



**Government
of South Australia**

TRS19D1199

Hon Stephen Mullighan MP
Member for Lee
Unit 1, 62 Semaphore Road
SEMAPHORE SA 5019

Treasurer
Level 8
State Administration Centre
200 Victoria Square
Adelaide SA 5000
GPO Box 2264
Adelaide SA 5001
DX 56203 Victoria Square
Tel 08 8226 1866
treasurer.dtf@sa.gov.au

lee@parliament.sa.gov.au

Stephen
Dear Mr Mullighan

APPLICATION UNDER THE *FREEDOM OF INFORMATION ACT 1991*

I refer to your application made under the *Freedom of Information Act 1991* (FOI Act), dated 10 May 2019.

Your application seeks access to:

"All minutes, briefings and correspondence titled 'Health and Safety Representative Training Subsidy Reduction' as described on the Objective document management system, between 12 July 2018 and 10 May 2019."

The legislative prescribed timeframe to determine this application has expired and is now deemed to have refused you access to all documents relevant to your application. I refer to my letter dated 26 May 2019 where I sought additional time to make my determination.

The purpose of this letter is to advise you of my determination. An extensive search was conducted within this office. A total of 1 document was identified as answering the terms of your application

I grant you access in full to 1 document; a copy of which is enclosed.

Please note, in compliance with Premier and Cabinet Circular PC045 - *Disclosure Logs for Non-Personal Information Released through Freedom of Information* (PC045), the Department of Treasury and Finance is now required to publish a log of all non-personal information released under the *Freedom of Information Act 1991*.

In accordance with this Circular, any non-personal information determined for release as part of this application, may be published on the DTF website. A copy of PC045 can be found at the following address: <https://dpc.sa.gov.au/resources-and-publications/premier-and-cabinet-circulars>. Please visit the website for further information.

As I am determining this application as Principal Officer, Section 29(6) of the Act does not provide for an internal review. If you are dissatisfied with my determination you are entitled to exercise your rights of external review with the Ombudsman.

Alternatively, you can apply to the South Australian Civil and Administrative Tribunal. If you wish to seek a review, Section 39(3) of the Act states you must do so within 30 calendar days of receiving the determination.

If you require any further information, please contact Vicky Cathro on 8226 9769.

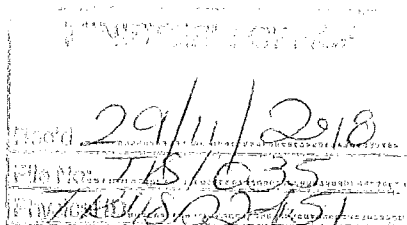
Yours sincerely

A handwritten signature in black ink, appearing to read "Rob Lucas".

Hon Rob Lucas MLC
Principal Officer

25 July 2019

MINUTES forming ENCLOSURE to



18SWSA0120

TO: TREASURER
CC: UNDER TREASURER
 DEPARTMENT OF TREASURY AND FINANCE

SUBJECT: HEALTH AND SAFETY REPRESENTATIVE TRAINING SUBSIDY
 REDUCTION

PURPOSE

- To provide you with information about SafeWork SA's decision to reduce the Health and Safety Representative (HSR) training subsidy funding by the end of the 2018-19 financial year.

BACKGROUND

- The *Work Health and Safety Act 2012* (SA) (WHS Act) makes provision for the election of HSRs and Deputy HSRs. During a HSR's term of office (3 years) the WHS Act provides them with an entitlement to take a prescribed number of days to attend a course of training approved by the Regulator.
- The prescribed number is 5 days during the first year, 3 days during the second year and 2 days during the third year of the term. There is no mandated requirement for a HSR to attend training, however only a trained HSR can exercise their powers under the WHS Act to direct unsafe work to cease, or to issue a Provisional Improvement Notice.
- The Regulator approves the courses of training that HSRs are entitled to attend during their term of office; level 1 (5 days), level 2 (3 days) and level 3 (2 days) along with single day courses on specific topics (continuing approved training).
- The Regulator also approves the training providers to deliver the approved training courses. A list of the current Approved Training Providers (ATPs) is provided as Attachment A. The WHS Act allows for a HSR to choose who they wish to undertake their training with, in consultation with their relevant person conducting a business or undertaking (PCBU).

