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ELECTION BLUEPRINT SUMMARY

THE FUTURE OF ROAD FREIGHT

Generation Defining
Investment for the Road
Freight Industry



2022 FEDERAL ELECTION
BLUEPRINT



2022 Federal Election Priorities - Summary Four the Future for Road Freight Generation Defining Investment for the Road Freight Industry

1. INFRASTRUCTURE INVESTMENT

Increase infrastructure funding for Queensland bridges, freight routes and rest stops.

- Queensland Inland Freight Route (IFR)
- Connect key road freight routes to export markets
- Bridge investment to connect increased access for high productivity vehicles
- Unlock access for high productivity vehicles from Toowoomba to Port of Brisbane
- Enable greenfield logistics operations to expand outside Greater Brisbane road network
- Investment in projects to complement the Inland Rail Corridor Truck-Way to the Port of Brisbane.

2. INDUSTRY LED SKILLS TRAINING

Fund a pilot QTA Jobs Ready driver training program

- Funding to pilot the QTA Jobs Ready Program to train 150 new heavy vehicle drivers
- Improve the quality of newly licenced heavy vehicle drivers
- Support the industry with training and skilling that produces job-ready candidates.

3. WORKPLACE RELATIONS REFORM

Reform workplace relations framework to support employers

- Legislate for the Fair Work Ombudsman to provide written, timely Award interpretation
- Funding for employment relations training for new, regional and remote employers
- Establish an Employment Framework for 'Gig' Workers.

4. BUSINESS AND PAYROLL TAX REFORMS

Increase tax incentives to boost uptake of zero emissions and safety technology.

- Provide leadership for national payroll tax reform
- Investment in zero emission heavy vehicle and safety technologies
- Provide leadership for reform and removal of stamp duty on new heavy vehicles
- Incentives to purchase new, low emissions heavy vehicles.



Four the Future of Road Freight Key Pillars

Pillar 1 - Infrastructure Investment

a. Activating a Queensland Inland Freight Route (IFR)

- The IFR is an existing road network, comprising a series of highways and developmental roads that connect north-south to provide a viable alternative to the Bruce Highway.
- These inland routes are closer to major economic supply chains for agricultural and horticultural production, and additionally the resources sector.

Identified Highways that would form the IFR include:

- Castlereagh Highway;
- Carnarvon Highway;
- Dawson Highway;
- Gregory Highway;
- Gregory Developmental Road; and
- Flinders Highway.

Advantages:

- An inland route for high productivity vehicles (HPV: defined as any multi-combination vehicle used for the purpose of moving freight) reducing road safety and congestion exposure on the Bruce Highway.
- Current inland HPV routes could form an IFR that offers time improvements of more than 10% compared to Bruce Highway from Far North Queensland to Sydney and Melbourne.
- Inland HPV routes can be made more resilient to natural disasters, providing viable all-weather route options.

Economic benefits including:

- Enabling growth forecasting in the agriculture and resource sector through increased productivity in supply chains that efficiently link production to markets.
- Providing benefits to regional towns along the IFR where road freight operators require support from services industries and amenities including fuel, maintenance support, rest stops, food and accommodation.
- Flow on benefits to regional economies through value-adding through logistics hub nodal activity for the growth sectors located adjacent to the IFR and progress to a low carbon fleet with hydrogen supply and charging hubs along the route.

Recommendation

Continue to invest in the Inland Freight Route in Queensland and encourage the establishment of processing and value-adding facilities, renewable energy and logistics hubs.



b. Investing in Queensland Trade Routes to Boost Productivity

- It is important that Australia's infrastructure networks are sufficient to maintain and ideally grow national productivity. Many of the Queensland's public roads and key bridges are ageing and need priority investment that directly increase the efficiency of the road freight industry daily.
- Queensland's road network is a strategic asset, vital to our security, communities and livelihoods. The road
 freight industry requires an efficient, safe and operational freight corridor. This will unlock principal freight
 routes and open up capacity for higher productivity vehicles to access markets for export and, strengthen the
 viability of Queensland business.

