

Impact Analysis Statement

Summary IAS

Details

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| Lead department | Office of Industrial Relations, Department of State Development and Infrastructure |
| Name of the proposal | Revocation of the <i>Mobile Crane Code of Practice 2006</i> and approval of the <i>Mobile Crane Code of Practice 2024</i> |
| Submission type | Summary IAS |
| Title of related legislative or regulatory instrument | <i>Work Health and Safety Act 2011</i> <i>Mobile Crane Code of Practice</i> |
| Date of issue | August 2024 |
| What is the nature, size and scope of the problem? What are the objectives of government action? | |
| <p>Over the 10-year period from 2014-15 to 2023-24, there have been eight work-related fatalities, 1,590 work-related incidents and 274 workers' compensation claims lodged for incidents involving cranes.</p> <p>Just over two in every five (42%) mobile crane workers' compensation claims in construction developed to a serious injury claim. The most common mechanisms of injury for mobile cranes involved being hit by moving objects, body stressing and falls, trips and slips. These mechanisms grouped together represented almost three out of four mobile crane injuries (73%). Some 55% of slips, trips and falls converted to serious injury claims; the highest conversion rate of the mobile crane injury mechanisms.</p> <p>Like all workplaces, construction workplaces have legislative duties under the <i>Work Health and Safety Act 2011</i> (WHS Act) and the <i>Work Health and Safety Regulation 2011</i> (WHS Regulation) to eliminate or minimise work health and safety risks.</p> <p>Given the risks associated with the use of mobile cranes, the Mobile Crane Code of Practice was published in 2006 to provide practical guidance on minimising the risks associated with the use of mobile cranes to people with health and safety duties.</p> <p>The Mobile Crane Code has not been substantially reviewed since its commencement, with minor desktop reviews undertaken in 2011 and 2018. However, since the commencement of the code, significant technological advancements in mobile crane capability and safety features have been made. As such, some of the contents in the code are outdated and no longer effectively guide duty holders how they should meet their WHS duties.</p> <p>To provide updated and effective guidance to duty holders, the Office of Industrial Relations (OIR) is proposing to revoke the <i>Mobile Crane Code of Practice 2006</i> and replace it with the approved <i>Mobile Crane Code of Practice 2024</i>.</p> <p>To review the code, OIR convened a steering committee comprised of worker and industry representatives, technical experts and engineering, policy and inspectorate representatives from the Office of Industrial Relations. The continued existence of a specific mobile crane code of practice was strongly supported by members of the steering committee, however, the steering group considered that amendments are necessary to reflect current industry best practice and standards.</p> <p>Furthermore, since the commencement of the two codes, codes have become statutory instruments under section 26A of the WHS Act by which duty holders must comply. Although codes do not go beyond the WHS Act or WHS Regulation, it is critical that the codes reflect current best practice of how industries which use mobile cranes can meet their WHS duties and keep workers and others safe.</p> <p>Government action is also needed to implement the recommendation from the 2017 coronial inquest into the deaths of Christine Nan Leonardi and Samuel John Leonardi that OIR 'amend relevant mobile crane</p> | |

Codes of Practice to include guidance about the unique handling characteristics of mobile articulated steering cranes and emergency procedures in the event of a loss of control.’ This guidance is included in the updated *Mobile Crane Code of Practice 2024*.

Finally, the construction and crane industry has been calling for updated guidance which better reflects how to meet their duties and keep workers and others safe.

What options were considered?

Option 1: Status quo – No updates to the *Mobile Crane Code of Practice 2006*

Under Option 1, the outdated content of the code would remain in effect and unchanged. Duty holders working with mobile cranes would continue to face difficulty in comprehensively understanding and meeting their work health and safety duties using outdated code content.

Option 2: Revoke the *Mobile Crane Code of Practice 2006*

Under this option, the two codes would be revoked, and there would be no codes guiding the mobile crane industry regarding how to best manage the risks of mobile cranes.

Option 3: Approve the *Mobile Crane Code of Practice 2024* (Preferred)

Under this option, the mobile crane code would be updated and implemented via the approval of the *Mobile Crane Code of Practice 2024*.

What are the impacts?

Option 1: Status quo – No updates to the *Mobile Crane Code of Practice 2006*

Option 1 may cause financial detriment to the mobile crane industry, as businesses may invest in potentially ineffective safety methods that may result in losses in productivity, staff shortages, and increases to workers’ compensation insurance premiums. From a worker perspective, there may also be a continued risk to further injuries and deaths, causing significant social and economical impacts for workers and their families.

Given the reasons above, Option 1 is not the preferred option.

Option 2: Revoke the *Mobile Crane Code of Practice 2006*

The revoking of the code would mean that industry would have no clear guidance on how to minimise WHS risks and meet their WHS obligations which would have significant negative impacts on safety outcomes for workers. Although the code does contain some outdated content, it does remain of some use to industry and its existence is preferential over no guidance at all.

Option 2 may also cause financial detriment to the agricultural industry, as businesses may invest in potentially ineffective safety methods that may result in losses in productivity, staff shortages, and increases to workers’ compensation insurance premiums. From a worker perspective, there may also be a continued risk to further injuries and deaths, causing significant social and economical impacts for workers and their families.

Given the reasons above, Option 2 is not the preferred option.

