G.2 SPE

WORKSAFE

Statement of performance expectations

WORKSAFE NEW ZEALAND

2026/27

New Zealand Government
Te Kāwanatanga o Aotearoa

Foreword

Murray Jagger
Chair

Sharon Thompson
Chief Executive

Everyone has a part to play in making work healthy and safe. WorkSafe New Zealand's job is to set clear expectations, support compliance, and intervene where needed to protect people from harm.

WorkSafe's purpose is clear: to help ensure everyone who goes to work comes home healthy and safe.

Good health and safety is good for people, good for business, and good for New Zealand. It protects workers, supports productivity, and gives businesses confidence to get on with the job.

Most businesses and workers want to do the right thing. WorkSafe's role is to make that easier by being clear about what matters, practical about what good looks like, and proportionate in how we respond. We will focus our effort where it can make the greatest difference: on the critical risks that can cause serious injury, illness, death, or catastrophic harm.

In 2026/27, WorkSafe will continue to shift how we work. We will provide clearer and more accessible guidance, progress practical Approved Codes of Practice, strengthen the capability and consistency of our Inspectorate, and improve the way we oversee high-risk activities and third-party operators.

We will support businesses and workers to understand changes to health and safety legislation and what those changes mean in practice. Our aim is to give duty holders greater certainty about what they need to do, when they have done enough, and how to avoid unnecessary over-compliance.

We will continue to focus on higher-risk sectors, including agriculture, construction, forestry and manufacturing, while responding to serious harm wherever it occurs. We will use data, feedback and frontline insight to better target our work, improve our services, and strengthen confidence in our decisions.

WorkSafe will enforce when obligations are not met. That enforcement will be fair, consistent and proportionate. Our strongest impact, however, will come from helping businesses and workers understand and manage the risks that matter most before harm occurs.

The Board and leadership team are focused on building a practical, credible and effective regulator. This Statement of Performance Expectations sets out the work we will deliver in 2026/27, the results we are seeking, and how we will account for our performance.

CONTENTS

Whāia te iti kahurangi, ki te tuohu koe, me he maunga tiketike

Follow your treasured aspirations; if you falter, let it be because of insurmountable difficulties

Tōia mai e te ao mārama	The world of light brings forth
te ara whakakotahi	a pathway of togetherness
te ara ka haumaru.	a pathway that keeps us safe.
I a mātou i te mahi	While we are at work
tiakina mai	take care of us
kia hoki hauora ki te kainga,	that we may return home safe and well,
kia kōrero mai	that we may ensure
mō te haumaru o te tāngata	the safety of the people.
Haumi e, hui e, taiki e.	Let it be affirmed, it is so.

Statement of responsibility

This statement of performance expectations sets out our proposed performance targets and forecast financial information for the year 1 July 2026 to 30 June 2027.

We are responsible for the financial statements and statement of non-financial performance expectations contained in this document. We consider that the financial statements and statement of non-financial performance expectations fairly reflect the organisation's expected financial position and performance results for the year ending 30 June 2027, in accordance with the Crown Entities Act 2004.

Murray Jagger
Chair

30 June 2026

Bill Moran
Deputy Chair

30 June 2026

Our role in the health and safety system

We support every worker to go home safe and well every day

We enforce when duties are breached

We engage with businesses, industry bodies and workers

We issue permits for high-risk activities

We support energy safety

We support the management of major hazards

Businesses

- providing consistent and clear advice and support
- undertaking 10,000+ site visits/assessments each year
- investigating incidents
- monitoring compliance
- issuing 9,000+ warnings and notices
- targeting priority sectors
- providing tailored easy to access guidance
- regulating 167 major hazard facilities and overseeing 15 mines

Workers

- encouraging participation in health and safety at work
- providing education and guidance
- supporting high-risk worker groups
- responding to chronic harm health risks, for example, asbestos

Public

- maintaining certifying/licensing regimes
- processing 1,500+ applications for authorisations each year
- auditing of electrical products
- running energy safety campaigns
- promoting safe management, storage, use and disposal of hazardous substances in workplaces
- sharing safety data and insights

To do this, WorkSafe has:

650

people working across Aotearoa New Zealand including 250 inspectors and trainees

18

18 offices across Aotearoa New Zealand

Funding 2026/27

$135.9 m
Vote Labour Market

$1.8 m
Interest revenue

$1.1 m
Other revenue

We influence businesses and workers to meet their responsibilities to ensure work is healthy and safe

Work health and safety is everyone's responsibility and benefits us all. Our main focus is to influence businesses, workers and organisations to protect the health and safety of people at work, with a focus on critical risks.

We engage with workers, iwi organisations, unions, employers, businesses and industry and sector bodies to amplify our efforts and achieve collective goals for worker health and safety.

We are mindful of the compliance burden for businesses and the need to increase certainty for businesses about what is reasonably practicable. We draw on expertise within industry and sector leaders, including supporting industries through developing Approved Codes of Practice (ACOPs) and other forms of guidance.

We also work closely with other government agencies in the health and safety system, including the Ministry for Business, Innovation and Employment (MBIE), the Accident Compensation Corporation (ACC), Maritime New Zealand, Waka Kotahi New Zealand Transport Agency (NZTA) and the Civil Aviation Authority of New Zealand (CAA).

WorkSafe was established by the WorkSafe New Zealand Act 2013, which is currently under review. WorkSafe is a Crown agent, monitored by MBIE on behalf of the Minister for Workplace Relations and Safety.

OUR VALUES

We engage meaningfully

We are entrusted with a duty of care

We are united in a strong purpose

Board

Board members are listed in the table below, with dates of appointment and term expiry.

NAME	DATE OF ORIGINAL APPOINTMENT	DATE OF EXPIRY OF CURRENT TERM
Murray Jagger (Board Chair)	28 October 2025	27 October 2028
Bill Moran (Deputy Chair)	June 2019	12 January 2028
Mark Leslie	13 July 2023	12 July 2029
Elena Trout	1 July 2024	30 June 2027
Paul Connell	1 July 2024	30 June 2027
Kevin Jenkins	1 July 2024	30 June 2027
Brett O'Riley	28 October 2025	27 October 2028
Chris Alderson	28 October 2025	27 October 2028

Our strategy

1 WHAT IS NEW ZEALAND'S HEALTH AND SAFETY AT WORK REGULATORY SYSTEM?
TE ARONGA MATUA

It is a system of rules created by law that requires businesses,* with support and involvement from workers, to ensure work is healthy and safe.

2 WHAT IS OUR ROLE?
KAWA

We are the primary regulator, and our main role is to influence businesses and workers to meet responsibilities to ensure work is healthy and safe.

3 HOW DO WE DELIVER OUR ROLE?
TIKANGA

We influence in three key ways:

ENGAGE	ENFORCE	PERMIT
Helping businesses and workers to understand how to meet their responsibilities to ensure work is healthy and safe.	Taking action against those who fail to meet their responsibilities to ensure work is healthy and safe.	Allowing businesses and individuals to carry out high-risk work activities that require permission to do so.

4 WHERE DO WE FOCUS OUR EFFORT?
KAUPAPA

Some work is more dangerous, and some workers are at greater risk of harm. We focus our effort on where it will make the biggest difference and contribute to equitable outcomes. We are guided by evidence and insights about the risks that can lead to three types of harm:

ACUTE	CHRONIC	CATASTROPHIC
Serious injury, illness, or death, that arises from a single event.	Serious injury, illness, or death, that is caused over time.	Serious injury, illness, or death, affecting multiple people – usually from a single event.

5 HOW DO WE KNOW WE ARE MAKING A DIFFERENCE?
MĀTAURANGA

By measuring the effectiveness of our influencing role in ensuring work is healthy and safe.

* 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.

Delivering on our strategy

Strategic objectives

With others in the system, WorkSafe's activities contribute to reducing the risk of acute, chronic and catastrophic harm.

ACUTE	CHRONIC	CATASTROPHIC
Serious injury, illness, or death, that **arises from a single event**.	Serious injury, illness, or death, that is **caused over time**.	Serious injury, illness, or death, **affecting multiple people** – usually from a single event.

