

Compliance report: Service station inspection program 2014-2015

May 2016

Introduction

During the 2014-2015 financial year, the third and final stage of the service station inspection program was conducted, targeting 100 sites across Queensland. The focus of the inspection program was to assess compliance with the hazardous chemical requirements under the Workplace Health and Safety Regulation 2011 (the Regulation). The compliance program was conducted by regional inspectors using the existing inspection checklist and guide that had been produced for the previous stages (2012-13 and 2013-14). The inspectors were given a list of sites to attend, mostly sourced from the Workplace Health and Safety Queensland (WHSQ) manifest quantity workplace notification database. Additionally regions incorporated other sites identified locally.

The inspections typically involved observing the site fuel storage and handling systems along with associated maintenance and training procedures. This report summarises the activities and findings of the 2014-15 inspection program and the overall program over the last three years.

Background

Fuels found at service stations include commercial grades of petrol (e.g. unleaded, premium unleaded, ethanol blended), diesel and liquefied petroleum gas (LPG). These fuels are classified as hazardous chemicals under the Regulation. Persons conducting a business or undertaking (PCBU) which retail fuel have specific duties to safely manage the associated risks to health and safety of persons at their site. As a retail operation, the PCBU must also minimise the health and safety risks to customers.

Service station hazards

Petrol is one of the more common hazardous chemicals that the motoring public interacts with via the refuelling of vehicles.

Other hazards at a retail fuel operation include:

- flammable liquid spills occurring during refuelling vehicles
- flammable gas being released during LPG/autogas filling operations
- leaks and spills occurring during tank filling operations i.e. tanker vehicle transfers
- flammable liquids and gases being a fire and explosion hazard when storing and handling these materials
- uncontrolled ignition sources posing significant risks during fuel dispensing and transferring operations.

Specific engineering controls are applied to safe design and operation of service stations to help minimise the risks associated with the hazards described above. Australian standards and industry codes are available to help ensure the design, installation, and operation of service stations minimise the risk of incidents as far as reasonably practicable as required by the *Work Health and Safety Act 2011* (the Act).

Control measures include:

- the use of underground storage tanks
- safe design of fuel dispensers including emergency stops and isolation valves
- design of the site layout
- installation of fire fighting equipment
- spill management systems
- regular maintenance of equipment
- development of emergency response plans
- administrative solutions through training.

Generally service stations operate without major incident or any notifiable injuries, however, liquid spills and gas leaks have occurred. The quick reaction of staff along with the system design, incorporating specific engineering controls, has ensured minor incidents don't escalate into something

larger, which could cause considerable property damage and risk to people, including workers, customers and emergency service personnel.

The purpose of the compliance program

The program's purpose was to achieve the following objectives.

- Monitor safety at service stations by inspecting the workplace against an established criteria.
- Assess the management of hazardous chemical risks by the workplace.
- Assess compliance with the Act and Regulation with particular emphasis on hazardous chemical safety.
- Provide practical information and assistance to assist service station operators to comply with the WHS legislation.

What did the inspection program include?

The inspection program covered workplaces across Queensland retailing fuel (referred to as service stations). A majority of service stations were randomly selected from the notification database maintained by the Hazardous Industries and Chemicals Branch (HICB) within WHSQ. Additionally, each region were able to incorporate their own identified sites for assessment and achieve the required number of program inspections. The selection included both independent operators as well as sites operated by the major chain/franchise operators and supermarkets.

WHSQ region	Number of sites (2015)
North Queensland	8
Central Queensland and Wide Bay	32
South West Queensland	16
Brisbane North and Sunshine Coast	22
Brisbane South and Gold Coast	22
	Total 100

The inspection process

Inspectors carried out the following inspection protocols:

- Contact made with the service station operator to arrange the inspection date along with advice about the scope and materials available to assist.
- Inspection by a WHSQ inspector using:
 - inspection checklist. To help ensure inspections were conducted in a comprehensive and consistent manner, the detailed inspection checklist (first developed to support the 2012/13 inspection program) was again used by WHSQ inspectors. This checklist was used for each site inspection and used to identify any deficiencies in the workplace's hazardous chemical safety system. The checklist was provided to the business prior to the inspection.
 - site records
 - interviews with onsite operational staff.
- Any identified issues were discussed with the service station operator and addressed in accordance with the *National compliance and enforcement framework*, where provision of advice and guidance or notices are issued based on the level of risk as assessed by the inspector. Time frames for compliance may be negotiated and any follow-up visits arranged where required.

