It pays to be safe!

by Przemysław Myszka

We all know the phrase 'safety first' whether it pertains to car driving, sports, or operating heavy-duty machinery. But does the port industry, and container terminals in particular, also live by that rule? We are talking with TT Club's Laurence Jones, a true veteran of championing safety and security, about the history of introducing safety measures in the port business, who supports them (and who doesn't), why investing in technology matters, as well as about organised crime that wants to snatch your shipment (physically and digitally) and the rationale behind adding minimum safety features to cargo handling equipment tenders (better still, making them a manufacturing standard).

■ ***Can you share the story of how you got involved in making port operations safer?***

This is my 18th year with TT Club, and it has been fantastic focusing on safety and helping our members save money and lives. Altogether, my career has been a half-century journey of sharing my experience about how to make operations safer. I began as a cadet trainee electrical engineer working for the steel industry. I learned the ropes from the bottom up, so to say, by carrying tradesmen's tool bags at steelworks, something not seen very often these days if you're a white-collar worker or a university graduate starting one's career without practical experience. This ground perspective makes you see things, also safety-wise, that the C-suite in their offices don't necessarily know are even happening. I was then involved in designing, commissioning and operating open-cut and underground coal mines, which also included managing the rail & road side of the business, coal export terminals (including phase I of what's today the world's biggest one, plus privatising another up-till-then run by the government), steel rolling mills; all in all, other heavy-duty activities for which safety should be paramount. After many, many years spent in various positions, I joined the ports arm of P&O as engineering manager of their container terminal in Sydney. After two years, I moved to the company's HQ, looking after their ports globally. When DP World took over P&O, I helped with the integration, after which I came back to Australia and began my adventure with TT Club. Here, I have been visiting 20-40 terminals a year, not only supporting them in their efforts to make the facilities safer with practices, procedures and technology but learning from them as well.

■ ***How does the port sector, especially its container part, stack against other industries safety-wise?***

At the steelworks I worked for, the Lost Time Injury Rate (LTIR), an internationally recognised safety key performance indicator (KPI) was 0.5, which is super safe. The figure for the underground coal mine was 30. In 1998, when I asked the people from the container terminal about their LTIR performance, they never heard of such a measure. I therefore I had to calculate it myself: 170! So, we started working hard on getting that number down, among others, by hiring P&O Ports' first group safety manager. Some seven years later, and their LTIR was 32. This reduction was, of course, achieved through various means, but the single biggest contributor was convincing the top management that safety should be one of their KPIs. It might sound obvious nowadays, but low LTIR is just sound business – it pays to be safe!

Naturally, improving the LTIR also requires good footwork on the ground: training the employees, raising their awareness about the risks and how to mitigate them, and deploying the right technology. I recall a certain global container terminal director who, during a conference a few years ago, highlighted that their most productive facilities are also the safest ones.

Photo: Przemysław Myszka

That kind of attitude demands a certain culture that flows through the whole organisation. Whereas it isn't a change that happens overnight – it requires much intentional and well-thought-out work across all tiers – there are really no downsides to embracing it. I mean, who doesn't benefit from increased safety in the end? That is what I have been advocating for in the last couple of decades at various industry meetings and conferences. I remember the days at TOC when I was placed as the last speaker on the last day – because who wanted to hear about the importance of safety? Now, we have the Safety Village for the third year in a row at TOC Europe, and it has has grown significantly each year. What is more, safety made it onto other panels' agenda – the tech, supply chain, and economy experts are all talking about it. I wouldn't mind thinking that I have had a little bit to do with it.

■ ***Who is in charge of safety?***

It is very much a process. Though safety starts from the top executive, it cannot be left in the hands of safety managers alone for them to shout 'dos & don'ts' orders. I encourage managers to go on what I call a safety audit with the operatives. This way, they can uncover what's below the iceberg's tip. It also gives the ownership of safety to the entire staff, which can be a powerful motivator for staying on the safe side and for improvement. One thing was paradoxical to witness over the decades in this regard, namely that trade unions weren't particularly interested in moving forward the safety agenda – to the point that I've heard one facility has only just recently been successful in introducing hard hats! Unions fear (to a varying degree) automation. However, oftentimes, people get redeployed into safer and more comfortable roles, such as operating a quay crane from an office as opposed to sitting in a cabin high up on the crane. That is one reason why you can see more and more women joining the industry – it is getting safer.

