptions used in calculating the retirement and long service leave liability were the discount rate and the salary inflation assumption. The discount rate is based on rates supplied by the Treasury. The salary inflation is based on the best estimate of future increases, which Melville Jessup Weaver consider to be within a reasonable range.

If the discount rate were to differ by 1% from that used, with all other factors held constant, the carrying amount of the retirement and long service leave liability would be an estimated \$30,000 higher/lower. If the salary inflation rate were to differ by 1% of that used, with all other factors held constant, the carrying amount of the retirement and long service leave liability would be an estimated \$30,000 higher/lower.

13. Provisions

A provision is recognised for future expenditure of uncertain amount or timing when there is a present obligation (either legal or constructive) as a result of a past event, it is probable that an outflow of future economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

RESTRUCTURING

A provision for restructuring is recognised when an approved, detailed, formal plan for the restructuring has been announced publicly to those affected, or its implementation has already begun.

MAKE GOOD PROVISION

WorkSafe is required, at the expiry of its leases, to make good any damage caused and remove any fixtures or fittings installed by it. In many cases WorkSafe has the option to renew these leases, which may change the timing of the expected cash outflows to make good the premises.

A portion of the make good provision was classified as a non-current provision for the current year. Consequently, the comparative prior year amount was also corrected.

FRINGE BENEFIT TAX PROVISION

A provision of \$4.073m was recognised during the year for historical fringe benefit tax obligations in relation to the personal use of motor vehicles by WorkSafe employees (2023/24 \$Nil).

PROVISIONS

\$000	ACTUAL 2025	ACTUAL 2024
Current		
Restructuring	754	221
Make good provision	118	111
Fringe benefit tax provision	4,073	-
Total current portion	4,945	332
Non-current		
Make good provision	489	461
Total non-current portion	489	461
TOTAL PROVISIONS	5,434	793

Movements for each class of provision are as follows.

\$000	RESTRUCTURING PROVISION	MAKE-GOOD PROVISION	FRINGE BENEFIT TAX PROVISION
Opening Balance at 1 July 2024	221	572	-
Additional provisions made	754	35	4,073
Amounts used	(221)	-	-
CLOSING BALANCE AS AT 30 JUNE 2025	754	607	4,073

14. Borrowings

The movement in the concessionary loan principal are as follows.

\$000	ACTUAL 2025	ACTUAL 2024
Opening balance	23,570	23,920
Loan drawdown for the year	-	4,650
Loan repayment for the year	(5,000)	(5,000)
CLOSING BALANCE	18,570	23,570

In 2021 WorkSafe entered into a loan agreement with the Crown to the value of \$31.6m (the 'facility'). The funds from the facility are specifically to be used to provide funding for the Digital and Information services programme which is a key enabler of WorkSafe's modernisation programme. The term of the facility is eight years and will be drawn down in instalments. The facility is due to be repaid over the period 30 June 2024 to 30 June 2028. No interest is payable on the facility.

The facility is classified as a 'concessionary loan' (as the terms are below standard market conditions) and are recorded at fair value upon recognition and then subsequently measured at amortised cost using the effective interest method.

The facility is drawn down in instalments and the market value of similar funding arrangements is determined separately for each instalment. WorkSafe has not drawn down the loan during the year (2023/24: \$4.65m). WorkSafe repaid \$5m of the loan during the year (2023/24: \$5m).

As the facility has been provided by the Crown, and WorkSafe is a wholly owned entity of the Crown, the concessionary portion of the loan has been treated as a capital contribution. The capital contribution is recognised in full at the time the instalment is drawn down.

The movements in the fair value of concessionary loan are as follows.

\$000	ACTUAL 2025	ACTUAL 2024
Borrowings		
Opening balance	19,528	20,223
Loan drawdown for the year	-	4,650
Loan repayment for the year	(5,000)	(5,000)
Fair value adjustment to equity (Note 17)	715	(1,643)
Interest expense	1,319	1,298
Total borrowings	16,562	19,528
Current portion	(10,000)	(5,000)
NON-CURRENT BORROWINGS	6,562	14,528

The fair value adjustment represents changes to the future repayment schedule affecting the capital contribution which is the main change to the concessionary loan in the current year.

As at 30 June 2025, the total face value of the loans is \$18.57m (2024: \$23.57m) and the carrying value at amortised cost recognised in the Statement of Financial Position was \$16.56m (2024: \$19.53m).

Borrowing costs are expensed in the financial year in which they are incurred. Interest expense recognised from the loan is as follow.

\$000	ACTUAL 2025	ACTUAL 2024
Interest expense	1,319	1,298
TOTAL FINANCE COSTS	1,319	1,298

The movement in the fair value recognised as capital contribution in the capital reserves is as follow.

