

Work Health and Safety (“WHS”) Undertaking given to the Executive Director, Safework SA  
**By**

**Macmahon Contractors Pty Ltd (“Macmahon”)**

**ACN 007 611 485**

## Section 1 – General information

### GI(a) details of the person proposing the undertaking

Street address	15 Hudswell Road, Perth Airport, Western Australia, 6105
Mailing address	As above
Telephone	(08) 9232 1000                      Mobile: +61 438 919 216
Email address	cosec@macmahon.com.au
Legal structure	Body Corporate
Type of business	Mining and engineering contractor
Commencement date	31/05/1993
Workers	Full time: 734 in Australia, 762 overseas    Part Time: 10    Casual: 18    Total: 1524 (all as at 31 May 2016 and subject to change).
Products and services	Macmahon provides mining and construction services to clients throughout Australia

### Comments

Macmahon is part of an Australian corporate group that provides mining and construction services throughout Australia, and in South East Asia and Africa.

In South Australia, Macmahon has mainly been involved in construction projects. Macmahon sold the majority of its construction business in 2012, and as a result Macmahon no longer has an operational presence in South Australia. However, a sister company of the defendant, Macmahon Mining Services Pty Ltd performs work in South Australia and is therefore the entity that would implement the work described in this undertaking that relates to South Australia.

In November 2010 Macmahon entered a joint venture with Leed Engineering and Construction Pty Ltd and John Holland Pty Ltd for the purpose of a roadway construction project called the Urban Superway Joint Venture ('the Urban Superway'). The joint venture contracted with Fix Force (QLD) Pty Ltd in October 2011 to perform work including the steelfixing of reinforcement cages. This work involved slicing and welding of steel reinforcing mesh. The injured worker was an employee of Fix Force.

The joint venture leased a workshop at 425 Grand Junction Road Wingfield. Fix Force worked at this location.

Steel reinforcing mesh is used for precast concrete. In order to slice the mesh, Fix Force

used two slice tables. Each slice table included a welding table and a hydraulically powered steel lifting arm. Prior to and during the incident, each slice table had an exclusion zone painted on the ground, which indicated the area where workers were not to stand when the hydraulic arm on the slice table was active.

When the lifting arm on the slice tables was to be operated, the operator would call 'table down' and would receive 'table clear' from the other members of the crew. The operator would then move the lifting arm.

#### GI(b) the details of the alleged contravention

The regulator has alleged that Macmahon has committed one offence on 22 October 2012:

1. An offence pursuant to section 4(2) and contrary to section 19(1) of the *Occupational Health, Safety and Welfare Act 1986* (the OHSW Act), in that it failed to provide and maintain, so far as was reasonably practicable, a safe system of work, in that it:
  - a. Failed to conduct an adequate and compliant hazard identification, risk assessment and control of risk process, in accordance with regulatory requirements, in relation to the slice tables;
  - b. Relied upon administrative control measures to eliminate or minimise the risk of the employee being struck or crushed by the movement of the lifting arm of the slice tables.
2. It failed to provide and maintain so far as was reasonably practicable, plant in a safe condition, in that it:
  - a. Failed to ensure that the slice tables were surrounded and separated by an interlocked distance guard in the form of a fence, which prevented or minimised any access to the hazardous area around the slice tables during movement of the lifting arm.

#### GI(c) details of the events surrounding the alleged contravention, e.g. incident details

The joint venture contracted with Fix Force (QLD) Pty Ltd in October 2011 to perform work including the steelfixing of reinforcement cages. On 22 October 2012, the injured worker, a Fix Force (Qld) Pty Ltd employee, was working at one of the slice tables in the workshop. After completing the necessary work, the injured worker went to the other slice table to assist the worker there. Whilst performing work on that slice table, the injured worker noticed a piece of steel out of place on the table. The injured worker signalled to the operator of the hydraulic arm, by raising an arm and shouting, that the injured worker would enter the exclusion zone to adjust the steel. Whilst the injured worker was in the exclusion zone, the hydraulic arm continued to operate; it struck the injured worker and forced the injured worker's face onto the bench top. The injured worker suffered facial injuries and was transported to hospital via ambulance.

