

Workplace Health and Safety Undertaking

Workplace Health and Safety Act 1995

Undertaking to the Chief Executive, Department of Industrial Relations given for the purposes of Section 42 of the *Workplace Health and Safety Act 1995*

by

BRB Modular Pty Ltd ABN: 78 114 678 349

Background

1. BRB Modular Pty Ltd is the manufacturing division of Bendigo Relocatable Buildings Pty Ltd. Bendigo Relocatable Buildings Pty Ltd commenced manufacturing buildings in 1982 prior to the commencement of BRB Modular Pty Ltd.
2. In 2005 BRB Modular Pty Ltd commenced the construction of relocatable buildings for commercial and domestic applications with major clients in Queensland, New South Wales and Victoria.
3. BRB Modular Pty Ltd employs 125 employees currently at its Queensland and Victorian plants.

Incident

4. On the 26 July 2006 the roofing team were lifting roof sections by crane on to the wall columns. Acro props were supporting two corners of the roof. The Acro® props were not screwed to the floor before releasing the weight from the crane onto them. The dogman gave the crane driver the all clear to release the weight. As the Acro® prop was not fixed it fell sideways causing the roof to fall and hit a worker's leg.
5. The crane was still connected to the roof, so the driver immediately lifted the load so the injured worker could be freed. The weight of the load broke the injured worker's leg and the falling Acro® prop hit a co-worker's hard hat as it fell.

Acknowledgment

6. It is acknowledged that Workplace Health and Safety Queensland have alleged that BRB Modular has contravened the provisions of the *Workplace Health and Safety Act 1995*. These allegations are considered very serious and BRB Modular has conducted its own investigations into both the incident itself and the necessary remedial measures required to ensure there is no repetition of the incident.

Alleged contravention

7. It is alleged by Workplace Health and Safety Queensland that on 26 July 2006, at Crestmead, BRB MODULAR PTY LTD failed to ensure that the workplace health and safety of each of the person's workers was not affected by the conduct of its business or undertaking. The hazard is alleged to have emanated from the system of work adopted in operating plant, namely a crane, to lift a load, namely a section of roof on a modular building, such system permitting workers to work in close proximity to a load being moved by the crane into position.

Statement of regret

8. BRB Modular Pty Ltd and its Directors, sincerely regret that this incident has occurred. We pride ourselves in the fact that we are a caring company that treats all staff as part of our family. We do not want to be seen as not taking care of their safety as it is always a major concern.

Assurance about future behaviour

9. In furtherance of its policy of preventing all injuries in the workplace, BRB Modular Pty Ltd will take all proactive steps necessary to prevent any further incidents of this nature occurring again. In particular, it is committed to ensuring that any breach of the *Workplace Health and Safety Act* as alleged by Workplace Health and Safety Queensland will cease, and through the upgrading of procedures, will not occur again.

Terms of undertaking

10. As a result of the incident which occurred, BRB Modular is committed to ensuring that its safety management system is elevated to a system of "best practice".
11. Since the incident BRB Modular have engaged an External Safety Consultant Company to carry out a full audit of BRB Modular's current Safety Management System to ascertain what areas of the current system fall short of industry best practice, and obtain a full report from that External Safety Management Company identifying those short comings and prioritise their need for upgrade.
12. The consultant is to ensure our staff is trained in all areas of OH&S and that their knowledge of the system and their skills are very good. This firm will do random checks in our factory and on our sites on a continual basis to ensure that what we say is to be done is being done by all staff.
13. This will be completed within two years of the Undertaking.

Approx. Cost: \$40,000.00 per annum Total cost: \$80,000

OHS Management System Audits

14. BRB Modular shall commit to third party auditing of the workplace against, AS/NZS 4801:2001 *Occupational Health and Safety Management Systems*. An initial audit shall be undertaken within three months of signing of the undertaking. A further two audits of the workplace against the above standard shall then be undertaken. The first of these audits will be undertaken within 12 months of receiving the initial audit report with the second audit undertaken within 24 months of receiving the initial audit report.
15. Auditors selected to perform these OHS management system audits will be certified by a certification body accredited by JAS-ANZ to ISO/IEC 17024:2003 General Requirements for bodies operating the certification of persons. Auditors listed on the RABQSA OH&S Auditor Register would meet this standard.
16. Audit reports shall be forwarded by the auditor to the company, with a copy sent by the company direct to the Executive Director, Workplace Health and Safety Queensland.
17. Within 30 days of receipt of the auditor's written report applicants are to advise the Executive Director, Workplace Health and Safety Queensland of their intended action in addressing each of the report's recommendations.
18. BRB Modular will, within six months, fully implement the recommendations resulting from the OHS management systems audits, unless exempted by the Chief Executive of the Department of Employment and Industrial Relations as being unreasonable.

**As above approx. Cost: \$10,000.00 originally then approx \$3,000.00 per audit
Total Cost \$19,000**

Benefits to Workers

19. Comprehensive OH&S Training will be given to every staff member, currently 37 in Queensland and 85 in Victoria, along with elected Employee OH&S Representatives to work with management and staff to improve workplace safety and improve consultation mechanisms.
 - The Queensland Branch Manager will undertake and complete a Workplace Health and Safety Officer Course with an accredited trainer.
 - Each Team Leader will have as a minimum a Level 3 First Aid certificate. The course will be undertaken with an accredited trainer
 - Each Staff member will be given training in safe work practices, and the safe use of plant and equipment.
20. This training will be given in a variety of ways – Accredited training providers, Additional courses will be undertaken by some staff to gain further qualifications – eg. Forklift Licences, Escort Drivers Licences, Working on boom lift etc. This will increase their knowledge of their trade as well as make them more aware of OH&S issues.
21. BRB Modular Managers who have been trained in Workplace Health and Safety will go through Safe Work Method Statements training, Training Videos will be shown at staff

meetings, Team Leaders will do Tool Box talks at least 3 times a week on various tasks that are undertaken to stress the safe way of doing the task.