\$000	ACTUAL 2025	ACTUAL 2024
Opening balance	5,904	4,261
Fair value adjustment to equity (Note 17)	(715)	1,643
CLOSING BALANCE	5,189	5,904

15. Capital commitments and operating leases

CAPITAL COMMITMENTS

WorkSafe has no capital commitments for the current year (2023/24 \$Nil).

OPERATING LEASES

Leases that do not transfer substantially all the risks and rewards incidental to ownership of an asset to WorkSafe are classified as operating leases. Lease payments under an operating lease are recognised as an expense on a straight-line basis over the term of the lease.

OPERATING LEASES AS LESSEE

Significant operating commitments are for office rents and car parks and do not include any other estimates of operating costs within the lease. There were no restrictions placed on WorkSafe by any of its leasing arrangements.

\$000	ACTUAL 2025	ACTUAL 2024
No later than one year	4,028	3,126
Later than one year and not later than two years	3,397	2,926
Later than two year and not later than five years	4,694	5,239
Later than five years	401	284
TOTAL NON-CANCELLABLE LEASES	12,520	11,575

The above table also includes the rent for offices that WorkSafe leases in regional locations from MBIE and Statistics New Zealand.

16. Contingent assets and liabilities

CONTINGENT LIABILITIES

In the ordinary course of business, WorkSafe regularly enters into litigation as part of its enforcement role. Where that action is unsuccessful, defendants can apply to the courts for costs. There are a number of such applicants pending at year-end.

Payroll remediation review

WorkSafe is committed to do a payroll review of historical compliance with Holidays Act 2003. The review aims to identify areas of non-compliance and determine any unpaid entitlements and payments to current and former employees.

WorkSafe has determined that an obligation is likely to arise. However, the amount and timing of payments cannot be determined until review is completed. Work will commence in the next financial year and expected to be completed within a year.

There was no contingent liability for 2023/24.

CONTINGENT ASSETS

There is no contingent asset for the current year (2023/24 – Contingent asset for Public Sector Pay Adjustment funding that was held in contingency pending Cabinet approval was subsequently approved and received after 30 June 2024. The funding received was recorded as revenue in the current year).

17. Equity

EQUITY POLICY

Equity is measured as the difference between total assets and total liabilities. Equity is disaggregated and classified into capital reserves, memorandum account and accumulated surplus/(deficit).

\$000	ACTUAL 2025	ACTUAL 2024
Capital reserves		
Balance at 1 July	35,778	35,746
Fair value adjustment to concessionary loan (Note 14)	(715)	1,643
Return of capital ²⁹	–	(1,611)
Balance at 30 June	35,063	35,778

²⁹ Return of capital in the previous year relate to unspent funding from the previous year for specific activities that will no longer occur and was returned to the Crown.

\$000	ACTUAL 2025	ACTUAL 2024
Memorandum account		
Opening balance 1 July	2,443	2,710
Net Memorandum account surplus for the year	77	(267)
Balance at 30 June	2,520	2,443
Accumulated surplus/(deficit)		
Balance at 1 July	8,014	4,501
Total comprehensive revenue and expense for the year	23,608	3,246
Transfer of net memorandum account accumulated surplus for the year	(77)	267
Balance at 30 June	31,545	8,014
TOTAL EQUITY AT 30 JUNE	69,128	46,235

MEMORANDUM ACCOUNTS

Memorandum accounts reflect the cumulative surplus/(deficit) on those agency services provided that are intended to be cost recovered from third parties through fees, levies, or charges. The balance of memorandum account is expected to trend towards zero over time.

The levies collected are paid over to the Crown and then received through appropriation.

\$000	TOTAL BALANCE 2025	ACTUAL 2025	TOTAL BALANCE 2024	ACTUAL 2024	PRIOR YEARS
Major Hazard Facilities Levy					
Revenue ³⁰	20,706	1,538	19,168	1,515	17,653
Expenditure	(21,239)	(2,613)	(18,626)	(2,957)	(15,669)
Total (deficit)/surplus	(533)	(1,075)	542	(1,442)	1,984
Add Crown Account surplus	3,053	1,152	1,901	1,175	726
TOTAL MEMORANDUM ACCOUNT	2,520	77	2,443	(267)	2,710

18. Related parties

WorkSafe is a wholly owned entity of the Crown.

Related party disclosures have not been made for transactions with related parties that are within normal supplier or client/recipient relationships on terms and conditions no more or less favourable than those that it is reasonable to expect WorkSafe would have adopted in dealing with the parties at arm's length in the same circumstances.

Further, transactions with other government agencies (for example, Government departments and Crown entities) are not disclosed as related party transactions when they are consistent with the normal operating arrangements between government agencies and undertaken on the normal terms and conditions for such transactions.

³⁰ This reflects the total Major Hazard Facilities levies invoiced.

