final report

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AUSTRALIAN LIVESTOCK TRANSPORT ASSOCIATION MEMBER SURVEY 2007

AUSTRALIAN COMMERCIAL STOCK TRANSPORT

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Abstract

In late 2006, the Australian Livestock Transport Association (ALTA) national council agreed to pursue research about key aspects of the livestock transport industry and the rural carrying environment more generally. This decision was made in response to the fact that little data existed for this industry outside of more general Australian Bureau of Statistics (ABS) road freight data which were understandably less specific about the livestock transport industry.

There was also a desire to understand some demographic issues about the industry more fully, given that the ageing of the Australian working population and transport industry skill shortages are a generally acknowledged and serious issue. Finally, the ALTA takes its responsibilities in influencing better animal welfare outcomes seriously. It viewed a national survey as an excellent means of gauging industry views on important issues in this respect.

Executive Summary

The ALTA felt that it was vital that Governments and the wider meat and livestock industry have access to better facts and figures about the size and shape of the livestock transport industry and about rural carrying and its issues more generally. For the meat and livestock sector, road transport, apart from some rail transport in Queensland, represents virtually the only means of livestock transport from paddock to processing or live shipping. Understanding this sector better – both its challenges and opportunities - is important for pursuing future productivity gains for Australia's meat and livestock sector.

Who are we?

We are small business. Around 86% of ALTA members who responded to the survey operate 1 to 5 prime movers, 87% are managed on a day-to-day basis by family members, with over half of the companies surveyed having females involved as co-owners. Approximately 72% of companies employee 1 to 5 employees.

While the average age of drivers is 42, perhaps lower than many have often assumed, less than 10% of drivers are under 25. While this is no surprise, given the extra experience needed for more advanced licensing, it still indicates that there is a need to ensure we are involving a greater number of young people in our business to keep average age down to manageable levels.

Many companies are working in a contractor/sub-contractor relationship. One third of respondents have increased the number of prime movers they are operating in the last three years. Vertical integration is taking place in the industry. Accreditation levels are encouraging, but there is more to do. Responses show a majority of those surveyed are providing fatigue training/accreditation programs, and the majority are also providing training for new staff in relation to livestock handling. The survey also suggests that more needs to be done to educate the carrying community about the importance of the stock carrying QA system, TruckCare.

The Job

In terms of average kilometres travelled by the trucks, responses show the most common average is 150,000 kilometres a year, and a significant proportion of this travel is off-bitumen. This clearly distinguishes rural carrying from the more general linehaul trucking industry which is operating almost exclusively on made roads at much higher annual kilometres.

Diversification of business is a reality. Approximately 43% of companies specialise in stock transport, but there are also 7% who have diversified their business into grain, and 37% are involved in *both* livestock and bulk haulage. This may have some implications for the future policy focus of the ALTA.

Key Issues from the Survey

Lack of Rest Areas – a Safety Issue

The ability to stop and rest safely is a critical issue for road safety. But respondents to this survey indicated a lack of safe and serviced truck rest areas was considered to be a very significant issue – 56% of respondents report "there are some (rest) areas, but spaced too far apart", 23% say "there aren't any", 19% say "there are some, at reasonable intervals", and only 2% say they "are well serviced". There is need for significant improvement, particularly if the new fatigue legislation is to deliver practical outcomes for operators. *Of real concern is the fact that over a fifth of the industry members surveyed are suggesting they just cannot find rest areas that are safe and serviced. This is a serious safety concern for the ALTA.*

Animal Welfare - The Big Concerns

One of the most critical findings from this survey was the very clear, compelling, professional feedback on the respondents perception of the biggest issues that adversely affected animal welfare in stock transport. Lack of proper preparation for stock transport (curfews), stock being presented for loading in poor condition and pressure to load animals too heavily on transport crates to save some freight costs at the margins (‘overpenning’) emerged as by far and away the major welfare issues for professional carriers. Given that the industry faces a World Society for Protection of Animals (WSPA) campaign against land transport of animals in 2008, it would benefit the entire meat and livestock industry to understand these major issues and start doing something to address them through education and awareness campaigns across farmer, feedlotter, saleyard, processor, live export and agent groups.

Driver Fatigue-Related Issues for the Future

In terms of loading and unloading stock, 31% of respondents report that on average they have a waiting period of an hour or more. With the new national heavy vehicle driver fatigue laws coming in to effect in mid-2008 making unreasonable and excessive waiting periods an offence (as they will contribute to driver fatigue), this may become important baseline information for the wider industry to be aware of. From an animal welfare perspective, reducing delays in unloading is of increasing importance. In grain carrying, the delay issues are a bigger concern, with 43% of respondents stating they have delays of over an hour on average.

Just who will take on the businesses in the future?

With most respondents telling us they do not have succession plans in place so that someone is prepared to take over the business when they retire, there needs to be more planning for the future to secure the industry. More work needs to be done to determine the reasons why people have not planned this: is it primarily a lack of organisation, or are there aspects of the business, such as over-regulation or poor working conditions, that are ‘putting off’ prospective entrants from investing? Over one fifth of respondents are ‘absolutely passionate’ about staying in the business, and half of all respondents indicated that they intend to stay in the business at this point. With the remainder less certain, this suggests that the vertical integration of the industry (ie fewer owners of more vehicles) is likely to continue.

It isn't all doom and gloom. The industry workforce is healthy – we have manageable stability and reasonable retention based on the survey responses. But if this is to continue, the industry will need to attract a greater number of younger workers, so that as our current workforce begins to retire, we have the necessary experience in place to replace this group of employees.

Traceability Concerns in Stock Carrying

In many cases, the survey suggests that the National Vendor Declaration (NVD), Property Identification Code (PIC) or waybill is not being completed, and in 39% of responses, carriers say they are filling out the customer's incomplete waybills 'just to get the job done'. More needs to be done to educate carriers and the wider meat and livestock sector on the problems with this aspect of our traceability system. While it is positive to find that 80% of respondents report NLIS tags *very often* or *almost always* present on stock when they should be, 20% suggest that this is still not the case. It will be important to follow up on this finding in the future to measure for continuing improvement in the scheme.

Overall - While demographic issues and fatigue related matters have arisen from this report and demand further attention, the most compelling message to emerge from this survey of the commercial livestock transport industry is considered to be that relating to animal welfare matters and traceability programs. Clearly, a large pool of respondents have identified a number of areas where the actions of others in the livestock transport process – farmers, feedlots, saleyards, agents and processors – need to improve in order to deliver significantly better animal welfare outcomes in stock transport. The information in the report concerning traceability measures such as NVDs and the National Livestock Identification System (NLIS) should be viewed as vital, statistically valid feedback on the progress of these systems.

1 Background

1.1 ALTA membership in the context of the industry: extrapolation of results

No reliable figures exist to illustrate what percentage of trucks and companies involved in livestock transport are ALTA members (ie are members of State Livestock Transport Associations).

However, the ALTA can offer an experienced estimate that it represents approximately:

- 60% of the total number of all companies involved in hire and reward livestock carrying
- 70% of the volume of hire and reward livestock transport trucks and trailers

And in the case of bulk carriers (an area much more recently incorporated into ALTA membership):

- 15% of the total number of all companies involved in hire and reward rural bulk carrying
- 10% of the total number of all hire and reward rural bulk transport trucks and trailers

2 Methodology

The questionnaire that forms the basis of the results and analysis that follows was sent to 600 separate Australian livestock and bulk transport companies that were registered as members of the ALTA. Responses were returned for collation and data input over a 4-week period.

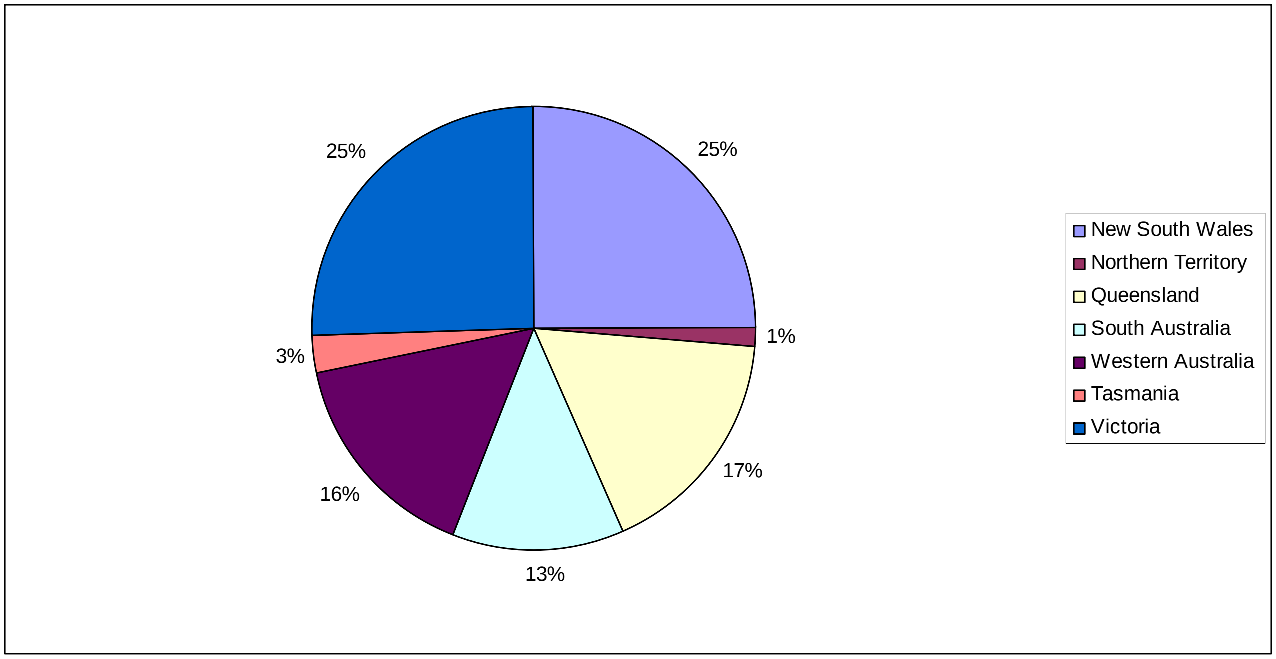
There were 230 returns to the survey, indicating a return rate of 38.3%. The ALTA therefore considers that the derived survey data and analysis that follows is statistically representative of its membership in each State and Territory. In turn, the ALTA considers (for reasons discussed in the next section) that the large ALTA membership is of a size that is very much representative of the total commercial livestock transport industry in Australia. Some of the questions in the survey related to the transport of bulk products such as grain. The ALTA has a fast-growing number of grain carrier members in its ranks, but these numbers are growing from a small base. Therefore, while it views the responses on bulk carrier matters as instructive, the ALTA would not necessarily consider these results to be representative of the overall rural bulk carrying industry.

3 Results and Discussion

3.1 Individual survey questions, responses and analysis

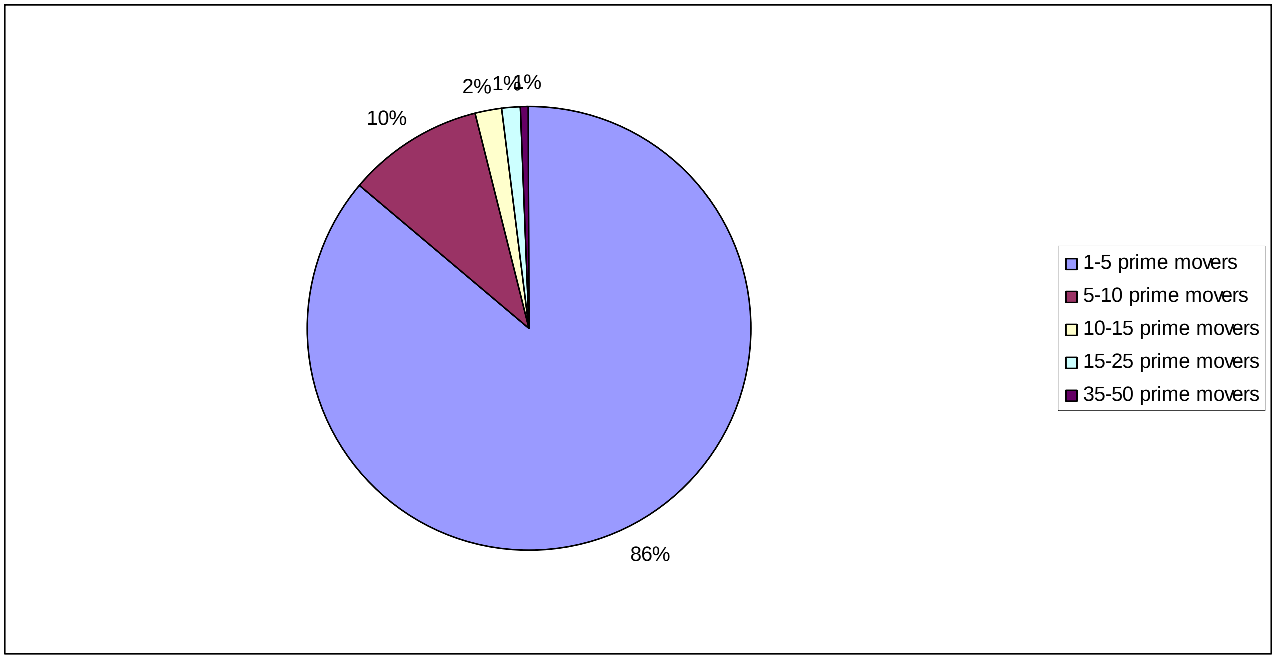
3.1.1: Which State are you from?

Analysis: The results here can be considered quite representative of the overall relative membership numbers by State.



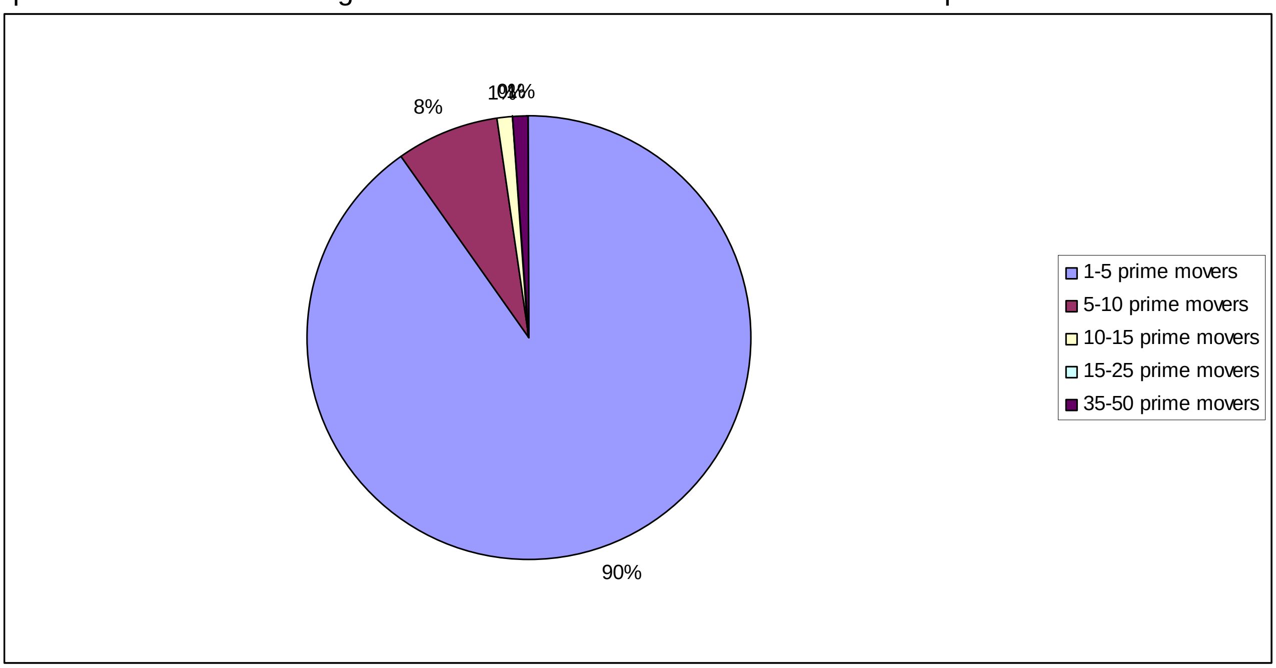
3.1.2: How many prime mover units does your company operate?

Analysis: This result shows quite clearly that the rural road freight business is still dominated by small, owner-operated, 'Mum and Dad' companies in rural and regional towns. There are, however, a small number of quite large companies in the market, particularly in livestock transport, and this 'vertical integration' of the industry might be expected to continue as other analysis later in this survey report suggests.



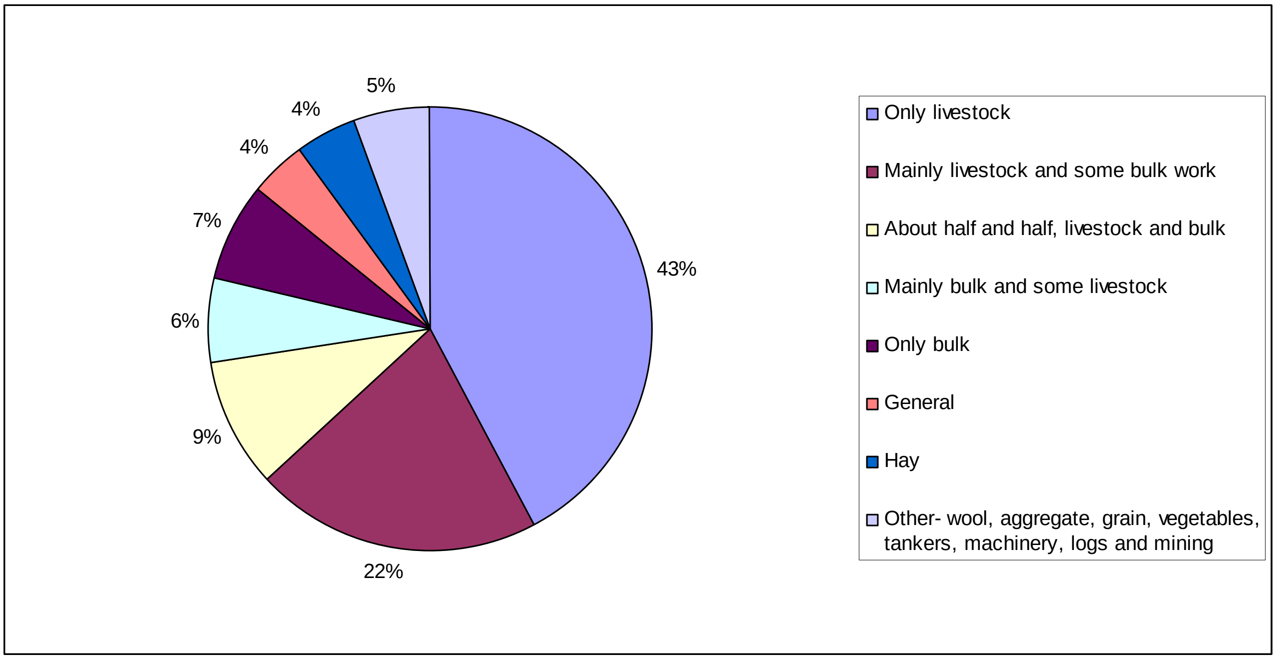
3.1.3: Instead of or in addition, my company sub-contracts work to:

Analysis: This response complements the outcome of question 2 and points to the fact that small operators are often working one to another in a sub-contractor relationship.