22. The training referred to in paragraphs 20, 21 and 22 shall be provided within 12 months of the commencement of this Undertaking.
23. As an incentive to assist in improving the safety culture within the workplace in line with BRB Modular's upgrade of its safety management system, BRB Modular will introduce an award system within 2 months of the acceptance of this Undertaking where an employee will be rewarded each month for safe work practices or for advising on a method to improve a work practice which in turn will improve safety.

Approx. Cost: \$60,000.00 per annum in Queensland Total Cost \$120,000

Benefits to Relevant Industry

24. BRB Modular have commenced a contractor management program which is targeted at improving OH&S system management for all its contractors and this is supported by training programs for contractors to provide on-ground-support to them with access to consultancy advice in a partnership approach to encourage an improvement in the OH&S systems and site safety for all contractors employed by BRB Modular. This contractor management program will be completed within twelve months of the commencement of this Undertaking.

Approx. Cost: \$15,000

Benefits to the General Community

25. An undertaking will be given that for the first year of the Enforceable Undertaking and the following 2 years we will donate \$2,500.00 on the first of June and again on the first of December to a Special Needs School in the local area.

Total Cost \$15,000

Other Terms

26. Whilst BRB Modular is not a publicly listed company, it undertakes to publish a copy of this Undertaking to all staff via the staff Notice Board to ensure that they are aware of the terms of the Undertaking and the steps being taken by BRB Modular to improve safety management on each of its sites.

Compliance with Terms of the Undertaking

27. BRB Modular Pty Ltd acknowledges that the Department will conduct a series of audits to ensure BRB's compliance with the terms of this undertaking. The following compliance audit schedule is agreed:

- i) First compliance audit is to be conducted within six months of the acceptance of this undertaking;
- ii) Second compliance audit is to be conducted within eighteen months of the acceptance of this undertaking;
- iii) Third (final) compliance audit is to be conducted within thirty months of the acceptance of this undertaking;

28. BRB Modular acknowledges its responsibility to cooperate with the Department's Compliance Auditor and will ensure relevant material (evidence of compliance) will be available. BRB Modular understands that the cost of these compliance audits will be met by BRB Modular Pty Ltd, and is detailed at Clause 30 (iii).

29. BRB Modular acknowledges that the Department may initiate additional compliance audits as considered necessary, at the Department's expense.

Costs

30. The following costs (in addition to those outlined above) will be met by BRB Modular:

- i) Investigation Costs in the amount of \$1,500.00 (ONE THOUSAND FIVE HUNDRED DOLLARS), representing the reasonable investigation costs arising out of the incident.
- ii) Consideration costs of \$800.00 (EIGHT HUNDRED DOLLARS).
- iii) Compliance Auditing and Regulatory Monitoring costs of \$2,136.00 (TWO THOUSAND ONE HUNDRED AND THIRTY SIX DOLLARS) representing costs to the department in auditing and monitoring compliance with the terms of this undertaking
- iv) Costs of \$2,000.00 (TWO THOUSAND DOLLARS) being the costs to the Department in publishing the "Notice of Acceptance."

31. The total amount of \$6,436.00 will be due for payment 30 days after receipt of the Department's invoice.

32. EU Cost Summary Table

Total value of workplace benefits	\$219,000.00
Total value of industry benefits	\$15,000.00
Total value of community benefits	\$15,000.00
DEIR recoverable costs	\$6,436.00
Sub Total	\$255,436.00
Sub total rounded down to nearest \$1,000	\$255,000.00
Minimum Agreed Spend	\$255,000.00

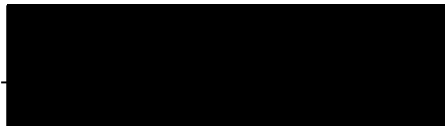
33. The estimated value of this undertaking is \$255,000.00 including departmental costs. BRB Modular Pty Ltd is committed to investing a minimum of \$255,000.00 on this undertaking which will significantly enhance the company's safety systems and provide benefits to industry and the community. Accordingly, if the 'actual' total expenditure associated with delivery of the undertaking is less than \$255,000.00, the cost difference will be spent as follows:

- a. Additional staff training will be given to all levels of staff to increase their knowledge of both their trade and the OH& S requirements for that new role. This training will be out sourced in most cases.

34. This undertaking will be deemed to be formally concluded when the Chief Executive confirms in writing that the undertaking has been satisfactorily executed.

APPROXIMATE VALUE OF THE UNDERTAKING IS 255,000.00 including departmental costs.

Dated at MELBOURNE this 12TH day of JANUARY 2008

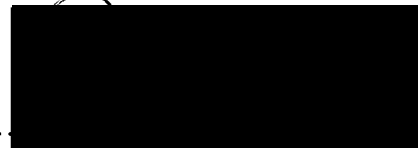


Joy McNamara

Director

ACCEPTED BY THE CHIEF EXECUTIVE, DEPARTMENT OF INDUSTRIAL RELATIONS PURSUANT TO SECTION 42E OF THE

WORKPLACE HEALTH AND SAFETY ACT 1995.



Peter Henneken

Director-General, Department of Industrial Relations

Dated at BRISBANE this 23RD day of JAN 2008