SIGNIFICANT TRANSACTIONS WITH GOVERNMENT-RELATED ENTITIES

Purchase of services

MBIE provided shared services to WorkSafe as part of the shared services agreement between the two organisations. Purchases included fees for property, legal services, IT, contact centre, and seconded staff members. Owing to the nature of the relationship between WorkSafe and MBIE as WorkSafe's monitoring agency, as well as the inherent cost savings in using shared services, these services may be priced at levels different from those that arm's-length transactions would cost.

Transactions with the Department of Internal Affairs included fees for shared services, publication and seconded staff.

\$000	ACTUAL 2025	ACTUAL 2024
Ministry of Business, Innovation, and Employment	2,221	3,089
Department of Internal Affairs	297	210
Total payments for services	2,518	3,299

MBIE reimbursed WorkSafe costs totalling \$Nil based on an actual cost basis (2023/24 – \$0.07m).

ACC multi-year partnering agreement

ACC has provided funding as per the multi-year partnering agreement for the Harm Reduction Action Plan as follows.

\$000	ACTUAL 2025	ACTUAL 2024
Opening balance	2,731	2,358
Funds received	(8,617)	(9,089)
Funds earned (Note 2)	5,886	9,462
ACC FUNDING RECEIVABLES	-	2,731

The funds spent were used:

- for the delivery of leadership support to sectors to enable them to develop critical risk initiatives,
- to deliver sector-focussed risk initiatives including building health and safety cultural maturity with young farmers, children, and construction workers;
- for the cross-cutting risk initiatives for worker engagement and foundational work, including strengthening health and safety professional workforce;
- for engagement with Pacific peoples and Māori communities; and
- for education collateral including development of a risk tool.

WorkSafe has paid \$0.869m (2023/24 \$0.869m) to ACC for levy collection services.

BORROWINGS

WorkSafe has entered into a loan agreement with the Crown. Refer to Note 14 for further details.

SECONDMENTS

WorkSafe undertook the following secondments. Payment for the staff was based on actual salary reimbursements.

\$000	ACTUAL 2025	ACTUAL 2024
Secondments to other government agencies		
Reserve Bank of New Zealand	95	-
Maritime New Zealand	-	75
Fire and Emergency New Zealand	68	5
Total secondments to other government agencies	163	80
Secondments from other government agencies		
Ministry of Business, Innovation, and Employment	195	96
NZ Transport Authority	87	-
Department of Internal Affairs	155	120
Ministry of Transport	54	-
Total secondments from other government agencies	491	216

19. Events after balance date

There were no significant events after balance date that required the financial statements to be adjusted.

20. Financial instruments

FINANCIAL INSTRUMENT CATEGORIES

The carrying amounts of financial assets and liabilities in each of the financial instrument categories are as follows.

\$000	ACTUAL 2025	ACTUAL 2024
Financial assets measured at amortised cost		
Cash and cash equivalents (Note 5)	30,198	28,283
Receivables (excluding taxes receivable) (Note 6)	723	3,290
Investments – term deposits (Note 7)	40,712	10,008
Total financial liabilities measured at amortised cost	71,633	41,581
Financial liabilities measured at amortised cost		
Borrowings (Note 14)	16,562	19,528
Payables and Provisions (excluding taxes payable) (Note 10)	3,884	8,504
Total financial liabilities measured at amortised cost	20,446	28,032

FINANCIAL INSTRUMENT RISK

WorkSafe's activities exposes it to a variety of financial instrument risks, including credit risk and liquidity risk. WorkSafe has policies to manage the risks associated with financial instruments and seeks to minimise exposure from financial instruments. These policies do not allow any transactions to be entered into that are speculative in nature.

CASH FLOW INTEREST RATE RISK

Cash flow interest rate risk is the risk that the cash flows from a financial instrument will fluctuate because of changes in market interest rates.

WorkSafe has investment policies to manage the risk associated with cash flow interest rate risk. WorkSafe currently has no variable interest rate investments.

CURRENCY RISK

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in foreign exchange rates.

WorkSafe makes purchases of goods and services overseas that require it to enter into transactions denominated in foreign currencies. As a result of these activities, exposure to currency risk arises.

WorkSafe manages foreign currency risks arising from contractual commitments and liabilities by entering in to forward foreign exchange contracts to manage the foreign currency risk exposure. During 2024/25 no forward foreign exchange contracts were entered into by WorkSafe (2023/24 – \$Nil).

CREDIT RISK

Credit risk is the risk that a third party will default on its obligations to WorkSafe, causing WorkSafe to incur loss.

Owing to the timing of WorkSafe's cash inflows and outflows, WorkSafe invests surplus cash with registered banks.

In the normal course of business, WorkSafe is exposed to credit risk from cash and term deposits with banks, debtors and other receivables. For each of these, the maximum credit exposure is best represented by the carrying amount in the statement of financial position. WorkSafe have experienced no defaults of interest or principal payments for term deposits. WorkSafe hold no collateral or other credit enhancements for financial instruments that give rise to credit risk.

