



Managing risk
together

This document is intended for information purposes only. In the event of specific claims, incidents or legal actions against the Subscriber, coverage will be determined by MEARIE policy interpretation.

Contents

Contents.....	2
Introduction	3
Management Commitment	3
Identifying Drivers.....	4
Driver Selection Procedures.....	4
Driver Qualification Standards.....	5
Safety Training	7
Policies and Procedures	7
Vehicle Inspection & Maintenance	9
Electric and Hybrid Fleets	9
Accident Management.....	10
Current Trends in Losses Reported.....	11
Continuous Improvement Process.....	12
Advancements in Technology	12
Motor Vehicle Records (MVR) Policies	13
Personal Use of Company Vehicles- Exposures & Controls.....	17
Non-Owned Vehicle Controls.....	19
Controlling Mobile Device Distractions while Driving	22
Conclusion.....	24
Additional Resources	24

Introduction

Regardless of the size of your fleet, implementing a formal, written safety program is essential. Comprehensive policies and procedures should cover driver safety, vehicle usage, maintenance, and regulatory compliance, helping businesses achieve several key benefits:

- Reduce the risk of crashes by promoting safer driving behaviours
- Protect employees from preventable accidents and injuries
- Minimize vehicle downtime and repair costs through proactive maintenance
- Ensure compliance with driver and vehicle regulations
- Safeguard public reputation by demonstrating a commitment to safety
- Secure more affordable insurance by mitigating risks

Monitoring vehicle accidents is a top priority for businesses, as statistics consistently highlight their impact. Vehicle incidents contribute to work-related fatalities and often result in some of the costliest injuries for employers. Establishing a fleet safety program is a proactive step toward ensuring all drivers understand company policies, procedures, and expectations for safe driving.

This guide provides a structured approach to developing a fleet safety program tailored to your company's needs, focusing on the following key elements:

- Management commitment to prioritize fleet safety
- Driver selection, qualification, and management to ensure responsible driving practices
- Safety training that equips drivers with the necessary knowledge and skills
- Policies and procedures that establish clear expectations and guidelines
- Vehicle inspection, repair, and maintenance to prevent mechanical failures
- Accident management strategies to manage incidents effectively

Additional topics may be relevant to your organization, and they can be incorporated as needed. This guide does not include detailed information on commercial vehicle regulations but serves as a foundation for building a robust fleet safety program.

Management Commitment

Getting the support of your company's leadership is crucial to promoting engagement and compliance from everyone in your organization. Without leadership support, your program is unlikely to succeed. How can you achieve this? Start by demonstrating the impact accidents could potentially have or have had on your business. Impacts can include both direct and indirect costs, such as:

- Vehicle and property repair/replacement
- Employee injuries
- Lost productivity
- Insurance deductibles
- Liability claims
- Vehicle downtime
- Less affordable insurance
- Damaged customer relationships
- Damaged reputation
- Poor employee morale

You will need to quantify these impacts by careful recordkeeping and analysis. The goal of this is to demonstrate that your fleet safety program can reduce these costs.

Identifying Drivers

An important part of managing fleet safety involves understanding your exposures. This can start by learning who is driving on your company's behalf. Depending on your company's record keeping, this can be an easy or challenging task. You will have the employees who operate company-owned vehicles for work. These may include delivery drivers, repair technicians on service calls, bucket truck operators, and supervisors traveling between job sites. Other drivers might be a bit more difficult to identify. They might include:

- Employees who use personal or rented vehicles for business trips, training events, customer visits, etc.
- Volunteers or interns driving company-owned or personal vehicles.

All these drivers may present an exposure to your organization. You should have a process to identify all individuals who drive on your organization's behalf. Managers in your operations, human resources, accounting, and maintenance departments may be able to assist you in this. By learning who drives vehicles on behalf of your organization you will be able to address the full exposure that you may face from vehicle operations. It will also help you consistently apply driver selection and management controls.

Driver Selection Procedures

It is unlikely that your organization will have a good long-term safety record without safe drivers. Institute clear hiring standards and a meticulous screening process for job positions that involve driving. Some important steps in the driver screening and selection process include:

Employment Background Investigation

You should require potential employees to provide at least a three-year employment history that includes work history, driving experience, training, and safety performance (including moving violations/convictions, accidents, and license suspensions/disqualifications). It is important you confirm the information with the previous employer.

Driving History Check

You should be reviewing the applicant's driving record to verify the potential employee has an acceptable driving history during the past three years. Use an official driving record provided by the Ministry of Transportation. Please refer to [Motor Vehicle Record Policies below](#).

Interview

During the interview process, you can ask open-ended questions about the applicant's driving record and experience. If the candidate does have convictions this would be a good time to learn more details. During the interview process you may also gauge the potential candidate's positive attitude, trainability, and relevant experience.

Road Test Evaluation

Perform and document a road test to assess the driver's ability to safely handle the vehicle. It would be best to use a similar vehicle that the driver would be driving for your organization.

Pre-Employment Drug Testing

Pre-employment drug testing helps identify applicants who may use drugs, which could impair their driving. Certain classes of vehicles may require drug testing to be performed. Consult your Human Resources department and the [Ministry of Transportation](#) before developing a drug testing policy to ensure that you are complying with drug testing rules, as well as any regulations.

Document

Documenting your screening steps is essential—not only as a best practice but also to protect against potential negligent hiring claims.

Driver Qualification Standards

Minimum qualification standards for all drivers, whether they are applicants, new hires, or long-time employees, should be established. The following recommended standards reflect current industry best practices. Only individuals who meet these standards should be allowed to operate vehicles on behalf of the company.

Driver Experience

For autos, SUVs, pickups and other small vehicles, individuals should have at least one year of previous verifiable experience with a similar vehicle. At least two years of previous vehicle-specific experience and training are required for larger vehicles, commercial vehicles, and specialized operations vehicles.

Licensing

It is important to confirm that all employees who drive possess a valid driver's license for the class of vehicle they are operating. For large commercial trucks, ensure that the driver has all necessary endorsements and no license restrictions that limit their qualification to operate the vehicle. It is recommended to review the license credentials on an annual basis for all individuals who drive on behalf of your organization.