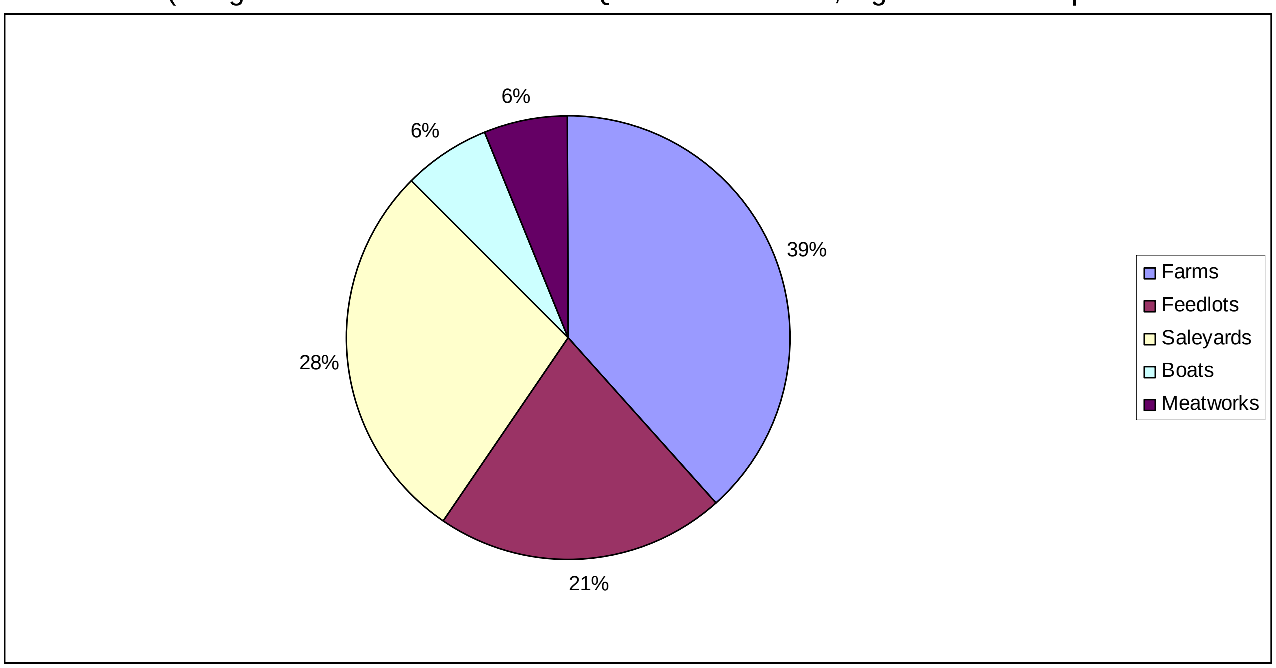
3.1.4: What type(s) of work do you do?

Analysis: This response suggests that livestock transport is a specialised function, but it is also notable that many stock carriers have diversified their business into grain carting. A large percentage of respondents are involved to some degree in *both* livestock and bulk haulage.



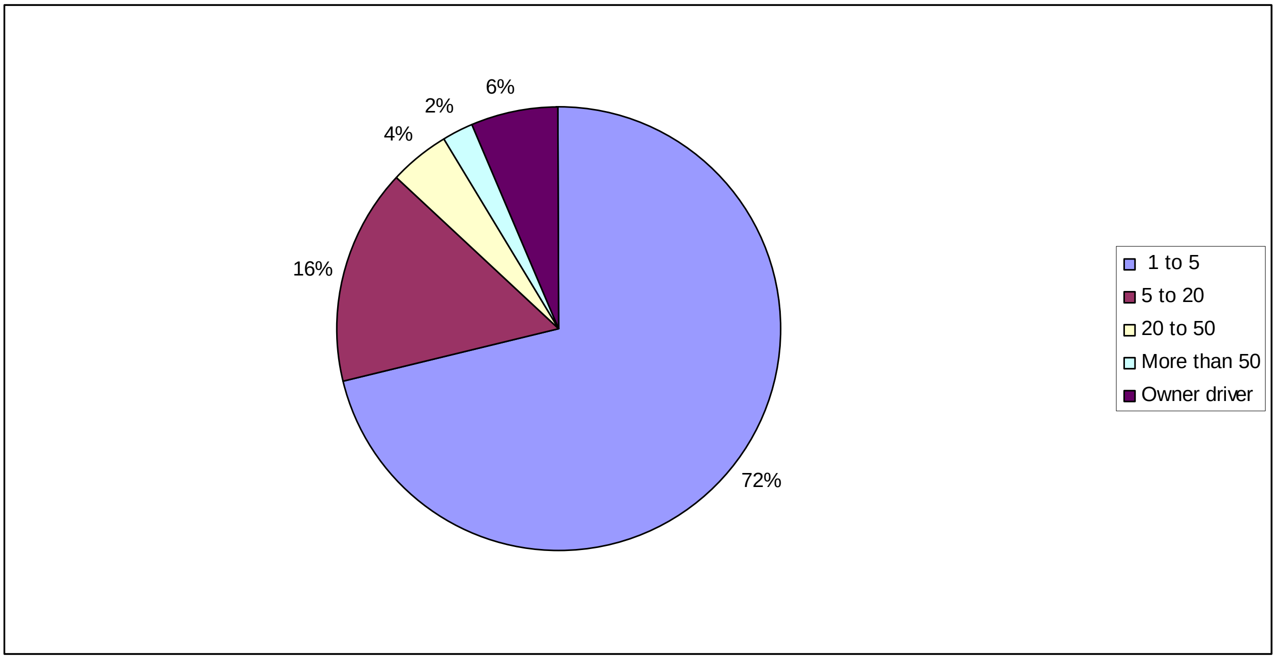
3.1.5: If livestock, what makes up the majority of work?

Analysis: Some degree of caution should be used in drawing conclusions from this aggregated data and the ALTA is pursuing State by State analysis of these figures wherever response numbers can be considered representative. The nature of work will very much depend upon the regional industry environment (ie significant feedlot work in SE QLD and NE NSW, significant live export work in WA).



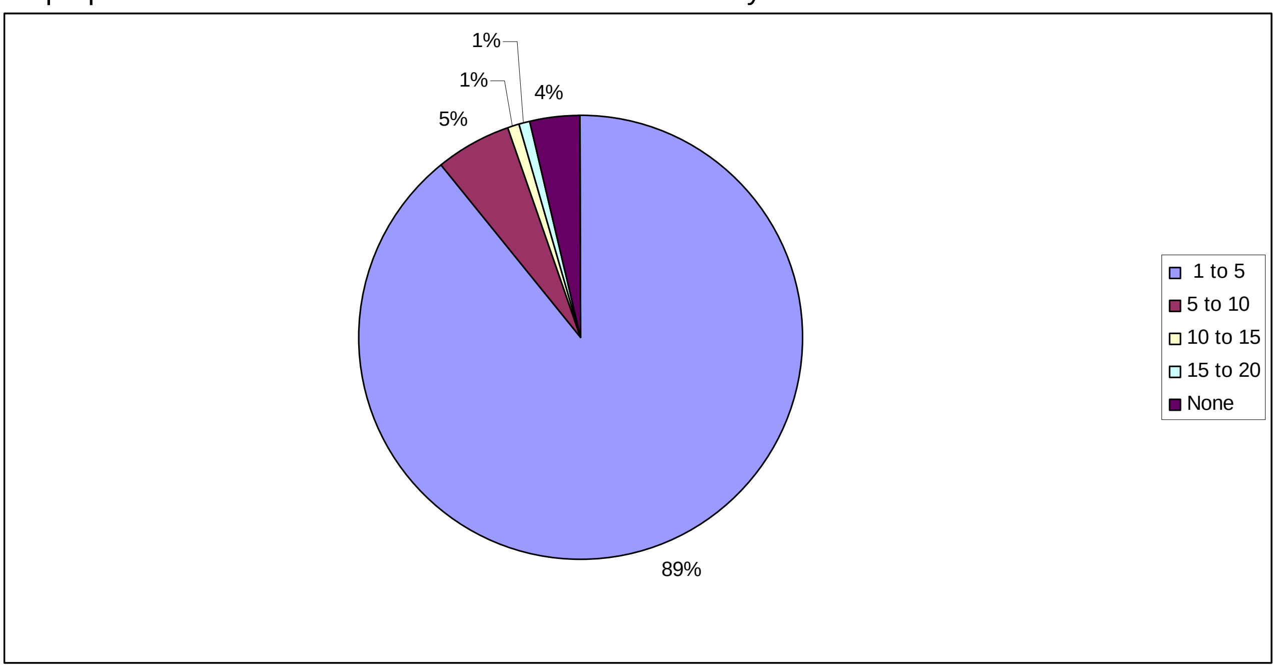
3.1.6: How many full-time staff (drivers, mechanics, depot, drovers, etc.) do you employ?

Analysis: This response again reinforces the small business nature of much of the livestock and bulk haulage industry.



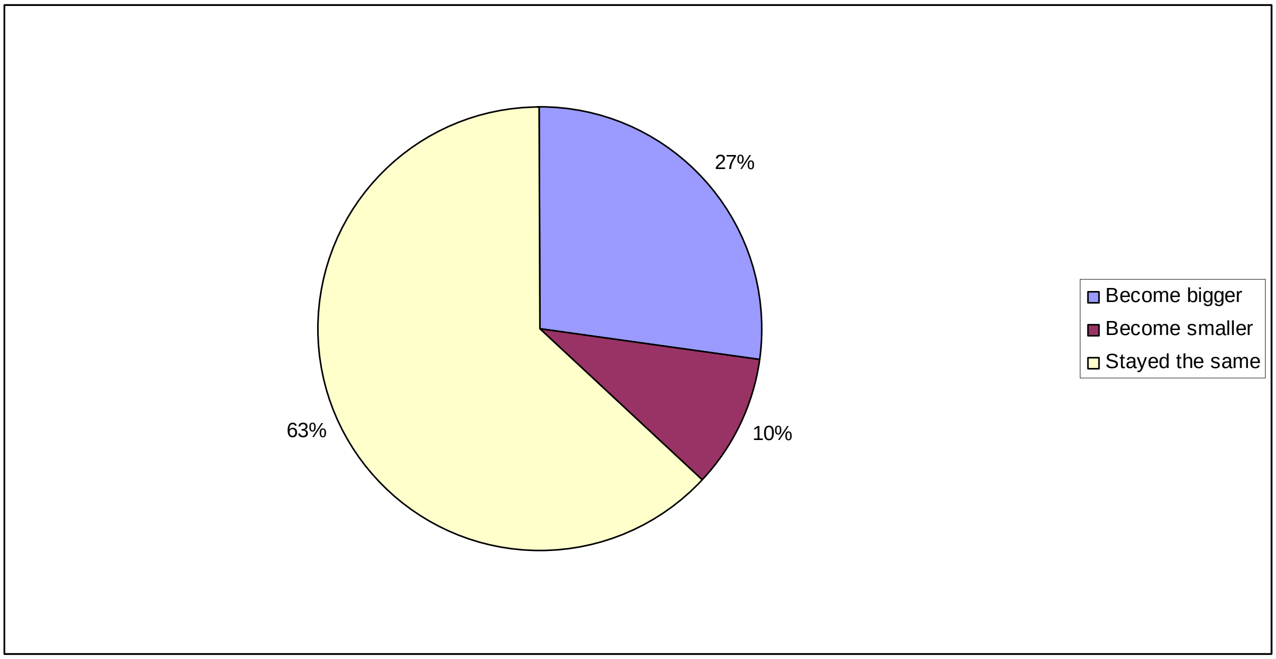
3.1.7: How many sub-contractors does your company use regularly?

Analysis: This is a staffing picture to accord with the result of questions 3 and 6 (above) it reinforces the preponderance of small businesses across the industry.



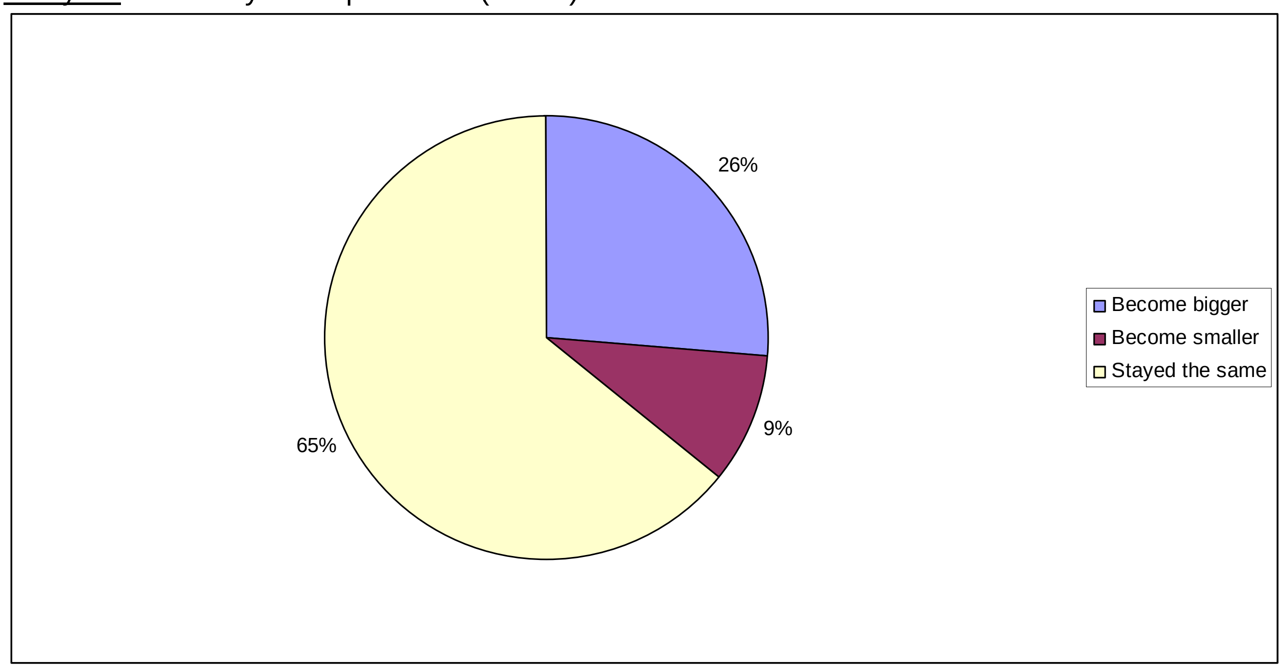
3.1.8: ‘In the past 3 years, the number of prime movers I operate has….’

Analysis: Clearly, the real value of this sort of response relies on having more than one data point to establish a trendline (this will be delivered *via* future surveys). However, this very basic picture at least suggests that some vertical integration is occurring, assuming the size of the freight task overall has remained consistent.



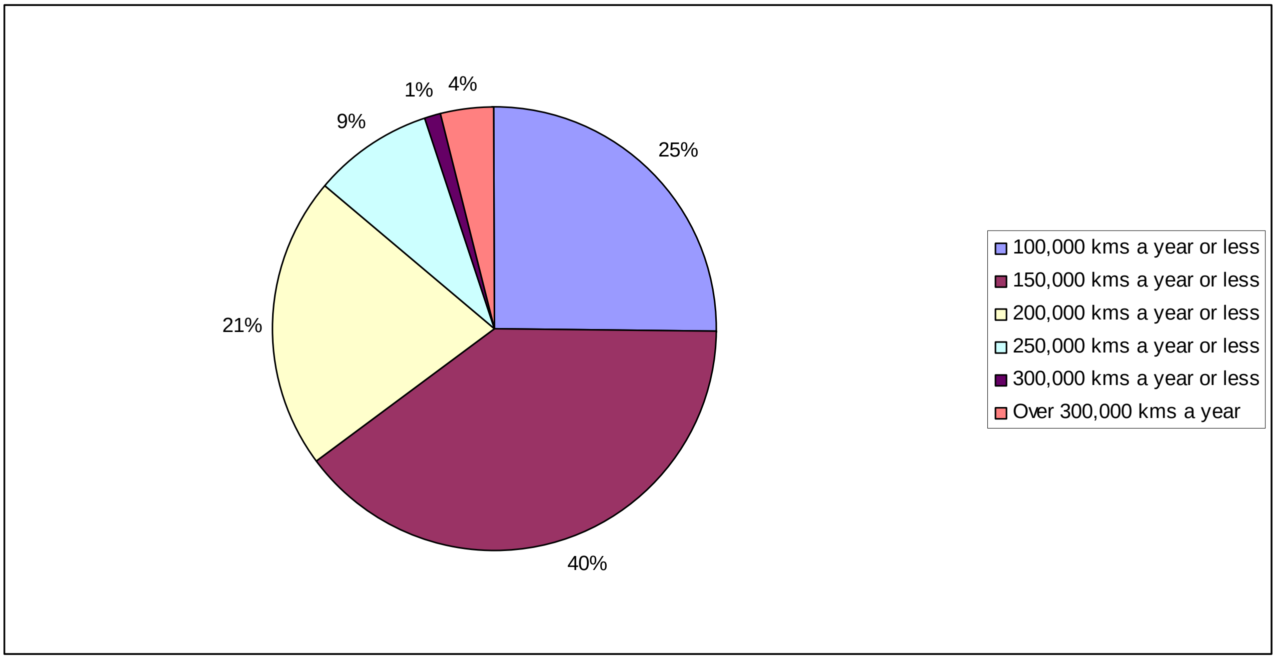
3.1.9:‘In the past 3 years, the number of prime movers I sub-contract work to has….’