CREDIT QUALITY OF FINANCIAL ASSETS

The credit quality of financial assets that are neither past due nor impaired can be assessed by reference to credit ratings.

\$000	ACTUAL 2025	ACTUAL 2024
Counterparties with credit ratings		
Cash at bank and term deposits		
AA- (S&P Global)	57,857	33,287
AA+ (Fitch)	13,053	5,004
Total cash at bank and term deposits	70,910	38,291
Counterparties without credit ratings		
Debtors and other receivables excluding taxes	723	3,290
Total debtors and other receivables (excluding taxes)	723	3,290

LIQUIDITY RISK

Liquidity risk is the risk that WorkSafe will encounter difficulty raising liquid funds to meet commitments as they fall due. Prudent liquidity risk management implies maintaining sufficient cash and the ability to close out market positions. WorkSafe primarily manage liquidity risk by continually monitoring forecast and actual cash flow requirements.

CONTRACTUAL MATURITY ANALYSIS OF FINANCIAL LIABILITIES

The table below analyses financial liabilities into relevant maturity groupings based on the remaining period at balance date to the contractual maturity date. The amounts disclosed are the contractual undiscounted cash flows.

\$000	ACTUAL 2025	ACTUAL 2024
Payables (excluding taxes payable)		
Carrying amount, contractual cash flows and payables less than 6 months	2,523	7,711
Face value, Borrowings less than 12 months	10,000	5,000
Face value, Borrowings more than 12 months, less than 2 years	5,000	5,000
Face value, Borrowings more than 2 years, less than 5 years	3,570	13,570
Total payables (excluding taxes payable)	21,093	31,281

21. Capital management

WorkSafe's capital is equity that comprises accumulated funds. Equity is represented by net assets.

WorkSafe is subject to the financial management and accountability provisions of the Crown Entities Act 2004, which impose restrictions in relation to borrowings, the acquisition of securities, issuing guarantees and indemnities, and the use of derivatives. WorkSafe complied with the financial management requirements of the Crown Entities Act 2004 during the year.

WorkSafe manage equity as a by-product of prudently managing revenue, expenses, assets, liabilities, investments, and general financial dealings to ensure that WorkSafe effectively achieves its objectives and purpose.

22. Explanations of major variances against budget

Explanations of major variances from WorkSafe's budgeted figures in the Statement of Performance Expectations are as follows.

STATEMENT OF COMPREHENSIVE REVENUE AND EXPENSE

Revenue was higher than the original SPE budget by \$5.48m, due to:

- Crown revenue was higher than budget due to the Public Service Pay Adjustment contingency funding now being recognised as it was approved by Joint Ministers in August 2024
- interest and other revenue are mainly due to higher term deposit and interest rates than budget.

Expenditure was lower than the original SPE budget by \$18.08m, due to:

- personnel cost were \$3.47m lower due to delays to organisational change process and greater than anticipated vacancies as we implement the new structures
- other expenses were \$13.19m below budget due to cost variances due to cost-saving measures and strong cost controls that have been in place throughout the year and deferred expenditure due to strategy refresh and a repositioning of WorkSafe
- depreciation and amortisation were lower than budget due to lower capital expenditure and the time of completion of some capital projects being later than planned.

STATEMENT OF FINANCIAL POSITION

Assets

- Cash was higher than budget mainly due to overall lower spending.
- Receivables and prepayments were lower than budget mainly due to the release of advance payments to WorkSafe's payroll provider earlier than budgeted.
- Investments were higher than budget due to higher surplus cash invested in term deposits to avail of higher interest rate.
- Property, plant and equipment and Intangible assets were lower than budget mainly due to lower capital spend during the year.

Liabilities

- Creditors and payables were higher mainly due to the timing of payments and fringe benefit tax provision recognised during the year.
- Employee entitlements were higher than budget due to higher annual leave and accrued salaries.
- Borrowings were lower for not drawing down the remaining \$3m balance in the loan facility as budgeted.

Equity

- Equity was higher than budget due to actual surplus of \$23.61m compared to budgeted surplus of \$0.05m.

STATEMENT OF CASH FLOWS

The overall cash position is higher than budget, mainly due to lower expenditure. The individual differences reflect the variances discussed above in the Statement of comprehensive revenue and expenses and Statement of financial position.

23. Cost of service summary

The following tables show the activities of WorkSafe between Workplace Health and Safety and Energy Safety activities.