Vehicle Violations & Accidents

The previous employment and driving records of all applicants should be verified for at least the last three years. For existing employees, review the driving record and safety performance at least once a year to confirm they continue to have a satisfactory and safe driving record. Ensure that applicants and existing employees who drive meet the following minimum standards:

- No more than a combination of three minor moving violations/convictions or minor preventable accidents during the past three years.
- No serious moving violations/convictions, license suspensions, serious preventable accidents, or drug/alcohol-related offenses during the past five years.

Physical Qualification

Certain types of vehicles will require a physical qualification and a driver medical certification. If required, confirm that drivers meet the necessary physical qualifications. Verify and document medical certification renewals.

Drug & Alcohol Testing

A drug and alcohol testing program for existing employees should be implemented for those that operate a vehicle for work. Include formal procedures for random, reasonable suspicion, post-accident, and follow-up testing. It is important that any implementation of such a plan meets the [Ontario Human Rights Code](#).

Managing Driver Performance

A formal performance management process should exist to help confirm that all employees who drive are following the rules and drive safely. One way to do this is by reviewing the driver performance on an annual basis. The items to be included in the performance review are:

- Valid driver's license status
- Accidents and moving violations on MVRs
- Company safety record (policy violations, accidents, incidents, etc.)
- Customer, public and coworker comments
- Safety events/alerts from onboard devices
- Medical certification credentials
- Insurance coverage for employees operating personal vehicles for company business
- Routine monitoring

Official driving records should be obtained from the [Ministry of Transportation](#) at least annually. In some areas, driving record notification programs are available to automatically alert you to violations, accidents, suspensions, or other changes to a driving record. These services provide real-time alerts, helping you address issues promptly.

It is important that all departments apply the driver qualification standards and management procedures consistently. Below is a sample motor vehicle record evaluation grid that can be used. This grid can help you evaluate when a driver's violation and accident record is acceptable, borderline, or poor.

Number of Moving Violations - past 3 years	Number of Preventable Accidents - past 3 years			
	0	1	2	3+
0	CLEAR	ACCEPTABLE	BORDERLINE	POOR
1	ACCEPTABLE	ACCEPTABLE	BORDERLINE	POOR
2	ACCEPTABLE	BORDERLINE	POOR	POOR
3+	POOR	POOR	POOR	POOR
Any Major Violations in the Past 5 Years	POOR	POOR	POOR	POOR

Drivers with poor records should not be able to operate vehicles on your company's behalf. A reassignment of roles might need to be done so they are not operating vehicles. Drivers that have borderline records should be given notice that future violations and preventable accidents may disqualify them from operating company vehicles. This is a good opportunity to use coaching, training, and other corrective measures to improve their driving performance. Monitor their performance more closely to confirm improvement.

Telematics

Many fleets are taking advantage of telematic information to help them operate more efficiently, manage driver performance, and investigate accidents. Many systems provide driver scorecards with detailed performance data. These systems help identify problem areas such as speeding, distracted, and aggressive driving. Video footage can help provide information on what events would have contributed to an accident. The use of telematics has allowed businesses to improve fleet safety. Studies indicate that the use of monitoring systems has shown the frequency of unsafe events can be reduced when fleets use this information to provide positive reinforcement and effective coaching. If your organization has decided to use a telematic system, have an ongoing process for examining driver performance and investigation of unsafe driving events. This data can also be used to recognize and reward safe driving behaviour. It is important to document the steps you take to evaluate driver performance and any corrective action that becomes necessary. This is not only good basic employment practice, but it can also help you defend against potential negligent entrustment claims.

Safety Training

Driving for many years does not necessarily mean someone is a safe driver. For many drivers, the longer they drive the farther away they get from the skills/knowledge they first learned when they obtained their license. Many drivers receive training only as teenagers and rarely receive follow-up instruction. The proper training will allow your drivers to understand your vehicle safety policies and safe driving techniques. Have a safety training program to educate all employees who operate vehicles on your company's behalf which includes:

- Individual training during orientation with a focus on how to avoid preventable accidents
- Offer safety training in various formats to maintain engagement. You can have classroom sessions, information group settings, or it can be computer-based.
- The training should be short, frequent, and interactive.
- Encourage employees to ask questions, listen to their concerns and be positive and reassuring.
- The emphasis should be less on basic driving skills and more on the hazards they face, the types of accidents your business has experienced, and the vehicles they operate.
- Focus on safe driving techniques and procedures that can help them avoid accidents.
- Reinforce training through emails, newsletters, and workplace posters.
- Document all training provided. This will help with ongoing training efforts and assist in defending your company in case you have made a claim that you have not provided your employees with adequate training.

Policies and Procedures

It is essential to communicate your organization's expectations regarding vehicle use. Clearly communicate your policies to all employees who drive for work. Each employee should provide written acknowledgment that they understand and agree to follow these policies. Some examples of important safety topics to address in your fleet safety program include:

Accident Reporting & Response

Provide clear instructions on accident reporting and response procedures.

Moving Violation & Accident Reporting

Require employees to report all moving violations and accidents, even if the incident involves a personally owned vehicle.

Driver Qualification Standards

Inform employees about your driver qualification standards and the consequences of not meeting those standards. Drivers who do not meet your standards should not be permitted to operate vehicles for work.

Mobile Device Use & Distracted Driving

Establish a formal policy that prohibits mobile device use while driving. The policy should also limit hands-free phone conversations. Include other forms of distracted driving in your policy (e.g., eating, drinking, grooming). For more information see MEARIES guide, [Controlling mobile device distractions while driving](#).

Corrective Action Procedures

Explain what corrective action measures will be taken when drivers violate company policies, are involved in preventable accidents, or receive moving violations.

Drug & Alcohol Testing

Inform employees about your drug and alcohol testing procedures, including types of tests, reasons for testing and consequences for testing positive.

Impaired Driving

Prohibit all forms of impaired driving, including impairment due to controlled substances, alcohol, fatigue, illness, or prescription/over-the-counter drugs.

