



Government of **Western Australia**  
Department of **Mines and Petroleum**  
Resources Safety

## **RESOURCES SAFETY ACHIEVEMENTS AND PERFORMANCE 2011-12**

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# 1 Introduction

The Department of Mines and Petroleum (DMP) is responsible for implementing the State Government's safety reform strategy (also known as Reform and Development at Resources Safety or RADARS). Resources Safety Division is the State's specialist regulator for occupational health and safety in the minerals, petroleum and geothermal energy sectors, and administers legislation for the safe use of dangerous goods.

The services provided by Resources Safety Division include promoting best practice in the areas of occupational health and safety with companies involved in the resources industry. The division provides online quick access to key occupational health and safety matters, presents safety reform to industry through skilled inspectorate interaction and meets with industry in a series of informative roadshow forums.

Significant investment and growth in the mining and petroleum and geothermal energy sectors over the past decade required a proportional response by Government to maintain an appropriate level of safety regulatory services. The resources required to implement the safety reform strategy are funded by means of cost recovery legislation.

For the mining industry this came into effect in December 2009, through levies as defined in the Mines Safety and Inspection Act 1994. For the petroleum and geothermal energy industry this came into effect in January 2012, through levies as defined in the Petroleum and Geothermal Energy Safety Levies Act 2011. Cost recovery in the dangerous goods sector has been through increases in major hazard facility fees and user fees for explosives reserves.

This report details the expenditure of the mines safety and inspection levy, the petroleum and geothermal energy safety levies, and progress of the RADARS strategy.

The form and content of this report was determined in consultation with the Ministerial Advisory Panel which consists of nominees and both employer and employee representative bodies.

## 2 Mining safety and health

### 2.1 Auditing of revenue and expenditure

A Special Purpose Account has been established to hold monies collected via the Mines Safety and Inspection Levy. The monies in this account can only be used for the purpose of paying costs associated with administering the Mines Safety and Inspection Act 1994.

Compliance with this requirement of the legislation and compliance with all other statutory and policy requirements applicable to Government funds is subject to audit by the Office of the Auditor General on an annual basis. In addition, a specific audit of the effectiveness of the change program will be undertaken by an independent party within three to four years of the commencement of the levy.

### 2.2 Income and expenditure statement

The table below shows the income and expenditure against the Mines Safety and Inspection Levy. Full year expenditure figures are reported for the years ended 30 June 2011 and 30 June 2012.

	2010-11 July-June ACTUALS \$'000s	2011-12 July-June ACTUALS \$'000s	2012-13 July-June BUDGET \$'000s
Opening balance	1,932	2,013	6,783
<b>EXPENSES</b>			
Salaries and Superannuation	11,473	14,346	16,113
Training and development	370	39 *	332
Supplies and services	4,104	4,621 *	4,263
Office accommodation	551	660	765
Depreciation	133	419	259
Other expenses	9	43	14
Corporate costs	3,583	4,651	4,699
	<b>20,223</b>	<b>24,779</b>	<b>26,445</b>
<b>INCOME</b>			
Funds raised by Levy	20,304	34,118	19,662
Surplus for the period	81	9,339	
Accumulated surplus	2,013	11,352	

\* In addition to the above, consolidated funding was provided for Training and Development \$342k, Supplies and Services \$168k.

### 2.3 Performance

The following table reports on the work of the mining safety inspectorate during 2011-12. Additional functions are undertaken by the Department to meet its obligations as a safety regulator.

<b>Function or activity</b>	<b>Indicator</b>	<b>Activity</b>	<b>Additional comment(s)</b>
<b>Complaints about workplace health and safety</b>	Number of complaints received and resolved	351 formal complaints dealt with	All complaints resolved within agreed timeframes
<b>Notifiable incidents</b>	Number of incident reports received and processed	2567 notifiable incidents received and entered into the Safety Regulation System (reporting database)	All incident reports processed within agreed timeframe
<b>Investigations</b>	Number of Investigations conducted	153 formal investigations undertaken and finalised. 1 was related to a fatal accident, which occurred during 2011-12	All investigations completed within appropriate timeframes
<b>Inspections and audits</b>	Rate of close-out of Notices issued by inspectors	2438 site inspections carried out. 681 Improvement Notices issued and 435 closed out. 131 site audits carried out. 1772 formal contacts with Safety and Health Representatives by an inspector on site	See note below
<b>Approvals</b>	Technical assessments and response concluded within 30 working days for: - Project Management Plans - Radiation Management Plans - Mechanical, Structural and Geotechnical Engineering	1033 technical assessments and reviews undertaken. This includes: 85 Project Management Plans 17 Radiation Management Plans	All completed within required timeframes
<b>Training</b>	Number of inspectors who have completed scheduled training	61 inspectors completed 801 training events. 238 Certificates of Competency issued	

NOTE: The performance indicators shown in the table above are still under development but figures have been included to provide some guidance in this area. Development work is being undertaken on a comprehensive electronic Safety Regulation System (SRS) with the capacity to record and track the lodgement of activities such as complaints, reports and notifications, and to assist in the management of these activities. Currently, much of the data management is undertaken manually. Once SRS is operational, appropriate targets will be set and reported against.

