

MORFITT SUMMARY OF RECOMMENDATIONS – STATUS REPORT

Introduction

BC Ferries released a comprehensive safety review by former B.C. Auditor General George L. Morfitt in January 2007. The 70-page report makes 41 recommendations on safety enhancements at BC Ferries. The following is a status update on that report.

SailSafe Overview

SailSafe is a joint initiative of BC Ferries and the BC Ferry & Marine Workers' Union that builds on BC Ferries' current safety practices and reflects the company's and Union's commitment to safety. In addition to addressing the recommendations within the Morfitt Report, SailSafe will take our existing safety system to the highest level of safety in our industry.

As part of the SailSafe initiative, FORCE Technology and WrightWay Training, two internationally acclaimed marine safety organizations that have assisted in the implementation of safety system projects for ferry companies, shipping companies, oil companies and others around the world, are helping us take our safety practices to the highest possible level. Collectively, these two organizations are known as WrightForce.

SailSafe is driven by the employees who know and understand BC Ferries and who are the eyes and ears of the operation each and every day. In addition to the five company and five Union members on the steering committee, a group of 40 employees comprise the SafeWatch Team—a group of employees leading the implementation of the SailSafe program. A further 500 employees have been involved in identifying areas for improvement, developing action plans and implementing new or revised processes through a series of workshops first held in fall 2007.

Importantly, SailSafe is based on the principle of continuous improvement. In May 2008, we began implementing Phase I of the SailSafe action plan, which included 48 specific safety-related recommendations. Over the next five years, this continuous improvement process will be incorporated into the Safety Management System and become part of the culture at BC Ferries. Until that time, subsequent phases will be rolled out to address any gaps between the current status and the goal of SailSafe: to achieve world-class safety standards.

There is a dedicated SailSafe web page for employees to access that provides bi-weekly updates on the 48 action items contained in the Phase 1 SailSafe Plan. Many of these action items are linked to the Morfitt Report.

Summary of Recommendations

Strategic and Business Plans

BC Ferries should:

1. *Ensure that each of the corporate strategic and business plans includes a strategic objective/goal that pertains directly to the safety and security of customers and employees, and that applicable tactics, measures and targets are developed in regard to the achievement of that objective/goal; and*
Completed. See recent annual reports and business plans available at www.bcferrries.com.
2. *Reinforce that operational safety is the company's number one priority and that at no time should any other company objective take a higher level of priority.*
Completed. See recent annual reports and business plans available at www.bcferrries.com.

The Safety Management System

BC Ferries should:

3. *Carry out a comprehensive review of the Safety Management System (SMS) to determine which areas are functioning effectively and which areas need improvement;*
BC Ferries has launched the SailSafe program with the assistance of a team of marine safety consultants. SailSafe is a comprehensive review program of BC Ferries' Safety Management System.
4. *Improve existing training and orientation processes to ensure they are sufficient to increase knowledge and awareness of the SMS across the organization, especially among vessel Officers and Terminal Directors and Managers to ensure they have "bought into" the SMS;*
Completed. Enhanced training and orientation of the BC Ferries SMS has been introduced in the Standardized Education and Assessment (SEA) program and in the ships safety course for new employees.
5. *Direct the Internal SMS Verification Audit staff to monitor the level of buy-in to the SMS;*
Completed. The Internal Safety Audit Group routinely conducts spot checks of SailSafe action items that have been completed in order to monitor the success of the remediation and improvements to the SMS.

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6. Consider adopting a standardized uniform program for shipboard and terminal employees to make them easily recognizable by passengers; and
Completed. New uniform program launched in May 2007 and subsequently updated in July 2008.
7. Work cooperatively with the BC Ferry & Marine Workers' Union (BCFMWU) to continuously improve the SMS and operational safety.
The BCFMWU is an equal partner in the SailSafe program. This close partnership is working effectively to set broad objectives and develop the strategic plan for the SailSafe program and the overall approach to safety at BC Ferries.