\$000	ACTUAL 2025	BUDGET 2025	VARIANCE 2025	ACTUAL 2024	BUDGET 2024	VARIANCE 2024
Workplace Health and Safety						
Revenue – Crown	134,472	130,621	3,851	128,056	134,233	(6,177)
Revenue – other	9,538	7,909	1,629	12,788	20,522	(7,734)
Total revenue	144,010	138,530	5,480	140,844	154,755	(13,911)
Expenditure	120,993	137,994	(17,001)	137,635	158,072	(20,437)
SURPLUS/(DEFICIT)	23,017	536	22,481	3,209	(3,317)	6,526
Energy Safety						
Revenue – Crown	4,414	4,414	-	4,414	4,414	-
Revenue – other	-	-	-	-	-	-
Total revenue	4,414	4,414	-	4,414	4,414	-
Expenditure	3,823	4,903	(1,080)	4,377	4,903	(526)
SURPLUS/(DEFICIT)	591	(489)	1,080	37	(489)	526
Total WorkSafe						
Revenue – Crown	138,886	135,035	3,851	132,470	138,647	(6,177)
Revenue – other	9,538	7,909	1,629	12,788	20,522	(7,734)
Total revenue	148,424	142,944	5,480	145,258	159,169	(13,911)
Expenditure	124,816	142,897	(18,081)	142,012	162,975	(20,963)
SURPLUS/(DEFICIT)	23,608	47	23,561	3,246	(3,806)	7,052

COST ALLOCATION

Where cost allocation is required, WorkSafe has derived the cost of service using the cost allocation system outlined below.

Direct costs are those costs directly attributable to a significant activity. Indirect costs are those costs that cannot be identified in an economically feasible manner with a specific significant activity.

Direct costs are charged directly to significant activities. Indirect costs are charged to significant activities based on the pro-rata costs of the activities.

The costs of internal services not directly charged to activities are allocated to significant activities based on the pro-rata costs of the activities.

There have been no changes to the cost allocation methodology since the date of the last audited financial statements.

STATEMENT OF BUDGETED AND ACTUAL EXPENSES AND CAPITAL EXPENDITURE AGAINST APPROPRIATIONS

The following table shows WorkSafe's appropriation.

\$000	ACTUAL 2025	APPROVED APPROPRIATION 2025	ACTUAL 2024
Vote Labour Market			
Non-departmental output expenses			
Workplace Relations and Safety – Workplace Health and Safety	138,017	133,776	131,601
Workplace Relations and Safety – Health and Safety at Work Levy – Collection Services	869	869	869
TOTAL NON-DEPARTMENTAL OUTPUT EXPENSES³¹	138,886	134,645	132,470
Non-departmental capital expenditure			
Workplace Relations and Safety – concession expenses for loans ³²	–	3,000	4,650
TOTAL NON-DEPARTMENTAL CAPITAL EXPENDITURE	–	3,000	4,650

³¹ The approved appropriation received during the year is net of \$4.24m returned funding as agreed with MBIE. The returned funding relates to prior year's unspent Plant and Structure funding which was recognised as a current payable last year (Note 10). This resulted in the Crown revenue reported during the year to be higher.

³² WorkSafe did not draw down the remaining balance of the loan facility during the year.

5.0

Independent auditor's report



To the readers of WorkSafe New Zealand's financial statements and performance information for the year ended 30 June 2025

The Auditor-General is the auditor of WorkSafe New Zealand ('WorkSafe'). The Auditor-General has appointed me, Hamish Anton, using the staff and resources of Deloitte Limited, to carry out, on his behalf, the audit of:

- the annual financial statements that comprise the statement of financial position as at 30 June 2025, the statement of comprehensive revenue and expense, statement of changes in equity and statement of cash flows for the year ended on that date and the notes to the financial statements that include accounting policies and other explanatory information on pages 45 to 70; and
- the performance information which reports against WorkSafe's statement of performance expectations for the year ended 30 June 2025, including in the system-level outcome measures tables on pages 22 and 23, the statement of performance on pages 25 to 30, and the organisational efficiency and effectiveness measures table on page 41.

Opinion

In our opinion:

- The annual financial statements of WorkSafe:
 - fairly present, in all material respects:
 - › its financial position as at 30 June 2025; and
 - › its financial performance and cash flows for the year then ended; and
 - comply with generally accepted accounting practice in New Zealand in accordance with Public Benefit Entity Reporting Standards.
 - The performance information fairly presents, in all material respects, WorkSafe's service performance for the year ended 30 June 2025. In particular, the performance information:
 - provides an appropriate and meaningful basis to enable readers to assess the actual performance of WorkSafe for each class of reportable outputs, in accordance with generally accepted accounting practice in New Zealand; and
 - fairly presents, in all material respects, for each class of reportable outputs:
 - › the actual performance of WorkSafe, as compared with the forecast standards of performance included in of WorkSafe's statement of performance expectations for the financial year; and
 - › the actual revenue earned and output expenses incurred, as compared with the expected revenues and proposed output expenses included in of WorkSafe's statement of performance expectations for the financial year; and
 - complies with generally accepted accounting practice in New Zealand in accordance with generally accepted accounting practice in New Zealand.
- Our audit was completed on 31 October 2025. This is the date at which our opinion is expressed.

