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Official Committee Hansard

**HOUSE OF
REPRESENTATIVES**

STANDING COMMITTEE ON EDUCATION AND TRAINING

Reference: Combining study and work

THURSDAY, 4 JUNE 2009

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**HOUSE OF REPRESENTATIVES
STANDING COMMITTEE ON EDUCATION AND TRAINING**

Thursday, 4 June 2009

Members: Ms Bird, (*Chair*), Dr Jensen (*Deputy Chair*), Mr Clare, Ms Collins, Mrs D'Ath, Mr Irons, Mr Oakeshott, Mr Sidebottom, Dr Southcott and Mr Zappia

Members in attendance: Ms Bird, Ms Collins, Dr Jensen, Mr Sidebottom

Terms of reference for the inquiry:

To inquire into and report on:

The impact of combined study and work on the success of youth transitions and Year 12 attainment, with a focus on:

- providing opportunities to recognise and accredit the employability and career development skills gained through students' part time or casual work;
- identifying more flexible, innovative and/or alternative approaches to attaining a senior secondary certificate which support students to combine work and study;
- support that may be required to assist young people combining work and study to stay engaged in their learning, especially where work and study intersects with income support;
- the potential impact on educational attainment (including the prospects for post-compulsory qualifications and workforce productivity); and
- the effectiveness of school-based training pathways and their impact on successful transitions, including opportunities for improvement (particularly in relation to pathways to employment for disadvantaged young people).

WITNESSES

FINEMORE, Mr Ronald Stanley, AO, Executive Chairman, Ron Finemore Transport Pty Ltd..... 1
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SHELDON, Mr Anthony Vincent, Federal Secretary, Transport Workers Union 1
WALDRON, Mr Robert George, Chief Executive Officer, Transport Industry Skills Centre 1

Committee met at 9.46 am

FINEMORE, Mr Ronald Stanley, AO, Executive Chairman, Ron Finemore Transport Pty Ltd

WALDRON, Mr Robert George, Chief Executive Officer, Transport Industry Skills Centre

HOOD, Mr Robert, Delegate, Transport Workers Union

SHELDON, Mr Anthony Vincent, Federal Secretary, Transport Workers Union

CHAIR (Ms Bird)—I declare open the 10th public hearing of the House of Representatives Standing Committee on Education and Training as part of its inquiry into combining school and work in supporting successful youth transitions. I welcome representatives of the Transport Workers Union, Ron Finemore Transport and the Transport Industry Skills Centre to today's hearing. Although the committee does not require you to give evidence under oath, I advise you that this hearing is a legal proceeding of the parliament and therefore has the same standing as proceedings of the respective houses. The proceedings are being broadcast on the Internet. I invite you to make an opening statement about why you were interested in talking to this inquiry then we will have some conversation and question time.

Mr Sheldon—There is a keen interest amongst all of us here to look at the issue of transition from school to work, particularly in the road transport industry because of the pending shortages and tight labour market that we have in some areas of the sector and the need for further training. The Transport Workers Union has 85,000 members—men and women in Australian aviation, oil, waste management, gas, road transport industry, the milk industry, passenger vehicles and freight logistics. We have over 100 years experience. We have both owner-drivers and employees who play an active role within the organisation.

One of the key challenges of the trucking industry is new entrants and making sure that we provide a safe and efficient trucking industry into the future to service the growing economy. Australian industries are relatively more reliant on road transport services than their global competitors. Australia uses three times more road freight measured in tonnes per kilometre per dollar of GDP than the average OECD nation. The source for that is McClain 1999 cited in the NTC strategic plan of 2008. This is due to a combination of our geographical size and population density.

CHAIR—Sorry to interrupt, Tony. There is a division in the House, please excuse us. Hopefully, it will be a quick and short division. My apologies.

