Department of **Consumer and Employment Protection**
(DOCEP)

Submission for the State Sustainability Strategy for Western Australia

May 2002

1. Overview of the Department's Role and Functions

The formation of the Department of Consumer and Employment Protection (DOCEP) on 1 July 2001 brought together, under one common management structure, the functions of consumer protection, labour relations and occupational safety and health.

The Department has the task of creating an employment and trading environment that protects consumers and workers. It supports individuals in their dealings with the consumer and employment marketplace. However, in doing so it must achieve an appropriate balance between, for example, the interests of consumers and traders, and the interests of employees and employers.

Four directions have been identified for the future development of the newly formed Department. These are:

1. Enhancing the capability of the community

The WA community will have access to knowledge and information so that consumers and traders, and employers and employees can exercise their rights and meet their obligations.

2. Enhancing the regulatory environment

Legislation regulating the employment and trading marketplace will be reviewed and changes sought to reflect the changing environment and achieve outcomes acceptable to the community.

3. Enforcing the law

Compliance with regulation governing consumer protection, labour relations, and occupational health and safety will be monitored and enforced effectively, efficiently and equitably.

4. Building DOCEP as an organisation

DOCEP will have the required skills, resources and commitment to deliver consumer and employment protection outcomes that meet government expectations.

2. DOCEP's Operating Environment

The Department operates within a demanding environment. Continuing review of legislation, regulations and codes of practice is required to meet the changing needs and expectations of the community. Changes to the work and trading environments are placing greater demands on workers and consumers than ever before. The decline in demand for manual labour continues while those service professions that manage information and knowledge continue to rise. The growing small business sector, which accounts for more than 95% of all private sector businesses in WA is a major employer and consumer at a business to business level. Globalisation and the power of big business can exacerbate the imbalance in power between consumers and traders. The increasing complexity of consumer transactions, particular those related to financial services, require consumers to be more sophisticated and well-informed in order to deal successfully in the marketplace.

The ageing population will change the nature of the workforce and consumers and bring with it new challengers for consumers and traders, and employers and employees. Concerns have been raised with industries that rely on extended work hours over lengthy shift cycles. Also increasing in size is the casual workforce, who provide flexibility, often at short-notice, to meet short-term vacancies in the permanent workforce. Casual employees are often younger workers who need to be adequately protected in regard to safety in an unfamiliar workplace, and employment conditions under unfamiliar awards.

The sophistication of scams, swindles and rip-offs continues at an alarming rate. The WA community has greater access to information resources than ever before, when seeking advice and making decisions. Emphasis is being placed on the provision of easy to access, high quality information to adequately equip members of the community with the knowledge and skills needed to make wise choices and exercise their rights.

The rapidly changing and increasingly complex workplace and marketplace requires constant review and reassessment of protection measures and strategies.

The field of occupational safety and health (OSH) has long had to understand and work with the concept of a triple bottom line - where economic, ethical and social considerations are called upon to influence decision makers.

The imperatives for promoting the protection of people at work from injury, disease or worse death include a wide range of considerations. The most obvious consideration is the ethical commitment to protect the life and health of people in the working environment. There are also economic, social and environmental (most notably in the area of the use, transport and handling of chemicals, but also other areas such as noise and air quality) costs associated with workplace injury, disease and death. Many of these costs are hidden (indirect) and hard to quantify.

The National Occupational Health and Safety Commission reported in October 2000 that the estimated cost of OHS incidents was $27 billion per year, or about six percent of Australia's gross domestic product. Studies by other safety authorities have produced direct-to-indirect cost ratios to provide some perspective on the real costs of failure to manage occupational safety and health. These ratios range from 1.1 to 4.5 times the direct costs of failure.

3. Opportunities to Pursue Sustainability

In Western Australia in recent times, we have experienced a number of events or emerging issues that highlight the need to look beyond traditional financial indicators to measure the well being of our society, and also that break down traditional segregation of work related, environmental and community issues.

DOCEP has identified a number of issues relevant to it's role and functions that could be considered as possible priorities for pursuing sustainability in Western Australia. These are:

- Social & economic costs associated with work related injuries, diseases and fatalities;
- Incorporating safety criteria into government procurement processes;
- Work related noise;
- Air pollution;
- Waste disposal (hazardous and liquid waste);
- Management of contaminated sites;
- Urban encroachment issues eg planning of urban development encroaching on existing potentially hazardous sites such as gas pipelines, major hazardous facilities, waste disposal sites and the development of new hazardous sites in existing urban areas;
- The relationship between wage rates and economic growth in WA;
- The relationship between employment rates, jobs growth and economic growth in metropolitan and regional areas of WA;
- Time spent in paid work;
- Availability of full-time/casual work vs demand;
- Employee's access to facilities and resources to balance work and family issues;
- The effect of an aging population and a diminishing pool of employees;
- Levels of debt financing in relation to disposable income; and
- Impact of consumer spending on quality of life.