The basis for our opinion is explained below. In addition, we outline the responsibilities of the Board and our responsibilities relating to the financial statements and the performance information, we comment on other information, and we explain our independence.

Basis for our opinion

We carried out our audit in accordance with the Auditor-General's Auditing Standards, which incorporate the Professional and Ethical Standards, the International Standards on Auditing (New Zealand), and New Zealand Auditing Standard 1 (Revised): *The Audit of Service Performance Information* issued by the New Zealand Auditing and Assurance Standards Board.

We have fulfilled our responsibilities in accordance with the Auditor-General's Auditing Standards.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of the Board for the financial statements and the performance information

The Board is responsible on behalf of WorkSafe for preparing:

- annual financial statements that fairly present of WorkSafe's financial position, financial performance, and its cash flows, and that comply with generally accepted accounting practice in New Zealand.
- a statement of performance that:
 - provides an appropriate and meaningful basis to enable readers to assess the actual performance of WorkSafe for each class of reportable outputs, in accordance with generally accepted accounting practice in New Zealand;
 - fairly presents, for each class of reportable outputs:
 - › the actual performance of WorkSafe, as compared with the forecast standards of performance included in WorkSafe's statement of performance expectations for the financial year; and
 - › the actual revenue earned and output expenses incurred, as compared with the expected revenues and proposed output expenses included in WorkSafe's statement of performance expectations for the financial year; and
 - complies with generally accepted accounting practice in New Zealand.

The Board is responsible for such internal control as it determines is necessary to enable it to prepare financial statements, and a statement of performance that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, and the performance information, the Board is responsible on behalf of WorkSafe for assessing WorkSafe's ability to continue as a going concern.

The Board's responsibilities arise from the Crown Entities Act 2004.

Responsibilities of the auditor for the audit of the financial statements and the performance information

Our objectives are to obtain reasonable assurance about whether the financial statements, and the performance information, as a whole, are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance but is not a guarantee that an audit carried out in accordance with the Auditor-General's Auditing Standards will always detect a material misstatement when it exists. Misstatements are differences or omissions of amounts or disclosures and can arise from fraud or error. Misstatements are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of readers, taken on the basis of the financial statements, and the performance information selected.

For the budget information reported in the financial statements, and the performance information, our procedures were limited to checking that the information agreed to WorkSafe's statement of performance expectations.

We did not evaluate the security and controls over the electronic publication of the financial statements, and the performance information.

As part of an audit in accordance with the Auditor-General's Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. Also:

- We identify and assess the risks of material misstatement of the financial statements, and the performance information, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- We obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of WorkSafe's internal control.
- We evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board.
- We evaluate whether the performance information:
 - provides an appropriate and meaningful basis to enable readers to assess the actual performance of WorkSafe. We make our evaluation by reference to generally accepted accounting practice in New Zealand; and
 - fairly presents the actual performance of WorkSafe for the financial year.
- We conclude on the appropriateness of the use of the going concern basis of accounting by the Board.
- We evaluate the overall presentation, structure and content of the financial statements, and the performance information, including the disclosures, and whether the financial statements, and the performance information represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Board regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Our responsibilities arise from the Public Audit Act 2001.

Other information

The Board is responsible for the other information. The other information comprises all of the information included in the annual report, but does not include the annual financial statements, and the performance information, and our auditor's report thereon.

Our opinion on the annual financial statements, and the performance information does not cover the other information, and we do not express any form of audit opinion or assurance conclusion thereon.

In connection with our audit of the annual financial statements, and the performance information, our responsibility is to read the other information. In doing so, we consider whether the other information is materially inconsistent with the annual financial statements, and the performance information or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on our work, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Independence

We are independent of WorkSafe in accordance with the independence requirements of the AuditorGeneral's Auditing Standards, which incorporate the independence requirements of Professional and Ethical Standard 1: *International Code of Ethics for Assurance Practitioners (including International Independence Standards)* (New Zealand) issued by the New Zealand Auditing and Assurance Standards Board.

Other than in our capacity as auditor, we have no relationship with, or interests in, WorkSafe.



Hamish Anton

Deloitte Limited
On behalf of the Auditor-General
Wellington, New Zealand

6.0

Other matters to report

IN THIS SECTION:

6.1 Ministerial directions

6.2 Policy initiatives funded in previous Budgets

6.1 Ministerial directions

WorkSafe is required to publish information on any direction given to WorkSafe by a Minister in writing under any enactment during that financial year along with other directions that remain current.

