

Fatigue Management: Wake Up to the Risks

A fiery crash between a truck and a mobile crane north of Sydney caused 18 hours of major traffic disruptions to the M1 Pacific Motorway last month, and has reportedly sparked an investigation by authorities into the freight company involved.

A major Australian trucking company was ordered to pay over \$500,000 in relation to more than 300 road safety breaches back after being involved in a fatal crash in Sydney in 2013. The company collapsed in 2016, less than three years on.

In 2015, a Perth truck driver crashed into and tipped the truck over a stationary car, killing its driver. It was alleged the truck driver was distracted or had a significant lapse in concentration.

These are just some examples reported by the Australian media of serious incidents involving heavy vehicles in recent years where fatigue may have played a part.



BOARD DISCUSSION

Spotlight on Fatigue

- Driver fatigue is the leading cause of road accidents involving heavy vehicles.
- As businesses grow, their fatigue and safety management systems need to be periodically reviewed and adjusted to cater for changes in the business.



THE HARD FACTS

- 2/3 of worker fatalities involved vehicles¹
- 75% of all vehicle incidents involved the worker being in a truck²
- Driver fatigue contributed to 22% of all recorded road accidents³
- 96% of all worker fatalities involved males in 2015⁴
- The transport, postal and warehousing sector has the highest work related fatalities of any industry⁵

Work related fatigue is not new. Although the total number of fatal incidents in the workplace has decreased over recent years, a significant portion (two-thirds) of all work related fatalities involves vehicles.

“The transport, postal and warehousing sector has the highest work related fatalities of any industry,” says Kristy Nicholson, Workplace Health & Safety Principal from Marsh, while adding that driver fatigue is the leading cause of road accidents involving heavy vehicles. Nicholson goes on to explain that the effect of these accidents is not simply measurable by dollars.

¹ Based on data collected in Australia for the period 2003 to 2015. Safe Work Australia, *Work-related Traumatic Injury Fatalities Report, Australia 2015*, October 2016

² Based on data collected in Australia for the period 2007 to 2012. Safe Work Australia, *Transport and Storage Information Sheet 2011-12*

³ http://minister.infrastructure.gov.au/chester/releases/2016/December/dc214_2016.aspx

⁴ Ibid. 1.

⁵ Ibid. 1.

“On top of the financial effect on businesses, the healthcare and regulatory systems, each accident leaves a devastating impact on those involved, their families, friends and colleagues. For the surviving individuals, there could also be long-term psychological impact, often affecting their personal lives.”

Whilst it comes as little surprise that the majority of heavy vehicle drivers are men, it is also not uncommon for drivers to experience marital or family breakdowns. The occupation is mentally and physically demanding, and often requires weeks spent away from family. Mental health is a real issue for heavy vehicle drivers.

“A truck driver’s job is already physically and mentally demanding. Having to suddenly face an accident can be enormously traumatic and have a compounding effect. Even in the many instances where the truck driver is not at fault, it is not uncommon for them to carry the stress back home, adding to the strain on family and personal issues,” explains Nicholson.



**MACQUARIE
UNIVERSITY
FEB 2017 STUDY**

- **82%** of truck drivers work more than 50 hours per week
- **Over 10%** work more than 80 hours per week
- **13%** felt they could not refuse an unsafe schedule
- **42%** would not report safety breaches for fear of losing work

Based on survey results from 559 truck drivers in Australia.



COMPLIANCE: IT'S A TWO-WAY STREET

In response to the impact and gravity of these types of incidents, the federal government has recently announced funding of \$828,000 towards the Heavy Vehicle Driver Fatigue Research Project and \$350,000 towards the development of a new set of codes of practice.⁶

“It’s encouraging to see the government’s commitment to research and compliance, but the industry itself also needs to do its part to ensure the ongoing safety and wellbeing of its employees. Proactive utilisation of a sound safety management system is key,” says Nicholson.

Although the industry is regulated through the Heavy Vehicle National Law (“HVNL”), the level of compliance varies considerably from company to company. A recent study by Macquarie University (February 2017) found a high proportion of truck drivers were forced to work long and dangerous hours to avoid losing their jobs. The study also found many drivers were willing to bend the rules and were afraid to report safety breaches for fear of losing work.⁷

“From Marsh’s experience, we see much better compliance and robust safety systems within the larger-scale transport and logistics companies (200-500 fleet). The level of safety management, in particular fatigue management, varies considerably amongst the smaller companies,” observes Nicholson.

She explains that the mid-ranged companies (50-150 fleet) have typically grown from much smaller operations. As a result, these businesses have likely outgrown the protocols and safety systems originally put in place.

