

**Submission to the Bills Committee on
Factories and Industrial Undertakings (Amendment) Bill 1999
And Factories and Industrial Undertakings
(Safety Management) Regulation**

by the Occupational Safety and Health Council

Meeting on 20 April 1999

Mandatory Safety Training for Persons Employed in Construction and Container Handling Industry

Safety for the high risk industries such as the Construction and Container Handling Industry, have always been the prime concern for not only the government, the Council, the industries concerned but every member of the Hong Kong Community. Among the many measures to improve safety performance of these industries, training would be the most effective and direct means to provide the employees with the technical know-how and knowledge in identifying potential workplace hazards and preventive measures to protect themselves from injuries.

2 Safety training for specific work procedures should be an inseparable component of the overall production. By making safety training mandatory for specific industries, we could ensure that the operators in these industries would receive the minimum standard of training in safety awareness. A gradual change over safe working habit and attitude would then be resulted. This would be the strong foundation for building a positive safety culture in Hong Kong.

3. The Council has good experience in providing safety and health | training services to the public and corporations of different sizes in the past decade. We operate legally required safety training programmes such as the Competent Person in Workplace Noise Assessment, Competence in Ionizing Radiation Protection, Competence in the Safe Handling of Asbestos.

Safety Card Training for Persons Worked in Cargo and Container Handling Industry

4. To prepare the employees of the Cargo and Container Handling Industry for the proposed mandatory safety training, the Council introduced the Basic Safety (Safety Card) Training for Persons Worked in Cargo and Container Handling Industry in 1998. This training program is approved by the Labour Department and has already trained 150 employees. With the annual training capacity of 4,000 persons for this particular training programme, the Council could well assist all employees of the Cargo and Container Handling Industry in meeting the proposed mandatory training requirement within the first year of operation. (Sample of the Cargo & Container Handling Industry Safety Card is attached at the Annex.)

5. The Council strongly supports the proposed mandatory safety training for persons employed in the Construction and Cargo and Container Handling Industries. Though the Council does not offer Green Card training for the Construction Industry, we are prepared to assist in the provision of this mandatory training for the construction industry workers if the industry demand exceeds the capacity of the existing course providers.

Implementation of the Safety Management System

6. Recent trend of development in occupational safety and health legislation in developed countries evidently shows a move from detailed prescriptive regulations towards the concept of self-regulation through the establishment of a safety management system. Hong Kong already recognized this new development and incorporated that into the recommendations of Consultation Paper on the Review of Industrial Safety in Hong Kong as published in 1995.

International Standards on Safety Management System

7. Internationally accepted standards in safety management system have been established by developed countries to provide guidance to local industries in improving the safety performance. In United Kingdom, the Guide in Occupational Health and Safety Management System BS8800 was established in May 1996; in Australia and New Zealand, the Guidelines in Occupational Health and Safety Management System AS/NZS 4804 was established in October 1997. These standards are also recognized systems in Hong Kong and elsewhere. If these standards are interpreted as best practiced in developed countries, we could take a close look of our neighbouring regions.

8. The Chinese Society for Science and Technology of Labor Protection (CSSTLP) is testing the CSSTLP 1000 in Mainland China. Taiwan started to implement BS8800 for its industries since 1996. Thailand implements the TIS 18000 and Japan, Singapore and India have their own guidelines developed for safety management system. The APOSHO (Asia-Pacific Occupational Safety and Health Organization) with a strong representation from 30 regions in the Asia-Pacific region already developed the AP 1004 standard in draft for its member-regions.

9. Other international standards with a wider scope but include safety as one of the evaluative parameters are: the non-governmental (Social | Accountability SA 8000) and industry-based standard (Quality Standards QS9000 for the 3 big motor manufacturing companies). Both standards cover safety and health issues and bind the suppliers, manufacturer and service providers to attain an acceptable safety & health working environment for their employees. There are initially 8 Hong Kong based companies already obtained the certification on SA8000. There are also the International Safety Management (ISM) Code developed by the International Maritime Organization in 1994 for the safe operation of ships and for pollution prevention. This is the international standard adopted by the Hong Kong shipping industries and shipyards.