Work Limits & Rest Requirements

Set daily work limits and rest requirements to reduce the risk of drowsy driving. Educate employees on applicable commercial vehicle hour-of-service regulations.

Vehicle Care & Maintenance

Employees should conduct daily visual inspections and report any issues immediately.

Personal Use of Company Vehicles

Set limits on the personal use of company vehicles, including if family members can operate the vehicles. For more information refer to MEARIE's [Personal use of Company Vehicles- Exposures and Controls](#).

Insurance Requirements

Employees who drive their personal vehicles for work should have minimum insurance requirements. See MEARIE's guide on [Non-Owned Vehicle Controls](#).

Safe Driving Expectations

Communicate your expectations for safe driving, including driving at safe speeds, keeping a safe following distance, parking restrictions, seatbelt use and other requirements.

Operational procedures should inform employees about vehicle-related tasks such as fueling, routing, communication, and cargo handling. Ideally, the central office manages your overall fleet safety program to make sure that all branches of the organization are following the procedures.

Vehicle Inspection & Maintenance

Your organization should have formal inspection and maintenance procedures in place to ensure all vehicles and equipment are in safe working condition. Procedures may vary by vehicle type but should at least meet the manufacturer's recommendations. Key elements of an inspection and maintenance program include:

- A written vehicle inspection and maintenance program
- Vehicle pre-trip/post-trip inspection requirements
- Periodic inspection by a qualified mechanic
- A process for reporting and correcting mechanical problems
- Vehicle standards for age, condition, and safety features
- Documentation to record all inspections and repairs
- For regulated commercial vehicles, a review of roadside inspection results and follow-up actions taken to fix any defects.

How well you maintain your vehicles impacts more than just operational efficiency. Issues such as worn tires, bad brakes, and burned-out lights can lead to accidents. A poorly maintained vehicle will be more likely to break down, which means your drivers could be stranded on the side of the road. The maintenance program should be constructed to ensure vehicles are inspected regularly. Vehicles should be inspected by experienced mechanics to ensure they are in good working condition and safe. This is especially true for older vehicles, vehicles that are not used often, pool vehicles and commercial vehicles. Employees should perform daily visual inspections of vehicles. For safety-related problems, place vehicles out of service so they will not be used until repaired. All vehicle inspections, repairs and ongoing preventative maintenance must be documented. This documentation creates a record of completed and upcoming maintenance tasks. This documentation can also play a crucial role after an accident if there are allegations that your vehicle was not maintained adequately.

Electric and Hybrid Fleets

Effective maintenance is crucial for ensuring the longevity and performance of electric and hybrid fleet vehicles. These vehicles differ significantly from traditional gasoline-powered fleets, requiring specialized upkeep to maximize efficiency and reliability. Key maintenance considerations include:

- Battery diagnostics and thermal management – Regular monitoring of battery health helps prevent degradation and ensures optimal performance. Thermal management systems must be checked to maintain safe operating temperatures and extend battery life.
- Software updates and system calibration – Electric and hybrid vehicles rely on advanced software to regulate energy efficiency, regenerative braking, and power distribution. Keeping software up to date ensures vehicles operate with the latest energy-saving advancements.
- Regenerative braking system inspections – Unlike traditional braking systems, regenerative braking converts kinetic energy into electrical energy. Routine inspections help sustain functionality, prevent excessive wear, and maintain optimal energy recovery.
- Charging infrastructure maintenance – Proper management of charging stations is essential to minimize downtime and ensure vehicles remain operational. Regular inspections of charging cables, connectors, and power supply systems enhance efficiency and prevent malfunctions.
- Electric drivetrain maintenance – While electric drivetrains require fewer moving parts than conventional engines, components like inverters, motors, and cooling systems should be regularly inspected to prevent performance issues.
- Tire and suspension system monitoring – Electric and hybrid vehicles often have heavier battery packs, which can place additional strain on tires and suspension systems. Routine checks ensure proper alignment, optimal tire pressure, and overall vehicle stability.

- Cooling and HVAC system maintenance – Electric vehicles use specialized cooling systems to regulate battery temperature and HVAC efficiency. Regular service prevents overheating and ensures comfortable driving conditions.

By prioritizing proactive maintenance strategies, fleet operators can optimize performance, reduce long-term costs, and ensure the reliability of electric and hybrid vehicles. Using predictive analytics and telematics systems can further enhance maintenance by providing real-time insights into vehicle health, enabling timely interventions, and minimizing unexpected breakdowns.

Accident Management

Regardless of fault, a prompt, effective, and professional response at the accident scene is essential. It can help you get the facts you need to understand what happened and control the cost of the accident. It also supports strategy development and trend analysis. Your employees need to know how to respond after an accident has occurred. Provide training to ensure they understand your company's procedures for reporting accidents promptly, when to involve emergency services, and the importance of contacting your organization and MEARIE. Employees should also know the procedures for post-accident drug and alcohol testing. Ensure drivers understand what information should be collected at the scene of the accident, such as:

- The identity and contact information of everyone involved, as well as the insurance details of any drivers involved
- A description and diagram of what happened
- Accident-scene photographs

In addition, ensure your drivers have the right tools available:

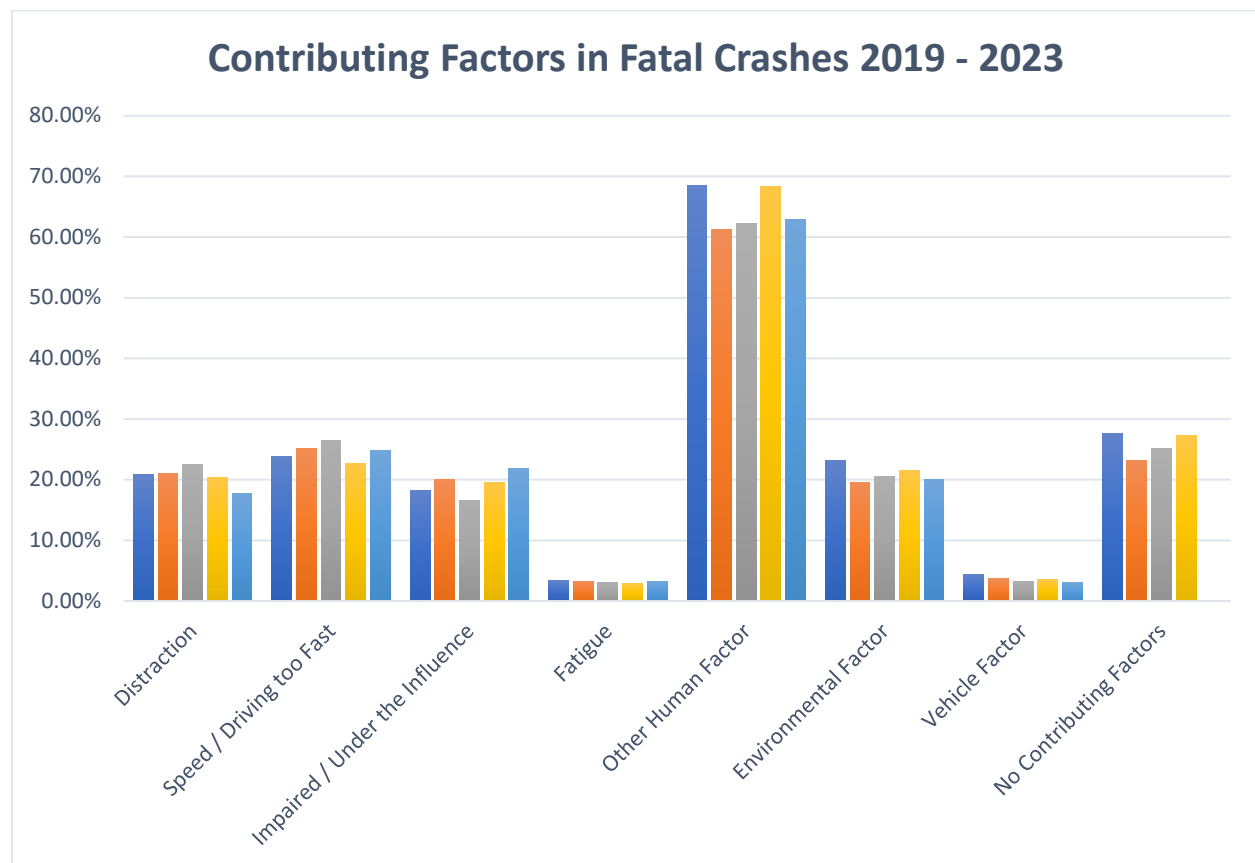
- Accident report form and pen or pencil
- Emergency contact information
- Proof of insurance
- Mobile device for taking photographs
- Emergency warning devices
- Spill kit (if transporting bulk liquids or hazardous materials)

Contact MEARIE promptly, regardless of who appears to be at fault. Reporting delays can make it difficult for MEARIE to investigate the claim. All accidents should be investigated to identify the root causes. Once that is done, you can determine ways to prevent future occurrences. Common approaches involve:

- Driver-specific corrective actions, such as training, coaching or job reassignment
- All-employee safety program
- Operational changes, such as route selection, vehicle choice or scheduling
- Vehicle design, such as improved mirrors, lights, steps, handholds and reduced blind spots
- Technology improvements, such as onboard safety monitoring devices, back-up camera, automatic emergency braking and blind spot detection

Tracking data helps identify key loss types within your operation. Assemble a review committee to investigate accidents. This will ensure that a thorough investigation is completed. It also can help your business identify corrective actions and ensure they are administered fairly and consistently.

Current Trends in Losses Reported



Source: Transport Canada ¹

Several key trends are impacting commercial automobile claims in Canada. Escalating litigation costs are exerting pressure on the insurance market, with third-party investors increasingly financing lawsuits. This, coupled with a rise in class action litigation, is driving up claims expenses.

Additionally, inflation and ongoing supply chain disruptions have led to higher repair costs, making claims more costly. The expanding use of electric and autonomous vehicles is also affecting claims, as insurers work to anticipate future expenses. Meanwhile, auto theft and fraud remain pressing concerns, with stolen vehicle rates climbing in provinces such as Ontario and Quebec.

Over the past five years, the MEARIE Group has consistently identified **careless driving** as a prevalent factor in commercial automobile claims. Many incidents involve drivers failing to obey traffic signals, particularly running red lights, which increases the risk of severe collisions. Additionally, a substantial number of claims stem from accidents involving third parties, highlighting broader concerns about inattentive driving and insufficient hazard awareness.

This ongoing trend underscores the importance of initiative-taking risk management and enhanced driver training programs. Stricter safety policies, real-time telematics monitoring, and predictive analytics to identify high-risk

¹ Transport Canada. *Canadian Motor Vehicle Traffic Collision Statistics: 2023*. Government of Canada. Retrieved from <https://tc.canada.ca/en/road-transportation/statistics-data/canadian-motor-vehicle-traffic-collision-statistics-2023> on 19 June 2025.

behaviours can significantly mitigate the frequency of these accidents. Fleet operators and insurers are placing greater emphasis on these measures to promote safer driving practices and reduce overall claims costs.

Continuous Improvement Process

Your fleet safety program should evolve over time, adjusting to operational changes and loss exposures. Managers need to establish benchmarks for safety performance. The organization should set goals to improve past performance. A continuous improvement process should be in place, with safety managers regularly auditing the program and measuring its effectiveness. As new challenges and exposures emerge, updated procedures, policies, and controls will need to be implemented.

Advancements in Technology

Advancements in technology are transforming fleet safety programs by improving driver behaviour, vehicle monitoring, and accident prevention. Telematics and GPS tracking provide real-time location data, allowing fleet managers to monitor routes, identify unsafe driving behaviours such as speeding or harsh braking, and take corrective action. They also enhance fuel efficiency and route planning, reducing operational risks.