Analysis: See analysis of question 8 (above)



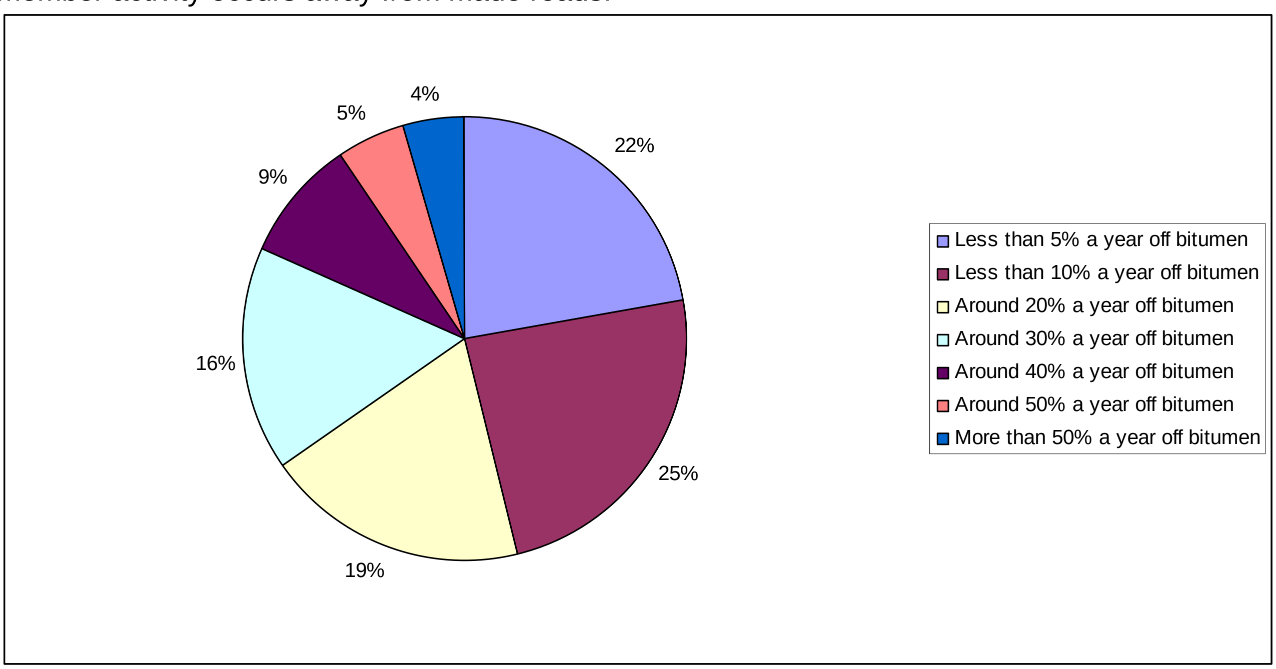
3.1.10: How many kilometres a year do your trucks travel, on average?

Analysis: The average here is lower than for the wider trucking industry and is most likely brought about in part by the seasonal nature of livestock transport and the effects that adverse weather can have on access, as well as the nature of rural roads and the inability to achieve higher average speeds on such roads.



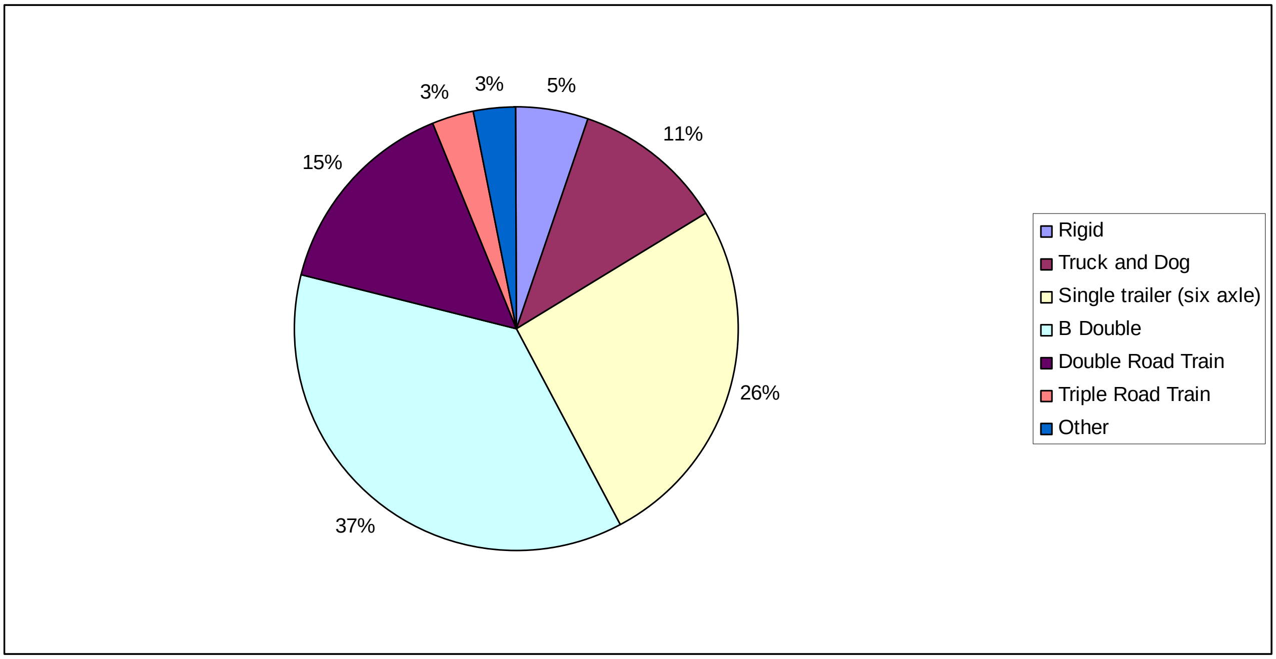
3.1.11: How much on average would your trucks travel off bitumen (dirt, bulldust, gravel etc)?

Analysis: This response complements Question 10. It reveals that a very significant portion of member activity occurs away from made roads.



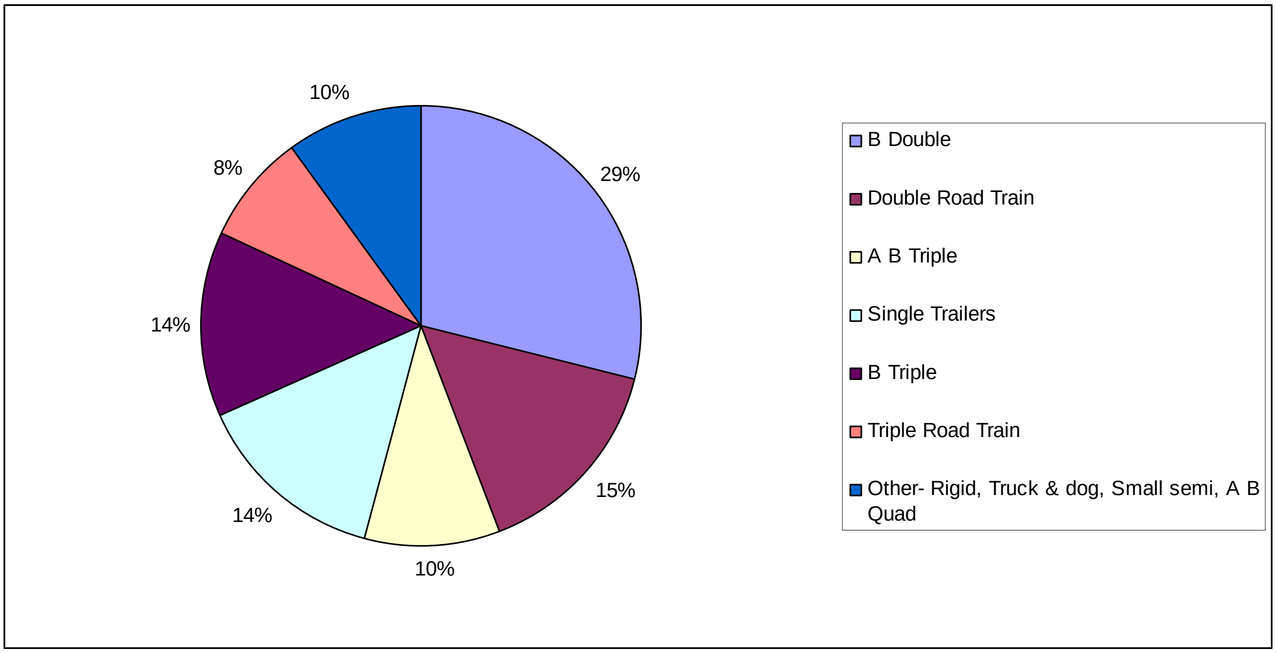
3.1.12: What combination of trailers do you use most in your business now?

Analysis: This response reveals that the ALTA membership is weighted strongly towards larger vehicle classes. This is consistent with the notion that on more isolated rural areas, greater efficiencies are driven by using larger combinations (particularly when most rates are charged per km) and road access regulations in rural areas encourage use of these more productive vehicles.



3.1.13: If the regulations would allow it, what trailer combination would you most like to use? (That is, what combination would be most profitable for you to use in your business?)

Analysis: The responses to this question should be compared with the responses to question 12 (above). They reveal a strong need for upgrading? of road networks to provide access to larger, more productive vehicle combinations.

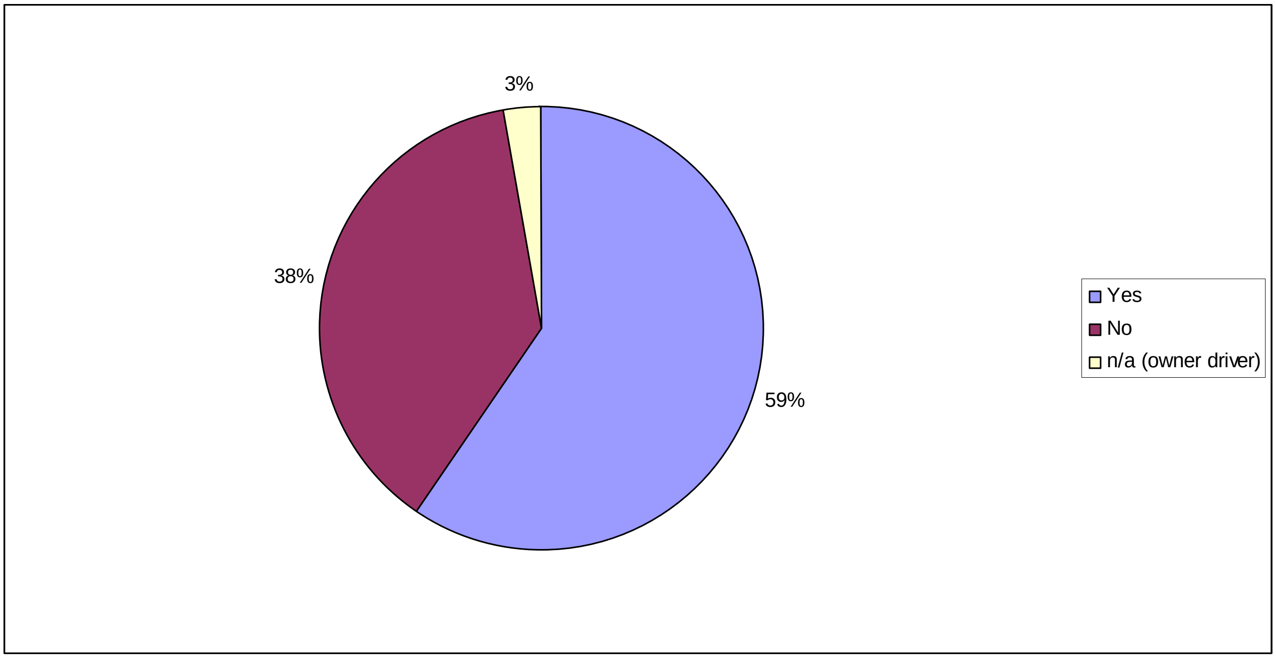


NOTE ON 3.1.14 AND 3.1.15

These questions related to the amount and type of livestock and bulk products carried by survey respondents over the past year. This information requires further analysis and extrapolation in order to be considered useful and as such has been excised from this final report.

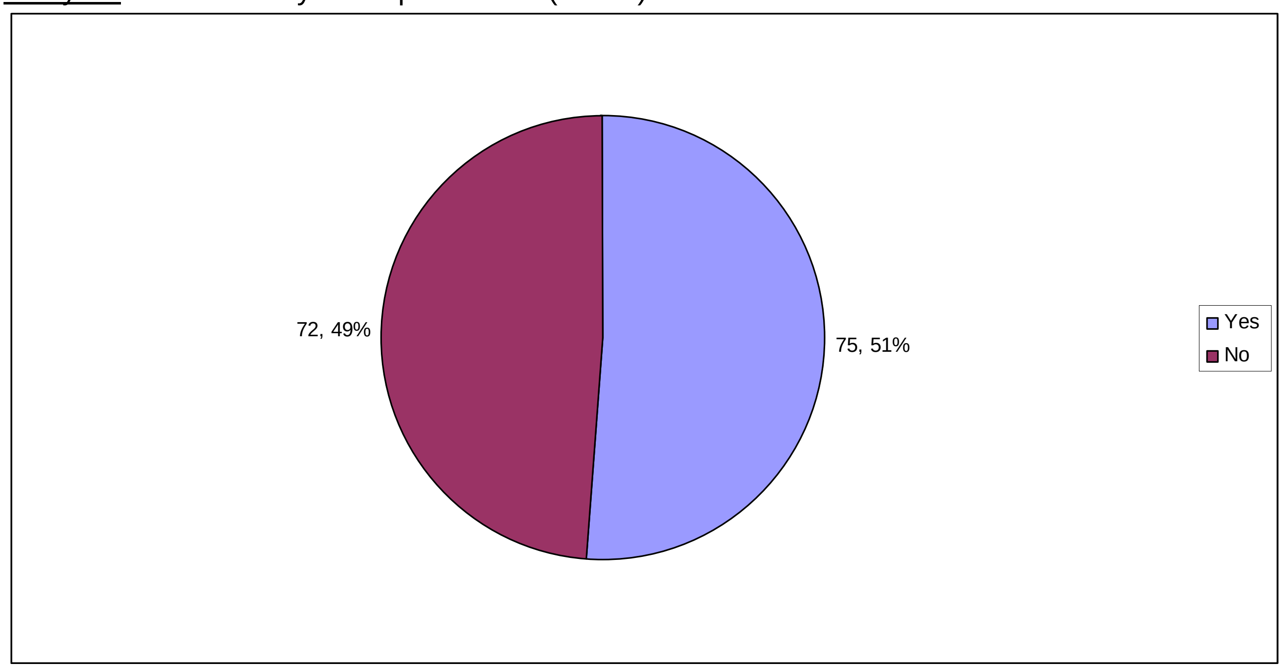
3.1.16: Does your company provide fatigue training/accreditation programs to your drivers?

Analysis: Once again, this question is one which will benefit from a longitudinal viewpoint in future surveys. However, this response alone suggests that a large percentage of the membership is aware of the issue and offering training to drivers, although clearly there is more work to do.



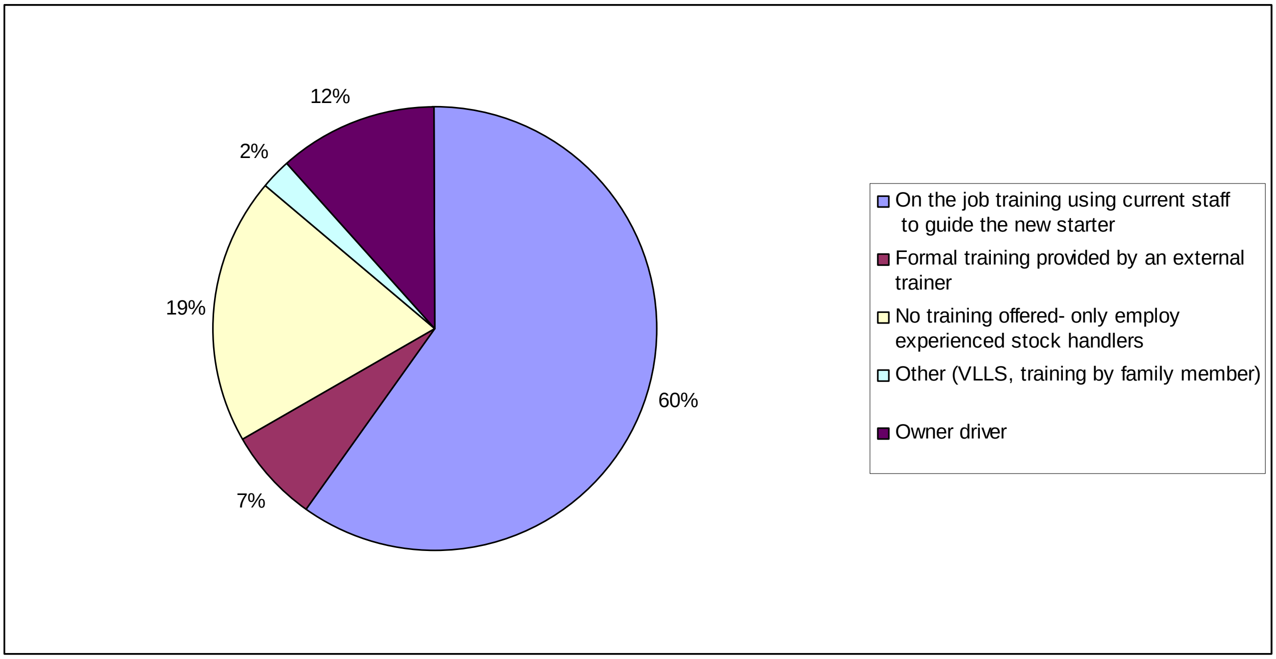
3.1.17: Is your company a member of any heavy vehicle maintenance program?

Analysis: Refer to analysis of question 16 (above).



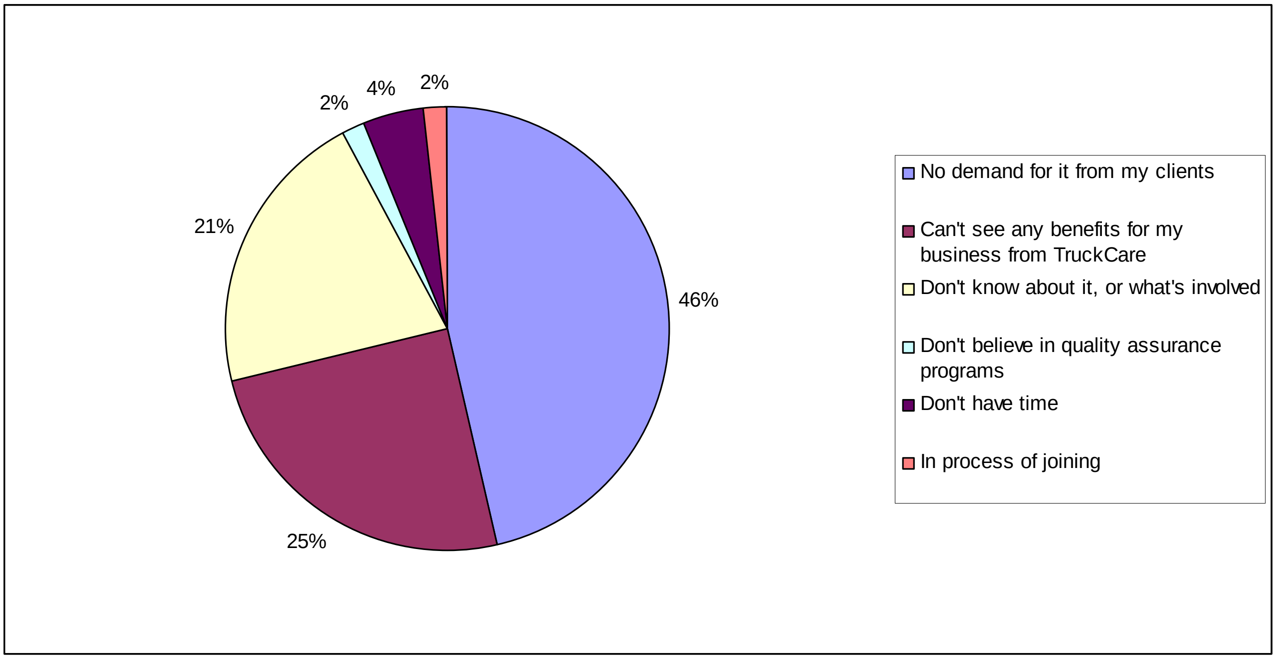
3.1.18: What training do you provide for new staff in relation to livestock handling?