10. It is evident that safety management system is an international development supported by well defined and practicable standards. Globalization of economic activities will accelerate the development of safety management systems worldwide. It is almost a standard condition of service for business partners of international corporations to comply with the local safety & health requirements or of specified international standards.

11. Hong Kong is proud of its standing as one of the fastest growing regions in China and worldwide. To maintain our competitiveness and international compatibility, we must be proactive to develop a safety management system placing Hong Kong at par with our counterparts at the international front.

Scope of the Safety Management System suitable for Hong Kong

12. There are a number of safety management systems commonly practiced worldwide: the International Safety Rating System (ISRS) developed by DNV of Norway consisting of 20 process elements; the 5 Star Health and Safety Management System developed by Canada covering an extensive scope of 78 process elements; and the Safety Management Achievement Programme (SafetyMAP) developed by the Health & Safety Organization of Victoria, Australia consisting of 12 process elements.

13. The Council has successfully introduced a safety management system of 14 process elements with scope similar to that of the proposed regulations in the Works Bureau's Independent Safety Audit Scheme since February 1996 and the Housing Authority's Safety Audit Scheme since December 1996. A total of 280 building and construction projects have been involved by end of March 1999.

14. The Council has been appointed as the Scheme Manager for both Safety Audit Schemes which aim to improve the safety performance of public construction projects and housing construction projects. The audit results reflected that 85% contractors took about 9 months to

achieve a satisfactory result of 70% under the Works Bureau's Safety Audit Scheme; and 75% contractors under the Housing Authority's Safety Audit Scheme obtained the satisfactory result of 70% over the same learning period.

15. Two conclusions could be drawn from both Safety Audit Schemes: the 14 process elements as proposed are feasible and effective and the investment period for companies to gain benefits from this safety management system averaged to be 9 months.

Successful Experiences from the Industry and Business Communities

16. The Council has been providing quality consultancy services to the industries and corporations in the past decade. Our experiences in assisting these corporations to establish their safety management system based on the 14 process elements as proposed have been successful. These corporations varied in sizes of establishments including the small & medium-sized enterprises, and nature of business such as container terminal, landfill site, contractors for construction projects, laundry. Results commonly shared by these establishments after implementing the safety management system are a significant reduction in time loss and in premiums on the employees compensation insurance.

17. Facing with a range of safety management systems with varied scopes of work, we learn from our practical experiences that a safety management system with 14 process elements should be optimal and most effective. These 14 process elements are the basic components of the safety management system and are universal regardless of the sizes of establishment and the nature of business.

18. Some leading organizations in Hong Kong fully recognized the benefits of the safety management system and approached the Council with the strong demand to develop a system that is suitable for their respective industries. As such, the Council has initiated a pilot project to develop a safety management system for the member-companies of a plastic and metal industries federation in Hong Kong in 1997. The

Council has selected 10 member-companies of the plastic and metal industries for this pilot study of drafting up a safety management system having 14 process elements. This pilot project attracts support from the Industry Support Fund to encourage technological development and to enhance the competitiveness of local manufacturing industry in Hong Kong.

19. In January 1999, the Council receives invitation from a printing trade association to assist the printing industries in Hong Kong to set up a similar safety management system of their trade. This trade association has a membership of 430, most of which are of small & medium sized establishments in Hong Kong.

20. In their call for Council's assistance to establish the safety management system for their industries, both industry-based organizations are convinced that enhanced safety performance will benefit in better productivity and competitiveness.

Training for qualified Safety Auditors

21. Under the proposed safety management regulation, the proprietor or contractor is required to appoint registered safety auditor to conduct safety audit on the safety management system. The availability of a sufficient number of experienced and qualified safety auditors is instrumental to the overall success of the proposed safety management regulation.