REDUCING ACUTE HARM

About 50–60 workers are killed at work each year and 400–500 suffer potentially life-threatening injuries resulting in hospitalisation. High-risk sectors include agriculture, construction, forestry and manufacturing, as well as key 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. Over the past 20 years, New Zealand's work fatality rates have halved and serious non-fatal injury rates have dropped by almost a third. While it is encouraging to see the rates of fatalities and non-fatal injuries trending downwards over time, there is still much to be done to make workplaces safer. WorkSafe engages with sector leaders and businesses, provides guidance, and takes enforcement action where needed, to bring these rates down.

REDUCING CHRONIC HARM

An estimated 750–900 people die from work-related diseases each year, and 5,000–6,000 hospitalisations each year are associated with work-related ill health.

Cancer and respiratory disease cause the largest proportion of harm as a result of repeated exposure to dust, fumes and chemicals, such as asbestos, silica dust, welding fumes and toxic metals, engine exhaust fumes and wood dust. Workers are most affected by exposures in construction, manufacturing and agriculture. WorkSafe will continue to engage with those industries to help them identify and control these exposures, and take enforcement action where necessary. Authorisation regimes (for example, for asbestos) also help keep workers healthy and safe at work.

REDUCING 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.

We exist to keep workers and workplaces safe and healthy

Our core activities are grouped into five categories. We:

Engage – growing people's understanding of how to meet their responsibilities so work is healthy and safe	**Enforce** – taking action in a fair and proportionate way when responsibilities aren't met so work is healthy and safe	**Permit** – authorising, permitting and monitoring high-risk work activities; detailed technical requirements	Support **energy safety**	Support the management of **major hazard**, **petroleum and geothermal facilities**
51% of our funding	**22%** of our funding	**17%** of our funding	**3%** of our funding	**7%** of our funding
In 2026/27 we will: – continue to engage with businesses and workers to ensure they understand their health and safety responsibilities – continue our proactive, planned site visits, targeted to high-risk industries and businesses – complete the implementation of our inspector development pathway – continue to review, update and improve our guidance suite (including through use of AI and digital tools) – endorse industry developed guidance – publish information and engage with businesses to help them understand health and safety legislation changes.	In 2026/27 we will: – continue to undertake investigations where breaches are suspected – continue to take a proportionate and consistent approach to enforcement – continue to update and embed our EDM (enforcement decision-making model) to ensure a proportionate response to non-compliance – invest in digital technologies so businesses have easier interactions with WorkSafe when applying for enforceable undertakings – continue to develop and embed quality assurance processes across regulatory decision-making.	In 2026/27 we will: – strengthen our oversight of third-party certifiers – continue to oversee 15 distinct permitting regimes for high-risk work activities – mature our monitoring and assurance of permitted activities and high-risk activities – share information to ensure consistent interpretation of complex regulations – develop and implement Approved Codes of Practice (ACOPs) and recommend industry-developed ACOPs for approval – continue to deliver high-quality technical advice to enable informed decisions and drive compliance.	In 2026/27 we will: – conduct energy safety audits and investigations – use communications and marketing campaigns to improve the public's energy safety awareness – complete regulatory visits to electrical suppliers – audit electrical and gas appliances.	In 2026/27 we will: – provide guidance relating to major hazard, petroleum and geothermal facilities – conduct high hazard assessments, investigations and audits – address notifications – proactively engage to reduce risk of catastrophic harm.

Focus areas

We have set a strong foundation and will continue to build on it. The work we undertook in 2025/26 to strengthen the Inspectorate, improve our authorisation function and refine our enforcement approach means we are set up well for the future. In 2026/27, we will optimise our services to deliver on our organisational strategy and implement Government's health and safety reforms.

We will focus on six things in 2026/27:

- guidance to support changes to health and safety legislation
- priority guidance and ACOPs
- embedding enforcement system improvements
- strengthening the Inspectorate
- strengthening third-party regulatory oversight
- implementing a systematic and responsive feedback mechanism.

Our priority programmes run concurrently and are complementary.

This work is supported by our enabling strategies:

- digital and cyber technologies
- data and information
- stakeholder partnerships.

The Whakaari | White Island Eruption Coronial Inquiry will also be an important work programme for WorkSafe this year.

FOCUS AREA	WHAT WE WILL DELIVER IN 2026/27	WHAT WILL BE DIFFERENT FOR BUSINESSES AND WORKERS
Health and safety reforms	– publish information and engage with businesses to help them understand changes to the Health and Safety at Work Act 2015 (HSWA) – provide clarity on critical risks, how a workplace must address them and what is reasonably practicable – help duty holders do what is proportionate to the risks and avoid over-compliance – provide practical advice and guidance that businesses and workers understand – develop, and support the development of, Approved Codes of Practice (ACOPs).	– people will have clarity on what they need to do to meet health and safety requirements – businesses and workers will understand how the health and safety reforms affect them – sector messaging will be targeted.
Guidance	– support industry-led ACOPs, including for laboratories and asbestos – develop ACOPs and other forms of guidance – implement our endorsement policy for industry-developed guidance – continue to review, update and improve the usefulness of our guidance suite (including through use of AI and digital tools) – work with industry and use digital enablers to close any guidance gaps – ensure it's easy for users to access our guidance and tailor guidance to meet people's needs.	– businesses will understand clearly what they need to do to meet the test of what is 'reasonably practicable' – more relevant and practical guidance will be available – WorkSafe guidance will be more practical, useful and accessible for businesses – businesses will have clarity on the changes to HSWA and what it means for them – stronger connection between inspections, education and guidance.

FOCUS AREA	WHAT WE WILL DELIVER IN 2026/27	WHAT WILL BE DIFFERENT FOR BUSINESSES AND WORKERS
Enforcement system improvements	– consistent application of recent changes to our enforcement approach – strengthened approach to worker breaches of duty.	– greater consistency in use of enforcement tools – fair and proportionate approach – regulatory tools applied appropriately to both employers and workers.
Inspectorate	– implement strengthened practice frameworks – capture insights from inspectors to inform continuous improvement – determine the roles and development paths that will best suit the Inspectorate's needs and review what changes, if any, are needed to each role.	– greater consistency in practice – stronger connection between inspections, education and guidance – consistent enforcement decision-making.
Third-party regulatory oversight	– embed improvements to compliance monitoring – embed oversight of high-risk permitting regimes.	– stronger oversight – consistency in how permitting regimes operate – better management of risks.
Feedback mechanism	– provide a structured feedback system for duty holders on timeliness, clarity and effectiveness – implement a triage mechanism to address urgent issues in real time – use feedback insights to inform continuous improvement.	– systematic and responsive feedback mechanism – effective triage – quicker response to urgent issues – summary information provided in quarterly reports.

ENABLER	WHAT WE WILL DELIVER IN 2026/27	WHAT WILL BE DIFFERENT FOR BUSINESSES AND WORKERS
Digital and cyber technologies	– optimise investment in digital technologies to develop guidance products and deliver services through digital channels – ensure our workers (including inspectors in the field) can readily access information and work efficiently – gain operational efficiencies through the use of AI.	– faster development of new guidance resources – a more efficient Inspectorate – improved user experience of our self-service portals.
Stakeholder partnerships	– strengthen and formalise our stakeholder engagement and partnerships to amplify our messages – collaborate with industry, community advocates and workers to expand our reach – partner with industry leaders, businesses, the health and safety community and global innovators – use insights from industry and system stakeholders to focus on the highest priority problems.	– stronger partnerships – improved service effectiveness – better two-way information flow – sharper focus on critical risks.
Data and Information	– use data to understand trends and develop risk models – focus our work where there is the greatest risk of significant harm – make data and insights available to industry groups and businesses.	– data and insights shared more easily with industry – better targeting to areas of greatest need – industries and businesses can improve their health and safety responses.

Whakaari-White Island eruption coronial inquiry

In 2019, a volcano erupted on Whakaari-White Island in the Bay of Plenty, resulting in the deaths of 22 people and injury to 25 others.

