



Australian Government

Department of Employment and Workplace Relations
Office of the Federal Safety Commissioner

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'OHS Improvement through Cultural Change'

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1. Introduction

Good morning and thank you for inviting me to speak here today.

Most of you would know that my role focuses on the building and construction industry. So why then, am I here today at this conference?

Well one reason is that the Construction industry makes up 8% of the Australian Workforce and accounts for more than 15% of fatalities in the work place. From the year 2004 – 2005 alone we saw 52 deaths related to construction workplace injuries. This represents a 6.7 fatality rate per 100,000 persons.

This is unacceptable.

But more importantly, for years the safety culture within the construction industry has been ordinary to say the least. Today I want to talk about the safety cultures we want to abolish and the cultural change we need to build and maintain safer workplaces.

2. The Office of the Federal Safety Commissioner

The idea for a Federal Safety Commissioner came out of the recommendations of the Royal Commission into the Building and Construction Industry.

The Royal Commission found the occupational health and safety performance of the building and construction industry was unacceptable.

Within the industry much of the unacceptable OHS performance is due to a lack of a safety culture.

- (1) A culture of short-cuts:
 - o A scaffolder or concreter supplying two quotes. One "cheap and fast" quote and one 'that meets the legal safety requirements.' Or one 'unsafe' and one 'safe' quote;
 - o Where fall protection and scaffolds are not properly put in place or not used at all, magnifying the risk for workers on site;
- (2) A culture of clients focussing on quality, time and money but not safety of workers;
- (3) A culture of not looking for behaviours. For example work mates not looking out for each other in the workplace and not telling each other to stop poor OHS behaviour;
- (4) A culture of 'near enough is good' enough when it comes to safety systems;
- (5) A culture of government clients taking the 'tick and flick' approach. Eg: when seeking safety plans for projects. Or indeed contractors thinking that the 'tick and flick' approach is okay;
- (6) A culture of paperwork, eg SWMS, JSAs etc not being taken seriously; and
- (7) A culture of some OHS auditors certifying companies to OHSMS (Eg AS 4801) when they are 'almost there'.

The Australian Government decided to use its influence as a major procurer of services in the industry, to promote and enhance OHS performance. It has drawn a line in the sand. Change the culture or get out of the industry.

3. FSC's Role

My role as Federal Safety Commissioner is to promote and improve occupational health and safety in the building and construction industry.

No small task you might say! No Federal Safety Commissioner and certainly no bureaucrat from Canberra could ever make the industry safer on their own. It would be impossible.

But what can we do? I can and have wielded a big stick. About \$5 bn in Australian Government funding is a big stick if your company is not getting a slice. Now I am not going to dwell on the Accreditation Scheme here, nor talk about the important roles of the OHS regulators, but am happy to answer questions later.

What we need to do is get the industry to change – more importantly to **want** to change. We can:

- Promote best practice (starting with Australian Government sites);
- Promote a better approach to safe design;
- Foster a new approach to where work must be performed safely; and
- We can and must have a positive influence on the industry's culture.

We can be a catalyst for change....

But, without the engagement of the industry, we will struggle to make a sustainable difference.

Now I have to say that, after some initial hesitation, Australian Government agencies are engaging with us so that their roles as clients will change. The 'on

time and on budget' mantra will also need to have added to it '**and safely**'. The client can be, I believe, an incredibly powerful motivation.

The larger contractors too, are now seeing the need for change. They, like the mining industry, have had enough of telling family that their father/mother, brother/sister, son/daughter won't be coming home.

But how do we ensure that we get sustainable improvements that go beyond the life of an Accreditation Scheme, or indeed, the life of an FSC?

4. Maintaining Cultural Change

Achieving better OHS performance through cultural change is, I am sure, the only answer. It will not only involve the efforts of workers and contractors, but those in the management and implementation stages of all industries.

We need to move to a culture of

- (1) Leadership (where CEO's and senior people should influence behaviours and outcomes, and people taking ownership of change will provide the best results);
- (2) Recognition and reward, with the right balance of regulation and compliance;
- (3) Training (starting from their induction – training sessions will prepare employees, subcontractors and employers); Distinguishing between training and instruction;
- (4) Performance measurement/management (without this, how can we learn from our mistakes and our achievements);
- (5) Ongoing communication – every stakeholder has a worthwhile view;
- (6) Systems (- systematic approach); and
- (7) Safe design (making safer choices from conception of a project to the completion – well beyond just the construction phase).

Achieving better OHS performance will involve a combination and balance of these initiatives and it is important to note that these factors are taken up in of the focus points we use as criteria for our Accreditation Scheme.

5. Leadership

Safety is a value not just a priority. We shouldn't talk about safety as a 'number one priority' but rather as a deeply held value that remains constant throughout the business.

I expect major players to take the opportunity to embrace change. I want to see innovative approaches to OHS. Essentially I am hoping to see better leaders.

Strong leadership means using what you know, setting high standards and making these changes.

Leaders will show the way by setting positive performance indicators and benchmarks. They will share their successes and their lessons learnt from mistakes made. And there will be mistakes and we must learn from them.

6. Senior Management Commitment

I have a few examples of initiatives demonstrating leadership and senior management commitment to OHS within the Building and Construction industry that were taken from recent accredited companies. I would like to share these with you to give you a broader understanding of the initiatives which are being seen as 'good indicators of cultural change' within the building industry.

