

Streamlining supply chain through better safety

By **MICHAEL KILGARIFF** Managing Director, Australian Logistics Council

In November 2016, the Federal Government adopted one of the Australian Logistics Council's (ALC) core priorities and agreed to implement a National Freight and Supply Chain Strategy.

This announcement has the potential to be a breakthrough for those working in Australia's freight logistics industry and for industries such as steel which rely on the safe and efficient operation of Australia's supply chains.

For all intents and purposes, Australia is a single national economy and yet so much of the regulatory framework that impacts on businesses is designed and enforced at a State or local level.

For those operating businesses in the freight logistics sector, this means daily confrontation with a hodgepodge of legislative and regulatory hurdles that variously confound and complicate the process of transporting freight safely and efficiently.

The development of a National Freight and Supply Chain Strategy is a chance to finally deal with that situation in a comprehensive way. By mapping our nationally significant supply chains along with their access to supporting infrastructure and gateways, we can bring about better planning outcomes and investment decisions.

Of course, improving safety outcomes must lie at the heart of any effort to enhance supply chain efficiency. After all, a supply chain which is not safe can never be efficient.

The ALC is heavily committed to achieving improvements in heavy vehicle safety, particularly through enhancing awareness among industry participants of their obligations under Chain of Responsibility (CoR) laws.

With changes to CoR laws that significantly extend the obligations on all industry participants due to commence operation in mid-2018, there has never been a more important time to make certain industry can access the information and tools required to meet their obligations.

It is for this reason that the ALC has joined forces with the Australian Trucking Association (ATA) to jointly 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.

Of course, participants in the steel industry are already keenly aware of the benefits that result from having a clear set of standards in place thanks to the operation of the Australian Steel Industry Logistics Safety Code.

The development of a Master Code by the ALC and the ATA is about delivering that same degree of clarity for all those who have obligations under the Heavy Vehicle National Law (HVNL).

We know that around 98 percent of Australia's trucking businesses have fewer than 20 employees and around half are non-employing businesses.

The demands that come with running such operations on a day-to-day basis mean many of these businesses simply do not have

the time or resources available to develop comprehensive safety systems suited to their circumstances.

Indeed, 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 need guidance and support to ensure compliance with their legal obligations.

The development of the 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 encumbers those running their own businesses.

Each year, the ALC Supply Chain Safety and Compliance Summit provides an invaluable opportunity for industry participants to consider the full gamut of safety issues affecting the industry, and to discuss practical ways to address them.

This year's event, being held on 5-6 September at the Sydney ICC in Darling Harbour, will be an important opportunity to fully explore safety content within the National Freight and Supply Chain Strategy as well as the changes to CoR, and how the proposed Master Code can help industry satisfy those obligations.

It will be important that voices from all key sectors are heard throughout these conversations, and I encourage participants in the steel industry to make sure they are involved at every opportunity.

The Steel Transport Safety Network (STSN) has fully supported the ALC/ATA submission to create a Master Code of Practice.

It is considered that through extensive consultation with our industry sector and others, most if not all aspects of the current Steel Logistics Safety Code of Practice will be incorporated into the Master Code. To ensure this pinnacle position is achieved, the STSN has agreed to work closely with the ALC/ATA consortium. The efficiencies to all industry sectors working to the same Code of Practice cannot be underestimated, saving time and driving down costs associated with the current audits across multiple industry disciplines.

It has been agreed that if there are any important aspects to our industry sector that cannot be adequately addressed in the Master Code, then the STSN will apply for funding from the National Heavy Vehicle Regulator (NHVR) to produce a small steel Sub-Code.

The ASI welcomes this important work and continues to recognise the focus required to ensure the best safety outcomes in loading, moving and warehousing steel products.

Phil Casey
ASI National Safety Manager