AI-powered dash cams and video monitoring offer valuable insights by recording driver behaviour and road conditions. AI-driven cameras can detect distracted driving, fatigue, and unsafe maneuvers, issuing real-time alerts to enhance safety. Additionally, recorded footage serves as evidence to prevent false claims in case of accidents.

Predictive analytics and safety reports utilize historical data to identify patterns and predict high-risk situations. By generating driver safety scores, organizations can implement targeted training programs and initiative-taking accident prevention measures.

Automated maintenance alerts track vehicle health, scheduling preventive maintenance to avoid mechanical failures. This reduces unexpected breakdowns, improves fleet reliability, and ensures compliance with inspection and maintenance regulations.

Driver training and coaching tools leverage real-world driving data to provide interactive training modules and virtual simulations, helping drivers improve responses to hazardous conditions. Automated coaching programs further reinforce safe driving habits.

Mobile apps and communication platforms enable real-time communication between drivers and fleet managers while providing real-time weather and traffic updates to support safer decision-making. These platforms also enable incident reporting and emergency assistance when needed.

Integrating these technologies enables fleet operators to reduce accidents, enhance driver accountability, and improve overall safety.

Motor Vehicle Records (MVR) Policies

The operation of vehicles can create a significant risk for any organization. A good practice for reducing this risk is to allow only safe drivers to operate vehicles. Reviewing drivers MVRs is an important part of this process. For companies that operate regulated commercial vehicles, obtaining and evaluating MVRs can be a required part of the driver hiring qualification process.

Why is investigating a driver's history important? Drivers who have a history of accidents and moving violations may pose an additional risk to your organization. A study completed by the [American Transportation Research Institute \(ATRI\)](#) shows that a past record of moving violations and accidents is linked to an increased crash risk. Allowing employees with poor driving records to operate your organization's vehicles increases your company's liability exposure. A formal policy is needed to help ensure that the MVR evaluation and driver screening process is administered consistently and that all drivers are familiar with its provisions. Human Resources and legal counsel should be involved in the development of this policy. An MVR policy should include the following components:

- Obtaining
- Evaluating
- Applying
- Documenting

Obtaining

The MVR policy should specify who is subject to its requirements. Normally, any employee who operates a vehicle for your organization should be considered. This would include employees driving personal or rented vehicles. While employees who drive frequently for your organization are typically considered in forming an MVR policy, less obvious drivers you may wish to consider include:

- Employees who regularly rent cars during business trips
- Employees who frequently attend seminars and conferences
- Employees who run errands with company vehicles
- Family members who are permitted to drive company vehicles
- Part-time and temporary employees, as well as interns
- Volunteers, coaches, board members and elected officials

Some organizations may choose not to include individuals who rarely drive. In this case, at a minimum it is important to confirm that the individual has a valid driver's license. As before, Human Resources and legal counsel should be involved in the development of an MVR policy and to better understand the legal issues that may be presented by the individuals subject to the policy. MVR records can be obtained through the Ministry of Transportation. Any prospective employee who will be covered under the MVR policy should provide accident and violation information on his or her employment application. Current employees who drive a vehicle should have to provide information annually. For drivers that have a marginal driving record, MVRs should be obtained on a more frequent basis.

Evaluating

Once you have received the report, the next step is to review it. Convictions are typically classified as serious, major, and minor, or non-moving. Non-moving convictions are ordinarily not included in the evaluation process. The MVR from the [Ministry of Transportation](#) will not include any accidents. You would need to obtain a Letter of Experience from the driver's previous insurance carrier. Evaluate all violations and accidents, not just those that occur on the job.

<u>Major</u> violations generally include: <ul style="list-style-type: none"> • Leaving the scene of an accident • Driving under the influence of drugs or alcohol • Excessive speed (>20 mph over limit) • Reckless, negligent or careless driving • Felony, homicide or manslaughter involving the use of a motor vehicle • License suspension or revocation resulting from accidents or moving violations 	<u>Minor</u> violations generally include: <ul style="list-style-type: none"> • Speeding < 20 mph • Failure to obey sign • Failure to yield • Illegal turn 	<u>Non-moving</u> violations generally include: <ul style="list-style-type: none"> • Parking tickets • Motor vehicle equipment violations • Failure to have a valid operator's license available where one actually exists <p>Non-moving violations are typically not included when evaluating MVRs.</p>
--	--	--

Once you have reviewed the MVR and violations have been classified, the driver's history should be reviewed against your policy. All drivers should be held up to the same standards.

Applying

What do you do when the MVR is found to be poor or unacceptable? You need to consider whether job applicants or new employees who have borderline or poor MVRs should be hired for driving positions. For current employees, consider suspending driving privileges or reassigning them to non-driving positions. If you are implementing a new MVR policy, or making your current policy more restrictive, a transitional period for existing employees whose MVRs are now considered poor may be needed. Discuss policy implementation with your Human Resources department and your attorney.

Sample MVR Evaluation Grid

1	MVR indicates applicant has a current license and the appropriate endorsements for vehicle(s) he or she will be operating.	YES	Continue to step 2.
		NO	Do not consider for driving duty.
2	MVR indicates moving violations and accidents within the past three years.	YES	Continue to step 3.
		NO	Continue applicant evaluation procedures.
3	MVR indicates one or more major moving violations or serious preventable accidents within the past three years.	YES	Do not consider for driving duty.
		NO	Continue to step 4.
4	MVR indicates a combination of more than three minor moving violations or minor preventable accidents during the past three years.	YES	Do not consider for driving duty.
		NO	Continue applicant evaluation procedures.

THIS IS AN EXAMPLE. YOU SHOULD CUSTOMIZE CONTROLS TO MEET YOUR ORGANIZATION'S NEEDS AND EXPOSURES.

