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# **A CEO's Perspective to Working Safety**



**“A CEO’S PERSPECTIVE TO WORKING SAFETY”**  
ADDRESS TO QUEENSLAND MINING INDUSTRY HEALTH AND SAFETY  
CONFERENCE

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Distinguished guests, ladies and gentlemen

The reason we have gathered for this conference is a simple one – our industry is not effectively managing all of its safety and health issues. While our injury performance has improved, industry fatalities have not significantly decreased over time. This is disappointing and frustrating for everyone – for management, for the workforce, for governments and for our communities.

Each time a worker dies or is seriously injured in our industry, we stop to examine our safety and health approach. We wonder whether we are on the right track; whether there isn't some elusive factor yet to be identified that will help us eliminate fatalities. And we question whether we are doing enough.

On balance, I believe there is general acceptance that the industry's safety and health approach is sound. And it is merely wishful thinking to hope that a secret safety solution will be discovered. But we are kidding ourselves and each other if we think we are doing enough.

Safety requires eternal vigilance. By eternal I mean that our safety and health effort must never end. We cannot lapse into thinking that safety is a task that needs to be completed before we can move on to the next priority. And we cannot rely on a compliance approach that merely involves checklist lists and numbers. Everyone of us has a responsibility to be constantly aware of the possibility of injury and act accordingly at all times. And every one of us can do more to improve the industry's safety and health performance – particularly when it comes to safety leadership.

Effective leadership is the most important tool for safety improvement and it is a responsibility that we must all share – regardless of the position that we hold in our organisations. Leadership is required not only to initiate change and keep everyone focussed on the ultimate goal. It is also needed to empower and encourage those undergoing change, to monitor and motivate progress and to recognise and reward incremental success.

Leadership can be provided in many ways, but it will not succeed if it is communicated poorly. It takes more than words to effectively use leadership to drive safety and health improvements – it takes words reinforced by deeds. In the same way that our workers must be constantly on their guard against hazards in their work environments, we as leaders must be continually vigilant that we do not communicate conflicting priorities through inconsistent words and deeds.

Today I would like to take this opportunity to talk about safety leadership and how it depends on our actions as well as our words. While we have almost over-used the term “walking the talk” it is important to remember that our actions can undermine or reinforce our words. That is why it is one thing to talk about improving safety and another to actually achieve it – even when we think we are doing the right thing.

We are all here because we share a common purpose – to achieve an Australian minerals industry free of fatalities, injuries and diseases. We don't shy away from having an ambitious target because to aim for anything other than zero accidents, incidents and diseases is unacceptable. While we do not downplay the achievements made to date to improve safety and reduce injury rates, there is no denying that a fatality-free industry remains our most challenging leadership imperative.

Fourteen people died in the Australian minerals industry during the 2000-01 reporting year.

The causes of these fatalities were :-

- rockfalls - 7
- lightning strike - 1
- mobile equipment vehicles - 3
- electrical - 1

The loss of these men, to their families, workmates and communities, is a powerful reminder of the reason why we are here today and why we strive to eliminate fatalities.

This task is not something that can be done by one company or industry association on its own. It is a leadership responsibility that we share and that we must tackle together.

That is why the Minerals Council of Australia, in conjunction with its member companies and the State and Territory Minerals Councils and Chambers, embarked on a leadership initiative in 1996 to improve the industry's safety and health performance.

The Minerals Council uses four main drivers to pursue the industry's vision – leadership, recognition, continuous improvement and risk management. Its activities range from an annual meeting of CEOs to examine leadership, through the identification of more effective performance measures and better ways to share incident information, to the celebration and sharing of best practice. The common themes in all of these activities are leadership and effective communication.

I would like to share with you some of the insights we have gained through Minerals Council activities which show the need for consistent words and deeds to achieve durable safety and health improvements.

One of the most telling pieces of information we've uncovered recently came from a major survey of the industry's safety culture that the Council conducted in 1999. The survey found that, despite management successfully communicating that safety is important, the workforce did not believe that management valued them or adequately recognised safety and safe work practices.

This is a fundamental gap that goes to the heart of my message today. While we are saying the right things about safety, and we are very busy communicating, it seems that we may inadvertently be implying through our actions that other things are more important. When workers perceive a conflict like this, cynicism and disillusionment can grow and safety can end up taking second place. I invite you to think about this for a moment. Who have you recognised or rewarded most recently – those who have exceeded production targets or those who have made a consistent effort to work more safely? Do you have a system in place to identify the latter? Does it work? How should you reward safety?

These are the sorts of questions that we need to tackle to ensure that our deeds do not undermine our words.

Does our concern for safety go to the core of our business? By that I mean that if safety is to be instilled in such a way that it becomes so deeply ingrained in our corporate culture that it pervades every activity, then it must be part of fundamental decisions about capital expenditure, plant and process design, resources applied – and even our management structures.