Macmahon did not have a physical presence at the site of the incident, but had leased the site as part of the joint venture. The joint venture engaged Fix Force to perform steelfixing work at the site.

Fix Force have been prosecuted in relation to this incident. See *Boland v FixForce (Qld) Pty Ltd* [2016] SAIRC 16.

GI(d) an acknowledgement that the regulator has alleged that a contravention has occurred

It is acknowledged that the regulator has alleged that Macmahon has contravened sections 4(2) and 19(1) of the OHSW Act.

GI(e) the details of any injury that arose from the alleged contravention

The injured worker sustained facial injuries including multiple facial fractures.

GI(f) the details of any enforcement notices issued that relate to the alleged contravention

Notices received:

☒ No ☐ Yes (provide details)

All prohibition and improvement notices issued in relation to the incident were issued to Fix Force.

GI(g) a statement of assurance about future work health and safety behaviour

Macmahon is committed to discharging its obligations under the WHS Act and this commitment is reinforced by:

- the rectifications referred to in section GI(m) below; and
- the undertakings made within this document.

When an alleged contravention is associated with an injury/illness

GI(h) The details of the type of workers' compensation provided (if the injured person is a worker of the person)

N/A

GI(i) details of the support provided to the injured person to overcome the injury/illness

The injured person is:

- an employee of the entity ☐
- a self-employed person ☐
- other (please specify) ☒

1	<p>An employee of a subcontractor</p> <ul style="list-style-type: none"> <li>• not applicable <span style="float: right;"><input type="checkbox"/></span></li> </ul>
<p>Support provided to the injured person/s or injured person/s family:</p> <p>Macmahon did not provide any support directly to the injured worker. Soon after the incident, Macmahon sold its share in the Urban Superway and no longer had a presence in South Australia.</p>	
<p>GI(j) if the matter involves a fatality or very serious injury<sup>2</sup>, a claim to demonstrate that exceptional circumstances exist so the WHS undertaking can be considered</p> <p>Does the contravention involve a fatality or very serious injury?</p> <p style="text-align: center;"> <input type="checkbox"/> Yes         <span style="margin-left: 100px;"><input checked="" type="checkbox"/> No</span> </p>	
<p>GI(k) the details of any existing occupational health and safety management systems at the workplace including the level of auditing currently undertaken</p> <p>As noted above, Macmahon sold the majority of its construction business in 2012. The company's interest in the Urban Superway Joint Venture was one of the assets included in the sale. Macmahon is therefore unable to speak to the health and safety management systems now used at that workplace, or the level of auditing now undertaken there. However, Macmahon has an extensive health and safety management system for its current operations.</p> <p>The integrated management system means that health, safety, environment and quality (HSEQ) requirements are considered during all phases of the business process from business planning and the tendering of projects to project decommissioning.</p> <p>Macmahon HSEQ Management System, is designed on the principles of continual improvement and adopts the methodology of "Plan, Do, Check and Act". Specifically, this involves:</p> <ul style="list-style-type: none"> <li>a. planning and preparation including the necessary information and instruction;</li> <li>b. fit for purpose plant, equipment and facilities;</li> <li>c. competent personnel; and</li> <li>d. effective change management.</li> </ul> <p>Macmahon's HSEQ Management System has been independently certified by NCS International (a third party certification body) issued under Certification Number 8263 as meeting the requirements of the following international management system standards:</p> <ul style="list-style-type: none"> <li>a. ISO 14001:2004 (Environment);</li> </ul>	

<sup>2</sup> An injury that has caused nervous system damage liable to lead to mental incapacity or permanent restriction of mobility or involves a major amputation of a limb or parts of the body, for example, amputation above the knee or elbow.

- b. OHSAS 1801:2007 and AS/NZS 4801:2001 (Health and Safety); and
- c. ISO 9001:2008 (Quality).

Macmahon's HSEQ Management System is fully described in the document titled 'HSEQ Management Standards (G-097)'.