Proceedings suspended from 9.49 am to 9.56 am

Mr Sheldon—Talking through the background of the industry and, of course, its growth, we have a tight labour market particularly when there is high activity in the economy. Historically, some sectors have a tight labour market in some areas within the country. That can underline and cause inefficiencies and safety issues because there are fewer people to carry out a growing task in an industry where there is high-hour utilisation. The Senate 2007 report *Workforce challenges in the transport industry* recognised the workforce challenges facing all transport modes and agreed that much more work needs to be done to address the highest priority challenges in a coordinated way. The 2007 TWU commissioned report *Workforce challenges in road transport*, prepared by Globe Workforce and given to that inquiry—and we have copies available for the members if they wish—supported the view that measures need to be taken to address future heavy-vehicle driver shortages. It highlighted key concerns about future supply, pointing to supporting evidence such as recruitment issues in long haul and regional areas, freight task outstripping driver availability, an ageing truck driver workforce, existing barriers to attracting new drivers, and a lack of short-, medium- and long-term planning by employers.

There has been a tight labour market during a time of growing unemployment due to the following barriers, which can make it difficult for new entrants. Firstly, strong client control of the trucking industry and market pricing, which results in a highly competitive pricing environment that can lead to unsafe and unsustainable rates setting for subcontractors, and avoidance for award conditions for employee drivers, both of whom are relatively powerless to influence the outcome. Secondly, the current traineeship initiatives, which is a critical initiative for the committee, are largely ineffective in attracting new entrants. At the last estimates, there was \$34 million for traineeships. It allows people who already exist in the industry and who already have trucking licences to be trained—some have many decades of experience.

I am certainly not one who is against training people who already exist in the industry, but the way that it occurs now is that the money is actually put towards training existing entrants rather than towards training new entrants. It would be more appropriate to actually give a financial incentive for new starters and school leavers to be brought into the system where the most costs are borne by an employer through training programs. Also, school-age entrants are lost to other professions as they cannot graduate through the licensing categories, quickly meaning that it can become the last-choice profession once careers do not work. There is a need for a licensing system that, rather than being based on how long you have had a license for before you can graduate to another licence, is skill based—meaning we will be able to transition more effectively a growing task.

In the next 10 years there is an expectation that the industry will grow and double in size. That means there is a huge opportunity for a sector of the community where there is high unemployment—as the committee is well aware—and there is a real capacity to absorb large numbers of entrants with a proper program of transition. The committee work touches on school entrants, professional capacity to come into the industry, having it skill based rather than years of service based, and of course the current traineeship initiatives and the difficulties with how they have performed over the years.

The current licensing rules create a higher entry barrier, particularly at the top end of the heavy vehicle driver qualification range. This is due to the current system being based on the age

of the applicant and waiting times between licence classes in the current graduated licensing scheme. Currently, to attain the various heavy vehicle licences, a driver must hold a C-class for one year before being eligible for a medium rigid, which is an MR licence, leading to a minimum age of 18 if beginning at 17. A driver must hold an MR licence for one year and hold a full C-class before they can drive an articulated vehicle, leading to a minimum age of 20 if beginning at 17. A further one year is needed for a multi-combination licence—for example B-doubles, which is a truck with two trailers—leading to a minimum age of 21 if beginning at 18. This progression through truck licensing categories means that an employer must fund a school-age recruit for two years before they can get in an articulated vehicle and three years for a multi combination. This also means that school-age recruitment to the driving profession is extremely difficult, if not virtually impossible, as it stands at the moment.

Regarding the age of the workforce, like most industries trucking has an ageing workforce. The median age of truck drivers is 43 years. This is four years higher than the median for the total workforce. In addition, 45 per cent of drivers are over 45 years old, compared to the national average of 35.8; with only 4.6 per cent of drivers being between 20 and 24 years old. The capacity to bring people within the sector is substantial and the bubble of retirees presents an opportunity for recruitment.

By making driving more attractive to young people, the TWU believes that the industry must be more attractive to young people, especially school leavers—in particular, better pay and conditions and better safety arrangements. The promotion of professional driving in schools and the creation of a direct pathway from school to driving is needed. Only companies with a good safety record and a protective culture should be allowed to access young people. It needs government traineeship support, similar to the arrangements with apprentices. It needs more work to bring in VET qualifications, married with a traineeship so that we can train and recruit professional drivers. It needs a mentoring system in-house that is tied to good quality training organisations.

My son is eight years old and he has gone through the stages—and probably will go through them a few more times—of wanting to be a fireman, a truck driver, a policeman and an engineer, and he is starting to look at truck drivers again. I think it is common for a lot of kids to have a romantic notion of truck driving. As a driver, Rob will shed a bit of light on that romanticism. Ron, of course, has many years of experience in the industry and in many capacities. It is an area that has the capacity to draw people in from school age. There is capacity because of the jobs that are available and the growing capacity for jobs to be available.

