



## TOOLBOX TALK

Member Update – Apr/May/June 2001

### A WORD FROM THE BOSS

*“Hello again Site Safe members. We’re always keen to provide you with as many benefits and incentives for your membership as possible – after all, as cliched as it sounds, we are your organisation. We’ve recently had several of our members tell us that what they would really like is a way of advertising that they are in fact members of Site Safe... so in this Toolbox Talk you’ll find a run down on a brief policy developed for the use of our logo. The logo will be restricted solely for you, our members, to indicate that you’ve made a commitment to safety and are working to make our industry a safer place. It will be available to you all electronically, and there’s also ‘Site Safe member’ stickers included in this mail out for use on your vehicles, in your advertising, or anywhere else you want to put them for that matter?!”*

*“We’re also looking to bring you more articles on specific health and safety areas in the industry, providing you with more health and safety information and advice. And you’ll also find a number of key industry publications that we’ll be aiming to bring you on a regular basis to keep you up to speed with what is happening in terms of safety as well as the construction industry as a whole.”*

*“Importantly though we’d like to hear from you. What you’d like to see Site Safe doing, areas you’d like us working in, and what we can do for you as members – so please drop us a line.”*

Iris Clanachan  
**Executive Director**  
**Site Safe New Zealand**

### NEW MEMBERS

Once again thank you to all our new and existing members. New members that have come on board recently include:

- L C Barr Building Ltd. of Pirongia
- Peter J. Nielsen Builder of Taranaki
- Alex Murray Builders of Timaru
- Floor and Wall Solutions Ltd. of Christchurch
- City Plumbers of Whangarei
- Profile Property Services of Auckland
- Hibiscus Textures Ltd. of Whangaparoa
- GMR Holmac Ltd. of Hamilton
- South Auckland Plumbing Ltd. of Auckland
- Armatec Environmental Ltd. of New Plymouth
- Amalgamated Roofing (1999) Ltd. of Rotorua
- T K Roberts Ltd. of Hamilton

MEMBER UPDATE



## SITE SAFE LOGO USE

As discussed earlier we have developed a brief policy for the use of our logo.

The Site Safe logo will be restricted solely for the use of fully paid up companies, organisations and individuals who are members of Site Safe.

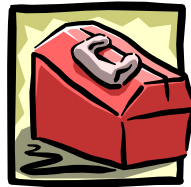
There are very few restrictions for its use by members. Use it on your vehicles, in your advertising (yellow pages, other promotional material), on your company stationary, in your tender advertising and documents etc.

The only stipulation is that you are in fact a current member of Site Safe, while the use of the logo must incorporate the words '*Member*' or '*Member of*' with the logo.

Should membership not be continued at any stage in the future you will be required to remove the logo from wherever it appears and confirm to us in writing that this has been done.

Please e mail [comments@sitesafe.org.nz](mailto:comments@sitesafe.org.nz) to request an electronic version of the logo.

You'll also find enclosed several member stickers to attach to your vehicles and so on to advertise the fact that you are a Site Safe member. There will be a small charge for bulk orders of the stickers – but please contact Site Safe directly for details.



## SUPERVISOR SAFETY TRAINING READY FOR LAUNCH

Thanks to everyone who helped us hone the content of the soon to be launched Stage 2 Supervisory Level Training by completing the survey we included with the last mail out. You told us that you wanted a two-day course (with refresher training every two years) delivered by Site Safe accredited trainers who have extensive on site industry experience – so this is what we're going to do. Your feedback from the survey has also helped our industry team fine tune the course content.

The two day interactive course will include trainees working in teams and studying real life examples from high risk areas, and will also look at the supervisor's role to influence, train and instruct staff. Key areas of the course will cover:

- The affect that accidents have on overall costs and profits
- Identifying at risk operations, project hazards and inappropriate behaviour and how to eliminate the risks associated with these potential problems
- Improving supervisor's ability to carry out their safety responsibilities and better manage their safety programmes
- Improving employee actions and job site conditions through more effective employee observations and inspections
- Improving supervisor's accident investigation abilities to help them improve their operations.

As part of our consultation process we recently held a trial run for the course – inviting several of our Auckland based members along to give us first hand feedback. This has also enabled us to do some final fine-tuning prior to the official launch on the 1<sup>st</sup> of July.