22. Since 1996 the Council has provided professional training in safety auditing. A joint certificate course with the City University of Hong Kong has successfully trained 100 safety professionals as the qualified safety auditors. The Council also conducts a training programme on Safety Auditing as the prerequisite for those who wish to register as safety auditors under the Independent Safety Audit Scheme (ISAS) of the Works Bureau.

23. In developing and managing the ISAS, the Council has established an accreditation scheme for the accreditation of independent safety auditors. These accredited safety auditors (ASA) are responsible to assess the safety management system of the contractors under the ISAS in form of an audit, which is similar to that of the proposed safety management regulation with 14 process elements. To date, 63 safety auditors have been registered under the ISAS and meeting the qualifications as specified in Schedule 1 (Eligibility to be registered as safety auditor) of the proposed regulation. Furthermore, these safety auditors have hands on experience in conducting audit on safety management system since the operation of the ISAS in 1996.

Support for the Small & Medium Sized Establishments

24. Over 90% of Hong Kong business establishments are of small & medium sized. To support and encourage these SMEs to implement safety management system, the Council provides a wide range of services in training programmes, do-it-yourself training kit, consultancy support, and promotional materials.

25. Training programmes targeted for the SMEs are: Health & Safety Management System for Small and Medium Sized Enterprises (2 days) trained over 200 individuals since 1996; the General Safety & Health Management System (3 days) trained about 600 individuals since 1993.

26. The Council is developing a training kit on safety & health management system for the SMEs consisting of practical guide on implementing safety & health management system. Proprietors or management could simply follow the easy to use manuals and electronic base information to establish its own safety & health management system.

Improvement on the Proposed Safety Management Regulation

27. Under Part II of the proposed Safety Management Regulation, the Administration will maintain a public register containing the names and addresses of the registered safety auditors for the purpose of this regulation. To ensure transparency and facilitate access of information by the public, it is proposed to amend Section 3(2) that the register shall be published annually in the Hong Kong Government Gazette and be made available under the homepage of the Labour Department. Such release of information on the registered safety auditors should also in compliance with the Personal Data (Privacy) Ordinance.

28. Under Part VI of the proposed Safety Management Regulation, a disciplinary board will be set up to bear matters on the conduct and competence of the registered safety auditors. Members of the disciplinary board, who are serving the board as a public service, should be protected from any liabilities arising from discharging their duties and functions. If there is no relevant legislation under the Factories and Industrial Undertakings Ordinance or other legislation to cover the board members' legal liabilities, then a provision should be made under Part VI of the proposed regulation to clearly release their legal responsibilities arising from the disciplinary board's activities.

Conclusion

29. Mandatory safety training should be an integral part of all high risk industries to protect the valuable human resources. Making safety training mandatory for the Construction and Cargo and Handling Industry should be the first step towards the right direction.

30. Implementation of Safety Management System is proven to be effective in reducing time loss and enhancing productivity. We had the experience to assist an engineering firm to develop and establish a safety management system. This engineering firm specializes in providing electrical, mechanical and electronic engineering services for the infrastructure development projects in Hong Kong.

31. Successful implementation of safety management system in this engineering firm has made the proprietor a strong advocate of this system. This successful case in improving productivity through implementation of safety & health management system for SMEs will be presented in the Asia Pacific Economic Corporation (APEC) in November 1999 at Bangkok.

32. To quote from this satisfied proprietor who shared his experience with members of the Green Cross Group for benchmarking the best practice in occupational safety and health, during its Inauguration Conference on 10 June 1998:

「我願向那些還未執行職安健制度的公司決策者們保證，你們推行了職安健制度之後，你們都會和我有同樣的體會，慶幸自己做了一個低成本高效益的商業決定。謹以下面三句送給各位：

職安健制度，人人做得到，做好有著數！」

“I am pleased that I have made the commercial decision to establish a safety management system for my company. This is the most cost savings and wise decision I have ever made. I can reassure those top management who has not yet getting started with the safety management system for their companies that *IT WORKS!*” (translation)

附錄
Annex



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