A multilayered response means that we can transition younger people into quality jobs. I, for one, do not have a view against younger people coming into these sorts of roles because it is about aptitude and attitude. It is not necessarily an aged based question. Critically, some earlier findings we have received from a joint project we are doing with Newcastle university show that professional drivers under the age of 25 who drive smaller vehicles have a lower incident rate than drivers in their later years. There is a critical issue about the capacity to draw people into the industry, and there is growing evidence to say that it is really the system that needs to accommodate rather than individuals' aptitude.

Ron Finemore from Ron Finemore Transport is on the receiving end of the tight labour market for drivers. I have a lot of confidence in both Ron's experience and the training schemes he has

been involved with over many decades in the industry. He has been a forerunner for initiatives and investing in drivers. He has certainly a number of proposed solutions: accelerated licensing at principals level as well and encouraging school leavers into transport.

Bob Waldron is from the Transport Industry Skills Centre and Robert Hood is the TWU delegate at Linfox, who has many years of experience in the industry.

CHAIR—Ron, would you like to make some comments?

Mr Finemore—I have been in the trucking industry for nearly 50 years. In fact, I started driving a truck before I had a licence at all, but things were a lot different 50 years ago than they are today. I know the industry and our company have a problem because we cannot get enough people. Our business is restricted by the number of people who are of the quality that I will employ.

Unfortunately, I do not have all the answers. I know what used to work but it is not able to be done today because of OH&S and legal constraints. The best employees that I have had in my time have been the sons who came to work with their fathers on the school holidays and weekends and who lived for the weekend to go with their father. They learnt how to load the goods. One thing a lot of people do not recognise is that there are several different skills in truck driving. There is the skill of loading and handling the freight so it is protected from damage and then there is the skill of driving the truck. They are two completely different skills.

I know that truck-driving jobs are not going to disappear when we look at the economy and changes in technology et cetera. I used to read comics when I was a kid. Dick Tracy had zap guns. I want the franchise on those zap guns because that is the only thing out of those comics that has not come into real life, but I do not think that is going to happen.

One of the major problems is that the community, the bureaucrats and our representatives in government do not really recognise the significance of where the transport industry fits in the whole economy. Everything we consume moves at some point of time on a truck. Mr Albanese and others talk about more transfer to rail but that is only going to take away a small part of the transport role. The transport role is still going to continue to grow. Really long distance freight will move to rail and sea, I believe, but the adjacent intercapital and regional freight will move by road into the future.

The first problem I see is that truck driving is seen and classified as an unskilled role. I believe that is a major misconception; that it is totally wrong. I am here with the TWU today, and Tony and I agree on most things. We do not agree on everything—that's life—but we do agree strongly that the good truck driver is a very skilled individual. I think we need to change the classification. It is on the record that when we had a big shortage I spent quite a number of years—and in this environment we still have a shortage of drivers today—trying to bring drivers in from overseas. But we could not do it because it is not a skilled classification. I do not know about you but I am not really happy about driving on the road thinking I am driving behind, in front or alongside somebody that is classified as unskilled.

So I think we need to promote it as such because, for example, whilst Tony might promote his son to be a truck driver, for the majority of people I know the last thing they are going to do is

promote their kids. I was in the trucking industry and have been most of my life. I know my wife did not promote my boys to be truck drivers even though I did not see a problem with it and one of them did not see a problem in it. So we need to lift the recognition of the skills of the truck driver if we are really to get people to promote it. And we have to have a path for them to move through from school. It is a real issue because I think it is at school that safe driving skills should be taught to every individual. We are talking about leaving people at school longer. One of the number one things that everybody should be taught is safe driving skills as a real safety issue. There are not too many people—it is a very small percentage of the population—who do not come out of school and then get a licence at some time. So if we are going to keep people at school longer, we should be teaching them, as part of the curriculum, to drive. I believe that would do wonders for our road safety and accident incident costs.