Policies and Procedures

BC Ferries should:

8. Review all of its manuals to determine whether they can be consolidated to avoid duplication and to make them more user-friendly; and
This initiative is in progress as part of the SailSafe Phase 1 Action Plan. Expected completion of Phase 1 is fall 2009.
9. Ensure that both the human resources data base and the crewing operational area have updated policies and procedures that clearly set out their roles and responsibilities relating to the effective functioning of the Safety Management System.
The Crewing Field Guide was incorporated into Fleet Regulations in January 2008. The Requirements by Job project is in progress and is expected to be complete by spring 2009.

Risk Objectives, Identification and Analysis

BC Ferries should:

10. Continue to review its corporate-wide Corporate Risk Register and ensure that all significant risks have been identified;
Completed. BC Ferries reviews its Corporate Risk Register on an ongoing basis and will continue to do so in the future.
11. Prioritize individual risks as to the likelihood of each risk occurring, and develop strategies for mitigating the risks;
Operational Bridge and Terminal Operations Risk Assessment core team training is being conducted. Additionally, as risk control measures are identified, Standard Operating Procedures are being modified. Bridge and Terminal Operations Risk

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Assessments will continue throughout the 2009/10 fiscal year. Engine Room Risk Assessments will commence in the 2009/10 fiscal year.

12. *Ensure that risk management is integrated into the Safety Management System at all levels of the operations;*
Risk management has been incorporated into the Safety Management System review as part of the SailSafe program.
13. *Develop the appropriate policies, structure, approach and support tools for managing risk; and*
All Learning Events Reported Today (ALERT) Handbooks have been developed and are currently being introduced into operational use at site safety committees. The Handbook is used to report learning events or near misses and ensure that employees and supervisors put in control measures to reduce risks to as low as reasonably practical levels. The Handbook also includes a hazard risk identification matrix that every employee can use to ensure that all identified risks are treated appropriately.
14. *Use information from within BC Ferries and the marine industry to ensure that best safety practices are incorporated into BC Ferries' operations.*
This initiative is in progress as part of the SailSafe Phase 1 Action Plan. The SafeWatch team, in conjunction with WrightForce and the Councils of Masters, Chief Engineers and Chief Stewards, are developing best safety operating practices.

Voluntary Individual Safety Observation Reporting Process

BC Ferries should:

15. *Review the purpose of the Voluntary Individual Safety Observation Reporting System (VISORS) and determine whether the purpose for which the system was established can be met by other processes; and, if it cannot, then its current design should be reviewed with the intention of making it more useful; and*
Completed. Forms for reporting safety observations are available to all employees through the company intranet. In addition, a dedicated email address has been created to make it easier for employees to make submissions.
16. *Communicate the revised process throughout the organization and encourage its use.*
Completed. Revised VISORS process communicated to all employees on December 18, 2006.

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On-time Performance

17. *BC Ferries should continue to communicate to operating staff that, in making decisions around on-time performance, operational safety will never be compromised.*

This initiative is in progress as part of the SailSafe Phase 1 Action Plan. On-time performance is no longer part of BC Ferries' incentive plan. The primary importance of safety is communicated to all operational personnel during weekly operations conference calls, Quarterly Divisional meetings, Senior Master meetings, Council of Masters meetings, Chief Engineers and Chief Stewards meetings and at annual Management Safety Conferences.

Vessels Transiting Active Pass

18. *BC Ferries should, as part of a formalized risk management process, undertake an assessment of the degree of risk associated with the current practice of allowing BC Ferries' vessels to transit Active Pass simultaneously.*

Completed. BC Ferries conducted a comprehensive risk assessment, in conjunction with outside experts, to determine the degree of risk associated with vessels simultaneously transiting Active Pass. The assessment determined that the risk is acceptable with the existing control measures in place.