Key documents within the HSEQ Management System include the following:

- (a) Macmahon's Safety and Health Policy (G-047).
- (b) The Safety and Health Policy is an overarching document which establishes Macmahon's commitment to safety and health as an integral part of its everyday activities. The priority is ensuring that the safety and health of Macmahon's employees, contractors, visitors and stakeholders is a priority in its efforts to achieve an injury free work environment.
- (c) Under the Safety and Health Policy Macmahon commits to:
  - (i) Preventing and eliminating work related injury and illness;
  - (ii) Providing a safe and healthy working environment for its people, subcontractors and visitors together with the wider community and members of the public on whom Macmahon's activities may impact;
  - (iii) Establishing, implementing and maintaining Macmahon's Occupational Health and Safety Management Systems in accordance with AS/NZS 4801 and OHSAS 18001; and
  - (iv) Continual improvement.
- (d) Macmahon's Critical Risk Standards (CRS).
- (e) Macmahon's Critical Risk Standards (CRS) system is fully described in the document titled 'Macmahon Critical Risk Standards' (G-367).
- (f) The CRSs have been developed to provide a basis for responding to challenges at all levels of the Macmahon business. They provide a means of addressing the requirements of our clients whilst allowing sufficient flexibility to accommodate differing demands. It is intended that the CRSs will at all times conform to relevant legal instruments and industry best practice.
- (g) Current CRSs within Macmahon are:
  - (i) CRS 1 Risk and Change Management;
  - (ii) CRS 2 Design, Construction And Commissioning;
  - (iii) CRS 3 Emergency Preparedness, Response And Crisis Management;
  - (iv) CRS 4 Management Of Subcontractors, Contractors, Service Providers And Visitors;
  - (v) CRS 5 Plant And Equipment Specifications, Integrity And Maintenance;
  - (vi) CRS 6 Mobile Vehicle And Pedestrian Interaction;
  - (vii) CRS 7 Mobile Vehicle, Plant And Equipment And Operation;
  - (viii) CRS 8 Hazardous Materials Management;

- (ix) CRS 9 Ground Control And Geotechnical Matters;
- (x) CRS 10 Electrical Safeguard;
- (xi) CRS 11 Isolation Of Energy Sources;
- (xii) CRS 12 Risk Of Fall;
- (xiii) CRS 13 Permits To Work;
- (xiv) CRS 14 Fitness For Work;
- (xv) CRS 15 Lifting Operations; and
- (xvi) CRS 16 Explosives.

(h) Additionally, there are a number of policies and procedures regarding training, risk identification and management, and supervision and monitoring to ensure safety compliance. Examples of these are set out below.

#### **Training and Development Policies and Procedures**

Macmahon's Training and Development (Staff & Wages) Procedure (G-712) and its Training and Development Policy (G-556) are aimed at ensuring that employees have sufficient knowledge and competency based skills to perform their roles safely and in compliance with all legislative obligations.

Training for the Macmahon workforce and contractors consists (at a minimum) of HSEQ induction training, HSEQ awareness training, toolbox training and task-specific training. Task-specific training is required before staff and sub-contractors can commence high risk activities or work in environmentally sensitive areas. It is part of the role of HSEQ Manager to determine which activities and which personnel require task-specific training.

It is the intention that personnel with specific safety and supervisory responsibilities receive additional training on conducting safety and health investigations and change management.

In addition to specific training, Macmahon has a procedure in place to ensure that employees are involved in the consultation process associated with safety and health issues. These procedures are described in Macmahon's Consultation, Communication and Interface Procedure (G-207).

#### **Risk Assessments**

Macmahon conducts risks assessments in accordance with a number of policies and procedures, including the following:

- (a) Health, Safety and Environmental Risk Management Procedure (G-495), which outlines the requirements for the assessment of health, safety and environmental risks on Macmahon's projects.
- (b) Job Safety and Environmental Analysis (JSEA) Procedure (G-606), which provides guidance on the risk assessment process associated with the completion of the JSEA.
- (c) Mac 5 Procedure (G-796), which provides employees with instructions on how to use the Mac 5 hazard identification and risk assessment tool.

If risks are identified, they are analysed and control measures developed. Monitoring of these action items are made possible via outstanding action reports generated from Incontrol. Incontrol is a safety and HR computer database in

which safety, training and personal details are recorded.