We'd like to give some more of our members the chance to get one of their supervisory level staff trained for **free**. We're running a free course in each of the 3 main centres in the lead up to the launch. Your staff member attending will get their Site Safe Supervisor Gold Card and certificate at the end of the course, something that many of the major contractors will soon be requiring at least one person from each of their on site subcontractors to have.

This is your opportunity to have one of your supervisory staff trained **free**, so please e mail us with your contact details to [comments@sitesafe.org.nz](mailto:comments@sitesafe.org.nz) to express your interest for the free course dates below. There is a limit of 15 to 20 on each course – so the first ones drawn from a hat in each centre will be able to do the training.

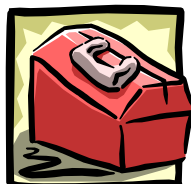
The free training dates are...

**Auckland** – Friday 8<sup>th</sup> & Saturday 9<sup>th</sup> of June.

**Wellington** – Thursday 7<sup>th</sup> & Friday 8<sup>th</sup> of June.

**Christchurch** – Saturday 9<sup>th</sup> & Sunday 10<sup>th</sup> June.

So e mail us today!



## PASSPORT TRAINING GOING STRONG

The 1<sup>st</sup> of February cut off date has come and gone and the Site Safe passport is now fully embedded in the industry. The date passed with very little problem... one major contractor reported that there was close to 95% uptake of those coming to their sites who had done the passport training. Those who hadn't were told to contact a Site Safe trainer immediately and pre-book on the next available course... the trainer faxing out a confirmation of booking slip before they were allowed back on site.

Nearly 25,000 trainees have now done the passport training. The passport is being integrated from the tendering process down, with many of the major contractors (see the last Toolbox Talk for this list) making it clear that you won't be working on their sites if you haven't been passport trained. Random checks are being carried out on site for both the passports and the more visible hard hat stickers.

Training is still happening and will continue to happen on a regular basis to meet demand. Simply contact a Site Safe trainer near you to sort out a time, date and venue for a course.

Several questions are often asked of us here at Site Safe regarding decisions made with setting up the Site Safe training. These often involve why the training hasn't been put on the NZQA framework (as a unit standard), and also what constitutes prior learning for the passport. There are strong reasons behind the decisions we have made regarding the training – the key one is simply that this is what the industry have told us they want. Site Safe is only a small organisation. We survey the industry regularly and with everything we do we work in project teams with the industry experts. We are an industry lead organisation – *by industry for industry*.

### The Strength of Industry trainers

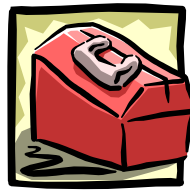
One of the strengths of the Site Safe system is the *industry trainers* used by Site Safe. Only the best industry trainers available are delivering the Site Safe passport training (and the up coming Supervisor training). They all have a practical background and first hand experience in the industry; an extensive knowledge of health and safety as it pertains to construction and are obviously effective trainers.

The reason the Site Safe passport has not become a unit standard on the NZQA framework is due to the fact that if it was a unit standard then an ITO could accredit *any* private training provider to deliver the training. Whilst moderation is important, (and Site Safe has processes in place to ensure quality is not just maintained, but is improved) it is far more effective to ensure that the best trainer has been engaged in the first instance – which is what Site Safe has done by accrediting the best individual trainers and not simply an organisation.

### Recognition of Prior Learning

Recognition of prior learning is largely not taken into consideration (apart from the BCITO's H&S and Injury Prevention Certificate) due, for the most part, to the fact that the safety units associated with skills training only cover a particular section or sections of the Site Safe induction. The Site Safe induction training covers all the likely hazards encountered on a construction site. Construction sites are dynamic in nature and kind, something that the major contractors have recognized by making the Site Safe passport safety training a standard of entry to their sites. A commitment made to raise the standard of health and safety across all levels involved in construction.

The industry has suffered greatly from 'generic' safety consultants and trainers. Until there is a different way of doing things under the current system, Site Safe will remain independent and industry lead and will therefore be able to contract the best trainers available.



### BLAKE'S SAFETY BIBLE

Blake's Safety Bible is a new regular feature bringing you more health and safety information and advice. It is written by our Christchurch based Site Safe consultant Blake Kyle. (no offence is intended to anyone with the title of this column?!).

