

Principal's Duties – Health Safety and the Environment: What forest owners need to know

Publicity and political interest in the forest industry's safety performance and environmental impact is increasing. The recent Independent Forestry Safety Review highlights the critical role and responsibilities of forest owners (principal's duties). In simple terms, forest owners have a legislative requirement to ensure that they have applied due care in ensuring that work done on their land, or in their forest, is done so in a safe manner in compliance with the law. There are similar requirements regarding environmental law. Forest owners have to ensure that they know what their obligations are and that they have taken all reasonable steps to ensure parties they employ to undertake work for them are competent for the job and doing it correctly.

Some forest owners may have the time, dedication and capability to become conversant with the relevant legislation, regulations, codes of practice, consent conditions, best management practices and operating procedures, and apply them to the management of operations, to adequately discharge their duties without assistance from professionals. In most instances, however, this is unrealistic, especially with an ever-changing operating environment and legislation.

The alternative is to do a really good job in ensuring that the parties forest owners engage to manage or do their work are themselves really good at health and safety and environmental management. This should include:

- Evaluation of the party's management systems, including looking at key performance indicators such as safety and environmental performance and comparisons to benchmarks.
- Selection of credible parties with a good track record. How long has the party been operating and for whom? Review testimonials or references from prior work or other clients.
- Seeking evidence of the party's skills, experience, resources and capability.
- A formal, well-written engagement agreement (contract) detailing the party's obligations.

No longer can forest owners divorce themselves from risks simply by contracting any old third-party and "leaving it up to them". Forest owners will face the risk of statutory breach if they engage parties who cannot identify the risks pertinent to a particular project/block and who don't have the proven expertise and capacity to manage them appropriately.