

# U.S. Energy & Chemical Industries

## Contractor Work Hour Activity and Health & Safety Performance Brief

### 1.0 INTRODUCTION

More than 60,000 contractor companies around the globe currently use ISNetwork, ISN's online contractor management platform, to report health and safety performance and work hour activity to over 500 Hiring Clients. These Hiring Clients and contractors work in a variety of industries and cover a wide-range of trades and activities. The purpose of this brief is to provide data and insight regarding both work-hour activity and safety performance trends over the past three years (2013, 2014, 2015) for U.S. contractors in the following six industry groups: Upstream Onshore; Upstream Offshore; Midstream (Pipeline); Downstream (Refining); Utilities, Distribution and Power Generation; and Chemical. Contractors in these industries make up approximately half of all contractors using ISNetwork.

ISNetwork member contractors in these six industries collectively accounted for over 29 billion work hours of activity in 2015. The average contractor employee across the six industries had 2,115 work hours of activity in 2015, a 2% decrease from 2014 activity levels. See Figure 1 for an industry breakdown of average annual work hours per contractor employee.

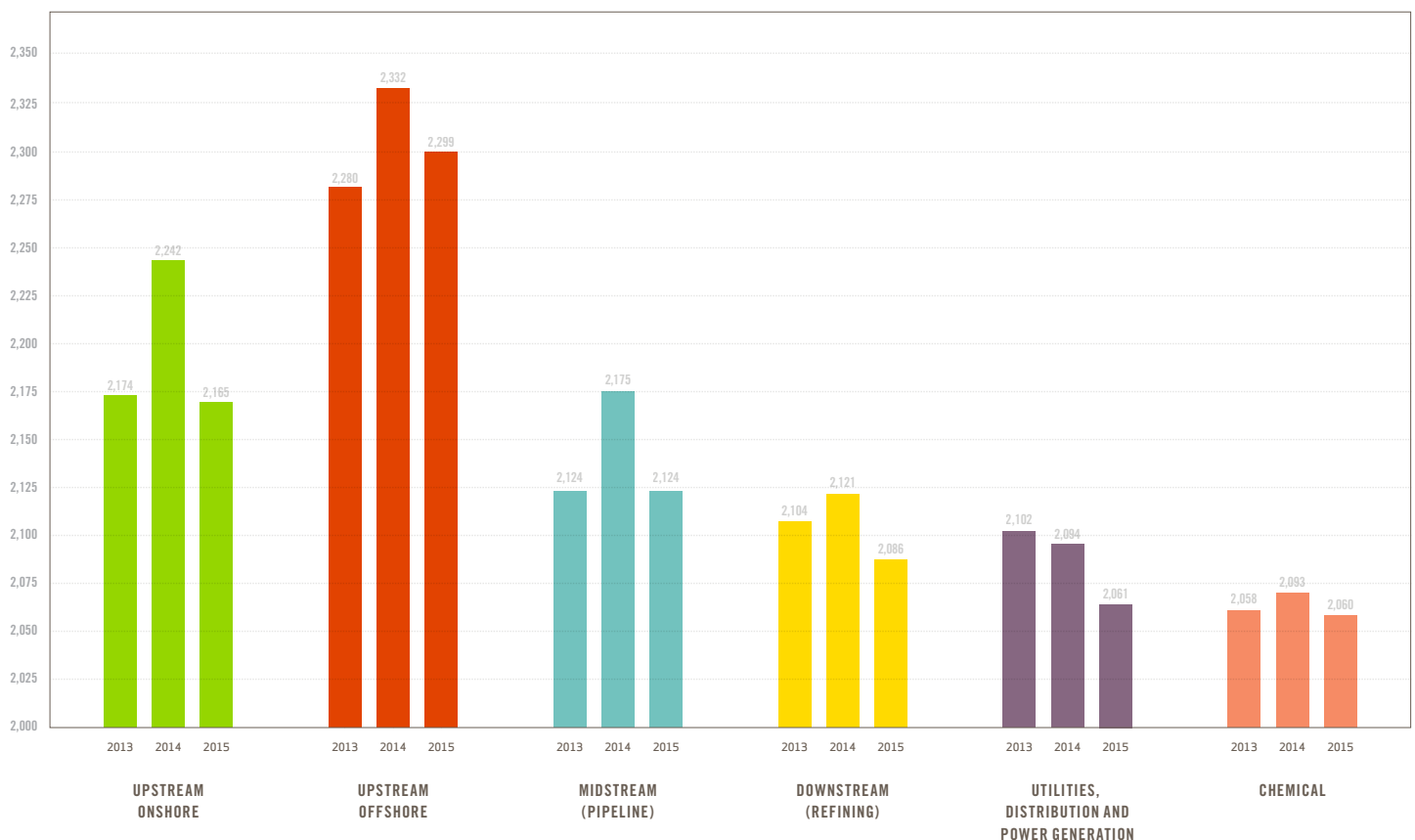


Figure 1. Average Annual Hours of Work Activity per Contractor Employee<sup>1</sup>

For an apples-to-apples comparison of hours of work activity and safety performance trends within these selected industries, a control group of ISNetwork contractors was identified. To qualify for the control group, contractor companies must have worked in the same industry and have reported their hours of work activity and health and safety data in ISNetwork for each of the past three years. The following analysis represents 15,124 contractor companies that met these criteria and were used for the control group.

<sup>1</sup>Average Annual Hours of Work Activity per Contractor Employee is defined as total number of work hours reported by contractor companies within the industry sector divided by the total number of employees reported for the corresponding industry sector for a given year. The typical contractor employee is assumed to work 2,000 hours per year (40 hours per week and 50 weeks per year). Refer to <https://www.bls.gov/iif/osheval.htm>.

## 2.0 U.S. HOURS OF WORK ACTIVITY TREND BY INDUSTRY

A breakdown of hours of work activity reported across various industry groups indicates the following (Figure 2).

1. Contractors performing work in the Upstream Offshore industry reported 11% lower total work hours of activity in 2015 compared to 2014. This is the industry with the highest percentage decline in work hours of activity over a three-year period.
2. The Downstream, Utilities and Chemical industries all experienced a rise in total work hours of activity from 2014 to 2015, while the Upstream Onshore, Upstream Offshore and Midstream industries saw declines.
3. Average work hours of activity per contractor employee remained steady for the Midstream, Downstream, Utilities and Chemical Industries. Each industry saw less than a 0.5% movement from 2013 to 2015.
4. For both Upstream Onshore and Upstream Offshore industries, a 1.5% decline was seen in average work hours of activity per contractor employee in 2015 relative to 2013.