## 3 Petroleum and geothermal energy safety and health

### 3.1 Auditing of revenue and expenditure

A Special Purpose Account has been established to hold monies collected via the Petroleum and Geothermal Energy Safety Levies. The monies in this account can only be used for the purpose of paying costs associated with administering the Petroleum and Geothermal Energy Safety Levies Act 2011.

Compliance with this requirement of the legislation and compliance with all other statutory and policy requirements applicable to Government funds is subject to audit by the Office of the Auditor General on an annual basis. In addition, a specific audit of the effectiveness of the change program will be undertaken by an independent party within three to four years of the commencement of the levy.

### 3.2 Income and expenditure statement

The table below shows the income and expenditure against the Petroleum and Geothermal Energy Safety Levies. Half year expenditure figures are reported for the year ended 30 June 2012.

	2011-12 January-June ACTUALS \$'000s	2012-13 July-June BUDGET \$'000s
Opening balance		
<b>EXPENSES</b>		
Salaries and Superannuation	1,287	4,084
Training and development	11 *	162
Supplies and services	82 *	981
Office accommodation	14	34
Depreciation	21	19
Other expenses	4	0
Corporate costs	559	1,557
	<b>1,978</b>	<b>6,837</b>
<b>INCOME</b>		
Funds raised by Levy	2,403	6,837
Surplus for the period	425	
Accumulated surplus		

\* In addition to the above, consolidated funding was provided for Training and Development \$27k, and Supplies and Services \$463k.

### 3.3 Performance

The following table reports on the work of the petroleum safety inspectorate for the half year ended 30 June 2012. Additional functions are undertaken by the Department to meet its obligations as a safety regulator.

<b>Function or activity</b>	<b>Indicator</b>	<b>Activity</b>	<b>Additional comment(s)</b>
<b>Investigations and reviewed investigations</b>	Number of Investigations and investigations reviewed	0 formal investigations undertaken. 18 investigations reviewed.	All investigations reviewed within appropriate timeframes
<b>Audits</b>	Number of audits conducted by inspectors	20 audits completed or reviewed.	See note below
<b>Safety Case</b>	Safety Case assessments - New	14 new safety case assessments completed.	All completed within required timeframes
<b>Safety Management System</b>	Safety Management System assessment – New	44 new safety management system assessments completed.	All completed within required timeframes
	Safety Case / Safety Management System assessment – Revised	18 revised safety case / safety management system assessments completed	All completed within required timeframes
	Safety Case / Safety Management System assessment - Maintenance	36 maintenance safety case / safety management system assessments completed	All completed within required timeframes
<b>Training</b>	Number of inspectors who have completed scheduled training	18 inspectors completed 117 training events.	

NOTE: The performance indicators shown in the table above are still under development but figures have been included to provide some guidance in this area. Development work is being undertaken on a comprehensive electronic Safety Regulation System (SRS) with the capacity to record and track the lodgement of activities such as complaints, reports, and notifications, and to assist in the management of these activities. Currently, much of the data management is undertaken manually. Once SRS is operational, appropriate targets will be set and reported against.

## 4 Dangerous goods

### 4.1 Performance

The following table reports on the work of the dangerous goods safety inspectorate during 2011-12. Additional functions are undertaken by the Department to meet its obligations as a safety regulator.