This first article looks at just what that injury is likely to cost you.

### ACCIDENT COSTS AND YOUR BOTTOM LINE

#### Reduce Costs to Improve Profit

Why are you in business? The quick answer is "to make money". The more accurate answer is "to make a profit". Let's face it, whether you're a small individually owned enterprise or a large corporation, you are in business to turn a profit, to take in more than you spend. As an individual or small business your profit is your income. As a large corporation, you have investors who expect to receive a return on their investment. If you can't give investors a satisfactory return, they will put their money elsewhere.

There are two ways of improving profits: increasing revenues and decreasing costs. The construction industry in New Zealand is extremely competitive and generating increased revenues is difficult. Controlling your costs, specifically costs associated with accidents, may provide you with an opportunity to improve your profit. Accident costs can minimise and sometimes even eliminate your profit. This works in the following way...

Accident costs are not budgeted items. In your tenders, you budget for costs associated with labour and materials but you don't add money to cover your accident costs. What does this mean? It means every dollar spent on an accident is a dollar less realised in profit. Accident costs directly affect your profitability on each of your projects. Similarly, when accident costs are controlled, every dollar not spent on accidents is another dollar added to your bottom line, your profit.

#### Your True Accident Costs

Here's an example. Consider a minor accident on one of your projects: an employee trips and falls and punctures his hand on a nail. For our purposes, don't focus on the cause; we'll save that for another day. The injured employee is taken to the doctor where he receives medical treatment, possibly a tetanus shot and a bandage and is sent home for the day.

ACC will cover the medical bills, probably \$250. How much will this accident cost your company?

- The injured employee will most likely be paid for the remainder of the day or even part of the following day, let's say \$70.
- One or more people will take the time to administer first aid, \$80.
- The foreman will accompany the employee to the doctor for treatment (this practice is key to minimising the overall cost of the injury), \$85.
- The employee's mates will take time discussing the accident, \$90.
- There will be some loss of efficiency when the crew does return to work, \$130. Someone will have to work overtime to complete the job, \$70 extra.
- The accident investigation, reporting and administration will involve time, interviews and paperwork, \$150.
- When the employee returns the next day, with his hand bandaged, he will be working at reduced capacity, \$80.

The total amount, a reasonable estimate, is \$755. Your cost is over three times the cost to the ACC!

Do you ever stop to think about accident costs: time, productivity, efficiency and overhead? Do you allocate ALL costs to projects? If you did, would safety be managed differently than it is now? These are real costs paid by your company not by ACC or anyone else. How do they affect your bottom line? How do you recover that lost \$755? You need to generate additional revenue. How much revenue do you need to generate? In order to recoup \$755, at a 3% profit margin, you need \$25,166 in additional revenue to offset the cost of that one accident. For serious accidents the cost to your company can and will be much higher. What if your company experiences accident costs of \$30,000 in a year? This is realistic if you experience even one serious accident involving some of the costs previously described or frequent minor accidents. At a 3% profit margin, you need to generate \$1,000,000 in revenue to offset your profit lost due to your accident costs. Accident costs can wipe out profit on a project as quickly as any other unexpected costs or delays.

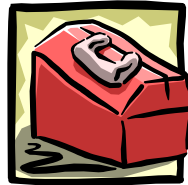
Think about a more serious accident; one involving a back injury or a fall requiring extended time away from work. ACC only begins to pay lost wages after one week, would you make up for that first week without pay? What would happen if this were one of your key employees? What cost would you incur if you had to hire and train a new employee? How long would it take a new employee to reach full productivity? Think about an accident where your work, the project itself, was damaged and needed to be re-built or one that shut down the entire project for a day, or more. Could a serious harm accident result in an OSH prosecution? Could you incur liquidated damages for failing to meet the project schedule? Who pays these costs? You do. Where do you find the money? These costs come from your bottom line; they reduce your profit.