In my almost 50 years in the industry I have invested heavily in training and attracting people to the industry. However, that has also been to my detriment. I have had two lives in the transport industry. My first life ended up with our company, as a result of my bad management, being in a public company sense, and was eventually taken over because we were not making enough profit. That was because I spent a certain amount of money on training people and developing people. But that is a cost that does not show up on the bottom line. It was not the only reason but it was interesting to notice that that was cut out immediately the company was taken over by the largest logistics company in Australia.

Mr Finemore—One of the real issues is that when we spend money on training we do not have any hold on the people to ensure that they stay working for us. Because we are a safe company, we put restrictions on our drivers—the speed they travel at and the hours they work—and reprimand them et cetera, which some people do not like. We restrict the hours they work. We restrict the speeds they travel at and all of these things, which not everybody likes. So some of the people will move somewhere else and they may even get paid a little more, but I doubt too many people pay more money than we do.

Safety in my trucking career became a priority early on. Unfortunately, there was this chain of incidents and three people were killed in 48 hours. They were not all necessarily related to breaking the law or whatever, but that was the most horrific 48 hours of my life. It is not a good thing to have to knock on the door and tell somebody their father, husband or son is not coming home. I have had a philosophy that if I cannot do it safely I will not do it. If we cannot put what we classify as a safe driver in the vehicle, I would rather leave the truck sitting in the yard. Over the last few years, however, we have probably had to slacken our standards because of the quality of people that are available, especially with the demands of the mining industry taking the top people—the people that wanted to earn very big money. I think that governments and industries need to work more closely together in building the school-to-work transition.

A lot of people in the trucking industry have a rule that they do not employ anybody until they are 25, for insurance purposes. We do not have that. We do not make the decision on age, because I have found plenty of people that are 40 that you would not employ and safely put in a truck and there are plenty of people of 18—because they have grown up on a farm and because they have driven from when they were nine or 10 on the farm and have driven tractors, utes, motorbikes and all that sort of thing—who have developed motor coordination skills a lot earlier. The person needs to have become mature in the head. One of the real issues in safety is: you can teach a lot of things, but it is what happens when things go wrong that is the real issue—what the

instinct is when something happens. That is something that does come with experience and, unfortunately, it takes time to get experience.

One of the major issues that we face—in regional Australia, at any rate—is with cost efficiencies and effectiveness. In our business, out of 150 vehicles we have two rigids. We have a very small number of single articulated vehicles and those only because we have a base at Orange that runs across the Blue Mountains and into Sydney. You can only do that run in an articulated vehicle. But that road is one of the worst roads in Australia. You still have to have the skill base, but it is hard to transition people through the various vehicle sizes because we do not have the vehicles. Those vehicles are not in regional and rural Australia, because the most cost-effective vehicle to move freight on is a B-double. Depending on where they work, they are 10 to 15 per cent cheaper per tonne-kilometre in that situation. Nobody is going to subsidise the use of the other vehicles. I think that there is an opportunity—and I have seen it in the US—to use simulators. Although they have come a long way in the last 10 or 15 years, they still have some work to do. But they do a lot of the training of pilots in simulators.

CHAIR—I was about to say to you, Ron, that in many ways a pilot is a glorified truck driver. The pilots would probably not appreciate that, but the responsibilities and the task are not dissimilar and yet our view of their professional status and so forth is vastly different.

Mr Finemore—My view is that their job is easier. A pilot has to get everything right when they are taking off, when they level out and put on auto pilot, and when they are landing, but the truck-driver has to do everything. It is not only what they are doing, it is also what everybody around them is doing. Eighty per cent of our incidents are caused by other people around us, not by what the drivers are doing. It is the 80 per cent of things around us that we have to protect ourselves from. That is why I believe we have a major responsibility and we need to train everybody who goes through school in safe driving. We can come through quicker, but the real problem in rural and regional Australia is having the vehicles that they can drive to transition. The real issue is, if we put those vehicles in and wear the pain for it, once we get them trained we have gone through the pain, we have no legal liability or loyalty from the individuals.

There is a scheme in Europe which delivers these outcomes—for those who want to invest—and there is an industry scheme where there is levy on everybody. I think we need to seriously consider that sort of thing. I believe strongly—I might be getting off the track—in five-star, four-star, three-star, two-star and one-star rated trucking companies. At a certain star level you are trusted with the responsibility and get some funds to invest in training people. I have been working with the TWU on that sort of thing—trying to get more recognition for the people who do it right as well as some benefits in some of the regulations.

