

TOGETHER TOWARDS ZERO

Working to create a safe,
sustainable and professional
forestry sector

ANNUAL REPORT

FOR THE 12 MONTHS ENDED 31 DECEMBER 2016



FOREST
INDUSTRY
SAFETY
COUNCIL



www.fisc.org.nz

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www.safetree.nz

THANKS TO OUR SUPPORTERS

Thanks to everyone who contributed to FISC's work in 2016, particularly our funders – ACC and the Forest Growers Levy Trust. Thanks to all the individuals listed here, and everyone else who gave their time to support our work.

If you'd like to get involved in FISC's work in 2017 contact: enquiries@fisc.org.nz

Dame Alison Paterson

(Chair FISC), Aaron Levack

(WorkSafe), Allan Laurie (Laurie

Forestry), Bill McCallum (FOA; HFM

NZ), Brent Searle (Harvesting & Silviculture),

Brionny Hooper (Scion), Brook Eagle (RF Davis

Logging), Bruce Easton (RMS NZ), Cam Eyre (NZ

Forestry Ltd), Dan Gaddum (FOMS), Dave Adams

(Rotorua Forest Haulage), David Bristow (First Union),

Diego Rodriguez (ACC), Donna Clarke (Hauraki Logging),

Eric van Duin (Plant and Platform), Fiona Ewing (FISC),

Frances Martin (BookerMartin Communications), Frances Skilton

(Tregaskis Brown), Francois Barton (Business Leaders' Health and

Safety Forum), Fraser Field (RMF), Gary Leslie (Northern Forest

Products), George Williams (Black Dog Design), Glen Coleman

(HFM NZ), Glen Mackie (FOA), Graham Smith (NorthTec), Grant

Duffy (WorkSafe), Guy Gaddum (Gaddum Construction), Hamish

Owen (Kohurau Contracting), Heidi Borner (Orange Umbrella),

Hillary Bennett (Leading Safety), Ian Jackson (NZFFA),

Jackie Delaney (FISC), Jason Koia (Impact Forestry/JNL),

Jim MacBride- Stewart (Competenz), Jo-Ann Pugh

(WorkSafe), John Stulen (FICA), Julian Bateson

(Bateson Publishing), Karena Toroa (Te Wānanga o

Aotearoa), Karen Tregaskis (Tregaskis Brown),

Karl Bowman (Worker Rep; Rosewarne

Contractors), Kevin Ihaka (FICA;

FPS Forestry),



Kim Danz (GJ Sole),
Kim Payton (Major
Consulting Group), Kristy Kewene
(Blackburne Group), Lee-Anne Duncan,
Les Bak (Nelson Forests), Linton Winder (Toi
Ohomai Institute of Technology), Louisa Jones
(First Union), Malcom Wano (Shilo Silvi), Marcel van
Westbrook (HFM NZ), Mark Preece (Competenz), Mark
Scott (WorkSafe), Mhari Clark-McCall (Project Manager),
Mike Noble (Earnslaw), Natalia Reid (FOA), Neil Thomas
(Worker Rep; Forestsafe), Neville Muir (FICA), Nic Steens (PF
Olsen), Paul Burrridge (FOA; Summit Forests), Paul Olsen (FICA;
Olsen Forest Management), Paul Woods (Makerikeri Silviculture),
Phil Taylor (Blakely Pacific), Phillip South (PPGS Logging),
Prue Younger (Eastland Wood Council), Richard Stringfellow
(Toi Ohomai Institute of Technology), Rob Prebble (LFITB Ltd),
Robert Jones (Fulton Hogan), Robert Reid (First Union),
Robert Stubbs (Stubbs Contracting), Rona Wheeldon (Olsen
Forest Management), Ross Davis (RF Davis Logging),
Rowan Struthers (HFM NZ), Sid Miller (Formerly ACC),
Sophie Thomson (WorkSafe), Steve Phelps (EIT),
Steve Yeoman (Volcanic Plateau), Tim Grubb (Haunt),
Tony Gamble (Gamble Forest Harvesting),
Warwick Foran (FOA; Crown Forestry),
Wayne Dempster (Rayonier),
Wiremu Edmonds (Worker Rep;
Tuakiri Ltd)

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OUR GOAL

A safe, sustainable and professional forestry sector achieved in partnership with workers, industry and government.

2016 MILESTONES

- ✓ Launched worker certification scheme
- ✓ Piloted contractor certification scheme
- ✓ Launched FISC Charter
- ✓ CEO seminar on critical risks
- ✓ Published snapshots of industry performance
- ✓ Published case study with Blakely Pacific
- ✓ Developing worker engagement tools
- ✓ Identified critical risk areas for forestry
- ✓ Supported worker H&S rep courses
- ✓ Research to improve incident investigations
- ✓ Published resources on the new H&S law
- ✓ Developing resources on managing risks
- ✓ Cemented FISC's role leading H&S initiatives
- ✓ Worked with industry, Competenz and training providers to develop new training models.