Analysis: This pattern of responses is encouraging. It suggests that on-the-job training (the only form of livestock handling training available in most cases across the country) is provided to the majority of drivers. The 19% of respondents that claimed that only experienced stock handlers were hired may correlate positively to the relatively high average age of members (see response to question 26) which may suggest that the average stock driver already has a background in stock handling. However, the ALTA is developing educational aids to help augment awareness of good stock-handling methods.



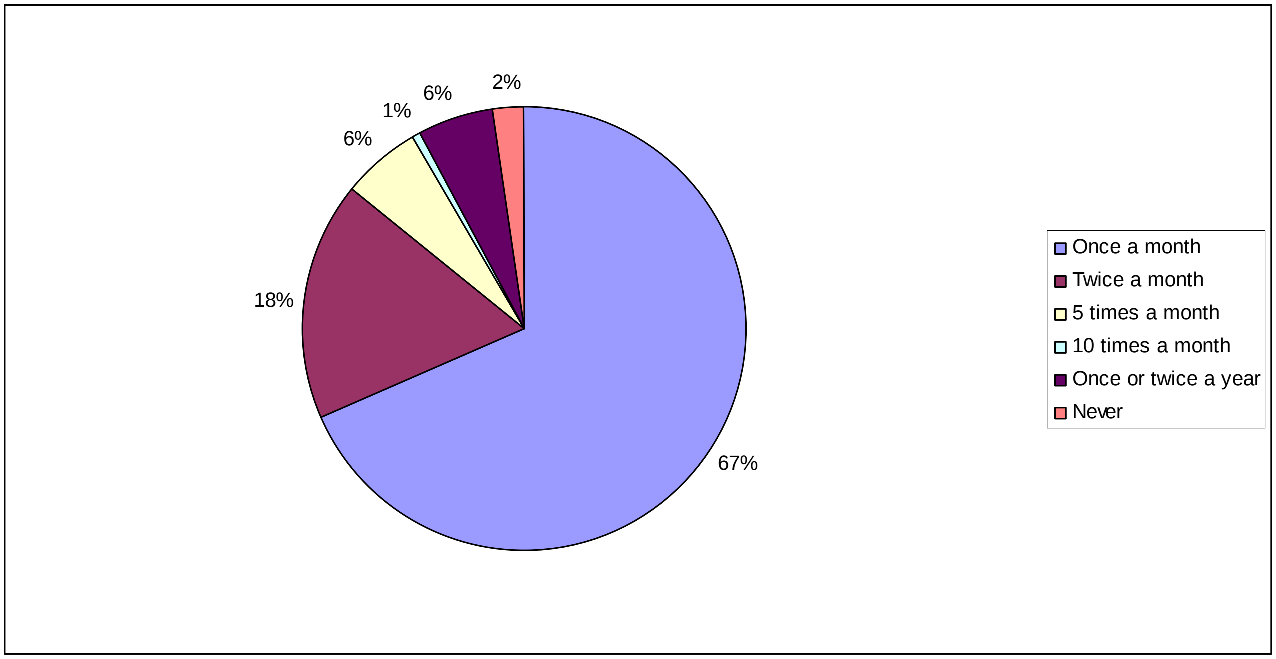
3.1.19: If you are not a member of TruckCare, what are the major reasons why you aren't?

Analysis: This response suggests that the TruckCare audited quality assurance system has until now not been driven by a demand from customers. This lack of a commercial incentive from customers has been detrimental to TruckCare in the past and the TruckCare committee is working hard to educate processors, producers and meat retailers of the importance of the program for improving animal welfare, food safety and traceability outcomes in stock transport. A significant amount (21%) of members remain unaware of the program and this is now being addressed through ALTA provision of State-by-State TruckCare workshops for interested operators.



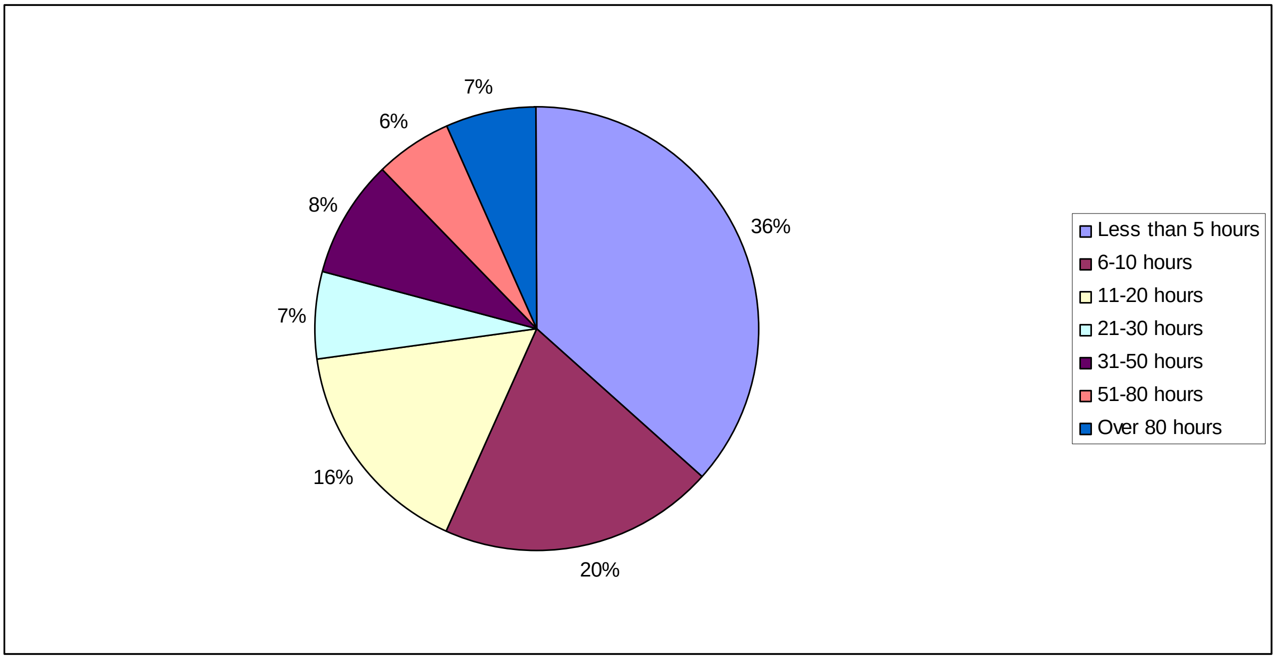
3.1.20: On average, how many times a month would each of your trucks be pulled up and inspected - either by RTA inspector or the police etc?

Analysis: This response gives a representative picture of the level of enforcement action experienced by the membership.



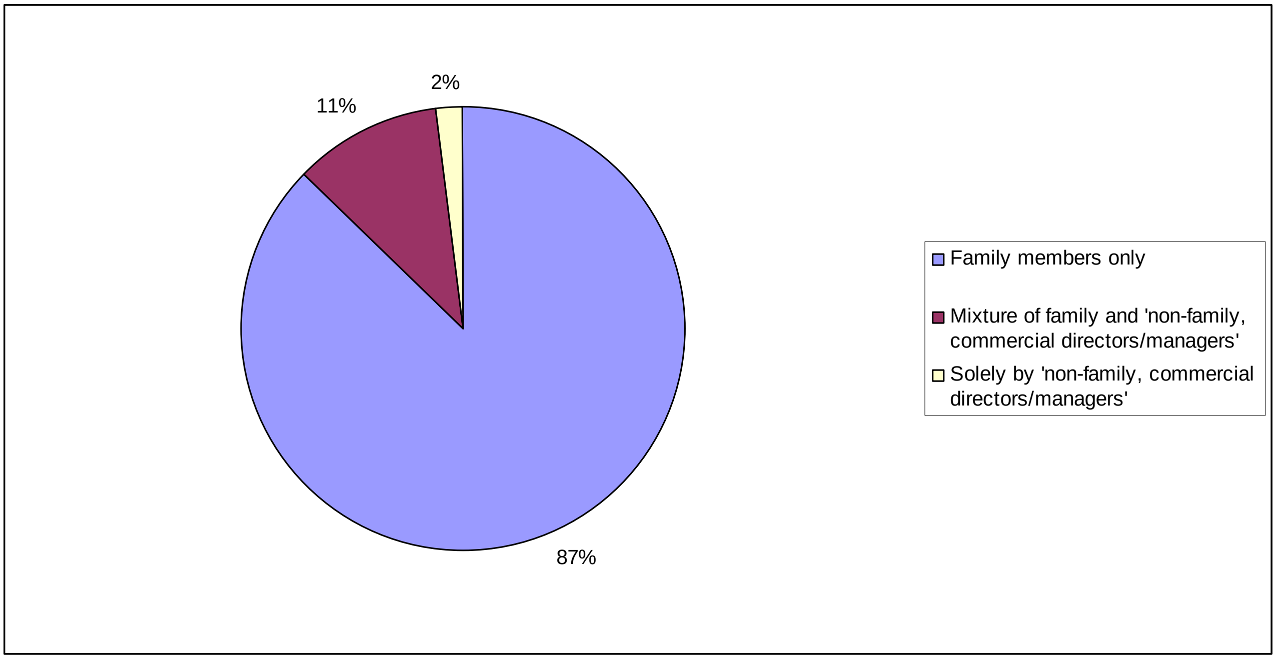
3.1.21: In the course of a week, how many hours of paperwork (that’s hours over and above the driving job) would the company put into the business? (List your best estimate)

<u>Analysis:</u> ‘Red tape’ governance requirements are often cited by members as considerable strains on their operations. This is compounded by the fact that often, given the small business nature of the company (see also responses to questions 2 and 6 and 22 particularly), the owners will do this work without charging out the hours they spend making this effort. When costed out at representative hourly rates, the average hours spent filling out the many different paperwork requirements of the job equate to significant governance costs on these small businesses.



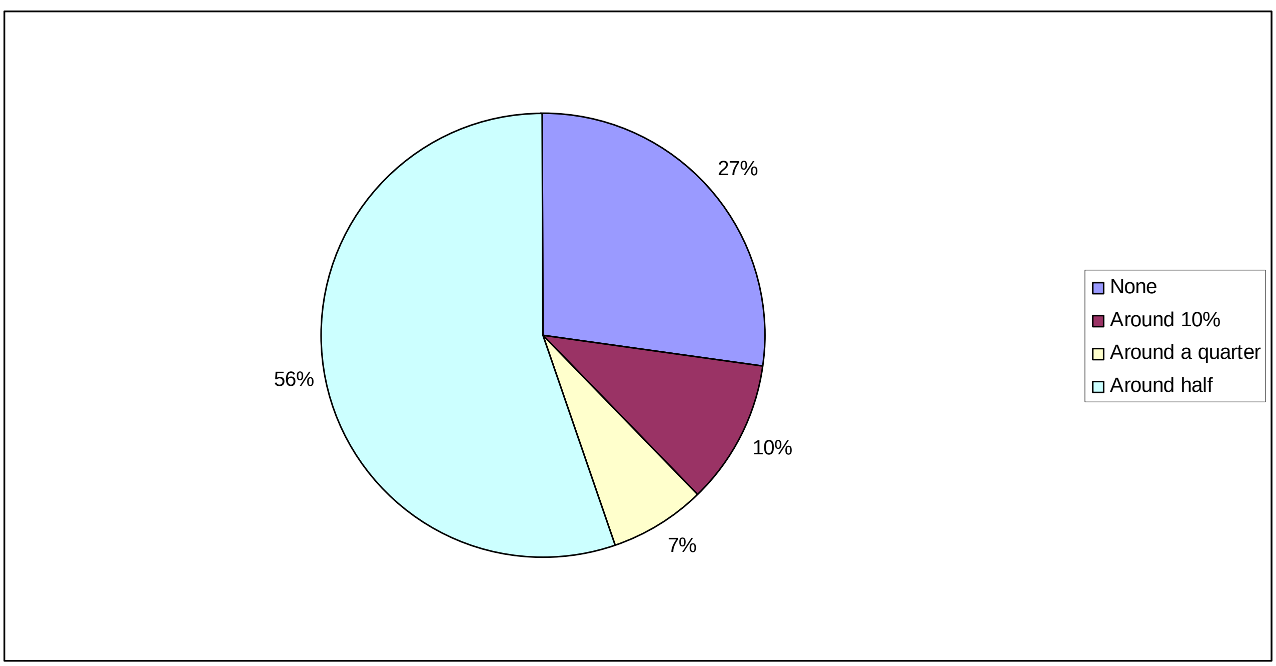
3.1.22: Day to day, who is your company directed and managed by?

Analysis: This response confirms the strongly ‘Mum and Dad’ flavour of rural trucking: small, family owned businesses predominate the market. Very few companies have non-family management structures in their businesses and it can be assumed from this that the rural trucking industry has very few ‘layers’ of management in its overall operations.



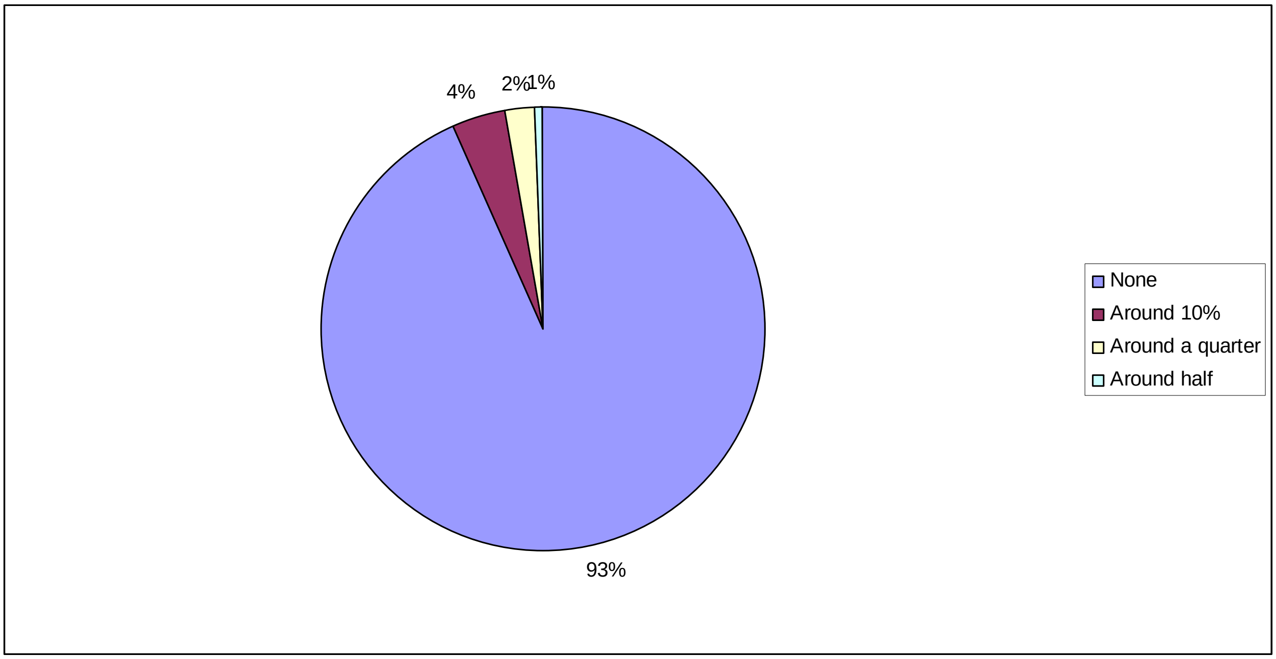
3.1.23: What proportion of the company owners and/or directors are females?

Analysis: This result is both encouraging and seems to further confirm the family nature of the rural carrying business, with both parties taking an active role in their small business.



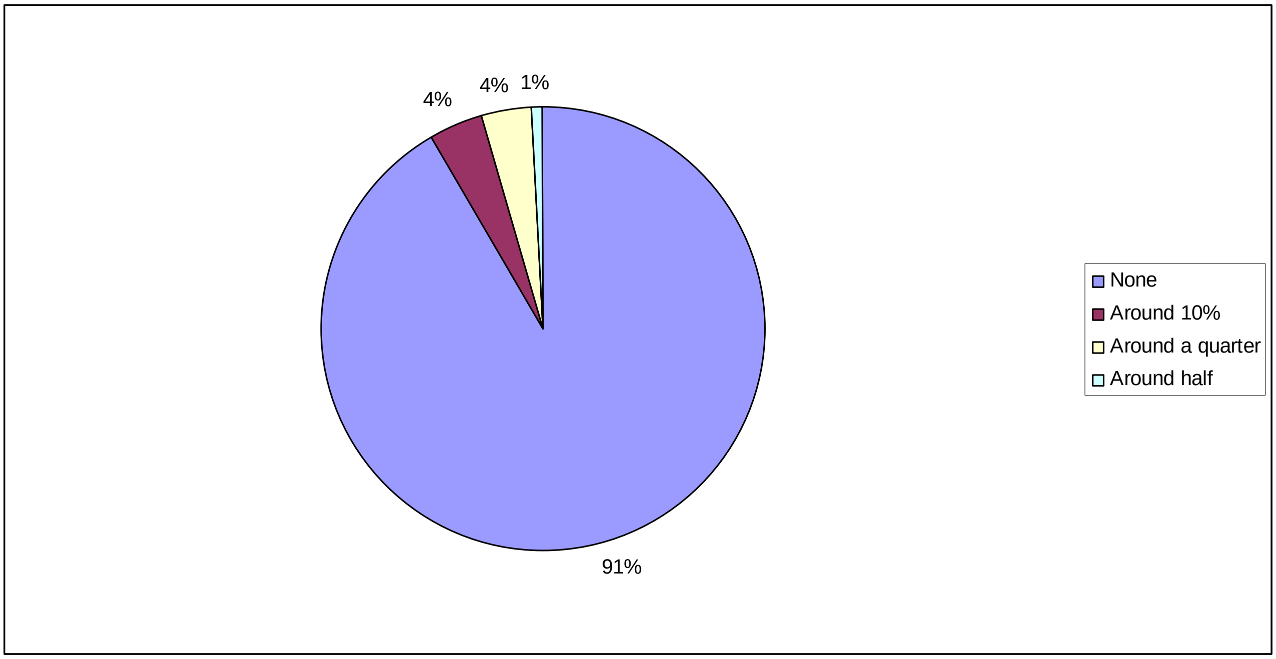
3.1.24: What proportion of the company drivers are female?