WorkSafe, together with a number of other government agencies, is an interested party to the coronial Inquiry. As part of the process, an inquest into the deaths caused by the eruption is being conducted in two phases.

Phase One concluded on 28 November 2025, and covered the day of the eruption, the emergency response, and the healthcare provided to those who died. WorkSafe attended Phase One but did not play an active role in it.

Phase Two will open on 31 August 2026 and will address matters preceding the eruption. This will include consideration of regulatory oversight of tours to Whakaari, mitigation of risk, possible action following increases in risk (prior eruptions), and communication of risk. WorkSafe will have an active role in Phase Two, with planning well underway to ensure we are prepared and able to provide the appropriate support.

How our statutory functions link to our outputs

WORKSAFE ACTIVITIES	STATUTORY FUNCTIONS AS PER SECTION 10 WORKSAFE NEW ZEALAND ACT 2013
ENGAGE	– Advise on the operation of the work health and safety system – Make recommendations for changes to improve the effectiveness of the work health and safety system – Make recommendations about the level of any funding that WorkSafe requires to carry out its functions effectively – Provide guidance, advice and information on work health and safety – Promote and support research, education and training in work health and safety – Collect, analyse, and publish statistics relating to work health and safety – Promote and coordinate the sharing of information that contributes to work health and safety – Foster a cooperative and consultative relationship within the work health and safety system – Foster a cooperative and consultative relationship with the Environmental Protection Authority – Promote health and safety initiatives through partnership and collaboration
ENFORCE	– Monitor and enforce compliance with relevant health and safety legislation – Publish information about its approach to enforcing compliance and performance standards for completing investigations
PERMIT	– Develop codes of practice – Develop safe work instruments

In addition, WorkSafe must:

- perform or exercise other powers conferred by other Acts
- perform any additional functions directed by the Minister under the Crown Entities Act 2004.

The WorkSafe New Zealand Act also sets out an additional objective for WorkSafe: to 'promote and contribute to the safe supply of electricity and gas'.

WorkSafe also has responsibilities under the:

- Gas Act 1992, enacted to protect the public in relation to gas and provide for the regulation, supply and use of gas
- Electricity Act 1992, enacted to protect the public in relation to electricity and provide for the regulation, supply and use of electricity.

Regulatory system

The work health and safety regulatory system is made up of the:

- Health and Safety at Work Act 2015 (HSWA)
- supporting regulations, safe work instruments, standards, approved codes of practice (ACOPs) and guidance that sit under HSWA
- regulators such as WorkSafe that implement the law and support people to comply through engagement, enforcement and standard setting
- people and organisations authorised (eg by WorkSafe) to certify or license businesses for high-risk work and activities.

Health and Safety legislative reforms

The Health and Safety at Work Amendment Bill will amend the Health and Safety at Work Act 2015, the WorkSafe New Zealand Act 2013, and the Health and Safety at Work (General Risk and Workplace Management) Regulations 2016. Its main objectives are to:

- reduce unnecessary compliance costs
- increase certainty for businesses and organisations about what they need to do
- support continued reductions in the incidence of workplace fatalities, injuries, and illnesses.

Priority plans

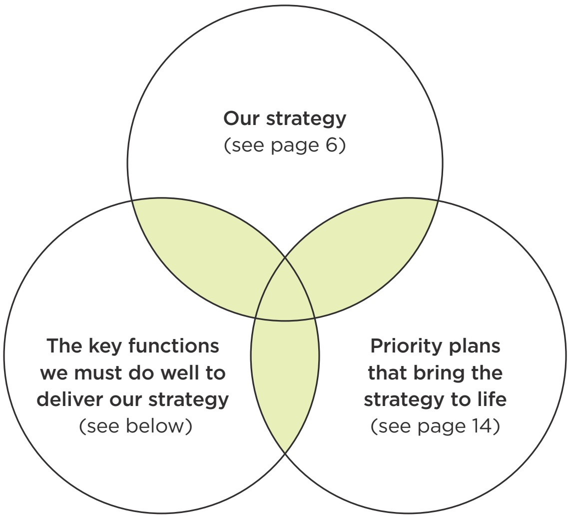
Four sector plans (agriculture, construction, forestry and manufacturing) set out how WorkSafe will target its engagement and enforcement activity to influence better, more equitable outcomes. The plans cover the sectors where most acute and chronic harm occurs.

While we focus resources on these sectors, we will continue to address critical risks outside the four sectors or that span sectors, as needed.

	ABOUT THE SECTOR	PRIORITIES
Agriculture – 5% of employment is in this sector – 29% of work-related fatalities – 23% of serious non-fatal injuries	Farming is a way of life for many people in Aotearoa New Zealand, and health and safety must be part of this way of life. Most serious harm in agriculture occurs in dairy, sheep and beef farming. Our plan sets out how we will target the biggest risks and work with others to influence improved health and safety culture in agriculture.	– safe use of farm vehicles such as quad bikes and tractors, especially in livestock farming – safe storage and use of hazardous substances such as agrichemicals, especially in horticulture – farm machinery safety, with an emphasis on guarding and maintenance.
Construction – 11% of employment is in this sector – 14% of work-related fatalities – 18% of serious non-fatal injuries	Construction has among the highest rates of acute and chronic harm. To prevent harm on construction sites, businesses must keep up with constantly changing risks, especially where multiple businesses work together. Construction has the largest number of workers with exposure to toxic dusts and fumes.	– safety around vehicles and mobile machinery – safe work at height, especially in building construction and related services – effective control of dusts including silica dust, wood dust, and asbestos – effective control of fumes from solvents and other hazardous substances – risk management and communication between businesses working together.
Forestry – <0.5% of employment is in this sector – 8% of work-related fatalities – 3% of serious non-fatal injuries	Forestry has a very high rate of acute harm, mostly from felling trees. Workers that are harmed are more likely to be young, Māori, and from rural communities. To reduce this harm, the whole sector needs to plan for and practise safe tree felling. The fatality rate in forestry is about 15 times higher than the average for all sectors.	– ensuring businesses and workers are aware of the new approved code of practice (ACOP) for forestry operations – an ongoing focus on safe tree felling, including reasonable consideration of mechanisation.
Manufacturing – 9% of employment is in this sector – 7% of work-related fatalities – 13% of serious non-fatal injuries	Manufacturing is a significant contributor to the New Zealand economy and employs high numbers of Māori and Pacific workers. It has the largest total number of injuries of any sector, and some workers have high exposure to toxic dusts and fumes. Improving health and safety starts with getting the basics right, like safe machinery and good worker training.	– machinery safety, with an emphasis on guarding and maintenance – safety around vehicles and mobile machinery – effective control of dusts, fumes, and hazardous substances, with a continued focus on engineered stone fabrication – worker engagement, participation, and representation.

Data sources: Stats NZ Household Labour Force Survey 2020-23 (% FTEs by sector), WorkSafe Data Centre, July 2025 (fatalities); Stats NZ (serious non-fatal injuries).

WorkSafe's approach has three components



Delivering on our strategy involves these key functions:

- understanding risk and harm
- designing interventions
- delivering services
- measuring impact
- organisational effectiveness.

Understand risk and harm	– Collect information to form insights on why harm is occurring, the highest levels of risk, and the greatest inequities
Design interventions	– Design the mix of services WorkSafe will deliver for maximum influence with targeted businesses and workers – Ensure interventions can be successfully delivered by planning, communicating and preparing service delivery effectively
Deliver services	– Develop and disseminate information and resources to support work-related health and safety, and energy safety – Develop and deliver education and training – Develop and deliver marketing and communications campaigns to drive work-related health and safety, and energy safety – Plan and carry out workplace assessments – Identify and deliver immediate enforcement actions and monitor progress – Plan and conduct investigations – Conduct prosecutions – Assess, accept and monitor enforceable undertakings (alternatives to prosecution) – Issue, renew, monitor, vary and cancel authorisations – Grant, cancel and monitor exemptions
Measure impact	– Embed evaluation practices throughout the organisation, gathering information about the performance and influence of interventions and services – Use this information to adjust focus so WorkSafe can improve impact in the areas with the greatest harm, risk and inequity, and to demonstrate the value of its influence
Organisational effectiveness	– Support the organisation to operate efficiently and effectively

To address the three types of work-related harm (acute, chronic and catastrophic), WorkSafe focuses on its core regulatory activities, in particular:

- providing guidance, advice, and information on compliance with relevant health and safety legislation
- developing, reviewing, and recommending codes of practice
- developing safe work instruments
- monitoring and enforcing compliance with relevant health and safety legislation.