CHAIR—Do you want to just sum up, Ron. We have a heap of questions as we are very interested in what you say.

Mr Finemore—We have an ageing driving workforce and the jobs are not going to disappear; in fact, they are going to grow. Six per cent of our drivers are aged between 20 and 30, over 10 per cent are aged between 60 and 70, and our average driver age is 45. We find that it is more and more difficult to get young people who even want to drive trucks, let alone have the skills and ability to drive trucks.

CHAIR—It seems to me, from Tony and Ron’s evidence, that there are a number of issues that would discourage a young person coming out of school at 17 or 18 from looking at truck driving as a career. Clearly, there are issues around the understanding of it as a career and as a profession. I think you are absolutely right there, Ron; people would not even be looking at this for their kids. In an area like mine, with teen unemployment consistently close to 40 per cent, nobody has ever raised with me exploring truck driving as an option for those people. They are nearly all young men who cannot get apprenticeships in the mining industry. I would have thought that they would be a reasonable pool to draw from. We understand and accept what you are saying.

From what you are saying, there are some really pragmatic things around the nature of the licensing system. Even if you have a staged skill level through the licensing in regional areas and can actually provide the vehicle access and opportunity to get those skills, there are challenges for employers in carrying someone. It sounds more like a three- or four-year apprenticeship than a one-year traineeship, and yet the funding arrangements do not treat it in that way, so that would be discouraging.

The other thing I picked up is the insurance issue. I have had to insure two boys driving cars for so long—and thank heavens my eldest son is now 25—whilst they were under 25. I would have thought there might be some capacity for the insurance industry to look at outcomes—at actual accident rates and so forth—of companies rather than at the age of drivers.

Mr Finemore—They do.

CHAIR—They do, but it is only a factor. They still factor in the age of the driver. Is that right?

Mr Finemore—In our company we negotiate with the insurance company.

CHAIR—Okay, so there is the capacity.

Mr Finemore—They know I have a history of running an organisation for 30 or 40 years that is focused on safety.

CHAIR—So it is possible to do that.

Mr Finemore—It is possible, but you have to have a record that shows that you are—

CHAIR—On the industry skills perspective, I would be interested in what you guys are doing, Bob and Robert. Could you follow that up with some examples of what you have seen in your direct experience of drivers and young people?

Mr Waldron—I would first like to reinforce that we believe that young people can gain the skills to drive vehicles in a much shorter period than is currently in the regulatory requirements. That is because they are quick learners. They can be taught and they can understand these things quickly. The regulatory periods are a sort of risk management system put in place to try to catch up on that maturity, and we believe that structured training would be able to shorten that gap. So that is the crux of what I want to say.

In terms of the supportive environment, Ron Finemore mentioned earlier about the father and son type aspect. That is what I mean by a supportive culture. A lot of road safety studies point to the fact that peer group pressure is a problem with P-plate drivers. When there is one passenger in their car they have twice as much chance of damage; if they put three, four or five in there, they should not leave home. We are saying that that sort of peer group culture can be replaced by a supportive environment when inside a reputable company. The things that Ron was saying about understanding the importance of the learning and OH&S issues do come with operating in the company. Understanding the reasons for the regulatory requirements, laws and that sort of stuff would reduce the time taken to impart the attitude and aptitude that comes with maturity. So that is the real crux of what I am saying.

Our organisation has been involved with a program and I think it is important for some upfront stuff first so that the transport company can see some value in putting in that person. One of the pitfalls of the traineeship system is that you have to have a job first. To get a job you need experience. So what happens is you recycle skilled people. And while that is a good thing because upskilling is always good, it is a lot easier for training companies to sell a product of that nature than encourage someone coming in.

CHAIR—Are you talking about a pre-apprenticeship type scheme?

Mr Waldron—That sort of thing, yes.

CHAIR—It is very popular across many of the trades now.

