

FORESTRY HEALTH AND SAFETY IN 2018

A Review of Implementation of the Recommendations of the 2014 Independent Forestry Safety Review

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Toki pango, toki whero, ka ora tonu ai i te wao nui a Tāne

When we all pull together we will ensure the safety of our future generations



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TABLE OF CONTENTS

▶ Executive summary	4
How effectively have the IFSR recommendations been translated into a programme of work?	4
How effective has been the delivery of this work programme to the sector?	4
▶ An agenda for change in the forestry sector	5
What has been the level of uptake by the sector? [penetration – reach and uptake]?	5
Are there any key gaps in terms of the current work programme with respect to the original recommendations of the IFSR?	6
What changes (both within the sector and externally) have there been since the IFSR which should now be considered and influence the future work programme of FISC?	7
▶ Recommendations	8
▶ Summary of Findings	9
▶ Context	13
▶ Findings	15
Programme Governance	15
Leadership and Culture	16
Competence and workforce development	17
Strongest	17
Weakest	17
Critical Risks	18
Standards and Guidance	18
Investigation and Causation Analysis	19
Evaluation	20
▶ Opportunities for Future Focus	21
▶ Conclusion	22
▶ Appendices	23
Methodology	23
Reviewer	23
Terms of reference for review of FISC work in relation to the recommendations made by the IFSR	23
Interviewees	24

EXECUTIVE SUMMARY

Our terms of reference (Appendix 3) required us to address the following questions:

- » How effectively have the IFSR recommendations been translated into a programme of work?
- » How effective has been the delivery of this work programme to the sector?
- » What has been the level of uptake by the sector? [penetration – reach and uptake]?
- » Are there any key gaps in terms of the current work programme with respect to the original recommendations of the IFSR?
- » What changes (both within the sector and externally) have there been since the IFSR which should now be considered and influence the future work programme of FISC?

How effectively have the IFSR recommendations been translated into a programme of work?

The first recommendation from the IFSR was to establish a delivery mechanism to ensure the other recommendations were taken forward. Whilst FISC has fulfilled this role in part it has largely seen itself as responsible for delivering those projects within its control, rather than having overall responsibility for holding other stakeholders to account for their deliverables.

FISC has an overall project plan for all the IFSR recommendations however, as the latest update shows, (Figure 1) it has largely noted where work by others is not to plan (R7, 10, 11, 14, 15, and Parts 2 and 3 of R81) but not taken action.

Whilst FISC was only funded to deliver certain projects it is our understanding that it was tasked with this overarching programme governance role.

The IFSR noted that “*The recommendation that WorkSafe convene the FLAG is intended to ensure that it is set up with an appropriate Chair and secretariat, a clear set of objectives and the structure, systems and processes needed to drive the changes recommended in this Review*” [our highlight].

How effective has been the delivery of this work programme to the sector?

Most stakeholders we spoke to were pleased with how effective FISC had been in delivering its agreed priorities around contractor and worker certification schemes, the leadership and culture development programme and developing and making information readily available through Safetree. They noted that FISC had achieved a lot in a relatively short space of time with limited financial and human resources. They also felt that there had been good stakeholder engagement through the Technical Action Groups (TAG).

Communication about the products that have been developed and delivered has been through regular email newsletters from the National Safety Director (NSD), through the Safetree website and Facebook page and face to face interactions with many sector groups.

1 Note these recommendation numbers do not align with the numbering in the Summary of Recommendations published by the IFSR as a companion to the full report. They are taken from P2 of the full report.

AN AGENDA FOR CHANGE IN THE FORESTRY SECTOR

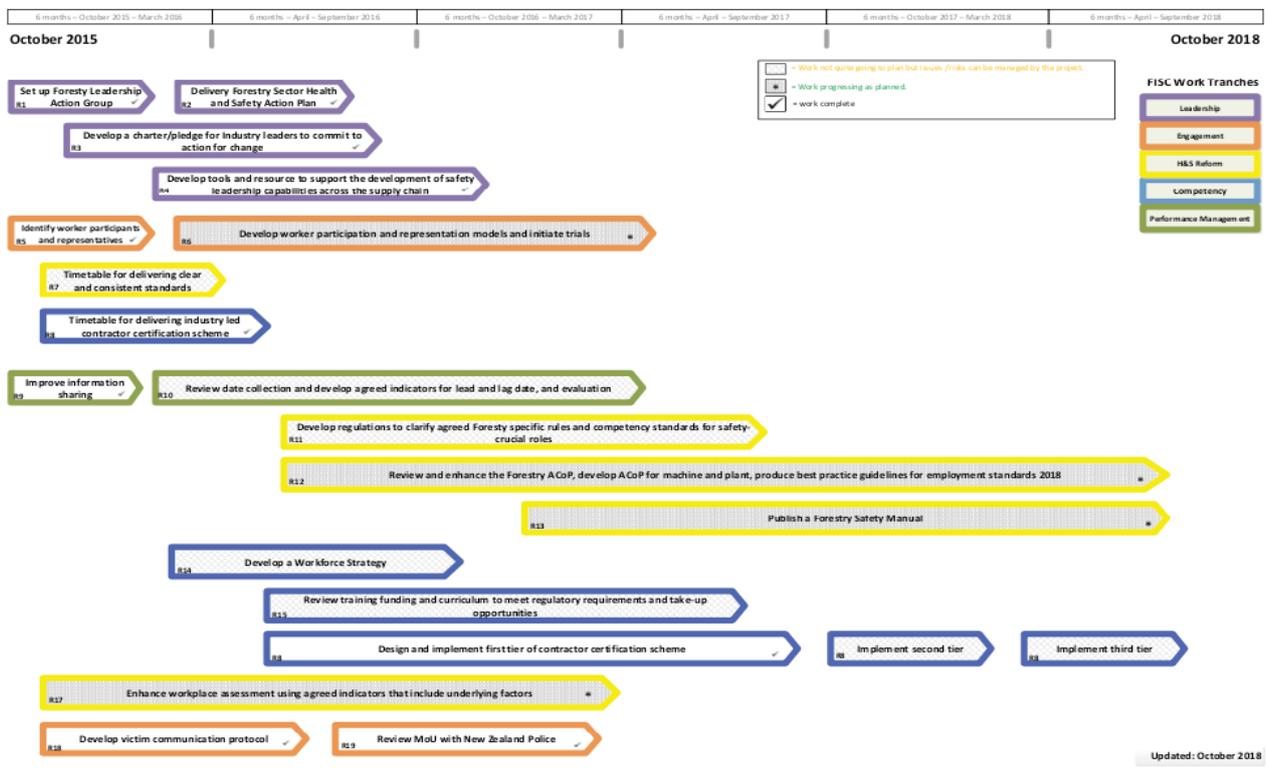


Figure 1: FISC tracking of IFSR recommendations

What has been the level of uptake by the sector? [penetration – reach and uptake?]

The overall level of uptake has been strong given that it is relatively early in the process.

