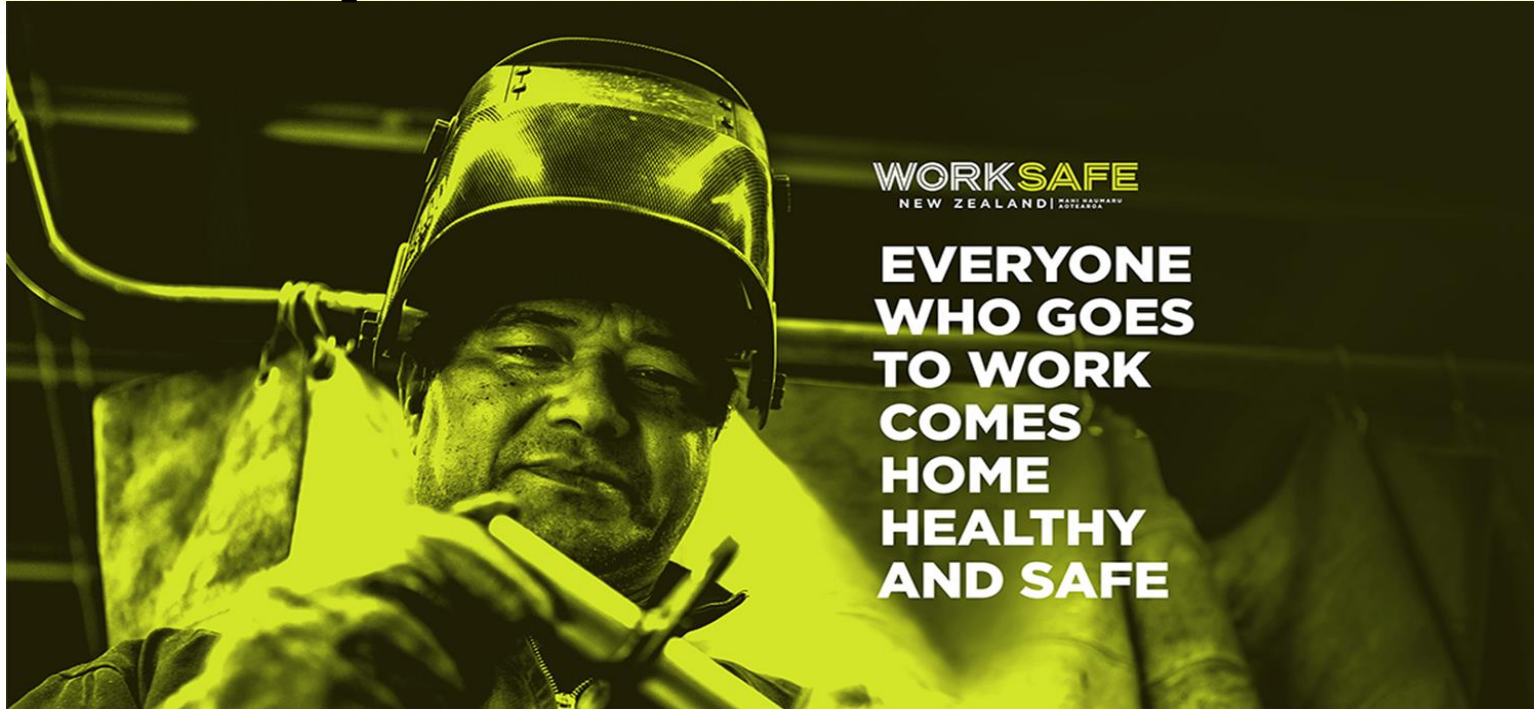


MHF Update for Responsible Care

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WORKSAFE
NEW ZEALAND | 2011-2015

**EVERYONE
WHO GOES
TO WORK
COMES
HOME
HEALTHY
AND SAFE**

What I'll be covering

- 'Controversy'
- High level features of the MHF regime
- Where we are with the implementation
- Anticipated issues

Is the MHF Regime Controversial? (Regulator's viewpoint)

- No.