Mr Waldron—I could reinforce that by saying that we have done three of those programs. One that comes to mind was about 15 years ago, perhaps 1995, when traineeships and that sort of stuff were in their genesis. We had a program where we did some upfront training and then we put them in the furniture sector. Then we brought them back, did some more training, and then put them into the freight sector. Then, later on, they went into warehousing. We had 12 starters. One dropped out for another career and 10 were successful. Eight of those were still in the industry some 10 years later. One chap, who I was speaking to about five or six months ago, is driving B-doubles. He was doing the heavy rigid and the articulated runs quite soon in his career. The other people are in a range of other transport related things, not just driving. So I am a great supporter in the—

CHAIR—What is the barrier to that sort of thing continuing and expanding, Bob? It sounds like it was greatly successful, so why is there not more of it out there?

Mr Waldron—The graduated system is a problem as it slows them down and it is very difficult for two-up training. Once the person has got a licence, say, a medium rigid, they can be mentored within the right sort of company and they can, with a permit driver, drive a heavier vehicle, provided they have that mentor with them. That is a cost and there needs to be some examination in how to help the employer with that.

Mr Finemore—It does lend itself though to having systems to help you with loading. In our business these days, very little at all is handled by the driver. It is forklifted or operated in other ways so there is nothing for the young person that contributes—

CHAIR—There is nothing for them to be productively doing while you are getting them up to that drive level.

Mr Finemore—Yes, whereas in the furniture industry, there is a big opportunity for them to do that.

Mr Hood—I am a B-double driver for Linfox and I work at the Coles DC in Goulburn. Basically, we transport groceries all over the state. Linfox has contracts with Coles over most of Australia. If you go into your Coles supermarket, there is nothing on the shelves that we do not take into the shop. I concur with everything that has been said so far. I have 32 years experience. Like Ron, I was driving before I had a licence. My father had a bus company and I should have had P-plates on the bus, but I did not. I learnt to drive in Sydney in the late seventies and I have been driving ever since. There is certainly a catch 22 in regard to young people getting into the industry. The industry says, ‘You need experience to work for us’. Any ad you see in the paper says, ‘B-double, minimum two years experience’. To get experience, you have to be in the industry and it just does not happen. It is very difficult to get that first start.

I agree with what Bob Waldron said in regard to two-up training, even though there is obviously a cost to the employers in that. If we are going to move through a system where year 10 to year 12 students, whether they are boys or girls—we have some exceptional women drivers within our organisation and within the industry—perhaps we could work on a system where they could be educated three or four days a week and have one day being mentored or out on the road with the drivers. We are obviously governed by the tyranny of distance within this country. As far as Tony speaking of the romanticism, I have a 27-year-old son who said to me one day, ‘Dad, I will never become a truck driver’. Daniel promptly went into the army and was stationed in Darwin at Robertson Barracks, and became a truck driver.

Mr SIDEBOTTOM—It was the uniform!

Mr Hood—Yes, I think it was the uniform.

Mr SIDEBOTTOM—You had better give him a uniform.

Mr Hood—The uniform and the slouch hat definitely got him there, Sid, for sure. There is nothing romantic about getting out of bed at midnight every night, which is what I do. Most of the work that we do is either in the far South Coast or Western New South Wales. It does not lead to a very good home life. They are 14-hour days. If we start at one o’clock, we are home at two or three in the afternoon. It leads to relationships disintegrating. For young people who are starting a family, it is not conducive to anything good when the breadwinner is not there and the poor young wife is there with screaming kids. That is the way our industry is. It is amazing the amount of people in our yard, including myself, who have gone through recent break-ups.

CHAIR—I think our profession shares that with you. We understand exactly what you talking about.

Mr Hood—It is mismanaged time management.

Mr SIDEBOTTOM—Very good.

Mr Hood—The comment about pilots being downtrodden truck drivers, I tend to think that truck drivers are downtrodden airline pilots. We are looking at B-doubles now with a value, without the freight, of somewhere around \$320,000 and \$330,000. I did a load to Dubbo yesterday and I would suggest that the groceries on board were probably worth in the vicinity of \$400,000.

The cabins of these things can be compared to the cockpit of a commuter airliner. They are unbelievable things to drive. There is a certain level of skill involved in it for sure, but they are certainly not the machines that were on the road even 15 years ago. They are brilliant. This is an industry that is technologically hungry, in particular in Australia. Whatever is the latest technology in North America, Europe and Japan, this industry just gobbles it up. The days of a truck driver being stereotyped as having a blue singlet, beer gut, stubbies and thongs, and half the time with a beer in his hand, has all changed. This is no longer just a job. It is at least a semi-skilled profession and I believe that it should be classed a skilled profession. We really need to go down that path. We need to be able to make it attractive to children who are still at school.