### **Improving Safety Improves Profitability**

We sometimes think of safety as being costly and slowing down a job. If we as an industry are going to begin to establish a safety culture we need to start thinking about safety differently than we are today. Managing safety can help you cut unwanted costs out of your operations. If you think that accident costs are an inevitable part of doing business, consider your ability to compete with organisations that are concentrating on eliminating accidents and accident costs. Many managers understand that the same factors creating accidents create production and quality problems as well. Focusing on safety is one way of becoming more efficient. What does it really cost to think about how to do a job safely, to simply plan ahead before acting? When you plan ahead for safety, that is when you consider the people, plant, equipment and processes needed to complete a task or a job, isn't a residual benefit that your job will be more efficient and more productive too? You bet it is. When you begin to look at safety as a component to be managed, like productivity and quality you will begin to be successful. Your

employees are unsafe when it isn't convenient to be safe. Planning ahead makes it convenient. Planning ahead minimises problems. Planning ahead maximises efficiency and minimises accident costs. Better efficiency and lower costs mean – improved profitability!

For more information on accident costs or other areas covered in this article, call Blake Kyle at (03) 355-6961 or Site Safe's main office at (04) 381-3885.

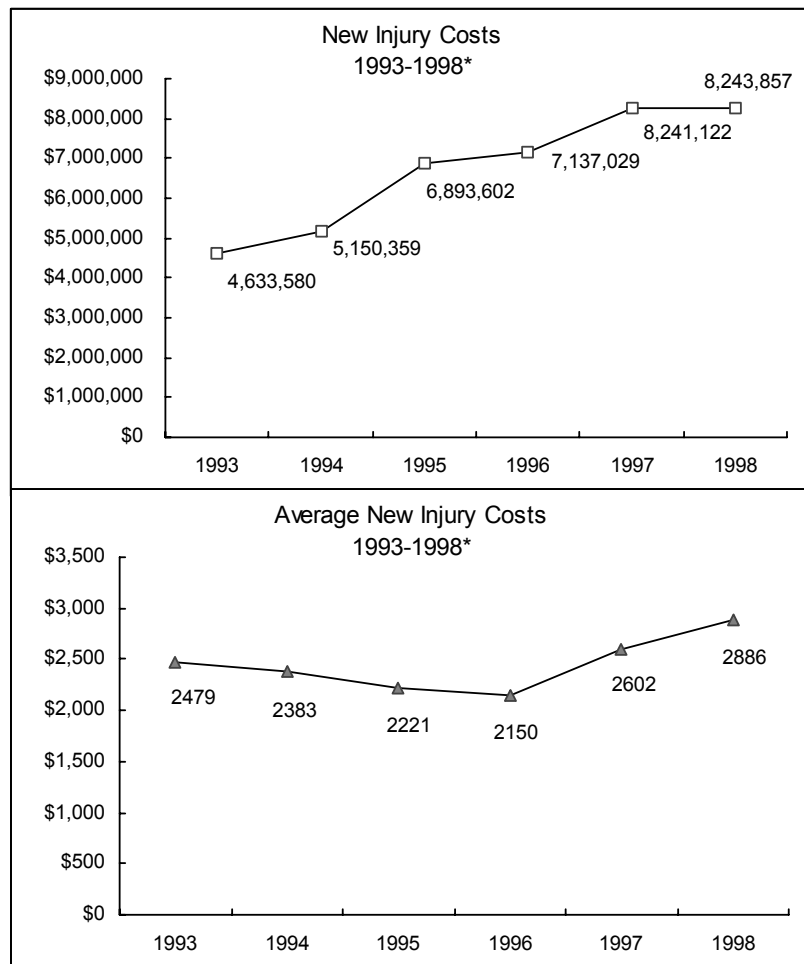


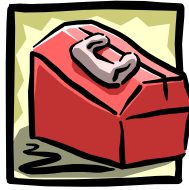
## NZ INJURY STATS

Following on from Blake's article are some statistics that look at just what he was talking about. These statistics are analysed from both ACC and Statistics NZ data to see just how construction and its associated trades are doing with injuries and are the best available for the construction industry in New Zealand.

The first graph shows the cost of new injuries in the construction industry as a whole. These are rising steadily, with the total cost of new injuries for 1998 being well over **\$8.2 Million** (\*particularly as 1998 data is not complete; with claims records only extending from April 1, 1998 to March 11, 1999).

Even more alarming is the average new injury cost for the overall construction industry. If you or one of your workers is to have a serious injury (where you're off work for 5 days or more), on average it will cost the industry just under \$3,000. This is just direct ACC costs (not including any lost time to your firm or the other associated costs while the worker is off work as mentioned in the previous article). And those ACC costs are passed directly on to you through construction premiums. With an injury likely to cost this much there is every reason to try to make your practices as safe as possible.