The Safetree dashboard is published every 3 months and reports on key metrics around FISC products. The industry is estimated to have between 400-700 contractors and around 10,000 workers so this suggests relatively high levels of penetration, although stakeholders believe the early adopters are most likely to be those who are already committed to the improvement of health and safety in their business. It is widely recognised that the hard to reach parts of the sector are those contractors who typically work in the small wood lot and farm forestry

sector and the small forest owners (estimated to be around 14,000 of which only about 10% are members of the NZ Farm Forestry Association).

In addition to the 74 contractors who have successfully completed certification another 200 have expressed some level of interest in the process. Also of note is that only about 50% of those who have been certified belong to the Forestry Industry Contractors Association (FICA).



Figure 2: FISC activity report on Safetree²

Some of the FISC stakeholder organisations that have approved the FISC products appears somewhat reluctant to take them up within their own membership. The FOA Executive for example has never formally discussed mandating the exclusive use of certified contractors by a certain date. Some FOA member companies with direct involvement in FISC have indicated that they believe the certification scheme is inferior to what they already have and hence won't be pushing it.

In our view this demonstrates a lack of leadership on the part of some of those with the greatest opportunity to do so.

We understand WorkSafe inspectors have been briefed on the FISC products and whilst use of these is not mandatory (given the lack of progress on the recommendation for it to be the case) will be encouraging forest owners, agents and contractors to use them.

Are there any key gaps in terms of the current work programme with respect to the original recommendations of the IFSR?

There have been a number of recommendations that have not been delivered in the 4 years since the IFSR report. Some are still a work in progress, but others appear to have been either overlooked or deferred without reference back to FISC.

The recommendations that have not been delivered are largely those requiring action by the Government agencies. An interim Government response to the IFSR was published in October 2014, shortly after the review report was issued. The (then) Minister welcomed the IFSR and agreed with its findings. He noted that a more detailed response to the health and safety regulatory recommendations for the forestry sector would be issued early in 2015 and that this would provide more detail on how concerns about clear regulatory standards would be addressed and through which regulatory vehicle (i.e. different sets of regulations, ACOPs or guidance)³. In the event no such further detail was provided and work on developing sector specific regulations has not yet commenced.

MBIE responded to our enquiries as follows: *"The current reform phase deals with many of the biggest risks in the forestry sector – from plant, structures and heights. Our initial analysis is that many of the other risks in the sector, and also highlighted by the Forestry Review, will fall into the next phase, Hazardous Work, e.g. high-risk work licensing. As we work through the plant and structures and hazardous work parts of the programme, we will be working with FISC and the forestry sector on these risks. We will also work with them to identify any risks and issues they are facing that fall outside of these topic areas. This will help inform and shape any further sector-specific regulatory reform work after the plant and structures and hazardous work phases. We'll also engage with FISC on other regulatory topics as they arise, for example any future work on work-related health.*

*We're keen to keep working closely on regulatory and policy matters with FISC in its role as a leader for the forestry sector, and we consider we don't need to be a member to do so."*⁴ (the last comment being a response to our question as to whether MBIE should join WorkSafe and ACC on FISC).

² safetree.nz/wp-content/uploads/2018/11/Dashboard-Sep-2018.pdf

³ www.mbie.govt.nz/info-services/employment-skills/workplace-health-and-safety-reform/government2019s-response-to-independent-forestry-safety-review

⁴ Email from Susan Adams Principal Policy Advisor, MBIE 14/11/18

WorkSafe have put work on the ACOP on hold pending MBIE's decisions on regulations, although a supplementary ACOP Safety and Health in Forest Operations: Roles and Responsibilities of Principals and Contractors was issued in November 2014. Neither ACOP has been updated to reflect the new Health and Safety at Work Act 2015.

What changes (both within the sector and externally) have there been since the IFSR which should now be considered and influence the future work programme of FISC?

Some of the key changes have been around the maturing of understanding of the importance of occupational health and wellness as factors in many industries, of which forestry is no exception. The remit of the IFSR was about acute fatal and serious accidents and whilst it made reference to issues of impairment such as fatigue or drugs and alcohol, there was not a clear framework within which to base the analysis. Since then WorkSafe have published

an Occupational Health Strategy⁵ that clearly identifies the importance of the effects of health on work as well as the more widely known effects of work on health. Mental health, stress, bullying and suicide are all issues of concern to the forestry sector along with many other rural and primary industries but were not considered by the IFSR. Research from MBIE and KYND demonstrates that the forestry workforce is not in good health, whilst systemic issues around fatigue are prevalent. New technology such as mechanised harvesting may be introducing a range of new health risks including stress.

The Government's 1 billion trees programme provides an opportunity to influence planting decisions for significant new forestry areas (safety in design). This could include early consideration of species, infrastructure and other factors that could influence safety throughout the lifetime of the forest. At present FISC is not directly engaged with this policy, although others are. We heard contrary views as to whether FISC should lobby and try to influence Government policy that impacts on health and safety or leave this to its member organisations.

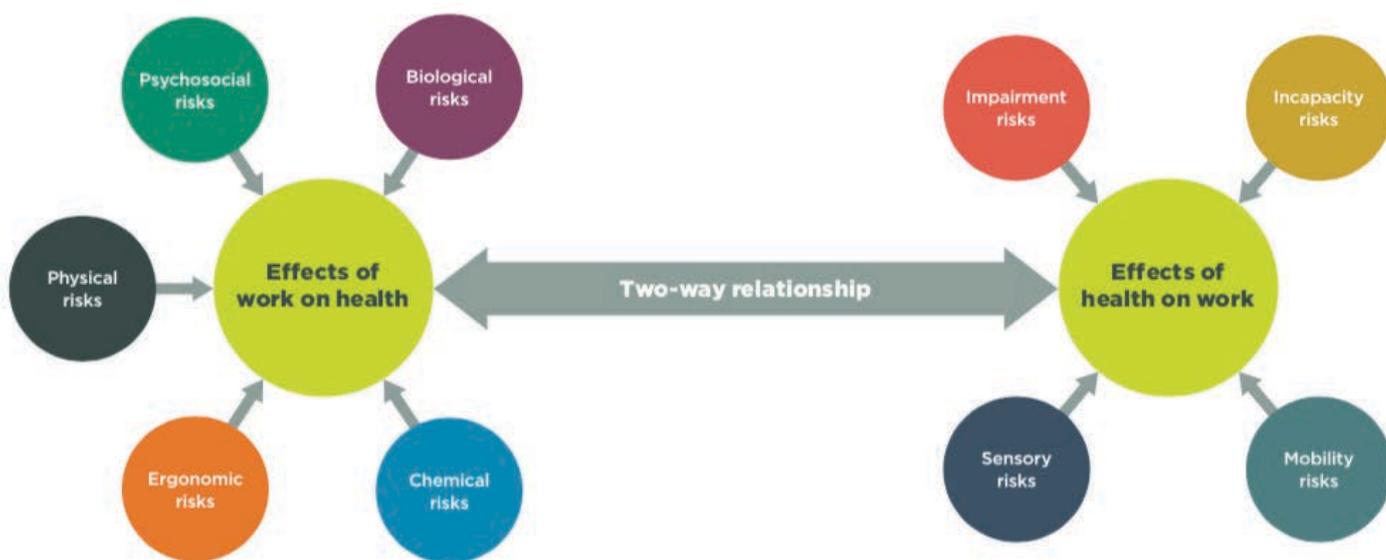


Figure 3: WorkSafe occupational Health Strategy

5 [worksafe.govt.nz/dmsdocument/1448-worksafes-strategic-plan-for-work-related-health-2016-2026](https://www.worksafe.govt.nz/dmsdocument/1448-worksafes-strategic-plan-for-work-related-health-2016-2026)