Businesses and workers will experience:

Collaboration

Partnering with others, including industry leaders, businesses and global innovators to make sure our support, guidance and actions are practical, relevant, timely and cost effective. Better collaboration with industry, community advocates and workers to reach the right places, delivering better service and impact.

Tailored, easy-to-access tools and support

The right information delivered in the right way, through the channel that works for users.

Evidence-based actions

A clear consistent enforcement decision making model (EDM), and an enforcement approach focused on clear breaches and causes, and consistent with the Solicitor-General's prosecution guidelines. Better collection and use of data and information, including development of a single source of truth.

A coordinated, consistent and clear experience

Better coordination for a consistent experience of WorkSafe. This includes new inspector training and recruitment.

Responsiveness

Complaints and inquiries will be resolved quickly, efficiently and in a supportive way. Duty holders will have an easy way to provide feedback on the timeliness and effectiveness of our guidance, inspections and other engagements.

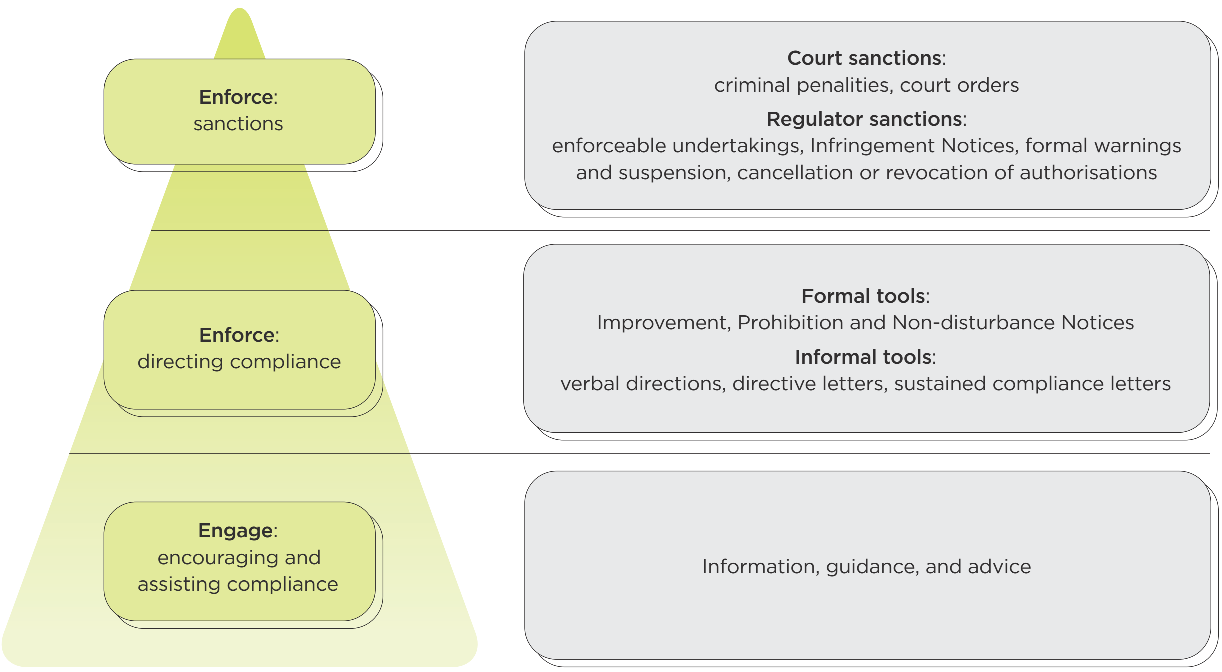
A fair and even-handed regulatory approach

We are a responsive risk-based regulator. This means we use the best intervention or combination of interventions to help improve work health and safety.

When we become aware of a risk or harm, we may decide to intervene when all of the following criteria are met:

- the risk or harm sits within our responsibilities
- we are best placed to intervene (where there is an overlap with another agency's responsibilities)
- the significance of the risk or harm means we should consider intervening
- intervening is an effective use of our resources.

WorkSafe's Enforcement Decision-making Model (EDM) provides a framework that guides inspectors towards deciding on an enforcement response appropriate to the circumstances. We will ensure that the EDM and our enforcement, regulation and prosecution policies and practice align with health and safety legislation changes. Quality control across regulatory decisions will also be updated and embedded to identify and address inconsistent practice.



Contribution to Health and Safety at Work Strategy

The table below shows how WorkSafe will give effect to the *Health and Safety at Work Strategy 2018–2028* (HSWS) in 2026/27 through the actions it will undertake.

HSWS PRIORITIES	WORKSAFE PRIORITY ACTIONS 2026/27
Work-related health, including mental health	– Triage health notifications, and respond appropriately – Work with MBIE on the joint agency response to accelerated silicosis
Businesses with greater need: Sectors with highest harm and small businesses	– Develop ACOPs so businesses know what to do – Deliver harm reduction initiatives aimed at priority sectors (forestry, construction, manufacturing and agriculture) – Undertake workplace assessments, targeted at high-risk industries and activities (such as tree felling and complex building projects) – Undertake workplace assessments of high hazard facilities and high potential incidents – Respond to priority notifications of immediate risk of harm – Undertake investigations – Process authorisations and exemptions – Conduct energy safety audits and investigations – Prepare and review safe work instruments – Prosecute and undertake other enforcement action when poor practice is found
Workers with greater need	– Undertake harm reduction initiatives including for multi-cultural groups, priority sectors and forestry sector interventions – Drive locally-led sustainable shifts in health and safety practice – Deliver education initiatives
Encourage leaders at all levels to integrate health and safety	– Engage directly with sector lead groups to communicate WorkSafe's expectations
Enable workers to be represented, engaged and to participate	– Engage with businesses to promote worker voice (through workplace assessments) – Improve access to guidance for effective worker engagement, participation and representation – Deliver education initiatives
Lift capability of health and safety practitioners	– Provide advice and guidance materials to support health and safety practitioners
Develop and share better insights to improve decision-making	– Publish research insights and evaluation reports – Publish notifications and activity statistics – Share data and insights with sector lead groups

Our organisation

WorkSafe is a good employer

WorkSafe values the contribution of all staff. We provide a healthy and safe work environment that supports people to perform and meet their potential; maintain a diverse, equitable and inclusive workplace; address pay gaps; and ensure workers have a voice.

In 2026/27, WorkSafe will:

Mature our leadership programme	Deeper confidence and a healthy workplace culture
Implement a capability framework across all roles at WorkSafe	Clear expectations for skills and competencies
Implement and embed improvements to our induction and onboarding process	Every new starter feels part of the WorkSafe whānau
Streamline health and safety reporting channels	Direct engagement between health and safety representatives and leadership
Continue to uplift our Inspectorate capability	Inspectors supported in their day-to-day work – a flexible, effective workforce for Aotearoa New Zealand
Survey workers regularly and act on results	Workers feel supported, valued and empowered in their roles
Implement WorkSafe's updated diversity, equity, inclusion and belonging approach	Healthy workplace culture
Enable a consistent performance development approach	Meaningful conversations between leaders and their teams

WorkSafe will also continue to:

- support workers with flexible work arrangements and provide people leaders with greater guidance around proactively leading hybrid teams
- leverage employee experience insights across the employee lifecycle to understand drivers of engagement, performance and turnover, and to inform workforce and retention strategies
- support meaningful career progression by enabling development, capability building and internal mobility across the organisation
- compensate workers via a remuneration framework that provides clear visibility for remuneration growth, and acknowledges development and experience
- recognise and celebrate the contribution of workers through milestone recognition, long service acknowledgement and everyday appreciation, ensuring people feel valued beyond their remuneration
- ensure a fair and safe process to address work-related issues
- enhance the work environment and conditions for all workers, ensuring they feel supported, valued, and empowered in their roles.