“The level of safety management, in particular fatigue management, varies considerably amongst smaller companies.”

⁶ http://minister.infrastructure.gov.au/chester/releases/2016/December/dc214_2016.aspx, http://minister.infrastructure.gov.au/chester/releases/2017/february/dc018_2017.aspx
⁷ According to an article on The Age published on 3 February 2017 via www.theage.com.au/business/workplace-relations/truck-driving-one-of-the-deadliest-workplaces-in-australia-20170202-gu3rjv.html

“Owners of mid-range sized businesses need to understand that the growth of their business also comes with increased risks. So it’s important for a company’s safety management system to be periodically reviewed and adjusted to cater for changes in the business.”

HOW HAS THIS IMPACTED INSURANCE?

The number of accidents on the road is typically mirrored by insurance claims. Insurers have therefore been hit hard by heavy motor claims, causing premium rates to rise in recent years.

“Insurers view heavy motor fleets as high risk. They typically show extra scrutiny during renewals, and in some cases, prefer to send their own safety specialists into companies to inspect their safety systems and maintenance procedures,” says Scott Greuter, Motor Specialist at Marsh. Greuter predicts that insurers’ attitude is not expected to change until the industry can demonstrate significant improvement.

CHAIN OF RESPONSIBILITY: BEYOND HEAVY MOTOR

“Companies need to be aware that they could be held legally liable even if they have no direct role in operating a heavy vehicle. Corporate entities, directors and managers are accountable for the actions of those under their control,” warns Nicholson.

Whether you consign, pack, load or receive goods, if you have any control or influence in the transport chain, you share equal responsibility for HVNL compliance. For example, a scheduler who places unrealistic timeframes on drivers, causing them to exceed their work rest options, could be held legally liable.⁸

The Chain of Responsibility (“COR”) is underpinned by the principle that *any* party who has control in the transport chain can be held legally liable for breaches of the HVNL. COR laws are designed to apply to all road transport offences, from minor breaches of log book recording to actions or inactions contributing to serious or fatal accidents.⁹



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CONSIDERATIONS FOR SAFETY MANAGEMENT

In today’s increasingly digitised world, businesses should have in place a comprehensive online safety management compliance system, which at a minimum should incorporate the following:

- Hazard reporting
- Incident reporting
- Fatigue management
- Vehicle maintenance and inspections
- Training and licence management

Online compliance systems can take the sting out of relying on one person to remember details and manage data. Corrective actions and reminders can be automatically generated to make safety compliance easier and spread responsibility for safety throughout the business.

⁸ www.nhvr.gov.au/safety-accreditation-compliance/chain-of-responsibility/about-the-chain-of-responsibility

⁹ www.chainofresponsibility.edu.au/cor-frequently-asked-questions

There may or may not be a health and safety resource within the business to oversee this process. Ultimately, the success of the system relies on the daily application through all levels of management within the business. For some companies, this requires discipline and change from deeper within the company's culture.

Nicholson shares the common mistake companies make: "A business may be collecting data through its fatigue management system by tracking driver breaks and work hours, but it may not be using the data collected to make any improvements. It's not about simply ticking a compliance box but rather putting in place a safety management system that is both realistic and meaningful. Management needs to proactively utilise the system to ensure the ongoing safety and wellbeing of their employees."

Often, some of the simplest risk factors are overlooked. In many heavy vehicle accidents, the driver involved has later been discovered to be holding a disqualified licence, highlighting the need for rigid employment practices to form part of an organisation's overall risk management strategy.

"Have the necessary steps been taken during recruitment to ensure drivers are fit for their jobs? Once hired, does the business continue to review and audit these conditions on an ongoing basis? A simple solution could be to validate a driver's licence every year, and to obtain ongoing medical clearance for driver fitness," suggests Nicholson.

THE BIGGER PICTURE

It is important to acknowledge that safety and fatigue management are just one piece to the much larger risk management puzzle. A company needs to review *all* of its business risks – identify the risks, analyse whether there is adequate control or mitigation strategies in place, and report the findings and recommendations to senior management so that a decision can be made on how to manage the risks.

"The issue is much broader than driver fatigue and extends beyond just the transport industry. Companies need to take a serious look at their overall fatigue management system, regardless of the industry that they are in," says Nicholson.

Too frequently, we have seen how quickly one accident can cripple an entire company. Particularly when fatalities are involved and the incident occurs in a public place, media attention is inevitable and often leads to reputational damage, loss of business and scrutiny from regulatory authorities. With so much at stake, organisations need to find a balance within the complex web of risk exposures, risk tolerance level, budgetary constraints and regulatory compliance.



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