I can assure the people here today that the money is very good. I can afford to go on a holiday to Europe most years. I will gross \$110,000 this year, and I have had six weeks off on holiday in the last financial year. If you are prepared to get into this industry and go and do the work, do it to the best of your ability, and your employer is happy with you, then you work in an industry where you go out for 12, 13 or 14 hours and you are your own boss. I do everything I should be doing. My boss is happy with what I am doing. I am securely employed. This is the way the industry has got to be viewed. Apart from the time management situation, it is a very good industry. It is very satisfying and it is great. I think that a lot of us are here in the industry not because we have to be; we are here because we want to be. We love it and once it is in your blood that is where it stays—it really does. I still enjoy getting out of bed of a morning—I get a bit grumbly sometimes—

CHAIR—I was going to say, ‘Even at 1am?’!

Mr Hood—Well, I am at work at 1 am, but I enjoy going out and working. There is camaraderie. It is an industry that I am sure Ron loves, and you have got to be like that to be in it.

CHAIR—Thank you very much for that.

Dr JENSEN—It strikes me that there is something illogical about the way the licensing system is set up at the moment. We have these year gaps where theoretically it is about getting experience, but what would stop a person from getting, say, the medium rigid licence and doing buggie all, doing some other work for year, and getting the semi licence, doing the same thing, and then going and getting the B-double licence?

Mr Hood—It is quite feasible, yes.

Dr JENSEN—We have talked a bit about aviation, but we can look at other aspects. You can get a flying licence at 16. You can aerobatic endorsements not too long after that.

CHAIR—Dennis has a pilot’s licence.

Dr JENSEN—No, I do not actually.

CHAIR—Air traffic control, was it? Yes, that's it.

Dr JENSEN—Yes. You were talking about the issue of skills based licensing and Ron was talking about not having the fleet to facilitate the multiple levels of licensing needed. What is to stop having adequate skills training straight away for, say, a B-double? Is there a problem associated with that, if you have got adequate training?

Mr Hood—There is definitely a problem in regard to competency based licensing, and this is why it is scaled that way. They are not difficult to drive but there is a certain level of skill required, especially when manoeuvring and reversing the things. We are looking at gross weights of 62½ metric tonnes. What we have found is that if you get into trouble with one and you get into a situation where a car comes at you or something and you have got to take evasive action, if you do not judge it properly and swing off the road and the back trailer goes off the shoulder, the whole truck just disappears. When they are loaded they behave very differently to what an ordinary semitrailer does. Because of the competency based licensing, we have found that it gives drivers a chance to get to that first level of an articulated vehicle at 42½ tonnes, stay in that area for a while and then get the extra skills to go up.

Dr JENSEN—You are saying, Robert, that it responds differently to a semitrailer. So maybe some of the skills that you are learning with a normal semi, or indeed a rigid, are actually teaching you a bad response when it comes to the B-double, where if you maybe went straight to the B-double you would be learning those correct responses immediately and that would become implicit immediately.

I am thinking, also, about the logistics chain in terms of training, as well as the gap to 21. How do we get around this problem that you have to be 21 before you can drive most of these trucks and people then shift off into other careers? I am not just addressing this to Robert; it is to anyone.

Mr Waldron—As I said, I very much believe in an upfront program. I have talked to our driving instructors about this very topic and they say that even if a person does not have a medium rigid licence, with intensive training of as little as a couple of months within a safe environment the majority of those skills can be obtained. The maturity aspect—that has to be done within the culture that I was talking about. But you are right. I do not see any problem with starting them off on those things. But someone from the industry might have a different view on that. And we have done that sort of thing. Also, whilst the vehicles are different, we have to remember that the army do train people. They have to obey the regulatory regulations but they can train people in a short time with intensive work as well.

CHAIR—Would you like to make a comment on that, Ron?