Analysis: This outcome was expected from anecdotal evidence. Particularly in livestock transport it may be more understandable, given the greater physical requirements of the work. However, given the significant driver shortages experienced across the trucking industry, such a situation is unlikely to be sustainable. Measures to attract more females into rural carrying would be a step in the right direction.



3.1.25: What proportion of your company's drivers are under 25?

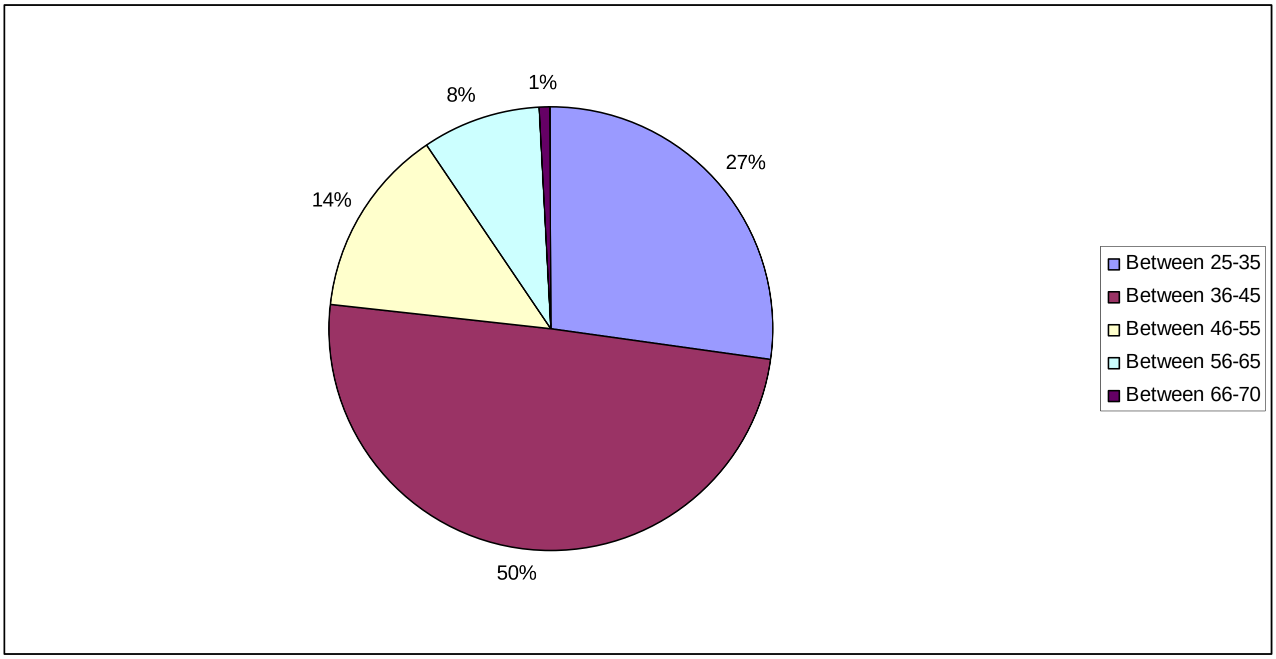
Analysis: This is a troubling statistic, but one that is not unexpected, particularly considering the skewing of the fleet makeup to the heavier vehicles that bring more advanced licensing requirements (in many places such licenses are not obtainable until the driver is in their early 20s.). From a demographic point of view, this situation is cause for alarm. If continued truck evolution (ie to ever-larger, more cost-effective combinations that also demand more advanced driver licensing) and resulting licensing restrictions are creating barriers to younger people entering a career in driving in rural trucking, these issues need to be addressed.



3.1.26: On your best estimate, what would be the average age of your drivers?

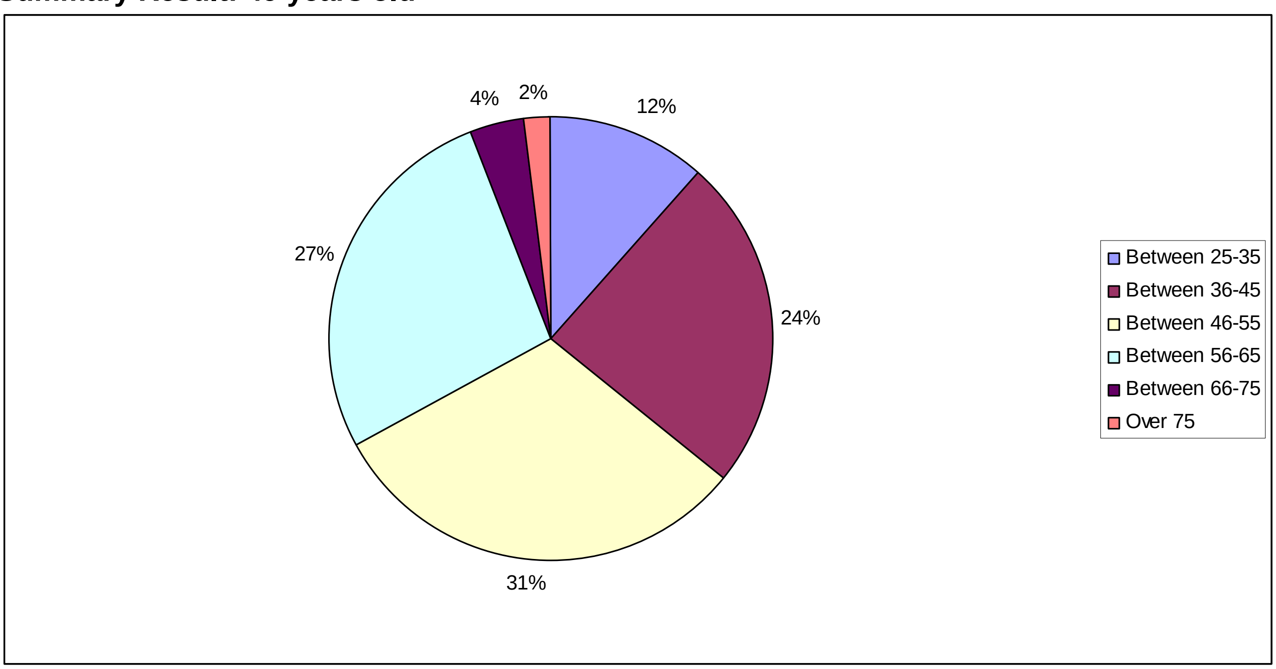
Summary Result: Average age of drivers: 42 years old

Analysis: This figure is not as high as might have been expected anecdotally. The ALTA is pursuing more work to verify the results suggested here. If verified, it suggests a slightly better state of affairs than many might suggest.



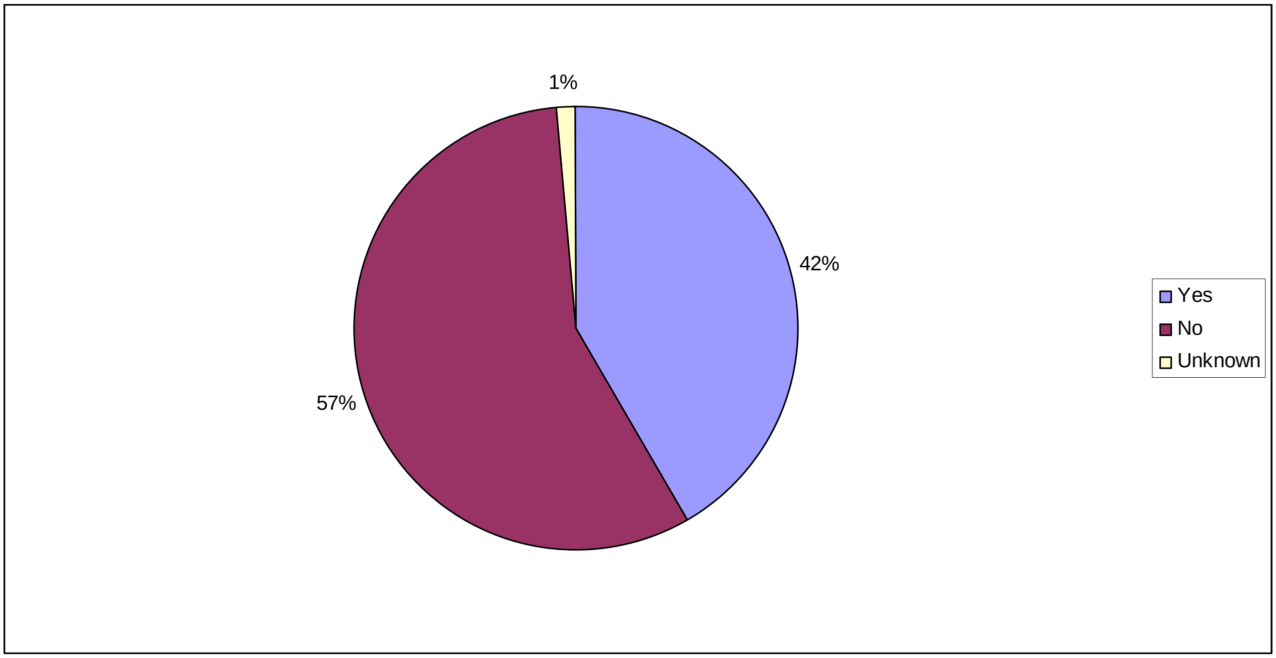
3.1.27: How old is/are the owner(s) of your company? Average age of company owners:

Summary Result: 49 years old



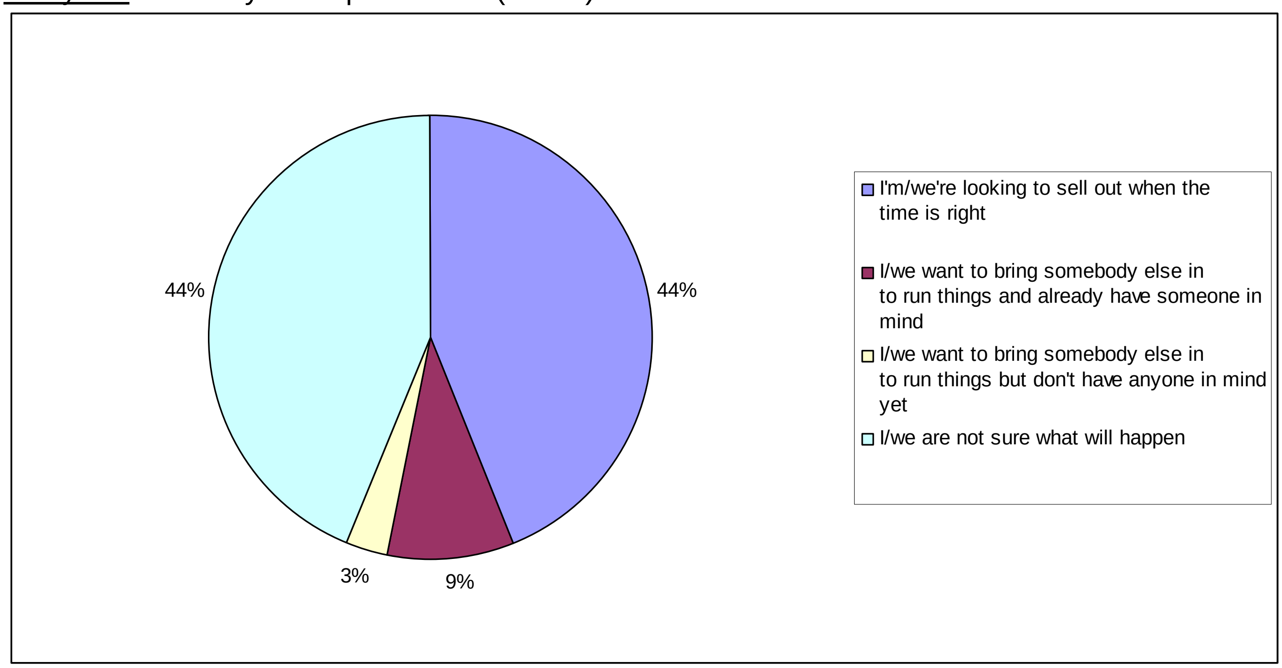
3.1.28: Does the owner(s) have a family member set to take on the business on retirement?

Analysis: When the following result is added to a number of other demographic results in this survey, a concerning picture emerges of an industry with little if any succession planning in place to manage business transition, whether within or beyond the family unit.



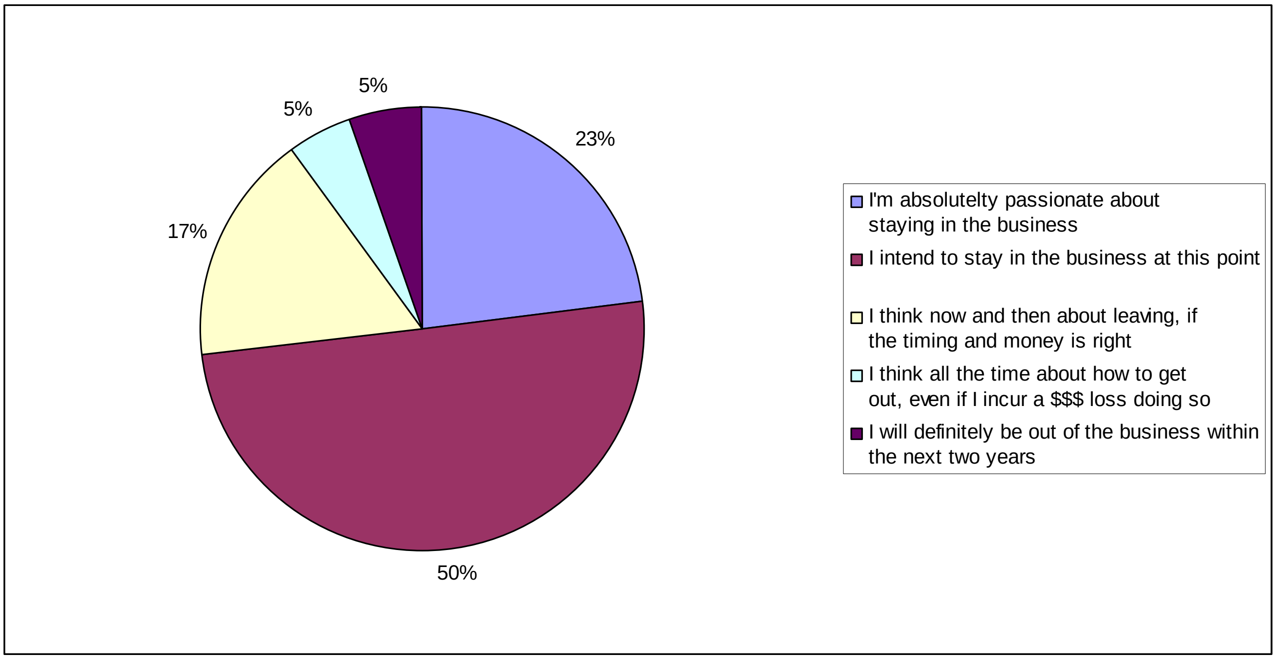
3.1.29: If the owner(s) don't have a family member to take over, what will you do?

Analysis: See analysis of question 28 (above).



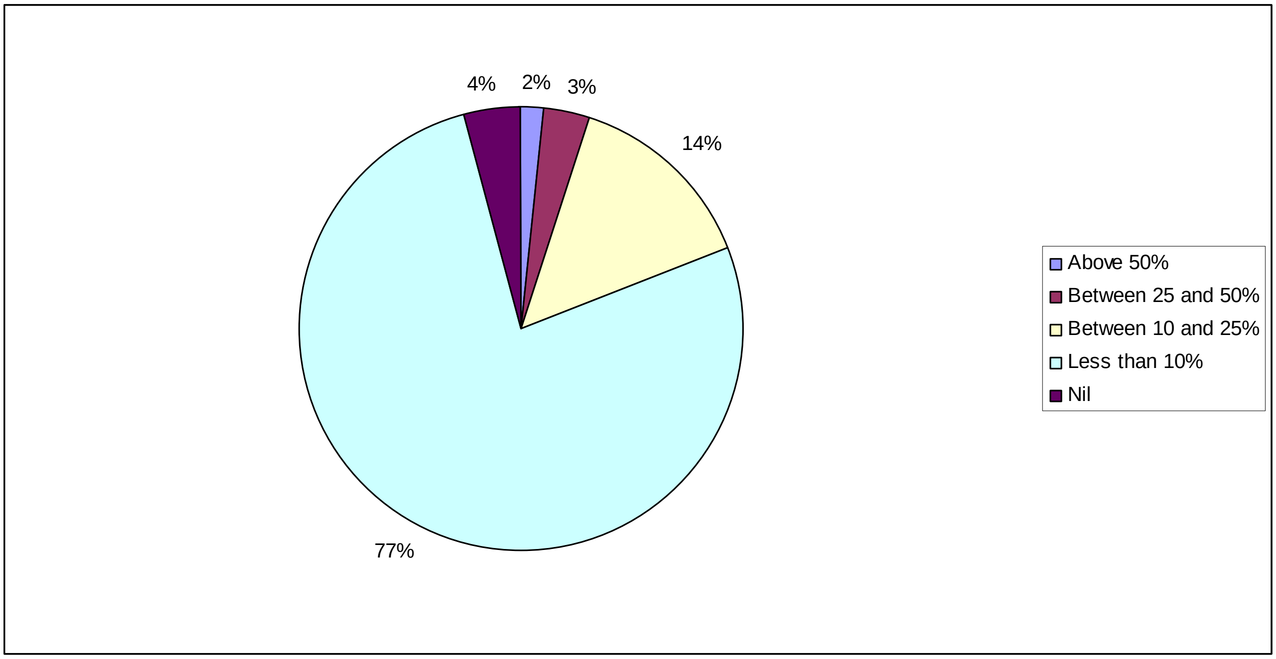
3.1.30: What best describes your own business intentions?

Analysis: This response, especially when viewed in the context of the response to question 8 (above) suggests that there is some inherent stability in the industry, although the vertical integration of the industry (ie fewer owners of more vehicles) is likely to continue.