Coming back to unions, there are certain events that leave them with no other option but to change their safety culture. There was one terminal where it was an open secret that employees drank alcohol. The union knew and did nothing despite years of me trying to convince them it was dangerous and unacceptable behaviour. Eventually, there came 'the day' when one worker was coming home from work and died in a car accident. The blood alcohol test revealed he had twice the limit. It required the death of a member for the union to realise they had to do something. That is a story from the mid-90s, and, fortunately, many modern terminals today have anti-alcohol policies in place. I have 'colourful' memories of dealings with unions, like them chasing me across the quayside, "offering" me concrete shoes, and finally having them accept and trust me that their safety was my main concern. Today, unions and management are, in most places, working together to ensure a safe workplace.

I have done loads of safety surveys over the years. A typical one goes over 180 questions to assess what's happening in a facility. Every question has its recommended best practices – how to improve things. Not a single terminal in my career ticked off all the boxes. Usually, there were 20-30 areas in need of improvement. No one is perfect – but everybody can get better.

■ ***Is container terminal safety different in any shape, size, or form?***

Operating a container terminal is a fairly young business compared to other port activities or the coal and steel industries – it still has a long way to go, even though it has made pretty decent safety advancements over the last 50-odd years since containers were developed. "We are different" is a phrase tossed around by container terminals more often than not, while in reality, they aren't. Looking at the claims handled by TT Club, they are dealing with the same issues worldwide. The thing is – and I cannot stress this enough – that many of these issues are perfectly avoidable by investing in the proper solutions. Operators, at least some of them, are still

