



**MINISTRY OF BUSINESS,
INNOVATION & EMPLOYMENT**
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Fee and Levy Options for WorkSafe New Zealand's Oversight of Regulations for Major Hazard Facilities

**Discussion Document
April 2016**

What's this document for?

This paper provides a basis for public consultation on the targeted fee and levy options it describes. The proposals and recommendation outlined in this document are preliminary only and will be subject to change.

Submissions

When preparing your submission, please:

- direct your comments to specific questions in the discussion document
- provide electronic submissions in both .pdf format (for publishing and filing) and an editable format such as Word (to assist compilation of submissions).

This will help us to compile your comments, and will make it easier for your comments to be processed, understood and taken into account.

The closing date for submissions is close of business, Friday, 6 May 2016.

Submissions will be considered by MBIE officials, with assistance from WorkSafe New Zealand. MBIE will then provide advice to Ministers on the levies and fees associated with the *Health and Safety at Work (Major Hazard Facilities) Regulations 2016*.

Please send submissions to HSWregs@mbie.govt.nz.

Publication of submissions, the Official Information Act and the Privacy Act

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INTRODUCTION

1. The *Health and Safety at Work (Major Hazard Facilities) Regulations 2016* (the MHF Regulations) came into force from 4 April 2016.
2. The MHF Regulations provide new levels of assurance to avoid catastrophic harm arising from major hazard facilities, and bring New Zealand into line with accepted international practice. Major hazard facilities that hold hazardous substances above specified quantities are now required to notify WorkSafe New Zealand (WorkSafe) who will determine whether they are either upper or lower tier facilities. Both classes of facilities will have until 4 April 2018 to meet new requirements under the regulations.
3. Major hazard facilities typically include chemical manufacturing sites, oil refineries, gas processing plants, liquid petroleum gas facilities, and other manufacturing and storage depots.
4. Those facilities with the greatest potential for harm will need to have safety cases prepared and approved by WorkSafe, and others that meet a lower threshold will have to meet other new requirements.
5. In addition to new responsibilities for operators, the MHF Regulations bring new specialist roles and responsibilities for WorkSafe as the regulator. Currently the cost of these is being met by all New Zealand businesses, who pay the annual Working Safer Levy (WSL) (alongside ACC levies) to cover the cost of health and safety services. The Government decided in 2013 that it is not equitable for this cost to be borne by all businesses, and that the operators of major hazard facilities are in the best position to fund the operation of the MHF Regulations.
6. The Ministry of Business, Innovation and Employment (MBIE) is consulting on options for fees and/or levies to recover more directly from operators WorkSafe's costs of delivering the new regime for major hazard facilities. Options being consulted on involve introducing new fees and levies.
7. This discussion document sets out a range of options that have been developed for more direct cost recovery from the sector. It describes the costs to be incurred by WorkSafe and four ways that the costs can be recovered, each of which is assessed against the accepted criteria for the setting of fees and charges by government agencies. More detailed costings data, and a summary of international comparisons are provided as appendices.
8. To help you consider your response, questions are provided at the back of the document, and MBIE welcomes your comments and suggestions on any aspect of the development of new cost recovery mechanisms. Please submit by email to HSWregs@mbie.govt.nz by *Friday, 6 May 2016*.

PART ONE – PROBLEM, SCOPE AND CONTEXT

Problem for resolution

9. The new MHF Regulations require WorkSafe, as the regulator, to make a significant shift of resources towards the sector. Until now the costs of regulating high hazard facilities have been met by all businesses, which pay an annual Working Safer Levy (WSL) alongside the ACC work account levy.¹
10. The Government has decided that with new regulatory requirements, cross-subsidisation of the sector by all businesses would no longer be equitable. The Ministry of Business, Innovation and Employment (MBIE) is therefore consulting on options for fees and/or levies to recover more directly from operators WorkSafe’s costs of delivering the new regime for major hazard facilities. Options being consulted on involve introducing new sector-specific fees and levies.
11. WorkSafe is responsible for providing the majority of regulatory services to administer New Zealand’s health and safety law. These services include a mix of general and more specialist services, depending on the risks involved in different workplaces and contexts.
12. Safety management for major hazard facilities requires a specific regulatory approach which aims to avoid the risk of low probability, high consequence (catastrophic) events that can cost multiple lives, and/or cause major environmental damage, and that are likely to result in significant economic loss.
13. This regulatory approach imposes systems and controls on businesses that require considerable specialised activity over and above WorkSafe’s normal service delivery to all New Zealand businesses. Major hazard facilities sites, like some other high hazard sites, are often based on complex technical systems, require specific safety plans, demand extensive proactive oversight and include mandatory recording and reporting. They depend on effective processes being in place to prevent catastrophic events. Considerable effort is channelled into prevention because the consequences of system failure are so severe.
14. The problem is that it is unfair in principle for all businesses to share WorkSafe’s significant additional costs required for specialist regulatory engagement with high hazard operators. This is recognised in other international jurisdictions which charge separately for this activity, and also has been recognised in New Zealand in relation to operators of upstream petroleum facilities who also currently pay fees directly to WorkSafe for assessment of safety cases. This paper consults on options for more direct cost-recovery from major hazard facility operators.

Scope – who is / is not covered by direct cost-recovery options

15. The options in this paper apply to major hazard facilities as follows:

Major Hazard Facilities	Estimated Operations
Upper tier	60
Lower tier	80

16. While it is unfair in principle for all businesses to share the cost of additional sector-specific services for which they do not receive any benefit, it is too soon to consult on cost-recovery options for the petroleum, mining, quarrying and geothermal sectors.

¹ WorkSafe’s health and safety services are funded by Government, but the WSL recovers the costs from all businesses.

17. The Government agreed that there should be a review of petroleum safety case fees after the regulations had been operating for 18 months, and this review will follow separately.
18. The *Health and Safety at Work (Mining Operations and Quarrying Operations) Regulations 2016* are being reviewed as part of phase two of developing regulations to support the new *Health and Safety at Work Act 2015*, including reviewing whether to bring quarries under more of the regulatory requirements. The Geothermal Energy Regulations 1961 are also being reviewed in phase two.

Government decisions relevant to the options being considered in this paper

19. In 2013, the Government agreed to develop new regulations for major hazard facilities under the HSW Act as part of the *Working Safer* health and safety reforms. The Government also agreed that the costs associated with regulating major hazard facilities would be separated out and more directly recovered from facility operators².
20. This was in the context of the Government approving additional funding for WorkSafe's High Hazard Unit to cover administration of new major hazard facilities. The new funding started at \$1.3 million, rising to \$5 million per year, to be confirmed by a business case outlining the number of facilities that would come under the regime and the appropriate number of specialist inspectors.³
21. This review provides the business case and consultation process to implement the Government's decision.