To assist service station operators, the *WHSQ Guide for service station operators* (the guide) continued to be used to support the implementation of the inspection program. The guide provides practical guidance on how to comply with the Regulation, focusing on hazardous chemical requirements. The program did not include technical assessment of LP gas tanks which are regulated under the *Petroleum*

What did the audit program target?

The program focussed primarily on the hazardous chemicals provisions in Chapter 7.1 of the Regulation. The areas covered were regulatory compliance, operational safety, plant and equipment maintenance and emergency preparedness within the context of the Regulation and a relevant industry standard, *AS1940 – The storage and handling of flammable and combustible liquids*.

The inspection checklist developed for the program covered the following sections of the Regulation:

- maintaining a hazardous chemicals register (s.346)
- requirements of the site plan and manifest document (s.347)
- notification of a manifest quantity workplace (MQW) (s.348)
- hazardous chemical placards (s.350)
- safety signs (s.353)
- controlling ignition sources on site (s.355)
- containing and managing spills on site (s.357)
- protecting tank, pipework and dispensers from damage by vehicles (s.358)
- provision and maintenance of fire fighting equipment (s.359)
- controlling risk from the storage and handling system (s.363)
- provision of induction, information, supervision, education and training (s.363 and s.39)
- maintaining tanks and pipework (s.364)
- emergency plans (s.43)
- housekeeping (s.40).

Results of the inspection program

In total 63 issues were identified resulting in 21 improvement notices. No prohibition notices were issued during the program. The breakdown of regulatory actions undertaken for specific issues is shown below in Table 1.

Table 1. Regulatory actions requiring attention at service station sites 2014-2015.

	Register, manifest or notification	Impact protection	Ignition sources	Equipment maintenance	Fire fighting equipment	Risk management	Safety obligations
North Queensland	(3)	(2)				2 + (3)	(1)
Central Queensland	1						
South West Queensland	3 + (4)	5 + (1)		3	4	2 + (4)	1
Brisbane North and Sunshine Coast	3	2		3		4	2
Brisbane South and Gold Coast	(2)		1	1	2	3 + (1)	
Total	16	10	1	7	6	19	4

* Number of improvement notices shown in brackets ().

The number of service stations not requiring any regulatory actions was greater in the third year (2014-15) of the three-year program, when compared to the first year (2012-13).

The overall number of regulatory actions (inclusive of improvement notices) also reduced with 63 noted in this round of inspections compared with 90 in 2013-14 and 101 in 2012-13.

Of the 63 regulatory actions undertaken in 2014-15, 21 were improvement notices which were issued at six different workplaces. This represents 6 per cent of the total number of service stations inspected in 2014-15.

For the purposes of this report, a regulatory action includes any issue identified that was to be addressed by the duty holder by an improvement notice or other means. This decision is at the discretion of the inspector conducting the inspection as guided by the *National compliance and enforcement policy*¹.

Discussion

While this document reports on the third and final year of the service station compliance program (2014-15), it also incorporates a number of overall comments and findings from the three-year program that has run since 2012-13. Reports for the previous years (2012-13 and 2013-14) are available on the service station web page at www.worksafe.qld.gov.au. The specific topic areas for the third year are addressed below.

Manifest, notification and site register

The primary purpose of a manifest is to provide type, quantity and location information on the hazardous chemicals at the workplace to the emergency services. This can assist during emergency response operations for that site and local area disaster planning.

Notification refers to the requirement for workplaces that store, handle or use hazardous chemicals in excess of a manifest quantity to notify WHSQ of their location and inventory.

A register is a list of the hazardous chemicals (regardless of quantity) and the accompanying safety data sheets (SDS) that can be readily accessed to provide product health and safety information.

Sixteen sites in 2014-15 had issues in this area and there were high figures across all three years (32 and 33 in 2012-13 and 2013-14 respectively). In these cases sites did not have an appropriate emergency services manifest for the site and/or had not notified as an MQW to WHSQ. A number of sites did not have a site register for their hazardous chemicals.