Option 3: Approve the *Mobile Crane Code of Practice 2024* (Preferred)

Option 3 would deliver an updated Mobile Crane Code that incorporates the feedback of worker representatives, industry representatives and technical experts and meets the needs of the end users. As the content clarifies how existing requirements under the WHS Act apply to the use of mobile cranes, and ways in which these requirements can be met, it is expected that the *Mobile Crane Code of Practice 2024* will deliver improvements to mobile crane safety at workplaces.

An updated code would deliver clear guidance to industry as to how to minimise WHS risks and therefore positive impacts on safety outcomes for workers. It is anticipated that this will have financial benefits to the mobile crane industry, as businesses invest in effective safety methods, there will be less injuries and therefore increased worker productivity. From a worker perspective, there will be less injuries and deaths which minimises negative social and economical impacts for workers and their families. However, there are some specific cost increases to industry anticipated with Option 3:

New requirement: 'Anemometers should be provided on all slewing cranes with a maximum rated capacity of 45 tonne or more.'

- There will be an approximate 12 month transition period before this provision commences as anemometers, particularly those from the same supplier as the crane itself as is preferable, are in limited supply.
- Section 10.4 of the *Mobile Crane Code 2006* already requires anemometers to be fitted to mobile cranes with a maximum rated capacity of 100 tonne or more. Anemometers are also already required on all tower cranes under the *Tower Crane Code of Practice 2017*.

Costs

- There are approximately 100 to 200 mobile cranes which may require anemometers to be fitted retrospectively. A desktop analysis of industry suppliers indicates that retrofitting a good quality anemometer may cost approximately \$2,000. Therefore, a total estimate across industry could be between \$200,000 to \$400,000.
- Anemometers typically have a warranty of five (5) years.

Benefits

- Anemometers can prevent a crane overturning by providing an indication of wind speed. Wind is often a significant contributing factor to crane overturns; particularly in the case of big, light loads with a large surface area, such as fibreglass swimming pools.

New requirement: 'First aid boxes should be readily accessible on the site to ensure that an effective emergency response can be initiated if they are required.'

- Not every mobile crane company will require a first aid box as they are not usually used on high-rise construction sites.
- First aid boxes are also already required for tower cranes under the *Tower Crane Code of Practice 2017*.

Costs

- The new requirement may mean that approximately 50 new first aid boxes will be required across the mobile crane industry at a cost of approximately \$10,000 each.

Benefits

- The majority of high-rise construction sites already have fully enclosed first aid boxes due to the heights involved and the presence of tower cranes on site.

Reinforcing an existing requirement: 'Under section 213 of the WHS Regulation, the person with management or control of a workplace must ensure that the maintenance, inspection and testing of plant is carried out in accordance with the manufacturer's recommendation or in accordance with the recommendations of a competent person.'

- This requirement will typically apply to excavators, however, it is difficult to calculate the number of excavators affected. It is estimated that 50% of current excavators are probably used in crane mode.

Costs

- An annual safety inspection of earthmoving plant used as a crane will cost approximately \$300 to \$500 per inspection.

Benefits

- The Code reinforces section 213 of the WHS Regulation by specifically requiring earthmoving plant to be maintained in a safe condition.

Who was consulted?

The *Mobile Crane Code of Practice 2006* has been under review since 2018 by a Steering Group comprised of industry, worker representatives, technical experts and engineering, policy and inspectorate representatives from the Office of Industrial Relations.

The Mobile Crane Code of Practice Steering committee was comprised of representatives from:

- Office of Industrial Relations (OIR);

- Crane Industry Council of Australia (CICA);
- Master Builders Queensland;
- Terex;
- Williams Cranes;
- Construction, Forestry and Maritime Employees Union (CFMEU);
- LCR Group (Cranes); and
- BIS Cranes.

What is the recommended option and why?

The recommended option is option three, approve the revised Mobile Crane Code of Practice 2024. The revised code reflects current best practice and has been drafted in close consultation with worker and industry representatives.

In addition, the revised code implements the recommendation of the Queensland Coroner as well as practical ways to manage risks informed by real incidents involving mobile cranes as detailed in industry alerts issued by Workplace Health and Safety Queensland.

The reviewed Code incorporates additional examples and diagrams to prevent mobile cranes from overturning, to ensure the safety of doggers working with crane operators and to direct crane operators on how to measure the impacts of wind on mobile crane lifting operations.

This information is important to ensure the protection of mobile crane and construction workers from injuries and fatalities.

Impact assessment

| | First full year | First 10 years |
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| Direct costs – Compliance costs | Anemometers: See ‘what are the impacts?’ | Anemometers: See ‘what are the impacts?’ |
| | First aid boxes: See ‘what are the impacts?’ | First aid boxes: See ‘what are the impacts?’ |
| | Annual safety inspection: See ‘what are the impacts?’ | Annual safety inspection: See ‘what are the impacts?’ |
| | Total: varies | Total: varies |
| Direct costs – Government costs | Nil | Nil |

Signed



Graham Fraine
Director-General
Department of State Development and Infrastructure

Date: 8/8/2024



The Honourable Grace Grace MP
Minister for State Development and Infrastructure
Minister for Industrial Relations and Minister for Racing

Date: 13/8/2024