

NORTH AMERICA

In our student transportation operation, safety is paramount in everything we do.

SAFETY FIRST

We operate a stringent employee screening and selection process to ensure that only the most qualified candidates drive our buses. Our operations have their own employment policies and standards, more stringent than State and Federal Law. Screening includes investigation of motor offences, criminal records, and a comprehensive driving test. All candidates for driving positions are tested on their attitudes to safety, risk, defensive driving and stress.

Durham School Services' drug and alcohol testing programme exceeds that which is required by State or Federal law. We randomly test 50% of all safety-sensitive employees for drugs and alcohol each year. This exceeds the Federal requirement of randomly testing only 10% for alcohol. We conduct post-accident and injury drug and alcohol testing for all motor vehicle accidents and work-related injuries, again exceeding the Federal requirement.

OUR SAFETY REPORTING STRUCTURE

Our USA operations are organised around Customer Service Centres (CSCs). Each has an Employee Safety Committee which assesses its safety programme, identifies opportunities for improvement and develops appropriate action items and plans.

To support our network of CSCs, we have Area Directors of Safety Education and Development strategically positioned across the company. These executives focus on the areas of loss prevention, training and development of safety personnel, safety awareness tools, and conducting safety programme audits. The Area Directors are managed by the Vice President of Safety Education and Development.

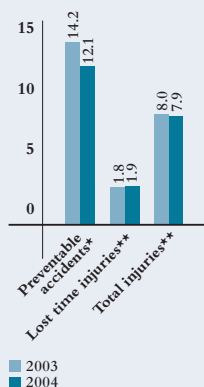
SAFETY PERFORMANCE

As illustrated below, considerable progress was made to reduce accident levels in our North American operations during this year.

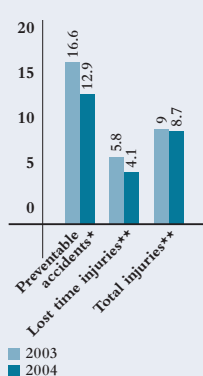
SAFETY PLANNING, MONITORING AND AUDITING

Our safety programmes in the United States follow the "Ten Keys to Safety Excellence" approach (case study page 20).

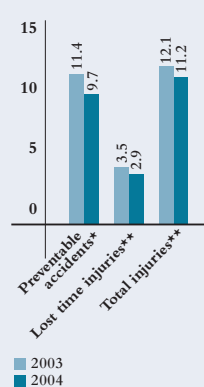
DURHAM SCHOOL SERVICES



STOCK TRANSPORTATION



ATC



* per million miles driven
** per 200,000 hours worked