



MEDIA BACKGROUNDER – RETAIL LOGISTICS SUPPLY CHAIN CODE OF PRACTICE

(June 2012)

What is the Retail Logistics Supply Chain Code of Practice (RLSC)?

The RLSC is an industry driven response to the need to continually improve safety across the supply chain in the heavy vehicle industry. It was developed by the Australian Logistics Council (ALC) in 2006 to ensure participants in the freight logistics supply chain industry are aware of their responsibilities when they control or influence the movement of freight.

How does it work?

The RLSC adopts a risk management approach consisting of a 10 point code of conduct that supports a clear chain of responsibility in freight logistics. Under the RLSC, signatories to the Code are required to actively demonstrate they are implementing positive actions to adhere to the required elements of the Code, including, for example, speed management, fatigue, loading etc. A critical element of the Code is an audit regime to assess whether signatories to the Code are complying with relevant safety rules and regulations.

Why is it important?

All participants in the supply chain who control or influence the movement of freight have a responsibility for safety, and as such, need to be responsible for their actions. This is fundamental to the concept of 'Chain of Responsibility' where supply chain participants have a duty to implement positive actions that prevent breaches of the law.

Who is involved?

More than 60 companies are signatories to the RLSC. This includes transport giants Toll and Linfox, and retail majors Woolworths, Coles and Metcash – all of whom were original signatories to the Code.

Safety in the heavy vehicle industry

There has been encouraging progress in recent years to reduce the number of heavy vehicle fatalities in Australia. For example, statistics from Safe Work Australia and the Bureau of Infrastructure, Transport and Regional Economics (see Graphs 1-3) show that:

- Compensated fatalities in road freight transport have fallen 26% between 2005/06 and 2009/10
- Fatalities in crashes involving articulated trucks have fallen 19% between 2006 and 2011
- Fatalities in crashes involving heavy rigid trucks have fallen 8% between 2006 and 2011

It is significant that that these positive downward trends have been achieved against the backdrop of an increasing national freight task (see Graph 4) as well as an inconsistent national framework for workplace health and safety laws.

What are the next steps for the RLSC?

ALC recognises however that while these figures are encouraging, more needs to be done to support improved safety outcomes in the heavy vehicle industry. In response, ALC is expanding the RLSC so that it covers a greater range of participants in the supply chain. ALC is also working to have RLSC registered under the Heavy Vehicle National Law (HVNL) due to commence in 2013. The HVNL will for the first time deliver a national approach to CoR obligations and registration of the RLSC will provide its members with greater assurance they are meeting their CoR requirements

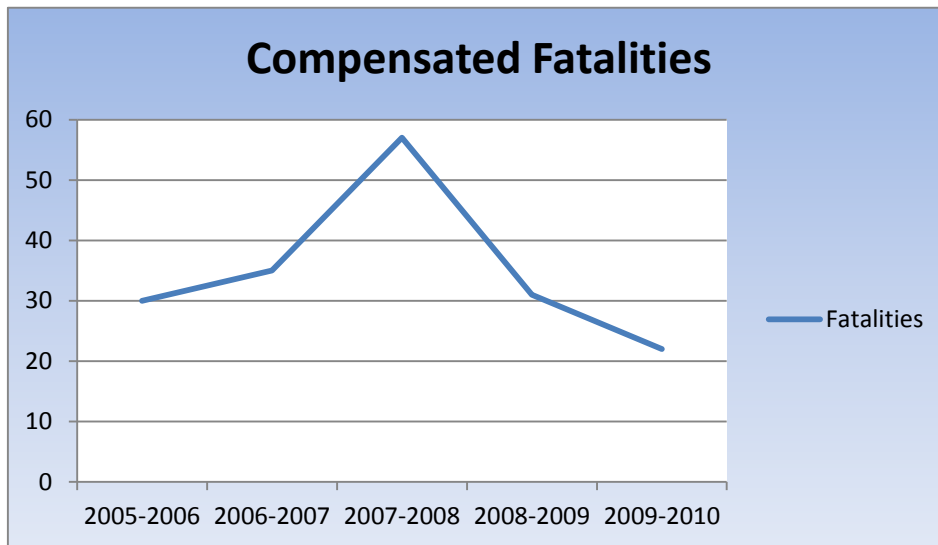
For further information:

[ALC media releases \(http://austlogistics.com.au/media-centre/alc-media-releases-2011/\)](http://austlogistics.com.au/media-centre/alc-media-releases-2011/)

See: *Registration of ALC Safety Code a Step Forward for Freight Logistics*, 23 September 2012

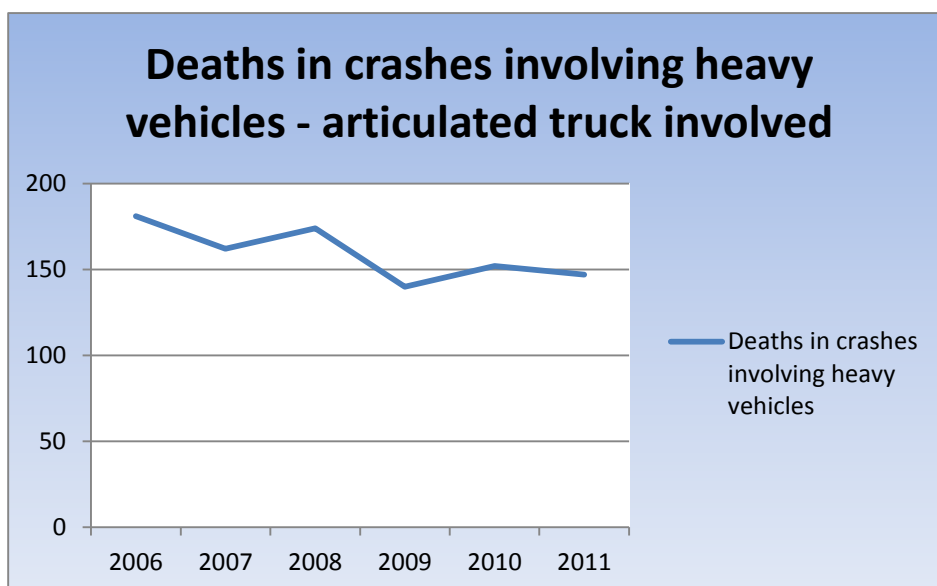
RLSC brochure (http://austlogistics.com.au/wp-content/uploads/2001/03/RLSC_Flyer_final.pdf)

(This brochure includes testimonials from RLSC signatories – Coles, Woolworths, Toll, Metcash, Linfox, and Coca Cola Amatil).