Central to this is the ongoing development of WorkSafe's health and safety management system, with a sharper focus on health and safety practices, strengthening prevention strategies and providing targeted resources.
This includes:

- access to professional supervision
- expert advice to review work-related decisions and experiences
- employee assistance programmes (EAP)
- immediate assistance for workplace or personal challenges
- broader health-promoting initiatives, such as the free flu vaccination programme.

Environmental sustainability at WorkSafe

WorkSafe is committed to tracking Green House Gas (GHG) emissions from its activities in line with the Carbon Neutral Government Programme. WorkSafe has a GHG emission reduction target of 45% by 2030, relative to the 2018/19 baseline.

In 2025 we produced our first Emissions Reduction Plan that sets out how we will manage our emissions over the next five years. Our 2024/25, emissions were 791 tonnes CO_2e – 61% lower than the baseline. Future emissions projections suggest that despite the expected growth in inspector numbers we will meet our 2030 target.

Over 80% of WorkSafe's emissions are related to how staff travel across the country. WorkSafe will continue to monitor changes in vehicle fleet and business travel emissions, balancing the need to deliver our core functions, with limiting our environmental impact.

Risk maturity

A programme of work is underway to mature existing enterprise risk management practices across WorkSafe. This programme plans to build on our existing foundations in place to further evolve our enterprise risk management practices to help people make smarter, faster and more confident decisions.

Outcomes framework

The outcomes framework overleaf shows how we support the health and safety system, businesses, workers and the public, and sets out the outcomes we want to achieve over a five-year period that began in 2025/26. The performance measures on pages 24–34 set out how we will measure our progress.

Outcomes framework

Our strategy defines our role and vision as:

We are the primary regulator, and our main role is to influence businesses and workers to meet responsibilities to ensure work is healthy and safe

WHAT WE WANT TO ACHIEVE

REDUCE RISK OF THE MOST SERIOUS ACUTE, CHRONIC AND CATASTROPHIC HARM BY...

PRIORITY AREAS AND OUTCOMES

Sectors with the greatest risk of harm

Workers with the greatest risk of harm

IN FIVE YEARS

- Improving what **WorkSafe** does to support the **health and safety system**
- Influencing the improvement of **businesses**' management of health and safety
- Influencing the improvement of **worker** participation in health and safety
- Influencing the improvement of the **public** safe use of electricity and gas

IN THREE YEARS

- System collaboration is enhanced to support health and safety outcomes
- Interventions are focused where they have the greatest impact
- Unnecessary obstacles to compliance are reduced
- Businesses have improved management of their most serious risks
- Businesses demonstrate stronger leadership commitment and proportionate investment in health and safety
- More businesses have operated with the appropriate authorisations
- Worker involvement in the management of health and safety is increased
- Safer choices are made by the public to reduce electricity and gas risks

IN ONE YEAR

- The way we work with others is improved to amplify our efforts
- More efficient and timely delivery of our outputs
- Our response to serious health and safety risks has improved
- More appropriate and proportionate use of regulatory tools
- Business awareness of their health and safety obligations is enhanced
- Business knowledge of keys risks and application of controls are enhanced
- Worker awareness of their role, rights and responsibilities in managing health and safety is improved
- Public awareness and knowledge of electricity and gas risks and controls are increased

WE WILL ACHIEVE OUR OUTCOMES THROUGH OUR OUTPUTS

ENGAGE

- Education and training
- Publishing information and resources
- Workplace assessments
- Marketing and communications
- Advisory services

ENFORCE

- Improvement Notice
- Prohibition Notice
- Infringement Notice
- Prosecution
- Enforceable undertaking

PERMIT

- Detailed technical requirements
- Authorisations
- Exemptions
- Monitoring

Statement of non-financial performance expectations

Our service performance measures and standards have been developed in accordance with Public Benefit Entity Financial Reporting Standard 48 (PBE FRS 48) Service Performance Reporting Standard, applying the following principles:

- provide service performance information that is useful for accountability and decision-making purposes in the same report as the financial statements
- enable users to make assessments of our performance through the presentation of contextual information about what we are trying to achieve, service performance information, and financial statements
- apply the qualitative characteristics of information (relevance, faithful representation, understandability, timeliness, comparability, and verifiability) and the pervasive constraints on that information (materiality, cost-benefit and balance between the qualitative characteristics), in selecting and presenting service performance information
- apply qualitative characteristics and appropriate balancing of the constraints in order to present service performance information that is appropriate and meaningful to users.

One new measure has been introduced for 2026/27 to measure the usefulness of our guidance for workers.

Where measures are also included in our statement of intent or appropriation, this has been noted in the tables that follow.

Two measures from the 2025/26 statement of performance expectations have been removed as the work is now complete: assessing guidance documents for being up to date; and increasing the availability of enforceable undertakings.

Measuring performance

WorkSafe's activities are grouped into five categories: Engage, Enforce, Permit, Energy Safety and Major Hazards, as per our Multi-Category Appropriation. These replace the three output classes used in WorkSafe's previous SPE (Engage, Enforce, Permit).

CATEGORY 1: **ENGAGE**

Engaging to support best practice in work health and safety

This category covers the provision of guidance, information and support to duty holders in the work health and safety system. It is intended to support engagement with duty holders and best practice in health and safety. It covers: education and training; publishing information and resources; workplace assessments; marketing and communications; and advisory services.

This category is intended to achieve the following short-term outcomes (as described in the outcomes framework on page 21):

- the way we work with others is improved to amplify our efforts
- our response to serious health and safety risks has improved
- more appropriate and proportionate use of regulatory tools
- business awareness of their health and safety obligations is enhanced
- business knowledge of key risks and application of controls are enhanced
- worker awareness of their role, rights and responsbilities in managing health and safety is improved
- public awareness and knowledge of electricity and gas risks and controls are increased.

MEASURES	TARGET 2025/26	FORECAST ACTUAL 2025/26	TARGET 2026/27	
1.1 The percentage of employers who report that our guidance and information resources are very useful or extremely useful	≥65%	59%	≥65%	SOI*
1.2 The percentage of workers who report that our guidance and information resources are very useful or extremely useful	New measure	New measure	≥65%	
1.3 The percentage of people who agree that WorkSafe staff helped the business to find practical ways to improve health and safety	≥70%	≥70%	≥70%	SOI* MCA**

* Measures included in our statement of intent are marked SOI.

** Multi-Category Appropriation measures are marked MCA.

Forecast revenue and costs for the year ending 30 June 2027

Total for Engage

$MILLION	BUDGET 2025/26	FORECAST ACTUAL 2025/26	FORECAST 2026/27
Revenue			
Crown	68.983	68.251	71.329
Other	1.442	1.898	1.472
Total revenue	**70.425**	**70.149**	**72.801**
Expenditure	**70.366**	**65.737**	**69.349**
Surplus/(deficit) excluding strategic investment	**0.059**	**4.412**	**3.452**
Strategic investment	5.350	7.988	8.811
Surplus/(deficit)	**(5.291)**	**(3.576)**	**(5.359)**

Note: Our output class budgets show a deficit position because of our strategic investment in guidance, our Inspectorate capability uplift and our enabling strategies (digital and cyber technologies). This is funded from reserves (see Operating expenditure on page 44).

