



**MEDIA RELEASE**

**26 June 2020**

## **COVID-19 transport industry optimism continues to improve**

Optimism expressed by VTA and VWMA members in April that the transport industry would recover from the economic downturn caused by the coronavirus has continued – and in many cases strengthened – in June, based on responses to the Association’s latest COVID Insights survey.

The inaugural survey conducted in late April suggested the transport, waste and recycling sectors were reasonably upbeat about the prospects of recovering from the coronavirus pandemic. To gain an updated perspective on industry sentiments, participating members were interviewed again, with responses showing the industry remained upbeat about the prospects for recovery.

Among the key findings of the latest survey:

- 60% of respondents expect international trade to increase over the next four months, an increase of 15% from the last survey;
- Just three in 10 (30%) members expect their staffing levels to decrease over the next three months, a small improvement from the last survey (32%);
- Slightly more members (25%) reported a decline in customers since the first survey (23%); and
- A massive 80% of members surveyed said they intended to invest in new capital equipment before the end of the year, a 16% improvement on the first survey (64%).

VTA and VWMA CEO Peter Anderson said the transport industry should be encouraged by the general improvement in optimism expressed by respondents, particularly the willingness by operators to invest in their people and their businesses despite some of the economic headwinds caused by coronavirus.

“It is one thing to say you are optimistic about a recovery, but when operators are prepared to put their hands in their pockets and purchase new capital equipment – as respondents have overwhelmingly said they are prepared to do – it suggests that there is renewed confidence in and from our sector.

“The extension of the [instant asset write-off](#) until the end of the year by the Commonwealth has no doubt been a factor in operators being prepared to invest in their businesses, and we thank the government for extending the scheme and, along with JobKeeper, giving businesses the tangible economic support they needed to invest with confidence.”

Mr Anderson was also encouraged that members had generally weathered the coronavirus well, with minimal reports of lost customers.

“Some business downturn was always expected however the general sentiment members have expressed in our conversations with them is that their customers are fairly loyal, and in many cases relationships have become stronger. I think this demonstrates the genuine appreciation between customers and suppliers that we are all in this together, and that by sharing our problems and working together, our prospects for recovery are stronger.



“This has no doubt given operators the confidence to retain their people and limit staff reductions where possible, as evidenced by the small improvement we have seen in members’ outlook on their staffing levels over the next three months since our last survey.”

Along with the general improvement in optimism, Anderson said it was encouraging that complacency has not set in, with more respondents reporting they have built contingency plans for less revenue over the next four months.

“Operators know and appreciate that trading conditions can quickly change, as we are seeing now in Victoria with community transmission rates of COVID-19 on the rise. So, it is encouraging that 95% of operators we interviewed have enshrined contingencies in their business models for a downturn, roughly 10 per cent more than our last survey,” Anderson said.

The VTA and VWMA represent hundreds of Victorian and national freight, logistics and waste management companies, actively engages with their sectors. As part of this, focussed interviews are being regularly held with members to establish and update baseline information about the effects of COVID-19 in terms of customer retention, relations and revenue, human resources, future investment intentions, and trade expectations.

The VTA and VWMA are fully staffed to help members with advice and support, and has prepared an [online resource](#) to keep the industry informed with support available from state and federal governments. Please contact us for assistance on 03 9646 8590.

**Ends...**

**For the latest VTA news follow us on Twitter @VTAComms  
For further information please contact Brian O’Neil on 0411 055 284**