Shift Handover

19. *BC Ferries should review handover procedures and take appropriate action to ensure that consistent and proper watch handover occurs across the fleet.*

This initiative is in progress as part of the SailSafe Phase 1 Action Plan. Booklets are being developed to raise watchkeeper awareness on proper handover procedures. These aids are being derived from industry regulations. Between November and December 2007, 500 employees attended WayForward Workshops. The SafeWatch team reviewed the safety issues and solutions resulting from the workshops and developed action plans to address the items. Bridge and Terminal Operational Risk Assessment core team training has been conducted at 18 sites to date.

Incident Reporting and Investigation

20. *BC Ferries should provide key shipboard, regional operating superintendents, terminal and head office personnel with accident and incident investigation training to improve the effectiveness of these activities.*

Completed. Key shipboard, regional operating superintendents, terminal and head office personnel have completed accident and incident investigation training; Lloyd's risk assessment and incident investigation program conducted in Feb/Mar/Apr

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2007 for operational superintendents, directors and safety staff, with final courses conducted October – November 2007; also conducted Human Factors and Accident Investigation course for all SailSafe Steering Committee and SafeWatch members, as well as Human Resources and Operations Management personnel, in conjunction with WrightForce.

Dealing with Issues Arising from Audits and Inspections

BC Ferries should:

21. *Continue with its efforts to ensure that all of the items in the Operations Safety Log are addressed in a timely manner; and*
Completed. All Operations Safety Log items are reviewed and monitored monthly.
22. *Apply severity levels to the items in the Operations Safety Log, to focus attention of senior management and the Safety, Health, Environment and Security Committee on the serious safety-related issues that must be dealt with.*
Completed. Severity levels for Operations Safety Log items added in March 2007 for all audit items.

Crewing in Operational Safety

BC Ferries should:

23. *Ensure that certification, training and other information provided by supervisors and employees is entered into the Human Resources Management System database on a timely basis; and*

This initiative is in progress as part of the SailSafe Phase 1 Action Plan. Five hundred employees attended WayForward Workshops in November – December, 2007. After the workshops, the SafeWatch team reviewed the safety issues and solutions put forward by the workshop participants and developed action plans to address the items.

24. *Review the Smart Staff scheduling program to ensure that the controls are functioning as designed so that staff are not assigned to positions for which they are not qualified.*

This initiative is in progress as part of the SailSafe Phase 1 Action Plan. BC Ferries is conducting a comprehensive review as part of Requirements by Job project expected to be completed in spring 2009.

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Training in Operational Safety

25. *BC Ferries should review its training programs and ensure that required training is provided on a more timely and equitable basis throughout the organization.*

BC Ferries has recently assigned the Director of Operational Training as the Project Director for Training Integration. This project will review and consolidate all familiarization and clearance training to ensure all training requirements are met.

Bridge Resource Management

BC Ferries should:

26. *Establish criteria, policies and procedures for crew selection and assignment that will promote greater cohesion and synergy among bridge crews for each watch and shift period;*

This initiative is in progress as part of the SailSafe Phase 1 Action Plan. Five hundred employees attended WayForward Workshops in November – December 2007. After the workshops, the SafeWatch team reviewed the safety issues and solutions put forward by the workshop participants and developed action plans to address the items.

27. *Continue to accelerate the rate of Bridge Resource Management refresher training to ensure the principles are instilled in and practiced by deck officers in vessel operation.*

Bridge Resource Management training plan has been implemented for fiscal years 2007/08; 2008/09 and 2009/10, which will cover the majority of regular deck officers. Additional training will be planned to capture new deck officers hired into the fleet.

Crowd Management and Control

BC Ferries should:

28. *Accelerate the rate of crowd management and control for all employees to be trained in this important area;*

BC Ferries recently developed, and had approved by Transport Canada, a new Passenger Safety Management training course. All required employees will have received this training by the end of 2010.

29. *Establish a systematic approach to ensuring that catering department staff are regularly exposed to crowd management and control videos on an ongoing basis; and*

This initiative is in progress as part of the SailSafe Phase 1 Action Plan. Crowd Management Audio Video aids will be provided to each ship. Each ship's drill schedule will include a quarterly requirement to view and discuss the video.

