

Summary of findings and recommendations

The committee found that there are workforce challenges facing every sector of the transport industry: roads and railways, shipping and aviation. To varying degrees, industry finds difficulty attracting and retaining employees, and particularly young employees, whose entry into the industry is necessary to replace a workforce which is ageing and looking to retirement. Younger workers are deterred by poor industry image, more attractive career prospects in other industries (particularly mining), and lack of coordination and appropriateness of training regimes.

These problems add further operational pressure to employers who are already facing tight profit margins, and who may sometimes struggle under complex regulatory and compliance regimes. A particular difficulty here relates to the variations in transport-related legislation and regulation between different jurisdictions.

The need to address these workforce challenges is becoming urgent in the face of estimates that the national freight task will double by 2020. There is a critical relationship between Australia's reliance on commodities for economic growth, a successful commodities industry and effective transport and logistics. It is vital that these workforce challenges, which may compromise the transport industry's effectiveness, be addressed.

Some action has been taken, by both industry and government stakeholders, and the committee commends this progress. However, much work remains to be done, and the recommendation of this report may serve as a guide in where effort, investment and policy focus should be directed at the highest priorities.

Recommendation 1

The committee recommends that industry bodies in each jurisdiction agree to a national branding image for adoption by transport and logistics operators in all sectors of the industry, to be used consistently in promotional activity. The brand should be attractive to both young people and to women, and underpinned by consistent professional workplace standards.

Recommendation 2

The committee recommends that transport and logistics industry operators engage with state and territory education authorities to find ways to raise the profile of transport and logistics in school-based career preparation activities, including exploring possibilities for more school-based apprenticeship programs and increasing industry presence at careers expos and similar events.

The committee further recommends that industry operators work with state and territory education authorities to increase opportunities for school-based apprenticeships in skills demanded by the industry, with a focus on secondary schools located near major transport hubs.

Recommendation 3

The committee recognises that the expansion of the subclass 457 visa to the transport industry is not an appropriate solution to the industry workforce challenges and recommends that this option is not considered by the industry.

Recommendation 4

The committee recommends that industry-wide strategic planning for training examine concerns that the transport and logistics training regime may not align with broader trades recognition processes in some jurisdictions, possibly to the detriment of transport employees.

The committee further recommends that strategic planning for industry-wide training include:

- A review of current traineeship funding practices to ensure the delivery of government trainee funding is directed to new entrant training, and is not disguised using existing workers.
- A minimum of 60 per cent of government training funding be directed to new industry entrants, to ensure at least 4,500 new entrants are trained each year to meet projected industry demand.
- Government funding to be linked to a licensing requirement to ensure new entrants complete their training with an appropriate license to ensure full participation on commencement of employment.

Recommendation 5

The committee recommends that an industry-wide training levy be applied to all operators in all sectors of the transport and logistics industry. In determining the amount and method of paying the levy, reference should be made to the varying capacities of different companies and stakeholders to make such a contribution, so that no company or stakeholder is relatively disadvantaged or advantaged.

Recommendation 6

The committee recommends that section 23AG of the *Income Tax Assessment Act 1936* be reviewed, and the meaning of 'foreign service' for income tax purposes be clarified so that Australian seafarers are not disadvantaged in their earnings capacity relative to seafarers of other nations when working on foreign-flagged vessels on the high seas.

Recommendation 7

The committee recommends that all jurisdictions ensure legislation is enacted to give effect to the model bill on *chain of responsibility* approved by Australian Transport Ministers in November 2003; and that all jurisdictions implement procedures to ensure the transport system is operating at optimal safety standards.

The committee recommends that employers in all sectors of the transport and logistics industry give priority to improving work conditions, including minimum safe rates of pay and paid waiting time, as well as offering shorter or more flexible shifts and any other options as appropriate, as a means of retaining workers and encouraging current license holders to return to the industry.

Recommendation 8

The committee recommends that the three Commonwealth Government departments with portfolio responsibility for issues related to the transport and logistics industry workforce (the Department of Transport and Regional Services, the Department of Employment and Workplace Relations and the Department of Education, Science and Training) undertake a strategic policy discussion, developing and implementing a process for better communication and collaborative action on these matters.

The committee recommends that the Department of Transport and Regional Services take a leadership role in convening, motivating and sustaining this discussion.

Recommendation 9

The committee recommends that the ALC continue development of the next five-year strategy for the national transport and logistics industry, but extent the overall scope of planning work to focus on the next ten and twenty years as well.

The committee further recommends that planning activities undertaken by the ALC should include representation from transport employee bodies and major transport users including mining companies.

The committee recommends that the ALC also give particular priority to addressing constraints on integrated use of different elements of the transport system, and identifies ways to achieve maximum operating capacity from current and planned infrastructure.