History of the subsidies

- In 1994, OHS subsidies were introduced and administered through the previous WorkCover Grants Scheme. The subsidies were made available to assist employers in the provision of access to training for HSRs. Annual funds of \$200,000 were set and this figure has remained since implementation.
- Initially the subsidies were provided on an annual basis to two ATPs: SA Unions (formerly United Trades and Labour Council (UTLC)) and Business SA (formerly known as the South Australian Chamber of Commerce and Industry). Each provider received an approximate equal share of the total grant available, which could be applied at the discretion of the training provider for the provision of approved health and safety training.

- In 1997-98 a decision was made to take a more targeted approach to applying the subsidies. These targets were formulated based on WorkCover corporate directions and customer segmentation. Additional criteria were subsequently introduced for targeted businesses to be eligible for different levels of training. These provided that:
 - Non-exempt small businesses are defined as having 100 or less employees that are not a subsidiary of a larger company (eligible for level 1, level 2 and continuing approved HSR training).
 - High-risk industries are identified through the former WorkCover SAfer Industries Program (eligible for level 2 and continuing approved HSR training).
 - Businesses in regional and remote areas are to ensure that training is provided at the same cost in regional areas as in the metropolitan area. ATPs can claim a subsidy for running regional courses of approved HSR training. Regional participants who meet the above criteria can also claim the individual subsidy.
 - Specific areas of focus for training priority and subsidy eligibility include high-risk industry, high-risk occupation, expanding industry, new industry, and industry specific to a region.
- The following years saw an increase in training provider approvals to administer subsidies for approved HSR training courses.
- In 2006, SafeWork SA took ownership of the OHS training subsidy program, and currently provides access to funding for the 18 ATPs. Over the years, access to, and funding allocated has varied. During the last financial year (2017-18) payments of \$81,959 were made, with the majority paid to six ATPs.
- The subsidy categories have also changed over the years. A full list of the current subsidy categories is provided at Attachment B. A schedule of the allowable expenses and rates is also provided at Attachment C.
- On 16 August 2018 a briefing (18SWSA0428) was also provided to you about SafeWork SA's funding, grant, subsidy and sponsorship payment obligations for the current financial year, as well as grant payments made for the past three financial years. The brief included information about SafeWork SA's HSR training subsidy scheme and eligibility criteria; and noted that options were being considered to discontinue the subsidy scheme.

DISCUSSION

- The reduction or discontinuation of HSR training subsidies has been identified as a savings strategy for SafeWork SA. Since taking ownership of the training subsidy in 2006, SafeWork SA has incorporated \$200,000 into its budget per financial year for this purpose.
- In 2017-18, SafeWork SA paid ATPs a total sum of \$81,959 for HSR training subsidies. The table below shows the breakdown of payments made to each ATP:

Registered Training Organisation (RTOs)	As at 30 June 2018
Access Training Centre Pty Ltd	\$20,711
Adelaide Training and Employment Centre	\$16,700
Amalgamated AWU SA St Union	\$16,580
Gramac Training Solutions	\$7,395
Business SA	\$6,450
SA Unions	\$5,068
Others below \$5,000	\$9,055
TOTAL	\$81,959

- Impacts on both business and ATPs were considered in the assessment of discontinuing HSR training subsidies and are provided below.

Impact on business

- For eligible businesses (PCBUs), this decision will mean they will bear the full cost of HSR training for any elected HSR in their business that wishes to use their entitlement to training. ATPs have differing costings for the courses they offer:
 - Approximate cost of 5 day training first year, level 1) – \$800 to \$1400
 - Approximate cost of 3 day training (second year, level 2) – \$565 to \$990
 - Approximate cost of 2 day training (third year, level 3) – \$415 to \$715
- Businesses may also be eligible to significant reductions in these training course fees by being a member of a business or industry association.
- If a business currently meets the criteria as stipulated in Attachment B (e.g. small business in a high risk industry), they may be eligible to a maximum of \$100 subsidy per day of training.
- There may be circumstances where the participant is from a very small business in a remote area with financial hardship who cannot afford to pay for the HSR's travel/accommodation costs as well as wages for the duration of the course as required under the WHS Act. There are currently provisions for subsidies (remote area subsidy) in such cases, assessed on a case by case basis.
- In the last financial year, no participants applied for any travel or accommodation subsidy.

