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CHAIRMAN
AUSTRALIAN TRUCKING ASSOCIATION**

**CHAIRMAN'S ADDRESS TO THE ATA ANNUAL GENERAL MEETING
1 APRIL 2009**

The ATA and its subsidiaries remained in a sound financial position in 2008. The consolidated entity returned a net surplus of \$2.16 million.

The ATA's net assets are now \$25.4 million, an increase of 9.3 per cent compared to our net assets in 2007.

The ATA was able to pay \$2 million off our bank loan on the Minter Ellison Building in 2008, making a total of \$7 million over the past three years. We expect to be able to pay off \$2 million in 2009 as well. When it is paid off, the building will secure the industry's future for many years to come.

At the present rate of repayments, we expect the building to be debt free by the end of 2016. However, we are looking at options to refinance the loan at the lower rates of interest now available so we can repay it even sooner.

The building continues to be fully tenanted, with top-tier government and professional tenants. There are about 760 people here in the building today, including the members of this council.

I want to thank our Foundation Sponsors: BP Australia, NTI and Volvo Trucks for their commitment to the ATA in 2008.

I would also like to thank Paccar and the Kenworth Dealer Group for their major support, as well as Mercedes-Benz and Scania.

Policy development and advocacy

The ATA's sound financial management in 2008 underpinned our efforts to advance the interests of the trucking industry.

Defending the industry's fuel tax credits

Our 2008 efforts began in January, when the green movement started a campaign to persuade the new Labor Government to abolish our fuel tax credits.

The threat was real and immediate. The ATA made retaining our fuel tax credits scheme a key focus of our 2008 budget submission and our work at Parliament House.

Our efforts were successful. Australia's trucking operators can still claim fuel tax credits, thanks to the ATA and the other organisations who pointed out the fallacies in the green movement's campaign.

Carbon Pollution Reduction Scheme

In December 2008, the Government released the details of its planned Carbon Pollution Reduction Scheme.

The ATA worked hard to make sure the scheme does not impose an unfair burden on the trucking industry.

As a result:

- we won't have to worry about buying and selling carbon permits to drive our trucks. The permits will be handled by the fuel companies;
- there will not need to be heavy-handed attempts to transfer freight onto rail; and

- trucking operators will receive tax credits to offset the initial effect of the scheme on fuel prices.

Heavy vehicle regulation and safety

In February 2008, Australia's transport ministers agreed to develop a national transport policy, with the state and territory ministers taking the lead.

The ATA prepared a detailed submission on the policy, which urged the ministers to concentrate on measures to raise the industry's productivity, instead of looking for new charges to impose.

In May, the ministers took their ideas further and agreed to look at a national framework for regulating, registering and licensing heavy vehicles and their drivers.

This Council had an excellent debate on the proposal at our June 2008 meeting; the Council's resolution underpinned our submission to the Australian Government in response to the proposal.

The new fatigue laws in Queensland, New South Wales, Victoria and South Australia created a host of issues for trucking companies. The chair of the Safety Committee, Steve Shearer, led the industry's efforts to persuade transport ministers to adopt a common approach to implementing the laws.

During the year, the ATA also campaigned for changes to the Intelligent Access Program (IAP), increased road access for B-triples, reforms to Performance Based Standards, and better speed management.

Infrastructure

During 2008, the ATA continued to press for more spending on roads.

We urged the Government to meet its election commitments about road spending, and argued that Infrastructure Australia should not divert road funding to other areas of infrastructure.

In the 2008 Budget, the Government announced it would spend \$3 billion on road projects in 2008-09, including more than half a billion dollars to make an early start on 40 of the road projects it promised in the election campaign.

In early 2009, the Government announced it would spend an extra:

- \$150 million on road maintenance;
- \$150 million to upgrade about 200 level crossings; and an extra
- \$90 million to deliver about 350 new projects under the Black Spot program.

The funding followed the ATA's call for the Government to spend more on road maintenance, to help overcome years of underspending and provide a quick boost to the economy.

Skills and workforce issues

During 2008, the ATA provided input to the Australian Government on a range of skills and workforce issues, including the development of the Productivity Places Program. Almost 4,000 people have enrolled in heavy vehicle training courses under the program since it started in April 2008.

During the year, the Skills and Workforce Committee undertook a major program of work to develop an industry plan to reform the driver licensing system.

We will be discussing the committee's proposal later today. It will be presented to the wider industry for feedback at the Australian Trucking Convention later this month.

