



SafeWork NSW

By email: consultation@safework.nsw.gov.au

To whom it may concern,

Thank you for the opportunity to provide feedback to the *SafeWork NSW Strategic Plan 2024-2029 Consultation*.

The NSW Small Business Commissioner (the Commission) is an independent statutory office of the NSW Government. The Commission provides advice, advocacy and affordable dispute resolution services to small businesses across NSW.

The Commission is committed to creating the right regulatory and economic conditions for small businesses to start up and grow. Small businesses in NSW comprise 97 per cent of all NSW businesses and pay \$66.6 billion in annual wages and salaries. There are 1.7 million people employed by NSW small businesses in the private sector, which is around 43 per cent of the State's private sector workforce. Due to the large proportion of the economy being comprised of small businesses, a focus on building their capability is crucial.

Noting the priorities discussed in the consultation paper, the Commission encourages a greater focus on increasing small and micro business' awareness of their compliance obligations, including through implementation of practical interventions such as education and initiatives to build capability.

The Commission regularly engages with small businesses across the State through our monthly Momentum Survey. As part of this survey, the Commission recently sought views from small businesses regarding their challenges in managing WHS requirements and obligations. The key findings included:

- One in five (21 per cent) respondents indicated they face challenges in managing WHS requirements and obligations.
- The top aspects of WHS management found to be most difficult involve:
 - keeping up with compliance requirements and changes,
 - the time required for compliance,
 - resourcing required for administration/reporting, and
 - the complexity of the rules and regulations.
- Based on responses from 70 businesses, one in two (47 per cent) believed that practical guidance tailored to their type of business would make it easier for their business to understand WHS obligations, while two in five (39 per cent) indicated that simplified guidance and summaries of WHS regulations would be highly useful.

Small employers face particular challenges in identifying and responding to psychosocial hazards. Many small employers feel unequipped to identify navigate requirements they perceive as becoming increasingly complex and beyond their professional expertise. Equally, even where risks are identified, they may not possess the flexibility to navigate or mitigate risks, such as finding alternate duties for team

members impacted by specific psychosocial hazards. For this reason, the Commission encourages continued efforts to work with small employers to better understand and help them meet their obligations.

The Commission notes that red tape, and regulatory burden and compliance is frequently one of the top reported concerns for small businesses and would welcome any initiatives to improve user experiences. The Commission has previously advocated to Safework NSW to actively consider improvements to reduce regulatory overhead. Concerns raised with the Commission includes the proliferation of different WHS systems used across workplaces (and the associated increased paperwork and compliance burden for contractors), and the need for streamlined reporting arrangements. The Commission observes an opportunity to standardise or establish more consistent protocols between platforms, which could be considered as part of efforts to streamline and simplify reporting obligations.

The Commission recently participated in a facilitated workshop held on behalf of SafeWork NSW to assist with identifying possible interventions to assist small and micro businesses to improve their awareness and understanding of work health and safety (WHS) obligations. The Commission would welcome further development and implementation of key interventions identified in this workshop.

Thank you for the opportunity to make a submission. If you require further information, please contact my Executive Officer, Megan Bennett at either megan.bennett@smallbusiness.nsw.gov.au or (02) 9372 8767.

Yours sincerely

Chris Lamont
Commissioner
NSW Small Business Commission

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