Recommendation

QTA urges the next Australian Government to direct more infrastructure spend to key road freight routes to open up capacity for higher productivity vehicles to improve efficient access to export markets.

c. Investing in Queensland Bridge Infrastructure

Top Eleven Bridge Priorities:

- 1. Rifle Creek Bridge
- 2. Spear Creek Bridge (location north of Mareeba)
- 3. McLeod River Bridge (location north of Mareeba)
- 4. Bungil Creek Bridge Roma (W. M. Ewan Bridge)
- 5. Gilbert River Bridge (location between Georgetown and Croydon Gulf Development Road)
- 6. Norman River Bridge (location: between Croydon and Normanton)
- 7. Georgetown Bridge Etheridge River Bridge
- 8. Splinter Creek crossings (location: on the Monto-Mt Perry Road and Monto-Kalpowar Road)
- 9. *Bremer River Bridge
- 10. Bee Creek Peak Downs Hwy
- 11. Grosvenor Creek & Cherwell Creek (Note: Bridge and Culvert)
- Currently major export markets in the South Burnett, Central Highlands, Atherton Tableland, Gladstone, and Mackay Port cannot be accessed with the safest HPV combinations due to bridges requiring upgrades.
- These key freight routes cannot currently be accessed by these vehicle combinations which are safer and reduce truck traffic in the order of 25% for the same freight task.
- The capacities of specific bridges must support access for high productivity vehicles up to 30 metres in length to unlock capacity on key freight corridors.
- The following eleven (11) bridge priorities warrant replacement/upgrades in the next five years are among at least 30 bridges <u>not</u> on the forward program.
- Sufficient investment must be allocated to open these corridors for safer high productivity vehicles.

Recommendation

The next Australian Government needs to prioritise the bridge investment program to open up a priority freight network for safer high productivity vehicles.



d. The Port of Brisbane Corridor *(Bremer River Bridge)

- Currently 97.5% of containerised import and export freight movements are currently moved by trucks on the road network to the Port of Brisbane.
- 5,700 heavy vehicles movements/day, this is the second-highest trafficked rural national highway outside South-East Queensland after the Bruce Highway.
- This section is also 140km of dual lane carriageway without a traffic light.
- The A-Double combination at 30 metres in length is the optimal combination carrying two 40-foot containers (four TEUs on one vehicle combination).
- The Bremer River Bridge restrictions on the Warrego Highway are a significant constraint on this corridor and will continue to add to costs and impede freight efficiency holding this potentially productive corridor in the State to ransom for as long as it takes to replace it.

Recommendation

Further invest in the Toowoomba to Port of Brisbane freight corridor to unlock its potential capacity and meet the projection of increased freight volumes.

Provide connectivity for high productivity vehicles on this network to drive economic confidence and open up Queensland for business.

Pillar 2 - Greater National Initiatives to Promote Training and Development

a. Jobs Ready Program

- The QTA urges the next Australian government to invest in our Jobs Ready Program. It is a viable job ready employment program that will ensure that the road freight industry has the capability to meet the future growth and demand of road freight movement in Queensland.
- The program will address:
 - Firstly, the ability for employers to attract new entrants who view the industry as a career of choice,
 and
 - o secondly, the quality of training and lack of opportunity to gain experience as a heavy vehicle driver is a barrier to gaining employment.
- The QTA Jobs Ready Program will support employers and proactively shape industry led job training initiatives to future proof the industry by improving workforce growth, counteract the ageing workforce in the sector and attracting new entrants to the road freight industry.
- QTA proposes a pilot funded by the next Australian Government estimated at \$1,500,000 to initially train 150
 heavy vehicle drivers with a forward plan to allocate an additional \$5 million to extend the training for 600
 positions.

Recommendation

Provide funding to pilot the QTA Jobs Ready Program to train 150 new heavy vehicle drivers.



Pillar 3 - Targeted Changes to Workplace Relations Framework

a. Written Interpretation of the Fair Work Act and Modern Awards

- The primary means is through contacting the Fair Work Ombudsman (*FWO*) either by phone or through an online enquiry.
- Responses will be made by officers often lack experience with the specific the Modern Award/s requiring interpretation and advice.
- In most cases, any advice provided will not be in writing or, where written advice is sought, may take days or weeks to arrive without any guarantee as to its accuracy.
- Operating under either the wrong interpretation or without an interpretation can have devasting effects for both employees and employers.
- The next Federal Government should legislate that the Fair Work Ombudsman provide written advice for all matters requiring interpretation of an award or the Fair Work Act (2009) in a timely manner.