Breakdown of activities

$MILLION	BUDGET 2025/26	FORECAST ACTUAL 2025/26	FORECAST 2026/27
Engage: Education and training			
Revenue	16.781	16.167	17.142
Expenditure	16.767	15.150	16.329
Surplus/(deficit) excluding strategic investment	**0.014**	**1.017**	**0.813**
Strategic investment	0.425	0.739	0.644
Surplus/(deficit)	**(0.411)**	**0.278**	**0.169**

$MILLION	BUDGET 2025/26	FORECAST ACTUAL 2025/26	**FORECAST 2026/27**
Engage: Publishing information and resources			
Revenue	10.726	9.864	10.416
Expenditure	10.717	9.243	9.922
Surplus/(deficit) excluding strategic investment	**0.009**	**0.621**	**0.494**
Strategic investment	3.041	3.218	2.794
Surplus/(deficit)	**(3.032)**	**(2.597)**	**(2.300)**
Engage: Workplace assessments			
Revenue	17.564	21.930	21.250
Expenditure	17.549	20.551	20.242
Surplus/(deficit) excluding strategic investment	**0.015**	**1.379**	**1.008**
Strategic investment	1.033	1.986	3.407
Surplus/(deficit)	**(1.018)**	**(0.607)**	**(2.399)**
Engage: Marketing and communications			
Revenue	11.279	9.493	9.964
Expenditure	11.270	8.896	9.492
Surplus/(deficit) excluding strategic investment	**0.009**	**0.597**	**0.472**
Strategic investment	0.425	0.627	0.644
Surplus/(deficit)	**(0.416)**	**(0.030)**	**(0.172)**
Engage: Advisory services			
Revenue	14.075	12.695	14.029
Expenditure	14.063	11.897	13.364
Surplus/(deficit) excluding strategic investment	**0.012**	**0.798**	**0.665**
Strategic investment	0.425	1.418	1.323
Surplus/(deficit)	**(0.413)**	**(0.620)**	**(0.658)**

CATEGORY 2: ENFORCE

Enforcing work health and safety compliance

This funding category covers the delivery of enforcement activities to ensure compliance with work health and safety legislation. It includes Improvement Notices, Infringement Notices, Prohibition Notices, enforceable undertakings and prosecutions, where health and safety legislation has been breached.

This category is intended to achieve the following short-term outcomes:

- our response to serious health and safety risks has improved
- more appropriate and proportionate use of regulatory tools
- businesses have enhanced knowledge of key risks and application of controls.

MEASURES	TARGET 2025/26	FORECAST ACTUAL 2025/26	**TARGET 2026/27**	
2.1 The percentage of improvement notices that are closed within the stated compliance period	≥95%	95%	≥95%	SOI MCA
2.2 The percentage of investigations in priority sectors (agriculture, forestry, manufacturing and construction)	≥80%	75%	≥80%	SOI
2.3 The percentage of enforcement interventions resulting in a positive outcome or other resolution	≥80%	≥80%	≥80%	MCA

Forecast revenue and costs for the year ending 30 June 2027

Total for Enforce

$MILLION	BUDGET 2025/26	FORECAST ACTUAL 2025/26	**FORECAST 2026/27**
Revenue			
Crown	22.948	28.988	28.020
Other	0.480	0.806	0.578
Total revenue	**23.428**	**29.794**	**28.598**
Expenditure	**23.408**	**27.921**	**27.243**
Surplus/(deficit) excluding strategic investment	**0.020**	**1.873**	**1.355**
Strategic investment	0.946	1.632	1.543
Surplus/(deficit)	**(0.926)**	**0.241**	**(0.188)**

Note: Our output class budgets show a deficit position because of our strategic investment in our enforcement approach and our enabling strategies (digital and cyber technologies). This is funded from reserves (see Operating expenditure on page 44).

Breakdown of activities

$MILLION	BUDGET 2025/26	FORECAST ACTUAL 2025/26	**FORECAST 2026/27**
Enforce: Improvement Notices			
Revenue	4.865	6.522	6.283
Expenditure	4.861	6.112	5.985
Surplus/(deficit) excluding strategic investment	**0.004**	**0.410**	**0.298**
Strategic investment	0.189	0.326	0.309
Surplus/(deficit)	**(0.185)**	**0.084**	**(0.011)**
Enforce: Prohibition Notices			
Revenue	4.470	5.711	5.453
Expenditure	4.466	5.352	5.195
Surplus/(deficit) excluding strategic investment	**0.004**	**0.359**	**0.258**
Strategic investment	0.189	0.326	0.309
Surplus/(deficit)	**(0.185)**	**0.033**	**(0.051)**
Enforce: Infringement Notices			
Revenue	4.501	5.928	5.564
Expenditure	4.497	5.556	5.300
Surplus/(deficit) excluding strategic investment	**0.004**	**0.372**	**0.264**
Strategic investment	0.189	0.326	0.309
Surplus/(deficit)	**(0.185)**	**0.046**	**(0.045)**
Enforce: Prosecution			
Revenue	6.276	8.119	7.808
Expenditure	6.271	7.608	7.438
Surplus/(deficit) excluding strategic investment	**0.005**	**0.511**	**0.370**
Strategic investment	0.189	0.326	0.309
Surplus/(deficit)	**(0.184)**	**0.185**	**0.061**
Enforce: Enforceable undertakings			
Revenue	3.316	3.514	3.490
Expenditure	3.313	3.293	3.325
Surplus/(deficit) excluding strategic investment	**0.003**	**0.221**	**0.165**
Strategic investment	0.189	0.326	0.309
Surplus/(deficit)	**(0.186)**	**(0.105)**	**(0.144)**

CATEGORY 3: **PERMIT**

Authorising and monitoring work health and safety activities

This category includes the issuing of licenses, authorisations and exemptions to third parties, and the monitoring of these. It is intended to ensure the quality and consistency of third-party activities in the work health and safety system. It covers detailed technical requirements (including safe work instruments and ACOPs), authorisations, exemptions from compliance and monitoring authorisation.

This category is intended to achieve the following short-term outcomes:

- more efficient and timely delivery of our outputs
- more appropriate and proportionate use of our regulatory tools.

MEASURES	TARGET 2025/26	FORECAST ACTUAL 2025/26	**TARGET 2026/27**	
3.1 The percentage of authorisations that WorkSafe decides and notifies within the agreed timeframes	Q1: ≥70% Q2: ≥73% Q3: ≥76% Q4: ≥80%	≥80%	≥80%	SOI MCA
3.2 The percentage satisfaction with the application process of people applying for authorisations	Q1: ≥70% Q2: ≥73% Q3: ≥76% Q4: ≥80%	≥80%	≥80%	SOI

Forecast revenue and costs for the year ending 30 June 2027

Total for Permit

$MILLION	BUDGET 2025/26	FORECAST ACTUAL 2025/26	**FORECAST 2026/27**
Revenue			
Crown	28.701	23.149	22.827
Other	0.600	0.644	0.471
Total revenue	**29.301**	**23.793**	**23.298**
Expenditure	**29.276**	**22.297**	**22.193**
Surplus/(deficit) excluding strategic investment	**0.025**	**1.496**	**1.105**
Strategic investment	1.406	1.929	1.373
Surplus/(deficit)	**(1.381)**	**(0.433)**	**(0.268)**

Note: Our output class budgets show a deficit position because of our strategic investment in improving our authorisation function, strengthening third party regulatory oversight and our enabling strategies (digital and cyber technologies). This is funded from reserves (see Operating expenditure on page 44).

Breakdown of activities

$MILLION	BUDGET 2025/26	FORECAST ACTUAL 2025/26	**FORECAST 2026/27**
Permit: Detailed technical requirements			
Revenue	5.050	3.401	3.228
Expenditure	5.046	3.187	3.075
Surplus/(deficit) excluding strategic investment	**0.004**	**0.214**	**0.153**
Strategic investment	0.352	0.482	0.343
Surplus/(deficit)	**(0.348)**	**(0.268)**	**(0.190)**
Permit: Authorisations			
Revenue	7.557	5.947	5.880
Expenditure	7.550	5.573	5.601
Surplus/(deficit) excluding strategic investment	**0.007**	**0.374**	**0.279**
Strategic investment	0.352	0.482	0.343
Surplus/(deficit)	**(0.345)**	**(0.108)**	**(0.064)**
Permit: Exemptions			
Revenue	4.733	2.725	2.678
Expenditure	4.729	2.554	2.551
Surplus/(deficit) excluding strategic investment	**0.004**	**0.171**	**0.127**
Strategic investment	0.352	0.482	0.343
Surplus/(deficit)	**(0.348)**	**(0.311)**	**(0.216)**
Permit: Monitoring			
Revenue	11.961	11.720	11.512
Expenditure	11.951	10.983	10.966
Surplus/(deficit) excluding strategic investment	**0.010**	**0.737**	**0.546**
Strategic investment	0.352	0.482	0.343
Surplus/(deficit)	**(0.342)**	**0.255**	**0.203**

CATEGORY 4: ENERGY SAFETY

This category covers WorkSafe's legislated energy safety function. It is intended to support both workplace and public safety through building awareness, best practice and legislative compliance in energy safety. It includes education, energy safety investigations, audits, energy safety campaigns and assessing unsafe products.

