

Submission: MBIE consultation on New Zealand's work health and safety regulatory system

**By the Mental Health Foundation of
New Zealand**



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Tuia te rangi e tū nei
Tuia te papa e takoto nei
Tuia i te here tangata
Tihei mauri ora.

He hōnore, he korōria ki te atua ki te runga rawa
He whakaaro maha ki a rātou kua haere ki te wāhi ngaro
Rau rangatira mā, ānei ngā whakaaro me ngā kōrero nā Te Hauora Hinengaro.

Introduction

Thank you for the opportunity to comment on the Ministry of Business, Innovation and Employment's (MBIE) consultation on the work health and safety regulatory system in Aotearoa New Zealand.

The Mental Health Foundation of New Zealand (MHF) has a long history of supporting workplaces to adopt activities that build mentally healthy workplace cultures, with a focus on developing industry-level wellbeing programmes in farming, construction and manufacturing, as well as generic workplace wellbeing resources. For example, the MHF's [Working Well](#) tools, resources and campaigns help employers take a proactive approach to creating flourishing workplaces that enhance and protect people's mental health. This includes [Open Minds](#), a workplace program developed especially for managers, which equips them with the confidence and practical skills to talk about and support mental health in the workplace. MHF will soon publish two workplace guides: *Supporting your staff and organisation after a suspected suicide* and *Responding to a staff member's suicidality*.

In addition, the MHF reaches into workplaces through its annual campaigns, including Mental Health Awareness Week and Pink Shirt Day, which focus on positive mental health promotion and bullying elimination respectively.

Overall comment

Workers can be exposed to risks that impact their mental health and wellbeing in any industry and workplace. We know that creating positive conditions – or mentally healthy workplaces – where workers can bring their authentic selves to work is one of the most important factors to achieving worker wellbeing (which is, in and of itself, a good thing) and managing psychological risk. In addition, increased wellbeing acts as a moderator to further protect against and minimise psychological risk. Creating mentally healthy workplaces also saves businesses money with a positive return on investment (ROI) of 2.3. That is, for every dollar spent towards improving mental wellbeing in the workplace, employers will gain \$2.30 in return through improved productivity, reduced absenteeism and presenteeism, and lower numbers of compensation claims.

On the other hand, psychosocial¹ stressors such as bullying and harassment in the workplace create negative conditions that cause workers to be more likely to experience mental health problems, such as depression and anxiety, and become more vulnerable to experiencing suicidal thoughts. We know there are significant costs to businesses resulting from low levels of employee mental wellbeing, such as increases in absenteeism and presenteeism (being at work while feeling unwell), reduced work performance, increased turnover rates, higher accident and injury rates, and higher health care costs.ⁱ A survey found that in 2020, New Zealand lost 7.3 million working days due to work absence, and the cost of absence to the economy was \$1.85 billion.ⁱⁱ

Psychosocial harm is a significant health and safety issue in the workplace

The term 'psychosocial hazard' in work refers to the aspects of design and management of work and its social organisational contexts that may have the potential for causing psychological or physical harm. Psychosocial stressors resulting from these hazards are real and common in workplaces and take numerous forms.

¹ 'Psychosocial' is when people and their environment interact. It refers to the interaction between psychological (thoughts, emotions and behaviour) and social (interactions with others) factors that affect a person's health and wellbeing. ([WorkSafe, 2023](#)).

There are clear hazards that increase the risk of workers experiencing psychosocial harm, such as the nature of the work and its content; relationships and social factors including purpose, meaning, leadership, management and supervision; and work environments.ⁱⁱⁱ Some people are exposed to an increased risk of harm depending on the industry they work in (e.g., construction, education, and healthcare industries), their identity or background (e.g., Māori, Pasifika, women, members of the rainbow community, migrants or those with English as a second language), and the role they are in (e.g., front-line service provider or first responder).^{iv}

A wealth of research has demonstrated that work-related stress stemming from psychosocial hazards is associated with an increase in various physiological issues, including hypertension, coronary heart disease, impaired wound healing, musculoskeletal disorders and impaired immune competence.^v Mental ill health is estimated to account for approximately 17 percent of work-related harm. In WorkSafe's 2021 work survey, approximately 30 percent of workers reported experiencing a work-related mental health problem, with 11 percent reporting this began within the last year.^{vi} Exposure to these stressors, if sustained, is linked to increased risk of psychiatric/psychological disorders, illness and/or physical injury.^{vii}

Workplace bullying is a significant psychosocial hazard in New Zealand

Workplace bullying is a serious and common work risk. Studies suggest that between one in five and one in three workers in New Zealand report bullying or harassment annually.^{viii} Data from a 2019 MHF survey displayed a significant difference between ethnicities in exposure to workplace bullying within the prior twelve months, with Pasifika and Māori more likely to report bullying on a daily basis than Pākehā.^{ix}

Workplace bullying is multi-causal, and at an organisational level, it has been associated with ineffective leadership, low levels of resourcing, poor work organisation, poorly defined roles and role ambiguity, workplace change and uncertainty, and poor human resources practices. Both at the time of occurrence and afterwards, bullying can result in low self-esteem, anxiety, stress, fatigue, burnout, depression, sleep disruption, and post-traumatic stress disorder (PTSD) in extreme cases.^x Those who are bullied or harassed are less likely to seek help from others or to take measured risks.