Some of the service station operators had difficulty in filling out the notification form and were assisted by inspectors to complete the form and the site manifest. Producing compliant manifests continues to be a challenge for operators despite the number of guidance documents available (including an editable template for their use). Manifest requirements in the Regulation is prescriptive and the content of a manifest is clearly identified in Schedule 13.

Some of the more common issues found with manifests were:

- drains, power isolation and emergency stops were not shown on the site plan
- site plans were poor quality and hard to read
- not having two emergency contact numbers
- manifest table information not accurately reflected in the site plan (e.g. tank identification errors and/or types and quantities not consistent between the manifest tables and site plan)
- location of manifest on site (typically a manifest box) not identified on the site plan
- description of the nature of adjoining land use not identified (e.g. vacant land, commercial, residential sites)
- attaching a register to site plan and offering this to WHSQ as the manifest
- attaching a site plan only to the WHSQ notification form and lodging this as the manifest.

¹ National Compliance and Enforcement Policy (NCEP) 2011 published by Safe Work Australia available at www.safeworkaustralia.gov.au/sites/swa/about/publications/pages/national-compliance-enforcement-policy

With the exception of some small fuel retailers (e.g. corner store with small petrol tank) or diesel only retailers (<100 000 litres combustible liquid), service stations are classified as a MQW because the fuel inventory exceeds a prescribed manifest quantity such as 2500 litres (for petrol).

Awareness of the notification requirement appears to be less likely when service station is located in more remote areas and not linked to any major operators (e.g. chain or franchise). This may be a result of independent operators lacking the same levels of readily available compliance and technical support compared to larger organisations or those closer to major centres. Contributors may include poor internet access, lack of prompt technical support and servicing due to distance from major centres, not being a member of a relevant industry association or not actively supported by a major fuel supplier network.

Major retail fuel companies have also had challenges with providing compliant manifests for their sites. Challenges often resulted from changing organisational structures and internal management and changes to responsibilities, lack of attention to detail and poor communication between sites and head office. This was bound to be compounded when an external provider is engaged by the company to generate the manifests as a company project. In addition to those factors described above, potential causes of non-compliance include:

- a perception that a manifest is additional paperwork and red-tape placing further administrative burden on the business without any real value to them
- a lack of understanding of the purpose of a manifest and how it will benefit the workplace
- not recognising that the manifest is provided to the Queensland Fire and Emergency Services (QFES) to assist in planning for emergencies and responding to incidents at their workplace.

The requirement to have a manifest for service stations has been required in Queensland since 2001 under dangerous goods legislation. While the requirement to have a manifest is not new, having to submit the manifest with the notification to WHSQ was introduced in 2012 under the Regulation s.348. This requirement provides a mechanism for WHSQ to review manifests before they are provided to the QFES and is conducted separately to inspection programs such as this one. This review process has revealed a large proportion of non-compliant manifests from service stations as a whole (i.e. in addition to those submitted as a result of this program).

WHSQ has made a substantial commitment engaging with operators since 2012 to achieve compliant manifests. It appears that there will need to be continued engagement with operators as new notifications are received and to maintain existing ones.

WHSQ has published:

- *A guide for service station operators*
- *Manifest requirements for hazardous chemicals*
- an example editable manifest
- an example site plan to assist industry.

Sometimes confusion exists between understanding the difference between a register and a manifest. The register is simply a list of the hazardous chemicals on site (including fuels) along with the SDS for each product. These are required for site personnel to readily access health and safety information on those products. This is unlike the manifest which is a dedicated summary document of hazardous chemicals storage information for use by emergency services. The manifest is typically kept in a red weatherproof container (i.e. HAZMAT box) at the entry to the workplace which is to be accessible 24 hours a day 7 days a week by the emergency services.

Impact protection

Ten (10) regulatory actions were undertaken to address impact protection issues compared to the 15 actions taken in 2013-14. The main issues that required rectification was the lack of impact protection for vent pipes or fuel dispensers which could be damaged by vehicles. The provision of impact protection is a requirement under the Regulation (s.358). Any tank and associated pipework or attachments are required to be protected from damage caused by impact.

