

THIS GUIDANCE APPLIES FROM 1 APRIL 2027

Am I a small or large PCBU?

This guide helps you work out whether you are a small or large PCBU and how your duties apply under the Health and Safety at Work Act (HSWA).

What is a PCBU?

A PCBU or person conducting a business or undertaking can be a person, or it can be a whole business or organisation.

A **business** is a commercial activity carried out to make money. A business could range from a large corporation to a sole trader or self-employed person.

An **undertaking** is usually not commercial or profit-making but is still an organisation that has workers. A school or a government department or local council are examples of an undertaking.

WorkSafe's guidance [Who or what is a PCBU?](#) has more information including who is not considered a PCBU.

Are you a small PCBU or a large PCBU?

You need to know whether you are a small or large PCBU because this affects the scope of your health and safety duties.

- A small PCBU's main HSWA duties are limited to managing critical risks, though they may choose to manage other risks.
- Large PCBUs must manage all risks but prioritise the management of critical risks.

To determine whether you are a small or a large PCBU, you need to know how many workers you have.

Worker

A worker is anyone who carries out work in any capacity for a PCBU. This includes employees, contractors, subcontractors, labour hire workers, apprentices, trainees, work experience students, and volunteer workers.

Small PCBU or large PCBU?

You are a **small PCBU** if:

- you have fewer than 20 workers, or
- you are in a type of business (or undertaking) where worker numbers fluctuate during the year, and you expect to have fewer than 20 workers in at least 9 months of the current financial year.

You are a **large PCBU** if:

- you have 20 or more workers, or
- You are in a type of business (or undertaking) where worker numbers fluctuate during the year, and you expect to have more than 20 workers in more than three months of the year.

There are no requirements for you to keep a record of worker numbers. However, you may use existing business records to determine how many workers your business has.

What if your worker numbers do normally change during the year?

Some PCBUs do the type of work where worker numbers can be expected to go up or down during the year.

This can happen when:

- work is seasonal (for example, farming or tourism)
- workload varies according to customer demand, or
- workload depends on projects or contracts
- you hire temporary contract workers (for example a part time accountant, or a builder to do renovations at your workplace).

If you are in this type of business and you expect your worker numbers to fluctuate, you should look at:

- whether you expect your worker numbers to go above 20 during the year, and
- if they do go above 20, whether you expect this to be for more than three months.

Example: The owner of a retail store reasonably expects to have 12 workers for 8 months of the year and 22 workers during the four months leading up to Christmas. The shop is a large PCBU because the owner expects to have more than 20 workers during four months of the year.

How can you form a 'reasonable expectation' of worker numbers?

If you are in the type of business where the number of workers tends to go up and down, you must form a reasonable expectation of what your worker numbers are likely to be over the financial year.

When forming that expectation, look at what happened in previous years in your own business and other similar businesses. Think about how many workers you usually have, and how much your worker numbers usually go up or down. Also think about any expected contracts, seasonal demand, or other factors that could influence your worker numbers.

Your actual worker numbers may be different from what you expected. What matters is whether your expectation was reasonable, based on the information available to you at the time. When new information becomes available, use this to check if your expectations need to change.

For new businesses

You are a small PCBU if:

- you have not been operating for the whole of the current financial year but you are in a type of business (or undertaking) where worker numbers fluctuate during the year and you expect the number of workers in the following financial year will be fewer than 20 in at least 9 months of that year.

You are a large PCBU if:

- you have not been operating for the whole of the current financial year, but you are in a type of business (or undertaking) where worker numbers fluctuate during the year and you expect to have 20 or more workers for more than 3 months of the following financial year.

If you are a new PCBU, you would need to form a reasonable expectation for the following financial year based on what you know about the business or sector you are in, your expected contracts or seasonal demand, or other business planning information.

For more information about who or what can be a PCBU, see [Who or what is a PCBU?](#)