As part of its risk management systems, Macmahon supervises and monitors the performance of its personnel, in accordance with the following procedures:

- (a) HSEQ Monitoring and Measurement Procedure (G-499), which defines the requirements for HSEQ monitoring and measurement and ensures that performance conforms to planned requirements and meets customer and relevant legislative and other requirements; and
- (b) Non-conformance and Corrective Action Procedure (G-450), which ensures any non-conformity is identified and corrective and preventative action taken to eliminate the non-conformity and its cause.

In addition to formal supervision and monitoring, Macmahon engages in a number of "hands on" activities aimed at ensuring its personnel are conducting their work in accordance with the applicable procedures and safely. Examples include the following:

- (a) Surface Mining Infield Leadership Observation Procedure - this is a procedure whereby one person observes another person performing a task or complying with a safety requirement. Observations are recorded in the Surface Mining Safe Act Observation Form, along with the associated training presentation. Observations can be made about any of the following:
  - (i) Personal protective equipment;
  - (ii) Positions of people;
  - (iii) Tools and equipment;
  - (iv) Procedures;
  - (v) Housekeeping; and
  - (vi) Driving.
- (b) Hazards Hunts - a team-based activity that is used for identifying hazards in a group setting for either a specific workplace or for specific categories of hazards.
- (c) Task Observations – are planned activities that require the observation of employees in the workplace whilst they are engaged in a particular task; comparing the actions undertaken by the employee to the procedure or work standard in place for that particular task. The purpose of this process is to identify hazards and gauge employee understanding and compliance to procedures and safe work instructions. Observations can also identify opportunity for improvement or mentor and coaching opportunities.

#### **Auditing system**

Macmahon's HSEQ Management System is supported by a system of internal audits to ensure compliance with ISO certifications. Macmahon's many HSEQ audits (which are performed both internally and by external experts) include third party HSEQ Variance/Surveillance Audits, which are completed six-monthly for certification to AS 4801:2001 and OHSAS 18001:2007.

Macmahon's projects are reviewed and audited in accordance with a number of policies and procedures, including Auditing & Compliance Management Standard (G-505), Quarterly Project Managers Risk Based Safety Review (G-205) and the Layered Audit Procedure (G-940).

Other initiatives to encourage safety

Macmahon develops annual HSEQ Strategic Business Plans to improve safety performance. Initiatives and improvements within the last three years include the following:

- (a) Safe System of Work program targeting supervisors and their understanding of the four key components that are essential in controlling day to day hazards and risks associated with work activities - Planning, Equipment, People and Change;
- (b) Leadership training of supervisors within three months of being promoted or joining the company was an initiative presented in March 2013 by Ms Angie Young;
- (c) Incident Investigation Program targeting HSEQ professionals and their understanding of the basic investigative techniques;
- (d) HSEQ leadership training delivered to all line and senior managers and a Leaders Guide issued to all existing and future leaders. This strategy was presented in March 2013;
- (e) Injury management and return to work training provided to all supervisors and line managers across the organisation;
- (f) Quarterly high level CRS audits and risk reviews conducted on a sample of projects within business units during the year;
- (g) In early 2013 the MacStart Induction was introduced to support the Christmas Creek 2 ramp up of over 700 personnel in under two months. The MacStart program was intended to be a trial which could then be duplicated in other states. The business did not stipulate that all personnel were to attend the MacStart training induction due to the cost and issues around mobilising all inductees to the Perth office for the Induction. The Macstart program has however been rolled across the business in an online format and includes the following components:
  - (i) Manual handling awareness;
  - (ii) Fatigue management;
  - (iii) Mac 5;
  - (iv) Job Safety and Environmental Analysis / Hazard ID; and
  - (v) Extreme conditions awareness.
- (h) Personnel are also provided with additional PowerPoint training regarding "Slips, Trips and Falls".

Copies of the documents referred to in GI(k) have been produced to the regulator.

GI(l) a statement of regret (i.e. not an admission of guilt)

Macmahon sincerely regrets that the incident occurred and has taken, and will continue to take, such steps as are necessary to ensure that such an incident or a similar incident does not occur again.