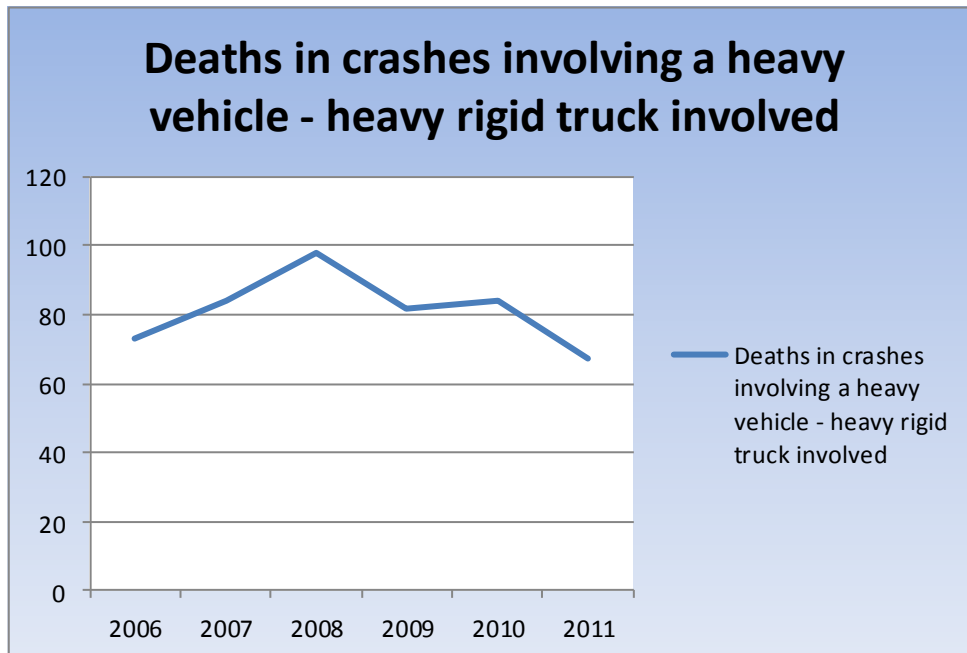


Graph 1 – Compensated Fatalities – Road Freight Transport (Source: Safe Work Australia, Compendium of Workers’ Compensation Statistics Australia 2009-10, Page 94)

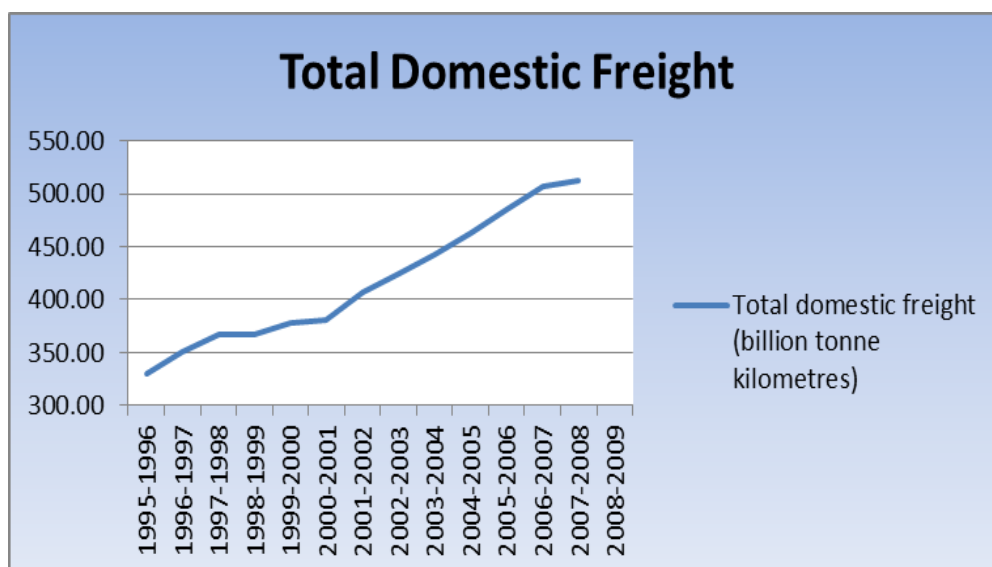
Note: Workers’ Compensation Data are known to undercount the number of work-related fatalities. This is because workers’ compensation is only available to employees and in most jurisdictions there must be a dependent to claim. A study in 2008-2009 showed that about 65 percent of work related traumatic injury fatalities in the transport and storage division were compensated.



Graph 2 – Deaths in crashes involving a heavy vehicle by jurisdiction (Source, Bureau of Infrastructure, Transport and Regional Economics, Annual Road Deaths 2002-2011, Page 17)



Graph 3 - Deaths in crashes involving a heavy vehicle by jurisdiction (Source, Bureau of Infrastructure, Transport and Regional Economics, Annual Road Deaths 2002-2011, Page 17)



Graph 4 – Australia’s Rising Freight Task (Source: Bureau of Infrastructure, Transport and Regional Economics, Australian Statistics Yearbook 2011, Page 33)

Note: A billion tonne kilometre is the weight in tonnes of the material transported multiplied by the number of kilometres driven.