

COMPLIANCE PRIORITIES OUTCOMES

Contractor management in small mines

November 2021

Contractor management

In modern mining workplaces there may be multiple duty holders influencing how work is carried out. For example, there is the operator of the mine, single or multiple contractors supplying equipment, carrying out work, repairing equipment and other activities, as well as suppliers and contractors engaged and only interacting occasionally.

The work health and safety (WHS) laws require duty holders, with shared responsibilities, to work together to ensure workers maintain a safe workplace. This requires consultation, cooperation and coordination between all duty holders.

The Work Health and Safety (Mines and Petroleum Sites) Regulation 2014 builds on this requirement and makes specific provision for the arrangements between an operator of a mine and other persons conducting business or undertakings, including contractors.

This priority project has gathered data to determine the industry's understanding of working with contract partners, and their legal responsibilities to maintain a safe workplace. This included a particular focus on how the mine and its contractors manage safety via a contractor safety management plan or via the mine's safety management system, as required under clause 22 of the Work Health and Safety (Mines and Petroleum Sites) Regulation 2014.

The assessments also examined how the communication and dissemination of safety critical information to contractors, including labour hire contractors, project contractors and maintenance contractors, was conducted. Furthermore, inspections were undertaken to confirm how the mine ensures plant, equipment and substances were safe for use, how competencies were checked, and how supervision was carried out.

What we did

63 operating sites were assessed between January and June 2021.

Areas assessed at each mine were as follows:

- Does the mine's safety management system include processes for managing contractors?
- Has the mine operator determined if the contractor is working under their own safety management system and has given the contractor written notice? Or rather, the contractor is working under the mine's safety management system and the contractor has given the mine written notice?
- Does the mine operator confirm that contract workers possess the required qualifications, skills and knowledge to complete the work they are engaged to perform?
- Does the mine follow a process to confirm that the contractor's plant, equipment, materials and substances, are fit for purpose and safe to use?
- Does the mine operator consult with contractors about workplace changes and risks to health and safety that may impact their work activities?
- Does the mine operator check on the contractors during their work to verify they are working to the agreed standards?

What we found

- Nearly all mines have some form of contractor management process in place, however, there were a minority of mine operators with no processes in place for contractor management.
- Of the mine operators that had contractor management processes in place, approximately a third of them had determined that contractors worked under their own safety management plan and had been given written advice, or worked under the mine's safety management system and had given written advice to the mine.
- Of the mine operators that have processes in place, the majority had checked the contractor's competencies.
- Of the mine operators that have processes in place, approximately two-thirds had checked the contractor's plant, equipment, materials and substances. The mine operators that were deficient in this area were often found to be lacking in the verification of substances being brought onto site.

- Of the mine operators that have processes in place, the majority incorporate consultation, information, training and instruction with their contractors. Some mine operators also include their contractors in consultation, information, training and instruction on an informal basis.
- Of the mine operators that have processes in place, three-quarters exercise some form of supervision and monitoring of their on-site contractors.
- Some mine operators were found to have a contractor management system in place but did not adhere to it.
- Some mine operators carried out toolbox talks but kept no attendance or information records.
- Mine operators were good at capturing inspections of plant and equipment, but often missed capturing inspections of chemicals and substances.
- Several mines, which had grown, in size and complexity, had failed to recognise the increase in hazards and risks. There was a continued reliance on the small mines safety management kit instead of moving to a safety management system.
- Some smaller mine operators had the small mines safety management kit but had not completed all of the documents.
- Some corporate systems lacked the components to properly manage all aspects of employing contractors.

Outcomes

The assessments resulted in the following notices being issued:

- two Section 195 Prohibition notices
- 50 Section 191 Improvement notices
- 34 Section 23 Notices of concern.

Next steps

We are continuing to assess mines for contractor management. We will continue to monitor the results of the priority project to determine whether a broader and deeper assessment of industry practice is required, and whether industry assistance through some form of education is needed.

Recommendations

All mine operators are likely to use contractors. Proper management of contractors is essential to ensure workplace safety for contractors and mine workers. Mine operators must:

- Ensure the mine safety management system includes a section on contractor management. Clause 14(1)(f) of the Work Health and Safety (Mines and Petroleum Sites) Regulation 2014 details the requirements.
- Ensure that when engaging contractors, there is communication between the mine operator and the contractor about what hazards the contractor is bringing to site, and what hazards the contractor is going to be exposed to at the mine. This includes any changes and associated risks to health and safety that may impact their work activities and the mine's activities.
- Determine how the contractor is going to manage risks, by either working to their own safety management system or by working under the mine's safety management system. Once this is determined, either the mine gives written notice to the contractor that the system is consistent with the mine's systems, or the contractor gives written notice to the operator that they will be working under the relevant parts of the mine's systems.
- Have processes in place to verify and record the competencies, qualifications, skills and knowledge of the contractors for the work they are doing.
- Ensure that the contractors are properly inducted for the mine. Although they may be working under their own safety management system, they also require an induction for the mine.
- Confirm the contractor's plant, equipment, materials and any substances are fit for purpose and safe to use.
- Actively supervise the contractors by checking that they are working to the agreed standards (i.e. checking that they are following their safety management system, following safe work method statements (SWMS), and complying with mine site rules).

Further resources

DATE PUBLISHED	REFERENCE	TITLE
Nov 2018	Guide	Health and safety at quarries
Aug 2018	Safety management kit	Safety management kit for small-scale mines, quarries and extractive industry operations: Introduction
Aug 2018	Safety management kit	Part 1: Reference material and information
Aug 2018	Safety management kit	Instruction pages
Aug 2018	Safety management kit	Fillable templates
June 2016	Guidance document	Contractors and other businesses at mines and petroleum sites
June 2008	Guide	Contractor OHS Assessment Tool

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