4. Potential Indicators for Measuring Sustainability

Models currently being used overseas to measure and report on sustainability such as "Oregon Shines", "Minnesota Milestones", "Quality of Life Counts (UK) and "Alberta Sustainability Trends 2000" all have a similar framework of an overarching policy, list of strategies and a set of "indicators" for each of the areas ie social, economic and environmental. Targets are set for each indicator then measurement and reporting against these indicators is usually done on a yearly basis.

DOCEP has identified the following potential indicators related to the issues identified in point 3:

- Costs of workers' compensation premiums;
- The reduction in the incidence and severity of injuries, diseases and fatalities in WA;
- Numbers of workplaces with State or Nationally recognised certificates of achievement for safety and environmental management eg: PACIA's 'Responsible Care Program', Det Norske Veritas' International Rating system, Australian Standards such as AS4801 for OSH and AS 1400 series for environmental management, MINEX awards, and others;
- Numbers of organisations including OSH and environmental performance in Annual Reports;

- Number of occupational health and safety providers who provide services to overseas markets;
- Number of employment opportunities, particularly for youth, women with family responsibilities and mature workers who are not ready or financially able to retire;
- Number of employment opportunities and working arrangements for mature workers to assist them to retain or obtain employment. This is particularly important with an ageing population and a diminishing pool of younger workers over the next 5-20 years and a current trend to employ younger workers instead of the more experienced workers;
- Number of opportunities and support for new industries and new jobs for the future, particularly in rural areas;
- Number of working arrangements providing a variety of working hours for employees, offering shorter working hours and part-time work opportunities to supplement existing workforce and reduce long working hours for existing employees;
- Use of good faith bargaining to obtain bargaining outcomes that are economically viable and provide mutually beneficial outcomes for employers and employees;
- Level of remuneration for work of equal value for all working men and women;
- Number of women compared to men in senior and executive jobs, and appointed to boards and committees;
- Level of employees' access to flexible working arrangements and part-time work where this will assist them in balancing their work and family responsibilities, study or community commitments, and to have a better quality of life. This is also relevant for employees who are nearing retirement.;
- Level of household debt compared to disposable income; and
- Level of personal expenditure compared to quality of life indicators.

5. Overlapping OSH, Community and Environmental Health Issues

In Western Australia in recent times, we have experienced a number of events or issues that highlight the need to look beyond traditional financial indicators to measure the well being of our society, and also that break down traditional segregation of work related, environmental and community issues.

These events/emerging issues include:

- a hazardous waste fire at Waste Control Pty Ltd's Bellevue site in February 2001;
- health concerns of former Agricultural Protection Board staff engaged in chemical weed control programs in Western Australia's Kimberley region during the period 1975-1985;
- chemical emissions from Alcoa's Wagerup refinery (liquor burning unit) and health complaints/complaints of illness (including multiple chemical sensitivity or MCS) from workers and nearby residents;
- explosion of a fireworks depot in Carmel on 6th March 2002.

6. Role of Government/ Business in Facilitating Sustainability

To achieve a "whole of government" approach to sustainability the development of mechanisms for effective interagency/departmental co-operation and consistency in the management and reporting of sustainability issues would be critical. To effectively influence the private sector the Government and it's Departments would need to be "leaders" in pursuing sustainability by modelling desired behaviours and identifying and using points of leverage eg Government procurement policy, management of the Government car fleet, Public Sector Code of Conduct and corporate governance of public sector agencies.

The Government also needs to "sell" the benefits and provide incentives to private sector organisation to pursue and achieve best practice sustainability outcomes. Awards for sustainability could be incorporated into existing awards such as the "Industry and Export Award" and "Premier's Awards for Excellence". Other motivators could include the introduction of minimum standards to regulate management of key sustainability issues, positive publicity and providing incentives to industry and business to include sustainability factors in "benchmarking".

The Government could also pursue leverage/ influence at an international level by establishing and supporting forums to promote best practice sustainability outcomes in WA and encourage research and development opportunities. One example of this is OSHNet, which provides easy access for overseas companies to a network of high quality occupational safety and health service and product providers who have a common interest in export markets.

Extensive public and community consultation would also be critical to promote and encourage involvement of the wider community in the pursuit of sustainability in a wide range of areas in WA. Consultation involving community leaders, schools, business and industry groups, professional associations, indigenous groups and social welfare groups in metropolitan and regional areas would ensure that the wider community has the opportunity to be involved and committed to the strategy and processes being developed.