



Dr Kilian Perrem
Inquiry Secretary
Standing Committee on Infrastructure
and Communications
House of Representatives
PO Box 6021
PARLIAMENT HOUSE ACT 2600

Dear Dr Perrem

**Re: INQUIRY INTO THE ROAD SAFETY REMUNERATION BILL 2011 AND THE ROAD SAFETY
(CONSEQUENTIAL AMENDMENTS AND RELATED PROVISIONS) BILL 2011**

Thank you for your letter, dated 8 December, which invited the ALRTA to make a submission to this Inquiry.

The ALRTA invested considerable resources, across the summer of 2010-11, in developing a submission to the Commonwealth Government that identified the issues and considerations which our Association wished to see addressed during the development of the current Bills.

I'm pleased to attach a copy of that submission, dated February 2011, for your information and use.

As you will be aware, a *Regulatory Impact Statement (RIS)* that had been independently prepared by *Pricewaterhouse Coopers* was released by the Government in late November 2011, accompanying introduction of the Bills into the House.

The ALRTA has formally noted as significant the following findings from that RIS, and we respectfully suggest that these should be of considerable interest to this Inquiry:

- a. *There are ten times more deaths-per-worker (employee or contractor) in road transport than the average for Australian industries;*
- b. *29 per cent of owner drivers currently earn less than the legal minimum wage;*
- c. *The cost-benefit assessment of creating a new scheme is dependent on whether it is considered to be economically 'efficient' for owner-drivers to earn less than the legal minimum wage;*
- d. *The RIS finds that there are "valid economic grounds for establishing a Tribunal" that has the flexibility and takes the cautious approach advocated in the ALRTA's submission; and*
- e. *Introduction of paid waiting times could deliver up to \$155m in benefits to owner-drivers and may lead to efficiency gains within the economy.*

The ALRTA was not consulted upon the preparation of this RIS by *Pricewaterhouse Coopers*.

Turning to the Bills themselves, the ALRTA's view is that the Bills satisfactorily accommodate the issues and considerations raised in our submission of February 2011. In several instances, this is achieved by providing the proposed Tribunal with flexibility over the scope and terms of any Orders it might make.

To be capable of addressing several of the ALRTA's concerns, it is essential that any new Tribunal have clear statutory power to deal with issues such as unpaid waiting times, unpaid on-costs and unpaid or delayed payment of invoices. At present, our understanding is that some or all of these issues might be deemed to be a 'remuneration-related condition' rather than strictly a matter concerning 'remuneration'.

As our submission of February 2011 indicates, the ALRTA believes that any new Tribunal should proceed carefully and take an incremental approach to the use of its powers. However, the formal position of the ALRTA is that we do not accept the arguments that this legislation is 'not warranted'.

The ALRTA's contact officer regarding this matter is Mr Philip Halton (office@alrta.org.au; 02 6247 5434).

Yours sincerely

John Beer
National President