Checking each driver's MVR periodically can help identify drivers who have borderline and poor records and who may be in danger of losing their driving privileges. A driver with a poor MVR record should not be permitted to operate a vehicle on organizational business. Managers should meet with borderline drivers to discuss the potential consequences of receiving more violations or being involved in accidents. Examples of controls for borderline MVRs:

- Counsel the driver, highlighting the impact of additional violations or accidents
- Obtain and review the driver's MVR quarterly
- Lower speed governors on vehicles equipped with them
- Monitor vehicle performance reports for hard braking, speeding and other signs of aggressive driving
- Conduct periodic ride-a-longs to observe driving behaviour and provide feedback and coaching on safe driving techniques
- Offer defensive driving training sessions
- Prohibit driving between work and home for those with assigned vehicles
- Prohibit personal use of a company vehicle

It is important that drivers understand your organization's MVR policy. They should understand what is expected of them and which offenses or accumulation of violations may disqualify them from driving duties. The following Sample Driver MVR Policy Statement presents an example of the key elements and best practices of an MVR policy:

Sample Driver MVR Policy Statement
<p>Vehicle operations can create substantial risk for our organization. A best practice for reducing vehicle risk is to ensure that only drivers with safe driving records are permitted to operate vehicles on organization business.</p> <p>The following constitutes our MVR policy:</p> <ul style="list-style-type: none">• All drivers must have a valid driver's license with the proper class and appropriate endorsements for the vehicles they are operating.• Drivers must not drive if their license has been suspended or revoked.• Drivers must report all accidents, moving violations and license suspensions to their supervisor immediately. <p>Prospective employees will be required to report all accidents and moving violations during the applicant screening process. Existing employees moving into driving positions will be required to complete a similar report at the time of transition. All drivers will be required to complete an accident and moving violation report annually.</p> <p>MVRs will be obtained on new drivers at the time of employment or when transitioning into a driving position. MVRs will be obtained annually thereafter. Management will determine the acceptability of a driver's MVR. Prospective employees must have an MVR that is CLEAR or ACCEPTABLE in order to be hired for positions requiring driving. Current drivers must have an MVR record that is CLEAR, ACCEPTABLE, or BORDERLINE. Management may restrict the driving privileges of individuals with BORDERLINE MVR records or require drivers to receive additional training or monitoring. Drivers with POOR MVR records will be suspended from driving on organization business.</p>

Documenting

MVR policies should include guidelines on record retention. This includes retaining applications, release forms, MVRs, annual violation certificates, MVR reviews, and records of warnings or corrective actions. Since these documents contain personal information, they should be kept in a secure location.

Sample Motor Vehicle Driver's Annual Certification of Violations and Accidents

I certify that the following is a true and complete list of accidents and traffic violations (other than parking violations) for which I have been convicted or forfeited bond or collateral during the last 12 months.

Date	Offense/Accident	Location	Type of vehicle

Date

Driver Name

Driver Signature

Reviewed by

Personal Use of Company Vehicles- Exposures & Controls

Vehicle accidents can create a significant loss exposure for businesses that operate vehicles. When these vehicles are used by employees outside the scope of work, this exposure is increased. That is because liability for vehicle accidents generally falls on the business that owns or leases the vehicle, regardless of how the vehicle is being used. To help limit this potential for loss, it is important for businesses to identify the extent of this exposure and take steps to control it. Consider the following loss scenario:

Loss Scenario

Derrick, an engineer for ABC Consulting, was traveling on a four-lane divided highway in his company car. He was returning from a weekend visiting family. It was 10:30 p.m. A short distance ahead, a lane was closed due to construction work, but traffic continued to move at a steady pace.

Derrick's phone beeped. Unaware that driver six cars ahead of him had just struck a construction barrel, sending it spinning off the road and causing drivers behind him to hit the brakes, Derrick picked up his phone and began scrolling through his messages.

When Derrick glanced up, brake lights illuminated the roadway. Derrick slammed his brakes, but he was unable to stop in time to avoid rear-ending the car ahead of him. The crash caused a chain-reaction collision that damaged several other vehicles.

The driver of the vehicle Derrick rear-ended was injured and had to be transported by ambulance to the hospital. That driver, along with the drivers of other vehicles, sought legal counsel and filed suit against Derrick and (as he was driving a company car at the time) ABC Consulting. The total damages claimed reached several hundred thousand dollars.

The company's investigation concluded that Derrick was distracted and failed to notice stopped traffic in time to stop safely. It also determined that Derrick's motor vehicle record (MVR) had not been reviewed since he was hired six years earlier. His driving record now showed several moving violations since Derrick was initially hired and an accident eight months earlier, information that did not bode well for ABC's ability to defend itself against these lawsuits. In addition, the accident highlighted that the company had no policies to address the personal use of company vehicles or set basic safe driving expectations.

Loss Lesson

What lessons can be learned from this scenario? For starters, one lesson is that driving while distracted is dangerous. Another key takeaway is that allowing personal use of company vehicles increases a company's exposure to vehicle-related losses. Companies can limit this exposure by reducing the amount of personal use that is permitted. Establishing formal policies and procedures and communicating them to all employees who use company vehicles outside of business is also a prudent step to help control this exposure.

Managing the Exposure

The following best practices can help limit exposures related to the personal use of company vehicles:

- Allow only authorized persons to operate company vehicles. This typically includes only the employee and potentially an approved spouse.
- Limit the amount of personal use (i.e., limiting personal mileage or radius of travel, or only allow trips to and from work and incidental stops along the way).
- Prohibit the use of alcohol or controlled substances when operating any company-owned vehicle.
- Require drivers to follow all applicable traffic laws, including speed limits, seat belt use, and bans on cell phone use and texting.
- Prohibit the use of company vehicles for other business pursuits.
- Request all accidents and moving violations to be reported to the company.

- Prohibit company vehicles from being used to push, pull or haul other vehicles, trailers, boats, campers, recreational vehicles, or other similar cargo without prior company approval.
- At least annually, with the driver's written authorization, evaluate the motor vehicle record of every employee and authorized non-employee who operates a company vehicle.
- Establish written criteria to ensure only drivers with acceptable driving records are permitted to operate company vehicles. Ensure company-owned vehicles are parked in safe, secure locations.

Company policies that address the personal use of company vehicles should be in writing, widely communicated, and strictly enforced. They should apply to all employees, including company owners, officers, and executives. Violations of these policies should result in loss of personal-use privileges to use company vehicles for personal use. In cases where violations of these policies are serious, it may be necessary to assign the employee to a role that does not require driving a vehicle for the company.