ABOUT US

THE FOREST INDUSTRY SAFETY COUNCIL (FISC) IS LEADING EFFORTS TO IMPROVE HEALTH AND SAFETY IN FORESTRY.

We're promoting good practice, and are helping to build the capability of people and businesses.

WHO'S INVOLVED?

FISC is made up of representatives of forest owners, forest managers, contractors, farm foresters, ACC, WorkSafe New Zealand, unions and workers. People from across the sector are helping to develop our initiatives.

FOCUS AREAS

To achieve our vision, we're focusing on:

- Competency
- Leadership
- Safety Culture
- Risk Management

FISC's creation was a recommendation of the 2014 Independent Forestry Safety Review. Our workplan is based on the recommendations in the review.

Our www.safetree.nz website is a 'one-stop shop' for forestry health and safety resources.



MESSAGE FROM THE CHAIR

EXPECTATIONS ON FORESTRY ARE INCREASING

Forestry's safety performance has improved considerably since 2013 – when the sector had the dis-honour of being New Zealand's most dangerous industry. But after falling sharply in 2014, injury rates have been creeping up again.

Expectations about safety standards also rose in 2016, and it is important that the sector continues to strive to meet these higher expectations. Legal requirements increased when the Health and Safety at Work Act came into force in April 2016 – embedding into law many good practices already being used by many forestry companies. These requirements include the need for good oversight of safety by directors and CEOs, for workers to be genuinely involved in improving safety, and for forest owners, managers and contractors to work together to ensure the safety of everyone on site.

Also relevant to forestry is a recent District Court ruling on whether the Ministry of Social Development did enough to prevent the shooting of three of its workers. The court was clear that organisations need to understand their health and safety risks, and how to manage them. Importantly, it also concluded that 'costs' can't be used as an excuse to not manage risks effectively – particularly risks that can kill or seriously injure someone.

Clearly the bar has lifted on what's expected around health and safety performance. Work practices and injury rates that might have been considered acceptable five years ago are now no longer tolerated. This lift in expectations is supporting the forestry sector's drive to reduce harm to workers. It also reinforces the importance of the harm reduction initiatives FISC is undertaking on behalf of the sector.

In 2016 these initiatives included launching the worker certification scheme, developing the contractor certification scheme, creating a forestry industry safety charter and working to improve management of critical risks. More initiatives will roll out in 2017, including launching the contractor certification scheme and revised Safety Culture Tree engagement tool, and developing new training models better suited to the sector's needs. It is essential that the industry continues to support these projects by implementing them in their businesses.



Dame Alison Paterson (right) signs the FISC charter

So while forestry's efforts to date to improve safety standards should be acknowledged and recognised, there is no room for complacency. There is still much work to be done. We need to keep striving to meet the higher expectations we have of ourselves, and that others now have of us.

FISC believes a safe, sustainable and professional sector is an achievable goal for forestry. And I look forward to continuing to work with the sector to reach that goal.

Dame Alison Paterson
Independent Chair, FISC

FROM THE NATIONAL SAFETY DIRECTOR

SHARING AND LEARNING FROM GOOD PRACTICE IN OUR INDUSTRY

It's been an amazing first full year for FISC and the support and involvement we've had from the industry has been invaluable.

FISC's work programme is being delivered in close consultation with the industry and stakeholders including WorkSafe. Industry representatives are involved at all levels of our work – from being council members to participating in the Technical Action Groups that develop our initiatives.

We're all about leading the industry, and this is best done by gathering learning and sharing it around our industry. We're sharing the good practice already taking place in our forests. I've seen some excellent practice out on site. Good inductions for visitors, maps and diagrams being used in tailgate meetings, people really discussing the safety issues and making clear plans to implement controls, and sharing that information with the whole crew.

We're also looking outside forestry and sharing learning from other sectors – recognising our areas of commonality – which will help us all improve rather than focusing on our differences.

There is also much to be learned from 'success' – understanding *why things go well* in addition to why they go wrong. And we are sharing these stories and examples too. The learnings to date highlight the benefits of understanding the real risks in

our business, engaging with people at all levels, and sharing information on the risks and how to control them.

They also highlight the role worker welfare plays in creating safe workplaces, and the need to focus on *health* as well as safety. That includes the impact the job can have on a worker's health, as well as the impact a worker's health can have on their ability to do the job.

To help our industry track its performance we're publishing regular health and safety dashboards. These show that while we're seeing some improvement in performance there is no room for complacency and lots more work to be done.

Much of the ground-work to deliver FISC's work programme was completed in 2016. In 2017 we are looking forward to rolling out initiatives that will help create a safe, resilient and professional forestry industry.

