

NATIONAL ROAD FREIGHTERS ASSOCIATION

February 03/2012.

To whom it may interest.

Dear Sir / Madam.

I write in response to the call for submissions on the so called safe rates proposal.

I have been an owner operator since 1974. I am currently in partnership with my son in two trucks. One services a contract with a chemical company - the other operates as a subcontractor to major company.

I object to having an outside entity directing what that entity considers to be a safe return on my effort. The costs of operation within the industry vary considerably between types of operation. The operator has to know what the cost structure is for what he / she does. A major segment of business is understanding the requirements of that business. If an operator does not understand what the costs are to his/her business, do they have sufficient education to be able to operate in a safe manner even with a guaranteed floor price?

I note the proposed legislation contains provision to protect it's bureaucracy from litigation in the event that a peeved operator considers such action for some damage to the operators business. That aspect of the proposal suggest little incentive for the bureaucratic sector to be diligent in its dealings with those in it's area of interest.

At no time currently have I seen any deliberation on how a "safe" rate will be arrived at. Where an operator has been able to sell a better service to achieve better than average returns in the past, is that better effort, better remuneration going to be jeopardised through open knowledge of "basic" remuneration levels.

What process determines whether an association enters into discussion on behalf of any organisation or individual?

There is talk of the proposed legislation working to "de incentatise" poor work practice. Wasn't that the ambition for chain of responsibility legislation? Does CoR become redundant? It probably should as it is seldom used where it should be in any case. A major cost to small operators is the complicated compliance requirements currently demanded by government and its agencies.

I am against this "nanny state" proposal. We have too many restrictions already in place to protect those too stupid to protect themselves. Consequently our cost of doing business is causing those who would normally be self sufficient to become dependant.

Our transport vehicle that is subcontracting to a responsible organisation works for what on the face of it appears to be pathetic rates of return. However the prime organisation supports it's sub-contractor fleet in one instance alone by making fuel available at thirty cents per litre cheaper than is available to those working in the open market. How can that be?

Legislation could possibly be brought to bear to reduce the inflated costs to single operators. For starters, supply companies that reduce charges to fleet owners by up to fifty percent on identical shelved products to what is charged to inconsequential single truck operators.

Greed has given rise to this proposal. The same greed and self interest that has given rise to the global financial crisis. Rather than pay a fair price, too many people charge as a much as they consider the customer can bear, or in this situation, pay as little as is necessary to attract ignorant or desperate applicants. It is a fact of life that legislation can in reality be but a parameter. Legislation of its self will not

make a “good” world or an honest world. There can be NO safe rate for drug dealing but it still goes on for profit.

Ken Wilkie,
Queensland Delegate,
National Road Freighters Association