

NEBOSH Award in Health and Safety at Work

Unit HSW1 Workplace safety foundations

Sample pages from

E1 The foundations of health and safety

1.2 The reasons for practising good standards of health and safety



Before you read this section, note down some reasons why you think health and safety is important.

We will come back to these later.

There are a number of very important reasons why organisations and workers should see health and safety as a priority. For ease of understanding, these reasons have been grouped under three main headings:

- Moral;
- Legal;
- Financial.

1. The moral reasons

Very few if any organisations deliberately set out to allow their workers to be injured through their work. Most organisations and the people who work for them try to do what they believe to be the right thing. Some people call this moral. Others call it ethical or humanitarian.

Many people across the world are killed or seriously injured at work each year. In 2005, the International Labour Organisation (ILO) estimated that there may be as many as 2.2 million people dying each year as a result of work-related accidents and diseases¹. This number exceeds the average annual deaths from road accidents, war and HIV/AIDS combined.

In the UK alone, from April 2009 to March 2010²:

- 152 people were killed as a result of work;
- nearly a quarter of a million other injuries are believed to have occurred; and
- 1.3 million people believed they were suffering from an illness which was caused or made worse by their current or past work.

These figures do not show the pain and suffering caused to the individuals concerned and the effects on their families and friends resulting from these occurrences.

The good news is that many if not all of these injuries and diseases are preventable. The numbers injured have reduced significantly in the last 30 years, mainly as a result of better health and safety standards.

2. The legal reasons

Many countries of the world have laws to ensure that employers do as much as they can to prevent people being injured as a result of their work. These laws are also there to protect the general public from workplace dangers. Obviously, organisations wish to avoid prosecution, since they could be fined, they would receive bad publicity and, most seriously, individuals within their organisation could go to prison.



The hidden costs of accidents

It may be possible to insure against some of these costs, but others like lost time and sick pay will not be part of any insurance. Other negative effects on the organisation may not necessarily be seen directly as an immediate loss of money. These changes tend to be more subtle and include loss of a company's reputation with customers, possibly resulting in loss of contracts; poor publicity; and increased concern from the public.

Examples of financial costs

- Sick pay
- Lost time
- Damages and repairs
- Fines and legal costs
- Accident investigation costs
- Increased insurance premiums and compensation to victims

Examples of non-financial costs

- Reputation with customers
- Reputation with neighbours
- Poor staff morale
- Bad publicity
- People being less likely to want to work for an organisation

Return to the financial costs you considered at the beginning of this subsection.

Can you see now the financial benefits of good health and safety practice?



EXAMPLE

It is very difficult to predict exactly what the costs of an accident will be, particularly the legal costs, but this fictitious example will give you an idea of what may be involved.

A worker has had an accident at work. He tripped over some boxes in a store room because the light in that area was not working correctly. The worker suffered a broken arm and was off work for four weeks. The organisation knew about the problem with the light but had left it because it was decided that it was too expensive to call out an electrician, who had quoted £150 to complete the repair. The organisation was prosecuted in court over the accident by the enforcing agency and was convicted. The total cost to the organisation of the accident was:

Action	Cost
Accident investigation costs by consultant	£500
Lost time and cost of agency worker to cover (4 weeks of 37 hours @ £8 per hour)	£1,184
Wage cost for the worker involved (4 weeks @ £400 per week)	£1,600
Repair costs to light after accident	£150
Legal costs	£1,000
Production loss costs	£1,200
Increased insurance premium	£500
Fine for accident	£3,000
Total cost	£9,134

So, instead of paying out £150 to have the light repaired when it failed, this broken light eventually cost the firm over £9,000, as well as the pain and suffering caused to the injured worker and the damage caused to the organisation's reputation when they were convicted in court.



1. At the beginning of this section you were asked to note down some reasons why health and safety is important. Return to them now and group them under the three categories of moral, legal and financial. (Issues like bad publicity or people being less likely to want to work for an organisation should be grouped under non-financial reasons.)

2. If you have access to the Internet, explore the Health and Safety Executive Better Business website at www.hse.gov.uk/betterbusiness/index.htm. Find three facts there which show that health and safety can save organisations money.