

## COSTS TO EMPLOYERS

### FINES

Despite the huge price paid by individual workers, the TUC General Secretary said that last year there were only **1,305 company safety convictions**, with the average fine standing at just **£10,000**.

[www.tuc.org.uk/h\\_and\\_s/tuc-10021-f0.cfm](http://www.tuc.org.uk/h_and_s/tuc-10021-f0.cfm)

### HEALTH AND SAFETY FINES BETWEEN 2000/01 AND 2001/02

- the average fine per case is £12,194 up 39%;
- £32,700 for a work-related death, up about 66% from two years ago;
- the average fine per offence rose by 33%;
- taking out the exceptional fines of £100,000 and over, the average adjusted fine rose by 14%;
- total fines in British courts rose by over £2 million to £10 million;
- the average fine for breach of general duties under HSWA in 2001/02 was £12,270 compared to £3,275 for breaches in Regulations;
- the average fine per offence in higher courts rose from £18,189 in 2000/01 to £24,460 in 2001/02 but in the lower court fines remained about the same;
- average fines for construction are up 62%, for manufacturing up 47%, for mining and quarrying up 20% but for the service sector and agriculture fines remain about the same;
- however in the LA enforced sector, where the majority of workers work, the average fine has fallen by 15% to £3,903.

Source: *Health and safety offences and penalties 2001/02* (15)

Unions want higher fines and more innovative penalties

[www.tuc.org.uk/h\\_and\\_s/tuc-6546-f0.cfm](http://www.tuc.org.uk/h_and_s/tuc-6546-f0.cfm)

## INSURANCE

Employers liability insurance is just another burden on UK businesses by pointing out that the average cost is **just 0.25 per cent of firms' total payroll costs** and is the lowest in Europe. It also says that because there is little difference in the premiums paid out by companies with good or bad safety records, there is no incentive for employers with dangerous workplaces to tidy up their acts.

## STRESS

UK HSE statistics suggest stress-related costs to UK employers are in the region of £700m every year. The cost of stress to society is estimated at £7bn pa. (These figures were respectively £350m and £3.7bn in 1995/6 when total days lost were half present levels.)  
[www.businessballs.com/stressmanagement.htm](http://www.businessballs.com/stressmanagement.htm)

**MANY SITES STATE THE COSTS OF STRESS ON UK EMPLOYERS IS £3.7 billion, with an average total loss of 13 million working days.**

Work-related stress is the biggest occupational cause of working days lost through injury or ill-health and there are an average of 29 days lost per case.  
[www.freesafetycheck.co.uk/oct1\\_04.html](http://www.freesafetycheck.co.uk/oct1_04.html)

Employers already have a duty to ensure, as far as is reasonably practicable, the health, safety and welfare of their employees at work (Health and Safety at Work etc Act 1974) and to assess for health and safety risks (Management of Health and Safety at Work Regulations 1999). These duties cover work-related stress.  
[www.freesafetycheck.co.uk/oct1\\_04.html](http://www.freesafetycheck.co.uk/oct1_04.html)

Anxiety and stress are responsible for the loss of about 45m working days a year, but they also contribute to underperformance among those who do not take sickness leave and struggle to stay on the workplace treadmill.  
<http://money.guardian.co.uk/work/story/0,1456,1484738,00.html>

30% of work related health problems in Britain are attributed to stress.  
<http://www.sundayherald.com/50863>

## LITIGATION FOR PERSONAL INJURY CLAIMS

- A County Court action (eg personal injury where the claim is up to £50,000) will cost at least £50,000 and usually takes at least 3 years for the case to be heard.
- A High Court action (eg personal injury where the claim is over £50,000) will cost at least £100,000 and perhaps in excess of £1,000,000, and usually takes at least 5 years for the case to be heard.
- While legal action is in progress, everybody involved is being diverted from the job they were originally recruited to do.
- *Replacement cost*: the cost of replacing one employee is at least £5,000 for advertising and basic recruitment costs plus an amount approximately equivalent to the employee's annual salary while that person gets to grips with the job, learns procedures, makes contacts, builds networks, etc. Some estimates put the induction and retraining cost at three times the annual salary.

[www.bullyonline.org/workbully/costs.htm#Legal](http://www.bullyonline.org/workbully/costs.htm#Legal)

### **LITIGATION FOR DISCRIMINATION**

Employment tribunals will cost in excess of £10,000 per stage and may cost up to £1,000,000 if sex or race discrimination is involved. Tribunals can occupy three stages: pre-hearing review, employment tribunal, appeal tribunal.

[www.bullyonline.org/workbully/costs.htm#Legal](http://www.bullyonline.org/workbully/costs.htm#Legal)

### **BULLYING**

Workplace bullying contributes to the loss of 18 million working days every year. Victims of workplace bullying take an extra 7 days off each year that those that are not bullied.

[www.hazards.org/bullying.pdf](http://www.hazards.org/bullying.pdf)