## Transport Workers' Union of Australia

## **National Office**

a. 388-390 Sussex St, Sydney NSW 2000

t. 02 8114 6500

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14 March 2022

The Hon Scott Morrison MP Prime Minister

By email: Scott.Morrison.MP@aph.gov.au

Dear Prime Minister

The Transport Workers' Union represents thousands of workers in road transport and aviation across the country. We write regarding the urgency with which the Federal Government must address the significant increases of fuel costs burdening transport businesses, in particular small operators and owner drivers on razor thin margins. For some, even minor increases in operating costs pose an existential threat, especially amid covid, floods and global supply chain disruption.

Regulation recommended by the *Without Trucks, Australia Stops* report - tabled in the Senate over six months ago - would prevent external shocks such as record high fuel costs from pushing transport businesses towards insolvency. It is disappointing that the Federal Government has still taken no action to establish, as recommended, an independent body with the power to set binding standards for safe rates of pay and cost recovery in trucking.

In the absence of such regulation to hold wealthy clients at the top of supply chains to account for cost recovery, it is incumbent on the Federal Government to ensure essential supplies keep moving by providing relief to struggling transport operators and owner drivers to recover the rising cost of fuel.

Whether financial support is through cuts to the fuel excise or a subsidy scheme for owner operators, the Federal Government must map out and track exactly how the relief will directly address the economic crisis at the lower end of transport supply chains.

The consequences of failing to do so would make Australia's deadliest industry even more dangerous.

When wealthy retailers, manufacturers, and oil companies at the top of supply chains cut costs in transport contracts it pressures operators and drivers to delay maintenance, speed, overload trucks and drive fatigued. This is extremely concerning as transport workers and operators battle extreme flooding and the continuing pandemic. Just last week, tragically, a truck driver's body was found in flood waters in Sydney.

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According to a TWU survey conducted in 2021, three in four owner drivers had worked for no profit and nearly two thirds were constantly worried they would need to sell their truck to get by. More than half said they had been forced to delay maintenance to their trucks because they could not afford it. This crisis remains unaddressed by the Federal Government, which is why all ten recommendations of the Senate to improve safety and financial stability in trucking must be implemented.

Further, we note the absence of a national plan for aviation – something aviation workers and the TWU have been calling for throughout the pandemic – means rising fuel costs risk prolonging aviation's recovery including by increasing air fares.

Transport workers seek your immediate commitment as Prime Minister that the Federal Government will:

- Implement the recommendations of the Without Trucks, Australia Stops Senate
  Report, including establishing an independent body to set enforceable standards
  like cost recovery;
- Provide financial assistance to transport businesses and owner drivers to recover rising fuel costs to keep supply chains safely running; and
- Develop and implement a national plan for aviation to guard against external shocks such as these.

Given the seriousness of this crisis, we request your urgent consideration and response. The TWU is available to meet with you to discuss these issues as soon as possible.

Yours faithfully

Michael Kaine

**TWU National Secretary**