DIRECTION	MINISTER	EFFECTIVE DATE
Whole-of-government direction regarding the New Zealand Business Number (NZBN)	Minister for the Public Services Minister of Finance	Various
Whole-of-government direction regarding procurement functional leadership	Minister for the State Services Minister of Finance	1 February 2015
Whole-of-government direction regarding ICT functional leadership	Minister for the State Services Minister of Finance	1 July 2015
Whole-of-government direction regarding property functional leadership	Minister for the State Services Minister of Finance	1 July 2014
All-of-government shared authentication services	Minister for the State Services Minister of Finance	21 July 2008

6.2 Policy initiatives funded in previous Budgets

Initiatives completed before 1 July 2024 were reported in the Annual Report 2023/24 and are not included below.

Increasing WorkSafe's capacity to improve the health and safety outcomes of workers in New Zealand Capital for WorkSafe In 2019, Cabinet approved funding of \$56.99m over four years to maintain services and develop a programme of modernisation. Cabinet placed a further \$56.88m in contingency consisting of \$25.31m operational funding and \$31.57m of capital to deliver harm prevention programmes, research and data analytics, depreciation and digital services. Atlas was delivered during the year. Atlas is our new internal digital platform that is improving and integrating our current ways of working, connecting our data and information more efficiently, and reducing manual processes so we can provide better services to New Zealanders.		
BUDGET YEAR FUNDED	TOTAL	LOCATION OF PERFORMANCE INFORMATION
Budget 2019	\$56.99m over four years and further \$56.88 million in contingency funding	Note 14 (page 61) Reportable outputs (page 30)

Government response to White Island Whakaari: Litigation costs and policy reform of the adventure activities regime This initiative allows WorkSafe and the MBIE to complete their response to Whakaari-related work, including the litigation process and the development and implementation of further policy reform of the adventure activities regulatory regime. Projected outcomes of this initiative are continued trust in the health and safety at work system, fewer injuries and fatalities in the adventure tourism sector and positive change to Aotearoa health and safety culture.		
BUDGET YEAR FUNDED	TOTAL	LOCATION OF PERFORMANCE INFORMATION
Budget 2020	\$18.230m over four years	White Island Whakaari recap (page 28)

Appendices

IN THIS SECTION:

Appendix 1: WorkSafe's legislated functions

Appendix 2: Description of WorkSafe's regulatory interventions

Appendix 3: Full list of WorkSafe's enforcement and permit activities

Appendix 1: WorkSafe's legislated functions

(section 10 of WorkSafe New Zealand Act 2013)

WorkSafe New Zealand's functions are to:

- a. advise on the operation of the work health and safety system, including coordination across the different components of the system
- b. make recommendations for changes to improve the effectiveness of the work health and safety system, including legislative changes
- c. monitor and enforce compliance with relevant health and safety legislation
- ca. publish information about:
 - i. its approach to enforcing compliance with relevant health and safety legislation (including where a provision of relevant health and safety legislation overlaps with a provision in another enactment), and
 - ii. its performance standards for completing investigations in relation to enforcing compliance with relevant health and safety legislation
- d. make recommendations about the level of any funding (including fees or levies) that WorkSafe New Zealand requires to effectively carry out its function
- e. develop codes of practice
- ea. develop safe work instruments
- f. provide guidance, advice, and information on work health and safety to:
 - i. persons who have duties under the relevant health and safety legislation, and
 - ii. the public
- g. promote and support research, education, and training in work health and safety
- h. collect, analyse, and publish statistics and other information relating to work health and safety
- i. engage in, promote, and coordinate the sharing of information with other agencies and interested persons that contribute to work health and safety
- j. foster a cooperative and consultative relationship between persons who have duties under the relevant health and safety legislation and the persons to whom they owe duties and their representatives in relation to work health and safety
- ja. foster a cooperative and consultative relationship with the EPA when carrying out its functions, duties, and powers in respect of hazardous substances
- k. promote and coordinate the implementation of work health and safety initiatives by establishing partnerships or collaborating with other agencies or interested persons in a coherent, efficient, and effective way
- l. perform or exercise any other functions or powers conferred on WorkSafe New Zealand by or under any other enactment
- m. perform any additional function that the Minister directs under section 112 of the Crown Entities Act 2004.