Function or activity	Indicator	Activity	Additional comment(s)
<b>Investigations</b>	Number of investigations conducted	101 formal investigations undertaken and finalised.	All investigations completed within appropriate timeframes
	Number of major hazard facility (MHF) investigations reviewed	30 major hazard facility investigations reviewed.	
<b>Inspections and audits</b>	Number of inspections conducted	818 site inspections conducted.	See note below
	Number of audits conducted	33 site audits conducted.	
	Number of audits (MHF) reviewed	8 major hazard facility audits reviewed.	
<b>Technical assessments and reviews</b>	<ul style="list-style-type: none"> <li>- DG licence applications or amendments</li> <li>- Exemption requests</li> <li>- Explosives / fireworks authorisations</li> <li>- Explosive licence applications or amendments (all types)</li> <li>- Explosives management plans</li> <li>- Fireworks display permit applications</li> <li>- MHF screenings</li> <li>- Security plans (SRS)</li> <li>- Port Special berth approvals</li> <li>- Transport container design approvals</li> <li>- Training courses and exemption requests</li> </ul>	605 technical assessments and reviews undertaken.	All completed within required timeframes
<b>MHF Safety Report assessments - New/Update</b>	Number of new/updated MHF safety report assessments conducted	4 safety report assessments conducted.	All completed within required timeframes
<b>Training</b>	Number of inspectors who have completed scheduled training	22 inspectors and explosives reserves officers and graduate officers were provided with 74 training opportunities.	

NOTE: The performance indicators shown in the table above are still under development but figures have been included to provide some guidance in this area. Development work is being undertaken on a comprehensive electronic Safety Regulation System (SRS) with the capacity to record and track the lodgement of activities such as complaints, reports, and notifications, and to assist in the management of these activities. Currently, much of the data management is undertaken manually. Once SRS is operational, appropriate targets will be set and reported against.



## 5 Achievements

The State Government's safety reform initiative addresses how Resources Safety, as the regulator, works with industry to reduce serious accidents across its three safety regulatory areas — mining and exploration, petroleum and geothermal energy, and dangerous goods.

To save lives and reduce injuries, industry, the regulator and employees must work together to make the necessary cultural changes. While extra safety regulatory resources and legislation are essential, significant reductions in incidents can only be achieved if a resilient safety culture is encouraged and maintained across the mining sector.

The approach to safety regulation presents a balance between promoting safety outcomes, monitoring compliance and enforcement that aims to improve the delivery of regulatory services. It focuses on how the department, as a regulator of high-risk industries, can go beyond compliance monitoring to encourage duty holders to improve their management of risk, independently of the issue of compliance. In other words, the safety reform strategy addresses how Resources Safety can improve its effectiveness, and adopt "best" or "leading" practice.

### **Teams established for Mines Safety**

A major initiative under the safety reform strategy for Resources Safety has been the adoption of a team approach for the mines inspectorate to provide a spread of experience and expertise within the teams of inspectors assigned to particular regions or activities.

The establishment of teams has led to more effective delivery of regulatory services. Sites are typically visited by two to three inspectors with complementary disciplines to add value and reduce duplication.

### **Building competency in safety regulation**

A competency based development program has been implemented for new and existing staff, with training leading to nationally recognised qualifications. These qualifications enable the inspectorate to provide an assurance of quality and consistency in the delivery of services. A similar intensive program has been developed for petroleum safety inspectors, and for dangerous goods officers.

### **Petroleum and Dangerous goods recruitment and ARI**

The revenue generated by the Petroleum and Geothermal Energy Safety Levies, and fees collected for major hazard facilities and explosives reserves, will enable Resources Safety to fund existing activities, as well as expanding services through the recruitment of specialist safety and risk analysts and inspectors.

### **Industry consultations**

In October 2011, Resources Safety took the seventh annual Mines Safety Roadshow series to Perth and the regional centres of Port Hedland, Karratha, Newman, Bunbury and Kalgoorlie. There were about 500 industry participants. Mental health and its impact on safety outcomes in the workplace was a focus of the program. Presenters from the Australasian Centre for Rural and Remote Mental Health (ACRRMH) led the workshop.

In December 2011, about ninety industry representatives attended the fourth annual Exploration Safety Roadshow series presented by Resources Safety in Kalgoorlie and Perth. A key objective of the roadshow was to consult with industry on the proposed structure and content of the draft code of practice on mineral exploration drilling before its formal release for public comment in 2012.

### **Internal focus groups**

The 2011-12 operational plan included the development of structured approaches to key industry issues through the work of focus groups and inspectorate teams using evidence-based risk management methodologies.

Eleven focus groups were established covering:

- Safety and health representatives
- Mechanical engineering
- Electrical engineering
- Mining – Underground
- Mining – Open pit
- Mineral processing
- Geotechnical
- Health and hygiene
- General OHS (including construction)
- Automation
- Mining safety and health culture.

Each focus group has identified key priorities and is formulating the inspectorate's safety compliance strategies using a project management approach. The aims are to establish a consistent framework for the inspectorate's work across the State, and achieve relevant and effective outcomes from operational activities.