Ignition sources

In this round of inspections, there was one regulatory action relating to ignition sources found at a service station site. This is well below the number found during previous compliance audits. The issue found was one of an electrical fitting, not suitably rated for a hazardous area, located within the hazardous zone of a vent pipe.

Equipment maintenance

Equipment has a broad meaning here and refers to the various components of the fuel storage and handling systems. Issues identified were mostly related to those areas where visual inspection is possible, typically, aboveground items such as dispensers and hoses. For 'non-exposed' equipment, inspectors must rely on maintenance records for the PCBU to demonstrate maintenance and repair is being undertaken. There were seven regulatory actions for equipment maintenance which is a similar level to that recorded in the previous years' inspections. The main issues were damage to fuel hoses, broken fill point covers and spill boxes. Owners and operators should ensure all fuel system components have an inspection and testing schedule appropriate for the item and that a record is kept of this activity. Such records are intended to be kept for the life of the installation.

Instances have occurred where records could not be provided to inspectors (i.e., not retrievable). This has often been caused by changes in ownership where records have not been transferred from the former owner to the new owner. Another instance was due to a building fire which destroyed files. Regardless of the reason, assurance of equipment integrity is critical for minimising the risks to the safety of persons. Where records are not available, the PCBU must re-initiate inspection and testing to confirm the integrity and provide a baseline condition for future inspection and maintenance.

AS4897: The design, installation and operation of underground petroleum storage systems provides guidance on the safe management of the fuel systems found at service stations. Appendix C provides a summary of certification and record-keeping requirements for underground petroleum storage systems. Appendix D provides guidance on inventory control and reconciliation which is particularly important for detecting leaks in the absence of dedicated leak detection systems (typically at older installations). Appendix G provides an owner/operator checklist for the operation and maintenance of underground petroleum systems. The PCBU should ensure that this guidance has been considered for their on-site safety systems to minimise risks to persons so far as reasonably practicable as required by the WHS Act (refer to section 17).

For those service stations that have an aboveground LP Gas tank installed, inspection and maintenance records are required for these installations also. This can be complicated by the involvement of another PCBU, that being the LP Gas supplier who generally retains ownership of the LP Gas installation. Instances occurred where the PCBU for the service station did not recognise their duty in regards to an LP Gas installation on-site. The duty for the safe installation and operation of such an installation cannot be transferred to another duty holder (i.e. gas supplier). All parties must understand the extent of their duties, and the arrangements in place for the system's safe operation, inspection, testing and maintenance, as well as emergency actions for LP Gas installations. Refer to further discussion on challenges of multiple duty holders (page 8).

A new PCBU must ensure that maintenance records for liquid and gaseous fuel systems are included in a sale/transfer as part of due-diligence processes to help ensure continuity of records is maintained throughout the life of the installation.

Fire fighting equipment

There were six actions required to address inadequate fire fighting equipment in the service station forecourt. There were issues with the fire fighting equipment located within the shop and not in the forecourt area and under-sized extinguishers. AS1940 recommends the use of 9 kg extinguishers at service stations. The lack of fire fighting equipment maintenance was another issue noted.

Guidance on maintenance of fire fighting equipment is available in *AS1851: Routine service of fire protection systems and equipment*. For example, a 6-monthly service schedule is recommended for fire

extinguishers checking items such as the anti-tamper device, external corrosion, external hose assembly, charge status, and condition of the discharge nozzle. Service records such as a logbook must be kept to demonstrate service history.

Risk management (and safe systems of work)

This area had the highest number of regulatory actions with 19 recorded during the 2014-15 program. The area of concern is the lack of documented work procedures, maintenance procedures, maintenance records/logs or other mechanisms to demonstrate maintenance activity, and emergency plans for the site. Evidence of staff training were also not available in many of these cases. This was a particular issue noted at small independent service stations. Refer to the next section on the overall program findings for comments on challenges that face small business.

General safety obligations

This topic covers a range of issues not addressed above such as poor housekeeping, faded signs and placards. Four regulatory actions were undertaken to address these range of issues. Two sites had issues with overgrown vegetation in the vicinity of fill points and vent pipes or LP gas tanks.

