

MEDIA RELEASE

2017 ALC Supply Chain & Safety Compliance Summit Communique

The [Australian Logistics Council](#) has identified a number of priority areas at the [ALC Supply Chain Safety & Compliance Summit](#) which will form the basis of its efforts to improve supply chain safety over the year ahead.

Held in Sydney over two days this week, the Summit featured an address by the Hon. Melinda Pavey MP, NSW Minister for Roads, Maritime and Freight, as well as a keynote presentation by Sarah Bell, UK Traffic Commissioner for London and the South East of England, focussing on the central role UK Traffic Commissioners play in managing risks to road safety.

“The Summit, which was attended by more than 280 people from across the supply chain, reinforced ALC’s position as Australia’s leading industry advocate for supply chain safety and compliance,” said Michael Kilgariff, ALC Managing Director.

“As the Summit’s opening [video](#) noted, [Chain of Responsibility](#) is all about safety. These two days were an invaluable opportunity for industry representatives to recommit to continuous improvement, learn more about effective safety practices, and consider how to apply these techniques in their own day-to-day operations,” he said.

“A core focus of the Summit was the coming changes to Chain of Responsibility obligations under the Heavy Vehicle National Law (HVNL) and the development of a Registered Industry Code of Practice (Master Code) to assist CoR compliance, both of which are anticipated to commence in mid-2018.”

“The Summit also incorporated a range of interactive workshops designed to furnish supply chain practitioners with practical advice on meeting their Chain of Responsibility obligations.”

“Through a series of consultative workshops, attendees also had the opportunity to directly shape the content of the [Master Code](#) for heavy vehicle safety, currently being developed by ALC in partnership with the [Australian Trucking Association](#).”

As a result of the discussions that occurred at the Summit, ALC has identified a number of key themes, and the actions flowing from these will form the basis of ALC’s safety-related work program over the coming year. These are:

- 1. The Master Code is a significant step – but it can’t solve all the problems.** ALC will work to ensure it is comprehensive resource for industry – but organisations will still need to consider their own operational circumstances when thinking about CoR compliance.
- 2. Continuous improvement in safety is a core aspect of freight’s social licence.** ALC will work with industry and governments to highlight the improved technology and safety features of modern heavy vehicles to contribute to improved safety for all road users, including passenger vehicles.

3. **Safety is a shared responsibility.** ALC will continue working to highlight this within the industry and in other sectors, especially given the increased CoR obligations of directors/executive officers from mid-2018. Driving continuous improvement in compliance is both good community practice and good business practice.
4. **There is scope to make greater use of telematics and technology in safety.** ALC will continue to advocate for the compulsory use of telematics to improve safety, as well as the removal of legislative and regulatory barriers that prevent the uptake of technology that improves safety and productivity.
5. **CoR compliance will increasingly factor into procurement and contract arrangements.** Both Governments and listed companies are writing CoR compliance requirements into contractual arrangements, and won't deal with businesses that can't demonstrate compliance. Through the delivery of the Master Code, ALC will assist businesses to develop procedures they need to not only ensure compliance, but demonstrate it.
6. **Training is vital.** Businesses need to make certain their employees (and subcontractors) understand their CoR obligations . ALC will emphasise the importance of building CoR compliance components into training employee training modules – for both new and existing employees.
7. **Relatively low cost of entry to industry poses safety risks.** Often new entrants to the sector are failing to invest adequately in vehicle safety and CoR compliance. ALC will continue our advocacy on operator licensing/compliance and work with regulators to encourage a particular focus on compliance in this area of the market, especially given anticipated growth in e-Commerce and peer-to-peer freight delivery models.
8. **Executives need to understand CoR compliance and effectiveness of their organisation's systems.** Board reporting on CoR is not just a good way of ensuring obligations are being complied with – but is also a good way of keeping safety issues a priority for businesses. ALC will continue to work with industry to develop metrics for CoR board reporting that makes the information provided to executives meaningful, and capable of driving safety and business improvement.
9. **Heavy vehicles are still overrepresented in accident and fatality statistics – even though heavy vehicle drivers are not always the party at fault.** Trend lines have started to run the wrong way – and this is not a time for complacency. ALC will engage with law-enforcement and regulatory agencies to help determine what factors are driving this (including illicit drug use), and assist with the development and delivery of strategies to combat them.
10. **Messages about load restraint/overloading are still not penetrating the whole of the industry.** ALC will continue to support regulators' efforts to promote this critical safety issue, particularly among smaller and independent operators.

"I thank all speakers and participants for their enthusiastic engagement and participation over these two days, which ensured the 2017 ALC Supply Chain Safety & Compliance Summit will make a real difference to improving safety outcomes across our supply chains," Mr Kilgariff concluded.

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