## FROM THE HORSES MOUTH...

This new column is your chance to contribute directly to Toolbox Talk with a new regular spot for articles from industry. If you think that there is something that the industry as a whole needs to be more aware of in terms of safety, and would like to include an article or info in the Toolbox Talk please contact Site Safe directly.

In this newsletter we feature an article by Mark Goldthorpe from Metrotest NZ, an EL36 Standards Committee member outlining one often over-looked option available to organisations when setting up an electrical inspection and testing programme.

### **The role of the ‘competent person’ in electrical testing.**

“As I write the two main standards that give the criteria for testing electrical equipment used in the construction industry are being reviewed. The two standards are very important if you are a contractor working on a construction or demolition site. AS/NZS3760 is the ‘*how to test*’ standard and AS/NZS3012 gives specific requirements for construction and demolition sites. (The new edition of AS/NZS3760 is due for publication shortly).

Testing tools on construction sites is still set to remain at specified intervals. One area though where there does seem to be a lack of knowledge (though something that has been present in previous editions of these standards) is the ability for testing to be carried out by a ‘*competent person*’ – not necessarily a registered electrician.

Some of you will ask yourselves if allowing a ‘*competent person*’ to undertake testing is good or bad. One of the things that has been noticed in the training of competent people (a prudent company would presumably have competency verified by an outside authority) is that trained people start taking responsibility for their own safety and workplace safety, as well as their equipment. Giving people the responsibility for ensuring the safety of their own equipment and themselves tends to breed electrical safety in the workplace.

It is a similar scenario to a mechanic giving a W.O.F. to a vehicle. The mechanic only sees the vehicle for a few minutes every 6 months, so too with the electrician who sees tools for only a few minutes every 3 months. What happens during the intervening time period? It is not the mechanic's responsibility to ensure the vehicle stays safe after issuing the W.O.F. but rather the owner of the vehicle. The same responsibility is also on the owner/user of the electrical tool. Approximately 90% of faults can be found visually - so keeping a good eye on equipment and knowing what to look for takes you a long way towards achieving safe tools even before any testing is carried out. Unfortunately the 10% or so of faults left can only be found by testing and these faults can be very dangerous, as they cannot be seen. An electrically qualified person is still required to undertake any repair work.

The aim of this article is definitely not trying to take work away from electricians. It is merely to provide the industry with the information that there are options available and allowed for in the standards. The competent person testing method will not suit everyone that needs to test tools, however it is an option that can be considered (you will need to already be competent or get training to enable this, and also have access to the correct electrical test instruments).

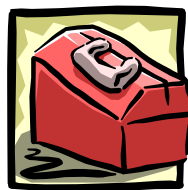
By following the competent person path and considering self-testing as an option, compliance costs reduce resulting in more testing being carried out with more faults being found and therefore more repairs (carried out by qualified electricians) – leading to safer equipment. ***Who is the overall winner – I believe safety itself!***”

If you would like further information on any thing in this article or you have comments on testing standards contact Mark at Metrotest on (03) 572 7070, or email: [Mark@metrotest.co.nz](mailto:Mark@metrotest.co.nz).

## UP AND COMING...

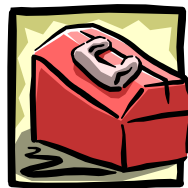
Keep an eye out in the next Toolbox Talk for an update on how the *Contractor/Subcontractor Safety Management Pack* is developing with an industry project team. The pack has a number of key objectives – the prime aim is to provide the industry with the tools, information and solutions (the ‘how to’) to create, implement and maintain effective health and safety management systems. Though the selling point for many will be the pack providing the tools and information to meet the criteria of the *NZS 4804 Workplace Safety Management Practices* audit and hence gain reductions of up to 20% on your ACC premiums.

We’ll also update you on the development of a concerted strategy targeting working at height between Site Safe, ACC and OSH to get these ‘fall from height’ fatalities and injuries down. So stay tuned.



## [www.sitesafe.org.nz](http://www.sitesafe.org.nz)

We know the web site is badly in need of updating and this will be happening very shortly – so stay tuned. We’re also looking at the possibility of a solutions page on the web site solely for members to ask any safety related questions which we can help you with...



