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Improving contractor safety across an industry – the Canterbury rebuild

Graham Darlow – Fletcher Construction



When rebuilding work began in Christchurch there were predictions that the construction industry's poor safety record meant 1-2 workers could die each year of the rebuild. Many more would suffer life-changing illnesses.

That prospect was unacceptable to me. I was determined to use the rebuild as an opportunity to make long overdue changes to our industry that could transform construction's poor health and safety track record, and could be replicated outside of Canterbury.

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Chief Executive – Construction
Fletcher Building



■ The challenge

Being appointed lead contractor on the Earthquake Commission's *Canterbury Home Repair Programme* is probably the biggest health and safety challenge Fletcher Construction has ever faced.

The programme involves repairing or rebuilding 80,000 earthquake-damaged Christchurch homes and the sheer scale of the work has required us to engage a large number of sub-contractors – more than 1100 firms who together employ about 8000 workers.

When we started the programme it became clear safety standards among these small residential construction firms were generally pretty low – much lower than the standards we set for ourselves. Many weren't aware of their legal obligations and didn't take even basic safety precautions. Safety was frequently viewed as a cost to be avoided, and many sub-contractors resented us asking them to change work-habits of a life-time.

But things did need to change. The regulator had warned us that – based on the residential construction industry's poor past performance – an estimated 1-2 workers could die each year of the rebuild. Many more would suffer life-changing illnesses. Contractors and their employees were most at risk because they were doing most of the construction work.

I found those predications totally unacceptable. Early in my career there were three occasions when I nearly died on construction sites. Those experiences instilled in me a determination that, when I moved into a position of leadership, I'd do everything I could to keep the people working for me safe from harm.

Fortunately, there were many other people involved in the rebuild from business and government that also wanted to make sure those injury predictions

didn't come true. Importantly for us this included our client EQC, which gave us a mandate to make health and safety a priority and has worked shoulder-to-shoulder with us to try to deliver a safe rebuild.

■ Transforming an industry – it's hard yakka

As you can imagine, trying to transform the health and safety culture of an industry while delivering a massive earthquake rebuild is no easy task. In fact, it's been really hard work.

I won't pretend we've got everything right or that we have all the answers. We don't. There are no roadmaps for us to follow here, and no easy answers. But we're determined and we're learning – and we're making progress.

The approach we're taking in Christchurch is to leverage our influence over our sub-contractors, to set high health and safety standards and to ensure certain levels of performance. We're working to engage sub-contractors



and their employees in the health and safety process so they know how to keep themselves safe.

We started off by just trying to get all our sub-contractors meeting core legal obligations around health and safety – like using personal protective equipment and reporting incidents. This was a big step-up for some of them, so we provided resources and support – like template health and safety plans and information on how to deal with specific hazards.

We used a combination of persuasion and consequences to motivate sub-contractors to lift their game. Those who didn't comply risked losing their accreditation to work for us. Those who did were encouraged and offered additional work.

As the pace of the rebuild picked up, our focus moved from basic compliance to lifting standards, and trying to convince sub-contractors this new way of working was good for their businesses. We held forums where we talked about why safety was important, and invited feedback from sub-contractors on hazards and problems they wanted us to address through our safety initiatives.

■ Building capability – helping contractors help themselves

Fletcher Construction is devoting significant resources to building the health and safety capabilities of our Christchurch sub-contractors.

“The charter is a really interesting initiative because it involves companies that compete fiercely for business, but are working together on safety.”

We have more than 20 health and safety professionals involved in the rebuild, mentoring our staff and supporting sub-contractors. We provide a huge range of resources – everything from site hazard boards to in-depth information on managing specific hazards. We also run regular training sessions – for example 10,000 people attended our asbestos information-sharing events.

One particularly successful initiative, done in partnership with EQC, was the creation of *Safe6*. This package

of resources was written specifically for small operators and provides easy-to-understand advice on how to manage the six key fatal risks workers face during the rebuild. About 2500 of our sub-contractors and their employees attended the *Safe6* launch and they have free access to booklets, posters, DVDs, and website material.

Another important initiative I've been involved in is the *Canterbury Rebuild Safety Charter*. The charter aims to get leaders committed and involved in working towards a safe rebuild, and to set consistent health and safety standards across all Christchurch building sites. It involves key companies and government agencies participating in the rebuild, including the regulator WorkSafe. Signatories like me agree that their organisations will adopt the charter's standards as a minimum, and will apply them in their contracting chains. The charter is a really interesting initiative because it involves companies that compete fiercely for business, but are working together on safety.

■ Measuring safety so you can manage it

There's an old saying in business that “if you can't measure it, you can't manage it”.

That's absolutely true for safety – and it's why at Fletcher Construction we report on employee and contractor safety in exactly the same way. My reports to the board cover both employee and contractor safety, and my performance is judged on the safety performance achieved by both groups.

I won't pretend that creating a reporting culture among sub-contractors is easy. In the early days, we just focused on getting our sub-contractors to meet legal requirements to report injuries and hazardous work. But over time we've lifted the standards. Now every project reports against a series of key safety indicators, with the emphasis being on lead indicators like near miss reports.