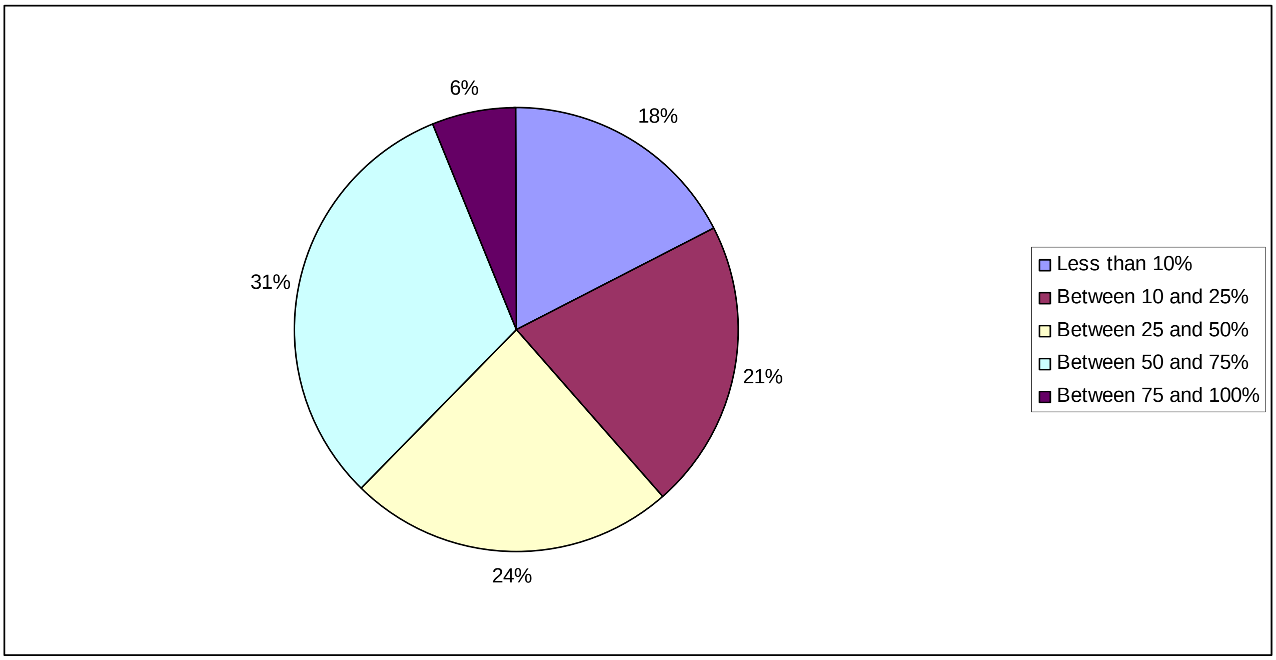
3.1.31: What would your best guess be of annual staff turnover in your business?

Analysis: On face value, this outcome is encouraging. It suggests a good deal of stability in retention. The ALTA is conducting more work to learn what particular factors are contributing to turnover in different areas. There are notable ‘pull factors’ from the mining sector at present and the lack of quality facilities for loading and unloading and issues such as a lack of truck washout facilities have been cited anecdotally as reasons why staff leave. However, on balance, the healthy retention levels suggest that perhaps the bigger focus for the industry needs to be on attracting new and younger drivers, noting that the percentage of drivers under 25 is very small indeed (see also question 25 above)



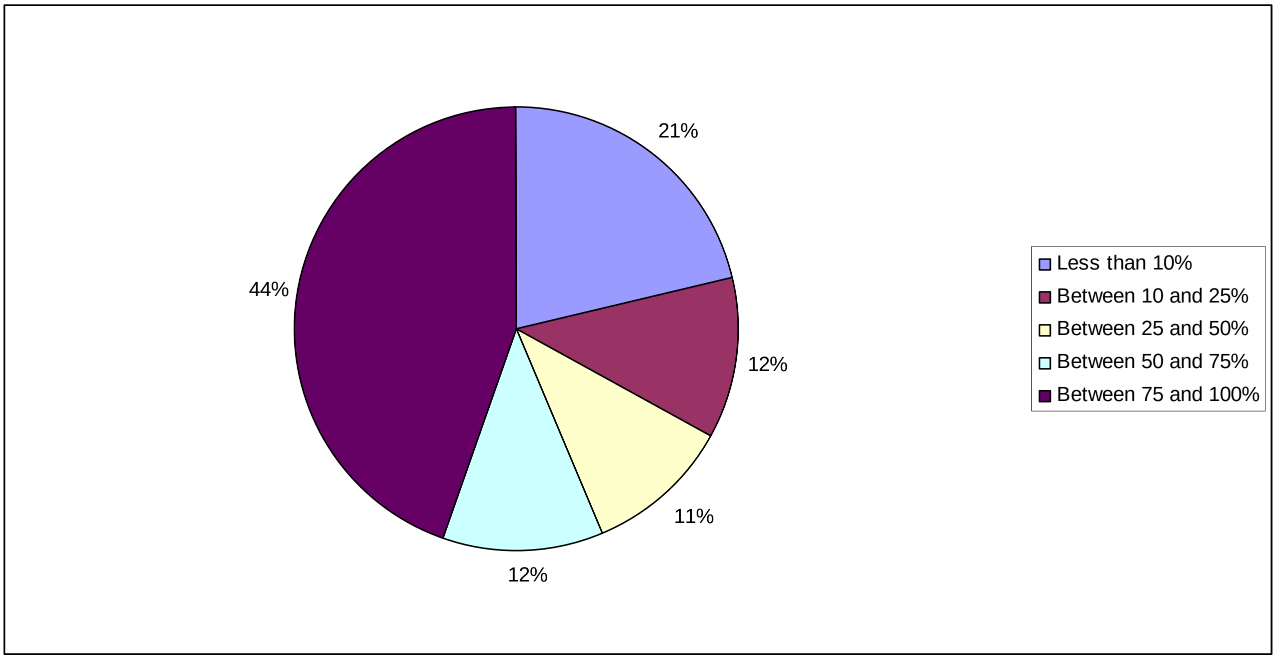
3.1.32: When you load at farms, how often do stock come straight out of the paddock or otherwise not curfewed/'full'?

Analysis: Anecdotally, the problem of stock being loaded without first being deprived of feed and water for a time to allow them to 'drain' is one of the most significant concerns for professional stock transporters across the country (see also question 34 below). Comments from drivers say that stock loaded in this way do not travel as comfortably and are more likely to become stressed and consistent feedback from experienced drivers is that this is likely to lead to issues of downers, as well as stock slipping on accumulated effluent, which can stain (ie devalue) skins and can heighten e-coli contamination risks. This issue also leads to effluent outflow from stock crates in transit and creates lengthier and costlier washout bills – a task made more difficult in the context of water restrictions. The following results show just how often these incidences of a lack of proper curfewing occur.



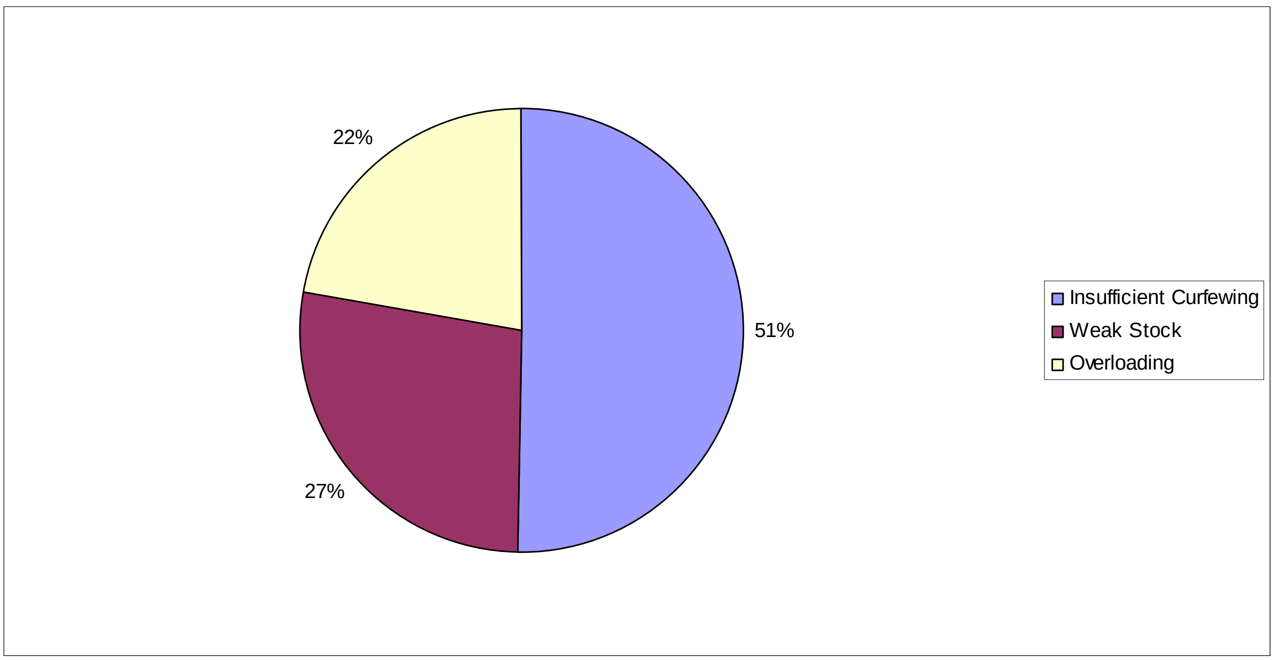
3.1.33: At feedlots, what percentage of the stock you load present 'full'- not curfewed?

Analysis: As for question 32 (above).



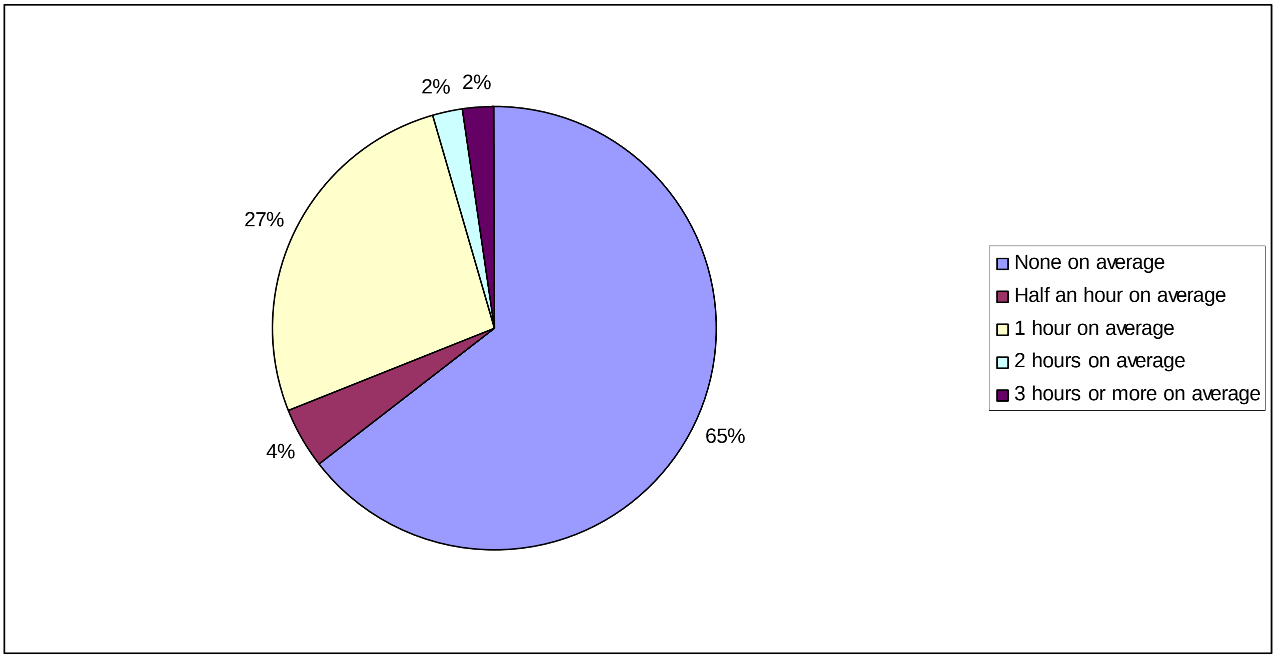
3.1.34: What in your opinion are the 3 biggest contributors to animal welfare issues in transport?

Analysis: This is very important information, as it reveals that the biggest perceived problems for animal welfare in stock transport are in fact most often issues where other parties in the logistics chain (ie the consignors or consignees of the stock, such as producers, agents, feedlots, abattoirs, live exporters etc) have either not contributed to preparing the stock properly for transport, or have failed to consider fit to load issues, or place pressure on transporters to place too many stock on crates for commercial advantage. These results do not absolve professional transporters from doing the right thing in terms of these issues, as ultimately they are the ones legally responsible for the welfare of the stock once in transit. Although these results are based only on opinion across a wide range of situations, the outcomes do point out opportunities to improve education and practice in the wider industry in terms of selecting and preparing appropriate stock for the journey and ensuring that only the right amount of stock are transported in each given vehicle.



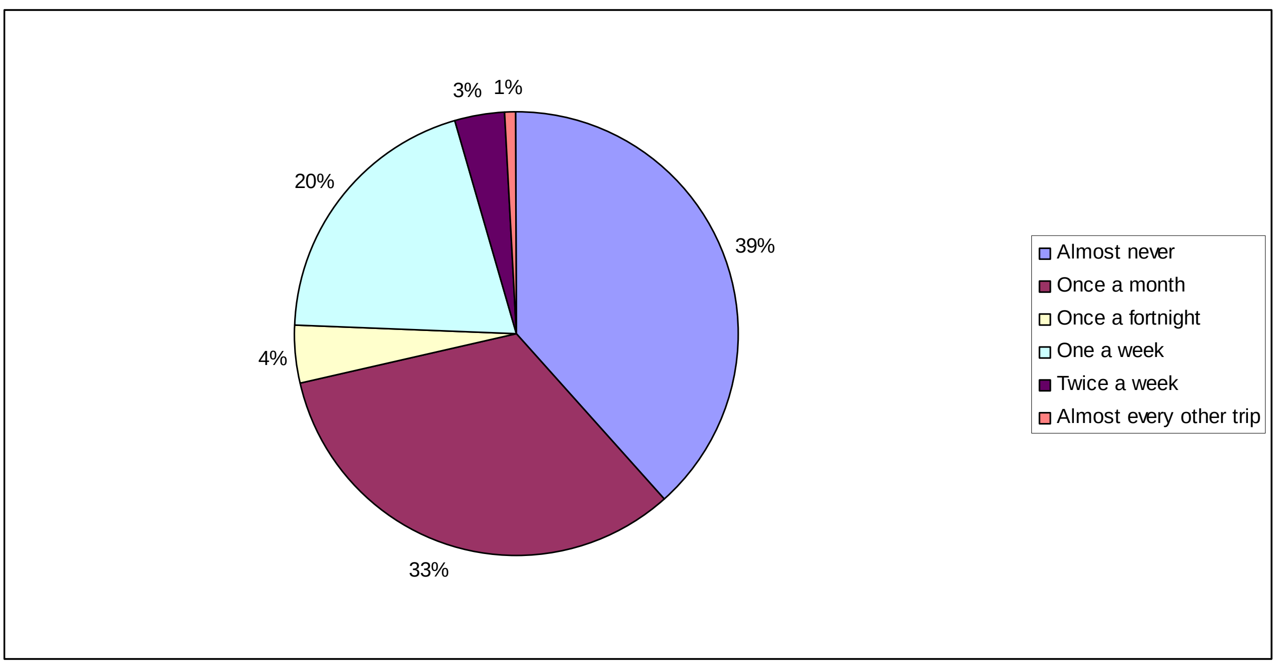
3.1.35: What would be the average waiting period for loading and unloading stock?

Analysis: The advent of heavy vehicle driver fatigue laws has created legislative requirements on the consigners and consignees of freight (including livestock) to ensure that they do not contribute to avoidable delays in the loading and unloading process that will fatigue a driver unnecessarily. These new laws come into effect in mid-2008. It is important in this context to have some baseline understanding of the extent of the problem now.



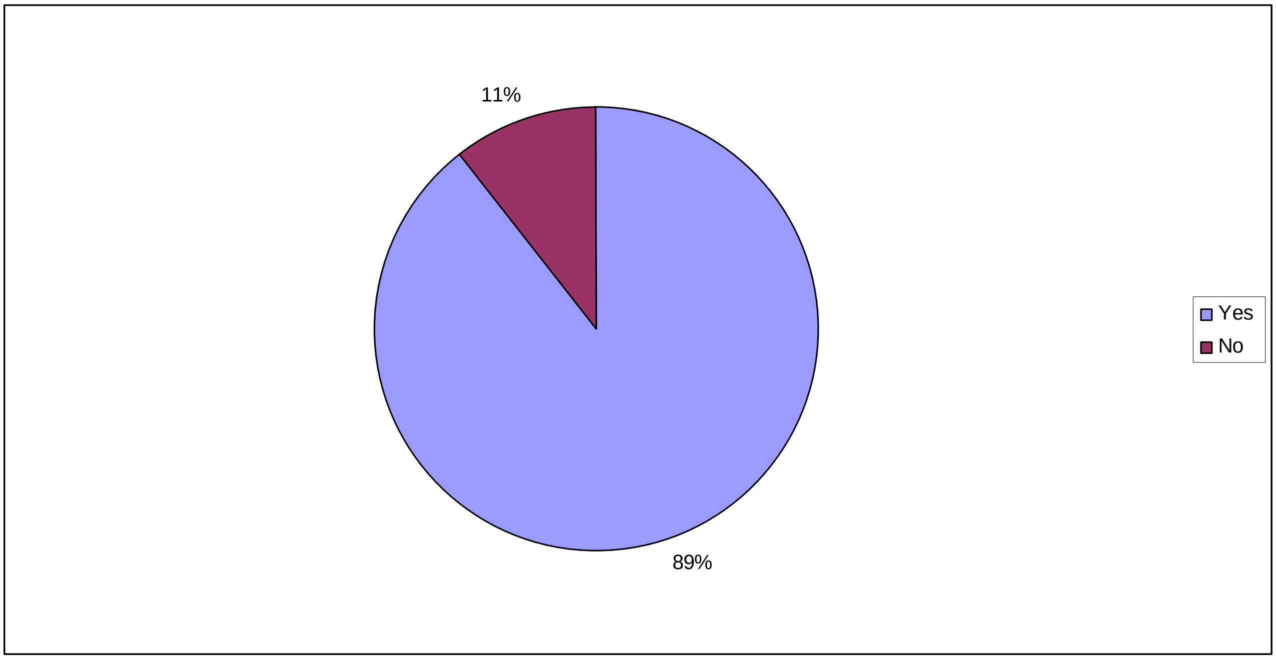
3.1.36: On average, how often (per truck) would things outside of your control (i.e late load-out from saleyards, difficult stock causing loading delays, major problems with downers during the journey,etc.) end up putting you out of your legal driving hour limits just to get the job completed and the stock off safely?

Analysis: These responses are particularly valuable in the light of the recent Australian Transport Council vote to endorse model heavy vehicle driver fatigue legislation around the country. In essence, this legislation will place greater emphasis on the management of fatigue, with higher sanctions in place for drivers, companies *and* freight consigners and consignees whose actions or omissions contribute to dangerous fatigue situations on the road. One of the main concerns of livestock transporters is that the new working hour limits to apply under this legislation may be difficult to adhere to in emergency situations, where stock problems during the transport conspire to extend the journey beyond legal hours. In raising this concern to the Australian Transport Council, the ALTA made it clear that a.) the issue was not an everyday occurrence for most people and therefore amendment to cover the situation did not constitute an abuse, but that b.) situations did arise from time to time where stock carriers were placed outside their working hours due to serious animal welfare issues. This research very clearly makes these points and argues a persuasive case for flexibility to cover animal welfare considerations, assuming that carriers are managing fatigue issues professionally in all other respects.