Recommendation

Fair Work Ombudsman to provide written, timely interpretation of the Fair Work Act and Modern Awards.

b. Focused Employment Relations Training for New and Regional Employers

- In recent years, the Fair Work Ombudsman has demonstrated an inability to work with the community to help everyone understand their rights and responsibilities under Australian workplace laws.
- In the case that 48% of the investigated employers were non-compliant, the government body responsible for working with the community, must invest in education that would improve their understanding of their rights and responsibilities under Australian workplace laws.
- The QTA are seeking that if lieu of the Fair Work Ombudsman fulfilling their duties, they again engage employer associations to do so with their support.
- Employer Associations should once again be called upon to play their part, with the support of the Government, to raise the standards of employment through education and engagement and improve failing rates of compliance.

Recommendation

Industry-specific employer associations engaged to deliver IR education to regional, rural areas and new employers within their industry



c. Establish an Employment Framework for 'Gig' Workers

- Gig-work must be introduced as a type of employee engagement under the Fair Work Act.
- The protections and minimum standards provided through employment include minimum rates of pay and paid breaks, safeguards surrounding working while fatigued, and the access to safe, roadworthy equipment - all lacking in gig-work and linked to road deaths.

Recommendation

Gig-work introduced as an employee type under the Fair Work Act (2009)

d. Reintroduce Schedules Removed from the Fair Work Amendment (Supporting Australia's Jobs and Economic Recovery) Bill 2020.

• Schedule 2 - Part-time flexibility

 Greater flexibility in part-time engagement proposed under schedule 2 should be both adopted and expanded within the transport industry to improve engagement under this employment type.

• Schedule 5 - Strengthen compliance and enforcement framework

 The QTA seeks that schedule 5 be reviewed with a view to criminalise intentional or wilfully negligent wage theft and consolidate prosecution of compliance breaches within the existing federal system.

• Schedule 6 - Broader Fair Work Commission powers

 Schedule 6 sought to introduce amendment that would provide the speed and efficiency at which Fair Work Commission could processes and deal with matter. Should the next Government support the conduct of the Commission, then any reasonable changes that would remove obstacles to the effective allocation of their resources must in turn be supported.

Recommendation

Reintroduce schedules proposed under the Fair Work Amendment (Supporting Australia's Jobs and Economic Recovery) Bill 2020

Pillar 4 – Business and Payroll Tax Reforms

a. Payroll Tax Reform

- Show leadership by working with the states and territories to include payroll tax reform on the national agenda by mid-2022.
- Initially, the Council of Federal Financial Relations should focus on reducing the administrative and compliance burden of payroll taxes on business. The longer-term goal should be to abolish payroll tax.
- Reducing the burden of payroll tax on business is not only an important start to broader tax reform, but is necessary to support business activity, jobs and wages growth that will drive the economic recovery.



Recommendation

The next Australian Government should lead national payroll tax reform, to reduce complexity of payroll tax, lower the payroll tax burden on business with a longer-term pathway to the abolition of payroll tax.

b. Supporting Australia's Transition to Zero Emissions

- The next Australian Government should lead reform of stamp duties to incentivise the purchase of new heavy vehicles and accelerate the commercial viability of low and zero emission heavy vehicles.
- The next Australian Government should be strongly focussed on reducing our nation's reliance on stamp duty as a matter of priority.
- Heavy vehicle taxes, including stamp duties, are taxes on capital and increase the cost of investing in high productivity freight vehicles and the new zero emissions vehicles. This in turn leads to a reduction in investment in vehicles, and a high excess burden.

Recommendation

Provide leadership for reform of stamp duties to incentivise the purchase of high productivity vehicles and low and zero emission heavy vehicles.

Conclusion

The Queensland road freight industry has a considerable social license through road freight operators who ensure that essential everyday goods and supplies are available for households, businesses, and government entities across all regions of Queensland, and accordingly, should be afforded the confidence to invest.

It is essential that the party who forms the next Australian Government implement these 'Four the Future of Road Freight' Pillars of Generation defining investment for the road freight industry. These recommendations will propel the road freight industry towards a low carbon future that is efficient, productive, and commercially competitive. This is crucial to the prosperity and economic growth of both Queensland and Australia.

The Queensland Trucking Association maintains a nonpartisan position and will assess all policies on their merit and be steadfastly independent in analysing and encouraging constructive debate in the forthcoming Federal Election.

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