



MEDIA RELEASE

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COVID compliance and vaccine mandates crippling road freight operators

Onerous compliance measures and vaccine mandates for freight workers are wreaking havoc on road transport operators, according to the results of a survey conducted by the Victorian Transport Association.

The VTA queried more than 75 small, medium and large operators carrying freight ranging from chemicals and fuel, construction goods, agricultural, food, groceries and general merchandise about a range of issues that have emerged during the pandemic to understand how regulatory adjustments might assist an industry trying to overcome massive supply chain pressures leading into Christmas and beyond.

COVID restrictions have only exacerbated an already existing issue of driver shortages. The survey results reaffirmed the industry's issues concerns over driver supply and a government system that restricts the industry from attracting young people.

The survey offered a timely insight into the sentiments of the road freight industry. Among the key findings:

- **84%** of operators said COVID restrictions had negatively impacted their business;
- **62%** of operators have lost an average of **4%** of their drivers because of mandatory vaccinations, with one operator surveyed losing half his drivers;
- A massive **95%** of operators are experiencing a shortage of drivers, with nearly 1,800 vacancies in the responding companies alone.
- **90%** of operators said they would support regulatory changes enabling 18-year-olds to be trained to attain a heavy vehicle licence.

VTA CEO Peter Anderson said the survey echoed concerns the Association had been advocating for months and that unless action was taken to help industry attract new drivers, supply chains would continue to be vulnerable, putting upward pressure on consumer costs.

"When 95% of operators say they can't find enough drivers, it confirms more needs to be done by governments in partnership with industry to recruit people," said VTA CEO Peter Anderson.

"Victoria's heavy vehicle licencing system is broken and we need urgent action to attract young people to our rapidly aging profession. Nine in 10 operators said they would support a licencing regime that would professionally train and employ 18-year-old school leavers to drive a heavy vehicle. The government must act on this information, or the shortage will get worse as older drivers retire, with the inevitable consequences being higher consumer prices at the till."

"Losing an average 4% of drivers is the last thing an operator needs in the middle of a labour shortage crisis. Vaccine mandates that have driven some out of the profession underscores our industry's urgent need for licencing reform to attract young, new people to freight and logistics," Anderson said.

"If you can pilot a plane at 16 and fight in the armed forces overseas at 18, there's no reason an 18-year-old couldn't be trusted behind the wheel of a heavy vehicle after extensive training and instruction."



Freestone's Transport Managing Director Paul Freestone says the labour shortage is the worst he's seen in his 50 years in transport.

"Fuel and labour are the biggest costs for operators and if we don't increase our pool of drivers costs will increase extraordinarily," Freestone said.

"The single biggest impediment to recruiting new drivers is an out-of-date licencing system that prevents the industry from training young, competent people for a career as a professional driver. I'd love to be able to hire a qualified young person for a lifelong career in transport but under the current licencing regime there is no provision for this."

The survey also queried respondents about their environmental policies at a time when the national conversation about emissions reductions is fever-pitched. Three-quarters (76%) of operators have an environmental policy in their business and 82% would support regulatory changes to encourage low emission heavy vehicles.

"The quickest way to reduce heavy vehicle emissions is to incentivise operators to replace their fleets with vehicles that have lower emitting Euro 5 and 6 engines." Peter Anderson said.

Respondents were also asked about the three biggest issues they would face next year with labour availability (96%), costs and rates management (62%) and fuel pricing (50%) the most pressing for freight operators.

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