GI (m) any rectifications made as a result of the contravention

As referred to in GI(i) above, Macmahon sold its share in the Urban Superway and the majority of its construction business in late 2012. However, Macmahon is of the belief that Fix Force or other parties to the Urban Superway made the following rectifications:

- Hard barrier fencing was erected to fully enclose the slice table area;
- Red light and siren fitted to the lifting arm control switch system;
- Electric 'gate open' circuit breaker fitted to area entry gates, which shut down hydraulic pump system if gate was opened when arm was in operation;
- New warning and hazard sign installed;
- Table lifting arm descent rate slowed to 10 seconds; and
- Table lifting arm painted hi-vis yellow.

GI(n) an acknowledgement that the WHS undertaking may be published

Macmahon acknowledges that this undertaking document will be published on the regulator's internet site and may be referenced in the regulator's publications.

It is also acknowledged that a public notice of the undertaking may be published in newspapers and other media as determined by the regulator.

GI(o) a statement of ability to comply with the terms of the undertaking

Macmahon declares that it has the ability to comply with the financial and other terms of this undertaking document.

GI(p) the person may be required to provide a statutory declaration

The regulator has requested a statutory declaration outlining details of any prior WHS convictions<sup>3</sup> or findings of guilt under WHS legislation or WHS-related legislation?

Yes ☐

No ☒

<sup>3</sup> Subject to any local legal constraints such as spent conviction legislation.

The statutory declaration is attached (if applicable)

Not Applicable

Yes ☐

No ☐

**GI(q) Acknowledgment of WHS undertaking overview and guidelines**

Macmahon has read and understood:

*Enforceable undertakings – an overview* version 1 dated December 2012; and

*Enforceable undertakings-guidelines for proposing a WHS undertaking* version 1 dated December 2012.

**Section 2 – Mandatory Terms**

**MT(a) A commitment that the behaviour that led to the alleged contravention has ceased and will not reoccur**

Macmahon is committed to ensuring that the behaviour that led to the alleged contravention has ceased and will not recommence.

Macmahon has already taken steps to prevent any recurrences of incident of a similar nature (see section GI (m) above).

Macmahon is committed to complying with all its obligations under the WHS Act.

**MT(b) A Commitment to the ongoing effective management of WHS risks**

Macmahon is committed to the ongoing effective management of WHS risks. This commitment is evidenced by:

- The steps taken to prevent any recurrences of similar incidents (see section GI(k) above);
- The undertakings contained within this document; and

- The commitment to maintaining an OHSMS as described in section GI(k) above which satisfies the principles of AS/NZ 4804:2001 Occupational health and safety management systems – General guidelines on principles, systems and supporting techniques.

MT(c) A commitment to disseminate information about the undertaking to workers, and other relevant parties, and in the annual report (if applicable)

Within 90 days of this Undertaking coming into effect:

1. The Macmahon Managing Director will send an email to the all employees in the organisation explaining the commitment of Macmahon to health and safety in the workplace and a reminder that this enforceable undertaking is for everyone to ensure safety is always front of mind;
2. To reach all team members, the results of this enforceable undertaking will be displayed on notice boards at all of Macmahon's projects; and
3. The health and safety representative at every Macmahon work site will ensure that every worker is aware of and has access to the enforceable undertaking.

MT(d) A commitment to participate constructively in all compliance monitoring activities of the undertaking

Macmahon acknowledges that the regulator will conduct compliance monitoring to ensure compliance with the terms of this undertaking.

It is acknowledged that compliance inspections may be conducted by an officer of the regulator with any final inspection to be conducted once all aspects of the undertaking have been implemented and are complete.

Cooperation will be given to allow the regulator's officers to assess compliance including giving access to relevant material (evidence of compliance).

It is acknowledged that the regulator may initiate additional compliance inspections as considered necessary at the regulator's expense. To facilitate compliance monitoring Macmahon is to report to the regulator on a 6-monthly basis on the implementation status of the undertaking.