I look forward to working with you on this. If you have ideas or views on our work, or would like to get involved in them please get in touch with me.

Fiona Ewing
National Safety Director, FISC



'I've seen excellent practice on site,' Fiona Ewing

OUR WORK

COMPETENCY

The *Independent Forestry Safety Review* highlighted the need to ensure workers are properly trained, and that they maintain their competency throughout their careers. It also recommended that contracting companies be certified as a way of confirming their capability and competency. In response, FISC is working with the sector on several initiatives:

DEVELOPING A NEW TRAINING MODEL

FISC has been working with the industry, Competenz and training providers to develop a new model for training. This model will help increase the expertise and professionalism of workers, and will include 'soft' skills essential to safety – like good communication and leadership – as well as technical skills.

It will make training easier to access, will better meet the changing needs of workers and the industry, and will be more streamlined and integrated. We're also talking to government about the best way to fund and deliver this new model. A draft proposal is being finalised and will be put to the Tertiary Education Commission for consideration in 2017.

SAFETREE PROFESSIONAL FOREST WORKER CERTIFICATION SCHEME

This scheme keeps workers' skills up-to-date, even if they were trained a while ago.

Certification confirms a worker has been independently assessed on the job as able to work professionally and safely. That means they know how to protect themselves and their workmates.

Tree Fallers, Head Breaker Outs and Breaker Outs can all get the certificates. In 2016, 74 workers were certified and this number is expected to grow considerably in 2017. To help people prepare, free tools can be downloaded from www.safetree.nz. These tools were originally developed by the industry, meaning they're based on real working environments.

PILOTED CONTRACTOR COMPANY CERTIFICATION SCHEME

This scheme gives contractors clarity about what's expected of them in health and safety, and supports them to operate a professional business. It gives owners and managers an assurance that the companies they're hiring are competent to do the job.



Wayde Lindsay, first person to receive a Safetree Professional Tree Faller certificate, presented by former Associate Primary Industries Minister, Jo Goodhew.

To become certified, contractors complete a web-based assessment and a field audit. The field audit involves workers and focuses on how contractors actually manage risks onsite – not just their paperwork. The scheme was piloted by contracting companies at the end of 2016 and will be launched in 2017. Certified contractors will be listed on a searchable database on the Safetree website.



LEADERSHIP

Owners, directors and senior managers can have a significant influence on the health and safety performance of a business. That's why the Independent Forestry Safety Review focused on the need for them to become actively involved in leading harm prevention activities. The Review also highlighted the benefits of good leadership at all levels, including by foremen and crew supervisors.

DEVELOPMENT OF LEADERSHIP CHARTER FOR FORESTRY

In March 2016, 12 members of the FISC council – representing forest owners, managers, contractors, government and workers – signed the FISC Charter. By signing, they agreed to foster good health and safety practice in their own organisation and to support harm prevention activities by the industry.

The Charter is now being expanded to include a list of key practices that will improve health and safety in forestry. In 2017, people and organisations will be invited to sign up to the expanded Charter, and to put these life-saving practices into action.



BUILDING LEADERSHIP AT THE SENIOR LEVEL

FISC is working to improve the capability of forestry leaders, by exposing them to new thinking and supporting them to learn from each other.

In April 2016, a joint FISC-Business Leaders' Health and Safety Forum seminar on critical risks was attended by CEOs and other senior forestry leaders. FISC Council members attended a Forum seminar on "Safety II" – a new approach to safety that focuses on learning from what goes right in everyday work. Attendees have taken the learnings from these events back into their respective industry, government and worker organisations.

FISC also shares Forum resources with forestry leaders via our Safetree network.

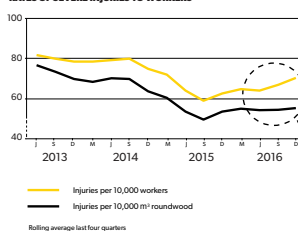
HOW ARE WE TRACKING?

FISC publishes regular health and safety dashboards – which provide a one-page summary of the sector's performance. These snapshots look at injury rates, and contain 'lead' indicators – forward-looking measures of the work being done to prevent injuries in future. These lead indicators include activities undertaken by FISC and WorkSafe.

HOW ARE WE TRACKING?

SEVERE INJURIES

RATES OF SEVERE INJURIES TO WORKERS



53 SEVERELY INJURED IN LAST QUARTER



173 SEVERELY INJURED IN LAST 4 QUARTERS



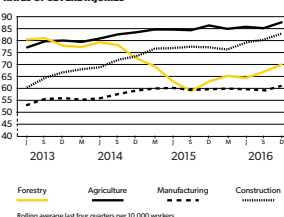
FATALITIES

WORKERS KILLED ON THE JOB



HOW WE COMPARE

RATES OF SEVERE INJURIES

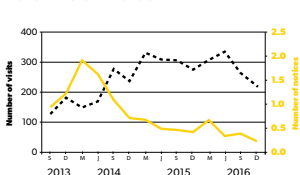


FISC ACTIVITY



OUTCOME OF WORKSAFE ACTIVITIES

FORESTRY VISITS AND NOTICES



WorkSafe has changed how it collates and presents its inspection data.