² CAB Min (13) 24/11, para. 24, <http://www.mbie.govt.nz/info-services/employment-skills/workplace-health-and-safety-reform/document-and-image-library/effective-regulatory-framework-cabinet-minute.pdf>.

³ Cabinet Paper *Improving Health And Safety At Work: Overview*, Appendix Three, and associated CAB Min (13) 24/10 refer: <http://www.mbie.govt.nz/info-services/employment-skills/workplace-health-and-safety-reform>.

PART TWO – WHY DIFFERENTIAL COST RECOVERY IS NEEDED

Most of WorkSafe’s health and safety services are provided to all businesses and funded by the Working Safer levy

22. WorkSafe provides the majority of services to administer New Zealand’s health and safety law (a few other agencies, such as Maritime New Zealand, provide services in discrete areas).
23. These services are provided to all businesses. They involve educating, engaging on and enforcing health and safety in all workplaces and sectors. Some services apply similarly to all businesses, and WorkSafe also uses evidence about work-related injury and illness to inform decisions about where and how much they allocate for some services, based on types of risk in relation to sectors, businesses and regions.
24. It costs WorkSafe about \$80 million per year to provide health and safety services to New Zealand’s approximately 500,000 businesses^{4,5}. The vast majority of these costs are for the services provided to all businesses.
25. Most of WorkSafe’s services are funded from the WSL⁶, and operators of upstream petroleum facilities also currently pay fees directly to WorkSafe for five-yearly assessment of petroleum safety cases⁷. The WSL is collected from all businesses alongside the ACC Work Account levy at 8c per \$100 of leviabale earnings. (Approximately one cent provides about \$10 million levy revenue.) The WSL is a flat rate levy, and the business’s size and payroll determine its annual levy amount. The following table gives an indication of the annual levy for different business groups.

Table 1: Table of businesses’ average annual WSL levy payments

Business Size	Payroll total	Total average annual levy at 8c per \$100 earnings	Percentage of employers
1-19 employees	\$100,000	\$80	97.1%
	\$250,000	\$200	
	\$500,000	\$400	
20-49 employees	\$1,000,000	\$800	1.9%
	\$2,000,000	\$1600	
	\$5,000,000	\$4,000	
50+ employees	\$10,000,000	\$8,000	0.9%
	\$100,000,000	\$80,000	

26. Major hazard facilities pay the WSL and will receive a range of services for the payment of this levy which are not the subject of this paper. For example: standards and guidance relating to major hazard facilities; education, information and advice more generally about health and safety regulation and good practice; international engagement to ensure learning and sharing of practice and developments relating to high hazard facilities; more general implementation and enforcement activity that might relate to breaches or issues relating to health and safety legislation, as opposed to high hazard regulations.

⁴ \$81.5 million in WorkSafe 2014/15 Annual Report - <http://www.business.govt.nz/worksafe/about/publications/-documents/annual-report-2014-2015.pdf>

⁵ Appendix 1 provides a table that sets out the government appropriations to WorkSafe for its High Hazard Unit, which administers the differential regulatory regimes that are designed to avoid catastrophic events.

⁶ The WSL is carried forward into the Health and Safety at Work Act 2015 in section 201. It was previously in s.59 of the Health and Safety in Employment Act 1992.

⁷ These are set out in Schedule 2 of the *Health and Safety at Work (Petroleum Exploration and Extraction) Regulations 2016*, and range from about \$70,000 to \$100,000 for new safety cases, and \$34,000 to \$54,400 for renewal.

Additional services are provided to operators of major hazard facilities

27. Operators of high hazard facilities, including those covered by the MHF Regulations, also receive extra services for their special regulatory regimes, which are only needed because of the activities carried out within the industry from which those operators make a profit.
28. WorkSafe has an additional audit and enforcement role, focussing on the systems and controls behind workplace practices. Operators also interact differently with WorkSafe from other businesses. The relationships have a different client management model, are more targeted and ongoing, and require specialist (rather than general) health and safety inspectors to carry out the regulatory functions.
29. WorkSafe's additional services break down into three broad categories, which comprise a range of activities:
 1. safety cases, new and revised – five-yearly assessment, approval and amendment or change requiring a revised safety case
 2. designation into regime – one-off administrative processes in issuing designations, and
 3. regulator oversight activity – ongoing checking that mandatory safety systems are in place and how they are working, including responding to specified hazardous task notifications, and responding to notifications of process-failure events (these are sometimes called “sentinel” or “precursor” events and are a key safety monitoring tool). This also includes a range of sundry activities. See Appendix 1, tables 4 and 5 for more details.
30. Major hazard facility operators receive the following specific services.

Upper Tier Major Hazard Facilities

31. An upper tier facility will have a number of interactions with WorkSafe:
 1. **Safety cases** – specific regulatory role that involves administration, assessment, approval and amendment of new/revised safety cases, and making a decision on whether to reject, or accept with or without conditions. The process of assessing a safety case requires WorkSafe to be satisfied that the safety case is complete and appropriate for the nature of the facility and activities, and demonstrates that the operator of the major hazard facility has engaged with workers, and is compliant with the regulations. It often involves extensive engagement with the facilities themselves. The assessment of new and revised safety cases require significant effort (between 25 and 60 person days' work) between administration, inspector time, and peer review, with oversight and sign-off from the Deputy Chief Inspector (DCI). The regulations require all upper tier facilities to go through this process at least once every five years (or more frequently depending on conditions, revisions and amendments).
 2. **Designation into regime** – specific regulatory role that involves reviewing designation notifications to ensure that the information provided with the notification is correct and to allow WorkSafe to determine if the facility is an upper or lower tier facility or neither. This involves 2.25 person days' work relating to administration, inspector time, peer review and sign-off by the DCI. All upper and lower tier facilities are required to go through this process initially.
 3. **Regulator oversight activity** – this involves a range of other activities that relate to engagement between WorkSafe and facilities over and above what would be expected for engagement with other businesses, including:
 - **Proactive inspections (ie, monitoring activity and support)** – this requires preparation and planning before one or two inspectors visit the facility for between one and three days. On the visit inspectors will engage with duty holders, provide information around the requirements of the regulations, and monitor compliance with the facility's safety case and the regulations. Inspectors then prepare their report and engage with the

duty holder on their findings. After this, there may be follow-up activities, including compliance activities. On average, a three-day inspection with two inspectors requires 19 person days, a two-day inspection with two inspectors requires 10 person days, and a one-day inspection with one inspector requires nine person days;

- **Processing notifiable incident reports relating to major hazard facilities** – these require 1.5 person days to process between administration, inspector time, peer review and DCI sign-off. For the purposes of determining the costs of the regime it is assumed that on average a facility will have three notifiable incidents every two years; and
- **Reactive inspections** – these require preparation and planning before two inspectors visit the facility for one day on average. The inspectors ensure that incidents are investigated; an appropriate regulatory response is taken to promote learning from such incidents more widely. The inspectors then prepare their report and engage with the duty holder. Follow-up can vary depending on the nature of the visit. For the purposes of determining the costs of the regime it is assumed that on average a facility will have one reactive inspection every six years.