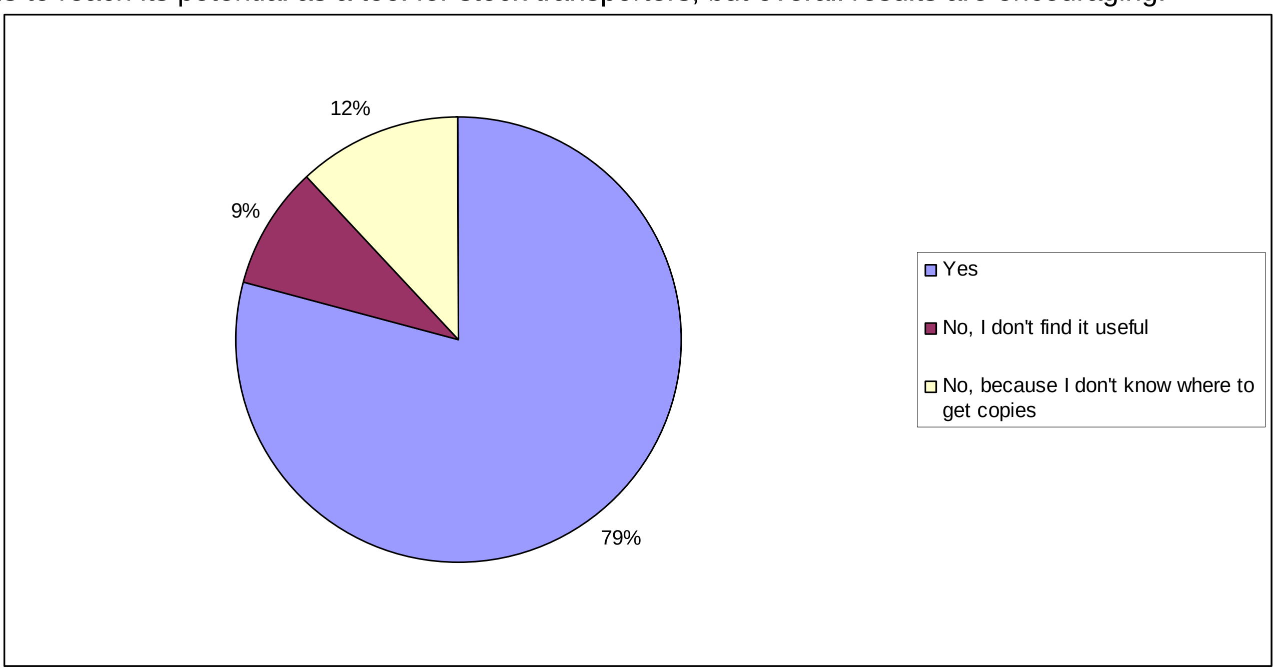
3.1.37: Are you and your drivers aware of the ‘Is it fit to load’ guide?

Analysis: This result is to be expected, as the ALTA has made numerous mention of the guide in its weekly industry newsletter over time. A copy of the guide is also sent out as part of the TruckCare quality assurance kit for new TruckCare members.



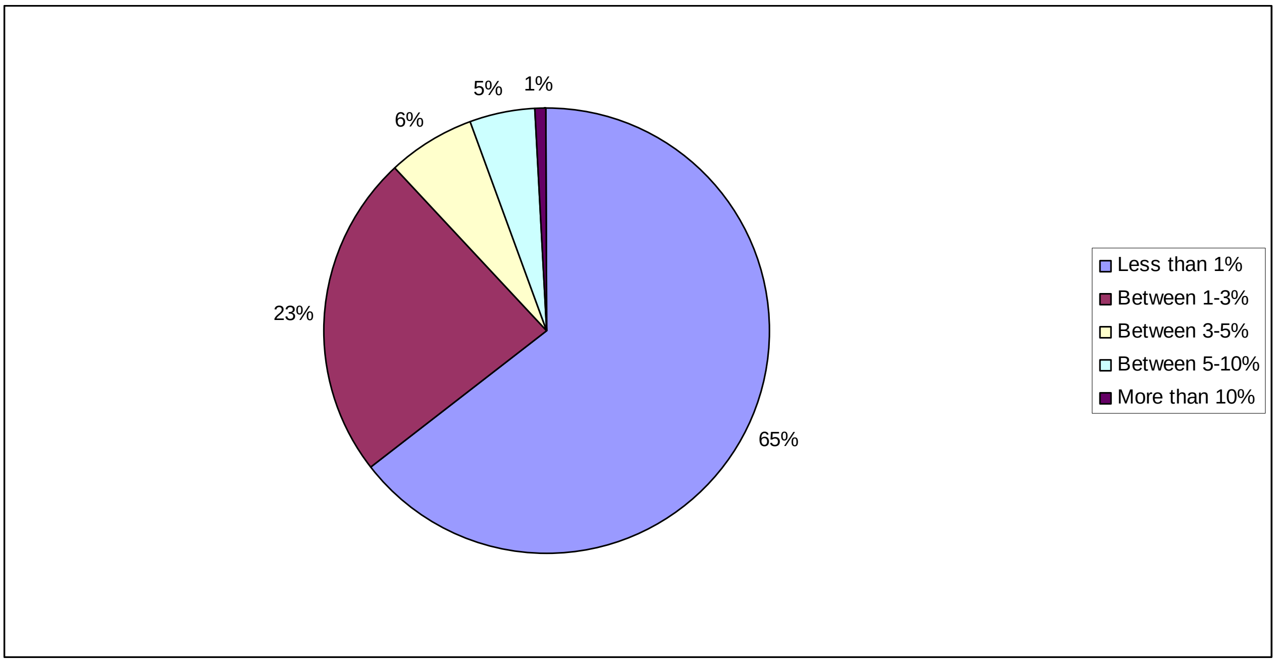
3.1.38: If you are aware of it, do you/they use it?

Analysis: The results suggests that further coordination and marketing by MLA is in order if the guide is to reach its potential as a tool for stock transporters, but overall results are encouraging.



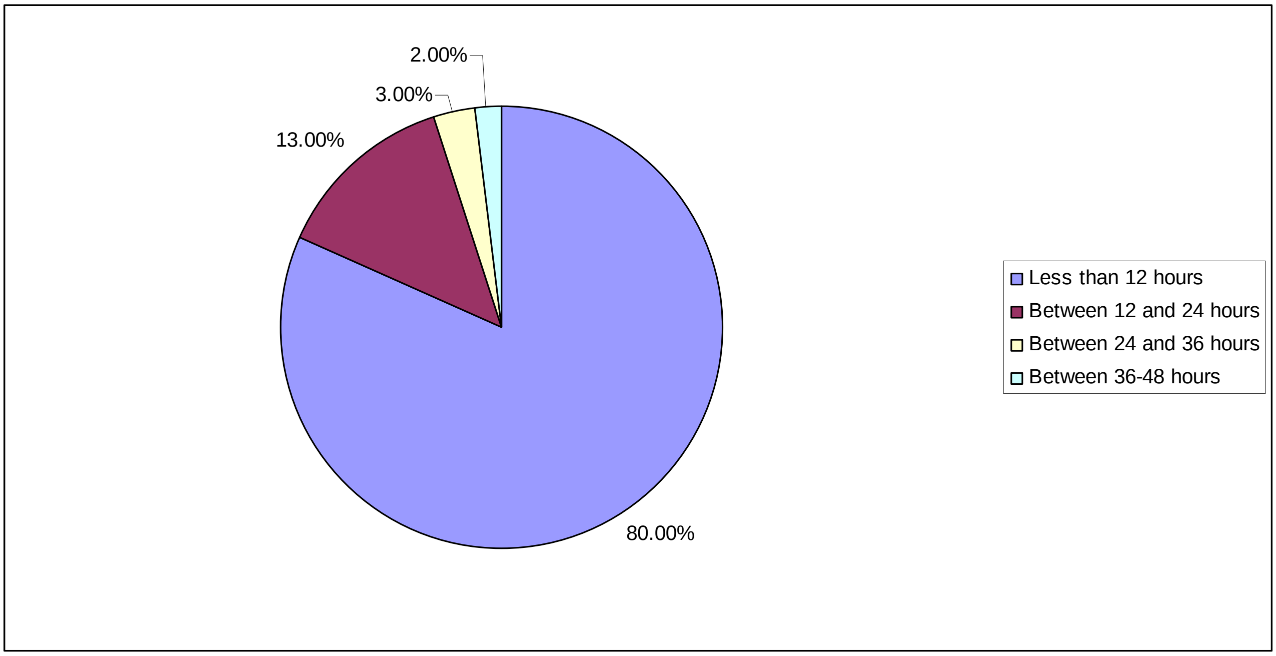
3.1.39: In the past year what rough percentage of stock presented to you is not fit to load (that is lame, blind, in late pregnancy, diseased/injured, too weak for the journey)?

Analysis: The ALTA feels these results align well with anecdotal evidence for professional carriers, but care must be taken when interpreting the result. The answer does not suggest that those stock that were not considered fit to load were in fact loaded. What the chart shows more clearly is a measure of how stock are presented to the commercial carrier for loading, on average nationally. This result will benefit particularly from a future survey result to create another data point; as initiatives such as TruckCare and other more general awareness campaigns (including the Is It Fit to Load Guide) progress, the ALTA would expect to see further improvement here. There is no doubt that there remains room for improvement in what condition customers present their stock for transport.



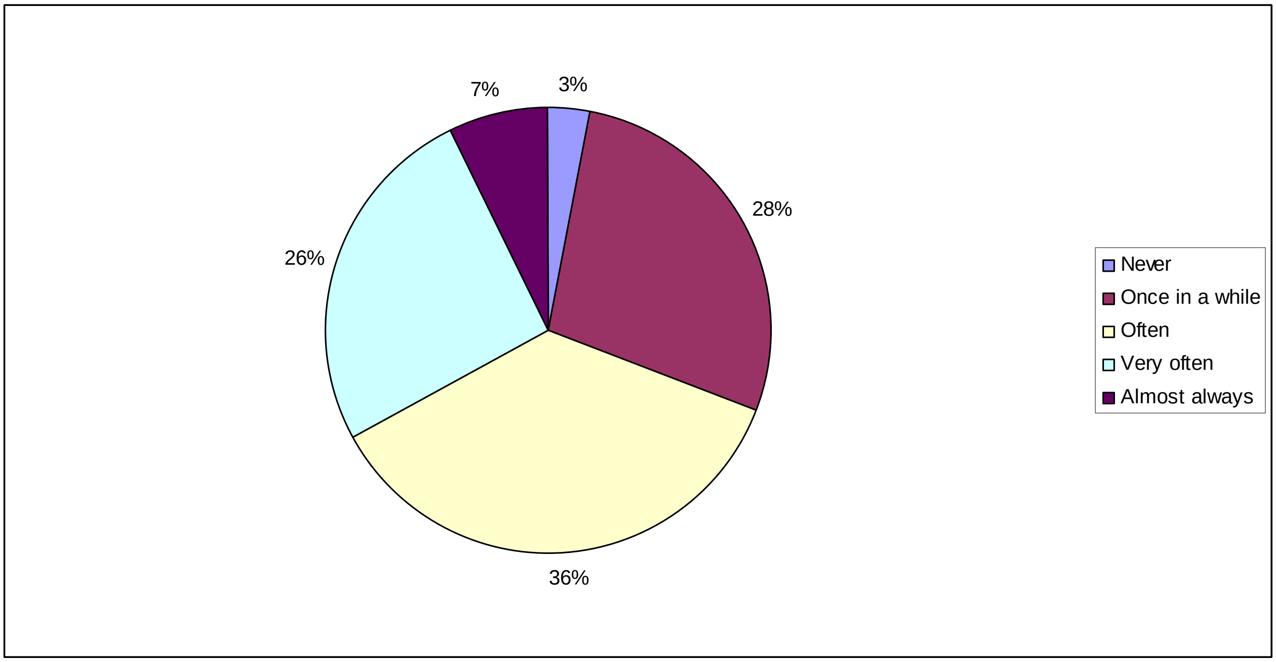
3.1.40: What percentage of your continuous trips from pickup through to delivery, would be:

Analysis: As with question 36 (above), this question is very valuable in the context of developing viable and factually-based responses to the new heavy vehicle driver fatigue legislation to be implemented in 2008. The outcomes here reinforce the ALTA contention that most work can be managed within acceptable driving hours, but that a smaller core of work, particularly in northern Australia, may need a more tailored response that trades more flexible working hours with heightened risk management of fatigue factors. These results are also important to help benchmark animal welfare outcomes in relation to duration of transport.



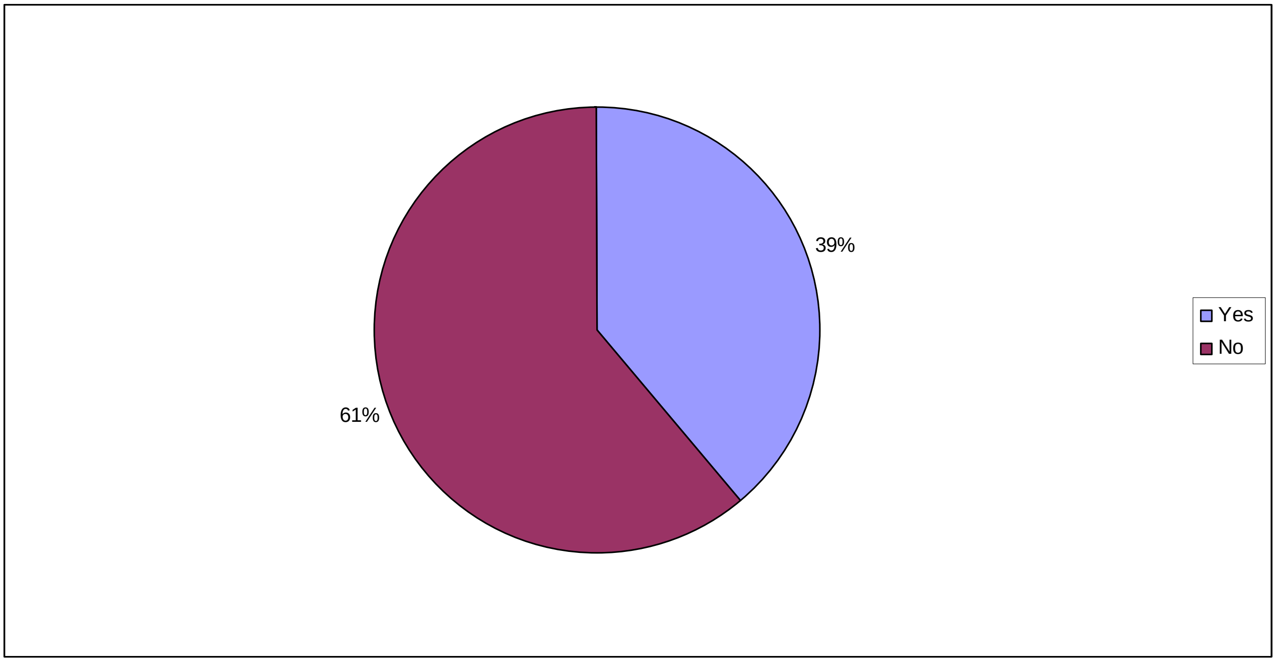
3.1.41: When loading, how often do you find the NVD, PIC or waybill completed?

Analysis: This analysis should be of particular interest to those developing stronger traceability system for livestock in Australia. It reveals that in the opinion of commercial stock carriers, there are still very significant levels of non-completion of waybills, placing the credibility of the system in jeopardy.



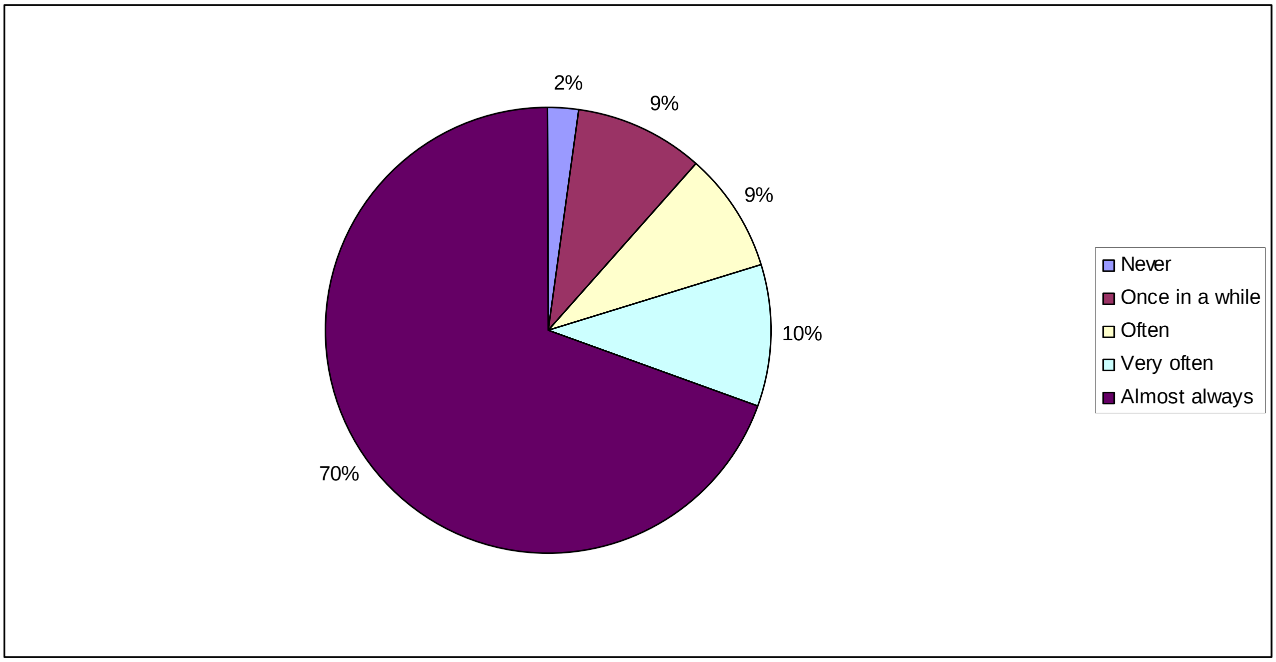
3.1.42: If you or your drivers receive incomplete NVDs, PICs or waybills on loading, do you fill them out anyway 'just to get the job done'?

Analysis: As with question 41 (above) this is a concerning result and suggests that the ALTA needs to do more to educate carriers and the wider meat and livestock sector on the importance of not filling out someone else's documentation to simply get the job done.



