



SAFE SYSTEMS

Chain of Responsibility in Tasmanian Transport Chains

Developed by the Tasmanian Transport Association, funded by the National Heavy Vehicle Regulator's Heavy Vehicle Safety Initiative Program, with the support of the Federal Government, to raise awareness of and acceptance for CoR provisions under the Heavy Vehicle National Law.

CASE STUDY 2: RYAN CONTRACTING

Ryan Contracting is an agricultural contracting and transport business based in North-West Tasmania, with the transport operation predominantly servicing off-farm cartage of agricultural produce, including poppies, carrots and potatoes.

Ryan Contracting commenced in 1997 with one truck and has grown to 16 trucks, 40 trailers and a range of agricultural equipment. Ryan Contracting operates dedicated agricultural harvest equipment, prime movers, refrigerated trailers, tippers and specialised trailing equipment.

The base transport activities were seasonal in nature and the business diversified to include container cartage from pack houses, general freight, bulk tipper, machinery cartage, interstate and other sub-contract work.

Ryan Contracting employs 10 core drivers which extends to 18 drivers during seasonal peak times. All drivers are engaged direct as employees. Operations are conducted from a modern office and fully equipped mechanical workshop with qualified staff.

The owners; MD & TJ Ryan, are actively engaged in the management of the business and have office administration, operations and scheduling staff.

Ryan Contracting was keen to participate in the Safe Systems Chain of Responsibility project for several reasons, including to consolidate business systems and seeking clarity for "so far as is reasonably practicable" to manage CoR risks in the context of an integrated transport / primary production supply chain.



TRANSPORT ACTIVITIES

Understanding the transport activities of the business is critical to evaluating how CoR impacts a transport operator and other parties in the Chain of Responsibility.

Transport Activities are defined in the HVNL, Section 5, and involve a whole range of things, not just those specific to the transport task. They also involve how the business operates and how decisions are made.

Ryan Contracting operate a fleet of trucks and trailers which are deployed for a range of transport activities, including:

- agricultural produce transport (vegetables - carrots, onions, potatoes) within Tasmania and north-bound produce to Melbourne and Sydney Markets
- general freight container transport including under sub-contract arrangements
- bulk tipper
- contract and fee for service work through Tasmania and mainland states

The transport activities of Ryan Contracting identified at the beginning of the project were:

- Contracting, directing or employing a person to drive the vehicle
- Contracting, directing or employing a person to carry out another activity associated with the use of the vehicle (such as maintaining or repairing the vehicle)
- Consigning goods for transport using the vehicle
- Scheduling the transport of goods or passengers using the vehicle
- Managing the loading of goods onto or or unloading of goods from the vehicle
- Loading of goods onto or unloading of goods from the vehicle
- Receiving goods unloaded from the vehicle.

BUSINESS PRACTICES

At the beginning of this project, Ryan Contracting had documented systems, policies and procedures in place to manage a range of risks within the transport operations of the business. An opportunity was identified through the project to consolidate these within a single system.

Ryan Contracting operate with Mass Management Accreditation through the National Heavy Vehicle Accreditation Scheme. Chain of Responsibility awareness for drivers and staff is provided to drivers through onboarding processes including induction and as part of ongoing enterprise and externally provided training.

Chain of Responsibility is actively considered in decision making processes by the business owners.

Ryan Contracting has a well-established system for confirming and maintaining vehicle standards including a modern, fully equipped workshop and qualified mechanical staff.

Ryan Contracting is responsible for all service maintenance and repairs of vehicles.

All equipment is maintained in accordance with Ryan Contracting's policy and procedures manual and references manufacturer's maintenance manuals, with an equipped workshop and qualified mechanic on staff within the business.

BUSINESS PRACTICES

Business practices of a person, means the person's practices in running a business associated with the use of a heavy vehicle on a road, including -

- (a) The operating policies and procedures of the business; and
- (b) The human resource and contract arrangements of the business; and
- (c) The arrangements for preventing and minimising public risks associated with the person's practices

Business practices are included within the scope of transport activities connected with the use of a heavy vehicle on a road. Business practices include both the formal and informal ways of doing business and making decisions and are not just the written policies and procedures. The way work is done, the 'unwritten rules' need to be considered when managing the safety of transport activities.

Transport Industry Master Code, page 12

MAPPING THE CHAIN

As with many diversified transport businesses, there is no 'simple' homogenous map that represents the operations of Ryan Contracting.