There was some support for expanding the role of FISC to be the only health and safety leadership group for the sector from forest to port/mill and hence to ensure greater alignment with the Log Transport Safety Council (LTSC) which is a voluntary group under the FOA. Currently there is no link between the LTSC and Safetree websites and LTSC have never presented on their work to FISC. LTSC have done some excellent work on fitness for work and sleep apnoea⁶ that would benefit from wider exposure to the Safetree audience.

A number of issues that impact on safety in the forest originate downstream such as port storage capacity and the implications of changes in phytosanitary requirements (the ban on methyl bromide). The notion of product stewardship of the log by the forestry industry was suggested as an important concept given that there is supply chain influence at all stages of its lifecycle.

RECOMMENDATIONS

- » **Recommendation 1:** That FISC clarifies that its mandate is to hold the wider forestry sector and its Government stakeholders to account for their agreed deliverables.
- » **Recommendation 2:** That FISC members regularly report back to FISC on progress with implementing IFSR recommendations allocated to them.
- » **Recommendation 3:** That any recommendations or timelines that are deemed no longer appropriate are discussed with FISC and agreements to drop, defer or modify are formally agreed and reported by them.
- » **Recommendation 4:** That FISC member organisations publicly support the FISC products and set targets for, monitor and report on uptake by their members.
- » **Recommendation 5:** That FISC is acknowledged as the voice for health and safety at a sector level and takes a holistic view of issues affecting the health and safety of all those associated with the log up to the point of export or delivery to the mill.
- » **Recommendation 6:** That FISC develops and updates the Forestry Safety Charter and promotes it as a way for individual companies and/or supply chains to demonstrate their leadership and formalise their commitments.
- » **Recommendation 7:** That FISC proactively engages with MBIE and WorkSafe to discuss and agree the content, timeline and level of regulatory requirements addressing the key issues in the sector.
- » **Recommendation 8:** That future FISC programmes have an evaluation plan built into their methodology so that input, output and outcome measures can be tracked along with the underlying intervention logic that supports the case for action.

⁶ logtruck.co.nz/resources/sleep-apnea/

SUMMARY OF FINDINGS

We have summarised our understanding about the current state of the industry and our findings below:



The forestry sector is growing with harvest volumes increasing from $\pm 20\text{m}-35\text{m m}^3$ in 10 years. Much of the increased capacity is in small woodlots and farm forestry. New planting will increase, supported by the 1bn tree programme.



Accidents involving ACC entitlement claim (>1 week off work) have risen from 15/1000 workers in 2015/6 to just under 20/1000 in 2017/8. There is some correlation with increased harvest volumes, but it is not consistent. 7 deaths have occurred in the past 12 months, but numbers are too small to draw reliable conclusions about any changes in the patterns of causation.

Insights from incident data are limited. The critical risk profile (those likely to cause fatal or irreversible harm) is largely unchanged from that identified in FISC's 2016 Annual report.



The greatest numbers and cost of ACC entitlement claims result from soft tissue injuries and fractures, which are more likely to be associated with manual work and environmental factors. 6 MILO in-depth reviews have been completed and are on Safetree. IRIS is a helpful source of information but is partial and has limited analytic capability. WorkSafe provides little causal analysis of real value other than a short summary of fatal accidents whilst ACC insurance and claims data is not designed for this purpose. The high-level lag data on the Safetree dashboard is not particularly helpful in terms of understanding context and informing programme evaluation.



The workforce is ageing and KYND data suggests underlying health is poor with 60% of forestry workers having sleep issues, 42% with anxiety issues, 35% have depression and 25% are stressed. 77% have high blood pressure, 16% are pre-diabetic or diabetic, 52% have an unhealthy waist circumference and 39% identify they are not physically active.

Mechanisation is leading to increasing health effects (isolation, obesity, work pressure). Mental health, stress and fatigue are increasingly important components of fitness for work as unless workers' minds are 100% on the job the chances of error increase. Non-negative drug and alcohol tests have dropped. Suicide as a risk in rural communities and primary industries is potentially bigger than the number of workplace deaths. A WorkSafe report in 2017 characterised forestry as 'Healthy on the outside, sick on the inside'.⁷



Workers in key risk areas are getting trained and certified. The new Faller and Breaker Out certification schemes are slowly getting traction. However, there is widespread discontent with the industry training regime. Pre-trade training delivers very few new workers to the industry and whilst the standards are in place there is a shortage of suitable workplace trainers and assessors to support workers to achieve relevant qualifications. Funding for these roles is seen as an issue. Forestry is competing with other primary industries in a tight labour market and is not seen by many as an industry of choice.



The economics of the sector is a key factor. Unless there is equitable allocation of the value of a log to each of the sector participants then some parts – typically contractors and workers, will get squeezed and have to compromise. Commodity pricing and the length of harvesting and silviculture contracts are significant concerns. Investment in people, plant and process relies on a sustainable income stream with enough margin to take account of foreseeable contingencies. Workers in some parts are not receiving their legal entitlements in terms of employment contracts, pay rates, deductions and benefits. However, there are also opportunities for skilled workers and good crews to earn a good living as they are in demand.



Relationship management is crucial at all levels. Managing overlapping duties is a key feature of the HSWA and relies on excellent consultation, cooperation and coordination of activities. Some relationships are still adversarial and front-line supervisors don't all have the skills to engage their workers effectively.

Worker engagement at a crew level appears to be improving particularly where GOSC workshops have been held. Traditional WEPR arrangements do not work well in forestry. The Maruiti pilot has shown some success in using a marae and tikanga based approach to engagement. The WEPR TAG is starting to develop ideas.

7 worksafe.govt.nz/dmsdocument/1319-healthy-on-the-outside-sick-on-the-inside-work-related-health-in-forestry



Safetree has become well established as a trusted brand with ±4000 registered users receiving regular updates along with 2000+ Facebook followers. A recent survey highlighted general satisfaction with the content.



FISC was formally constituted in 2015 following the IFSR with a tripartite governance structure representing key industry stakeholders. Some questions remain over whether its mandate is strategic industry leadership on h&s or managing delivery of an agreed programme of work. FISC has not maintained oversight of all the IFSR recommendations or sought to hold other parties to account for their deliverables.