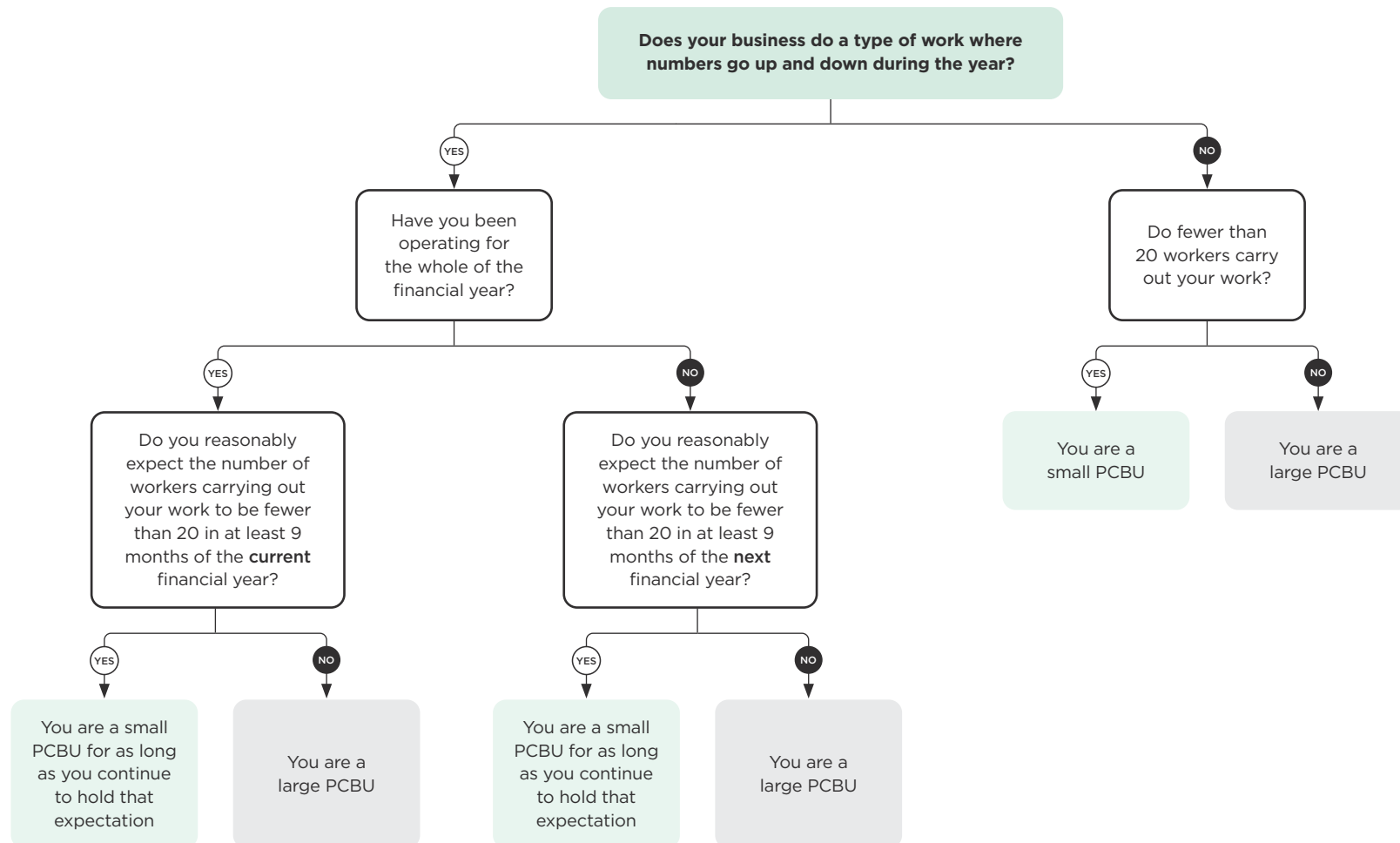
When your worker numbers change because you decide to upscale or downscale

If you are in the type of business where the number of workers do not typically go up or down, worker numbers can still increase or decrease when you make long-term business changes that involve either hiring more workers or reducing worker numbers.

Your PCBU size changes from the day the workforce change takes effect. If you reduce to 19 or fewer workers, your duties will change to those of a small PCBU from that day. If you increase to 20 or more workers, you will be a large PCBU and your duties will change to those of a large PCBU from that day.

When you are making a longer-term change like this, use the lead-in time before the change takes effect to understand the impact on your duties and how you will comply.

Are you a small PCBU or large PCBU?
A checklist



Whether you are a small or large PCBU determines what you have to do under HSWA

- A small PCBU's main HSWA duties are limited to managing critical risks, though they may choose to manage other risks.
See our guidance [Managing critical risks for small PCBUs](#) for more information.
- Large PCBUs must manage all risks and prioritise the management of critical risks.
See our guidance [Prioritising critical risks for large PCBUs](#) for more information.

What is a critical risk?

A critical risk is a risk that is likely to result in:

- death
- a notifiable injury
- a notifiable illness
- a notifiable incident
- a specified occupational disease¹

or,

- is managed by regulations under HSWA.²

Examples of small and large PCBUs

PCBU A: CAFÉ

Name: Koru Lane Café

Established: 2012

Type: Hospitality/Food and Beverage

Workers: 15 permanent workers (baristas, kitchen staff, and support staff),

Description: Koru Lane Café is a small café that serves coffee, brunch, and baked goods. It operates with a moderate-sized team across front-of-house and kitchen roles.

Outcome: It is a small PCBU because it has fewer than 20 workers.