Overall program findings

The service station industry is a rather unique group of workplaces because they:

- are numerous (approximately 900² spread across Queensland)
- are similar in layout and design
- supply a similar range of fuel products presenting similar hazards
- operate with a small number of workers at each site (regardless of the organisational structure supporting its operation)
- interact with the public through retail.

There are well established standards and codes that guide the design, construction and operation of service stations to minimise the risks associated with the storage and handling of the various fuels which have been in place for many decades.

Despite this, incidents still occur that place the safety of people at risk. To help reduce that risk, the Act identifies specific duty holders and outlines their responsibilities.

Challenges of multiple duty holders

In terms of duty holders, the service station industry adopts a range of business arrangements where different parties (i.e. duty holders) may be responsible for different parts of the business. Responsibilities range from the supply of liquid and gaseous fuel products, fuel storage and dispensing systems (infrastructure), the retail store, and the land ownership. Additionally the brand name displayed at a service station does not always indicate the owner or the type of ownership structure for a service station. In some cases, franchisees may rent a site or a number of sites and source fuel from the franchisor and brand it accordingly.

On occasions, the inspection process found that company representatives found it difficult to identify who was responsible for what. This was revealed when it came to having to demonstrate that specific activities such as maintenance of plant and equipment were being undertaken. In some cases, retail agreements were provided which was relied on for guidance, yet differences in interpretation by duty holders then arose requiring clarification and confirmation from different business entities.

A specific example in the 2014 program showed how complex this can be when looking into the installation and maintenance of an LP gas tank where records were difficult to obtain and responsibilities were unclear. Many but not all service stations have an aboveground LP gas tank on site. When they do, the tanks are generally installed and owned by the gas supplier and sales managed by the operator. Such an installation introduces another duty holder to the site. Unfortunately this can result in

² Number of service stations in Queensland estimated via Yellow Pages search via www.yellowpages.com.au/search/listings?clue=service+station&locationClue=Queensland&lat=&lon=&selectedViewMode=list and WHSQ manifest quantity workplace notification data managed by HICB.

a service station operator having little knowledge about the installation, its maintenance and operation and more importantly, any associated hazards, potential emergency scenarios and suitable response actions. This complex arrangement of responsibilities can lead to gaps in knowledge (e.g. status of long term maintenance activities) thereby presenting a potential risk to the business and its operations.

The Act (s.14 and s.15) states that a duty cannot be transferred to another person, and that a person can have more than one duty (e.g. duty holder could be a person conducting a business and a supplier). WHSQ inspectors are required to identify the duty holder/s if regulatory actions such as an improvement notice is required to be issued. While not intended to be assessed as part of the inspection checklist, the issue of identifying who the duty holders are has been acknowledged. As a result, WHSQ recommends that service station operators clearly record in their business documentation (e.g. agreements and licenses) the duty holders associated with each site under the Act and what they are responsible for.

Industry and organisation influences

Adding to the dynamics of the industry, the retail fuel market is highly competitive and has been undergoing significant change over recent years. ACCC³ analysis shows that the most significant changes in market shares of retail sales by brand have been the increased market shares of the supermarkets. Another driver of change is the closure of several refining facilities in Australia in recent years as the Australian Market moves to an import and distribution model. This has allowed new businesses to take up a place in the fuel retail market with a significant number of fuel retail sites changing ownership and establishment of new large independent retail chains partly a result of sales of sites by the refiner-wholesalers.

According to ACCC, the supermarket and independents (including branded independents) operated over 80 per cent of retail sites across Australia. Whereas the major oil companies operating in the retail market over this period now directly own and operate only 10 per cent of retail sites across Australia. According to the ACCC, the proportion for identified groups of owner/operators of retail sites nationally in 2013-14 were as follows:

- refiner franchises and commission agents 9 per cent
- refiner marketers 10 per cent
- independents 23 per cent
- supermarkets 25 per cent
- branded independents 34 per cent.

WHSQ inspections have shown that over the course of the three year program, those fuel retailers within a corporate organisation such as supermarkets and refiner marketers generally achieved high levels of compliance. Corporate safety systems were available and supported by dedicated corporate roles driving compliance (e.g. safety and compliance officers or similar). Additionally where any issues were identified requiring action, they could be addressed by a central contact and appropriate action taken to address across multiple sites.