32. Over a five-year cycle, upper tier facilities can expect two in-depth proactive inspections and three one-day inspections.

Lower Tier Major Hazard Facilities

33. A lower tier facility will have the following interactions with WorkSafe:

1. **Designation into regime** – specific regulatory role, which is the same as for upper tier, and all upper and lower tier facilities can expect to go through this process initially.
2. **Regulator oversight activity** – for lower tier this involves:
 - **Proactive inspections (ie, monitoring activity and support)** – this involves the same type of activity as for upper tier, and can be either one-day with one inspector or two-day more in-depth inspections with two inspectors. On the in-depth visit the inspectors will engage with duty holders and provide information around the regulations and monitor compliance with the major hazard facilities regulatory requirements for lower tier facilities. The inspectors then prepare their report and engage with the duty holder on the findings. After this, there may be follow-up activities, including compliance activities. A two-day inspection with two inspectors requires 10 person days, and a one-day inspection with one inspector requires nine person days. Lower tier facilities can expect two one-day inspections over a five year cycle, and one two-day inspection every 10 years. Some will require additional visits, making the total expected frequency almost three proactive inspections over a five-year cycle;
 - **Processing notifiable incident reports relating to major hazard facilities** – these require 1.5 person days to process between administration, inspector time, peer review and DCI sign-off. For the purposes of determining the costs of the regime it is assumed that on average a facility will have three notifiable incidents every two years; and
 - **Reactive inspections** - the same activities as for upper tier equally apply for lower tier facilities.

34. While the label “lower tier” may suggest a lower level of activity than upper tier, the experience in other jurisdictions is that proactive inspections usually take longer and that lower tier operators still require significant support from the Regulator. The proportion of time proposed to be spent on average for each lower tier operation compared with upper tier operations reflects overseas experience.

These additional services cost WorkSafe considerably more to deliver

35. WorkSafe’s additional services cost a considerable amount to provide, and only major hazard facilities operators get the benefit of these services.
36. WorkSafe has calculated in detail the expected volume and cost of its additional activity for major hazard facilities over the next five years. The average annual cost over a five-year period is estimated at approximately \$3.7 million, as set out in the following table. Cost levels for designations and safety cases are provided to illustrate the quantum of costs that WorkSafe will on average incur. Actual costs incurred in each year will depend on volume of activity.

Table 2: High-level averaged annual costs of WorkSafe’s additional major hazard facilities activity

Activity grouping	Averaged annual costs over 5-year period 2016/17 – 2020/21
A: Designations (upper and lower tier combined)	\$34,137.22
B: Safety cases (new – upper tier only)	\$676,905.38
C: Safety cases (revised – upper tier only)	\$60,436.36
D: Regulatory oversight (lower tier)	\$1,214,966.80
E: Regulatory oversight (upper tier)	\$1,754,233.58
F: Total costs	\$3,740,679.35

37. This is based on the estimated time that WorkSafe will spend on each type of activity, the number of facilities to be designated and undergo safety case assessments, and amount of different types of services that will need to be provided to operators, eg, the expected number of proactive visits that upper tier major hazard facilities will need (and can expect) in a year.
38. The costs also include attributable overheads associated with providing services specific to major hazard facilities. These include the attributable portions relevant to the additional services of: travel, ICT, sector-specific training, property, consultancy support and motor vehicle costs. These are apportioned to activities based on the position of staff involved and the number of hours required for each activity, rather than having a fixed overhead per activity.
39. The costs exclude non-attributable overheads and activities that will continue to be funded from WSL, namely:
- recruitment and other personnel costs
 - WorkSafe support costs
 - operational policy
 - guidance and standards
 - international engagement
 - coordination with other regulators and agencies
 - engagement visits - once per year with management
 - non-regime-related compliance and enforcement activity, such as onsite conventional health and safety matters detected during visits by specialist inspectors
 - office of the General Manager High Hazard Unit and Energy Safety
 - notifications received under the major hazard facilities lower tier threshold but not in the regime, and
 - non-attributable staff training and team meetings.
40. More detail on the services that WorkSafe expects to provide, and how overheads are allocated to the costs of those services is presented in Part Three – Option Development, and these costings are supported by detailed tables in Appendix 1.