We believe businesses and organisations need more help to 'reframe' workplace bullying as a psychosocial harm that needs to be assessed and mitigated against. It is crucial businesses and organisations are also supported to take a whole-of-organisation approach to creating a safe, supportive and strong workplace culture where bullying cannot thrive. This includes considering:

- the organisational environment – including workplace culture, communication, whether there are robust policies and procedures including anti-bullying policies and training about them, some type of risk management approach and assessment, and informal and formal networks, and
- training, skills and capacity of managers, leaders and teams – including increasing awareness, role-modelling good behaviour, good people skills, etc.

Regulators have an opportunity to provide clear guidance and effective leadership to employers about their responsibilities

It is essential that legislation continues to require that all businesses provide and maintain a work environment that is without risks to health and safety, including mental health, so far as is "reasonably practicable." This is an essential lever to support worker wellbeing. However, the MHF understands some employers do not fully understand the parameters of 'reasonably practicable' or how to apply this in practice, and that clearer and more readily accessible guidance from the regulator is warranted. There is an opportunity for WorkSafe New Zealand to take a strong leadership position in setting the precedent for what is expected for employers nationwide. The MHF supports the work undertaken so far by WorkSafe New Zealand to establish the [draft good practice guidelines](#) for managing psychosocial risks at work, and we look forward to the finalised version being made publicly available.

We note that WorkSafe has a high threshold for initiating a response to a 'serious incident or series of complaints.' From December 2013 to April 2019, WorkSafe had 228 recorded cases that indicated bullying (from approximately 10,000 health and safety incidents or events a year). 20 of the 228 were investigated and 84 were either referred to a more appropriate agency (ERA, Police, or 'Other') or referred to the business to self-manage. This suggests the mechanism via the HSW Act to hold

organisations to account for deficiencies in preventing bullying in the workplace is unlikely to be triggered in the majority of cases.

Greater investment in training, advice and support is needed for small-medium enterprises (SMEs)

The MHF supports additional advice or more specific workplace responses for SMEs with sole operators or small teams. According to SME surveys, owner-operators are under significant stress running all aspects of the business, which can erode their mental and physical health over time. They have little choice however in delegating work, with many lack the financial ability to hire consultants to ease stressful burdens.

Research conducted by Xero in 2019 showed almost two thirds of small business owners said they would like support or advice when it comes to workplace wellbeing – a figure that roughly corresponds with the 60 percent.^{xi} The MHF also hears from workplaces and workers that they want more practical and hands-on tools, such as tools to support better communication and relational/interpersonal skills between managers and teams and within teams (e.g., written prompt tools).

There is good, local evidence of industry-based wellbeing programmes that are reducing health and safety risk

Farmstrong is a nationwide rural wellbeing programme that launched in 2015 to share tips on how those working in farming can look after themselves and the people in their business.

In 2019, *Farmstrong* completed research to better understand the ways diminished wellbeing contributes to farmer injuries. Of the 500 farmers with a recent injury surveyed:

- 24 percent reported that aspects of diminished wellbeing such as fatigue, not coping well and stress were major contributors to their injury,
- 16 percent reported diminished wellbeing was a 'major' contributor to a more serious injury, and

- those who had ever engaged with *Farmstrong* were less likely than others to report diminished wellbeing being a 'major' contributor to a more serious injury.^{xii}

The research concluded that farmers deal with injury risks all the time, but diminished wellbeing results in farmers doing something they wouldn't normally do or failing to avoid a risky situation that they normally would have successfully avoided. Increasing health and safety protocols and training alone is unlikely to overcome these types of injuries; the aspects of diminished wellbeing linked to injuries also need to be addressed.

Conclusion

Supporting mentally healthy workplaces is good for people, and it is good for business and the economy. The MHF is grateful for the opportunity to comment on MBIE's review of the work health and safety regulatory system, and we are hopeful that these considerations will support better, more equitable mental health and wellbeing outcomes for business owners and their employees across Aotearoa New Zealand.

Mauri tū, mauri ora,



Shaun Robinson

Chief Executive

About the Mental Health Foundation

The MHF's vision is for a society where all people flourish. We take a holistic approach to mental health and wellbeing, promoting what we know makes and keeps people mentally well and flourishing, including the reduction of prejudice and discrimination (particularly on the basis of mental health status).

The MHF is committed to ensuring that Te Tiriti o Waitangi and its Articles are honoured, enacted, upheld and incorporated into our work, including through our Māori Development Strategy. We are proud that Tā Mason Durie is a Foundation patron.

We take a public health approach to our work, which includes working with communities and professionals to support safe and effective suicide prevention activities; advocating for social inclusion for people experiencing distress; and driving population-wide positive mental health and wellbeing initiatives.

Our positive mental health programmes include *Mental Health Awareness Week*, *Farmstrong* (for farmers and growers) and *Pink Shirt Day* (challenging bullying by developing positive school, workplace and community environments). Our campaigns reach tens of thousands of New Zealanders each week with information to support their wellbeing.

We value the expertise of tāngata whaiora/people with lived experience of mental distress and incorporate these perspectives into all the work we do.

Established in 1977, the MHF is a charitable trust, and our work is funded through donations, grants and contract income, including from government.

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