#### MT(e) Strategies that will deliver worker benefits

Macmahon will take the following initiatives and strategies to deliver worker benefits:

##### A. Raise Drilling Upgrade

1. Macmahon currently provides raise drilling services at the Olympic Dam mine in South Australia under contracts with BHP Billiton. Approximately 30 employees are involved in providing these services. Raise drilling is a method for constructing a vertical shaft from the surface to an existing underground tunnel. It is a cheaper and safer technique than excavating a full-size shaft from the surface. Macmahon currently has two raise drilling rigs known as Dresser 480 raise drills. These drills have previously required a chain to be manually moved onto a different sized sprocket when switching between different stages of operation, which involves working at heights and manual handling hazards.
2. In 2015, Macmahon modified one of the Dresser 480 raise drills by installing a raised platform at the level of the drive chain. This reduced the working at heights risks, but did not entirely remove them.
3. To further improve the safety of its Dresser 480 raise drills, Macmahon recently replaced the existing drive motor to entirely remove the need to manually move the drive chain between sprockets.
4. Scope: Replacement of the existing drive motor on one of its Dresser 480 raise drills with a new variable speed motor.
5. Outcome: Removed the need to manually move the drive chain between sprockets. Operation of the new variable speed motor instead involves operation of a small hydraulic valve on the control console to change the speed of the drill rods when moving between the piloting and reaming stages of operation.
6. Safety benefit: The working at height and manual handling hazards associated with manually moving the drive chain are removed.
7. Delivery method: The new motor was purchased from the manufacturer in Italy and installed on both Dresser 480 raise drills. The estimated cost of this initiative was approximately **\$185,000**, which comprises:
  - a. \$130,000 for purchase and freight of the new motor, as well as a spare unit;
  - b. \$30,000 for stripping of previous motor and installation of new motor; and
  - c. \$25,000 for hydraulic and electrical upgrades associated with new motor.
  - d. \$7,650(1 supervisor and 2 fitters for 3 days) for training workers in the new mechanical operation.

##### B. Mental Health Initiative

1. In June 2015, a Western Australian Parliamentary Inquiry into the mental health impacts of fly-in-fly-out (FIFO) work arrangements found that FIFO work could lead to a heightened risk of mental health issues. Isolation from family and friends, shift work, FIFO rosters, personal relationship stress, misuse of alcohol and drugs and environmental extremes can contribute to compromised mental health. In response to the findings of this Inquiry, Macmahon wish to ensure that they are addressing mental health issues in their workforce in a proactive and sustainable way so that they can foster a supportive work culture.
2. Macmahon, in consultation with Rural and Remote Mental Health Ltd (RRMH) and Resource Minds, will

develop a comprehensive mental health program with a focus on improved education and mental health resilience within the workforce. The program will be developed over a 12 month period. The program may touch on the following areas and must be sustainable beyond the initial 12 months to ensure positive cultural change in both attitudes and behaviours:

- a. Coaching and advice to assist with people management issues and development of leadership competencies
  - b. Support and counselling for a broad range of personal and work-related issues
  - c. Financial counselling to assist with financial wellbeing concerns
  - d. Management of addictive behaviours, promote nutrition and fitness, increase mental and physical wellbeing
  - e. Strategies, tools and coaching to deal with difficult workplace situations
3. In addition, Macmahon will develop tools to identify the early warning signs of mental health issues. Some of the markers to be studied will include:
  - a. Anger control issues
  - b. Absenteeism, presenteeism or chronic tardiness
  - c. Inappropriate workplace behaviour
  - d. Drug and alcohol issues
4. The first stage of the program will involve a Mental Health Crisis Management Workshop. The Workshop will focus on awareness, education, and establishing clear tools for Macmahon management to use to confidently identify the early warning signs of mental health issues and adequately respond or seek assistance.
  - a. The Workshop will be delivered by three experienced consultants from Resource Minds either for six hours on one day or split over two days.
  - b. The Workshop is aimed at Macmahon management and Toolbox Talk Presenters as referred to below.
  - c. Mental Health Crisis Management Workbooks will be provided to all participants.
5. The second stages of the program will involve ongoing delivery of toolbox talks on various different mental health issues.
  - a. Macmahon will nominate "Toolbox Talk Presenters" to present each toolbox to their team of workers.
  - b. The Toolbox Talk Presenters will be trained in their delivery of the toolbox talks at the Mental Health Crisis Management Workshop, and will also be given guidance material for each presentation.
  - c. Each toolbox talk will include an informative and engaging 4 to 5 minute video developed by RRMH and tailored to the mining demographic, followed by further information and discussion

regarding the relevant topic.