Funding is time limited and due for review in 2019. Current budget <\$1.5m/year of which \$500k is overhead and programme management. It has delivered fit for purpose products with industry participation in a timely manner. NSD is highly visible. Excellent support from members, but less obvious how some member organisations are actively promoting FISC products.

The recent survey on FISC demonstrated significant support from the sector for its work with 71% indicating it offered good value for money, 53% that it was a very important or essential source of information about h&s in the sector. 54% agree that there has been a positive shift in h&s culture in forestry over the last 2-3 years and the same number believe this is due to the work of FISC. However, the response rate was low (119).



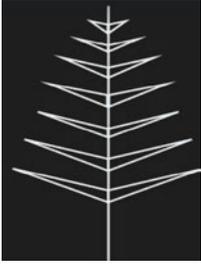
There are 74 certified contractors with ±200 having registered an interest (50/50 split FICA and non-FICA members). A certification panel oversees the probity of the process. Some interest from other types of contractors to expand the scheme to silviculture, transport etc.

Criteria include h&s and labour protection and there is a document review and field audit. Some anecdotal evidence that the certification process has raised standards, although many early adopters were already performing well.

Only a few forest owners and managers have given clear direction to their crews that certification will become mandatory. Opportunity to engage log buyers and managers in woodlots to buy into certification as part of their legal duties. Certification scheme is not self-funding due to small numbers.



Faller and Breaker Out certification is in place with ±200 workers certified. Some are recertifications from previous in-house schemes.



650 people involved in the Growing our Safety Culture project. Positive feedback on the insights gained and particularly the improvements for front line supervisors in how they perform their function. GOSC has been picked up by some forest owners for all their crews. Areas still most in need of development are recognition, reporting and investigation and learning from experience.



Positive support for FISC from WorkSafe at Council and TAG level. WS act as the agent for ACC funding through the Harm Reduction Action Plan. There has been a significant increase in proactive interventions and enforcement, especially in the early years. FISC has briefed forestry inspectors on its programmes. WS acknowledge that they have not yet been able to fully implement those IFSR recommendation relating to lead indicators from assessment visits or improving causal analysis from investigations. Developing the systems to deliver this is part of their future strategy. ACOP review has not progressed but new targeted guidance has been developed and WS endorses Safetree resources. WS are targeting harvesting contractors and trying to build a database of who they all are. However, ACC data and notifications of hazardous work are limited triggers.

Opportunity for WS to communicate its intervention strategies and thinking better to FISC and the wider industry to dispel myths about their current approach.

WS and FISC recently convened a Forestry Safety Summit involving 65 key stakeholders to help identify key themes for the future.



MBIE H&S policy team priorities have been HSWA and phase 1 Regs. Only now looking at phase 2 and applying a risk-based approach before a sectoral one. Plant and structures Regs under development and will include some forestry machinery. Liaison with relevant TAG. Limited knowledge of Government response to IFSR and certain follow up actions overlooked. The regulatory certainty issue raised in the IFSR is still largely unresolved and there is no clear plan between MBIE and WS around what should go into Regs, ACOP or guidance. MBIE keen to build a better relationship with FISC going forward.



ACC co-owns the Harm Reduction Action Plan 2016-19 with WorkSafe. This includes Forestry as one of the priority sectors. ACC's role is primarily funding of the work of FISC. The Action Plan largely reflects the IFSR recommendations including the deliverables from WorkSafe. ACC sit on FISC.

CONTEXT

In 2012/13 the New Zealand forestry industry was facing a crisis. A spate of tragic deaths and injuries in the bush resulted in a safety campaign, led by the late CTU President Helen Kelly on behalf of the affected families, that attracted widespread public, political and media attention.

This created a risk that the industry's social licence to operate could be under threat along with the livelihoods of the thousands of workers it employed. The Government had recently responded to the Pike River Mine disaster and a process of radical change in health and safety was underway resulting from the reports of the Royal Commission and the Independent Workplace Health and Safety Taskforce.

The industry was told in no uncertain terms to sort itself out, before others did it for them. As the then Chief Executive of WorkSafe NZ said *"If you can't harvest safely then don't harvest at all"*.

It responded by establishing the Independent Forestry Safety Review (IFSR) with a broad mandate to look into the immediate and underlying causes of the industry's poor accident record. The IFSR report was issued in late 2014 and greeted with a large measure of support by all parts of the sector, who endorsed its analysis and recommendations including in an initial response from the then Government⁸. The Minister's press statement at the time said *"The Government supports the findings of this review and acknowledges everyone who played a role in this critically important work. The safety record of the forestry sector is not acceptable and Government agencies are committed to working in partnership with industry to build a safe, sustainable and professional forestry sector."*

A key challenge was to create a mechanism by which these recommendations could be delivered in a timely manner. The IFSR recommendation for a Forestry Leadership Action Group to verse the work resulted in the formation of the Forestry Industry Safety Council in early 2015 with an independent Chair and a Council made up of all key sector stakeholder groups including regulators,

workers, contractors, forest managers, forest owners and others. A full time National Safety Director was appointed later in 2015 to lead the work and coordinate efforts on multiple fronts.

Funding for FISC currently comes from ACC, WorkSafe and the Forest Growers Levy Trust (FGLT) with a considerable amount of voluntary effort from many individuals supported by their companies and sector groups. This funding is time limited and subject to review in 2019 with the levy being up for a growers vote on its continuance and size.

In March 2016 the 12 members of the FISC council signed the FISC Charter. By signing, they agreed to foster good health and safety practice in their own organisation and to support harm prevention activities by the industry.



Figure 4: FISC Safety Charter

A programme of work was put in place to meet the IFSR recommendations and in particular to help the industry change its culture. The IFSR challenged it to move from a **'can do'** approach to a **'can do safely'** culture and deliver its vision for **'a safe, sustainable and professional forestry sector by 2017, achieved in partnership by government, industry and workers.'**

This programme is based on a number of priority areas shown in Figure 5.

8 www.mbie.govt.nz/info-services/employment-skills/workplace-health-and-safety-reform/government2019s-response-to-independent-forestry-safety-review

As FISC is coming towards the end of its 3rd full year in existence (and 4 years since publication of the IFSR report) it has agreed with its key stakeholders that a review of its achievements to date is appropriate, to ensure it remains focussed on the things that make a difference and to help it prepare for, and seek funding to address, the challenges ahead.

This review also coincides with a worrying increase in some of the lag measures of injury performance that had improved following the IFSR, and a cluster of recent fatal accidents. This is leading to a renewed interest from WorkSafe NZ including the holding of a Forestry Safety Summit in early November and a 'deep dive' by the WorkSafe Board at the end of November 2018.



Figure 5: FISC Focus areas

There is renewed external focus on forestry given its strategic importance to the New Zealand economy and as part of the Government's response to climate change with the 1 billion tree planting programme. A new Ministry of Forestry – Te Uru Rākau, is being established to ensure the industry's needs are clearly defined and met.