PCBU B: SEASONAL ORCHARD

Name: Riverbend Orchards Ltd

Established: 2018

Type: Agriculture (fruit growing)

Workers: Five permanent workers; up to 25 seasonal workers during harvest (three months each year).

Description: Riverbend Orchards Ltd grows apples and hires extra workers during the harvest season between February and April.

Outcome: It is a small PCBU because it has fewer than 20 workers for most of the year as the seasonal increase is for no more than three months.

¹ As listed under Schedule 2 [Accident Compensation Act 2001](#)

² As listed under [Schedule 1A HSWA](#)

PCBU C: NEW SEASONAL TOURISM BUSINESS

Name: Alpine Adventure Tours Ltd

Established: November 2026

Type: Tourism and outdoor recreation

Workers: Expects to employ 10 permanent workers year-round and up to 15 additional workers during the summer tourism season from December to February.

Description: Alpine Adventure Tours Ltd is a new business that will provide guided hiking and outdoor adventure experiences. Based on its business plan and expected customer demand, it expects to employ 10 permanent workers throughout the next financial year and hire up to 15 additional guides and support staff during the summer tourism season.

Outcome: It is a small PCBU because, although it expects to have more than 20 workers during its peak summer season, the increase is expected to last for no more than three months each year. For the rest of the year, it expects to have fewer than 20 workers.

PCBU D: CONSTRUCTION

Name: Stonebridge Construction Ltd

Established: 2010

Type: Construction

Workers: 35 permanent workers (including subcontractors such as electricians and plumbers).

Description: Stonebridge Construction Ltd works on commercial construction projects and employs builders, supervisors, and labourers on an ongoing basis.

Outcome: It is a large PCBU because it has 20 or more workers.

PCBU E: CHARITY

Name: Harbourview Community Trust

Established: 2015

Type: Charity/Community services

Workers: 3 permanent workers and 15 regular volunteer workers.

Description: The trust provides free meals and support services. It relies heavily on volunteer workers, alongside a small number of paid staff.

Outcome: It is a small PCBU because it has fewer than 20 workers, including volunteer workers.

Note:

- A **volunteer worker** is a volunteer who carries out work for a PCBU on an ongoing and regular basis. They are considered as workers under HSWA, so are **included** when counting the number of workers when identifying if you are a small or large PCBU.
- This is different from a **volunteer**, who helps out a PCBU or other organisation, such as by fundraising or assisting with sports or recreation. They are considered 'other persons at the workplace', so are **not included** when counting the number of workers.

See further information [Volunteers: Key things to know](#)

PCBU F: FITNESS FRANCHISE

Name: Summit Pulse Fitness Ltd

Established: 2018

Type: Fitness/Health services

Workers:

- 12 permanent workers (reception staff, cleaners, managers, and fitness instructors).
- 10 contracted fitness instructors and personal trainers who run regular classes, training sessions, or member programmes. The contracted instructors and personal trainers are self-employed with no other workers. Each is a small PCBU and is also a worker of Summit Pulse Fitness Ltd.

Description: Summit Pulse Fitness Ltd operates with permanent staff and contracted fitness instructors. It runs extended hours, multiple classes each day, and uses external service providers such as maintenance contractors.

Outcome: It is a large PCBU because it has 20 or more workers on an ongoing basis, including contractors.

PCBU G: RETAILER

Name: Willow & Thread Ltd

Established: 2008

Type: Retail (clothing chain)

Workers: 60 permanent workers across multiple stores.

Description: Willow & Thread Ltd operates several clothing stores across different cities, with store managers, sales staff, and warehouse workers.

Outcome: It is a large PCBU because it has 20 or more workers.

PCBU H: CONSTRUCTION COMPANY

Name: Rimu Ridge Projects Ltd

Established: 2016

Type: Residential construction (project-based)

Workers:

- 8 permanent workers (foreman, carpenters, apprentices, builders, admin).
- 15 subcontractors (electricians, plumbers, scaffolders, labourers) who they use when needed for projects:
 - The electricians and plumbers are self-employed with no other workers. Each is a small PCBU and is also a worker of Rimu Ridge Projects Ltd.
 - The scaffolders are from a company with 3 employees. The scaffolders are workers of Rimu Ridge Projects Ltd while working for them, as well as being workers of the scaffolding company.
 - The labourers are contractors provided by a large labour-hire company. They are workers of Rimu Ridge Projects Ltd while working for them, as well as being workers of the labour-hire company.

Description: Rimu Ridge Projects Ltd runs several residential builds at the same time. While it directly employs a small core team, it engages the subcontractors and labourers when needed. This means worker numbers vary depending on how many projects are underway at once.

Outcome: It is a large PCBU because it has a reasonable expectation based on its own history and its projected future work plan that it will have 20 or more workers in more than three months of the current financial year.