Impact on ATPs

- Some ATPs may be eligible for subsidies if they are delivering a training course in a regional area of South Australia. Currently they may be eligible for subsidies that cover:
 - Room hire (up to \$120/day)
 - Accommodation (max six nights up to \$140/day)
 - Travel (car – fuel allowance greater than 150km; air – full cost)
 - Marketing (max \$1000 per six months)
- This decision may see a decrease in available courses being run in regional areas, due to the additional cost that the ATPs would need to cover, some of which may have been relied on through the subsidy scheme.
- In the last financial year, 2 ATPs have invoiced SafeWork SA to deliver training in regional areas.

Cost Saving Options

- Two options were considered to reduce HSR subsidy funding for the 2018-19 financial year:
 - **Option 1:** Discontinue all subsidy categories and write to all ATPs advising of the decision. Propose ceasing the payment of subsidies by the end of the 2018-19 financial year. This provides sufficient time for ATPs to make any necessary changes to their business model.
 - **Option 2:** Discontinue all subsidy categories with the exception of the remote area subsidy for participants only. This affords businesses with options in cases where the cost of travel and accommodation are deemed a significant burden to the business. The budget allocation for such circumstances will be \$20,000 and will be reviewed annually.
- After careful consideration, SafeWork SA has decided that **Option 2** provides a more balanced outcome to minimise the impact to businesses in remote areas, while still delivering a cost saving of \$180,000.
- It should be noted that it is likely that ATPs will be aggrieved by the removal of subsidies, particularly given the length of time for which they have been in place.
- SafeWork SA will write to all ATPs to advise them of this decision and will update the relevant information provided on the SafeWork SA website.

RECOMMENDATIONS

That you:

- note the information about SafeWork SA's decision to reduce the Health and Safety Representative training subsidy funding by the end of the 2018-19 financial year.

Should you wish to discuss this matter further, please contact Mr Glenn Farrell, Director, Workplace Education and Business Services, SafeWork SA on telephone (08) 8303 9924.



Martyn Campbell
**EXECUTIVE DIRECTOR
SAFEWORK SA**

29 November 2018

*Attachment A - A list of the Approved Training Providers
Attachment B - A full list of the current subsidy categories*

NOTED/APPROVED/NOT APPROVED



Treasurer

Date: 16 / 12 / 2018

Approved training providers to deliver HSR training.

Access Training Centre

7 La Salle Street, Dudley Park SA 5008
Phone: 8169 9800
Fax: 8269 1411
Email: info@accesstrainingcentre.com.au
www.accesstrainingcentre.com.au

Adelaide Training and Employment Centre

275 Grand Junction Road, Ottoway SA 5013
Phone: 8444 1608
Fax: 8240 1433
Email: bookings@atec.asn.au
www.atec.asn.au

ASC Training and Development

Level 2, Harmer House, 5 Leigh Street, Adelaide SA 5000
Phone: 8410 2627
Fax: 8410 0301
Email: info@asctraining.com.au
www.asctraining.com.au

ASKOHS Pty Ltd

PO Box 10462, Adelaide BC SA 5000
Phone: 0449 921 919
Email: askohs@gmail.com
www.askohs.com.au

Business SA

136 Greenhill Road, Unley SA 5061
Phone: 8300 0103
Fax: 8300 0001
Email: customerservice@business-sa.com
www.business-sa.com

Celtic Training and Consultancy

148 Hindley Street, Adelaide SA 5000
Phone: 82118272
Fax: 8211 7977
Email: celtictrain@optusnet.com.au
www.celtictraining.com.au

Civil Train

1 South Road, Thebarton SA 5031
Phone: 8111 8000
Fax: 8111 8002
Email: courses@civiltrainsa.com.au
www.civiltrainsa.com.au

Construction Industry Training Centre

491-499 South Road Regency Park SA
Phone: 8301 4500
Fax: 8301 4501

Email: maritonette@citc.com.au
www.citc.com.au

Go Green Consulting

PO Box 446, Stepney SA 5069
Phone: 0411 874 556
Email: melinda@gogreenconsulting.com.au
www.gogreenconsulting.com.au

Gramac Solutions

1a Hedley Street, Mount Gambier SA 5290
Phone: 8724 8577
Fax: 8724 8599
Email: gm@gramac.com.au
www.gramacsolutions.com.au