Note: The number of notices issues per visit is reducing, indicating an improving health and safety performance.

SAFETY CULTURE

The Independent Forestry Safety Review highlighted leadership and worker engagement as cornerstones of good health and safety. With that in mind FISC is updating the Safety Culture Tree tool originally developed by the industry and ACC in 2009.

SAFETY CULTURE TREE

An updated version of the Safety Culture Tree will be piloted in 2017.

This tool – developed specifically for forestry – reveals what crews, forest owners and managers *really* think about health and safety on-site. The tool's focus on attitudes is important – given that's what drives day-to-day practices on-the-job.

The tool involves a survey where people answer questions about 12 areas critical to health and safety. The survey results provide a snapshot of the safety culture that exists on-site, including areas that need improving. Facilitators then work with companies and crews to come up with action plans for improving health and safety on site.

BLAKELY PACIFIC CASE STUDY

FISC has produced case studies on forest owner/manager Blakely Pacific's experience using the Safety Culture Tree tool. These case studies show that the tool helped the company reduce injuries and improve productivity.



“WE’VE SEEN A SIGNIFICANT AND SUSTAINABLE DOWNWARD TREND IN OUR LOST-TIME INJURIES OVER THE LAST TWO YEARS. THE PAYBACK FROM THIS INVESTMENT ALSO INCLUDED LOWER STAFF TURNOVER, BETTER INCIDENT REPORTING AND INCREASED PRODUCTIVITY. WE’RE DOING MORE LOADS A DAY BECAUSE THE SAFETY IMPROVEMENTS THE CREWS HAVE COME UP WITH HAVE ALSO BOOSTED PLANNING AND EFFICIENCY.”

Phil Taylor, CEO, Blakely Pacific



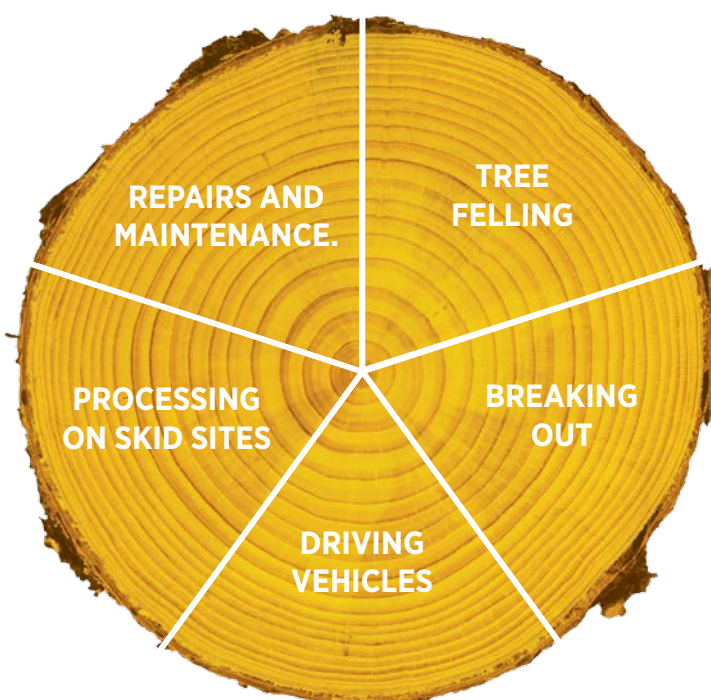
RISK MANAGEMENT

The need for good information on how to manage risks was a key recommendation of the Independent Forestry Safety Review. FISC has been working to deliver this in three ways:

SHIFTING THE FOCUS ONTO CRITICAL RISKS AND CONTROLS

Focusing on critical risks – those most likely to kill or maim people – helps simplify health and safety and ensure harm prevention efforts are targeted to the most important areas. FISC has been reviewing the injury data and has identified forestry's critical risks. Work is now being done to identify key controls to manage these risks, with a view to producing and promoting 'life-saving ways of working' for forestry in 2017.

Critical risks in forestry



RESEARCH TO IMPROVE INCIDENT INVESTIGATIONS

FISC, with the assistance of WorkSafe, commissioned research by Scion into ways of extracting more useful information from incident investigations. Scion is testing an approach to investigations originally developed by the US Forest Service known as 'Learning Reviews'. This approach helps companies understand *how* an incident happened, not just *what* happened. Scion is examining real incidents submitted by forestry companies, and FISC will share the learnings from these reviews on Safetree. We will also publish guidance on the 'Learning Review' approach so forestry companies can improve their own incident investigations.

