Safety affects all of us

The Australian Logistics Council (ALC) is Australia’s leading advocate for supply efficiency and safety.

A supply chain which is not safe can never be efficient and accordingly, improving safety outcomes across Australia’s supply chains is at the heart of ALC’s mission. That fact is reflected in two of our major undertakings for 2017.

The development of the National Freight and Supply Chain Strategy by the Commonwealth Government represents a seminal moment for the nation’s freight logistics industry – a once-in-a-generation opportunity to develop a framework that will shape this sector for years to come.

Safety is an issue that impacts upon all parts and all players within our supply chains – so getting the safety elements of the Strategy right will be crucially important in ensuring that what ultimately emerges meets the needs of our industry.

That said, better safety outcomes can only be achieved if people clearly understand – and act upon – their obligations. The best way to ensure that is to present the information to them in an accessible manner, and reduce the red-tape burden that can sometimes act as a barrier to compliance.

That is why ALC is joining with the Australian Trucking Association (ATA) to develop an industry-wide Master Code for heavy vehicle safety. This will help to provide greater certainty for industry participants, whilst also creating a safer environment for all road users.

Both the Master Code and the National Freight and Supply Chain Strategy will rely heavily on industry input to ensure they are effective tools for delivering improved safety.

There will be no better opportunity in 2017 to have your say on both these crucial industry priorities than by attending the ALC Supply Chain Safety & Compliance Summit, being held at ICC Sydney, Darling Harbour, on 5–6 September.

Through a series of presentations and interactive workshops, attendees will have the opportunity to highlight the day-to-day challenges faced in safety and compliance in their own operations – and help craft solutions that will allow the freight logistics industry to improve its safety performance.

Places are selling fast, so to ensure you don’t miss out, head to www.austlogistics.com.au/SafetySummit and register for Australia’s leading supply chain safety event.

As a further bonus for readers, use the code SAFETYNEWS when booking to receive a discounted rate of $800 for a full registration.

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Do you know your obligations?

Under the provisions of the Heavy Vehicle National Law (HVNL), if you consign, pack, load or receive goods as part of your business, you can be held legally liable for breaches of the HVNL – even if you have no direct role in driving or operating a heavy vehicle.

In addition, corporate entities, directors, partners and managers are deemed accountable for the actions of people under their control. This is what is meant by the ‘Chain of Responsibility’ (CoR).

Under CoR, if you exercise (or have the capability of exercising) control or influence over any transport task, you are part of the supply chain – and therefore have a responsibility to ensure the law is complied with.

Companies cannot ‘contract out’ their CoR obligations, no matter what their industry sector or part of the supply chain.

The law also recognises that multiple parties may be responsible for offences committed by the drivers and operators of heavy vehicles.

For instance, if a driver is found to have sped, or have driven in a fatigued state, then everyone who was responsible for requiring the driver to undertake a long journey in an unsafe manner could be prosecuted under the national law.

This is because consignors and consignees are required to take all reasonable steps to ensure that drivers don’t speed or drive whilst fatigued. The current maximum penalty for failing to do this is $10,000.
Action needed to improve safety performance in Australia

Despite some encouraging trends, official government figures show that there needs to be a greater effort by everyone in the supply chain to improve safety and compliance.

The Australian Work Health and Safety Strategy 2012–2022 identified supply chains and networks as one of seven Action Areas.

Data indicates that notifiable worker deaths in the transport, postal and warehousing industry were higher between January – October 2016 than was the case from January – December 2015.

Statistics from the Bureau of Infrastructure, Transport and Regional Economics (BITRE) also show safety in the heavy vehicle industry is generally improving.

BITRE’s latest report (Fatal Heavy Vehicle Crashes – Quarterly Bulletins – December Quarter) shows fatal crashes involving articulated trucks decreased by 5.9 per cent compared with the corresponding period one year earlier, but increased by an average of 1.6 per cent per year over the three years to December 2016.

It should be noted that while heavy vehicles are over represented in crashes, studies have found that in fatal crashes involving other vehicles, the other driver was at fault in 84% of the accidents.
CoR change is coming – are you ready?

Changes to Chain of Responsibility (CoR) laws, due to come into effect in mid-2018, will have an impact on the operations of businesses right throughout the economy – not merely in the transport sector.

Accordingly, now is the time to become familiar with exactly what those changes will mean for your business – and establish appropriate systems within business operations to ensure compliance.

Under the new regime, a primary duty of care will be introduced for supply chain participants to ensure, so far as is reasonably practicable, the safety of ‘road transport operations’, with executive officers (such as directors) having the primary duties regime applied to them through a positive due diligence obligation, similar to that imposed by work health and safety (WHC) law.