According to MPI, Westpac⁹ and FOA data increasing demand for export logs is leading to an increase in harvest volumes earlier than had been predicted. Much of this increase is coming from the small woodlot sector. Increased mechanisation, particularly in the plantation forests, means that this increased volume has not been matched by increased employment, which is stable at around 10,000 workers. Current annual harvest volumes are around 35m m³, which is about a 30% increase on 2012.

This review provides an opportunity to relook at the 2014 recommendations – to determine which ones have been implemented, how well they have been taken up and whether they have made a difference on the forest floor. It also enables a check on those that not have not been progressed - to understand why and determine if they are still relevant in 2018. In the view of the original review team the recommendations were a carefully integrated set of actions that were interdependent. Therefore, it may be that the effectiveness of some of the things that have been done has been diminished in the light of those that have not been delivered.

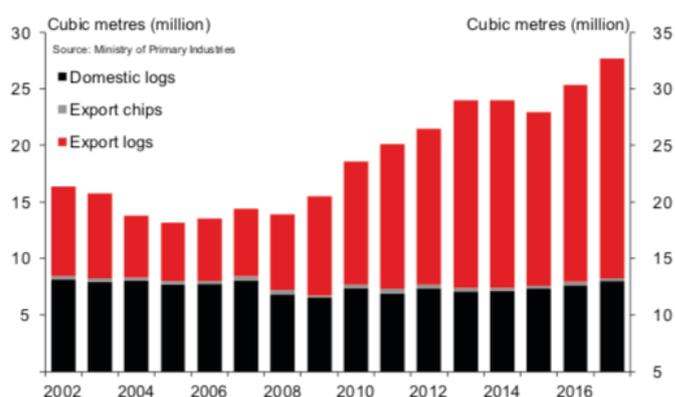


Figure 6: Harvest volumes

9 www.westpac.co.nz/assets/Business/Economic-Updates/2018/Bulletins-2018/Industry-Insight-Forestry-and-Wood-Products-May-2018.pdf

FINDINGS

It is important to background this report against the key findings of the IFSR and the vision it set for the industry – and which the industry and government agreed was appropriate and achievable.

Its vision was **“for a safe, sustainable and professional forestry sector by 2017 achieved in partnership by government, industry and workers.** This can be achieved if the forestry industry learns to better manage the health and safety challenges that come from its varied structure. These challenges include the industry’s ability to:

- a. Understand the health and safety responsibilities of all those in the supply chain
- b. Ensure contractual arrangements recognise and support health and safety outcomes
- c. Manage the supply chain in a way that enables the forest block to be managed safely
- d. Ensure the safety implications of the choice and design of a forest block are managed
- e. Plan and organise work so it can be carried out safely
- f. Ensure workers and their crew bosses have the skills to work safely
- g. Ensure that workers’ employment terms and conditions support safe workplaces.

There is a strong **“can do”** culture on the forest block. This needs to become a **“can do safely”** culture. Changing the safety culture across the forestry industry will require a change to the way things are done. The change must be led by forest owners and managers, by marketers, forestry contractors and crew bosses.

A first step to addressing changing the safety culture on the forest block is for those in positions of leadership and management to make a commitment to change and to meet mandatory standards for health and safety and employment across the forestry industry. It is important that work and workplaces in the forestry industry change in a way that shows a respect for workers. This should enable workers to then show respect for their work and their workmates.

This respect can also be fostered through building a professional culture where forest workers are viewed as skilled tradespeople who are proud to demonstrate the mastery of their craft – harvesting trees safely and productively.”

Of the 7 bullet points above FISC has focussed primarily so far on e. and f.

Programme Governance

The IFSR’s first recommendation was for WorkSafe to convene a Forestry Leadership Action Group (FLAG) within three months to oversee the delivery of a Forestry Sector Health and Safety Action Plan. The Action Plan comprised the other 11 recommendations of the Review set out in the Summary of Recommendations document that accompanied the main report.

FISC was the product of that recommendation and was formally established in July 2015 and became operational in October 2015 – one year on from the publication of the IFSR. Its first half year report noted: *“FISC has developed a three-year work programme that reflects the recommendations in the Review and the requirements of the new Health and Safety at Work Act. It focuses on leadership, communication, competency, health and safety reforms and performance management.”*¹⁰

FISC has an independent Chair with proven governance experience and tripartite membership from all the key stakeholder groups that either work in the sector or influence it. The FISC Council meets bi-monthly and review of a sample of its agenda, papers and minutes demonstrates that it is run in a business-like manner and meets the Institute of Directors criteria for effective governance of:

- » Clarity of purpose
- » Diversity of membership
- » Holding management to account
- » Ensuring compliance

The National Safety Director (NSD) is responsible for the day to day operations of FISC and for chairing the Operational Advisory Group (OAG) and supporting a number of topic or sector advisory groups (TAG).

10 www.fisc.org.nz/uploads/6/6/2/5/66257655/fisc_half-year_report_2015_final.pdf

Commitment to Change

As noted earlier a formal Charter was signed by FISC member organisations in March 2016. At the launch it was stated that “An expanded version of the Charter will be developed later this year that includes detailed actions and expectations. Companies and others working in the industry will be invited to sign it.”¹¹

The IFSR noted the symbolic importance of such Charters by reference to the Canterbury Rebuild Safety Charter¹². This has now been signed by 354 organisations directly involved in delivering work or supporting those who do so as part of the rebuild.

The second stage of Charter development in forestry did not take place as planned and hence that level of ownership and leadership at company level is not formally demonstrated in this way.

Leadership and Culture

A key part of FISC’s mission has been to try and address the underlying cultural issues in the forestry sector. These include leadership, relationships, empathy, communications, worker engagement, etc. The Safetree model (Figure 5) demonstrates the inter-related nature of these factors.

FISC has worked with Leading Safety, who are acknowledged experts in this field, to develop the Growing our Safety Culture (GOSC) process. This has three parts:

- » **Growing our Safety Culture assessment:**
An approved facilitator spends time with each crew or team, guiding them through 12 areas essential to good health and safety. Teams rate how often they and others do these practices. Different versions of the assessment are available for crews; contractors/crew bosses; and forest owners.
- » **Report back:** Each team’s results are analysed by Leading Safety and reported back to the team using a ‘traffic light’ tree with green lights to show what’s working well, and red and orange for what needs improvement (see Figure 7)
- » **Feedback session:** The facilitator returns to each team where they discuss the results and identify one or two areas where they want to make improvements, and to come up with a plan for doing so.

The first phase was a pilot involving 10 forest owners, 33 different crews and a total of 364 people. The process was then reviewed and refined and a second phase of GOSC was rolled out from January-November 2018 involving 373 people of which 162 worked for the forest owner, 47 were contractors and crew bosses and 164 were crew members.