PUBLISHED RESOURCES TO HELP FORESTRY MANAGE RISKS

Several guides, templates and work books were published on the www.safetree.nz website to help forestry companies manage risk. These include guides to the Health and Safety at Work Act.

- How to manage Health and Safety under HSWA
- How to manage work when there are overlapping responsibilities
- How to plan work when there are overlapping responsibilities
- How to make a forestry workplan
- HSWA and work-related health
- Worker engagement under HSWA
- Fatigued? Or fit for work?
- Help to manage visitor safety animation, Help to manage visitor safety booklet, Visitor Registration Form
- PowerPoint to use at Safe Start-up meetings
- Memorial Day Team Talk resource

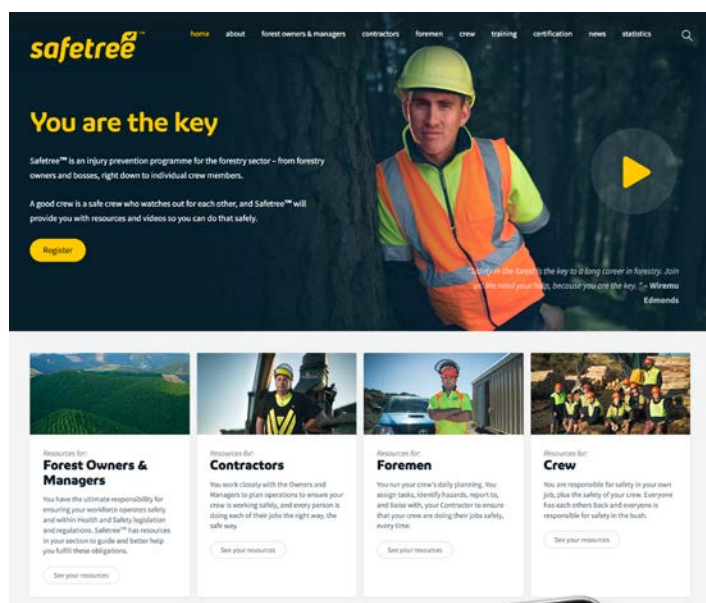


DELIVERING TO THE SECTOR

SAFETREE.NZ

FISC resources are delivered through the www.safetree.nz website and **Facebook page**. In 2016 there were:

- 12 new resources added to Safetree
- 19,000 visits to the Safetree website
- 1772 people following the Safetree Facebook page
- 1489 people had signed up to receive regular emails from Safetree.



BY INDUSTRY FOR INDUSTRY

FISC's initiatives and resources are delivered by the forestry industry, for the forestry industry.

Dozens of people working in forestry are involved in our working groups, which include:

- The Council – this is made up of leaders representing industry, workers and government and provides governance and strategic direction for FISC's work.
- The Operational Advisory Group – this is made up of experienced sector people and provides a sounding board to help create and direct FISC's work programme.
- Technical Actions Groups – these groups involve skilled and experienced people from across the sector and they deliver FISC's initiatives. These are focused on:
 - Individual competency
 - Contractor Company Certification
 - Health and Safety Reforms – helping industry adapt to the reforms
 - Leadership
 - Communication
 - Performance Management (improving data collection/incident investigations)



FISC is governed by a Council representing industry, workers and government

BUILDING A SUSTAINABLE ORGANISATION

FISC has been working to build strong networks throughout the forestry sector, and to establish good two-way communication.

These networks are important because they help us learn about and share the good practice already going on in our sector. They enable us to expose our sector to the latest thinking on health and safety – including ideas from overseas and other industries. And they ensure we can get feedback from the sector on what's needed and can 'test-drive' our resources before they are finalised.

KEY INITIATIVES FOR 2017



PILOT THE UPDATED SAFETY CULTURE TREE TOOL BEFORE RE-LAUNCHING IT TO THE INDUSTRY



PUBLISH FIVE INCIDENT ALERTS USING THE “LEARNING REVIEW” INVESTIGATION PROCESS



PUBLISH RESEARCH ON WAYS TO IMPROVE INCIDENT INVESTIGATIONS



PRESENT FISC’S WORK AT THE FORESTRY INDUSTRY SAFETY SUMMIT IN MARCH



RUN REGIONAL WORKSHOPS INFORMING PEOPLE ABOUT SAFETREE RESOURCES AND INITIATIVES



CREATE A HEALTH AND SAFETY REPRESENTATIVES FORUM TO ADVISE FISC AND ACT AS ADVOCATES FOR OUR INITIATIVES/RESOURCES



PUBLISH VIDEO AND WRITTEN CASE STUDY ABOUT HANCOCK FOREST MANAGEMENT’S WORK TO DEVELOP LEADERSHIP SKILLS AMONG FOREMEN AND SUPERVISORS



DEVELOP, PUBLISH AND PROMOTE ‘LIFE-SAVING WAYS OF WORKING’ FOR FORESTRY



INITIATE WORK TO PREVENT HARM TO HEALTH IN FORESTRY.