Is the MHF Regime Controversial?

- Since 1879 there has been a catastrophic incident about once every 22 years in New Zealand. We need to break that cycle.
- Globally, this type of incident is much more frequent, several per year.
- Safety case regimes are the best known current approach for managing complex socio-technical risk.

Is the MHF Regime Controversial?

- The Pike River Royal Commission said quite clearly that the lack of capacity and effectiveness of the inspectorate was a contributory factor in the disaster.
- The New Zealand Taskforce set up to make recommendations following Pike River identified a need for major hazard facilities to be effectively regulated.

“We need a new, stand-alone, well-resourced health and safety agency that is effective in its enforcement and its provision of advice”

Is the MHF Regime Controversial? (Responsible Care comments)

- 'Why can't you trust us?'
- 'Why do we need a regulator to look at our safety cases?'
- 'Does WorkSafe always consider chemical issues in its thinking?'
- 'What do we get for our money?'

'Why can't you trust us?'

- We can, in the main.
- Enthusiastic engagement with HHU since its establishment by the sector.
- Overwhelming response to consultation on the MHF regs focussed on detail, not the general principles being put forward.

'Why do we need a regulator to look at our safety cases?'

- There has been an ACOP requiring 'safety reports' to be produced for MHF sites since 1994.
- Very little evidence that it is being complied with

'What do we get for our money?'

- Teams of inspectors with the appropriate skills and knowledge to make effective regulatory decisions.
- Criteria for selection are eligibility for membership of a relevant professional body, plus experience of managing in a relevant industry sector.
- We base our pay on appropriate industry averages.

'What do we get for our money?'

- Reduced risk of catastrophic harm for your company – safety cases are a valuable investment in the effective operation of major hazard sites.

'What do we get for our money?'

'An under resourced regulator is a burden on industry.'

**'If you think safety is expensive, try having an
incident.'**

'Does WorkSafe always consider chemical issues in its thinking?'

- Yes.
- We are waiting on Hazardous Substances review to finish before we put too much in writing.

Features of HHU&ES Regimes

- They need a systemic approach to regulation to ensure discipline in establishing and maintaining appropriate barriers for harm.
- They are focussed on areas of known risk
- They prescribe approaches, and sometimes specific solutions
- The duty holders are generally well-defined
- Need technically credible regulators in order for them to work effectively.

Features of MHF Regime

- Based on approaches known to work elsewhere – we haven't reinvented the wheel, and have built on the best of international approaches.
- Has built-in mechanisms for ensuring sustainability of the regime.
- Allows for interventions at the design stage to prevent costly changes being needed further along the track.
- Duty to notify – we won't need to start from scratch identifying sites in future.

Where we're up to

- 167 Notifications received
- >157 Decisions made
- <10 Decisions Still Outstanding and yet to be made
- 18 Decisions where facilities were out of scope
- 139 facilities designated
- 69 Upper Tier facilities designated
- 70 Lower Tier facilities designated

What next?

- Public information will take a month or two to process.
- We will continue engaging with sites on what they need to do.
- Next batch of inspectors have started coming on board, and will be in place by September.

Issues

- Regulation is a process, not an event.
- Will identify and deal pragmatically with any pinch points or issues as experience reveals them.
- Upskilling in predictive risk assessment
- Liaison with land use planning bodies.

Questions?

References

- **Details of ACOP for prevention of major industrial accidents:**
<http://www.business.govt.nz/worksafe/information-guidance/all-guidance-items/acop-managing-hazards-prevent-major-industrial-accidents/hazardac.pdf>
- **Web site for NZ HS Taskforce:**
<http://hstaskforce.govt.nz/>
- **Pike River Royal Commission:**
<http://pikeriver.royalcommission.govt.nz/Final-Report>
- **Health and Safety at Work Act**
- **Major Hazard Facilities Regulations**