



Submission by the Victorian Transport Association

This is a brief submission by the Victorian Transport Association (VTA) which is the pre-eminent representative of employers and prime contractors in Victoria and has been since the early 1900s. Prime contractors are those transport companies that employ transport workers directly or engage the services of sub-contractors, including owner-drivers, to assist in the conduct of the freight task. The VTA has around 700 members and has a close affiliation with the Australian Road Transport Industrial Organization (ARTIO), an Organization registered under the Workplace Relations Act 1996. This organization operates in Victoria as the ARTIO (Vic) Branch.

Attached are:

- an overview of the Association and its activities.
- a résumé of the Chief Executive Officer showing his experience and the general industry activities he is involved with.

An owner driver can be engaged across any one of the sectors of the transport industry, such as:

- a. Long distance operations
- b. Import/export container work
- c. Port work
- d. Express freight pick-up and delivery (PUD) work
- e. Taxi trucks
- f. Couriers
- g. Waste removal and recycling work
- h. Road work and tip trucks
- i. Grain and agricultural work

The VTA believes that around 20-25% of the freight task is performed under contract. Within that amount, around 60%, would be performed by owner- drivers. Put more directly, owner-drivers would be responsible for about 12-15% of the freight task in Victoria.

Except in the long distance area, most owner-drivers would live and work within 100ks of the Melbourne metropolitan area.

The VTA's position on the current Victorian Legislation is set out below.

1. Generally speaking, the VTA and its members support the legislation.
2. The commercial relationship between the Hirer and the Owner/Driver is business to business
3. The Transport Council is currently developing:
 - a. A code of conduct

- b. A model contract for use in the industry. It will not be binding on any organization but can be used by any owner driver or hirer to agree on the terms of their contract.
 - c. An Information booklet – This booklet will be used as an industry guide for existing or new entrants to the industry. It will incorporate good business practices, safe operating conditions and advise on applicable regulations, legislation and customer service issues. It will be a very useful industry publication.
 - d. Model Rate structures- Work has commenced on developing indicative costing models for various owner driver operations. These models will not set rates but will advise on costing components that need to be considered in any transport operation. They will be a guide for owner drivers who may lack the expertise to accurately cost out a transport operation.
4. The VTA supports this legislation because it is not industrial legislation, it does not “deem” any party to be an employee. Any person can represent a contractor before the ***small business commissioner***.
 5. The issue of “goodwill” has been a contentious issue in the transport industry for a long time. The legislation clearly identifies that there is no goodwill(for owner/drivers) in the transport industry in Victoria. This is accepted by the Transport Workers Union and the VTA. The new code of conduct plainly states the case for no goodwill.
 6. Workcover – workcover for owner drivers has always been a disputed issue. We are currently working with the Victorian Workcover Authority and the transport Industry Council to set a simple and clear definition of who is covered and under what conditions. This will be agreed shortly.
 7. There is no doubt that legislation for owner drivers will affect current arrangements between hirers and owner drivers. We believe however that this will be for the betterment of the industry(and other industries that use owner drivers), particularly in regards to workplace and road safety, family/ working relationships, less uncertainty about survival and a better and more reliable service to customers. Hopefully, it will also lead to less bankruptcy in the owner driver sector.
 8. The business to business philosophy will lead to low cost, quick and experienced dispute settlements. It will ensure all parties are dealing in a fair and reasonable basis with backup by the Small Business Commissioner.
 9. The Freight and Logistics industry is seriously short of truck drivers and trucks. With a growing freight task the Victorian legislation will allow entry into the industry on a more business like basis, offering some protection along with appropriate advice and information to all parties. It hopefully will stop unconscionable behaviour before it starts and provide an opportunity for more

“Lindsay Foxes” to grow. At the present time owner drivers develop by luck and under high risk. Although the legislation will not eliminate risk it will give owner drivers an opportunity to survive and grow.

VICTORIAN TRANSPORT ASSOCIATION PROFILE

The Victorian Transport Association (VTA), a privately funded, non-profit organisation with over 100 years of service to the Freight and Logistics Industry, It is recognised as Australia's pre-eminent multimodal contractor and employer organisation in this sector

Operating across the entire freight logistics spectrum, the VTA enjoys established working relationships and interface with all levels of Government, Unions and Industry.

As an integral associative industry body, the VTA is represented on key industrial and employer organisations such as the Victorian Road Freight Advisory Council, the Victorian freight and Logistics Council, the newly formed Transport Council for Owner/Driver legislation, the Australian Trucking Association and the Victorian Congress of Employer Association as well as a host of committees, representative bodies and interest groups.

Dedicated to partnering members in all sectors of the transport and logistics industry, the VTA has over 750 members.

What does all this mean for the industry and our members?

The VTA's industry role lies in influencing, communicating and responding to the challenges of industry and of business in general. In fulfilling this role the VTA accesses an extensive industry network.

Support to the industry comprises a mix of high level industry specific training & consulting, extensive professional and management advice, facilitating interchange of information, experience and contacts through major industry events, briefings and focus meetings, and representation on a variety of panels, committees and councils.

Active at the international, national and local levels, across road, rail, sea and air, the VTA sees its role as influencing, communicating and responding to prevalent challenges, both of the industry specifically and of business in general.

What are issues that the VTA's looks at?

Technology, road and infrastructure development and funding, environmental issues, politics at the local, state and federal level, law enforcement, industrial relations, occupational health & safety, day to day operating problems etc. – in essence, anything and everything that currently affects the freight and logistics industry; not to mention future challenges and developments.

The VTA is a platform from which its members can ascertain, address and appraise themselves of the range of issues facing the industry – both current and future and be confident their association is working at practical outcomes for the whole sector.–
How have we worked to influence and drive the freight agenda?

VTA engages in an ongoing and varied assortment of lobbying activities and negotiations, conducted on behalf of all those who operate in the industry.

We meet with elected leaders and representatives and attend forums, breakfasts and briefings on Government policy – and we ask the hard questions.

VTA holds, sits on, chairs and hosts an equally wide variety of committees, representational and working groups.

VTA are constantly active in producing papers and keeping the industry informed. In the past year we have produced: a draft employee application form; a smoking policy; insurance guidelines and FSRA legislation; and industrial relations updates.

VTA have been active in meeting with; the Municipal Association of Victoria; VicRoads; the Trades Hall Council; TWU; SEITA; CityLink/Transurban; P&O; Patrick; WorkCover; ATA; and the Federal Department of Industrial Relations.

VTA has developed a response paper on the Effective Life of Trucks tax provisions that could cost the industry millions, and have twice succeeded in having a decision on this delayed. And the VTA has developed, pushed and lobbied on issues such as the Premium Review, road funding, OH&S, rest areas and owner driver legislation.

VTA takes pride in setting the industry direction, in responding to policy issues, in driving the agenda and in maintaining an industry voice at the forefront of the debate.