INDEPENDENT ASSURANCE PRACTITIONER'S REVIEW REPORT To the Members of New Zealand Forest Industry Safety Council Trust

We have reviewed the performance report of New Zealand Forest Industry Safety Council Trust on pages 2 to 12, which comprises the entity information, the statement of service performance, the statement of financial position as at 31 December 2016, the statement of financial performance and cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Board's Responsibility for the Financial Statements

The Board is responsible for the preparation and fair presentation of these financial statements in accordance with Public Benefit Entity Simple Format Reporting – Accrual (Not-For-Profit) and for such internal control as the Board determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Assurance Practitioner's Responsibility

Our responsibility is to express a conclusion on the accompanying financial statements. We conducted our review in accordance with International Standards on Review Engagements (New Zealand) (ISRE (NZ)) 2400, *Review of Historical Financial Statements Performed by an Assurance Practitioner who is not the Auditor of the Entity*. ISRE (NZ) 2400 requires us to conclude whether anything has come to our attention that causes us to believe that the financial statements, taken as a whole, are not prepared in all material respects in accordance with the applicable financial reporting framework. This standard also requires us to comply with relevant ethical requirements.

A review of financial statements in accordance with ISRE (NZ) 2400 is a limited assurance engagement. The assurance practitioner performs procedures, primarily consisting of making enquiries of management and others within the entity, as appropriate, and applying analytical procedures, and evaluates the evidence obtained. The procedures performed in a review are substantially less than those performed in an audit conducted in accordance with International Standards on Auditing (New Zealand). Accordingly, we do not express an audit opinion on these financial statements. Other than in our capacity as assurance practitioner we have no relationship with, or interests in, New Zealand Forest Industry Safety Council Trust.

Opinion

Based on our review, nothing has come to our attention that causes us to believe that these financial statements do not present fairly, in all material respects, the financial position of New Zealand Forest Industry Safety Council Trust as at 31 December 2016, and its financial performance and cash flows for the year then ended, in accordance with Public Benefit Entity Simple Format Reporting – Accrual (Not-For-Profit).



17 February 2017

Staples Rodway Audit Limited
Wellington

PERFORMANCE REPORT –

THE YEAR ENDED 31 DECEMBER 2016

New Zealand Forest Industry Safety Council Trust

Performance Report

for the year ended 31 December 2016

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Entity Information

Independent Forestry Safety Review in 2014 delivered a range of recommendations including the creation of a pan-industry body to spearhead injury prevention activities. With the backing of industry, government and unions, New Zealand Forest Industry Safety Council Trust (also known as and further referred to as FISC) was set up.

Settlers of the Trust: The New Zealand Forest Owners Association Incorporated ('FOA') and The New Zealand Farm Forestry Association Incorporated ('NZFFA'), and the Founding Trustees: Warwick Foran of Wellington, General Manager at Crown Forestry, Ian Jackson of Canterbury, NZFFA President, Robert Reid of Auckland, General Secretary of FIRST Union Incorporated, Kevin Ihaka of Whangarei, Managing Director of FPS Forestry, Brian Neil Thomas of Dunedin, Director of ForestSafe Limited, Lee William Edmonds of Rotorua, Director of Tuakiri Limited, and Kirstie Hewlett of Wellington, General Manager Strategy and Stakeholder Engagement of WorkSafe New Zealand have agreed to establish a trust for charitable purposes. **FISC was incorporated on 30 July 2015 under the Charitable Trusts Act 1957.**

Registration Number 2629711

The **mission** of FISC is to reduce the rates of injuries and deaths in the New Zealand plantation forest sector, with an ultimate goal of eliminating injuries and deaths in the sector.

FISC is administered by the **Council comprising the Trustees**. The Council shall be comprised of no less than six and no more than 15 Trustees from the forestry industry, and include an Independent Chair. The Founding Trustees of the Council appoint additional Trustees to ensure full representation, having first identified which Stakeholder each shall be deemed to represent.

This organisation was founded on two key principles to greatly strengthen its effectiveness – collaboration and leadership.

FISC has developed a three-year work programme that reflects the recommendations in the Review and the requirements of the new Health and Safety at Work Act. It focuses on leadership, communication, competency, health and safety reforms and performance management.

The programme has been approved by the FISC Council. It was developed with the help of an **Operational Advisory Group (OAG)**, which includes representatives from forestry companies, WorkSafe, First Union, independent forestry workers and industry training organisation Competenz.

Technical Advisory Groups (TAGs) have been set up to implement each of the five work-streams, again made up of representatives from our key stakeholders.