The initiatives include:

- **Management Involvement Programs** - Where managers are required to allocate and determine set periods on a regular basis to participate in a range of OHS related activities. These activities include:
 - Conducting 'safety walks'
 - Conducting safety audits
 - Conducting safety inspections
 - Leading incident investigations;

- **Instituting Reward & Recognition Programs, Awards etc;**

- **OHS Communication Initiatives** – Where each project is required to report monthly against lead indicators into the company's performance and analysis system and that forms part of the monthly OHS report that senior management review; and

- **Training** – Leaders recognise the importance of having well qualified people on site.

These initiatives can be used in a broad range of industries – not just that of the Building and Construction industry.

7. Culture

The Change in culture that we want to bring about should be defined by;

- (1) Its Reporting Culture – Organisations will not only have reporting systems in place, but also a culture where people report unsafe conditions, near misses and any concerns they have about safety. This strong reporting culture will encourage people to report the good with the bad.

- (2) Its Just Culture – A strong Reporting Culture must be backed up by a Just Culture, where people promote safety rather than allocating blame and punishment for reporting errors.
- (3) And its Learning Culture – The building and construction industry will only improve OHS performance if it can be flexible and learn. Organisations that adopt a Learning Culture will report effectively and make appropriate changes.

8. People

Every person will play a pivotal role in defining the safety culture of an industry.

This is because the behaviour of people determines whether or not incidents and injuries occur.

Employees, educators and industry players should be encouraged to be involved in promoting safety matters as well as becoming more aware from their induction of their involvement within the industry.

This includes the behaviours of managers in decision making on issues such as scheduling, investment and resource levels.

The attitudes of each and every member will be the most important factor in cultural change that we need. And we all need to be able to tell our workmates to stop when we see them doing something stupid.

9. Reward and Recognition

For a long time, we have been critical of how our OHS performance and whether we are getting the job done correctly. Yes, things will always need improving but we also shouldn't forget the need to celebrate good things, share new practices and recognise the champions.

Get the balance right – encourage people to make a difference.

10. Measurements and Reporting

Performance monitoring, data reporting and collection are also important issues.

Whoever you are, and whatever industry you are in, you will need to make sure that mechanisms are in place to monitor OHS performance of all employees.

OHS performance data should be provided during and at the end of a project.

And of course I want to go beyond just the workers compensation data that the Government has tended to rely on to date.

The Learning culture I spoke of earlier is reliant on effective measuring and reporting.

Remember, what is not measured or reported on will not be improved.

11. Systems

Effective occupational health and safety management systems are a vital aspect of any business. OHS management systems provide a framework for managing issues within the workplace. A certified OHS management system will recognise that the solid safety culture that we are aiming for incorporates a joint approach that involves employees and starts with their induction.

These systems will help those companies struggling to become better workplaces to match their practice with what they say they are doing. But more importantly, it will imbed the right processes into the companies operations.

Better systems provide for the appropriate information and training and help develop safe work methods. They also reduce the reliance on the individual and

reduce the chance of a 'disconnect' between what contractors say and what they do.

12. Safe Design

There are a number of issues that have caused us to be more concerned with safety than we have in the past. A few of these issues are:

- Technology becoming more complex therefore increasing the risks associated with human interaction and technology.
- Complexity of design making it difficult to identify hazards because of their inter-relationship between products, processes and systems.
- Latent faults in complex systems which may not be apparent in the individual elements but which can lead to serious risks when the individual elements are combined.

Safe design is the process that can make the biggest difference in eliminating or minimising the risks of injury or damage throughout the life of the item.

It encompasses all areas of design including facilities, hardware, systems, equipment, products and configuration.

Research commissioned by the National Occupational Health & Safety Commission (NOHSC), looked at the incidence of design-related workplace fatalities and injuries in Australia for the period of 1997 – 2002. The study indicated that 77 of 210 identified workplace fatalities definitely or probably had design-related issues.

Benefits of Safe Design

A safe design approach results in several benefits, including:

- Improved useability of products, items, systems and facilities (the way things have been designed help the workers rather than put them in danger)
- Improved productivity (work being done safely, on time)
- Reduced costs (on budget – cut costs of having to go back and redesign)
- Compliance with legislation; and
- Innovation (in that safe design demands new thinking and working together)

12. OFSC Initiatives for change

I am developing a set of Safety Principles and Guidance for improving OHS in the building and construction industry which will give perspective in creating a national consistency in OHS practices. These Safety Principles and Guidelines aim to encourage all participants to strive for a higher level of safety. These will be published next month.

We have been consulting with government agencies with the aim of helping them become better clients, as well as working with the ASCC in building specific research on safe design issues.

We have also engaged with major Australian Government client agencies to find out how client agencies manage project OHS from the conception of the project to its completion and then the evaluation. The role of the client can be an incredible driving force for change.

We are also researching information from the international arena. The research will identify what we need to do to be the best in the world. And why shouldn't we be?

- The countries/governments with OHS accreditation/prequalification schemes to provide details about the mechanisms and functions of those schemes;
- OHS guidance material provided by overseas countries for Government agencies as clients (or procurer of services);
- Innovative approaches to OHS training, particularly for small and medium sized enterprises and subcontractors; and
- Successful initiatives to improve the OHS outcomes of SME's.

13. Conclusion

Improving OHS is a shared responsibility. Everybody associated with an industry has a role to play. By working together we are able to share experiences between industry sectors and identify workplace OHS solutions which will improve outcomes across the board.

We can bring about sustainable cultural and behavioural change in workplace occupational health and safety.

Improving OH&S will take commitment. If we implement our systems and continue to learn and work together, we use cultural change to reach our goal of world's best OHS performers.