Non-Owned Vehicle Controls

Vehicle operations can create substantial risks for any organization. These risks occur when employees drive an organization's vehicle, as well as vehicles the organization does not own, such as rentals or an employee's personal vehicle, while conducting the organization's business. Many organizations have controls in place to reduce accidents among their own fleet of vehicles, but **they often do not apply these same controls to non-owned vehicles**. Organizations may not realize they can be held liable for accidents involving vehicles they do not own. Regardless of ownership, vehicle operations can pose significant liability exposure. Organizations regularly pay out substantial sums of money and find themselves involved in lawsuits related to accidents that occur while employees drive vehicles the organization does not own. Why?

- Organizations can be found responsible for the negligent actions of their employees while driving, no matter who owns the vehicle.
- Minimum insurance limit requirements in some jurisdictions are not adequate to cover serious accidents.
- Even where insurance is required, some drivers may, intentionally or unintentionally, drive without it.

Controlling Non-Owned Vehicle Exposures

The following are steps your organization can take to help identify and control non-owned vehicle exposures:

1. **Identify and classify non-owned vehicle drivers** – Identify who is driving for your organization and how often. Make sure to include these often-forgotten drivers:
 - i. Part-time and temporary employees, as well as interns.
 - ii. Volunteers, coaches, board members and elected officials.
 - iii. Employees who run errands, pick-up and deliver parts, or who pick up customers at the airport.
 - iv. Employees attending seminars and conferences.
 - v. Employees who rent cars during business trips.

Once identified, drivers should be grouped by the level of exposure they present so appropriate controls can be implemented.

2. **Monitor driver licensing and Motor Vehicle Records (MVR)** – Allowing unlicensed employees or employees with poor driving records to operate vehicles for your organization can increase your liability exposure. Therefore, it is important to have procedures to ensure that all drivers have a valid driver's license and an acceptable driving record.

Drivers with records showing moving violations and/or preventable accidents or any major/serious violations (e.g., driving while impaired, reckless/careless driving, driving with a suspended license, etc.) should be vetted to determine if their driving records warrant prohibiting them from driving on your organization's behalf. Have an MVR policy in place that outlines how often MVRs are reviewed, your organization's standards for moving violations and accidents, and what actions may be taken if a driver's record is not acceptable. Review MVRs at least annually.
3. **Safe driving rules and policies** – Have formal safe driving rules for anyone driving on your organization's behalf. Drivers should sign an acknowledgement that they understand and will abide by these rules. Rules to consider include, but should not be limited to:
 - i. Allow only authorized personnel to operate non-owned vehicles on behalf of your organization.
 - ii. Require drivers to abide by company vehicle safety rules as well as motor vehicle regulations, laws, and ordinances.
 - iii. Require drivers to be safely parked before using mobile devices.
 - iv. Prohibit the possession or use of alcohol or drugs while operating the vehicle for business purposes. Prohibit drivers from operating vehicles when their ability is impaired; affected; or influenced by alcohol, drugs, medication, illness, fatigue, or injury.
 - v. Require drivers and all occupants to wear seat belts when operating or riding in the vehicle.
 - vi. Allow only authorized/approved passengers (i.e., those with a defined business relationship) during business use.

- vii. Prohibit the use of radar detectors, laser detectors or similar devices.
 - viii. Require drivers to promptly notify their supervisors of any moving violations or accidents that occur while using a company vehicle, or a rented/personal vehicle during company business.
 - ix. Require drivers to notify their supervisor if they have a medical condition that would impact their ability to safely operate a vehicle. This may include current medical issues where the licensing authority has placed a restriction on their driver's license or where a person is taking medication that would impair their ability to safely operate a vehicle.
4. **Driver training** – All drivers should receive periodic safe driving training prior to driving on your organization's behalf, and at least annually thereafter. All training should be documented. Good training topics include:
- i. Speed and space management
 - ii. Distracted and inattentive driving
 - iii. Intersections and yielding the right-of-way
 - iv. Effects of alcohol, drugs, and fatigue on driving
5. **Vehicle inspection and maintenance** – Poorly maintained vehicles can cause accidents. Establish a system to ensure non-owned vehicles used for company business are in safe operating condition. Require non-owned vehicles to be inspected and maintained in accordance with manufacturer's guidelines. For large trucks, inspection, repair, and maintenance records are required to be submitted.
6. **Risk transfer** – Establish minimum auto liability insurance requirements. Request non-owned vehicle drivers to provide proof of liability insurance in the form of a current certificate of insurance. A system should be implemented to ensure new certificates are obtained at policy renewal. Consult with your insurance agent regarding limits appropriate for your organization. The following table represents a sample non-owned vehicle controls guide that classifies drivers according to the level of exposure they present. It summarizes non-owned vehicle controls appropriate for each group of drivers.

Sample Non-Owned Vehicle Controls Guide

EXAMPLES		MOTOR VEHICLE RECORD (MVR)	NON-OWNED VEHICLE CONTROLS (PERSONS DRIVING THEIR OWN VEHICLES)
PROFESSIONAL DRIVERS Persons who drive as their main responsibility or any person transporting passengers.	Truck drivers Delivery drivers Chauffeurs Snowplow operators Any employee or volunteer who transports passengers: – Coaches – Social services – Van pool drivers Transportation of hazardous materials	Pre-employment and annually thereafter	Certificate of insurance verifying adequate limits of insurance, updated annually Annual vehicle inspection Monthly inspection/maintenance reports Safe driving rules/policies Periodic defensive driving training
NON-PROFESSIONAL FREQUENT DRIVERS Persons whose main responsibility is not driving, but drive frequently to carry out their main function.	Sales Customer service Tradespersons Home healthcare Maintenance personnel Employees assigned a vehicle Family members allowed to drive a company vehicle	Pre-employment and annually thereafter	Certificates of insurance verifying adequate limits of insurance, updated annually Vehicle maintenance and inspection standards Safe driving rules/policies Periodic defensive driving training
OCCASIONAL DRIVERS Persons who drive less than once a month.	Any employee or volunteer	Pre-employment and annually thereafter	Certificates of insurance verifying adequate limits of insurance, updated annually Safe driving rules/policies
INFREQUENT DRIVERS Persons who are generally not expected to drive.	Any employee or volunteer Staff attending off-site seminars and conferences	Verify valid driver's license in possession	Verify vehicle liability insurance coverage Safe driving rules/policies
THIS IS A SAMPLE. YOU SHOULD CUSTOMIZE CONTROLS TO MEET YOUR ORGANIZATION'S NEEDS AND EXPOSURES.			