This category is intended to achieve the following short-term outcomes:

- the way we work with others is improved to amplify our efforts
- business knowledge of key risks and application of controls are enhanced
- public awareness and knowledge of electricity and gas risks and controls are increased.

MEASURES	TARGET 2025/26	FORECAST ACTUAL 2025/26	**TARGET 2026/27**	
4.1 The percentage of Energy Safety investigations that will be closed within 60 working days	90%	90%	90%	SOI MCA

Forecast revenue and costs for the year ending 30 June 2027

Total for Energy Safety

$MILLION	BUDGET 2025/26	FORECAST ACTUAL 2025/26	**FORECAST 2026/27**
Revenue			
Crown	4.414	4.414	4.414
Other	0.093	0.149	0.121
Total revenue	**4.507**	**4.563**	**4.535**
Expenditure	**4.533**	**5.173**	**5.702**
Surplus/(deficit) excluding strategic investment	**(0.026)**	**(0.610)**	**(1.167)**
Strategic investment	0.089	0.174	0.189
Surplus/(deficit)	**(0.115)**	**(0.784)**	**(1.356)**

Note: Our output class budgets show a deficit position because of our strategic investment in our enabling strategies (digital and cyber technologies). This is funded from reserves (see Operating expenditure on page 44).

CATEGORY 5: MAJOR HAZARD FACILITIES, PETROLEUM AND GEOTHERMAL

This category includes guidance, investigation, enforcement and notifications regarding major hazards, petroleum and geothermal facilities.

It is intended to support best practice and legislative compliance in the management of major hazard facilities and the petroleum and geothermal sectors. It covers major hazard facilities, safety case assessments (major hazard facilities, geothermal and petroleum) and hazardous substances.

This category is intended to achieve the following short-term outcomes:

- the way we work with others is improved to amplify our efforts
- our response to serious health and safety risks has improved
- more appropriate and proportionate use of regulatory tools
- business awareness of their health and safety obligations is enhanced
- business knowledge of key risks and application of controls are enhanced
- worker awareness of their role, rights and responsbilities in managing health and safety is improved.

MEASURES	TARGET 2025/26	FORECAST ACTUAL 2025/26	**TARGET 2026/27**	
5.1 The percentage of major hazard facilities that improve workplace safety after being notified of a potential issue through interaction with the major hazard facilities inspectors	≥85%	≥85%	≥85%	MCA

Forecast revenue and costs for the year ending 30 June 2027

Total for Major Hazards, Petroleum and Geothermal

$MILLION	BUDGET 2025/26	FORECAST ACTUAL 2025/26	**FORECAST 2026/27**
Revenue			
Crown	9.804	10.050	9.394
Other	0.205	0.279	0.194
Total revenue	**10.009**	**10.329**	**9.588**
Expenditure	**10.001**	**9.679**	**9.136**
Surplus/(deficit) excluding strategic investment	**0.008**	**0.650**	**0.452**
Strategic investment	0.208	0.406	0.442
Surplus/(deficit)	**(0.200)**	**0.244**	**0.010**

Note: Our output class budgets show a deficit position because of our strategic investment in our enabling strategies (digital and cyber technologies). This is funded from reserves (see Operating expenditure on page 44).

Financial statements

Overview

In 2026/27, WorkSafe is funded through:

- Vote Labour Market (mostly through the Worker Safety Levy, supplemented by the Major Hazards Facilities Levy; includes $4.4 m through the Energy Safety Levy) – $135.9 m (98%)
- third-party revenue – $1.1 m (1%)
- Other Revenue (Interest Revenue) – $1.8 m (1%).

Reportable outputs

WorkSafe is funded primarily through the Vote Labour Multi-Category Appropriation: Workplace Relations and Safety – Workplace Health and Safety.

The single overarching purpose of this appropriation is the provision of support and guidance, enforcement of compliance, and authorisation of third parties in the work health and safety and energy systems.

The measure used to report against the appropriation is that 'More people improve their practices as a result of direct interaction with WorkSafe'.

	TARGET 2025/26	FORECAST ACTUAL 2025/26	**TARGET 2026/27**
Percentage of people (workers and employers) who made at least one change to improve workplace safety and/or reduce risks to workers' health, after interaction with a Health and Safety Inspector	85%	85%	85%

The performance measures and standards for the categories are as follows:

CATEGORY: ENGAGING TO SUPPORT BEST PRACTICE IN WORK HEALTH AND SAFETY

This category is limited to the provision of guidance, information and support to duty holders in the work health and safety system.

The measure used to report against this category is:

- the percentage of people who agree that WorkSafe staff helped the business to find practical ways to improve health and safety (see page 24).

CATEGORY: ENHANCING WORK HEALTH AND SAFETY COMPLIANCE

This category is limited to the delivery of enforcement activities to ensure compliance with work health and safety legislation.

The measures used to report against this category are:

- the percentage of improvement notices that are closed within the stated compliance period
- the percentage of enforcement interventions resulting in a positive outcome or other resolution (see page 26).

CATEGORY: AUTHORISING AND MONITORING WORK HEALTH AND SAFETY ACTIVITIES

This category is limited to the issuing of licenses, authorisations and exemptions to third parties, and the monitoring of these.

The measure used to report against this category is:

- the percentage of authorisations that WorkSafe decides and notifies within the agreed timeframes (see page 28).

CATEGORY: ENERGY SAFETY

This category is limited to the delivery of WorkSafe's legislated Energy Safety function.

The measure used to report against this category is:

– the percentage of Energy Safety investigations that will be closed within 60 working days (see page 30).

CATEGORY: MAJOR HAZARD FACILITIES, PETROLEUM AND GEOTHERMAL

This category is limited to guidance, investigation, enforcement and notifications regarding major hazard facilities.

The measure used to report against this category is:

– the percentage of major hazard facilities that improve workplace safety after being notified of a potential issue through Interaction with the major hazard facilities inspectors (see page 31).

Cost of service statement

$000	BUDGET 2025/26	ESTIMATED ACTUAL 2025/26	**FORECAST 2026/27**
Revenue			
Funding from the Crown	134,851	134,851	135,983
Interest revenue	1,807	2,414	1,779
Other revenue	1,012	1,363	1,058
TOTAL REVENUE	**137,670**	**138,628**	**138,820**
Operating expenditure (excluding strategic investment)	**137,584**	**130,807**	**133,623**
Surplus/(deficit) excluding strategic investment	**86**	**7,821**	**5,197**
Strategic investment	**8,000**	**12,128**	**12,358**
Surplus/(deficit)	**(7,914)**	**(4,307)**	**(7,161)**

Prospective statement of comprehensive revenue and expense for the year ended 30 June 2027

$000	BUDGET 2025/26	ESTIMATED ACTUAL 2025/26	**FORECAST 2026/27**
Revenue			
Funding from the Crown	134,851	134,851	135,983
Interest revenue	1,807	2,414	1,779
Other revenue	1,012	1,363	1,058
TOTAL REVENUE	**137,670**	**138,628**	**138,820**
Expenditure			
Personnel costs	99,182	97,613	99,647
Depreciation and amortisation	8,696	7,094	6,794
Finance cost	1,087	1,213	–
Other expenses	36,619	37,015	39,540
TOTAL EXPENDITURE	**145,584**	**142,935**	**145,981**
Surplus/(deficit)	**(7,914)**	**(4,307)**	**(7,161)**
TOTAL COMPREHENSIVE REVENUE AND EXPENSE	**(7,914)**	**(4,307)**	**(7,161)**