International regimes commonly recover costs directly

41. Internationally, every major hazard facility regulatory regime we have looked at involves some form of direct cost recovery from facility operators. There are a variety of charging models – for example, the different jurisdictions in Australia use a mix of annual charges (levies⁸), prescribed fees for specific services, and hourly charge-out rates for the regulator’s time in providing oversight or assessing applications.
42. Our research also indicates that international jurisdictions take a range of approaches to the level of direct cost recovery sought. Some regimes are clearly designed to recover the complete costs of regulatory oversight directly from facility operators (eg, the United Kingdom and New South Wales⁹), whereas others seem to operate on a partial cost recovery model (eg, Victoria). But we also note that there are broader considerations in respect of how and why each jurisdiction chooses to fund its government activity – and without this wider context, international comparisons on a ‘like-for-like’ basis can be difficult.
43. Differences in the fundamental design of major hazard facilities regimes also affect the usefulness of cost comparisons. Regimes in the large Australian jurisdictions, other than Western Australia, have a single set of requirements applying to all facilities with substances that meet or exceed a threshold similar to New Zealand’s upper threshold. Western Australia allows any facility above a lower threshold to be determined as a major hazard facility by discretion. The United Kingdom has a two tier regime which places differing requirements on facilities depending on the amount of substances held on site.
44. Bearing in mind these differences, this section provides high-level points of comparison with regime costs in other jurisdictions. We have presented the costs here in comparable New Zealand dollars, using a currency conversion rate averaged over a ten year period (2005-2015) to account for currency fluctuations. More detailed information is provided in Appendix 2.
45. In the various Australian jurisdictions that appear to recover full costs, operators of facilities comparable to our upper tier major hazard facilities pay annual charges ranging from approximately \$20,000 (in Queensland) to \$148,000 (in Western Australia), with the average being approximately \$65,000. Note that some Australian states differentiate the charges for major hazard facilities based on how complex the facility is, the amount of handling and whether processing is involved, or just storage.
46. South Australia has annual charges from \$26,000 to \$77,000, with five-yearly licence fees (comparable with safety case assessment and approval) on top.
47. Western Australia’s class D facilities only involve storage and infrequent handling, and there is scope to compare this to New Zealand’s lower tier storage facilities. The Western Australian Class D fee would equate to \$24,000 per year.
48. In Victoria, operators pay approximately \$95 per hour, up to a maximum of \$67,000, to have the regulator process their application for a five-yearly major hazard facility licence. This cost includes administration, examining the safety case, and a site inspection to verify a sample of matters included in the safety case. In New South Wales, the regulator charges operators an annual levy of approximately \$49,000 to cover all non-licence costs, and \$120 per hour for all licence costs, which includes safety case assessment.
49. In the United Kingdom, the regulator charges an hourly rate to fully recover its costs. The average hourly rate (across the three regulators involved) is approximately \$322. This approach means that

⁸ The Australian states call these annual fees, but we are more likely to categorise this type of charging as a club good, and as more suited to a levy mechanism under our guidelines on public sector charging.

⁹ See <http://www.hse.gov.uk/charging/index.htm> (United Kingdom), and MHF Fees 2014-15 Report - <https://www.opengov.nsw.gov.au/publications/15321> (New South Wales).

the actual cost to operators is highly variable, depending on the services provided. However a 2013 report noted that the average annual payment across 300 chemical sites was approximately \$40,500, and that the costs for lower tier facility operators may average between \$4,600 and \$11,500 per annum.¹⁰

50. We recognise that some major hazard facilities here in New Zealand are operated by businesses with a global presence. We are therefore interested in finding out more from you about the regime costs in any other jurisdictions you are operating in, to help inform this work and provide context.

In identifying options for cost-recovery we have considered who benefits from the different types of services and the need to assess options based on criteria of fairness, effectiveness, efficiency, justifiability and transparency

51. Treasury and the Auditor-General have developed guidelines on public sector charging to help identify which charging mechanisms are suitable for different types of activities, and what things to take into account in assessing which options are most feasible.
52. The analysis of charging options looks at who should pay on the basis of who benefits and who is adversely affected by the service or activity. This is based on four types of economic “goods”: public, industry (club), private and merit, as follows:
- a. *Public good* – where it is difficult or costly to exclude (isolate) a specific group of users, and all users can share without detracting from use by another. Here there is a good case for recovering costs from the community as a whole by general taxation. Many government-provided services share the characteristics of public goods to some extent, but in practice pure public goods are rare.
 - b. *Industry (club) good* – where users can be isolated, ie, excluded from the benefits, at low cost (unlike a public good), and users can share without detracting from use by another. The ability to exclude users implies that it is feasible to charge for use, eg, charging businesses (eg, the WSL), or charging businesses in a particular industry.
 - c. *Private good* – where users can be excluded from the benefits at low cost, but its use by one person conflicts with use by another. Here there is a strong case for recovering the costs of private goods from those who benefit directly from their provision, eg, fees for direct services to individual businesses.
 - d. *Merit good* – these are goods desired by the community as a whole at a higher rate of consumption than it is prepared to pay for. These may involve a mix of Crown and third party funding, and the loss in public benefits from charging at full cost has to be significant.
53. The two mechanisms for cost recovery are fees and levies. Boundaries are not absolute, but –
- a. fees are generally better suited for private goods, ie, specific services provided directly to individuals, and
 - b. levies are a form of tax and are more suited to less defined activities provided to an identifiable group (club or industry goods).
54. The object is that any fees or targeted levies would recover the full costs of the regulator’s services, as otherwise they would be subsidised by all businesses that pay the WSL. It is important to understand that there is already cost-recovery for health and safety, and this consultation is about ways to distribute some very specific costs more directly to those who receive those services.
55. The criteria from the Treasury and Auditor-General guidance that are set out in the following table, need to be weighed in analysing the options:

¹⁰ UK Department for Business, Innovation and Skills report, Review of Enforcement in the Chemicals Industry (COMAH), February 2013 - <http://www.hse.gov.uk/comah/bre-review/index.htm>

Table 3: Criteria for analysing cost-recovery options

Criteria	Rationale	Approach to the analysis
Fairness between fee or levy payers	The fees or levies should fairly reflect the service provided to individuals or a distinct group, and not cross-subsidise others who do not get those services	This is a key balancing factor, as we are seeking to address the problem of unfairness in making all businesses pay for the additional costs involved in the major hazard facilities regime. This also includes consistency between different regimes
Effectiveness	The fee and/or levy mechanism needs to support the policy intent	We will be looking at the impact on achieving the policy outcome of the regulations, reasonableness of fee and levy options for those who would have to pay
Efficient implementation	It needs to be cost effective to implement the cost recovery charges and they must work for both proposed fee or levy payers and the regulator	We will be looking at the feasibility of establishing cost recovery mechanisms and how they will work
Transparency	The basis and costings for any proposed fees or levies should be clear to levy payers	This includes visibility of charging costs directly to individual operations

56. We also considered justification. All the options proposed meet this criterion because they all fit within the legal authority to charge fees or levies in sections 211(k)(xiii) and 215 of the HSW Act. All the options also meet further transparency requirements, due to public consultation on options that include detailed costings.

A number of options have not been considered in this paper, where they would not address the problem or are not feasible

57. We have discounted the status quo, of continuing to use WSL funding, as an option. This is because using the WSL does not address the problem for resolution, that it is unfair in principle for all businesses to share WorkSafe’s additional costs required for the different regulatory approach because they are not receiving a benefit from those services.
58. The options in this paper do not include consideration of any additional differential and higher rate for the WSL for major hazard facilities. This is not feasible due to administrative inefficiency, as it would impose disproportionate costs on administering the WSL.
59. The options do not include cost-recovery of all WorkSafe’s additional major hazard facilities costs (including the regulator’s oversight activities) using fees charged to individual operators for all the services each operator receives (as is done in the United Kingdom). This option is not feasible, as it is too inefficient. It would involve very detailed fee-setting, and complex, costly collection.
60. There are instances where a business operates multiple major hazard facilities sites, and we seek feedback on whether there could be a future option for multiple-site discounts.

