

Mike Doyle is the President of the CAGC – the Canadian Association of Geophysical Contractors - representing the business interests of the seismic industry within Canada. The CAGC website may be found at [www.cagc.ca](http://www.cagc.ca).

In late 2013 the National Energy Board along with the two Offshore Boards put a draft safety culture framework for the Oil and Gas Industry. The Government's concern is one of process safety in which the ultimate failure is catastrophic events that cause human fatalities/deaths and/or severe environmental damages. The full context can be found at the following link however this column only captures the very brief outline from the site and then excerpts from the Canadian Association of Petroleum Producers (CAPP) that represents much of Industry's position.

<https://www.neb-one.gc.ca/clf-nsi/rsftyndthnvrnmnt/sfty/sftycltr/sftycltr-eng.html>

From the website

*Advancing Safety in the Oil and Gas Industry - Draft Safety Culture Framework*

*The National Energy Board, the Canada Nova Scotia Offshore Petroleum Board, and Canada-Newfoundland and Labrador Offshore Petroleum Board put safety and environmental protection at the forefront of their responsibilities in protecting Canadians by taking a leadership role to improve awareness and drive fundamental change when and where it is needed.*

*Safety Culture is an emerging discipline in the oil and gas sector that requires greater understanding and consideration. The draft Safety Culture definition and framework are intended to promote learning and shared understanding of the concept of Safety Culture. It is also articulates the expectation that companies regulated by the NEB should build and maintain a positive Safety Culture while remaining vigilant to potential threats.*

*Safety Culture may be defined as the attitudes, values, norms and beliefs that a particular group of people shares with respect to risk and safety.*

*Culture influences almost everything including what people see, hear, feel and say. Perhaps most importantly, it influences the decisions and actions of people in an organization. These behaviours ultimately drive safety outcomes and company performance.*

*A strong Safety Culture and well implemented management systems provide additional layers of protection against catastrophic accidents. A strong Safety Culture equals safer operations.*

*Safety Culture frameworks serve to simplify and communicate a complex concept by breaking it down into distinct dimensions in order to support its understanding and assessment.*

*This body of work was created to promote learning and a shared understanding of the emerging discipline of Safety Culture across the oil and gas sector in Canada. It is also intended to express the Board's expectations of regulated companies to build and sustain a positive Safety Culture. A strong Safety Culture also sets companies up to scrutinize their operations for potential cultural threats.*

## Excerpts from CAPP's response – January 30, 2014

*Safety Culture is a key dimension of overall safety management. The oil and gas industry welcomes the opportunity to engage with the three Regulators with the collective objective of safety performance improvement across the industry.*

*Canada's six major oil and gas trade associations - Canadian Association of Geophysical Contractors (CAGC), Canadian Association of Oilwell Drilling Contractors (CAODC), Canadian Association of Petroleum Producers (CAPP), Canadian Energy Pipeline Association (CEPA), Petroleum Services Association of Canada (PSAC), and Explorers and Producers Association of Canada (EPAC) - working with our safety association, Enform, are also committed to improving safety culture in our industry.*

*We support the promotion of shared learning, understanding and communication and believe there is considerable value in collaboration with Regulators to reach an agreed and transparent strategy on how to improve safety culture in organizations. We believe that the engagement and involvement of industry is crucial to provide the understanding, leadership and technical resources necessary to build on the significant improvements that industry has already made in this area.*

*Safety Culture has been a major focus for the industry for many years and there are a considerable number of learnings and examples within our industry. We agree that improving and re-enforcing safety culture is an important part of safety management; however we believe that the starting point should be to establish an initial common understanding of "safety culture" as it applies to the oil and gas industry.*

*One key element missing in the framework is the recognition that the regulators themselves have a significant impact on safety culture. We support comments made by others in their submission, specifically that the draft framework does not recognize the unintended consequences of regulators and regulation on the industry's management of safety.*

*Regulators are in a unique position to provide leadership, clarify expectations and support industry as it strives to improve safety performance. However it is not helpful that the Regulators seem to be unclear or undecided as to what use will be made of this safety culture framework going forward. This creates an issue in providing feedback, since the application of the framework is currently unknown to us. For example, the use of this model as part of future safety regulation would do little to advance (and could actually restrict) the development of safety culture in the industry as it comes into conflict with existing non-regulated models, best practices and industry guidelines currently being used effectively by industry. It is our belief that whatever framework or tools are developed, it should be left to individual organizations to decide how best to apply them based on the risks they manage. Regulators can then examine the effectiveness of implementation and resulting performance accordingly.*

### Safety Culture in the Oil and Gas Industry

*The oil and gas industry has long recognized the key role played by a positive safety culture as a component part in delivering personal safety, and in the prevention of major incidents. Over many years, oil and gas operators and their contracting companies have worked together to build and improve safety culture across the industry. These efforts, which extend from employee performance assessments to contractor selection and from site/facility safety orientations to supervisor leadership and competency, have played a significant role in the management of safe operations for decades. We contend that safety culture should be viewed not as the "emerging discipline" as suggested in the NEB*

*framework, but rather as part of a long journey of safety performance improvement, which have been on for some considerable time.*

*We agree that the impetus for many safety improvement initiatives has been from major events that have occurred across all process industries. The Upstream Petroleum Industry Task Force on Safety (UPITFOS 1988) Recommendations resulted in many changes to the way that safety is managed across the industry. The Task Force stated that it “strongly believes that the ultimate responsibility for improved safety performance lies with senior management of individual companies in the industry”. This statement remains valid today.*