JobSafe SA

22-24 Main Street, Mawson Lakes SA 5095
Phone: 8360 1920
Fax: 8360 1960
Email: training@jobsafesa.asn.au
www.jobsafesa.asn.au

Learning Sphere Training Solutions

3 Edna Street, Warrimoo NSW 2774
Phone: 1300 296 298
Fax: 02 8088 4777
Email: admin@learningsphere.com.au
www.learningsphere.com.au

Local Government Risk Services

Level 1, 148 Frome Street, Adelaide SA 5000
Phone: 8235 6444
Fax: 8235 6448
Email: cassie.broad@jlta.com.au
www.lgrs.com.au

Master Builders Association SA

47 South Terrace, Adelaide SA 5000
Telephone: 8211 7466
Fax: 8231 5240
Email: dthompson@mbasa.com.au
www.mbasa.com.au

National Safety Council of Australia

1 Caribbean Drive, Scoresby Vic 3179
Phone: 1800 655 510
Fax: (03) 8756 8293
Email: training@nsca.org.au
www.nsca.org.au

Paragon Work Health Safety Pty Ltd
PO Box 24, O'Sullivan Beach, SA 5166
Phone: 0407 828 879
Email: contact@paragonwhs.com
www.paragonwhs.com

SA Unions
170 Greenhill Road, Parkside SA 5063
Phone: 8279 2248
Fax: 8279 2223
Email: saunions@saunions.org.au
www.saunions.org.au

TAFESA
Dumas Street, Mount Barker SA 5251
Phone: 7210 3039
Email: HSR@tafesa.edu.au

Subsidy Categories

The main categories of subsidy that are currently in use are:

<i>High-risk industries</i>	<ul style="list-style-type: none"> Aged care Automotive component manufacturing Automotive motor trades Building construction Civil construction Commercial cleaning Food retail and wholesale Horticulture Hospitality Labour hire Meat products manufacturing Metal products and machinery Plastic and rubber products manufacturing Road transport
<i>High-risk occupations</i>	<p>HSRs must be from this occupation or represent people from these occupations:</p> <ul style="list-style-type: none"> Agriculture or horticulture labourers Automotive tradespersons Carers and aides Cleaners Construction and related industries labourers Delivery drivers Food tradespersons Forklift drivers Heavy truck drivers Meat and fish process workers Mechanical engineering tradespersons Metal fabricators Miners Product assemblers Product packagers Sales assistant Store persons
<i>Small business</i>	<p>This subsidy can apply in addition to any of the above subsidies. A small business is defined as having 100 or less workers in a workplace that is not a subsidiary of a larger organisation.</p>
Rarely used subsidies	<p>Approved on a case-by-case basis and are rarely, if ever, used:</p>
<i>New industry</i>	<p>Defined as an industry that:</p> <ul style="list-style-type: none"> • was a component of another industry and has been outsourced; • has come about due to advancements in technology; and/or • results from the transfer of a whole industry (not previously operating in this state) from another state or country.

<i>Expanding industry</i>	Defined as an industry that is increasing in size (e.g. number of employees/remuneration) at a rapid rate due to product/service demand or technological advancement.												
<i>Region by industry</i>	Relates to employers within an industry that is predominantly or exclusively carried out within a specified area or region within South Australia but outside the metropolitan area.												
<i>Remote area subsidy</i>	<p>Applicable only to eligible participants who work more than 100 km from any of the regional centres listed below:</p> <table border="0" style="margin-left: 20px;"> <tr> <td><i>Port Augusta</i></td> <td><i>Port Pirie</i></td> <td><i>Whyalla</i></td> <td><i>Naracoorte</i></td> </tr> <tr> <td><i>Port Lincoln</i></td> <td><i>Riverland</i></td> <td><i>Barossa Valley</i></td> <td><i>Clare</i></td> </tr> <tr> <td><i>Victor Harbor</i></td> <td><i>Mount Gambier</i></td> <td></td> <td></td> </tr> </table> <p>This subsidy is intended to make a contribution towards additional travel, accommodation and meal expenses of the participant. Payment is additional to any other subsidies related to the training. No specific amount has been applied and it will need to be determined what additional costs the participant has or will incur.</p> <p>Circumstances are considered on an individual basis and subsidy awarded at the discretion of SafeWork SA.</p> <p>Examples of circumstances may be where the HSR is from a very small business with financial hardship who cannot afford to pay for the HSR's travel/accommodation costs as well as wages for the duration of the course as required under Section 72(5) of the Act.</p>	<i>Port Augusta</i>	<i>Port Pirie</i>	<i>Whyalla</i>	<i>Naracoorte</i>	<i>Port Lincoln</i>	<i>Riverland</i>	<i>Barossa Valley</i>	<i>Clare</i>	<i>Victor Harbor</i>	<i>Mount Gambier</i>		
<i>Port Augusta</i>	<i>Port Pirie</i>	<i>Whyalla</i>	<i>Naracoorte</i>										
<i>Port Lincoln</i>	<i>Riverland</i>	<i>Barossa Valley</i>	<i>Clare</i>										
<i>Victor Harbor</i>	<i>Mount Gambier</i>												

