

FEDERAL SAFETY COMMISSIONER

STATEMENT OF EXPECTATIONS – 2021

Ministerial Statements of Expectations provide greater clarity about government policies and objectives relevant to the regulator in carrying out its statutory functions. As the responsible Commonwealth Minister for Industrial Relations matters, including under the *Building and Construction Industry (Improving Productivity) Act 2016* (the BCIP Act), this statement sets out those expectations in relation to the Federal Safety Commissioner.

Overview

The Federal Safety Commissioner is a statutory appointment under the BCIP Act responsible for administering the Work Health and Safety (WHS) Accreditation Scheme (the Scheme) and promoting building and construction industry safety.

Under the BCIP Act, the Federal Safety Commissioner's functions are to:

- promote work health and safety in relation to building work undertaken by a constitutional corporation, the Commonwealth or a corporate Commonwealth entity
- perform functions as the accreditation authority for the purposes of the Scheme
- promote the benefits of the Scheme and disseminate information about the Scheme
- audit compliance with National Construction Code performance requirements in relation to building materials
- refer matters to other relevant agencies and bodies
- any other functions conferred on the Federal Safety Commissioner by the BCIP Act or by another Act.

The Government recognises and respects the independence of the Federal Safety Commissioner and their responsibility for the performance of their statutory functions. I expect the Federal Safety Commissioner to exercise their functions and powers in good faith and to the best of their ability.

Principles of regulator best practice

Under the *Regulator Performance Guide July 2021*, the principles of regulator best practice are:

1. **Continuous improvement and building trust:** regulators adopt a whole-of-system perspective, continuously improving their performance, capability and culture, to build trust and confidence in Australia's regulatory settings.
2. **Risk-based and data-driven:** regulators maintain essential safeguards, using data and digital technology to manage risks proportionately to minimise regulatory burden and to support those they regulate to comply and grow.
3. **Collaboration and engagement:** regulators are transparent and responsive, implementing regulations in a modern and collaborative way.

I expect the Federal Safety Commissioner to embed and act in accordance with the Government's principles of regulator best practice when conducting its operations, as well as strive for continuous improvement against these principles.

In exercising their functions and powers in accordance with these principles, I expect the Federal Safety Commissioner to:

1. Continuous improvement and building trust

- improve and modernising the Scheme, informed by safety and performance data and evolving industry standards,
- build positive and productive relationships with the building and construction industry to gain cooperation in pursuing improved safety outcomes
- efficiently and effectively administer the Scheme and associated initiatives to improve safety within the Australian building and construction industry.

2. Risk-based and data-driven

- target compliance activities using a risk-based model, focusing efforts on regulated entities that demonstrate the highest risk of future non-compliance
- maintain consistent and transparent decision-making processes which promote accountability and fairness
- be informed, aware and responsive to the changing environment of the building and construction industry, particularly the additional safety hazards imposed on builders by the COVID-19 pandemic.

3. Stakeholder engagement

- Open, transparent and consistent engagement with stakeholders including industry, government and the broader community is crucial to maintaining competent and innovative regulatory practices. Consequently, I expect the Federal Safety Commissioner to have regard to:
 - seeking opportunities to engage and consult genuinely with stakeholders, including building and construction companies, small business and contractors, industry associations, unions, and State and Territory WHS regulators
 - working collaboratively with State and Territory WHS Regulators and the Australian Building and Construction Commission in pursuit of a safer Australian building and construction industry,
 - being receptive to feedback and diverse stakeholder views, including on how the Scheme and the Office of the Federal Safety Commissioner can better operate to improve safety outcomes
 - seeking to increase transparency and consistency in decision-making processes
 - providing up-to-date, clear and accessible guidance and information to assist regulated entities with Scheme compliance.

The Government's policy priorities and objectives

COVID-19 response

The Australian Government is committed to delivering a \$110 billion, 10-year infrastructure pipeline. This long-term commitment builds the transport infrastructure Australians need. This is to meet the challenges of a fast growing population, while improving safety and productivity, and supporting jobs and the economy to help stem the economic impact of COVID-19.

Deregulation Agenda

The Deregulation Agenda is a key component of the Government's plan to support economic recovery by making it easier for businesses to grow and create jobs. Ensuring our regulatory settings are the best they can be helps boost productivity and competitiveness and supports well-functioning markets, business investment, job creation and growth.

Under the Deregulation Agenda, the Australian Government is taking a new whole-of-government approach to regulatory policy. This will focus on reducing barriers affecting Australia's productivity growth and competitiveness. It will also make sure regulations are well-designed, fit-for-purpose and support businesses to grow and create jobs.

I expect the Federal Safety Commissioner to contribute to the deregulation process by:

- seeking opportunities to remove duplication and streamline processes in order to improve efficiency and lift productivity
- acting in accordance with regulator best practice in its decision-making, policies, processes and communication practices, in order to maximise transparency and minimise compliance costs
- applying the *Regulator Performance Guide July 2021* to its regulatory functions to assess its performance and engagement with stakeholders
- incorporating regulator performance reporting into the entity's reporting processes, as required under the *Public Governance, Performance and Accountability Act 2013* and *Public Governance, Performance and Accountability Rule 2014*, in order to support greater transparency and accountability of regulator performance.

Relationship with Minister and portfolio

The Federal Safety Commissioner plays an essential role in ensuring that the Government and I, as the Minister for Industrial Relations, are well placed to improve work health and safety in the building and construction industry. The Attorney-General's Department (the department) also supports and advises me by providing advice on policy development and the performance of the portfolio's regulatory systems. The department takes into account the knowledge and expertise of the Federal Safety Commissioner when considering changes to policy and legislation that impact on the building and construction sector.

Accordingly, I expect the Federal Safety Commissioner to work collaboratively with the department on significant issues relating to strengthening safety in the building and construction sector.

As the responsible Minister, I will provide an enabling environment for the Federal Safety Commissioner to consistently implement best practice by ensuring you are well informed of the Government's policy direction, as specific initiatives and strategies are being considered.