For this diversified transport operator with strong links and integration with primary production, also engaged with a range of general freight both within Tasmania and interstate, with direct contracts and sub-contract arrangements, the operations are complex.

The diagram below represents just one of the transport chain maps applying to the business and reflects one primary producer/agricultural product transport activity; the transport of carrots ex-farm to factory. It has been selected because it demonstrates a range of parties, both internal and external to the business, with control and influence over the transport task.

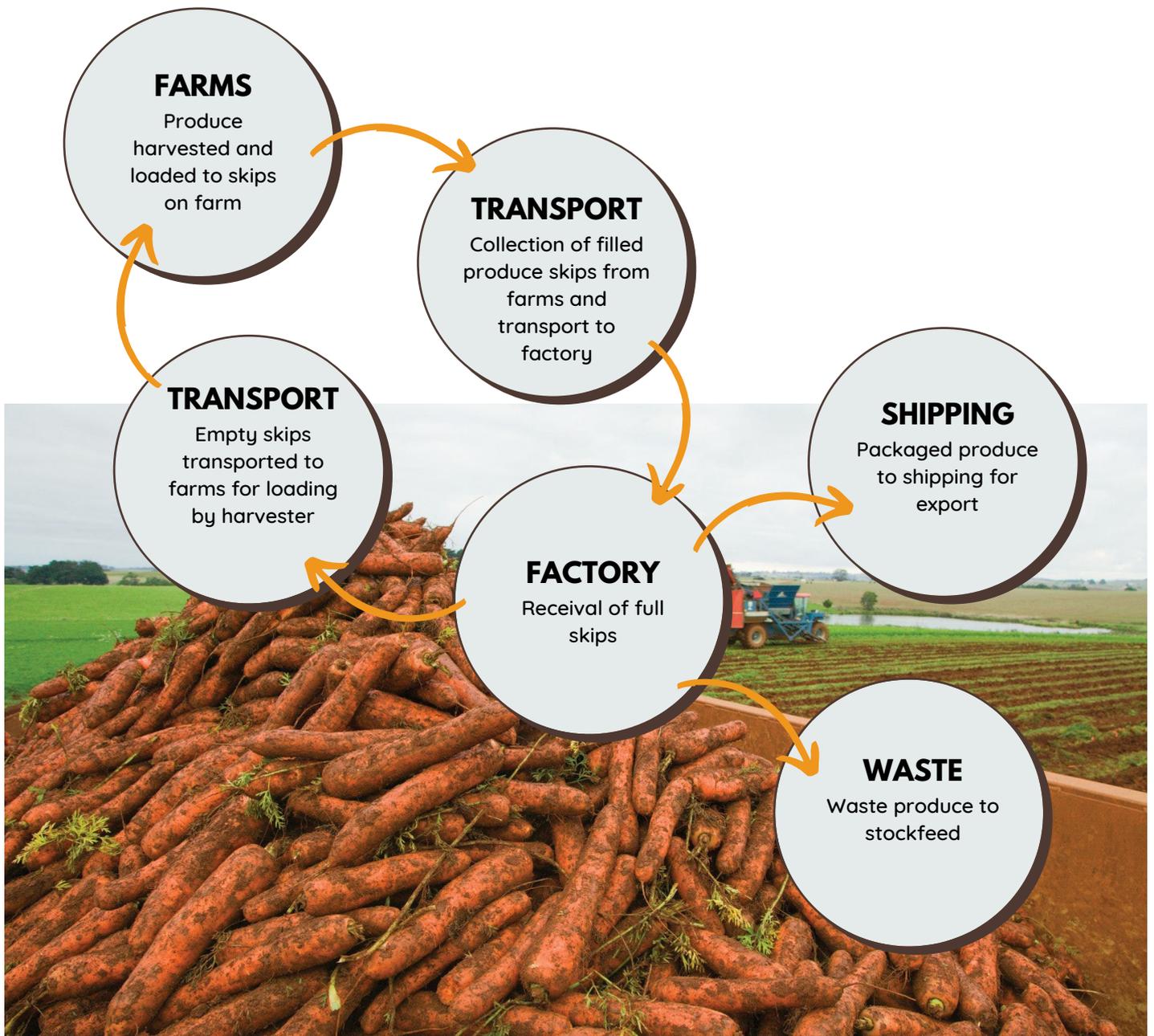


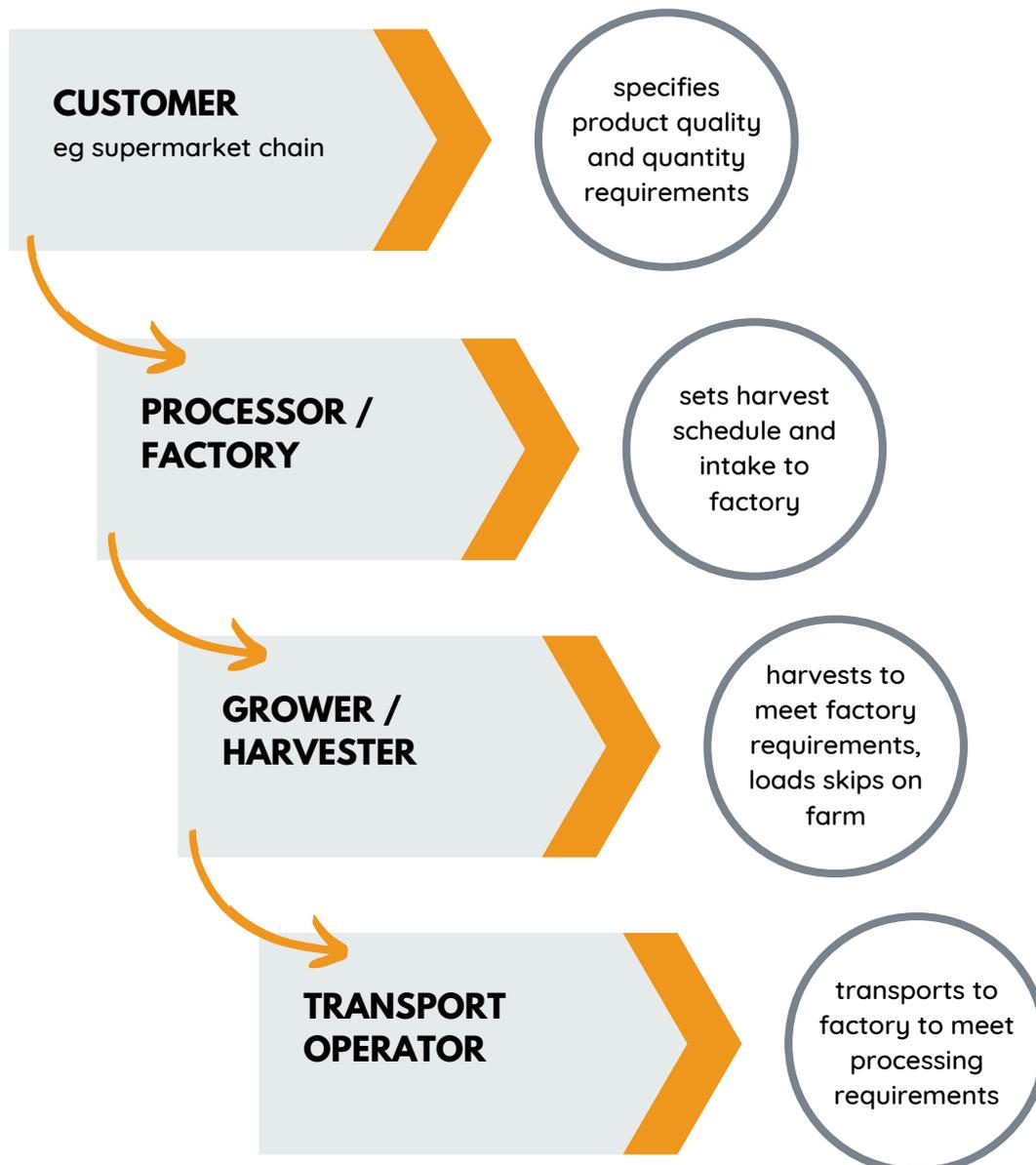
Image courtesy Cradle Coast Authority

Carrot production on the NW Coast of Tasmania is a significant aspect of the state's primary industries profile and is one of the highest volume and value crops in the region. Approximately 60,000 tonnes of carrots are grown each year under contract to three major Australian producers with facilities in the Forth / Devonport region of Tasmania. This is approximately 1/4 of total Australian production of carrots.

Markets for Tasmanian carrots include domestic, Australian markets, with up to one third of production exported to Singapore, Hong Kong, Malaysia and Japan.

Carrot production is seasonal by nature, compressed within a 20-week period from mid to late December onwards.

The broader context for transport activities associated with carrot production is influenced by the requirements of the customer, for example a supermarket chain who requires carrots of a specific grade in a specific quantity.