Exclusions

Subsidies are not paid to WorkCover self-insured or self-managed companies (e.g. Holden, local government) or to government departments. See the complete list at *Appendix A*.

Calculation of applicable subsidy

A subsidy of \$50 per day is applicable for any one of the industry or occupation categories. An additional subsidy of \$50 per day is extended to attendees where they are also from a small business. A maximum of 2 subsidies, or \$100 per day, can be claimed for any individual who meets the combination of the high-risk criteria and small business. The worksheet must be completed and submitted by the training provider together with an invoice including GST.

Trainer Allowances

The subsidies are extended to include training expenses where training is undertaken in regional areas only. If the training provider has their own offices/training venue in a regional location, venue hire cannot be claimed.

Training room hire:

- The subsidy covers the cost of the venue/training room hire (up to \$120/day).
- Excluded are any costs associated with catering for attendees and the trainer for the duration of the course (e.g. morning tea/lunch/afternoon tea).

Accommodation rates:

- Up to six nights' accommodation can be claimed for trainer allowances, owing to distances required to travel (i.e. Sunday night to Friday night) and to ensure fatigue for travel by car is lessened.

- Travel must be greater than 150 km from Adelaide GPO one way to claim six night's accommodation.
- Costs maximum of \$140/day including meals.
- *Air travel:*
- Automatically approved for payment – no maximum limits.
- Proof of travel is required (e.g. copy of paid invoice from airline).

By car:

- Greater than 100 km from GPO one-way – Accommodation/meals –\$140/day for 5 days
- Vehicle/car transport – calculated at cents/per km x cc size
- Travel must be more than 100 km from the Adelaide GPO to accrue a charge to SafeWork SA.

Marketing/advertising expenses:

- \$1,000 is available every six months (July-December and January-June).
- Evidence/A copy of the marketing or advertising materials, which must include reference to HSR training, must be supplied.
- Website design charges can also be claimed for this purpose, where HSR training is updated.
- A copy of paid invoices must also be supplied as evidence the marketing/advertising occurred.

TRAINING SUBSIDIES - ALLOWABLE EXPENSES AND RATES

The following table (Table 1) identifies the requirements for release of funding for the period of this contract.