## ... and don’t forget our guidelines available...

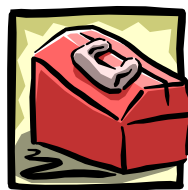
As members you should have all received a copy of our three guidelines with your first mailout. All these guides are still available, and as with all our products and services there’s a discount for our members.

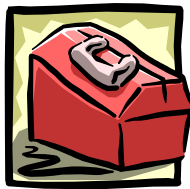
The guidelines include:

- *The Construction Safety Management Guide*
- *The Health and Safety Guide for the Tendering Process*
- *The Working at Height Safety Guide*

There’s also a pamphlet entitled *The ‘How To’ Guide for Developing a Health and Safety Policy*.

All of our guides are colour coded and easy to read and follow. Additional copies of the guides are only \$5 each for members. Non members can also buy the guides for \$10 per copy.





## CONTACT SITE SAFE

We're safely embedded in our new office and now have a bit more space. We're now located at Level One, 89 Ghuznee street in Wellington, and our new PO Box number is PO Box 9445, Wellington.

You can phone us on (04) 381-3885, or Fax (04) 381-3887. Our web site is still at [www.sitesafe.org.nz](http://www.sitesafe.org.nz), and (as we've mentioned) you can still e mail us at [comments@sitesafe.org.nz](mailto:comments@sitesafe.org.nz)

As always we'd like to hear from you... particularly your replies for the free supervisor training, as well as your health and safety contributions for the newsletter. Any thoughts, comments, what you'd like to see in the newsletter, on the web site, what you'd like Site Safe to be doing. Your feedback, stories, letters, jokes and health and safety information...



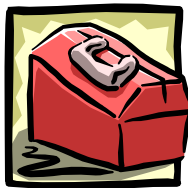
## DISCOUNT ON SAFETY GEAR FOR MEMBERS

Don't forget the deal we have with Protector Safety Supply. If you're a Site Safe member you'll get 15% off all your safety gear purchased at Protector Safety. You should have got your discount card when you joined up – if not, please contact us at Site Safe.



## COPIES OF THE TOOLBOX TALK

Please feel free to copy the newsletter to send to your various company branches as you need – or if you would like an electronic version of the newsletter, please email us with your details to [comments@sitesafe.org.nz](mailto:comments@sitesafe.org.nz)

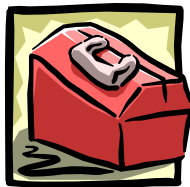


## AN ADDED EXTRA...

Apologies for the delay since our last mail out – we've been waiting for several industry publications to arrive to include for you all.

Included with this Toolbox Talk you'll find a free copy of Safeguard magazine – one of New Zealand's leading health and safety magazines, along with a copy of the Your Safety newspaper. Publications that we're sure you will find of interest. We'll be looking at bringing you copies of various industry publications on a regular basis with our mail outs.

MEMBER UPDATE



### THE LIGHTER SIDE?!?

Safety pays... in more ways than one... if you want to avoid a tussle for your soul in the afterlife!?!...

There was a construction worker who was working on a building when he fell 15 stories to his death. On arriving at the pearly gates he meets St. Peter who says to him *"Oh, I am sorry my son. But unfortunately you have been sentenced to Hell."* The worker pleads with St. Peter – but all to no avail - and he was soon on his way.

When he arrives in Hell, the devil looks at him with a grin and snares *"Ah! A new slave. We shall burn you and throw you in the fiery pits for eternity."*

Looking around in a panic the construction worker notes the run down state that Hell is in and pipes up *"Hold on a second Satan - that wall could use a bit of patching. I could fix it first and you could throw me in the pits afterwards."*

So he fixes the wall.

Satan, intrigued, asks, *"What else can you build?"*

So the construction worker goes about his job and makes many improvements to Hell. In fact, by the time he is done, Hell was a paradise. It had air conditioning, pools, balconies and more. You name it, Hell had it.

Within a few days, God phones Satan and says, *"I think there has been a mix-up Satan. That construction worker was originally supposed to come to Heaven."*

Satan replies, *"No way God - he's built all sorts of useful stuff for us down here. We're keeping him!"*

God, obviously displeased with this retorts *"Oh, yeah?! I'll see about that. We're going to sue you for this man's soul – and damages – we'll see you in court!"*

Satan just laughed: *"And where are you going to find a lawyer?"*