WHO ARE THE COR PARTIES IN THIS TRANSPORT ACTIVITY?

Primary producer / transport / processor relationships are highly integrated and complex with compounding seasonal and environmental factors. Processors set the harvest schedule and delivery to factory, to meet processing requirements. Field officers direct the harvest operations and determine the schedule for delivery to the factory. This varies according to product quality and packing requirements specified by customers such as supermarket chains. The schedule is further impacted by seasonal and weather conditions.

In this example, the consignor and consignee of the fresh produce is the processor. Processors heavily influence the transport activity by directing the harvest schedule and the intake to the factory, in turn influenced by the requirements for carrots set by the wholesale customer (supermarket chain).

The CoR Parties in this chain are represented as:

COR PARTY	WHO - IN THIS TRANSPORT ACTIVITY
Employer of the driver	Ryan Contracting
Operator of the vehicle	Ryan Contracting
Scheduler	Ryan Contracting heavily influenced by the Processor / Factory
Consignor and Consignee of goods in the vehicle	Processor / Factory influenced by customer demand
Packer of goods in the vehicle	Harvester Operator in this case study, also Ryan Contracting
Loading Manager for goods in the vehicle	Ryan Contracting
Loader of goods in the vehicle	Ryan Contracting
Unloader of goods in the vehicle	Processor / Factory

AWARENESS OF COR DUTIES BY PARTIES TO THE CHAIN

In general, this project has highlighted a lack of awareness and appreciation of CoR duties by Parties external to those within the transport business. Influence and control over the transport task is evident by the transport business, the primary producer/harvester, and by the processor – who in turn is influenced by the requirements of customers.

Harvesting and transport contractors in this industry in general have a commitment to maximising returns for produce, and activities are concentrated because of seasonal and environmental factors. Access to sites and operation of heavy vehicles in paddocks and on farm tracks present further challenges; which are addressed through WHS systems rather than under CoR. There is a strong culture of getting the job done; ‘making hay while the sun shines’ and doing what is needed to get the produce out of the ground and to the factory.

There remains a widely held view that transport is the responsibility of the transport operator and issues of compliance rest with them; that it is the transport operator’s role to resource the transport demands associated with factory intake and with that, to be the ‘problem solver’ for associated compliance under the Heavy Vehicle National Law.

COR RISK CONTROLS

As a long-standing business with Mass Management accreditation, Ryan Contracting has documented procedures across the transport operations to address many WHS and CoR risks.

This project identified an opportunity to consolidate CoR and WHS risk models into a formal business practices system and used the Transport Industry Master Code to structure a framework risk register and to consider possible controls.

MASS, DIMENSION AND LOADING

Mass, Dimension and Loading practices are managed through a series of processes, based around understanding of the product and variables impacting product weight by volume, and are documented in the business' Mass Management system.

Some aspects of MDL were identified as shared responsibility across harvesting and transport operations within the business and challenges were identified with confirming mass of laden trailers, where these are loaded in paddock by harvesting operators, as there may be variation in weight per volume of loaded product depending on environmental conditions (soil volume in load, wet weather vs dry weather).

Challenges with confirming MDL compliance, particularly around mass, is compounded by lack of accessible public weighbridges and low reliance on weight of goods on intake at factory for calculating payment – in this chain example, product is graded and weight is confirmed according to the final packed product ex-factory for finished goods or stockfeed (waste).

SPEED

Transport activities in this chain are generally confined within a local area and on a mix of road environments.

Speed and heavy vehicle speeding including safe speeds for conditions are addressed by the business through driver training, a speed policy and GPS tracking alerts.

VEHICLE STANDARDS

Produce is loaded to skips which are part of trailing units. It is common for transport operators to connect to trailers which are not owned by the transport operator.

Compliance with vehicle standards requirements relating to the trailers is another aspect which is challenging in this model, particularly where different registration schemes applicable to primary producers may be in place.

Ryan Contracting has a well developed and documented system for managing vehicle standards, including a qualified mechanic and equipped mechanical workshop within the business.

FATIGUE

Although drivers are rostered for work by the transport operator and scheduler, aspects of scheduling are identified as shared responsibility as processors set the harvest schedule and factory intake and influence driver hours during harvest operations.

Field staff from processors give direction to harvest, and factory intake is matched to processing requirements.

Ryan Contracting communicates with external CoR Parties, particularly around scheduling, driver rosters and factory intakes including driver availability and hours worked.

The business reviews driver work records for compliance with work/rest requirements.