



MEDIA RELEASE

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Lockdowns and trading restrictions fail to dent COVID recovery optimism

Harsh restrictions that have closed restaurants, bars, shops, personal services and other Victorian businesses have failed to dent transport operators' optimism about quickly recovering from coronavirus, according to the VTA's latest COVID Insights survey.

The VTA has been tracking the sentiments among freight and logistics operators since April in order to gauge views on trade, investment, people, customers and the future as the economy starts to recover and restrictions eased.

"Our October COVID Insights report continues a trend of Victorian transport operators expressing hope and optimism that the economy and our industry will quickly recover if restrictions are lifted, with 94% of those surveyed agreeing or strongly agreeing their business will go on to be more prosperous," said VTA CEO Peter Anderson.

"This is a terrific validation of the industry's efforts to adjust their businesses to be able to service customer needs in a sustainable and productive way, ensuring consumers have had uninterrupted access to essential goods throughout the pandemic. It also underscores the urgent need for the Victorian government to reopen the economy as soon as possible so that this optimism doesn't wane."

Anderson said the COVID Insights report showed half of operators agree or strongly agree that COVID-19 will generate even bigger volumes of freight, no doubt because of the spike in internet shopping and an expected massive infrastructure and building program to generate an economic recovery.

"More than half (55%) agree or strongly agree domestic and international trade will increase in the coming months, continuing the optimism reported in our first two surveys," he said.

Sentiments towards hiring new staff and purchasing capital equipment were another factor in the positive outlook of transport operators in a post-COVID future.

"In a recession it is particularly encouraging that 69% of our respondents said they would invest in their businesses by purchasing new capital equipment by year's end, validating the government's extension of the Instant Asset Write-off program in the federal budget," Anderson said.

"It is equally encouraging two-thirds of those surveyed will hire new staff (31%) or leave staffing levels unchanged (31%) over the coming quarter, sharply contrasting cutbacks in other parts of the economy."

Anderson said customer engagement was more important than ever and that VTA members had gone to great lengths to retain business and support their customers. Less than one in five (18%) reported losing customers due to COVID, which is likely a factor in only 31% reporting a downturn in activity during stage 4 restrictions and only 18% concerned that changes to JobKeeper from October will make it difficult to retain staff.



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“As an essential service the transport industry has not experienced the losses other businesses have suffered because of forced closures, but it is still welcome news that customer and staff retention has generally remained strong over recent challenging months,” Anderson said.

For much of the past quarter as Victoria has become more isolated from the rest of the nation, the VTA has been advocating for common sense at the borders so that linehaul operators can continue moving freight interstate.

“Our advocacy helped bring about less onerous COVID testing for drivers entering South Australia and New South Wales, which has been an ongoing concern for the 43% that agreed 7- and 14-day testing requirements had reduced their productivity, and for the 32% of operators that said requirements had made their linehaul operation less economical.

“The sooner our borders reopen, the sooner we can expect supply chains to return to some sort of normalcy, which would benefit the national economy and boost consumer confidence – especially in the busy lead-up to Christmas,” Anderson said.

Despite being isolated, only one-third of Victorian operators (37%) were concerned the state’s economy would take longer than the rest of Australia to recover from COVID-19.

The VTA represents 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 is 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.

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