Review periods

Any fees or levies set by Government following this consultation will be reviewed on a five-year cycle. WorkSafe would monitor the operation of the fee and levy regimes and provide advice on how the charging is working. WorkSafe will set up memorandum accounts to monitor fee and levy revenue and the costs being recovered.

PART THREE – OPTION DEVELOPMENT

61. This part sets out a range of fee and/or levy options for both tiers of major hazard facility for consultation. The following tables summarise WorkSafe’s costs and service levels for each tier for the broad categories of services described in Part 2, and options for fees and/or levies.

62. The following table sets out the detailed fee and/or levy options and how they are calculated (by reference to activities A to E set out in table 2 above).

Table 4: Options summary

Option description	Fee or levy proposed	How calculated
Option 1: Fees charged for safety cases and designations only	Designation fee: \$2,081.54	Cost of activity A / expected volume (82)
	Safety case (new) fee: \$56,408.78	Cost of activity B / expected volume (60)
	Safety case (revised) fee: \$27,471.07	Cost of activity C / expected volume (11)
Option 2: Fees in Option 1 plus an annual levy for MHF regulatory oversight services, split into upper and lower tier facilities	Additional annual levy (lower tier): \$15,187.09	Cost of activity D / number of lower tier operations (80)
	Additional annual levy (upper tier): \$29,237.23	Cost of activity E / number of upper tier operations (60)
Option 3: No separate fees for safety cases or designation. All costs recovered through one annual levy for MHF regulatory activities, split into upper and lower tier facilities	Annual levy (lower tier): \$15,430.92	(Share of cost of activity A + costs of activity D) / number of lower tier operations (80)
	Annual levy (upper tier): \$41,770.09	(Share of cost of activity A + costs of activities B, C and E) / number of upper tier operations (60)
Option 4: Levy per option 2 or 3, but discounted or no levy for lower tier operators	If combined with option 2: \$7,593.55	50% of (Cost of activity D / number of lower tier operations (80))
	If combined with option 3: \$7,715.46	50% of ((Share of cost of activity A + costs of activity D) / number of lower tier operations (80))

Discussion of options

Option 1: Fees charged for safety cases and designations only

63. This option only charges for WorkSafe designation and safety case activity. This has the benefit of high levels of transparency and justifiability, as it is a direct cost and it is clear what is being charged for and when.

64. However, it has the following limitations:

- a. It is not fair and equitable, as a significant amount of the activity that WorkSafe undertakes in relation to major hazard facilities is not charged back to them and remains covered by other general WSL payers (ie, the regulator oversight activity, covering: proactive activity, notifications, monitoring activity and support, and reactive activity). This is particularly the case for lower tier providers, where most of the support from the regulator is in relation to the proactive assessments and these can be time and resource intensive. The largest proportion of the costs are for maintaining regulator oversight.

- b. It will mean that operators are required to pay for designation and assessing safety cases when they occur, however, the fact that these costs are not smoothed out over a period of time causes difficulties for the regulator in managing the regime, with fees only coming in at certain times, but activity and specialist inspectors needed on a consistent on-going basis.
- c. In terms of efficiency of implementation, the more activities are split into separate fees the less efficient it becomes, as collecting and administering different fees and levies takes more time and support to manage, and therefore the costs will be higher, which ultimately will be passed on to operators.

Option 2: Fees in Option 1 plus an annual levy for MHF regulatory oversight services, split into upper and lower tier facilities

- 65. In addition to fees for designations and safety cases, an annual levy could be charged for WorkSafe’s oversight activities, ie, the monitoring, support and reactive activity.
- 66. Upper and lower tier facilities would pay different levies to reflect the different costs for each group. This avoids any cross-subsidisation between tiers, however there may be cross-subsidisation within tiers if some operators require a disproportionate amount of support (as would option 3).
- 67. Option 2 would be fairer than option 1, as it would recover the full costs of major hazard facilities regulatory oversight from the operators receiving the WorkSafe activity and would not require other WSL levy providers to bear the costs of the major hazard facilities regime (as would option 3).
- 68. Having a range of fees and an annual levy does make the regime more complex, and may make it less efficient to manage than option 3 (as is the experience in other jurisdictions), in terms of monetary costs and time for both operators and WorkSafe.

Option 3: No separate fees for safety cases or designation, and all costs recovered through one annual levy for MHF regulatory activities, split into upper and lower tier facilities

- 69. This option would bundle designations, safety cases, monitoring and proactive assessments and reactive activity into one annual levy. It would separate the levy into upper and lower tiers, to reflect the differences between upper and lower tier operators (i.e. safety cases in upper tier versus more effort on proactive assessments for lower tier).
- 70. This would have the benefits of:
 - a. It would be fairer than option 1, as it would recover the full costs from the operators receiving the WorkSafe activity and would not require other WSL levy providers to bear the costs of the major hazard facilities regime (as would option 2);
 - b. Having upper and lower tier facilities pay different levies would reflect the different costs for each group. This avoids any cross-subsidisation between tiers, however there may be cross-subsidisation within tiers if some operators require a disproportionate amount of support (as would option 2); and
 - c. It would be simpler and more efficient to implement than option 2 for both operators and WorkSafe, and would enable the regulator to plan and manage activity better.
- 71. This option is less transparent than options 1 and 2, as costs are not separated out and there may be some small cross-subsidisation within tiers. Regular monitoring and reviews of the levy would seek to ensure that the levied amount is appropriate.

Option 4: Levy per option 2 or 3, but discounted or no levy for lower tier operators

- 72. A regime which does not charge lower tier operators would ensure that the costs of the regime do not mean that some lower tier operators are unable to operate. Another option may be for smaller lower tier major hazard facilities to pay a reduced levy, for example 50% of the proposed lower tier facilities’ levy.