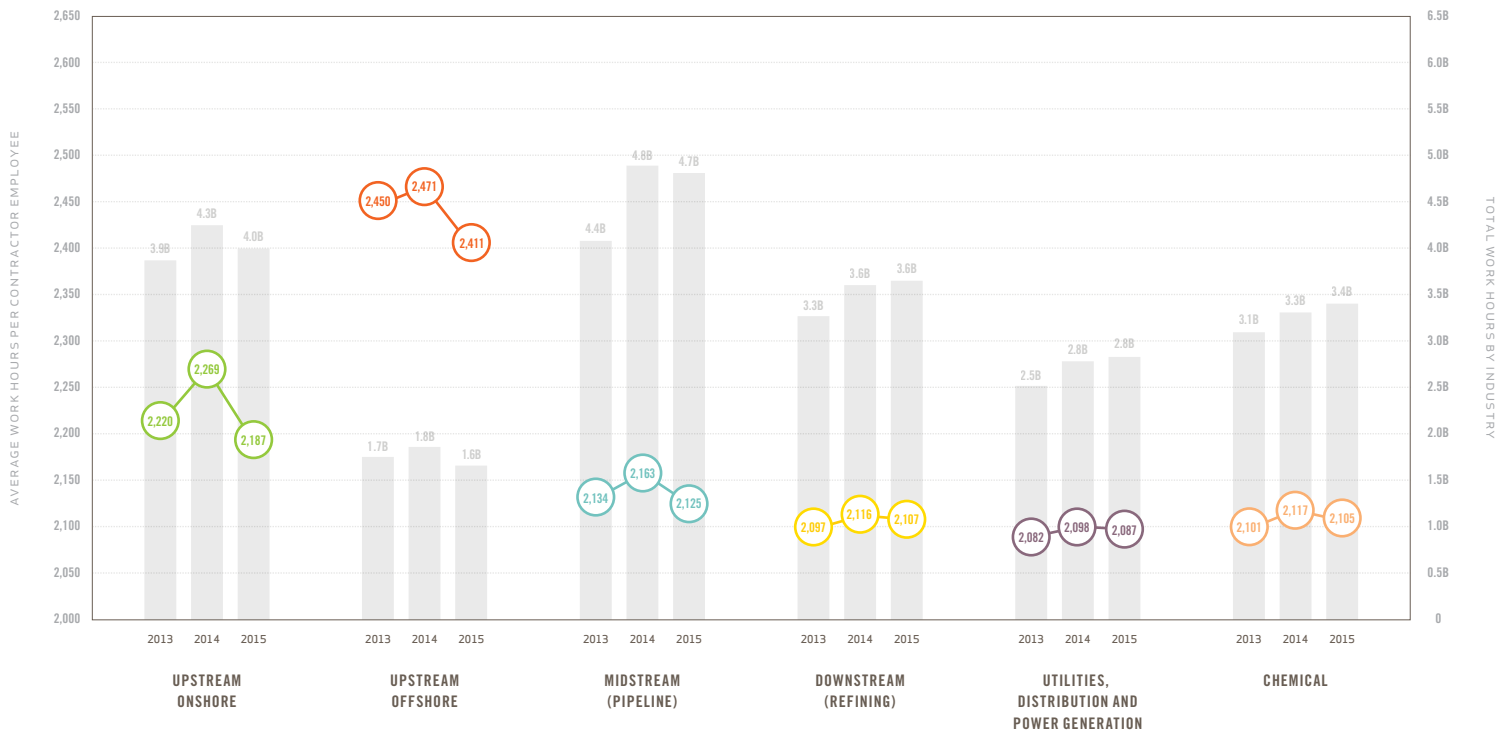


Figure 2. Work Hours by Industry

## 3.0 HEALTH AND SAFETY PERFORMANCE TREND BY INDUSTRY

A further look at the breakdown of health and safety performance indicators for the control group of 15,124 contractor companies indicate the following (Figure 3).

1. All six industries saw a decline in Total Recordable Incident Rate (TRIR) of 10% or more between 2013 and 2015. The most notable improvement was reported in the Upstream Onshore industry where an 18% decline in TRIR was seen over this period of time.
2. Both the Chemical and the Utilities industries showed improvement in TRIR between 2013 and 2015, but saw an even larger improvement in the Days Away Restricted Transfer Rate (DART). Control group contractors in each industry reported a 15% and 16% decline in reportable injuries that resulted in days away from work or job restriction, respectively.
3. Between 2013 and 2015, all sectors showed a decreased DART rate. Upstream Onshore and Upstream Offshore showed a 20% and 18% improvement, respectively. Contractor companies in the Midstream industry followed closely with a 17% decrease.