Prospective statement of financial position as at 30 June 2027

$000	BUDGET 2025/26	ESTIMATED ACTUAL 2025/26	**FORECAST 2026/27**
Assets			
Current assets			
Cash and cash equivalents	25,635	6,529	5,386
Receivables and prepayments	7,054	1,942	1,903
Investments	22,124	43,858	34,281
TOTAL CURRENT ASSETS	**54,813**	**52,329**	**41,570**
Non-current assets			
Property, plant and equipment	11,269	8,361	8,925
Intangible assets	24,218	18,931	17,030
TOTAL NON-CURRENT ASSETS	**35,487**	**27,292**	**25,955**
TOTAL ASSETS	**90,300**	**79,621**	**67,525**
Liabilities			
Current liabilities			
Payables and provisions	8,193	8,047	3,991
Borrowings – current	5,000	–	–
Employee entitlements – current	7,408	5,975	5,034
TOTAL CURRENT LIABILITIES	**20,601**	**14,022**	**9,025**
Non-current liabilities			
Employee entitlements – non-current	906	1,005	1,005
Provisions	–	569	631
Borrowings – non-current	6,820	–	–
TOTAL NON-CURRENT LIABILITIES	**7,726**	**1,574**	**1,636**
TOTAL LIABILITIES	**28,327**	**15,596**	**10,661**
Net assets	**61,973**	**64,025**	**56,864**
Equity			
Capital reserves	35,778	34,268	34,268
Memorandum accounts	2,226	2,207	1,744
Accumulated surplus/(deficit)	23,969	27,550	20,852
TOTAL EQUITY	**61,973**	**64,025**	**56,864**

Prospective statement of cash flows for the year ended 30 June 2027

$000	BUDGET 2025/26	ESTIMATED ACTUAL 2025/26	**FORECAST 2026/27**
Cash flows from operating activities			
Receipts from the Crown	134,851	134,851	135,983
Interest received	1,789	2,414	1,779
Receipts from other revenue	824	1,137	1,097
Payments to suppliers	(36,619)	(40,342)	(43,433)
Payments to employees	(97,890)	(95,761)	(100,588)
GST (net)	(100)	(124)	(100)
Net cash flows from operating activities	**2,855**	**2,175**	**(5,262)**
Cash flows from investing activities			
Receipts from sale of property, plant and equipment	–	35	–
Receipts from/(payments for) term deposits	5,000	(3,146)	9,577
Purchase of property, plant and equipment	(4,300)	(3,272)	(3,335)
Purchase of intangible assets (ICT)	(3,000)	(891)	(2,123)
Net cash flow from investing activities	**(2,300)**	**(7,274)**	**4,119**
Cash flows from financing activities			
Repayments of borrowings, net	(5,000)	(18,570)	–
Net cash flow from financing activities	**(5,000)**	**(18,570)**	**–**
Net increase/(decrease) in cash and cash equivalents	**(4,445)**	**(23,669)**	**(1,143)**
Cash and cash equivalents at the beginning of the year	30,080	30,198	6,529
Cash and cash equivalents at the end of the year	**25,635**	**6,529**	**5,386**

Prospective statement of changes in equity for the year ended 30 June 2027

$000	BUDGET 2025/26	ESTIMATED ACTUAL 2025/26	**FORECAST 2026/27**
Balance at 1 July	69,887	69,128	64,025
Total comprehensive revenue and expense	(7,914)	(4,307)	(7,161)
Owner transactions			
Capital contribution	–	(796)	
BALANCE AT 30 JUNE	**61,973**	**64,025**	**56,864**

Key assumptions and changes

The following significant assumptions have been used in preparing the forecast information:

- financial information is prepared in accordance with generally accepted accounting practice
- all expenditure in 2026/27 will be covered by our overall baseline funding. No additional funding is required to deliver our operational and strategic work programme
- accumulated surpluses from previous years will be used to fund strategic investments (see Operating expenditure for 2026/27 on page 44). This is why expenditure will exceed revenue in 2026/27 while remaining within overall baseline
- revenue from the Crown of $135.983 m will be available for the 2026/27 year
- WorkSafe's statutory functions will remain largely unchanged other than the changes in the Minister's expectations as outlined in this document
- there will be no unexpected external events (such as natural disaster) that will require significant operating or capital expenditure to be incurred.

Statement of accounting policies

Reporting entity

WorkSafe New Zealand is 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 government 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 Board authorised these prospective statements for issue on 30 June 2026.

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.

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 ($000), unless otherwise stated. The functional currency of WorkSafe is New Zealand dollars (NZ$).

Standard issued and not yet effective and not early adopted

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

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

PBE IFRS 17 INSURANCE CONTRACTS

This new standard sets out accounting requirements for insurers and other entities that issue insurance contracts and applies to financial reports covering periods beginning on or after 1 January 2026. This new standard is not expected to have a significant impact on WorkSafe's financial statements.

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.

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

Significant accounting policies

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.

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.

FINANCE COSTS

Borrowing costs are expensed in the financial year in which they are incurred.

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.

While cash and cash equivalents 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.

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.

The potential credit loss rates of receivables 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.

INVESTMENTS

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

There is no impairment provision for investments. The carrying amount of term deposits with maturities less than 12 months approximates their fair value.

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.

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

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.

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.

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.

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.

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 derecognised.

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 of 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.

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

CREDITORS AND OTHER PAYABLES

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

EMPLOYEE ENTITLEMENTS

Employee entitlements WorkSafe expects 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 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.

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

At the expiry of some property leases, WorkSafe is required to make good damage caused; remove renovations, fixtures or fittings installed; and/or return the premises to their condition prior to the commencement of the lease.

BORROWINGS

In 2021 WorkSafe entered into a loan agreement with the Crown to the value of $31.6 m (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 was due to be repaid over the period 30 June 2024 to 30 June 2029. No interest is payable on the facility.

The facility is classified as a concessionary loan (as the terms are below standard market conditions) and is 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. 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.

Borrowings were repaid in full by June 2026.

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.

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 Major Hazard Facilities levy. 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.

Critical accounting estimates and assumptions

In preparing these financial statements we 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.

Operating expenditure for 2026/27

WorkSafe's expenditure for 2026/27 is broken down into two components:

$000	OPERATING EXPENDITURE	STRATEGIC INVESTMENT	**TOTAL EXPENDITURE**
Personnel costs	93,123	6,524	99,647
Depreciation and amortisation	6,794	–	6,794
Other expenses	33,706	5,834	39,540
TOTAL EXPENDITURE	**133,623**	**12,358**	**145,981**

WorkSafe will undertake the following activities to achieve better and more equitable outcomes:

- **Engage**: WorkSafe provides advice and guidance to support businesses and workers to stay healthy and safe at work. WorkSafe is committed to building a consistent and educative approach to inspectorate engagements.
- **Enforce**: As part of its monitoring role, WorkSafe assesses workplaces to monitor compliance with the law. This includes ensuring businesses know when they have done enough to manage their health and safety risks. When people do not meet their obligations, WorkSafe plays an essential role in ensuring they are held to account in a fair and proportionate way.
- **Permit**: WorkSafe is also responsible for a range of authorisation (permit) regimes that help keep workers healthy and safe at work and protect public safety. Our permit plan will focus on overseeing the rules and regulations and checking that businesses and individuals permitted to undertake high-risk work meet the safety requirements.
- **Energy Safety**: WorkSafe conducts energy safety audits and investigations, publishes guidance to raise energy safety awareness, and completes visits to electrical suppliers.
- **Major Hazard, Petroleum and Geothermal Facilities**: WorkSafe provides guidance relating to major hazard, petroleum and geothermal facilities. Worksafe conducts high hazard assessments, investigations, and audits.

Strategic investment will support WorkSafe to successfully deliver our strategy and operating plan, including uplifting the capability of the Inspectorate; a new, proportionate approach to enforcement; industry-led guidance; and implementing legislative changes.

Disclaimer

WorkSafe New Zealand has made every effort to ensure that the information contained in this publication is reliable, but makes no guarantee of its completeness. WorkSafe may change the contents of this publication at any time without notice.

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