Heavy vehicle charges

I want to turn now to heavy vehicle charges.

In February 2008, Australia's transport ministers agreed to increase registration charges for many trucks, increase the road user charge by 1.367 cents per litre, and introduce a system of automatic indexation.

Under this system, the road user charge would have increased every year without consultation or debate. As a result, our fuel tax credit would have gone down every year until it disappeared.

At our June 2008 meeting, this Council voiced its strong objection to automatic indexation, and tasked the ATA with lobbying against it as a matter of urgency.

As a result, we carried out a strong campaign to persuade the Senate to amend the Government's charges legislation.

The campaign was successful. The *Fuel Tax Act* now specifically blocks the Government from indexing the road user charge, and includes a fairer and more open system for setting the road user charge in the future.

Rest areas

As a result of the Senate debate, the Government is also required to review the Heavy Vehicle Safety and Productivity Program in 2011.

This program is the Government's response to the industry's call for more funding for heavy vehicle rest areas. The Government has budgeted \$70 million for the program.

During 2008, the ATA compiled a priority rest area funding list in conjunction with our member associations. The Government has now started rolling out its rest area funding announcements, starting with South Australia.

At our September 2008 meeting, Council decided the ATA should press the Government to deliver the required number and standard of rest areas across Australia within a decade.

We attempted to include this requirement in the Senate amendments to the *Fuel Tax Act*, but were not successful. The 2011 review of the Heavy Vehicle Safety and Productivity Program will be an opportunity for us to argue for this ten year plan again.

Industry Technical Council

Under the chairmanship of Bob Angus and then John S Pierce, the Industry Technical Council continued its vital work in 2008. The Council released two new industry advisory procedures:

- The Commercial Vehicle Wheel Security Advisory Procedure; and
- The Truck and Dog Advisory Procedure.

Running vital industry events

In 2008, the ATA continued to run the industry's premier events.

The Australian Trucking Convention in Canberra attracted 610 delegates.

330 people attended the Technical and Maintenance Conference in November, where saving fuel and Australia's braking regulations were major topics.

The Road Ahead exhibition trailer

One of the highlights of the Australian Trucking Convention was the launch of our new safety education trailer, the Road Ahead.

During 2008, the Road Ahead spread our message of road safety, careers and the importance of the industry to:

- 44 schools;
- 6 truck shows, transport awareness days and field days;
- 4 industry conferences; and
- the Canberra Science and Technology Festival.

In total, 18,306 people visited the trailer in 2008. Many more people learned about the trailer and our messages through the media.

TruckSafe

Last year, the ATA and TruckSafe boards agreed to make major changes to TruckSafe.

We restructured its administration and released the TruckSafe 2008 Implementation Kit, which introduced new speed management standards to make TruckSafe operators even safer.

TruckSafe 2008 also included the first of a series of voluntary modules – this one was on mass management.

I want to thank Mike Almond for his years of service as chairman of TruckSafe. The changes we made to TruckSafe last year were the direct result of his constant advocacy of the system and its customers.

And we are pressing on with making TruckSafe better. This year, TruckSafe will be launching two new software products that will make it easy for small operators to upgrade their record keeping and will provide a pathway for them to join TruckSafe.

Outlook for 2009

I would like to conclude by talking about the outlook for 2009.

Many trucking businesses are now suffering from the economic downturn. The effects of the downturn can be expected to spread across the industry as it continues.

One of the ATA's key tasks must be to continue to argue for policy measures that will help support the economy, trucking operators and the jobs of the industry's employees.

We must also continue to argue for better heavy vehicle regulation, better roads and better training for our drivers.

The ATA and its subsidiaries will be affected by the economic downturn. However, we have budgeted prudently for the coming year, and are certain the ATA will remain strong into 2010 and beyond.

I am particularly confident about our future because of the meetings we held yesterday.

The ATA Board met privately with the presidents of our member organisations. At the same time, our chief executive met privately with the organisation CEOs.

These separate meetings were a chance to deal with a series of issues, many involving the ATA's communications with its member organisations. The ATA Board, the presidents and the CEOs then held a joint meeting.

We have agreed to hold another series of meetings in three months, which will comprise:

- a meeting between the ATA Chairman and member association presidents;
- a meeting of member association presidents with the ATA Board;
- a meeting of presidents and CEOs with the Board.

I am confident we can improve the level of communication between the ATA and its member associations.

As we do this, we will improve our ability to represent the trucking industry. We will be able to deliver even better results for the trucking operators, employees and owner drivers we represent.