We investigate incidents involving both employees and contractors using the ICAM (Incident Cause Analysis Method) approach. This helps us identify the root causes – including any human and organisational factors that contributed to the incident. I get reports from these investigations, and the learnings and the improvements made are shared with our sub-contractors.



› Industry leaders in a poster from the Charter safety campaign



› The Canterbury Rebuild Safety Charter

■ The CEO's role in driving contractor safety

The biggest influence a CEO can have on safety is to demonstrate through their actions that they genuinely believe good safety is good business.

For me, that includes choosing to spend time talking to sub-contractors about safety. In fact, I have personal objectives to hold a certain number of safety observations and conversations, and to attend toolbox meetings and other events.

Having a CEO go onsite and strike up a conversation about safety – rather than deadlines or costs – sends a very clear message about your priorities. It can have a profound effect on the way safety is regarded by your contractors. I also get significant insights from meeting with front-line workers, supervisors and leaders of our contracting firms.

■ Outcomes

We've seen a big turnaround in attitudes towards safety among our sub-contractors. Some of the people who initially complained loudest now acknowledge that better health and safety has been good for their business.

The benefits of not hurting people or having them off work injured are obvious. But there are other productivity gains – like how much faster people can work from scaffolds than ladders. In our experience, over time the savings more than pay for the cost of the equipment.

You can see the changes when you walk onto a residential construction site in Christchurch now. Before the earthquakes you might've seen people working without hard-hats, possibly wearing jandals, and unaware of asbestos hazards in the house. Now the standard of PPE is consistent, work won't start until asbestos is contained and people are aware of other hazards in the house.

The changes are also coming through in our data. As our efforts to improve incident reporting began to bear fruit, the total recordable injury frequency rate for the home repair programme began to climb. Importantly, so did the near hit frequency rate – suggesting we're succeeding in starting to build a reporting culture.

Encouragingly, both the injury and near hit frequency rates appear to have peaked, with the total recordable injury frequency rate starting to come down this year. This suggests our various safety initiatives are starting to have an impact on reducing incidents.

Despite all the challenges, being involved in the rebuild has been a great opportunity for Fletcher Construction and for me personally. I'm hopeful that what's happening with safety in Christchurch today will provide a role model for the residential construction industry throughout New Zealand. We'll be able to demonstrate that it is possible for our industry to work safely and keep its contractors safe.

Contractor health and safety – the CEO’s role

Own it

Holding myself and my organisation to account for the health and safety of people in our contracting chain.

Manage it

Using my influence to ensure attitudes and behaviours in my contracting chain drive safe practices.

Measure it

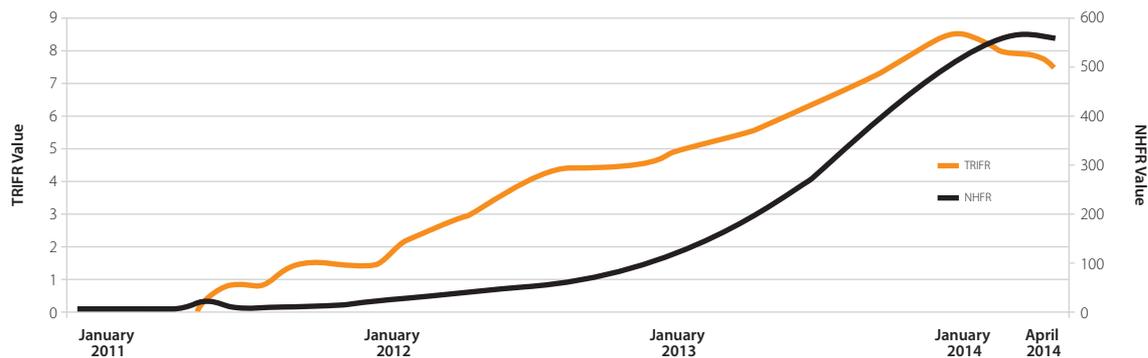
Creating visibility of contractor health and safety with my organisation, governing body, clients and shareholders.

KEY LEARNINGS

This case study highlights key success factors shown to deliver superior contractor safety:

- **Build capability** – Graham and Fletcher Construction devote time and resources to building up the health and safety capabilities of their sub-contractors.
- **Shared information** – Fletcher Construction shares outcomes from incident investigations and requires the use of site specific safety plans to ensure information on hazards is shared among contractors.
- **Recognition and accountability** – Contractors who perform on health and safety win new work. Those who don't risk losing their accreditation to work on the programme.
- **Robust regulatory environment** – Fletcher Construction initially focused on getting contractors to at least meet core legal obligations.

Fletcher's Canterbury Home Repair Programme - Near hits and total recordable injury frequency rates



■ More information

Watch the video case study: www.zeroharm.org.nz/leadership/case-studies/fletcher-construction/

See contractor safety resources including *Safe6*:
www.eqr.co.nz/our-contractors

More about contractor safety: www.zeroharm.org.nz/our-work/contractor-safety/

“The biggest influence a CEO can have on safety is to demonstrate through their actions that they genuinely believe good safety is good business.”



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