Outside Contractor Safety Policy

Outside contractors provide one of the greatest sources of potential liability for manufacturing and service facilities—small shops with limited resources are especially vulnerable. All companies should have an established outside contractor safety policy that sets some basic ground rules. Most companies spend a lot of effort defining the contractor’s scope-of-work, schedule and costs, but pay little attention to establishing a viable safety policy governing the contractor’s work. Too often, safety issues are addressed only after an incident has occurred.

Safety Policy Guidelines
With the myriad of safety regulations, and because the owner/operator of a facility is ultimately responsible for activities on-site, it behooves the owner/operator to establish a set of safety guidelines to be followed by outside contractors.

The following items should be incorporated into such a safety policy. (This list is not all-inclusive, and should also include other applicable items unique to the facility or site.)

- All contractor-supplied chemicals, other than personal use items, must be pre-identified to the facility owner/operator. Material Safety Data Sheets must be presented prior to actual introduction of the chemicals to the site.
- Contractors must use chemicals according to manufacturer’s recommended procedures, and/or in accordance with industry standards, and in recognition of any limitations/conditions unique to the site.
- All on-site contractor-employees must be informed of any hazards associated with chemicals or processes used in any work areas to which the contractor is assigned, prior to being released for work.
- All contractor-employees shall conform to work safety practices in place by the owner/operator, and to appropriate work safety practices normally associated with their craft.
- All contractor-employees entering/leaving the site shall sign in/out with the receptionist, safety officer or other contact person designated by the owner/operator.
- All contractor-employees must be informed of site-established evacuation plans and alarm signals, and instructed to heed these alarms in an emergency.
- Contractor will be responsible for selection, procurement, use and maintenance of appropriate contractor-employee personal protective equipment.
- Contractor must designate a person responsible for employee’s compliance to safety rules, and ensure appropriate training has been provided. Training verification for contractor-employees should be supplied to the owner/operator and copies filed on-site.
- Contractor must provide advance notice to owner/operator of the start of any work that may pose an exposure risk (dust, fume, noise generation, or other safety hazard).
- All chemical wastes, including “empty” containers, generated by contractor activities on-site must be segregated from owner/operator-generated wastes to avoid incompatible material reaction, or confusion over ownership of waste.
- Owner/operator and contractor must coordinate activities involving compliance to Lock Out/Tag Out and Confined Space Entry programs in place at the work site. Each party should have an independently developed plan in place, and neither party should solely rely on the other’s program for compliance.
- Owner/operator will provide advance notice to contractor of any change in chemical use or processes in the work area.

Liability Concerns
One item almost always required is that the contractor provide its own liability insurance and a performance bond. A copy of these documents shall be given to the owner/operator prior to the start of work. Another liability issue is “shared equipment.” An example might be the use of an owner/operator forklift truck. If at all possible, the contractor should use its own equipment. If this is not feasible, the owner/operator’s trained employee should perform the task under the supervision of the contractor-designated safety person. All of these issues, and any others unique to the site, should be incorporated into a formal outside contractor safety policy, included as part of the terms and conditions of a contract, and reviewed with outside contractors before commencement of any site work. Most are common-sense issues, but are often overlooked until a problem occurs. Establishing guidelines at the onset of a project will reduce the risk of accident, injury or potential owner/operator liability.

An Ounce of Prevention Is Worth a Pound of Cure
In a number of cases involving outside contractor violations and/or accidents, OSHA has ruled that an owner/operator can also be held responsible for failure to properly manage/supervise contractor activities. In addition to possible fines and penalties, this opens up the possibility for inclusion in civil suits involving the incident, even if the owner/operator was not responsible. This could create exposure to significant legal fees and judgement awards. **P&SF**