Essentially, this means that if you or your company operates, loads, drives or sends/receives goods using a heavy vehicle, you will effectively have the same responsibilities as you presently do under WHS law to ensure that the CoR under the Heavy Vehicle National Law has not been breached.

Accordingly, you should be making certain all reasonably practicable steps are taken to ensure vehicles are properly loaded and goods secured, and that drivers undertake their responsibilities.

This underscores the need to ensure that properly documented road transport practices are kept, and that your organisation’s Board is kept properly informed as to compliance with these measures.

The nature of the coming changes – and ensuring compliance with them – will be the focus of dedicated presentations during the 2017 ALC Supply Chain Safety & Compliance Summit.

ALC research highlights the CoR challenge

Improving safety outcomes in the freight logistics industry is dependent on all parties being aware of, and complying with, their obligations.

Alarmingly, a survey undertaken by ALC in April this year indicated that 50% of respondents don’t believe that their organisation understands the changes that are coming to CoR laws in mid-2018.

Even more worrying was the fact that 90% of respondents were unable to say the CEO of their organisation fully understood their obligations in respect of these matters.

Furthermore, 69% of respondents said their organisation’s CoR management systems variously required updating, were insufficient, were non-existent or could not state whether they were comprehensive.

Given the clear lack of knowledge about CoR and the operation of the HVNL, it’s evident that far more needs to be done to support industry in meeting its obligations – and time is of the essence.
The Master Code – a solution by the industry, for the industry

The development of a Master Code for heavy vehicle safety by ALC and the ATA is about delivering clarity for all those who have obligations under the Heavy Vehicle National Law (HVNL) – and practical support in ensuring compliance.

Around 98% of Australia’s trucking businesses have fewer than 20 employees, and around 50% are non-employing businesses.

The demands that come with running such businesses on a day-to-day basis means many of them simply do not have the time available or resources to allocate to developing comprehensive and compliant safety systems that suit their operational needs.

Of course, the HVNL covers parties such as consigners and receivers, many of whom would not consider trucking activities as part of their core business. Yet they too will require guidance and practical support to ensure compliance with their legal obligations.

The development of Master Code will be of enormous benefit to these parties in helping them to comprehensively understand, and properly manage, those risks over which they have control.

Establishing a clear, industry-wide Master Code will also provide greater certainty for operators by reducing duplication and red-tape, which so often proves an encumbrance for those running their own businesses.

The contents of the Master Code will be the focus of a series of workshops being held as part of the 2017 ALC Supply Chain Safety & Compliance Summit on 5–6 September.

The 2017 ALC Supply Chain Safety & Compliance Summit will feature presentations from:

Chris Bresnahan, Operations Director - eCommerce Delivery, Australia Post / StarTrack
Bill McKinley, Chief of Staff, Australian Trucking Association
Victoria Sherwood, General Manager - Supply Chain, Boral Australia
Geoff Farnsworth, Partner, Holding Redlich
Nathan Cecil, Partner, Holding Redlich
Anthony Jones, Group CEO, LINX Cargo Care Group
Sarah Bell, Traffic Commissioner, London and South East of England
The Hon Melinda Pavey MP, Minister for Roads, Maritime and Freight
Michael Crellin, Manager Chain of Responsibility, National Heavy Vehicle Regulator
Tony Kursius, Executive Director, Regulatory Compliance, National Heavy Vehicle Regulator
Marcus Burke, Project Director – Compliance & Technology, National Transport Commission
Phil Brooks, Stakeholder Manager, NSW Police Force
Adem Long, Logistics Manager, NSW Ports
Belinda Flynn, General Manager Health, Safety and Environment, Qube Logistics
Melinda Bailey, Executive Director, Compliance and Regulatory Services, Roads and Maritime Services
Roy Wakelin-King, Executive Director Regional and Freight, Roads and Maritime Services
Lisa Foley, Director, Regional South Team, SafeWork NSW

Royce Christie, Head of Government Relations, Toll
Sarah Jones, Group Manager Road Transport Compliance, Toll
Chris Koniditsiotis, Chief Executive Officer, Transport Certification Australia
Paul Graham, Chief Supply Chain Officer, Woolworths Group
David Grant, Director Supply Chain, Coca-Cola Amatil
John West, Managing Director, DGL (Aust) Pty Ltd

And more to be announced!

Plus practical workshops and case studies on:

Safe loading & unloading procedures (including LUEZ)
Driver training package
Paperless COR and NHVAS – how productivity gains and compliance can come together
Load Secure program
TruckSafe
AS 31000 Risk Management
Boral
DHL
Viva Energy
Grain harvest management scheme