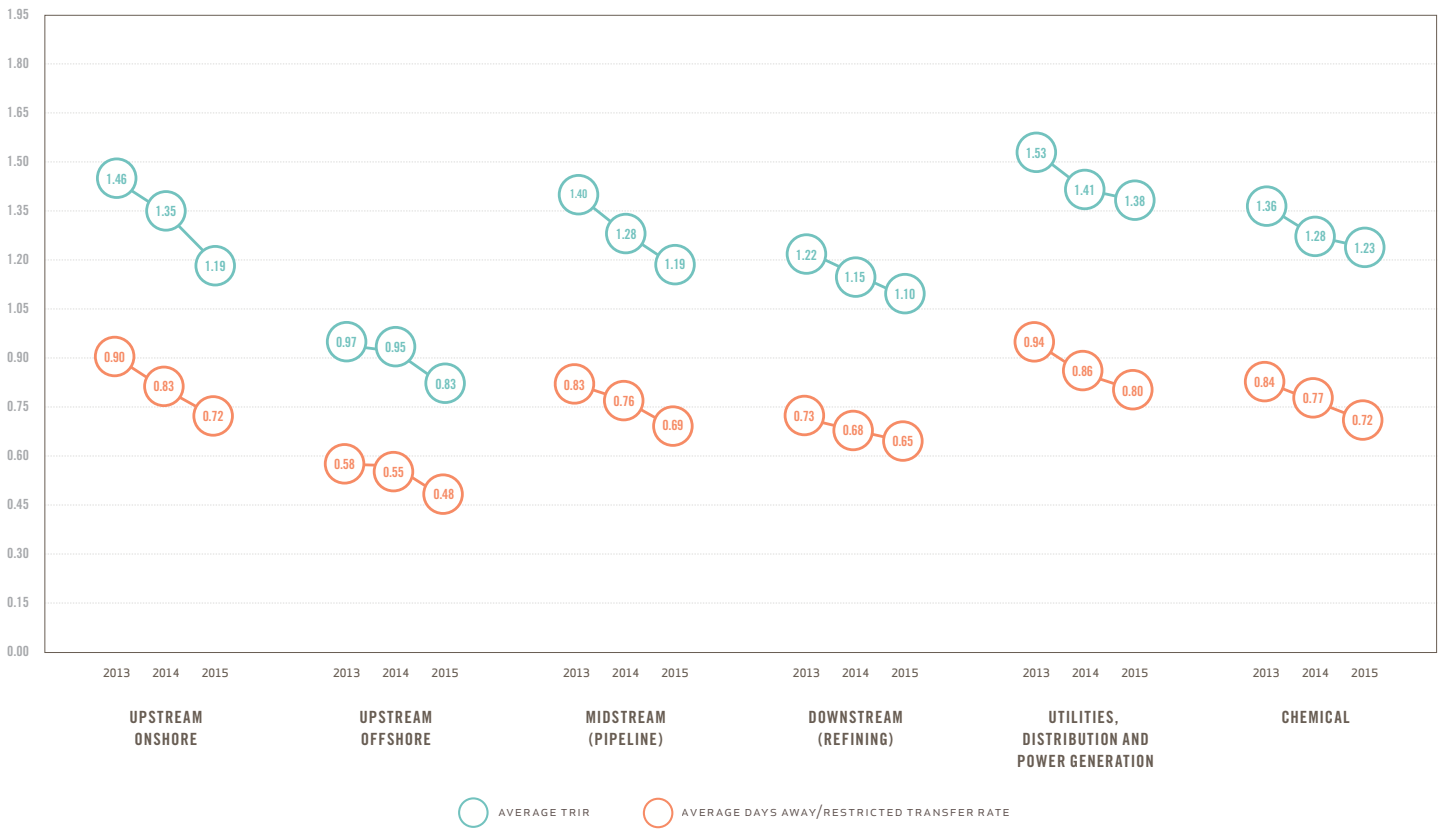


Figure 3. Total Recordable Incident Rate (TRIR) and Days Away/Restricted Transfer Rate (DART) by Industry

## 4.0 ISN PUBLICATIONS

### WHITE PAPERS

Authored by industry experts, ISN white papers provide a helpful resource to both Hiring Clients and contractor companies and address industry best practices in training, insurance compliance and contractor management.

### BENCHMARKING REPORTS

ISN benchmarking reports analyze health and safety key performance indicators and insurance data across capital-intensive industries, allowing Hiring Clients and contractor companies to assess how their performance compares to that of their industry peers.

### CASE STUDIES

ISN produces case studies that use measurable data to demonstrate how ISNetworld addresses common challenges for both Hiring Clients and contractor companies.

To request a copy of these publications, visit <https://www.isnetworld.com/newsroom/publications>.