73. There are limitations, however, including:

- a. Operators are brought into the major hazard facilities regime based on the quantity and type of substances produced, used or stored on-site, and therefore on the catastrophic harm they could produce if they do not manage their activity well. Being in the regime is not based on the size of the business (eg turnover or number of employees), and lower tier operators still need to be able to demonstrate effective safety systems and management if they are managing large amounts of chemicals. For this reason most of the 80 potential lower tier sites identified by WorkSafe are operated by larger companies and involve large capital investment. WorkSafe has only identified one current facility that could fit a “small business” label. This would suggest that a discounted or no levy is unwarranted. It could also be argued, based on international experience, that, irrespective of any fees or levies, small logistics and storage businesses often find it challenging and costly to comply with the major hazard facilities regulations and either manage their inventories below the specified quantities or stop storing specified hazardous substances, and this is more appropriate than reducing levies, given the risks that need to be managed.
- b. Lower tier operators still require significant oversight and support by the regulator. Not charging or under-charging these operators would then be inequitable on other WSL levy payers.
- c. It may incentivise people to break up company structures or facilities to avoid being in the upper tier and paying costs, damaging outcomes for the regime.

Assessment of options against criteria

74. The following table evaluates the options against the criteria identified in Table 3 in Part 2.

Table 5: Option assessment

Cost-recovery Options	Fairness between levy payers	Effectiveness	Efficient implementation	Transparency	Overall Comment
Option 1: Fees charged for safety cases and designations only	X	✓	✓	✓	<ul style="list-style-type: none"> • Inequitable as WSL levy payers still have to pay most of the cost of the MHF regime for which they get no benefit • Implementation is less efficient than one levy as it involves 2 collections, and it also creates “lumpy” cost recovery • Transparent in linking services to individuals
Option 2: Fees in Option 1 plus an annual levy for MHF regulatory oversight services, split into upper and lower tier facilities	✓✓	✓	✓	✓✓	<ul style="list-style-type: none"> • Equitable, as WSL levy payers are not bearing a cost for which they receive no services • Implementation is less efficient than one levy as it involves 3 collections, and it also creates “lumpy” cost recovery • Clearly identifies between individual and club goods

Cost-recovery Options	Fairness between levy payers	Effectiveness	Efficient implementation	Transparency	Overall Comment
Option 3: No separate fees for safety cases or designation. All costs recovered through one annual levy for MHF regulatory activities, split into upper and lower tier facilities	✓✓	✓	✓✓	✓	<ul style="list-style-type: none"> • Equitable, as WSL levy payers are not bearing a cost for which they receive no services • Most efficient collection option, with only one collection point and smoothed out cost recovery • Less transparent in linking services to individuals
Option 4: Levy per option 2 or 3, but discounted or no levy for lower tier operators	X	✓	X	X	<ul style="list-style-type: none"> • Inequitable as WSL levy payers still have to pay some costs of the MHF regime for which they get no benefit • Reduces the impost on some lower tier operators who may otherwise not be able to afford the regime, but this may defeat the purpose of the regime of avoiding catastrophic events • Complex to administer

75. All the options meet the criteria of justification because they all fit within the legal authority in sections 211(k)(xiii) and 215 of the *Health and Safety at Work Act 2015*. All are transparent because detailed costings are provided for consultation.

Questions

76. Please provide feedback on the options in this paper. You are free to make any comments you wish, but it may help to consider your feedback in terms of the following questions.

The reason for targeted cost recovery options

- Do you agree that it is fair in principle for all major hazard facility operators to pay the cost of WorkSafe providing additional services that other businesses do not receive?

Fee and levy options

- Which option do you consider is most appropriate and why?
 - Option 1: Fees charged for safety cases and designations only
 - Option 2: Fees in Option 1 plus an annual levy for MHF regulatory oversight services, split into upper and lower tier facilities
 - Option 3: No separate fees for safety cases or designation. All costs recovered through one annual levy for MHF regulatory activities, split into upper and lower tier facilities
 - Option 4: Levy per option 2 or 3, but discounted or no levy for lower tier operators

Multi-site discount

- Do you think there should be a discount for operators with multiple sites? How could this work?

International comparison

- If your business operates major hazard facilities in other countries, what can you tell us about the costs involved in those regulatory regimes, and how they compare with the proposals in this paper? Do you think there are valid reasons for differences in costs between the different major hazard facility regimes your site or sites are subject to?

General

- Do you have any comments about the way WorkSafe has costed its services? Is it clear? Does it seem reasonable?
- Are there any better options that we have missed?
- How do the options compare to the costs your business faces in complying with the MHF Regulations?

Next steps

77. Please provide your feedback to MBIE by Friday 6 May **2016** using the HSWregs@mbie.govt.nz email address provided.
78. MBIE will analyse the feedback and provide advice to Ministers. Any decisions to introduce or change fees or levies will require changes to regulations, which would be made and in effect by September 2016, although actual collection of any fees or levies will depend on when services are provided.

Appendix 1 – Detailed Costing Tables

Table 1: Designations

A: Fee breakdown						
Proposed fee (per new designation)	\$2,081.54					
	Headline activity cost	Overheads + Chief Inspector cost				
Cost per notification and designation	\$1,729.85	\$351.68				
Total cost over 5 year period	\$141,847.94	\$28,838.17				

B: Activity volume over 5 year period	FY 2016/17	FY 2017/18	FY 2018/19	FY 2019/20	FY 2020/21	Total for 5-year period
Number of activity	70	4	4	2	2	82
Aggregate Costs of activity	\$120,117.19	\$7,035.44	\$7,211.32	\$3,695.80	\$3,788.20	\$141,847.94

C: Activity resourcing		Notes	Person Days					
Time involved in activity per activity	Administration officer		0.5					
	Specialist Inspectors		1.5					
	Deputy Chief Inspector		0.25					
			FY 2016/17	FY 2017/18	FY 2018/19	FY 2019/20	FY 2020/21	Average for 5-year period p.a.
Activity costs per person (per designation)	Administration officer		\$114.40	\$117.26	\$120.19	\$123.19	\$126.27	-
	Specialist Inspectors		\$1,338.45	\$1,371.91	\$1,406.21	\$1,441.36	\$1,477.40	-
	Deputy Chief Inspector		\$263.11	\$269.69	\$276.43	\$283.34	\$290.43	-
	Total per designation		\$1,715.96	\$1,758.86	\$1,802.83	\$1,847.90	\$1,894.10	\$1,803.93
Overheads and Chief Inspector (averaged figure per year)	Includes: ICT + telephony Property Costs Supplies and Services Chief Inspector						\$28,838.17	

Table 2: New Safety Cases

A: Fee breakdown		
<i>Proposed fee (per new safety case)</i>	\$56,408.78	
	Headline activity cost	Overheads + Chief Inspector cost
<i>Cost per safety case</i>	\$48,378.64	\$8,030.14
<i>Total cost over 5 year period</i>	\$2,902,718.45	\$481,808.44