There now appears to be some momentum behind future uptake of the process from forest owners and the infrastructure is in place to enable it to be rolled out more widely across the sector.

The results showed a number of areas of commonality in both strengths and areas for development between the three groups, however this was a self-selected sample and hence the results may not be indicative of the wider population¹³.

The FISC survey showed that 54% of respondents thought that there had been a positive change in safety culture in the industry in the past 2-3 years and that FISC’s work had contributed to this. 75% felt there had been a positive change in leadership capability in forestry organisations.

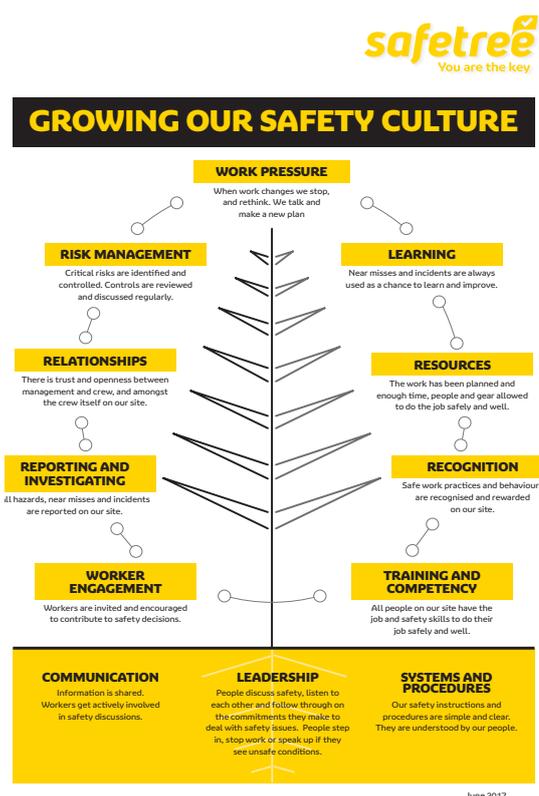


Figure 7: GOSC report back

11 www.fisc.org.nz/news.html

12 safetycharter.org.nz/the-charter/about-the-charter

13 DRAFT Report on 'Growing Our Safety Culture' Leading Safety, November 2018

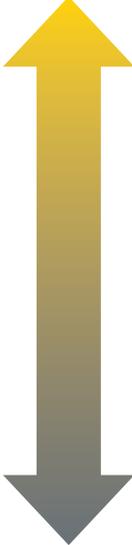
Competence and workforce development

Getting and keeping workers with the right skill sets for the needs of the industry now and for the next 5-10 years was a key concern expressed by the IFSR. Some parts of the sector have an ageing workforce and there is increased competition for new workers with the right skills and, more importantly, the right attitude.

Recommendation 6 was for FISC to work with relevant Ministries to develop a workforce strategy to attract and retain the right people to forestry and to develop and embed a training culture within the industry aimed at improving safety, efficiency, etc.

Combined Groups	Forest Owner	Contractor Crew Boss	Crew
Relationships	Relationships	Relationships	Leadership
Resources	Resources	Leadership	Systems and Procedures
Leadership	Leadership	Resources	Relationships
Communication	Communication	Risk Management	Resources
Systems and Procedures	Risk Management	Worker Engagement	Risk Management
Risk Management	Systems and Procedures	Training and Competency	Communication
Worker Engagement	Work Pressure	Work Pressure	Learning
Work Pressure	Worker Engagement	Systems and Procedures	Training and Competency
Training and Competency	Reporting and Investigating	Learning	Worker Engagement
Learning	Learning	Communication	Work Pressure
Reporting and Investigating	Training and Competency	Reporting and Investigating	Reporting and Investigating
Recognition	Recognition	Recognition	Recognition

Strongest



Weakest

Figure 8: Ranking of safety culture dimensions in GOSC

Recommendation 7 was for FISC to work with MBIE on developing regulations that specify minimum competency standards for safety critical roles and for competency to be regularly reassessed.

Recommendation 8 was for FISC, MBIE, TEC, NZQA, Competenz and training organisations to ensure the industry understood the importance of training and supervision and how to access funding as well as ensuring the curriculum supports the right competency standards.

These recommendations have moved around between a number of different parties including Competenz, the Ministry for Primary Industries (MPI) and the Forest Owners Association (FOA) Training and Careers Committee. The work is partly funded from the Forest Growers Log Levy 14 as a separate item from their funding of FISC. There is currently work underway to develop a careers hub and an online portal to provide a one-stop shop for those wishing to enter the industry to understand their training and careers options.

This will be promoted in conjunction with the Primary Industry Capability Alliance.

Progress with this suite of projects does not appear to have been recently reported back to FISC.

Competenz have recently reviewed the relevant qualifications for the sector and are confident that they meet industry needs. They are supportive of the FISC worker certification schemes and see the two working together. However there appears to be an issue with contractors' willingness to pay for training and workplace trainers and assessors. This is leading to a shortage of suitable people to fulfil these roles. Withdrawal of Government funding of health and safety training has meant that overall investment in this area is probably not keeping up with demand.

14 fgl.org.nz/images/contentimages/2018_work_programme_v2_final_181217.pdf

Worker Engagement

The forestry workforce is mostly unorganised with only a handful of union members. Penetration of formal processes for worker participation, engagement and representation (WEPR) is understood to be low although the numbers of trained health and safety representatives (HSRs) is unknown.

Worker engagement was rated in the bottom half of the safety culture dimensions in Figure 8.

FISC has sought to get an appropriate level of worker input through having two representatives who have direct experience of working on the ground in forestry as well as the President of First Union on the Council. The Union has established a Forestry Workers Network website and Facebook page with around 1000 users. Recently a WEPR TAG has been set up to look in more detail at how to improve engagement at all levels.

The recent FISC survey however attracted only 20 responses from people who identified as a worker and 8 from HSRs. Attendance from workers at the FISC regional roadshows and community events was judged to be relatively low and a number of those who did attend were doing so in their own time and expense.

A suggestion from the WEPR TAG and elsewhere, that we endorse, was to trial having a number of roving positions to help take FISC's message and products out to the regions, direct to crews, and to channel feedback. Given the strong brand of Safetree we recommend that these positions are called Safetree Ambassadors or similar rather than roving HSRs – although the intent would be similar.

Critical Risks

FISC has worked with the sector to identify 5 critical safety risks that have the potential to cause the most significant harm to the workforce (death and disabling injury), rather than those that occur most frequently or are the most expensive in terms of ACC payments.



Figure 9: Forestry Industry Critical Risk Activities

The WorkSafe/FISC safety summit expanded on these and added harvesting/trucking interface, thinning, machinery on slopes and harvest planning/having the right machinery at site to the list.

The summit looked in detail at these critical risks using a simplified BowTie approach and identified 24 risk factors associated with these activities. It began to develop action plans to put these initiatives in place. This work will be taken forward by FISC and WorkSafe through their respective planning and programme development processes.