Complexity is another key communication issue. The safety culture survey found that safety management systems are seen as too complex and too much paperwork. In many cases, the latest SMS has ended up on a bookshelf collecting dust because it is not tailored to meet the needs of sites.

What sort of inadvertent messages are we sending when we talk about continuous improvement and empowerment but then impose the latest safety management system onto our sites without adequate input, ownership or training? When new systems and changes are implemented from above in this way, what does our workforce think about our motivations? Is it any wonder that cynicism and apathy are the response to such conflicting messages?

Compacency is another factor that can undermine our safety communications. It can be manifested in a tendency to say one thing but to think and do something else. How many of us have been guilty of saying that there is still much more to be done to stop fatalities when we actually think that we are already doing sufficient to identify and manage our hazards?

Do we look around for someone else to blame – another sector of the industry, or contractors or the operators of small mines – rather than genuinely tackle the work that still needs to be done in our own backyards? Does this suggest to our people that, despite our words, we aren't really serious about doing more? That we think that because it hasn't happened, it won't happen?

I'd like to suggest that there is another type of complacency that has been sending mixed signals and thwarting our efforts. Although our words are focussed on the elimination of fatalities, injuries and diseases, perhaps our actions have been predominantly focussed on the reduction of injuries.

This may be because we have been complacent and accepting of the traditional view that there is a link between the hazards that cause injuries and those that cause fatalities. In pursuing the lowest lost time injury rate possible, and rewarding LTI-free milestones, we have built hazard management systems that focus on injuries.

Perhaps we have inadvertently encouraged a lesser focus on the hazards that can lead to disasters and death. We must match our deeds to words if we are to have any chance of eliminating fatalities. We can do this by showing that low probability/high consequence risks are as much a priority for action as high probability risks and acting accordingly. Such action should include a move to the more sophisticated risk analysis and management techniques.

As I said at the outset, it takes more than words to effectively use leadership to drive safety and health improvements. At all times our words must be reinforced by our deeds. That is not an easy task and today I have shared with you only some of the pitfalls that have been identified by the Minerals Council of Australia and its member companies as we continue our drive to eliminate fatalities, injuries and diseases.

I hope that today I have demonstrated that walking the talk is more than being seen on site, wearing our PPE and saying the right things. It is about being constantly vigilant to the need to match our deeds to our words. How you do that is up to you. You might like to use three simple questions to keep yourself on track – what am I saying, do I mean it, and, how can I show that I mean it?

There are other ways to achieve consistent and complementary messages. Focussing on the language and content of all communications with your board and your workforce is a good place to start.

But we must be alert for the indirect messages that our actions send. All our words are wasted if we cut corners. And this applies just as much to our off the job behaviour. What credibility does a leader have if he/she exhorts safety at work and then passes the employees unsafely driving home.

We must show our commitment by making safety and health an integral part of our strategic business planning process.

We must examine what our production and other targets say about our priorities.

We must look at what our recognition and bonus programs say about our motivations.

We must explore what our change management and empowerment activities say about the importance of employee participation and ownership.

And we must investigate what our safety management approach says about eternal vigilance, the need to avoid a compli-ance mentality, and the importance of managing all risks rather than the most obvious ones.

By seeking out these potentially conflicting actions, and by striving to realign them with our safety goals and strategies, we can deliver a safety message that is seen to be genuine and credible.

Only then will we be able to counter our greatest weaknesses – cynicism, apathy and complacency. Only then will we eliminate the lingering vestiges of fatalism. And, having done this thoroughly and consistently, we will be better able to maximise our greatest advantage – the motivation and goodwill of our people.

Leadership cannot be effective with words alone. Let me summarize by listing the principles on which Rio Tinto's safety plan is built.

### The Principles

1. All injuries and occupational illnesses are preventable
2. Management to demonstrate visible leadership and commitment to safety
3. All employees (management, permanent and contract) must work together to continually improve performance
4. Safety is not negotiable  
Unsafe behaviour is not acceptable
5. Operations must have a comprehensive Safety Management System (SMS) that is regularly audited
6. Hazard Analysis and Risk Assessment must be efficiently incorporated into all work activities on a continual basis
7. All accidents/incidents must be reported, investigated and followed through to prevent recurrence
8. Everywhere we operate must have comprehensive personnel selection, induction and follow-up training systems
9. Excellent safety performance must always be recognised
10. Off-the-job safety must be an important part of the overall safety effort

I hope that you will leave this conference determined to examine whether your actions do match your words and then act accordingly. In some cases what we must do is to change the culture of our organisation – that is a major task. However, the elimination of fatalities, injuries and diseases depends on it.

Thank you.