

Senate Inquiry into Workforce Challenges in the Transport Industry

Submission by the Bus and Coach Association of NSW

Executive Summary

The Bus and Coach Association (BCA) is the peak industry organisation for the private bus and coach sector in New South Wales. In that role the BCA has been increasingly concerned with the increasing workforce challenges facing the bus and coach industry in this State. These include:

- Difficulties in attracting younger employees to the industry.
- Difficulty in retaining employees who are attracted to the industry.
- An image of the industry as an unattractive place to work.
- A serious skills and personnel shortage among operators.
- An aging employee population.
- An increasing regulatory burden on operators.
- The inability of some operators to cope with the rising tide of regulation.
- A steadily declining number of operators throughout the state.

The BCA has undertaken a range of activities to address the factors behind this growing problem. Certainly better industry marketing (to schools and the broader community) to attract new employees is warranted. The BCA and other industry bodies are working on initiatives in this area. Equally however, the workforce challenges are exacerbated by problems associated with industry training. This issue was recently highlighted by a forum of industry representatives, training providers and government recently coordinated by the BCA. That forum identified the following issues as key to attracting and retaining staff in the industry:

- The need for an overall training framework for the industry.
- The need for a cooperative approach from regulators, operators, training providers and transport organizations to develop such a framework.
- A need for better coordination in the development and delivery of training.
- The need for training to focus on life long learning skills that would enhance operator satisfaction, industry performance and staff retention.
- The need for Government to recognise industry training as a vehicle for change and as an alternative to regulation.
- The need for a forum to facilitate this cooperative approach and to map the needs of employers and employees in the industry.

The BCA has established an Industry Training Working Party in an attempt to devise strategies that address these concerns. However, the BCA strongly believes that government has a larger role to play, via funding and personnel, to support such initiatives and to avert a looming employment crisis for the industry.

1. About the BCA

The Bus & Coach Industrial Association of New South Wales is the peak industry organisation for the private bus and coach sector in NSW.

The private bus industry is a major provider of public transport in New South Wales. Each day the industry transports around 650,000 children to and from school, and each year conducts 100 million passenger journeys in Wollongong, Blue Mountains, Central Coast and the Greater Sydney Metropolitan area. The members of BCA (NSW) operate some 6,000 buses and have approximately 10,000 employees.

The BCA is responsible for representing these operators and for formulating policy and building relationships to deliver sustainable transport systems to the public of NSW. Further information on the BCA can be found at www.bcansw.com.au

2. Industry Challenges

The bus and coach industry in NSW is at the current time experiencing a period of unprecedented change. The fall-out from the Waterfall rail disaster in NSW has meant a much greater level of regulatory control on bus and coach operators. As part of their accreditation conditions operators must now be able to demonstrate:

- A detailed management information system including fleet registers, heavy vehicle records, daily vehicle checks and complaint handling mechanisms.
- A detailed safety management system.
- A drug and alcohol program.
- A lost property system.
- Driver monitoring systems
- Vehicle maintenance system
- Vehicle defect system

The regulator in NSW, the Ministry of Transport will soon commence auditing operators to ensure that these conditions are met. However, from the operator's perspective these requirements are only part of a much broader range of regulatory demands imposed by a variety of government agencies. While the larger players in the industry are generally managing the changing regulatory environment, many smaller, particularly rural operators have been left reeling, with some seriously considering their future in the industry. This clearly has implications for the viability of regional and remote communities in Australia, as well as employment and career prospects within the industry.

3. The Training Context

As mentioned, the private bus industry in NSW employs around 10,000 people in a wide range of disciplines covering an enormous geographic area. Yet, unlike many industries, there is a lack of a clear framework for employees and managers within the industry.

That is not to say that industry training is inadequate. Rather the problem seems to be the confusing range of training streams, with little consistency or compatibility between them. Some of these training streams are driven by regulation, others by sector needs. For example:

- The NSW Bus Services Regulation requires operators to be competent to carry out a bus service. To meet this condition, operators must complete a course approved by the Ministry of Transport. Currently this “accreditation” course is developed and run by the Institute of Transport and Logistics within the University of Sydney.
- Employees as a condition for obtaining an Authority to drive a bus must demonstrate competence by completing an approved training course. These courses are developed and run by registered training providers.
- Within the Government sector, the NSW State Transit Authority provides competency based training programs for drivers and other employees.
- Some larger private bus companies operate their own internal training programs for drivers and others.