Standards and Guidance

Regulatory certainty was one of the requests from the sector during the IFSR. This reflects a relative lack of maturity of many organisations in forestry who still want to be told 'what good looks like' rather than determine it from first principles using a risk-based approach. It is also a reflection of the desire for certainty when setting contracts so that workers and contractors have some ability to point to statutory requirements as non-negotiable minima that all parties have to meet and hence bear the cost of.

Recent investigations by the labour inspectorate have shown widespread failures to meet minimum employment standards in forestry. This confirms our view that the immaturity identified in IFSR is still prevalent and hence the need for greater regulatory certainty has not diminished.¹⁵

15 www.stuff.co.nz/national/politics/99430664/forestry-audit-reveals-widespread-breaches-in-employment-standards

As noted above work in this area has progressed vary slowly in the past 4 years but is now starting to get more attention from MBIE. WorkSafe have indicated they are waiting for MBIE to make decisions on Regulations, so they can consider the need for new or revised ACOPs. In the meantime, work on these is not progressing.

Despite the comments above there has been a considerable amount of good guidance issued by WorkSafe, ACC and FISC and published on Safetree in various forms including risk cards, checklists, posters, video clips, documents and presentations.

Data from the Safetree website demonstrates high levels of interest in the various products. For example, there were 371 unique downloads of the Talking Topics pack in the past 6 months and over 2000 printed copies have been distributed.

Investigation and Causation Analysis

Whilst the proximate causes of serious accidents in forestry are well understood there is still a paucity of insights into underlying causation and the context within which accidents are occurring. The IFSR noted this *"lack of robust and consistent data about near – misses, injuries and fatalities and their underlying causes. The FLAG should consider how government and industry and work together to address this lack of lead data."*

Recommendations 11 and 12 addressed the need for WorkSafe to develop lead indicators of performance from their assessment visits and for a more sophisticated investigation approach that included a comprehensive causal analysis.

WorkSafe have undertaken 60 investigations in forestry since April 2016. They provide periodic information on individual fatal accidents to the industry¹⁷ however the level of detail in these is generally quite sparse. Even after any legal action has been taken there is generally no more detailed causal analysis to help others learn lessons from what has gone wrong. A new process is about to start whereby WorkSafe provide FISC with redacted investigation reports so that they can carry out this analysis themselves.

Equally whilst over 900 enforcement actions have been taken in forestry since 2016 the only detail currently provided is on the type of action (Prohibition, Improvement etc) rather than the topic and whether it related to a missing or failed critical risk control (2 tree lengths) or systemic issues. Data from the almost 3000 assessment visits since April 2016 does not provide any insights into how WS is targeting its visits or indications of the areas of good or poor performance and whether things are improving or declining in response to industry or regulator initiatives.

WorkSafe are very aware of these deficits in their intelligence systems and their strategic plan is designed to address many of them – whilst also not putting all the onus on the regulator to monitor sector performance.

¹⁶ worksafe.govt.nz/data-and-research/ws-data/investigations/ accessed 21/11/18

¹⁷ safetree.nz/wp-content/uploads/2018/07/Fatalities-11-July-18.pdf



Why this matters

To maximise our coverage and impact we need the right information, technology and systems to enable our staff to work in a smart and integrated way. Technology plays an important role in connecting our people, enabling us to operate as one connected organisation across New Zealand.

Leveraging new technologies can enable us to improve how businesses and workers access, use and experience our services. It can also support us to take a more coordinated and deliberate approach to the use of data, intelligence and evidence, including research and evaluation. This is critical for targeting our activity and understanding the effectiveness of our interventions.

We will strengthen our data and analytics to improve our knowledge of how the health and safety system is performing. This will include a focus on injury rates, catastrophic and work-related health risks, and key enablers such as worker engagement, participation and representation, leadership, workforce development, and risk management.



What success will look like

- Fit-for-purpose technology and systems produce robust analytics and insights, supporting WorkSafe to be a data and insight led organisation.
- Intelligence, evidence and research inform organisation-wide decision making and resource allocation against our strategic priorities, adapting as our external context evolves.
- Technology enables greater connections across the organisation, supporting seamless delivery, a strong regional presence and consistent delivery from anywhere.
- Health and safety data and information is easily accessible through our digital channels.
- Our technology and systems enable us to partner with agencies and regulate sharing data and information to support a joined-up approach to improving health and safety.
- Improved productivity across our business, with our people satisfied they have the tools and technology to do their jobs well.

Figure 10: Extract from WorkSafe Statement of Intent 2018/9-2021/2¹⁸

Evaluation

This report is an example of some of the reasons why evaluation needs to be designed into programmes and initiatives rather than undertaken after the event. Baseline data may be missing, key output and outcome data is not tracked and over time the counterfactuals¹⁹ that impact on the results are forgotten. The IFSR noted that *“It is also essential that the sector puts in place an evaluation plan that enables it to determine the success of the recommendations in this Review and other initiatives that are put in place to drive health and safety outcomes in the forestry industry. The FLAG needs to agree on a mechanism for government, industry, workers and their representatives to monitor and evaluate change and to intervene if change is not occurring.”*

As far as we are able to ascertain there has been no formal evaluation plan around any of the initiatives in the IFSR or the wider forestry safety programme and hence this type of *post hoc* evaluation is the best that can be achieved.

WorkSafe has a research and evaluation team that produced a suite of 8 excellent reports in 2016²⁰:

- » **Report 1:** “Well I think there has been a lot of changes”: Changes in health and safety in the forestry sector
- » **Report 2:** A Different Kettle of Fish: Small and medium scale forests
- » **Report 3:** “There’s silviculture and there’s logging – that’s two industries”
- » **Report 4:** “If you haven’t heard of it, you’ve been living under a rock”: Forestry’s early response to HSWA
- » **Report 5:** “Healthy on the outside, sick on the inside”: Work-related health in forestry
- » **Report 6:** Training and workforce development in forestry
- » **Report 7:** Worker engagement, participation and representation – a forestry view
- » **Report 8:** Forestry in 2016 – a summary report.

18 worksafe.govt.nz/dmsdocument/3768-worksafe-statement-of-intent-2018-2022

19 A comparison between what actually happened and what would have happened in the absence of the intervention. Impact evaluations seek to answer cause-and-effect questions. In other words, they look for the changes in outcome that are directly attributable to a program.

20 worksafe.govt.nz/data-and-research/research/2016-forestry-research

Most of the data collection and interviews took place in 2015/6 so whilst this work does not include much of what FISC has done it provides a useful backdrop to this report. The concluding paragraph of their summary report is insightful and largely still applicable:

“Embedding a culture of safety

Finally, a theme of the research was that there was a strong culture of compliance across forestry, but not one of safety and even less so, health. As with much of the other themes in this report, there were some standout crews and owners where work on embedding a culture of safety was being undertaken. However, there were also a large number of crews and contractors who saw the health and safety changes as compliance activities that detracted from productivity. More work is needed to illustrate how health and safety benefits contractors, crews and productivity and building a culture of safety within crews.”