Feedback during the program via inspectors and checklist responses indicated that more engagement activity with the PCBU was required to achieve compliance at small independents. In terms of business size, the refiner marketers and supermarket-operated sites are part of large organisations compared to those who operate one site as a small business. Large companies generally have added capacity to implement management system-based requirements having access to staff in specialised compliance roles whereas small operations lack such directly available resources or have lower capacity to engage suitably qualified and experienced external resources (e.g. consultants or specialists).

³ ACCC (Australian Competition and Consumer Commission): Monitoring of the Australian petroleum industry. Report of the ACCC into the prices, costs and profits of unleaded petrol in Australia, December 2014, available at www.accc.gov.au/publications/monitoring-of-the-australian-petroleum-industry/monitoring-of-the-australian-petroleum-industry-2014-report.

Using an engagement approach by the Regulator (WHSQ) drives education and awareness of hazards along with the legislative requirements and how to comply. A Safe Work Australia (SWA) study⁴ identified numerous references to show the challenges that small businesses (including retail businesses) have, including:

- less likely to be able to identify relevant health and safety legislation
- lack of formal systems and paperwork
- less able to put resources into plant with serious problems and less concern about negative publicity associated with enforcement action
- following the instructions of inspectors for compliance rather than clearly understanding their duties.
- being less aware of prosecutions and usually having insufficient resources and capabilities to understand the implications of court decisions for their business
- low participation in voluntary programs through insufficient resources to qualify for them.

Additionally an ASCC⁵ study of small and medium sized enterprises reported that a number of factors that act as barriers to implementation of controls for hazardous chemicals included:

- difficulty in understanding and applying the regulations
- technical complexity of controls
- lack of appropriate information
- lack of readily accessible expertise
- lack of practical advice from the OHS regulator.

The WHSQ service station compliance program's 2012 report noted in its findings that compliance was influenced by the business size and structure as follows:

- **Service stations owned and operated by major oil companies or supermarket chains** were generally well maintained with the operators well-trained with appropriate safety management systems in place. These sites generally had documented work procedures, trained staff and were often subjected to their own regular internal audits.
- **Service stations owned and operated by a franchisee with the fuel and storage and handling system owned and maintained by the franchisor (separate business entity)** were also well maintained and operated. In this case however the operator in many instances had limited knowledge of the storage and handling systems on site and their maintenance history (e.g. no access to relevant maintenance records).
- **Service stations owned independently or operated by a franchisee who owns the fuel and storage and handling system under the banner of a major petroleum company** generally had more issues with legislative compliance. In many instances there was no effective safety management system. Documented work procedures, training and maintenance records were often lacking. In this sector there appeared to be limited assistance available to the operator to ensure legislative compliance.

With this information in mind, various initiatives undertaken by WHSQ in recent years listed below will help address some of the challenges faced by the small independent operators.

- Availability of the same checklist tool and guide (*Service station operators guide*) as used by the WHS inspectors for use at all service station sites which details the relevant regulatory requirements and what compliance looks like.
- Availability of numerous small to medium business assistance initiatives including:
 - the *Serious about safe business* pack
 - safety workshops

⁴ Safe Work Australia: The effectiveness of work health and safety interventions by regulators: a literature review, 2013, available at www.safeworkaustralia.gov.au

⁵ASCC (Australian Safety and Compensation Council): Barriers and enablers to control of hazardous chemicals in SMEs, Australian Government, 2006.

- free visits by a small business advisor
- a suite of safety resources information and tools.

This publicly accessible and targeted information allows a service station operator to gain a better understanding of the regulatory requirements for the storage and handling of fuels at a retail establishment and what compliance looks like. Unfortunately having information available is no guarantee that businesses will be aware of it or use it. For this reason, the program implementation protocol required each operator to be provided with a copy of the checklist and guide before the inspection. While this approach does not ensure compliance, it provides the workplace an opportunity to review their situation and make further enquiries and take action as required. When this is done, inspections are found to be more efficient, minimising time on site and being able to focus on other important issues.

Reduction in recorded regulatory actions over three years

The reduction in the number of regulatory actions between 2012/13 (101) and 2014/15 (63) is likely to be influenced by numerous factors as discussed below.