B: Activity volume over 5 year period	<i>FY 2016/17</i>	<i>FY 2017/18</i>	<i>FY 2018/19</i>	<i>FY 2019/20</i>	<i>FY 2020/21</i>	<i>Total for 5-year period</i>
<i>Number of activity</i>	0	0	20	20	20	60
<i>Aggregate Costs of activity</i>	\$0.00	\$0.00	\$943,781.66	\$967,376.20	\$991,560.60	\$2,902,718.45

C: Activity resourcing		Notes	Person Days						
<i>Time involved in activity</i>		Administration officer	2						
		Specialist Inspectors	46.875						
		Deputy Chief Inspector	2.5						
				<i>FY 2016/17</i>	<i>FY 2017/18</i>	<i>FY 2018/19</i>	<i>FY 2019/20</i>	<i>FY 2020/21</i>	<i>Average for 5-year period p.a.</i>
<i>Activity costs per person (per safety case)</i>		Administration officer		\$457.59	\$469.03	\$480.75	\$492.77	\$505.09	
		Specialist Inspectors		\$41,826.52	\$42,872.18	\$43,943.99	\$45,042.59	\$46,168.65	
		Deputy Chief Inspector		\$2,631.14	\$2,696.92	\$2,764.34	\$2,833.45	\$2,904.28	
		<i>Total per safety case</i>		\$44,915.25	\$46,038.13	\$47,189.08	\$48,368.81	\$49,578.03	\$47,217.86
<i>Overheads and Chief Inspector (averaged figure per year)</i>		Includes: ICT + telephony Property Costs Supplies and Services Chief Inspector							\$481,808.44

Table 3: Revised Safety Cases

A: Fee breakdown		
<i>Proposed fee (per new safety case)</i>	\$27,471.07	
	<i>Headline activity cost</i>	<i>Overheads + Chief Inspector cost</i>
<i>Cost per safety case</i>	\$23,346.77	\$4,124.31
<i>Total cost over 5 year period</i>	\$256,814.46	\$45,367.36

B: Activity volume over 5 year period	<i>FY 2016/17</i>	<i>FY 2017/18</i>	<i>FY 2018/19</i>	<i>FY 2019/20</i>	<i>FY 2020/21</i>	<i>Total for 5-year period</i>
<i>Number of activity</i>	0	0	0	5	6	11
<i>Aggregate Costs of activity</i>	\$0.00	\$0.00	\$0.00	\$115,163.43	\$141,651.02	\$256,814.46

C: Activity resourcing	<i>Notes</i>	<i>Person Days</i>					<i>Average for 5-year p.a.</i>
<i>Time involved in activity</i>	Administration officer	2					
	Specialist Inspectors	21.98					
	Deputy Chief Inspector	1.25					
		<i>FY 2016/17</i>	<i>FY 2017/18</i>	<i>FY 2018/19</i>	<i>FY 2019/20</i>	<i>FY 2020/21</i>	
<i>Break down costs per person</i>	Administration officer	\$457.59	\$469.03	\$480.75	\$492.77	\$505.09	
	Specialist Inspectors	\$19,614.98	\$20,105.36	\$20,607.99	\$21,123.19	\$21,651.27	
	Deputy Chief Inspector	\$1,315.57	\$1,348.46	\$1,382.17	\$1,416.72	\$1,452.14	
	<i>Total per year</i>	\$21,388.14	\$21,922.84	\$22,470.91	\$23,032.69	\$23,608.50	\$22,484.62
<i>Overheads + Chief Inspector (averaged figure per year)</i>	Includes: ICT + telephony Property Costs Supplies and Services Chief Inspector						\$45,367.36

Table 4: Lower Tier – Regulatory Oversight (80 facilities)

A: Fee breakdown		
<i>Proposed levy (per annum)</i>	\$15,187.09	
	Headline activity costs	Overheads+ Chief Inspector
Total cost per year	\$1,080,271.45	\$134,695.35
Total cost over 5 year period	\$5,401,357.25	\$673,476.76

B: Activity breakdown	Headline activity costs <i>(total 5 years)</i>	Overheads <i>(total for 5 years)</i>
<i>Request extension of time</i>	\$0.00	\$0.00
<i>Review suitability of operator</i>	\$3,297.50	\$556.83
<i>Lower Tier Review</i>	\$148,057.92	\$26,376.37
<i>Apply for a review of a decision (for LT MHFs)</i>	\$10,496.42	\$1,758.42
<i>Notifiable incident (processing only, no inspection)</i>	\$764,866.20	\$140,674.00
<i>Request to withdraw or modify conditions on designation or safety case (designation)</i>	\$0.00	\$0.00
<i>In-depth inspections (2 day)</i>	\$460,423.34	\$64,084.82
<i>1-day inspections (includes some reactive visits that can wait until scheduled inspection) including pre-safety case submission visits</i>	\$1,966,271.91	\$295,415.39
<i>Reactive inspections (and investigations)</i>	\$512,499.91	\$79,324.50
<i>Follow up visits for notices</i>	\$469,173.77	\$65,286.41
<i>Other personnel costs</i>	\$199,154.24	
<i>Professional fees</i>	\$867,116.04	

C: Activity costs & volumes						
Total cost per activity	FY 2016/17	FY 2017/18	FY 2018/19	FY 2019/20	FY 2020/21	5-year total
\$0.00	0	0	0	0	0	0
\$3,854.34	1	0	0	0	0	1
\$7,752.64	20	0	0.5	1	1	22.5
\$4,084.95	2	0	0	0	1	3
\$1,509.23	120	120	120	120	120	600
\$0.00	0	0	0	0	0	0
\$13,112.70	8	8	8	8	8	40
\$10,470.77	40	44	44	44	44	216
\$8,454.63	14	14	14	14	14	70
\$13,115.59	7.75	8.25	8.25	8.25	8.25	40.75

Table 5: Upper Tier – Regulatory Oversight (60 facilities)

A: Fee breakdown									
<i>Proposed levy (per annum)</i>	\$29,237.23								
	<i>Headline activity costs</i>	<i>Overheads+ Chief Inspector</i>							
Total cost per year	\$1,580,507.45	\$173,726.13							
Total cost over 5 year period	\$7,902,537.23	\$868,630.67							