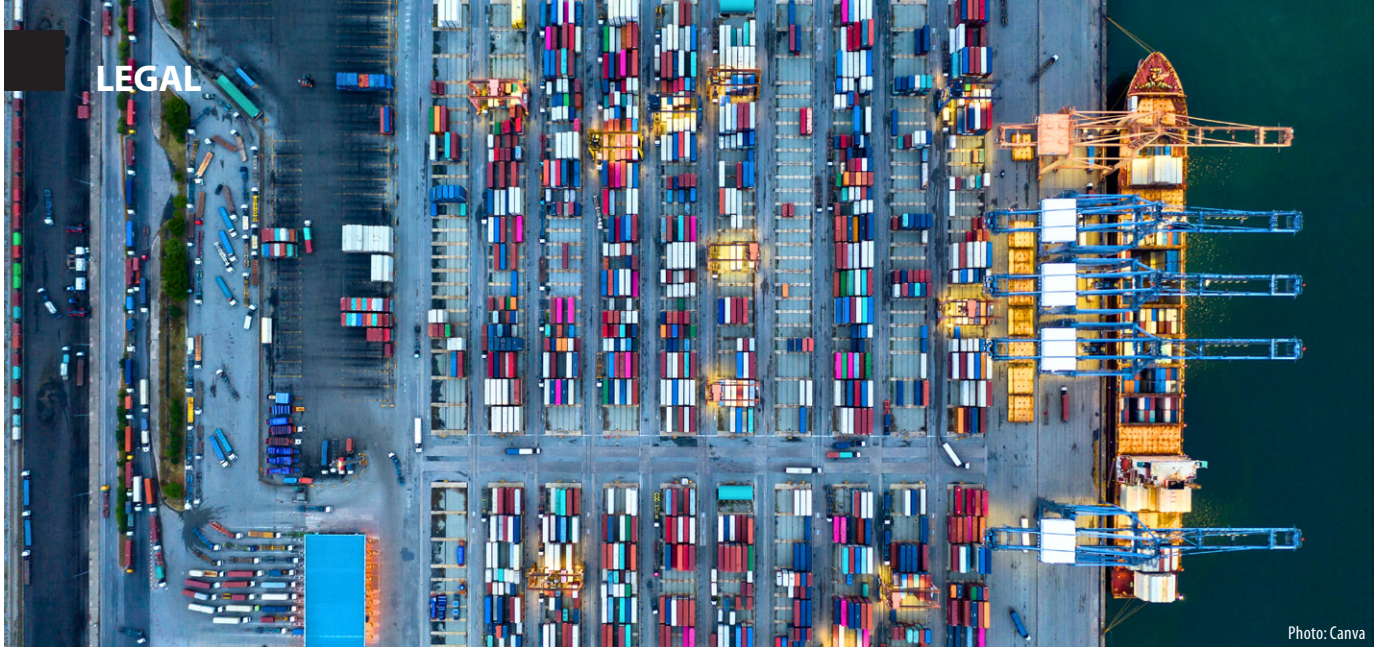

Photo: Canva

having a hard time connecting the dots: that you save money by spending money. There is technology available that minimises the risk of, e.g., boom collision. Electronic boom anti-collision technology costs money, sure, but it's spare change compared to the loss of life and limb, damaging the equipment and cargo, repairs, downtime, not to mention reputational damage and lost business. There are things insurance simply won't cover for. Being insured isn't the same thing as being safe and secure. Studies have shown that for every dollar one gets from insurance, there are between eight and 36 dollars of non-insured costs like the ones mentioned above. Similar to the death in the union case, it's still far too often that terminal operators invest in safety equipment after an accident – not to prevent it.

■ ***How about risks outside the operator's domain, such as organised crime (including cyber) targeting the logistics chain? What can the transport business do to mitigate them?***

It is essentially an arms race. Criminal organisations are always trying to be at least one step ahead of their potential victims. Issues like certain instances of theft seem quite manageable via straightforward methods such as ensuring safe parking places, gated fences, lighting and surveillance cameras. These solutions, which aren't exactly rocket science, go a long way in combating cargo theft from trucks or stealing lorries altogether. Naturally, operators also employ technology to their aid. The tricky part lies in using it properly. One can, for instance, install a zillion high-end cameras but have too few staff to screen them all constantly. Here thermal cameras come in handy, because they can alert when a source of heat appears and display it front and centre. It may be a fire, an animal walking past the fence, or a criminal cutting that same barrier.

Then again, criminals have far more sophisticated tools in their arsenal. I remember one example where somebody broke into a transport company's office. Some minor stuff was stolen to hide the true intrusion: installing malware to get into the digital system. Data manipulation (storage relocation, changing the ship-loading plan, ordering a container dispatch, etc.) can enable thieves to access containers directly in a terminal. The system 'thinks' it hands over the cargo to the permitted party – the data appears to be correct after all – but what it does is gives the container to criminals.

When it comes to cyber security, it feels like going full circle: 30 years ago, we saw the novelty of employing safety & security managers; today, the same happens with their cyber counterparts. Execs learn that this isn't necessarily the job of the IT department, whose employees are more concerned with running the TOS or making sure the quay and yard equipment is well-connected so it can transmit data for optimal performance or as a means of predictive maintenance. Here, (cyber) footwork is also needed, like teaching workers that clicking every link they see might not be the best idea. Some employers invest in white hacking, commissioning experts to try breaking into their digital systems. A single employee opening a legitimately looking phishing hyperlink can be what it takes to hijack a company's system.

Cybercrime has become the lay of the land – and an increasing portion of it, too; as such, everybody should be prepared accordingly. Fortunately enough, public authorities, like the police force, are actively taking up the cyber challenge as well. Yet, similarly, with insurance, it should be the company's safety culture that stands watch, so to speak.

■ ***What safety advancements would you like to see continuing once you start enjoying your retirement?***

A sustained, pronounced focus on safety overall. More specifically, I would love to see certain minimum safety requirements built into machinery purchases or, better still, convince manufacturers to make them standard rather than just optional. TT Club, with the help of the International Cargo Handling Coordination Association and the Port Equipment Manufacturing Association, has released several joint publications detailing the minimum safety features for quay cranes and yard equipment (these documents are available from the websites of the three organisations).

I can recall one boom collision, when the repair cost amounted to two million dollars, plus it was out-of-operation for half a year and there was six million dollars worth of business interruption. The technology that would minimise the risk of that event from happening costs around 30 thousand dollars per crane. Even if you have a giant terminal with, say, 60 ship-to-shore gantries, that's $1.8 million, so nowhere near the bill for that one incident. Although the probability of boom collision isn't that high, when it happens, it rockets the damage costs sky-high. I understand that retrofitting can get costly, that's why I have been pushing to make safety a standard feature in newly built machinery. A global regulation making these safety features mandatory would be great to witness. As things stand today, the way forward is to break through to terminal operators with the 'safety pays' message. ■