

ADDRESS BY

THE HON. KENNETH VALLEY  
MINISTER OF TRADE & INDUSTRY  
MINISTER IN THE MINISTRY OF FINANCE

AT THE FORUM

**STANDARDIZATION OF HEALTH AND SAFETY  
PRACTICES IN LOCAL INDUSTRY**

9:00 AM  
TUESDAY 19<sup>TH</sup> JULY, 2005  
BUREAU OF STANDARDS HEAD OFFICE  
MACOYA INDUSTRIAL PARK  
TRINCITY  
TACARIGUA

Emmanuel George, Permanent Secretary, Ministry of Labour; Anthony Chan Tack, Chairman, TTBS; Prem Nandlal, Director, TTBS; Valerie Quan Vie, Chairperson Health & Safety Steering Committee, TTBS; Members of the Media; Ladies and Gentlemen.

Thank you for inviting me to share some thoughts with you on the critical issue of standardizing health and safety practices in industry. As the Minister responsible for Trade and Industry, under which the Bureau of Standards falls, it is imperative that I reaffirm Government's commitment to protect the nation's human resource base in order to sustain and improve our economic growth and ensure the overall quality of life in our country.

Trinidad and Tobago has witnessed positive economic growth over the last decade and all indicators show that we are poised to continue this pattern in the years ahead. We have been able to achieve this through prudent fiscal management, creating a stable, business-friendly environment, appropriate utilisation of our human capital and application of technology.

While we can appreciate the returns accrued from our natural resources, we are still to invest heavily in health and safety, with the intention of reducing the number of incidents, accidents and fatalities in the workplace.

This forum could not have occurred at a more appropriate time, given the recent occurrence of a number of industrial accidents. No doubt, this launch is a step in the right direction to assist in initiating the standardization process necessary for the implementation of health and safety practices in industry in Trinidad and Tobago.

As the country progresses towards developed nation status, the Trinidad and Tobago Bureau of Standards is expected to play a pivotal role in the region in trade, quality, and safety, and I commend them on initiating this vast undertaking.

In recognition of this issue of national importance, Government fully supports the contributions of all stakeholders, while at the same time leading the effort to ensure the implementation and enforcement of industrial health and safety standards in Trinidad and Tobago.

This is a long-term, considered approach which recognizes that health and safety is everyone's business. Employees and management alike must be fully aware and supportive of the safety plan of their organization, and realize that it is their unwavering commitment to compliance that will ensure the success of the plan.

A major organisational concern when implementing an HSE system is the issue of cost versus benefit, especially as these systems require additional funding and perhaps operational adjustments. In fact, it has been claimed that higher health and safety standards can reduce competitiveness among companies, and by extension, countries. However, recent studies linked to the ILO show this to be untrue, and that the most competitive countries are also the safest.

The question often asked is 'Will we still get the returns projected, if the company invests in a non tangible item such as this'? What complicates the situation even more is accounting for benefits due to mishaps avoided. There is a dual problem of estimating the frequency with which

accidents do not happen, as opposed to the investments that help ensure that they do not happen.

A well researched and suitable HSE plan, supported by management, staff and stakeholders, will benefit organizations and the economy in the following manner:

- Reduction in hospital costs due to worker related illnesses and accidents. When workers are injured on the job, it is the organization's responsibility to pay their medical costs and there may also be the added costs of replacement training for a new worker and compensation for the injured worker.
- Avoidance of penalties and restrictions of operations due to non-compliance with the law. If an organization is prevented from conducting business due to unsafe practices, then there is a loss of earnings.
- Avoid workers taking legal action against corporations due to poor industrial health and safety conditions at the workplace.. Organizations can ill afford to tie up

their time and profits in fighting law suits they may lose. This sends a bad signal to foreign and local investors, as well as recruitment opportunities, and will ultimately lead to a poor corporate image and reduction of goodwill.

- Avoid the cost of replacing damaged equipment and repairs to the plant after an accident occurs. Due to an accident organisations may have to withstand the inconvenience, and indeed loss of earnings and productivity, if valuable, expensive equipment is destroyed.
- Avoid environmental damage. Some accidents may cause harmful chemicals and gases to damage the air or water supply and negatively impact the community at large, and at the worst lead to loss of life and legal action.

A useful HSE plan will not only address safety in work practices and the built environment, but also promote health at the social level, e.g. in dealing with HIV/AIDS, and drug and alcohol consumption.

Given the current industrial demands, advances in technology and the competitive nature of the global business environment, organizations are forced to produce higher quality products and services at a fast rate, all in line with international standards. This places extra pressure on workers to produce more, while working longer hours.

Depending on the organisational culture, this can mean that safe practices are sacrificed to achieve set goals, which can in turn lead to short cuts and heavy competition among workers, much to their detriment.

By placing high demands on production in the absence of a proper HSE, organizations run the risk of accidents to personnel as well as damage to expensive equipment and plant. This results in downtime and loss of revenue for the firm and can impact negatively on the economy at large.

As the world of business evolves continuously, consumers and workers place greater demands on organisations, and accountability, both financial and civil, becomes a key benchmark by which business success is measured.

Corporations that are committed to compete internationally must accept responsibility for implementing a suitable HSE plan with identified objectives, provision for training of staff and preventive maintenance. This would help to improve operational efficiency and ultimately result in sustained profits.

As organizations aspire to improve their HSE practices to include the public, consumers can be assured of design changes in products that meet their safety expectations. In this way the HSE plan can help inspire greater competition among manufacturers and traders as they strive towards producing the best product, delivered under the most stringent performance and safety standards on the market.

In closing, I would like to remind us all of the need to engage in continuous improvement of our corporate activities, as we pursue greater profits. At the same time, we cannot allow the increased revenue gained from business pursuits to overshadow the duty we have to protect and develop our most important asset – human capital. Let us take the proper course to be responsible for the safety of our workforce, and

accept responsibility for our actions in the workplace and the society at large.

I thank you.