

Reciprocal News

Helping to Manage Your Risk

**The MEARIE Group's
Reciprocal Newsletter**

A publication designed for the benefit of Ontario's Electricity Industry.

Have Feedback?

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Fleet Safety Program Basics:

The actual or real cost of running vehicles often does not show up on your corporate balance sheet. Every year in Canada over 3,000 people are killed and almost 250,000 are injured in traffic accidents. Of these accidents, about one-third are work related.

So as to avoid potential liability for a collision, it is important that 1) a vehicle be properly maintained, 2) the operator of that vehicle is well trained and well rested and 3) detailed records are kept [these records can be used in court as evidence].

As the owner of commercial vehicles you have certain legal responsibilities for the drivers of those vehicles which are laid out in provincial legislation. You are liable for any properly licensed person driving your vehicle with your permission and you are vicariously liable as the employer for anyone driving a vehicle in the course of their employment [vicarious means liable by virtue of your relationship as an employer].

With this in mind, the following are ideas for a Fleet Safety Program that should be considered as a minimum. They do not represent all of the possible elements, but rather, a starting point. Any final program should be tailored to meet your specific needs, operations and size.

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**Percentage of Drivers in Accidents by Age*
Fleet Alert Newsletter - March 2008**

| | |
|---------------|--------|
| 18 - 25 years | 11.98% |
| 26 - 35 years | 31.25% |
| 36 - 45 years | 27.64% |
| 46 - 54 years | 17.46% |
| 55+ years | 11.67% |

*Studies show approximately 50% of the actual cost of collisions is covered by insurance. The loss of time, loss of potential business, damage to your company's reputation as well as human suffering and the financial costs to employees and their families are just some of the expenses that may not be recoverable.



Fleet Safety Program Basics

Management Support

To produce the best results, any program must have the support and backing of senior management. Employees must also be aware of this.

- A written policy statement should be developed and communicated to all employees
- At a minimum it should include: the need for safe vehicle operation, use of seat belts, cell phone use policy and the prohibiting of alcohol/controlled substances while operating vehicles
- It should be reviewed periodically, updated if necessary and restated to employees

Driver Selection - Qualifying those who drive your vehicles

The primary reason you hire an applicant is for their technical skills in areas other than driving. Yet these individuals will drive your vehicles. The following can assist in determining if they are competent, safe drivers.

- Job Description should include operation of vehicle
- Application for Employment should provide information on driving experience, accidents and violations
- Make a visual check of their driver's license
- Check provincial ministry for accidents and violations [obtain current MVR]
- Safety knowledge, skill and ability can be determined through a driver's quiz and/or road test on the type of vehicle they will operate

Driver Training

Don't confuse this with teaching someone how to drive. This type of training will provide additional knowledge and sharpen the skills they already have. Training topics can include:

• Vehicle Checks:

- 1) Before driving, take time to examine the area around the vehicle looking for objects, other vehicles etc.
- 2) Examine the vehicle itself to ensure it is mechanically safe

• Planning Safety Strategy:

- 1) If conditions [i.e. driver, weather, road, vehicle traffic] will compromise safety, consider alternative arrangements
- 2) Plan and utilize the safest possible routes to reduce risk of collision

• Alert, Calm and Prepared:

- 1) Driving requires full attention, allow ample time and minimize distractions [cell phone use policy]
- 2) Control emotions and exercise courtesy in spite of the aggressive and careless actions of other drivers

• Positioning the Vehicle:

- 1) Driving under normal conditions, anticipate situations that may become potentially dangerous and act to prevent a collision from occurring. Practice defensive driving allows enough space between yourself and other vehicles
- 2) When driving in hazardous road conditions, adjust driving to address for the potential hazard

• Communication:

Ensure your driving actions are predictable to all others including vehicles and pedestrians. Signal your intentions early

• Obey the law

Preventive Maintenance

Operating vehicles in a safe operating condition reduces the chance of accidents due to mechanical breakdown or defects. Interruptions in use due to unplanned repairs are minimized. Driver morale is improved with well maintained vehicles

- Vehicles should be inspected and maintained regularly.
- Inspection/maintenance intervals can be established using the vehicle owner's manual, suggested intervals from outside facilities and your own past experience.
- A driver daily inspection can be accomplished by a brief walk around the vehicle before leaving the yard
- Develop a system of reporting defects to ensure repair before a breakdown occurs. For best results, a written defect system should be used

Accident Reporting

When an accident does happen it is important it be reported immediately and correctly so you may learn from it to reduce the chance it will happen again. [As a reminder, Ontario legislation requires the reporting of all claims within seven (7) days of occurrence]

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Fleet Safety Program Basics

- Drivers should know to whom they report accidents.
- MEARIE 2008 Vehicle Accident Reporting Form should be used
- Records of all accidents should be maintained. This can be done through copies of the reports themselves, accident logs or accident registers
- Accidents should be reviewed with the drivers involved. The primary purpose for the review should be to identify all possible causes, not to assess blame
- Accidents should be analyzed periodically to identify causes and trends so that effective controls can be developed.

Your fleet is a key component in operating your business successfully and profitably and is likely one of your major expenses. A successful Fleet Safety program requires commitment to operating safely, cost effectively and knowledgeably. With commitment, forethought and planning, the risks and costs of managing your fleet of vehicles can be minimized.

This is the first of a series of information sheets from The MEARIE Vehicle Program. Future issues will include Cell Phone Safety, Driver Selection, Vehicle Maintenance and Winter Driving Tips.

If you would like assistance in reviewing your current fleet management policies, developing or implementing a Fleet Safety Program contact The MEARIE Vehicle Program, Gary Durie at (905) 265-5355 or gdurie@mearie.ca



The MEARIE Group's Reciprocal News is an electronic publication intended for subscribers of The MEARIE Group's Property and Casualty Insurance programs. It is published on a periodic basis and is intended for information purposes only. For further information, visit www.mearie.ca or contact Gary Durie, Risk Analyst, Underwriting and Risk Services at gdurie@mearie.ca.

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