OPPORTUNITIES FOR FUTURE FOCUS

We identified or had suggested to us a range of specific actions that FISC might undertake in the future either on its own or in partnership with others.

We simply note these here for FISC to consider in its future planning.

- » Engage with WorkSafe in the development of their intervention logic and encourage alignment of regulatory interventions and FISC programmes
- » Work with other agencies (ACC, MSD, Victim Support, Ministry of Justice, etc) to review the effectiveness of, and ease of access to, short and long-term financial, emotional and legal support available to bereaved whanau
- » Work with WorkSafe and Scion to build sector capability around causal analysis and develop tools to capture and share insights (MILO)
- » Develop an industry-wide occupational health programme focussing initially on the effects of health on work. Link to MOH targets
- » Work with Competenz, TEC, NZQA and others to improve the effectiveness of the training and competency system
- » Work with MBIE on Phase 2 health and safety regulatory design and labour protection standards
- » Commission research to model the economic drivers around good safety performance in the sector
- » Work with sector groups to set targets for the adoption of FISC products
- » Pilot regional Safetree ambassadors to target hard to reach groups
- » Develop a Māori engagement strategy building on recent contact with FOMA and the Maruiti project.
- » Consider ways to leverage Safetree products and services off each other (CPD to recertify, complete Safety Culture workshop, etc.)
- » Develop and market more stories of safe and successful work – Sponsor Forestry Safety Awards?
- » Encourage “Harvested by Safetree Certified Contractor” branding to be applied to logs

CONCLUSION

FISC has made a marked contribution to improving the forestry industry's approach to managing its health and safety risks.

However, as the IFSR found, parts of the industry are still in denial and have a relatively immature view of what health and safety leadership, risk management and worker engagement are all about. Some still think the problem lies with others or that the regulator can sort it out through their efforts. Others are demonstrating real leadership, integrating their supply chain and treating their workers with respect. They are the role models that FISC is trying to showcase to demonstrate that the IFSR vision of **“a safe, sustainable and professional forestry sector {by 2017} achieved in partnership by government, industry and workers”** is achievable – but the industry is not there yet.

We believe that FISC's role should not be 'job and finish' once the IFSR recommendations have been delivered, rather it should be an enduring industry leadership forum, empowering and challenging the sector towards continuous improvement. There is growing support for this model in other industries in New Zealand (Agriculture, Construction and Business Leaders) and internationally in Forestry and elsewhere.

We would like to thank all those who gave of their time to be interviewed or provided documents and other information that supported our work. However, the opinions expressed here are those of the author based on their insights and wisdom.

APPENDICES

Methodology

The Terms of Reference for the Review are contained in the Appendix. Given the time constraints imposed by FISC for the review and the availability of the reviewers, the methodology was simplified to be predominantly a desktop review of published information from various sources and one on one interviews with around 35 key stakeholders from across the sector and related agencies. A list of interviewees is in the Appendix.

The review period coincided with a Forestry Safety Summit convened by WorkSafe NZ that provided useful contributions from a range of participants. The FISC Strategy Day provided an opportunity for initial feedback on emerging findings and the suggested way forward.

The review is a qualitative assessment of FISC and the industry's performance over the past 3 years, interspersed with what limited reliable data is available. Where possible, and with agreement, we have quoted interviewees directly to highlight the types of comments we received. However inevitably the review is largely impressionistic and represents our interpretation of the data and the responses we received.

Reviewer

The review was conducted by Mike Cosman, Partner in Cosman Parkes Ltd with assistance from Paul Nicholls, who was nominated by FISC to provide industry context. Mike is one of New Zealand's most experienced health and safety professionals having worked in this field for nearly 40 years. Mike was a member of the IFSR. For further details see cosmanparkes.co.nz/mike-cosman

Terms of reference for review of FISC work in relation to the recommendations made by the IFSR

Scope

Review the work programme of FISC and its uptake by the sector in relation to the recommendations of the IFSR.

- » How effectively have the IFSR recommendations been translated into a programme of work
- » How effective has been the delivery of this work programme to the sector
- » What has been the level of uptake by the sector? [penetration – reach and uptake]
- » Are there any key gaps in terms of the current work programme with respect to the original recommendations of the IFSR
- » What changes (both within the sector and externally) have there been since the IFSR which should now be considered and influence the future work programme of FISC in considering possible gaps thought should be given to the following:
 - Workforce capability and capacity issues (focus on next 10 years)
 - Health – “health on work” (what individuals bring to work)/“work on health” (what work exposes individuals to e.g., hazardous substances and psychosocial)
 - The work and role of the Log Transport Safety Council and possible overlap/links with the work of FISC [limit to within the forest gate interface]
 - The forestry sector's critical risk profile including heavy plant use and relocation

The Review should be completed via a desk top document review and telephone interviews of a selection of key stakeholders with a focus on crew owners and HSRs from within crews to gain an insight into market penetration. Suggest: 5 large forest owners, 5 small owners, 5 large harvest contractors, 5 smaller contractors, 10 crew foremen from crews other than those owned by contractors interviewed. Some interviews could be completed as groups however contractor and crew foremen interviews would best be done face to face.

Output

The output from the review will be reported as follows:

- » Initial / emerging findings presented at a FISC Council Strategy day on 14 November 2018
- » Draft report for review by FISC Council produced by 23 November 2018
- » Final written report [tbc if key stakeholders only or wider distribution] by 21 December 2018

Interviewees

- » Don Wallace, NZFFA
- » Paul Burrridge, Summit Forests
- » Warwick Foran, MPI Crown Forestry
- » Gee Dennis, WorkSafe Maruiti
- » Nicole Rosie, WorkSafe
- » Paul Gimblett, ACC
- » David Rhodes, NZFOA
- » Dame Alison Paterson, FISC Chair
- » Fiona Ewing, FISC NSD
- » Glen Mackie, NZFOA
- » Peter Weir, Ernslaw One
- » Alan Laurie, Laurie Forestry
- » Damien Byrne, Forest Management
- » Neil Thomas, ForestSafe
- » Fiona Kingsford, Competenz
- » Robert Reid, First Union
- » Nic Steens, PF Olsen
- » Paul Olsen, Olsen Forestry Management
- » Brionny Hooper, SCION
- » Richard Parker, SCION
- » Warwick Wilshier, LTSC
- » Lee Perry, HL Services
- » Wiremu Edmonds, Māori representative
- » Bill McCallum, Hancock Forest Management
- » Kevin Ihaka, Forestry Protection Services
- » Jeremy Waldegrave, NZ Forestry
- » Karl Bowman, Cable Loggers
- » Ross Davis, Log Lease
- » Chris Shortall, Trainer assessor
- » Sonny Thomas, worker
- » Saskia Patton, MBIE H&S Policy
- » Susan Adams, MBIE H&S Policy
- » Mhari Clark McCall, FISC Contractor
- » Robert Green