Mr Finemore—I do have a problem with putting people that have not shown a certain skill level into a B-double, and the bills that we would then get with the cars that he drags in half when he goes around corners. I really think there is an opportunity for more simulator work. But you also need to have them sitting in the left-hand seat when the truck is operating on a job like Robert is doing when he is loaded, then driving on the better part of the road when he is coming

back empty—as long as you have the right sort of mentor, because some people will not even sit in a vehicle with somebody else. There are a lot of good people who can train people, and they let them drive an empty.

The problem we have is the cost of doing that. That individual has to be paid and I do not have any guaranteed returns for that because he can go and work for someone else. The minute he gets his licence, Joe Blow will let him drive between Melbourne and Brisbane. I will only let him drive between Wodonga and Melbourne because I know it is a good road, and I will only let him go to certain places when I do get him trained to a certain level. As it does not let him run up and down the road, he is restricted and he will leave me. And because he has a licence, Joe Blow will employ him and put him in a 600 horsepower B-double driving to Brisbane. He might have the skill to get the licence but he does not have the other skills that I believe he needs to get to operate in that type of operation. It takes him into an area where he will get on the edge of the fatigue situation, and that is something that you need to learn too in that situation. Some people will get there at five hours not 12 hours, so you have to work through people.

Driving a truck is no different to the situation of an athlete in that you talk about hours. Linfox control hours; we control hours. We do not let people work hours that are outside a certain number. Some of our people only work three days a week: three 12-hour days or three 14-hour days. That is all they do for the week and they have the other four days off. It depends on what they want to do and what age group they are. The person that is in the 25 to 40 age range that has a young family may want to work five days a week and work 70 hours. They will leave us if we do not let them work that many hours because they want to earn \$150,000 a year. The other guy who is in his 60s only wants to work three or four days and go fishing the other days—if there is any water. So what you have to do is adjust the job—that is the only way we keep people—to suit the individual. We have other people that are semi-retired who only work one or two days. It is whatever suits them.

CHAIR—The committee is looking at the transitions. You have raised some issues about a whole career opportunity that I think is being missed. If a government is saying that you will be earning or learning—basically, you will be studying or in a job—up until the age of 25, then I think there is a massive opportunity here. I invite you to put in a written submission—perhaps you could coordinate it through Tony—about a proposal to engage young people. I think it would be worth exploring opportunities through school based apprenticeships or pre-apprenticeship programs that can be run through schools and also vocational education. There could be some recommendations around professional status and recognition of it as skilled work so that it comes under our Productivity Places Program and things like that.

Bob, I am sure you would know all the programs that the industry schools training could look at. I think there is a real opportunity for us in our transition section of the report to talk about seeking out new opportunities beyond what governments tend to think of as the ‘tradies’—carpenters and plumbers. They are all very important, but I think you are being missed, and you should not be. For a lot of young people, there are some real opportunities in your area. So I really thank you for your evidence today. We would be very keen to get a written submission from you along those lines for us to consider in the development of our report. If we get that written submission, my colleagues who could not be here today can always follow up with some questions on that.

Mr SIDEBOTTOM—Tony, can you leave us a copy of what you were reading from?

Mr Sheldon—Yes.

Mr SIDEBOTTOM—It is very interesting.

Mr Finemore—The key issue is that Australia has a need.

CHAIR—Exactly. But we are not doing well at matching the jobs.

Mr Finemore—We also have a growing employment issue and the two need to be matched.

CHAIR—Young people will be at the sharp end of that, as they always are in downturns.

Mr Finemore—There is an ideal opportunity for government to be involved and to do the job that I think they should do, which is assisting in this transition and in these things taking place.

CHAIR—I think what you have raised with us is quite exciting.

Mr Sheldon—Chair, Deputy Chair and the rest of the committee, thank you very much. I think everyone has nodded their head: we are certainly in furious agreement to send a written report. We would be very keen on any supplementary questions that people might send us and we would be happy to respond to them in writing, either individually or collectively. We are very keen to progress.

CHAIR—Tremendous. Thank you. I want to record the fact that many of you have travelled interstate to be here today, and I thank you for that. Also, it is greatly appreciated that you have taken time out your day to talk to us when you work in an industry that is particularly high pressured.

Resolved (on motion by **Mr Sidebottom**):

That this committee authorises publication, including publication on the parliamentary database, of the transcript of the evidence given before it at public hearing this day.

Committee adjourned at 10.48 am