NZ Forest Industry Safety Council Trust

Statement of Service Performance

as at 31 December 2016

Description of the Entity's Outcomes

The overall industry objective is zero fatalities and serious harm: Together towards zero.

There is a real opportunity to work in partnership and embrace the new H&S legislation as a way to think differently about achieving safe outcomes.

FISC will work with our stakeholders to provide appropriate support, tools and resources to empower the industry to achieve this objective. In delivering our objective we will also improve the overall public image of the forestry industry and raise the industry profile as an employer, and career, of choice.

Description of the Entity's Outputs	Actual
Developing H&S Leadership via a cross Industry Supply Chain. - Safety Culture tool reviewed and revised. - Leadership Charter developed. - Interactions and joint meetings with Business Leaders H&S Forum and Forestry CEO's.	Ongoing
Develop and Leverage effective Industry Communication. - Guidance documents produced and published on Safetree covering new H&S legislation.	Ongoing
Industry H&S Governance and Performance Management. - Performance dashboard developed and published on Safetree. - Research conducted to improve incident investigation outcomes.	Ongoing
Capability Development - People, processes and systems. - Review of Training Model. - Safetree Professional Forest Worker Certification Scheme developed. - Safetree Contractor Company Certification Scheme piloted.	Ongoing
Industry H&S Reform is led and informed by Good Practice and Learning. - Case study developed on Growing a Safety Culture.	Ongoing



NZ Forest Industry Safety Council Trust

Statement of Service Performance

as at 31 December 2016

Additional Information

The Forestry industry Safety Council (FISC) was formed during 2015. Key Outputs in 2015 were around establishment of the infrastructure and preparation initial work plan including the initial Strategies and Services Goals.

Key Steps:

Establishment Board formed January 2015

Independent Chair appointed May 2015

National Safety Director appointed October 2015

Development of the proposed Service Goals (noted above)

Key Steps for 2016 are noted above.



NZ Forest Industry Safety Council Trust

Statement of Financial Performance

for the year ended 31 December 2016

	Note	for the year ended 31 December 2016	the 6 months ended 31 December 2015
Revenue	1		
Forest Industry funding		546,164	198,123
Government funding		320,771	0
Interest		213	0
Other		318	0
Total Revenue		867,467	198,123
Expenses	2		
Costs related to providing goods and services		479,688	92,198
Administration and overhead costs		182,300	58,053
Employee related costs		204,884	50,614
Total Expenses		866,871	200,865
Surplus/(Deficit) for the period		596	-2,742
Income tax	8	0	0
Surplus/(Deficit) after tax		596	-2,742



NZ Forest Industry Safety Council Trust

Statement of Financial Position

as at 31 December 2016

	Note	Actual 2016 \$	Actual 2015 \$
ASSETS			
Current Assets			
Bank accounts and cash		26,924	5,765
Debtors and prepayments		100,975	96,600
Total Current Assets		127,898	102,365
Non-Current Assets			
Property, plant and equipment	3	2,005	3,550
Total Non-Current Assets		2,005	3,550
Total ASSETS		129,903	105,915
LIABILITIES			
Current Liabilities			
Creditors and accrued expenses		125,862	102,466
Employee costs payable		6,177	6,181
Total Current Liabilities		132,040	108,647
Total LIABILITIES		132,040	108,647
Total Assets less Total Liabilities		-2,136	-2,732
Accumulated Funds			
Accumulated (deficit)		-2,146	-2,742
Capital contributed by Settlers		10	10
Total Accumulated Funds		-2,136	-2,732



Alison Paterson
FISC Chair

15 February 2017



Fiona Ewing
National Safety Director



NZ Forest Industry Safety Council Trust

Statement of Cash Flows

for the 6 year ended 31 December 2016

	for the year ended 31 December 2016	the 6 months ended 31 December 2015
Cash Flows from Operating Activities		
Cash was received from:		
Forest Industry Funding	588,164	114,123
Other funding	275,347	
Net GST	-1,611	8,262
Cash was applied to:		
Payments to suppliers and employees	840,954	112,767
Net cash flows from operating activities	20,946	9,619
Cash Flows from Investing and Financing Activities		
Cash was received from:		
Interest	213	10
Cash was applied to:		
Payments to acquire property, plant and equipment	0	3,864
Net Cash from Investing and Financing Activities	213	-3,854
Net increase/(Decrease) in Cash	21,159	5,765
Opening Cash	5,765	0
Closing Cash	26,924	5,765
This is represented by:		
Bank Accounts and Cash	26,924	5,765



NZ Forest Industry Safety Council Trust

Statement of Accounting Policies

for the year ended 31 December 2016

Basis of Preparation

The entity has elected to apply PBE SFR-A (NFP) Public Benefit Entity Simple Format Reporting - Accrual (not-For-Profit) on the basis that it does not have public accountability and has total annual expenses of equal to or less than \$2,000,000. All transactions in the Performance Report are reported using the accrual basis of accounting. The Performance Report is prepared under the assumption that the entity will continue to operate in the foreseeable future.