A number of problems are evident within the current regime:

- The ATQF framework has generally focused on other sectors of the transport and logistics industry e.g. rail and logistics. What ATQF road transport training exists focuses more on freight rather than passenger transport.
- While some bus training (e.g. for drivers) is based on the ATQF framework some is not. There is, for example, no translation between competency based and curriculum based courses.
- Even courses run by various RTOs are difficult to translate, with modules based on the particular circumstances and nuances of the individual trainer/employer.
- The primary focus of industry training is on drivers with the courses available to others in the industry less well defined.
- Current training plays “catch up” with expanding regulatory requirements.

4. Impacts of Current Situation

This disparate and ill-defined framework for industry training has led to a number of serious repercussions. The gap between state regulatory demands and the national ATQF framework and the lack of a culture of *ongoing* training has left many smaller operators and managers struggling to comply with the changing regulatory regime.

The lack of career pathways backed by consistent and appropriate training has also made it difficult to attract younger employees and trainees into the industry. The industry is viewed as blue collar and “unsexy”. Careers are seen as limited to bus driving, ignoring the range of management, accounting, legal and other professional streams which actually exist.

These factors have led in turn to an aging industry profile, out of kilter with many others in the state. It can also be argued that the lack of consistent training framework has fed into the increasing regulatory burden, with Government attempting to fill a perceived skills gap through regulation.

The increasing burden of regulatory compliance, the aging population and the need to more effectively recruit and retain employees highlight the need for a clearly articulated and consistent training and employment framework for the industry as a whole.

5. BCA response

To identify factors behind the current industry challenges, in November 2006 the BCA organized an industry forum comprising of small/large/metropolitan/regional bus and coach operators, registered training organizations (RTOs), higher education institutions, the Ministry of Transport and the State Transit Authority (that operates public bus services in NSW).

The key outcomes identified by this forum are outlined below. The BCA considers that these represent a good starting point for the current Senate Inquiry:

- The need for an overall training framework for the industry.
- The need for a cooperative approach from regulators, operators, training providers and transport organizations to develop such a framework.
- The need for better coordination in the development and delivery of training.
- The value of both competency based (RTO) and curriculum based (university) training, and the need to better align these often diverging training streams.

- The need for training to focus on life long learning skills that would enhance operator satisfaction, industry performance and staff retention.
- The need for Government to recognise industry training as a vehicle for change as an alternative to ever-increasing regulation.
- The lack of a forum at the current time to facilitate this cooperative approach, and to map the needs of employers and employees.

The BCA is devoting resources to a Working Group to develop an industry training framework that addresses these needs. The first meeting of the Group is scheduled for February 2007. Draft Terms of Reference for the proposed Group are attached at *Appendix A*. However, the Bus and Coach Association is only a small (7 staff) representative organization and we believe that Government assistance at both the state and Federal level is warranted to address what is not only an industry concern but one that has serious repercussions for the Australian society and the economy as a whole.

6. Conclusion

It is clear that the lack of a consistent and clear career and training framework is having profound impacts on the industry. These impacts include:

- Difficulty in attracting younger employees
- Difficulty in retaining those employees who are attracted to the industry
- An image of the industry as a unattractive, “unsexy” place to work
- A serious skills and personnel shortage among operators
- An aging working population
- Confusion within the industry about training needs and providers
- Diverging training pathways with little consistency or linkage
- Ever increasingly regulation as a result of the lack of coherent self-regulation through training
- An inability by some operators to cope with this rising tide of regulation
- A steadily declining number of operators throughout the state

While the industry has recently commenced a process to address some of these critical problems, more direct and practical assistance from government is required on the issue, both in terms of funding and personnel.

We welcome the current Senate Inquiry as the first step in identifying the need for assistance to help the industry manage what is a challenge for the nation as a whole.

Darryl Mellish
Executive Director
15 December 2006

Industry Training Working Party Draft Terms of Reference

Introduction

The Industry Training Working Party was established on 15 November 2006 to identify strategies to define and meet the training needs of the bus and coach industry in the immediate future.

Composition

The Working Party will comprise representatives from bus and coach operators, registered training organisations, higher education institutions, the Ministry of Transport, the Community Transport Organisation and the State Transit Authority. The Bus and Coach Association will provide secretarial and policy support to the Working Party.

Objectives

The role of the Working Party will be to identify and endorse:

- Vocational groups within the bus and coach industry with training needs.
- The training needs of each of these groups.
- Courses currently available that meet those needs.
- Gaps between training needs and currently available training courses.
- Methods of bridging those skill gaps.
- Strategies to align courses offered by training providers in the bus and coach industry.
- A process for ongoing review and quality control of courses.
- The role of Government in recognising and supporting training courses.
- Training (career) pathways between vocational groups in the industry.
- Links between bus industry training and training available in the broader passenger transport industry and transport and logistics sector.

Reporting

It is expected that the Committee will meet for six months or longer to develop recommendations on these issues. These recommendations will be collated by the BCA and presented to the Government for endorsement.