*Probably the most significant event in the oil and gas industry occurred in July 1988, when the offshore production platform Piper Alpha was lost in the North Sea resulting in 167 fatalities. The Cullen Report into this disaster has been the framework for many Regulations and changes in the management of safety across the global oil and gas industry, including in Canada. However, Lord Cullen stated, at the 2013 UK Oil & Gas conference on the 25th anniversary of Piper Alpha, that “no amount of regulations can make up for deficiencies in the quality of management of safety. That quality depends critically on effective safe leadership at all levels and the commitment of the whole workforce to give priority to safety”.*

*CAPP requires its members to report all employee and contractor recordable injuries. An examination of the last 8 years of data (2004 to 2012) reveals that the overall industry total recordable rates have more than halved over this period. In addition to the reduction in the total number of overall injured personnel, the total number of safety exposure hours worked by CAPP members and their contractors has doubled. We believe these results represent the considerable effort made by industry to improve overall safety performance and demonstrate that the industry has been focused on improvement in safety culture and safety performance for some time.*

### Leadership

*We agree, and confirm our own experience has shown, that strong senior leadership commitment is fundamental to ensuring that appropriate resources are made available so that employees and contractors put safety ahead of commercial pressures.*

*We would also like to emphasize the key role of front line work supervisors – empowered by senior leaders – to build and improve overall safety culture. It is for this reason that the industry spends considerable resources to train first level supervisors in this accountability. As an example, Enform published the Supervisor Competency Guideline for use in the Western Canada conventional oil industry. The guideline offers a perspective on the competencies required for supervisors to achieve responsibility and activities, knowledge and skills that are expected to enhance a supervisor’s performance.*

### Safety Management Systems

*Safety management systems, commonly coupled with environmental compliance requirements, have long been used to implement policy and standards consistently across organizations in the oil and gas industry. We recognize that this is, and will remain, a work in progress as new hazards and challenges confront the industry, new personnel join our workforces and new regulations are introduced.*

*We agree that there have been, and continue to be, issues relating to the implementation of management systems. These are not unique to the oil and gas industry. One key issue is the need to provide significant documentation to meet regulatory requirements as proof of compliance. This has contributed to creating a paradigm, in some workforces, that management systems are over-documented bureaucratic mechanisms that do little to improve overall safety. The link between management systems, control of risk and personal attitudes to safety can sometimes be lost as a result. This is unfortunate, as we agree that effective and fully implemented management systems are key to ensuring safe operations.*

*We also believe that every management system requires a robust system of assurance to validate the active monitoring processes and performance indicators required to ensure that the management systems remains effective.*

### *Building a Safety Culture*

*We believe a positive Safety Culture is a learned behavior whose impact is felt most at the front line of our business – where our workforce faces the most risk. It is a primary tenet of risk management that those most at risk should be most involved in its management. For this reason we believe that there needs to be a concerted effort to simplify the approach to safety culture in a way that engages our workforce. Whereas the proposed framework builds on established incident and barrier management concepts, there is a real need to translate this into meaningful and effective methods for building a safety culture across industry.*

*The most effective results come from moment to moment focus on safety by supervision and the gradual individual acceptance that all unplanned events and incidents are preventable – when the tools, controls, carriers and systems provided, are applied effectively. In this way, safety is given the highest priority by all members of the workforce because they have understood and accepted their accountability, not because regulations require it.*

*For safety to be the highest priority in day to day work, first line supervisors need to continuously coach and enforce performance expectations. It is through this leadership that personnel learn and then demonstrate the behaviors that reflect this accountability.*

### *Process Safety*

*Process Safety has been a particular focus for the industry over recent years and this has resulted in numerous initiatives within the industry to improve the management of barriers that prevent the loss of primary containment and the escalation that typically leads to major events.*

### *Contractor Management*

*The oil and gas industry contractor workforce contribute approximately 75% of the total exposure hours and yet suffer 85% of the injuries. This is partly due to their “hands on” work that increases their risk. But it is also a result of the challenges faced by license holders to build and maintain a positive safety culture with a dynamic work force. For this reason, license holders expend considerable resources on the prequalification processes to select contractors they believe have the competency to perform the work safely and to ensure that they bring their own positive safety culture to the work site.*

*When implementing a contractual arrangement, we believe that care must be taken in imposing or implying client level standards on the contractor. There are concerns that this prevents or removes some elements of growth and responsibility from that contractor.*

*Most of the contractors in our industry have established safety management systems and many are accredited and certified by independent audit through the Enform Certificate of Recognition Program. Many of the cultural defense descriptors contained in the draft Safety Culture Framework are included in these Enform COR audits. Enform serves as a certifying partner for this program and audits around 3,000 employers health and safety management systems annually in British Columbia, Alberta, and Saskatchewan. Operator's often conduct their own audits of key contractor's safety management systems as well.*

### *Safety is Good Business*

*We recognize that safety is good business and without the active and successful management of the hazards our industry face, the industry would compromise its access to the resource and social license to operate.*

### *Conclusion*

*The oil and gas industry continues to look for opportunities to improve overall safety performance and we acknowledge that overall safety culture across our industry is not uniform and there are opportunities for improvement.*

*We believe that the best results will be obtained by a joint systematic examination of all the contributors to safety performance in our industry today. In carrying out this analysis, we can build a strategy that industry can implement, not necessarily through increased process/procedures and regulation, but rather by identifying proven opportunities for improvement and enabling their success by working together towards this common objective.*

From the Thursday Files

*Genius might be the ability to say a profound thing in a simple way.*

**Charles Bukowski**