Appendix 2: Description of WorkSafe's regulatory interventions

Directive letter	A written enforcement tool used by WorkSafe inspectors that sets out the recipients must follow in order to comply with the HSWA or its regulations.
Energy Safety warning	A warning notice that outlines the offence and remedial action to take.
Enforceable undertaking	An agreement between WorkSafe and a duty holder following a breach (including an alleged breach) of the HSWA. Once in place, it is legally binding. Generally used as an alternative to prosecution.
Improvement Notice	A notice issued by a health and safety inspector requiring changes to be made within a certain time period to improve a risky situation.
Infringement Notice	A notice issued by a health and safety officer or a technical officer requiring a responsible party to pay a fine for breaching specified health and safety obligations. Infringement notices may be used for specific breaches under the HSWA, the Gas Act 1992, the Electricity Act 1992 or associated regulations.
Prohibition Notice	A notice issued by a WorkSafe inspector when there is a serious risk to people's health and safety. A Prohibition Notice requires all activities that pose a serious risk to people's health and safety to stop immediately until the problem is resolved. A Prohibition Notice may require a PCBU to: - cease importation - cease the use, sale or manufacture of the product or installation - alert the public of safety risks - specify how to follow the instructions given by WorkSafe.
Safe work instrument	A safe work instrument (SWI) is a form of legislation that supports or complements regulations. SWIs allow for greater flexibility and more timely updates to the regulatory framework, reflecting changes in technology, standards, and health and safety practices. WorkSafe develops SWIs to: - prescribe detailed or technical matters or standards (often industry specific) that change relatively frequently - set additional or modified workplace controls for hazardous substances approved or reassessed by the Environmental Protection Authority - provide an alternative means of complying with regulations - support the effective operation of the health and safety regulatory framework, for example, by setting exposure monitoring standards or requirements for training, competence or safety management systems.
Sustained compliance letter	A sustained compliance letter is issued instead of a prohibition notice when the duty holder rectifies the issue while the inspector is still on site. It creates a written record and allows the duty holder to address the underlying issue(s) that led to the immediate risk of harm. WorkSafe keeps a record of the advice given in these letters in case there is a similar breach in the future.
Verbal direction	A verbal enforcement tool used by WorkSafe inspectors to set out steps that the recipient must follow in order to comply with the HSWA or its regulations. Verbal directions are non-statutory enforcement measures. They are used when the inspector decides that the non-compliance does not require a statutory notice. WorkSafe keeps a record of the advice given in case there is a similar breach in the future.

For a list of WorkSafe's definitions, please visit our website: worksafe.govt.nz

Appendix 3: Full list of WorkSafe's enforcement and permit activities

	2022/23	2023/24	2024/25
Regulatory activity: Enforcement			
Health and safety investigations commenced	119	141	122
Gas and electricity investigations	316	376	332
Sustained compliance letters issued	1,279	1,336	1,314
Directive letters issued	1,364	2,307	2,678
Improvement notices issued	4,463	5,097	5,194
Prohibition notices issued	1,129	942	1,002
Non-disturbance notices issued	175	134	65
Energy safety warnings issued	31	19	39
HSWA verbal directions issued	1,363	1,075	1,179
HSWA infringement notices issued	18	8	4
File reviews recommending prosecution	37	37	22
Prosecutions disposed	72	67	39
Enforceable undertakings accepted by WorkSafe (HSWA s123)	2	8	3
Enforceable undertaking discharged (completed) by WorkSafe (HSWA s123)	2	4	3
Enforceable undertakings ordered by court (HSWA s156)	1	1	1
Enforceable undertakings discharged (completed) by court (s156 of HSWA)	1	0	1
Investigation reports provided under HSWA s200	35	31	44
Notifications confirmed to the Coroner in accordance with Coroners Act 2006	182	174	176
Requests for information under Coroners Act 2006 s118, s120 directions or requests for comment on provisional findings from the Coroner	360	573	683
Managed receipt of Coroner's findings (and recommendations) in accordance with Coroners Act 2006	44 (4)	49	94 (3)
Regulatory activity: Permit			
Authorisation regimes administered	15	15	15
Controlled substances licences issued	587	537	571
Certificates of competence for mining, quarrying and tunnelling operations issued	254	141	127
Certificates of competence for occupational divers granted or renewed	239	318	336
Licences for asbestos removal operators and assessors granted or renewed	129	113	88
Supervisor nominations made separately to applications for a new/to renew a removal licence	NA	154	133
Adventure activity operators registered or reregistered	61	167	74
Amusement device registered or reregistered	212	162	217
Authorisations to compliance certifiers granted or renewed	17	25	15
Hazardous substances controls applications approved	30	41	37
Test station applications granted	57	10	10
Petroleum safety case accepted and decided	1	3	12
Major hazard facilities safety cases accepted	2	5	18
Applications for exemptions received	37	41	8
Safe work instruments	7	3	4

Disclaimer

WorkSafe New Zealand has made every effort to ensure the information contained in this publication is reliable, but makes no guarantee of its completeness.

It should not be used as a substitute for legislation or legal advice. WorkSafe is not responsible for the results of any action taken on the basis of information in this document, or for any errors or omissions.

ISSN 2382-2201 (print)

ISSN 2382-221X (online)

Published: November 2025

PO Box 165, Wellington 6140, New Zealand

worksafe.govt.nz



Except for the logos of WorkSafe, this copyright work is licensed under a Creative Commons Attribution-Non-commercial 3.0 NZ licence.

To view a copy of this licence, visit <http://creativecommons.org/licenses/by-nc/3.0/nz>

In essence, you are free to copy, communicate and adapt the work for non-commercial purposes, as long as you attribute the work to WorkSafe and abide by the other licence terms.