- d. The topics to be covered in the toolbox talks will be:
    - i. Introduction to mental health
    - ii. Stigma
    - iii. Risk factors
    - iv. Depression
    - v. Anxiety
    - vi. Destructive thinking
    - vii. Acute stress and post-traumatic stress disorder
    - viii. Suicide
    - ix. Alcohol abuse
    - x. Drugs
    - xi. Relationships
    - xii. Financial stress
    - xiii. Strategies to build and maintain mental health and pathways to help
  - e. The toolbox talks will be spread out over the course of the initial 12 months of the program.
  - f. RRMH and Macmahon will write information flyers to be handed out at all toolbox talks.
6. In order to measure the outcomes of the program, RRMH have partnered with Orygen from the University of Melbourne. Orygen will carry out Wellbeing and Lifestyle Surveys and Evaluations at the Macmahon workplace. The first will occur prior to the first toolbox talk as a baseline measure of existing behaviours and attitudes. A further evaluation will be conducted at 6 and/or 12 months post-program implementation to measure the changes in attitudes and behaviours. Orygen will provide the results of the surveys to RRMH and Macmahon.
  7. Concurrently with the program, Macmahon will work with RRMH to engage the workforce and promote mental health via use of technology and other community based initiatives, including:
    - a. Roll out of mental health promotional material via the staff smartphone application, Staff Connect, allowing employees to get the notifications they need when isolated in remote or rural locations
    - b. Sponsorship and fundraising for mental health organisations
    - c. Review of internal policies and procedures to ensure the company meets with its WHS legislative obligations in relation to employee mental health
    - d. Executive and senior management participation in promotional activities to break down stigma and promote cultural change
  8. Expected outcome: Increased awareness of mental health issues and warning signs throughout the workforce, with tools and programs in place to identify issues and provide tailored support to employees

and managers.

9. Safety benefit: A reduction in safety risks that result from poor mental health and fatigue.
10. The estimated cost of this initiative is **\$75,000**, which comprises:
  - a. \$25,000 for external review of Macmahon employees' mental health, and Macmahon's current tools
  - b. \$25,000 for the development of programs, protocols and tools
  - c. \$25,000 for training of employees

**Total cost of MT(e) strategies is \$260,000.**

#### **MT(f) Strategies that will deliver industry benefits**

1. Within 3 months from this undertaking document being accepted by the regulator, Macmahon will provide an 'Incident Summary' in an approved format for the regulator to publish through their website. The Incident Summary will describe the incident that involved the injured worker and focus on the importance of interlocking guarding around plant to prevent access to moving parts.
2. Macmahon will undertake to participate in a forum or presentation during SafeWork Month 2018 or to participate in a presentation at another time agreed with the regulator. At the presentation, Macmahon will have a national representative speak for about 15 minutes in relation to this enforceable undertaking and the importance of engineering controls.
3. Once Macmahon has implemented the mental health program referred to at MT(e) above, it will develop a package of these programs so that they may be rolled out to other members of the mining industry and to clients of Macmahon. Macmahon, with the assistance of RRMH, will produce a suite of documents and associated training programs for use by other employers of FIFO workers. The estimated cost involved in preparing a generic suite of documents for consumption by the wider industry is \$25,000.
4. At the conclusion of the initial 12 months of the mental health program, Macmahon will produce an article to be published on the Western Australian Department of Mines and Petroleum website about the key findings of the Mental Health Initiative. The article will explain the key risks and deficiencies that were identified at the Macmahon workplace, and what tools and protocols were developed to respond to these issues. The article will provide guidance on how other workplaces can improve their treatment of mental health issues, and will provide sufficient information to allow other employers access to the suite of documents that have been developed for the wider industry. The estimated cost to publish this article is \$3,000.