Goods and Services Tax (GST)

All amounts are recorded exclusive of GST, except for Debtors and Creditors which are stated inclusive of GST.

Bank Accounts and Cash

Bank Accounts and Cash in the Statement of Cash Flows comprise cash balances and bank balances.

Property, Plant and Equipment

Property, Plant and Equipment is measured at cost less accumulated depreciation and accumulated impairment losses (if any).

Debtors

Debtors are measured at the amount owed less any amounts that are impaired.

Changes in Accounting Policies

There have been no changes in accounting policies during the financial year.

Comparative Information

FISC was incorporated on 30 July 2015 under the Charitable Trusts Act 1957. Comparative information is for the 6 months period ended 31 December 2015.



NZ Forest Industry Safety Council Trust

Notes to the Performance Report

for the year ended 31 December 2016

Analysis		for the year ended 31 December 2016	for the 6 months ended 31 December 2015
Note 1. Analysis of Revenue			
Forest Industry Funding	New Zealand Forest Owners Association (FOA) is contracted by Forest Growers Levy Trust Inc. to manage the levy funded Work Programme. Health and Safety forms a part of the levy funded Work Programme. Since formation of FISC, FISC is responsible for delivery of the health and safety section of the Work Programme and receives levy funding through FOA.	546,164	198,123
Government Funding	WorkSafe and ACC provide further project funding to supplement industry funding on a business case basis.		
	ACC funding	272,410	0
	WorkSafe funding	48,362	0
Interest	Bank interest	213	0
Other	Re-imbursement of travel costs	318	0
	Total Revenue	867,467	198,123



NZ Forest Industry Safety Council Trust

Notes to the Performance Report

for the year ended 31 December 2016

	Analysis	for the year ended 31 December 2016	the 6 months ended 31 December 2015
Note 2. Analysis of Expenses			
Costs related to providing goods and services	Technical Advisory Groups have been set up to implement each of the five work-streams:		
	Leadership TAG	17,880	0
	Communication TAG. Last year comparative has been restated - refer to Health and Safety Reforms TAG.	24,162	11,615
	Performance Management TAG	94,705	0
	Competency TAG	140,109	1,811
	Health and Safety Reforms TAG (includes Safetree resources with the total value of \$75,032. 2015: \$58,554 - comparative has been restated).	130,614	66,154
	Overall programme management	38,605	0
	Total TAG costs	446,076	79,580
	Travel	33,612	12,618
	Total costs related to providing goods and services	479,688	92,198
Administration and overhead costs	Council	54,294	20,452
	Operations Advisory Group (OAG)	37,820	6,166
	Communications	23,792	6,834
	Other office costs	66,395	24,601
	Total Administration and Overhead Costs	182,300	58,053



NZ Forest Industry Safety Council Trust

Notes to the Performance Report

for the year ended 31 December 2016

Note 3. Property, Plant and Equipment

At 31 December 2016

Asset Class	Opening Carrying Amount	Purchases	Sales/Disposals	Current Year Depreciation and Impairment	Closing Carrying Amount
Computers (including software)	3,550	0	0	1,546	2,005

At 31 December 2015

Asset Class	Opening Carrying Amount	Purchases	Sales/Disposals	Current Year Depreciation and Impairment	Closing Carrying Amount
Computers (including software)	0	3,864	0	314	3,550

Computers (including software) are depreciated on a straight-line basis at the rate of 40%.

Note 4. Goods and Services in Kind Provided to the Entity

FOA staff is provided to support FISC with office management and accounting services.

Note 5. Commitments and Contingencies

Commitment	Explanation and Timing	At balance date
Office Rent	Office Sublease Agreement with Straterra for FISC office till 1 February 2017, excl.GST	2,250

There are no contingent liabilities or guarantees as at balance date. (2015: Nil)

Note 6. Related Party Transactions

There were no transactions involving related parties during the financial year. (2015: Nil)



NZ Forest Industry Safety Council Trust

Notes to the Performance Report

for the year ended 31 December 2016

Note 3. Property, Plant and Equipment

At 31 December 2016

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NZ Forest Industry Safety Council Trust

Notes to the Performance Report

for the year ended 31 December 2016

Note 7. Events after the Balance Date

There were no events that have occurred after the balance date that would have a material impact on the Performance Report. (2015: Nil)

Note 8. Income Tax	2016	2015
Taxable Income/(loss carried forward)	-621	-2,567
Taxation @ 33%	0	0



**FOREST
INDUSTRY
SAFETY
COUNCIL**



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