
Appendix one – Response from agency

Department of Customer Service
Office of the Secretary



Our reference: BN-00695-2024
Your reference: R009-170535826-21300
13/02/24

Ms Margaret Crawford
Auditor-General
Level 19, Darling Park Tower 2,
201 Sussex Street
Sydney NSW 2000
By email: mail@audit.nsw.gov.au

Re: Response – Performance Audit – Effectiveness of SafeWork NSW in exercising its compliance functions

Dear Ms Crawford

I refer to your letter 16 January 2024 regarding the final report of the Performance Audit of SafeWork NSW. Thank you for the opportunity to provide a response on behalf of the Department of Customer Service (DCS).

The findings of the report are highly critical of a number of key areas of the methods, systems and operations of SafeWork NSW. I note that the McDougall Review into SafeWork NSW is also complete and has been presented to the NSW Government. I anticipate that it will also identify a range of areas for operational improvement and for policy consideration by Government. Both reports will provide a strong evidence-base from which to drive a significant program of improvement.

Your report makes 10 recommendations, which I accept, albeit with one qualification. Recommendation 1 states that: “By the end of April 2024, the Department of Customer Service should ensure that an independent investigation into the procurement of the research partner for the real-time silica detection device is completed to identify whether the project was affected by maladministration, fraudulent activity, or misconduct.” This recommendation relates to a matter referred to on page 3 of your report, namely that “the department and the Audit Office have made separate referrals to the Independent Commission Against Corruption regarding the procurement process for the Air XS.” Given the referral referenced here, the scope and timing of any departmental investigation will, of course, depend on ICAC’s consideration of the matter.

Further, please also note that to address concerns raised during the audit process in relation to the real-time silica detection device, SafeWork NSW is in the process of engaging the NSW Office of the Chief Scientist and Engineer to support a further independent testing process.

It is important to acknowledge that SafeWork NSW has a committed and expert team of inspectors and staff who work hard to secure the health and safety of everyone at work in NSW. In accepting the recommendations of this Audit, I expect to be able to further assist our inspectors and staff in achieving this important outcome.

I look forward to progressing these recommendations and reporting back on our progress. Specifically, I will advise you of any implications for how I respond to recommendation 1 when the outcome of the reference to ICAC is known.

Lastly, I would like to thank the team from the Audit Office of NSW for their professionalism and collaborative approach during the audit process.

If you have any further queries, please contact

Sincerely,

A handwritten signature in blue ink that reads "Graeme Head". The signature is written in a cursive style with a long horizontal stroke at the beginning.

Graeme Head AO
Secretary