**Total cost of MT(f) strategies is \$28,000**

**MT(g) Strategies that will deliver community benefits**

**TAFE Presentation**

1. On 11 October 2016, Macmahon gave a presentation to a class of TAFE engineering students on Work Health and Safety. The presentation focussed on Hazardous Energies and the risks they present.
2. Scope: Increasing health and safety awareness in people entering the workforce. New workers, in particular those who are young and entering the workforce for the first time, are at a greater risk of injury due to their inexperience and lack of confidence to ask questions, therefore the presentation focussed on the identification of risks and the controls (both engineering and administrative controls) that may be available to reduce the risks.
3. Expected outcome: People entering the workforce will have increased awareness of health and safety issues and increased confidence to ensure their health and safety at work.
4. Safety benefit: A reduced risk of these young or otherwise new workers facing injury in workplaces.
5. Delivery method: The presentation was given on 11 October 2016 at the South Metropolitan TAFE Carlisle campus. The presentation went from 1pm to 3pm, and there were 18 attendees on the day. The presentation was delivered by three team members from Macmahon.
6. The estimated cost of this initiative was approximately \$5,810.00

**Total cost of MT(g) strategies is \$5,810.00.**

**MT(h) Agreement to pay the regulator's costs**

Agreement is given to paying the regulator's costs associated with the undertaking, as itemised below, and acknowledgement that payment is due 30 days after receipt of the regulator's invoice:

- investigation, legal and administrative costs associated with the alleged contravention and proposed undertaking

**Total amount**

**\$1,250**

(Noting that Leed Engineering and Construction Pty Ltd is to pay an equal sum pursuant to the terms of a WHS undertaking entered into by it.)

**Where appropriate**

**MT(i) A commitment to establish and maintain (or maintain if a system already exists) an occupational health and safety management system (OHSMS)**

Macmahon is committed to the ongoing maintenance of its OHSMS system, as referred to in GI (k) above and to maintaining, on an ongoing basis, its compliance with the principles of AS/NZS 4804:2001 Occupational health and safety management systems – General guidelines on principles, systems and supporting techniques.

MT(j) A commitment to ensure the OHSMS is audited by third party auditors

Macmahon has an extensive internal and external audit process which is described in GI (k) above.

In addition to maintaining its auditing system, Macmahon:

1. commits to ensuring that a third party audit of its OHSMS will be undertaken within 3 -6 months of the signing of the undertaking ("the regulator audit");
2. commits to ensuring the regulator audit is undertaken by accredited third party auditors that meet the principles of AS/NZS 4801:2001 Occupational Health and Safety Management Systems- Specification with guidance for use;
3. acknowledges that the costs associated with the regulator audit will be met by Macmahon as part of the undertaking;
4. acknowledges that the auditors selected to perform the regulator audit must meet the qualification requirements of the regulator;
5. acknowledges that details of the auditor's qualifications against the stated requirements will be provided with the regulator audit report submitted to the regulator;
6. commits to providing a copy of the Enforceable Undertakings-Information for Auditors of OHSMS fact sheet to the auditor.

MT(k) a commitment to provide a copy of each finalised OHSMS audit report to the regulator

Macmahon commits to providing the regulator with:

1. the finalised regulator audit report, along with a letter certifying that the report has not been altered from the copy provided by the OHSMS Auditor, within 30 days of receiving the audit report from the auditor; and
2. information on how Macmahon intends to address each of the regulator audit report's recommendations. This information is to be forwarded within 30 days of receipt of the written report from the auditor, accompanied by any requests for exemption or consideration of alteration to the recommendations or timeframes.

Macmahon will arrange delivery of reports arising from the regulator audit to:

Construction Team Manager

Investigating Team

SafeWork SA

GPO Box 465

ADELAIDE SA 5001

The recommendations arising from the regulator audit will be fully implemented within twelve months of receiving the regulator audit report, unless the regulator offers a variation of the WHS undertaking due to the actions being unreasonable.

### Section 3 – Offer of undertaking

I offer this undertaking and commit to the terms herein.	OR
Signed: .....  (Person)  .....  (Print name)  .....  (Position)	As a duly authorised person of Macmahon I offer this undertaking and commit Macmahon to the terms herein  Signed: .....  (Duly authorised person)  <u>Kale Anthony Ross</u>  (Print name)  <u>Manager HSEQT</u>  (Position)
Dated at ..... This  ..... day of ..... 20....	Dated at <u>PERTH</u> this  <u>23<sup>rd</sup></u> day of <u>OCTOBERR</u> 2017

**Section 4 – Department acceptance of undertaking**

I accept this WHS undertaking for and on behalf of SafeWork SA.

Signed:  .....

**Position: Executive Director, SafeWork SA**

(Print name)

MARTYN CAMPBELL

Dated at ..... 2nd ..... this day of Nov ..... 2017