

Improving management leadership

Introduction

1. The commission is recommending new mining regulations and more guidance from a single-purpose and expert regulator. This will provide more help to directors and managers but will also require more of them. To make the changes effective, the board of directors and its managers will need to lead better health and safety performance across their organisations. Chapter 28, 'Improving corporate governance', discussed the contribution required from directors at the governance level and should be read in conjunction with this chapter, which deals with the leadership role of managers. 'Managers' means the chief executive down to the managers responsible for specific functions.
2. This chapter also reviews the role of the statutory mine manager and recommends that the duties be defined. It recommends that the mine manager be given some statutory protection when decisions are made beyond that person's control.

Leading improvements in health and safety performance

Risk management

3. Health and safety should be a core objective of any organisation, not a thing apart or a matter left to the health and safety manager. All employees must take responsibility for health and safety, but especially the managers from whom subordinates take their cues. Managing health and safety risks follows the same principles that apply to managing any other risks faced by the company. Robust risk management systems are essential. The risk of non-compliance with health and safety requirements needs to be identified generally across the work site and in each specific area of operations. The risks should be discussed in both formal and informal forums. The role of the health and safety committee should be clear and supported. As Chapter 30, 'Worker participation', makes clear, involvement of employees is essential.

Actions speak louder than words

4. Managers should demonstrate by their actions that they take health and safety seriously. This is done not only at the formal level, such as developing comprehensive safety management plans and ensuring that progress is reported, but also through the managers' day-to-day behaviour. For example, if managers say that health and safety is important but do not ensure that comprehensive safety systems are operating and do not ensure that all incidents are properly investigated, an appropriate health and safety culture cannot be built.

Management information

5. Management information systems (MIS) are necessary if risks are to be managed. The MIS for health and safety should be based on the health and safety management system, which should identify the crucial information to be reported to confirm the mine is operating safely. The MIS brings that crucial information together and enables trends to be revealed. Performance measures, qualitative and quantitative, should be designed and departures from standards highlighted by the MIS.
6. With modern technology it has never been easier to design good MIS and make the information widely and easily accessible to others, including the workforce and, as required, the directors. Modern MIS allow the information to be

presented at different levels of detail appropriate to the recipient's position. Good MIS avoid excessive reliance on personal communications, important as they are.

Training and guidance

7. There are two straightforward steps managers might take to improve their personal leadership of health and safety. First, if they have not had training in this area, then they should make sure they get it. There are courses tailored for different levels of managers, including chief executives. Second, there are best practice guides available, which contain expert advice for managers on leading health and safety. Much of that advice is about how to demonstrate personal commitment. There is no approved code of practice yet in New Zealand but in the interim managers should consult the best practice guides.
8. The United Kingdom health and safety regulator has issued a useful best practice guide for leading health and safety in high-hazard industries.¹ This recommends that managers commit to detailed actions under four headings:
 - achieving a positive health and safety culture in the organisation;
 - leading by example;
 - ensuring that a range of systems is in place to support first class management of health and safety; and
 - ensuring worker participation.

Approved code of practice needed

9. The New Zealand health and safety regulator should issue guidance, similar to that issued by the United Kingdom, by way of an approved code of practice for managers. The code should be developed at the same time as the approved code of practice already recommended for directors (Recommendation 6).

Strengthening the statutory mine manager's role

The regulations

10. The Health and Safety in Employment (Mining Administration) Regulations 1996 require the employer to appoint someone to manage the mining operation and to personally supervise the health and safety aspects. Employees must comply with the manager's instructions on health and safety. For a mine the size of Pike River, the manager must hold a certificate of competence as a first class coal mine manager.² The mine manager has no detailed responsibilities,³ which has caused confusion for employers and for the inspectorate.

Defining the role

11. The mine manager's responsibilities and functions need to be defined. New Zealand should have regard to the definitions in the Queensland legislation applicable to the site senior executive.⁴ Under the Queensland law, the person in this role has comprehensive obligations, including:
 - ensuring that health and safety risks are acceptable;
 - developing and operating a single safety management system for everyone at the mine;
 - maintaining a management structure that supports health and safety, including documenting the responsibilities and competencies of senior positions;
 - ensuring adequate training of workers;
 - providing for adequate planning, organising, leadership and control of the operation; and
 - supervision of shift operations, monitoring the working environment, procedures, equipment and installations, and inspections of each workplace at the mine.

12. Problems occur when the statutory mine manager with these responsibilities does not have the power to discharge them. For example, the mine manager may wish to buy equipment considered essential for the safe working of the mine but cannot get permission from higher management or the board. In that situation the regulations should require the statutory mine manager to document the proposal and the employer should either accept this or provide a formal response setting out the reasons for not doing so. The concept is similar to that already contained in section 19B(4) of the Health and Safety in Employment Act 1992 regarding recommendations of a workplace health and safety committee. The mine manager should be required to alert the regulator by sending it a copy of the proposal and the formal response.

Recommendation 8:

Managers in underground coal mines should be appropriately trained in health and safety.

Recommendation 9:

The health and safety regulator should issue an approved code of practice to guide managers on health and safety risks, drawing on both their legal responsibilities and best practice. In the meantime, managers should consult the best practice guidance available.

Recommendation 10:

Current regulations imposing general health and safety duties on the statutory mine manager should be extended to include detailed responsibilities for overseeing critical features of the company's health and safety management systems.

- The new regulations should have regard to the Queensland legislation applying to the mine's senior site executive.
- The statutory mine manager should be protected by new procedures requiring disclosure to the regulator when the employer does not accept the manager's proposals for improving health and safety.

ENDNOTES

¹ United Kingdom Health and Safety Executive, Leadership for the Major Hazard Industries: Effective Health and Safety Management, 2004, <http://www.hse.gov.uk/pubns/indg277.pdf>

² Health and Safety in Employment (Mining Administration) Regulations 1996, regs 7, 11.

³ Department of Labour, Pike River Mine Tragedy 19 November, 2010: Investigation Report, [2011], DOL3000130010/240, para. 5.8.3.

⁴ Coal Mining Safety and Health Act 1999 (Qld), ss 42, 55.