A significant influence in the recorded regulatory actions (including notices) by WHSQ are likely to be the result of a renewed service delivery focus by WHSQ that occurred in 2014. WHSQ moved towards a more business engagement-style to encourage and assist compliance by drawing on positive motivators to incite voluntary compliance. This approach encourages inspectors to take a more consultative approach and work with the PCBU to achieve solutions rather than taking more direct compliance through coercive powers and sanctions (e.g. issuing a notice). The approach ultimately taken by an inspector is influenced by factors such as the severity of risk and the willingness of the PCBU to resolve the issue.

A reduction in regulatory actions may also result from an improved understanding of the regulatory requirements and expectations by service station operators as an outcome of the previous two years of inspections that have occurred across Queensland. Some organisations had sites included in each year of the program and could benefit from the early interactions with WHSQ.

Additionally a reduction in regulatory actions over the last three years may be influenced by the fact that 2012 was the first year the service station industry across Queensland had their hazardous chemicals safety systems assessed by a single agency (WHSQ) after being transitioned from local government as a the primary regulator.

Prior to 2012, some 75 local governments regulated the storage and handling of fuels (excluding LP gas) at service stations across Queensland. This ceased in 2012 with the abolition of the flammable and combustible liquids licensing system administered by the councils under the former dangerous goods legislation. From 2012, for the first time in Queensland, service stations across Queensland were able to be assessed in a more consistent manner with the same checklist being applied in all cases regardless of the local government area. Additionally service stations were able access the checklist and its supporting guide from WHSQ helping operators understand what compliance with the hazardous chemicals requirements looked like. Having the one agency manage the program and supporting materials provided additional benefits of being able to centrally manage resolution of issues and identify 'hot spots' in regards to non-compliance. The changing regulatory environment is likely to have had an effect as the new regulator (WHSQ) and industry establish themselves under the new arrangements in terms of compliance expectations and regulatory approach.

Where to from here?

The findings from this inspection program suggest that while the overall level of compliance and safety outcomes may have improved at Queensland service stations, there are still opportunities for operators to improve their legislative compliance and safety management systems. Compliance challenges remain for independently operated service stations, particularly those located in regional Queensland.

WHSQ recommends that service station operators clearly record in their business documentation (e.g. agreements, licences or contracts) the duty holders under the Act associated with each site and what they are responsible for, ensuring there are no gaps that might pose a risk to their business. WHSQ needs to help ensure engagement activity with this industry reaches out to all, regardless of their size or location.

WHSQ recommends that service station operators ensure documentation used to help demonstrate compliance (e.g. repair and maintenance activities, training and instruction, SDS, manifests, registers and notifications, incidents and investigations) is recorded and can be readily accessed. Operators should periodically review and test their systems (e.g. self-audit) to ensure on-going compliance with regulatory requirements.

WHSQ continues to develop its dedicated web page on hazardous chemical safety at service stations providing valuable practical guidance to support the industry. Particular emphasis on supporting small independent fuel retailers will be required to ensure they have ready access to agency resources and assistance to help meet their regulatory duties under the WHS Legislation.

WHSQ wishes to acknowledge the overall positive interactions with the operators within the service station industry and undertake to continue to engage with the industry to achieve improved safety outcomes and legislative compliance.

Further information

Further information is available at www.worksafe.qld.gov.au on the following topics:

- Safe management of hazardous chemicals at service stations covering safety duties, emergency planning, notifications, safety alerts and related supporting guides and inspection reports.
- [A guide for service station operators under the Work Health and Safety Act 2011](#)
- [Service station operator's checklist](#)
- [Flammable and combustible liquids](#) and [fire and explosion risks](#)
- [Hazardous chemical notifications](#) for [manifest quantity workplaces](#)
- [Storage and handling systems](#) (i.e. fuel tanks)
- [Abandoned underground tanks](#).

For more information about work health and safety legislation call 1300 362 128.

Relevant Australian Standards available from www.standards.org.au include:

- *AS1940 – The storage and handling of flammable and combustible liquids*
- *AS4897: The design, installation and operation of underground petroleum storage systems*
- *AS/NZS1598: The storage and handling of LP Gas*
- *AS1851: Routine service of fire protection systems and equipment*