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30. *Determine the minimum period acceptable between initial and refresher training in crowd management training, and initiate a program of refresher training consistent with that finding.*

BC Ferries recently developed, and had approved by Transport Canada, a new Passenger Safety Management training course. All required employees will have received this training by the end of 2011. Refresher training will be conducted every five years.

The Familiarization Process

BC Ferries should:

31. *Review the familiarization process and ensure that it is carried out uniformly across the organization; and*

A comprehensive review of the familiarization process is underway as part of the SailSafe Phase 1 Action Plan. A fleet-wide Familiarization and Clearance Procedure program has been developed by Blended Learning Technologies and a pilot program was tested from mid-November to mid-December 2007. Blended Learning Technologies' design of Standardized Evaluation and Assessment (SEA) is being piloted for deckhands in December 2008 onboard the Queen of Cowichan. The SEA training will be rolled out for deckhands across the fleet in 2009/10.

32. *Ensure that the documented information provided in the familiarization process is standardized to the extent practicable.*

A standard program for familiarization, with appropriate competency checks and sign offs, will be developed as part of the SailSafe program. Standardization of Familiarization and Clearance Procedures have been developed and a pilot program is underway.

The Internal SMS Verification Audit Group

BC Ferries should:

33. *Direct the Internal SMS Verification Audit Group (IVAG) to observe operational safety procedures and protocols to a greater extent, and to provide the Designated Person with information on safety issues for fleet-wide circulation; and*

Completed. Major ship audits now occur over two days to ensure all key operational procedures are reviewed by the Audit Team.

34. *Introduce surprise audits in IVAG's regular audit program.*

Completed. Unannounced audits are now a regular part of the IVAG process.

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The Role of Superintendents, Terminal Directors and Managers in Operational Safety

BC Ferries should ensure that:

35. *Superintendent inspections cover operational safety procedures and protocols and be documented as required; and*
BC Ferries is currently revising and standardizing the checklists for Marine, Engineering and Catering Superintendents' inspections. The Marine Superintendents' deck inspection check lists have been completed.
36. *Superintendents and terminal directors/managers are provided with the necessary training to enable them to properly carry out their inspections and to promote the SMS at all times.*
Completed. Additional training has been provided to the necessary individuals.

Emergency Drills

BC Ferries should:

37. *Ensure all operational personnel who have not participated in recent fire and boat drills are included on a regular basis;*
In addition to the inclusion of casual and seasonal employees on the Operational Safety Audit checklist, the SailSafe program is developing a new process for conducting drills to ensure all personnel remain current in their training.
38. *Ensure sufficient time is provided to run complete fire and boat drills and therefore be in full compliance with federal regulations and the company's own policies; and*
As part of the SailSafe program, a new process for conducting of drills is being developed that addresses the issue of time constraints.
39. *Institute a process to monitor and evaluate fire and boat drills system-wide to ensure uniformity and standardization of crew skills and proficiency throughout the fleet.*
This initiative is in progress as part of the SailSafe Phase 1 Action Plan. Five hundred employees attended WayForward Workshops in November – December, 2007. After the workshops, the SafeWatch team reviewed the safety issues and solutions put forward by the workshop participants and developed action plans to address the items.

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Internal Reporting

40. *BC Ferries should have the Safety, Health, Environment and Security Committee review its meeting schedule and revise it if necessary to ensure it facilitates both committee and board discussion of safety-related matters on a timely basis;*

Completed. The Safety, Health, Environment & Security Committee reviewed and discussed its meeting schedule at the June 2007 meeting of the Committee. It was determined that the current schedule facilitates both Committee and Board discussion of safety-related matters on a timely basis and that no changes are required at this time.

External Reporting

41. *BC Ferries should ensure that its annual report includes appropriate information on the extent to which the company has achieved its operational safety objectives.*

Completed. BC Ferries' annual reports and business plans include specific operational safety objectives. The reports are available at www.bcferrries.com.

For further information on these or other safety initiatives at BC Ferries, email sailsafe@bcferries.com.