Sample Non-Owned Vehicle Authorization & Operation Policy

Sample Company Inc.	
Subject: Non-Owned Vehicle Authorization and Operation	
Purpose/Rational:	
<p>Our business relies on the use of vehicles not owned by the company (non-owned vehicles). Examples of non-owned vehicles include rented and leased vehicles and employee-owned vehicles used for business purposes. When these vehicles are used to transport clients, other business partners, or used for business needs in general, it is in the company's interest to ensure that these vehicles are being operated safely.</p> <p>The purpose of this policy is to communicate company rules on the use of non-owned vehicles. Supervisory personnel are to discuss and review these rules with all authorized non-owned vehicle drivers. All company employees who operate non-owned vehicles must review and acknowledge receipt of this policy prior to operating a non-owned vehicle on behalf of the business.</p>	
Non-Owned Vehicle Authorization and Operation Policies	
<ol style="list-style-type: none">1. Personnel operating non-owned vehicles on behalf of the company are subject to the company's driver evaluation and qualification procedures. This includes meeting standards to ensure that all drivers have a valid driver's licenses and acceptable driving record. Motor Vehicle Records (MVR) will be reviewed prior to being granted authorization to operate a non-owned vehicle and annually thereafter.2. Non-owned vehicle drivers must complete all driver-related orientation and training as is required of company drivers.3. Drivers must provide proof of valid license, registration and liability insurance prior to being approved to operate the vehicle for business. Proof of valid license, registration and insurance must be provided annually.4. Non-owned vehicles must be kept in safe operating condition at all times. In jurisdictions where periodic safety inspections are required, driver must provide supervisor proof of passed safety inspection.5. Non-owned vehicles must be operated in accordance with the rules and procedures applicable to company-owned vehicles. Supervisors must verify that all non-owned vehicle drivers have reviewed and understand company vehicle safety rules.6. All applicable vehicle laws and regulations must be followed, including obeying speed limits, wearing seat belts, adhering to the company's prohibition on using mobile technology while driving, etc.7. All fines, defense costs and other legal penalties arising out of ticketed offenses are the responsibility of the driver.	
Acknowledgement	
<p>I have received, read and understand these rules. For the safety and well being of myself, my clients and the general public, I agree to adhere to these rules at all times. I also understand that failure to follow these policies may result in disciplinary measures up to and including dismissal.</p>	
(Employee Signature)	(Date)

Controlling Mobile Device Distractions while Driving

Distracted driving is one of the most serious road safety issues today. Almost every driver has access to a cellphone or other vehicle technology. Effective September 1, 2015, the rules of the road changed to make it illegal to talk, text, dial or e-mail while driving. Although this was implemented, it does not guarantee that drivers will refrain from using these devices. There are four steps that your organization can take to establish an effective mobile device policy to help reduce the risk of distraction-related crashes:

Create

Make sure that you put your policy in writing. Clearly define your organization's stance on mobile device use and other distractions while driving. This will be the foundation of your distracted driving prevention program. This should apply to anyone who drives a vehicle for their business.

Communicate

Your safety policies should be communicated continuously. Have every employee who drives on company business to acknowledge in writing that they have read it, understand and will follow your policy. You can use emails, newsletters, bulletin boards, defensive driving training and signage in vehicles to reinforce your policy.

Follow

It is important that not only do employees who drive for the business, but all employees, buy into this safety program. When office personnel contact employees while they are driving, or expect an instant response to emails or texts, it can suggest to drivers that business is more important than safety. All employees should understand their role in making your policy successful. Conversations should be postponed until the driver is safely parked.

Reinforce

Managers should define the safe driving practices and expected behaviours of those who drive for business purposes. They should take the appropriate steps to understand who is following these policies and actively promote the desired behaviour. Reinforce your policy positively by recognizing employees who make safe, responsible decisions about their use of communications technology while driving.

Sample Mobile Device Policy

Accident statistics show that using mobile devices, such as cellular phones, laptops, personal digital assistants, navigation systems, and portable digital audio and video players, while operating a motor vehicle, is distracting and can substantially increase the risk of being involved in a crash. To help reduce the possibility of vehicle crashes, our company has adopted the following mobile device policy, applicable to all employees while driving a company vehicle at any time, or while driving any other vehicle (rented, leased, borrowed or their own vehicle) while conducting company business.

Our company's policy is as follows:

- Employees must comply with all applicable laws and regulations regarding the use of mobile technology while driving.
- Use of handheld cellular phones while driving is prohibited.
- Cellular phone calls using hands-free technology while driving is discouraged. To minimize the impact of distraction, calls, if any, should be brief. Extended conversations should be made while not driving.
- Sending or reading text messages or e-mails, dialing cellular phones, viewing television, videos or DVDs and inputting data into laptop computers, personal digital assistants or navigation systems is prohibited while driving.
- Accidents incurred while the employee is using a mobile device may be considered preventable, and subject to disciplinary action.

I have read the above policy and will abide by it.

(Employee signature)

Conclusion

Implementing or updating your program can positively impact your organization. It can lead to fewer missed work hours due to injury, reduced maintenance costs, and lower claims expenses. MEARIE is here to support you with your program and can offer a fleet inspection with a professional inspector. If you are interested, please contact insurance@mearie.ca to coordinate this request.

Additional Resources

- [Ministry of Transportation](#)
- [Ontario Human Rights Code](#)
- [American Transportation Research Institute \(ATRI\)](#)