Table 1

Payment type	Requirements	Rate
Marketing	Evidence that the marketing budget has been expended on promotion of HSR Level 1, Level 2 and Continuing Training.	<i>\$1,000 for 6 months</i>
Subsidies	Evidence that subsidies have been claimed by course participants by provision of a course list showing who is entitled to a subsidy, the company they work for, the course name, provider, date/s attended and the type of subsidy/s to which they are entitled ie Construction or Food, Wholesale and Retail + Small Business. The preferred proforma is included as Schedule 3 but you may use your own if a form with the same detail exists.	
Allowable expenditure	<p>Where none of the participants of the course are entitled to a subsidy, the course must be a level 1 or level 2 course aimed specifically at HSR's who come from a variety of workplaces rather than a single employer.</p> <p>Expenses related to courses conducted outside the Adelaide metropolitan area (see *Adelaide metro definition after this table)</p> <ul style="list-style-type: none"> ▪ Training Room Hire¹ - receipt detailing date/s of course, course name and name of trainer. ▪ Accommodation² - receipt detailing name of person staying, date/s of stay, cost per night (room only). ▪ Accommodation costs are paid for courses conducted at locations greater than 100 kms from Adelaide (one way). Trainers will be entitled to 1 night's accommodation for each day of training. ▪ Allowances are based on Tier 2 Country under the Australian Public Service Award ▪ For health and safety reasons, trainers travelling to locations greater than 150 kms from Adelaide (one way) will be entitled to one night's accommodation for each day of the course + 1 extra night. ▪ Meal allowances³ - receipts are not required but number of meals claimed must be detailed - if the RTO supplies catering on the day(s) of training, a claim for lunch cannot be made. ▪ Travel⁴ - Receipts or equivalent ie copy of airline ticket etc, or number of kilometres travelled x rate. 	<p><i>¹Maximum of \$120.00 per day based on receipt</i></p> <p><i>²A maximum of \$140.00 per day will apply in total for accommodation and meals</i></p> <p><i>³Breakfast \$18.85 Lunch \$21.55 Dinner \$37.15</i></p> <p><i>⁴Under 1600cc: 61¢/km 1601-2600cc: 73¢/km Over 2600cc: 74¢/km</i></p>
Regional Office Allowance	Costs to be paid as they occur as part of the normal process for HSR Training Subsidies. A simple methodology has established an appropriate 'day rate'. 70% of what a trainer who was required to travel to a regional area and stay in accommodation for that purpose is the entitlement. For example:	

<ul style="list-style-type: none"> • A level one five day course located more than 150 kms (each way) from Adelaide would necessitate 6 nights of accommodation and associated meals. • This would amount to \$720 plus travel allowance. Travel allowances for regional centres (if travelled) would be as follows: <table border="1"> <thead> <tr> <th>Location</th> <th>distance kms from Adelaide (one way)</th> <th>Allowance for return travel by car</th> </tr> </thead> <tbody> <tr> <td>Clare</td> <td>134</td> <td>\$136</td> </tr> <tr> <td>Mt Gambier</td> <td>453</td> <td>\$460</td> </tr> <tr> <td>Naracoorte</td> <td>338</td> <td>\$343</td> </tr> <tr> <td>Port Augusta</td> <td>306</td> <td>\$310</td> </tr> <tr> <td>Port Lincoln</td> <td>646</td> <td>\$656</td> </tr> <tr> <td>Port Pirie</td> <td>217</td> <td>\$220</td> </tr> <tr> <td>Renmark</td> <td>254</td> <td>\$258</td> </tr> <tr> <td>Robe</td> <td>340</td> <td>\$345</td> </tr> <tr> <td>Whyalla</td> <td>382</td> <td>\$388</td> </tr> </tbody> </table> <ul style="list-style-type: none"> • Therefore an estimated daily rate (at 70%) for a 5 day course in Mount Gambier would be \$165 per day including travel allowance ($\\$720 + \\$460 = \\$1180 / 5 = \\$236 \times 70\%$). 	Location	distance kms from Adelaide (one way)	Allowance for return travel by car	Clare	134	\$136	Mt Gambier	453	\$460	Naracoorte	338	\$343	Port Augusta	306	\$310	Port Lincoln	646	\$656	Port Pirie	217	\$220	Renmark	254	\$258	Robe	340	\$345	Whyalla	382	\$388	
Location	distance kms from Adelaide (one way)	Allowance for return travel by car																													
Clare	134	\$136																													
Mt Gambier	453	\$460																													
Naracoorte	338	\$343																													
Port Augusta	306	\$310																													
Port Lincoln	646	\$656																													
Port Pirie	217	\$220																													
Renmark	254	\$258																													
Robe	340	\$345																													
Whyalla	382	\$388																													

* **Adelaide metro** includes as far south as Sellicks Beach and Mount Compass, as far east as Strathalbyn, Macclesfield, Mount Barker, Littlehampton, Oakbank, Lobethal, Williamstown as far North as Gawler, Two Wells and Middle Beach according to the Government of South Australia Metropolitan Map.

**Distances of Main Training Venues from Adelaide GPO
(in kilometres one way - RAA travel website)**

Barossa (Nuriootpa)	72
Berri	238
Ceduna	773
Clare	134
Crystal Brook	197
Mount Gambier	453
Naracoorte	338
Nairne	40
Port Augusta	306
Port Lincoln	646
Port Pirie	217
Victor Harbor	83
Whyalla	382