B: Activity breakdown	<i>Headline activity costs (total 5 years)</i>	<i>Overheads (total for 5 years)</i>	C: Activity costs & volumes						
			<i>Total cost per activity</i>	<i>FY 2016/17</i>	<i>FY 2017/18</i>	<i>FY 2018/19</i>	<i>FY 2019/20</i>	<i>FY 2020/21</i>	<i>5-year total</i>
Request extension of time to lodge a notification or safety case	\$682.91	\$117.23	\$400.07	0	0	0	1	1	2
Review suitability of operator	\$3,297.50	\$556.83	\$3,854.34	1	0	0	0	0	1
Apply for a review of a decision (for UT MHFs)	\$34,988.06	\$5,861.42	\$4,084.95	2	2	2	2	2	10
Notifiable incident (processing only, no inspection)	\$573,649.65	\$105,505.50	\$1,509.23	90	90	90	90	90	450
Design Notice	\$38,664.23	\$6,447.56	\$9,022.36	120	120	120	120	120	5
Request to withdraw or modify conditions on designation or safety case (designation)	\$0.00	\$0.00	\$0.00	0	0	0	0	0	0
Request to withdraw or modify conditions on designation or safety case (safety case)	\$51,812.24	\$8,352.52	\$3,166.57	0	0	10	4	5	19
Consent to activity otherwise than in accordance	\$22,165.11	\$3,477.77	\$6,410.72	0	0	0	2	2	4
Withdraw acceptance of safety case	\$0.00	\$0.00	0	0	0	0	0	0	0
3-day In-depth inspections	\$2,469,209.01	\$361,063.26	\$23,585.60	24	24	24	24	24	120
1-day inspections (includes some reactive visits that can wait until scheduled inspection) including pre-safety case submission visits	\$1,747,961.46	\$262,591.46	\$10,471.63	40	38	38	38	38	192
Reactive inspections (and investigations)	\$373,450.36	\$56,660.36	\$8,602.21	10	10	10	10	10	50
Follow up visits where a notice has been issued and travel required	\$412,339.25	\$57,996.76	\$12,992.71	7.4	7.2	7.2	7.2	7.2	36.2
Other personnel costs	\$406,111.43								
Professional fees	\$1,768,206.02								

Appendix 2 – Cost Recovery for Australian & United Kingdom Major Hazard Facilities ¹¹

	Victoria ¹²	New South Wales ¹³	Queensland ¹⁴	South Australia ¹⁵	Western Australia ¹⁶	United Kingdom ¹⁷
Regime type	Licence (5 years maximum)	Licence (5 years maximum)	Licence (5 years maximum)	Licence (5 years maximum)	Safety report approval (5 years maximum)	Permission to operate
Main charging method	Hourly rate: \$95 per hour, up to \$67,000, for processing licence application (including safety case assessment and site inspection)	Annual charge: \$49,000 covering all non-licence costs Hourly rate: \$120 per hour covering all licence costs (includes safety case assessment) ¹⁸	Annual charge: \$20,000 (Tier 1) \$36,000 (Tier 2) \$53,000 (Tier 3) A major hazard facility is placed into a tier based on the complexity of its processes, with Tier 3 being the most complex	Annual charge: \$26,000 (Tier 1) \$51,000 (Tier 2) \$77,000 (Tier 3) A major hazard facility is placed into a tier based on the complexity of its processes, with Tier 3 being the most complex	Annual charge: \$148,000 (Class A) \$118,000 (Class B) \$118,000 (Class C) \$24,000 (Class D) A major hazard facility is classed according to the complexity of its processes, with Class A being the most complex	Hourly rate: \$322 per hour ¹⁹ Varies per operator. Guidance indicates costs by type of regulator activity only. ²⁰ A 2013 report ²¹ found average payment across 300 chemical sites was ~\$40,500, and average lower tier costs were \$4,600-\$11,500
Other charging methods	Fee for replacement licence – \$53	Administration fee for transfer or cancellation of licence – \$120 per hour	Various application fees, eg application fee for licence – \$197	Application fee for licence: \$38,000 (Tier 1) \$77,000 (Tier 2) \$115,000 (Tier 3) Application fee to renew licence: \$26,000 (Tier 1) \$51,000 (Tier 2) \$77,000 (Tier 3) Other, eg licence replacement – \$257	Fee for first approval of a safety report: \$148,000 (Class A) \$118,000 (Class B) \$118,000 (Class C) \$24,000 (Class D)	

¹¹ Converted to New Zealand dollars using a currency conversion rate averaged over a ten year period (2005-2015) to account for fluctuations, and rounded.

¹² Occupational Health and Safety Regulations 2007 (Vic), reg.6.1.23 -

[http://www.legislation.vic.gov.au/Domino/Web_Notes/LDMS/LTObject_Store/LTObjSt9.nsf/DDE300B846EED9C7CA257616000A3571/EB2BF1295DC60F28CA257D87007F9B67/\\$FILE/07-54sra020%20authorised.pdf](http://www.legislation.vic.gov.au/Domino/Web_Notes/LDMS/LTObject_Store/LTObjSt9.nsf/DDE300B846EED9C7CA257616000A3571/EB2BF1295DC60F28CA257D87007F9B67/$FILE/07-54sra020%20authorised.pdf).

¹³ Work Health and Safety Regulation 2011 (NSW), Sch.2 - <http://www.legislation.nsw.gov.au/maintop/view/inforce/subordleg+674+2011+cd+0+N>.

¹⁴ Work Health and Safety Regulation 2011 (Qld), Sch.2 - <https://www.legislation.qld.gov.au/LEGISLTN/CURRENT/W/WorkHSR11.pdf>.

¹⁵ Work Health and Safety Regulation 2012 (SA), Sch.2 - <https://www.legislation.sa.gov.au/lz/c/r/work%20health%20and%20safety%20regulations%202012.aspx>.

¹⁶ Dangerous Goods Safety (Major Hazard Facilities) Regulations 2007 (WA), Sch.3 - https://www.slp.wa.gov.au/legislation/statutes.nsf/main_mrtitle_2768_homepage.html.

¹⁷ Control of Major Accident Hazards Regulations 2015 (COMAH) (UK), Part 9 - <http://www.legislation.gov.uk/uksi/2015/483/contents/made>.

¹⁸ See <https://www.opengov.nsw.gov.au/publications/15321>.

¹⁹ This figure is an average of the hourly rates for the Health and Safety Executive, the Environmental Agency, and the Scottish Environmental Protection Agency.

²⁰ See: <http://www.hse.gov.uk/charging/comahcharg/comahch3.htm>

²¹ UK Department for Business, Innovation and Skills report, Review of Enforcement in the Chemicals Industry (COMAH), February 2013 - <http://www.hse.gov.uk/comah/bre-review/index.htm>