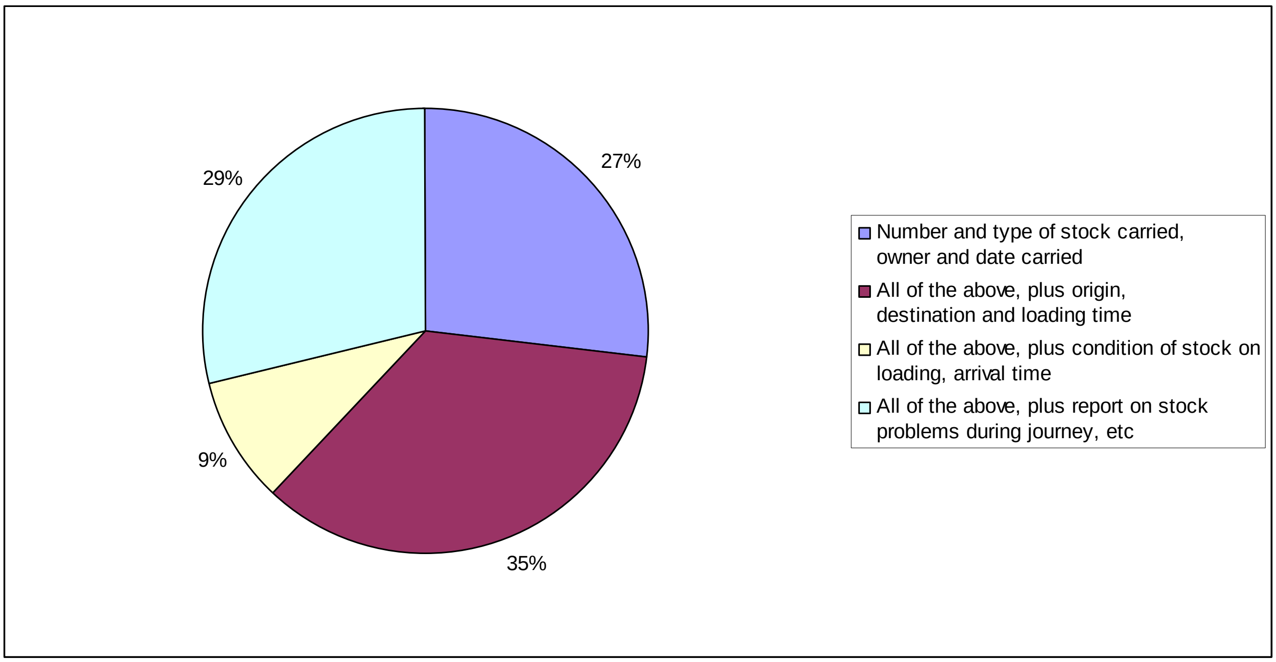
3.1.43: How often do you find that NLIS tags are present on stock when they should be?

Analysis: This response suggests that as with other traceability-related responses, there remains some work to do to educate agents, producers and others in the chain of the imperative to tag stock correctly. This is another response that will benefit from creating more data points and a trendline in the future, but overall results are pleasing.



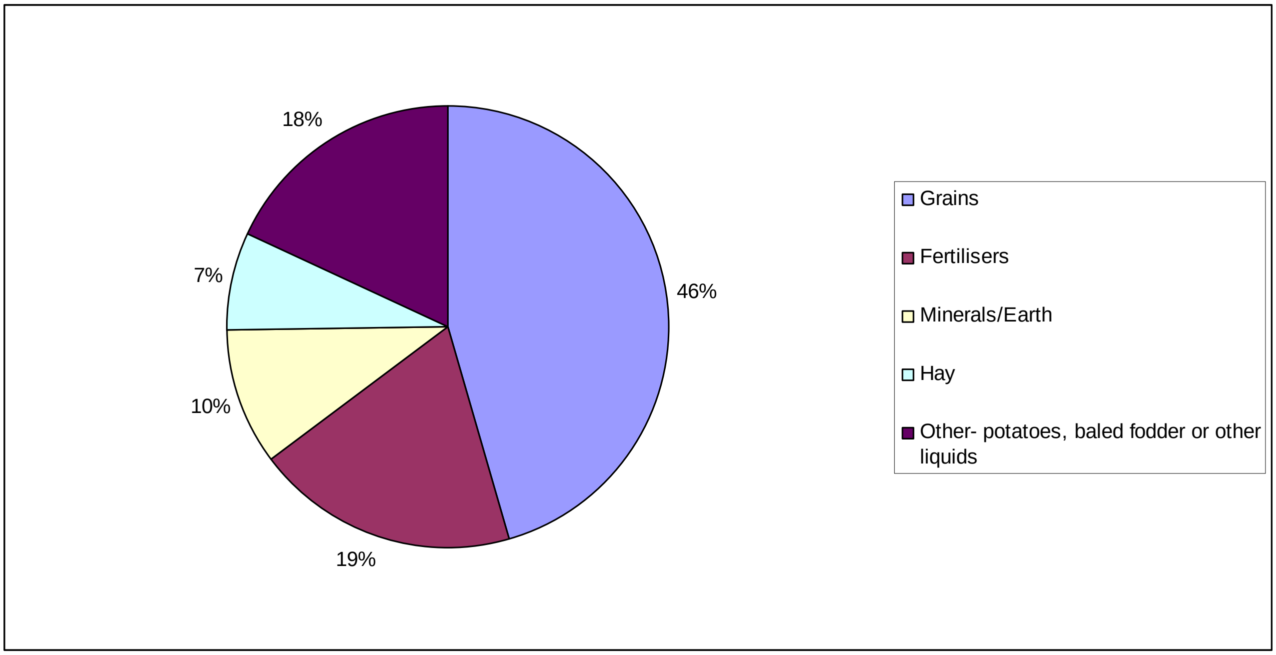
3.1.44: Which of the following best describes what is in your consignment docket/waybill book?

Analysis: The consignment sheet is a vital tool for not only traceability and biosecurity issues but also for recording animal welfare and food safety issues that can be managed better where problems are identified and recorded on this paperwork. The results suggest that there is still a lot of work to do in the Australian commercial stock transport sector to having all carriers recording consistent and comprehensive matters in these documents. A general move to the standard of consignment sheets offered in the TruckCare quality assurance system is to be desired and growing TruckCare numbers are beginning to contribute to this longer term objective.



3.1.45: What sort of bulk product do you transport most?

Analysis: Country bulk carriers affiliated as members of the ALTA only a few years go. This research is the first of its kind for this element of the membership, but it shows how important the grain and fertiliser carrying sector is in this respect. It is worthwhile examining this result in light of the response to question 4 (above) which reveals that many of those who do livestock work are also doing at least some bulk carrying as well.

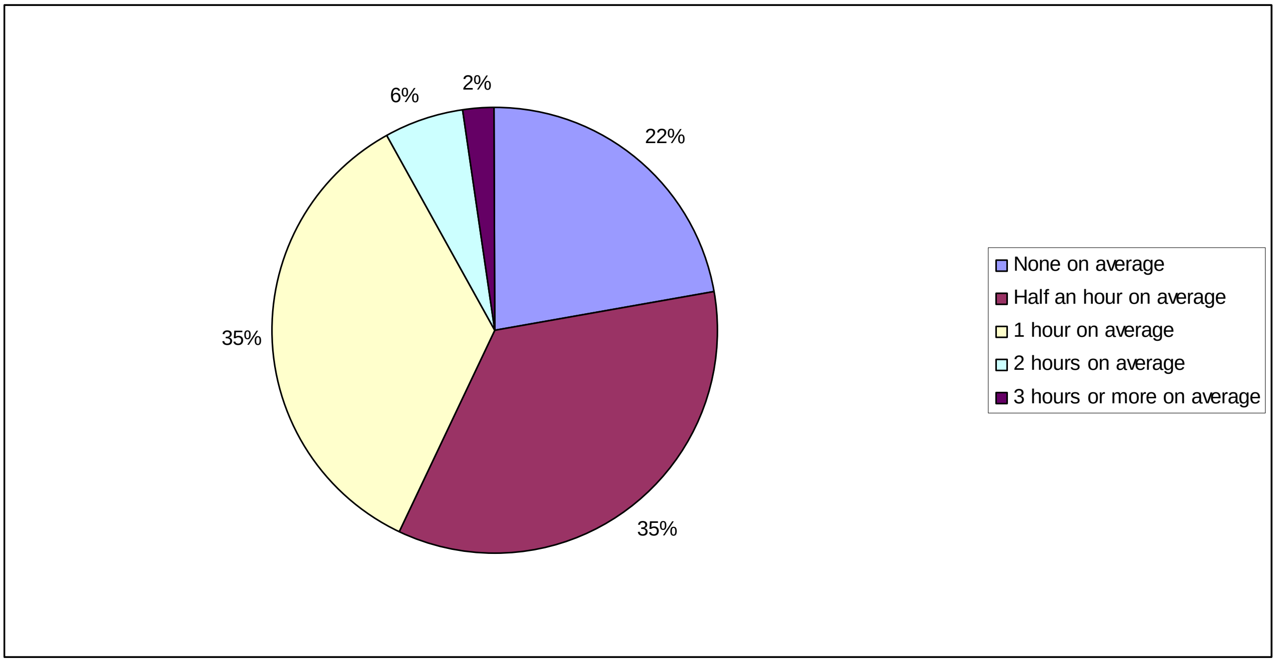


Note to 3.1.46

The responses to 3.1. 46, regarding loaded weights, are the subject of further analysis, as the initial results do not give an accurate picture of the relative road rules in operation for respective respondents, such as livestock loading concessions, grain harvest schemes, higher mass limits, etc. that vary between jursidictions

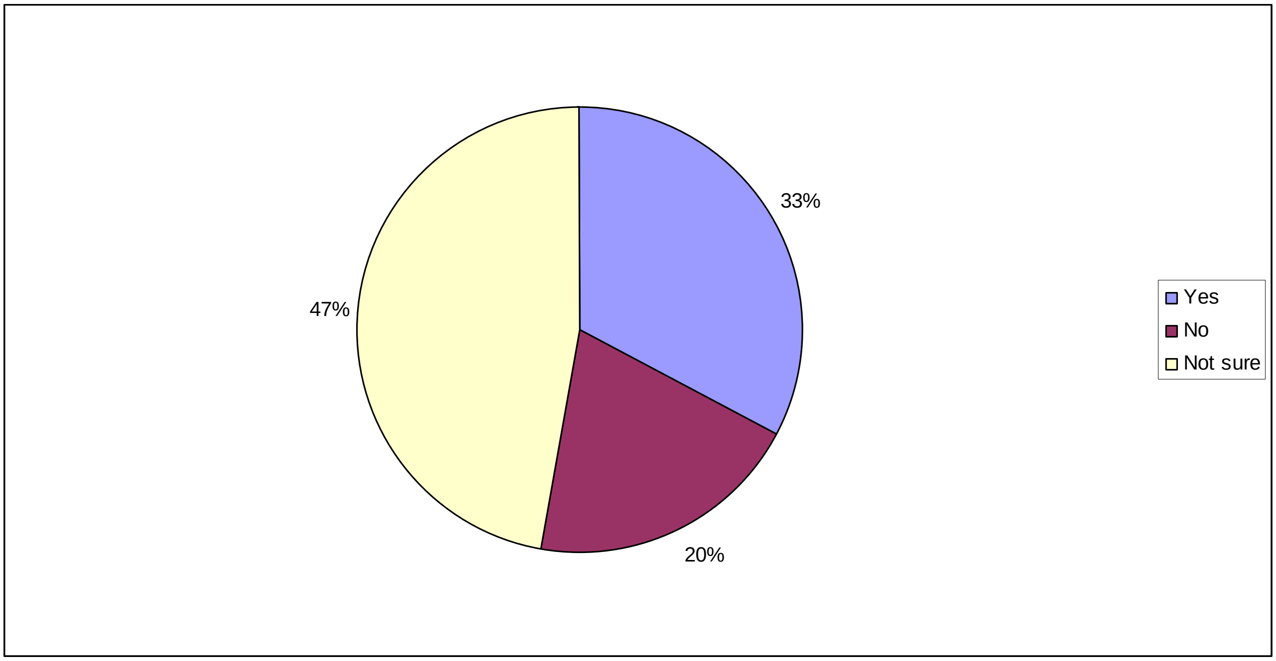
3.1.47: What would be the average waiting period for loading and unloading your product?

Analysis: This response is the bulk carrier equivalent to question 35 (above). It is noteworthy that the delays experienced in the bulk carrying trade are slightly higher than in the livestock equivalent and this information will be relevant to the development of effective codes of practice to align with the new heavy vehicle driver fatigue legislation to be introduced around the country in 2008.



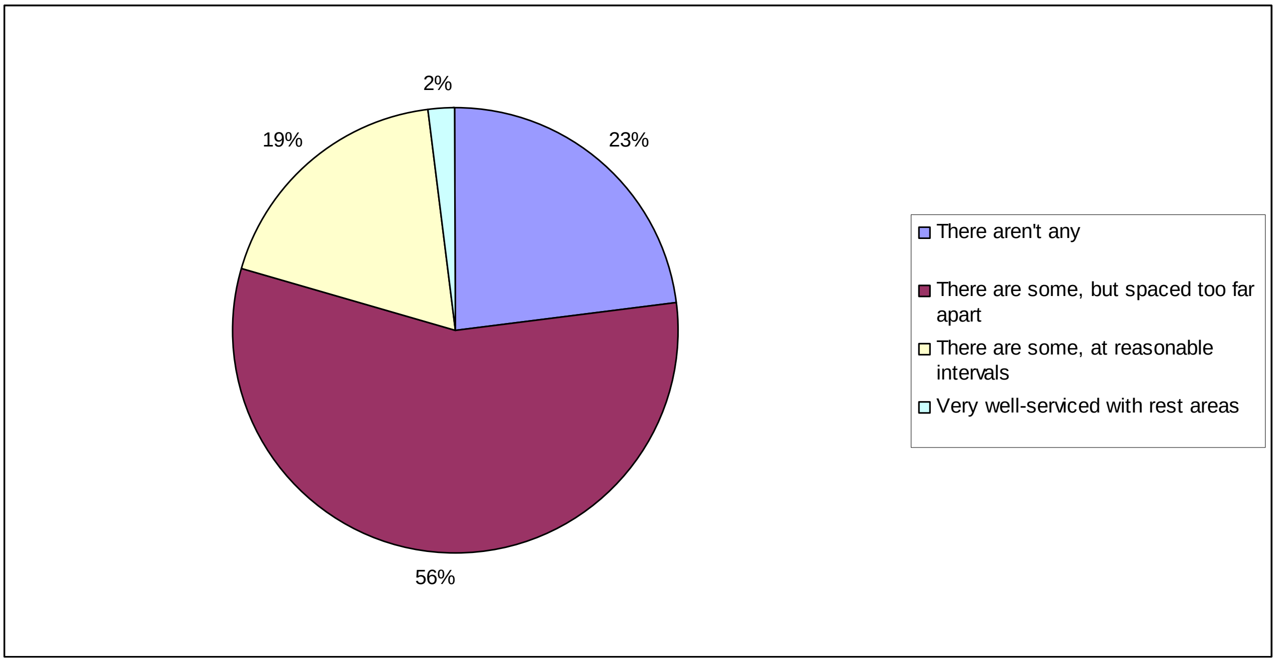
3.1.48: In your opinion, would a quality control system for grain carriers, something similar to TruckCare in the livestock transport business - help improve the grain carting business?

Analysis: In general terms, the ALTA membership is proactive in its attitude to audited quality assurance systems as a way forward to add value and professionalism to the industry. The bulk grain industry does not have such a scheme in place and the result here suggests that there may be merit in exploring development of an audited quality assurance system for managing issues like cross contamination in grain haulage.



3.1.49: On your regular routes, what is the situation with safe and serviced truck rest areas?

Analysis: In the context of the new heavy vehicle driver fatigue legislation, the lack of serviced and safe rest areas on everyday routes for rural carriers looms as a very significant issue. The ability to abide by driving hours and rest break requirements is compromised where safe heavy vehicle rest areas are not available. This is the first survey of its kind of any significant part of the trucking industry and it points to a very poor outcome – less than a fifth of respondents believe they are reasonably well served for safe and serviced rest areas. This situation will need to improve if the new fatigue legislation is to deliver practical outcomes for operators.

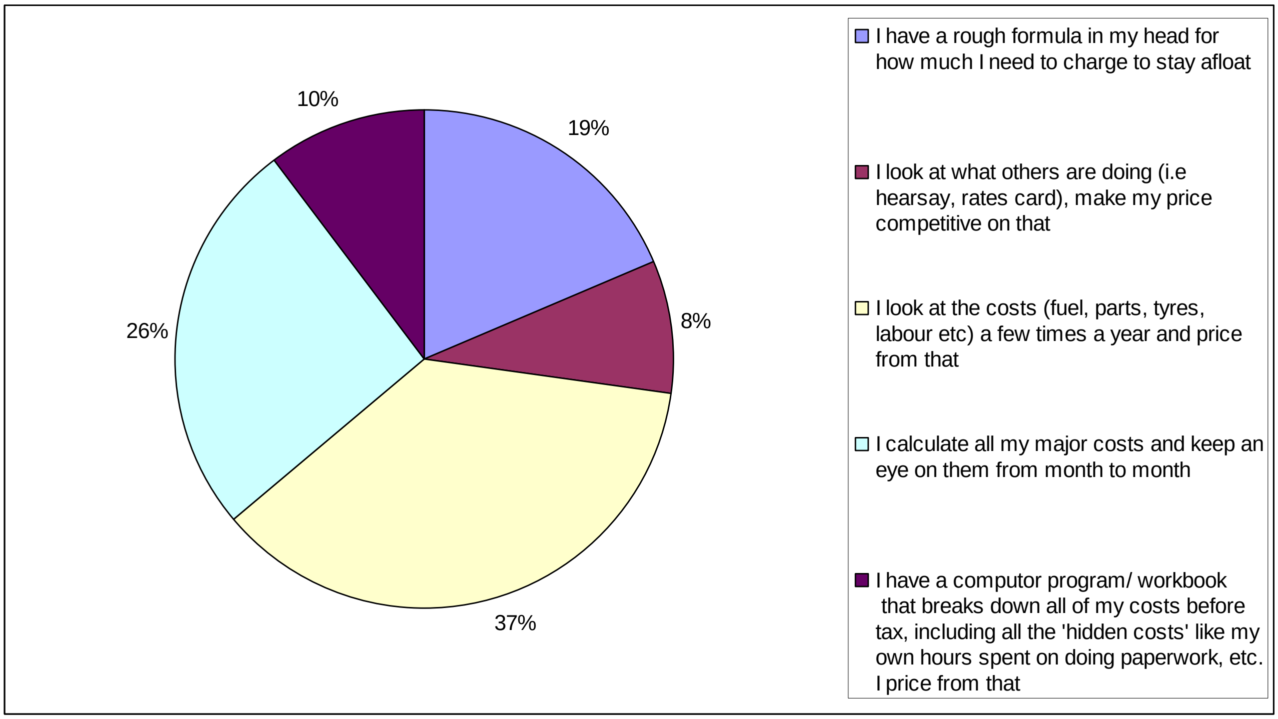


NOTE ON 3.1.50

This question sought advice on where new or upgraded existing rest areas should be placed to best address fatigue management in the heavy vehicle industry. The results indicated a great many sites across Australia (almost as many were nominated as there were respondents) and further collation is occurring to establish whether a prioritisation can occur based on these responses.

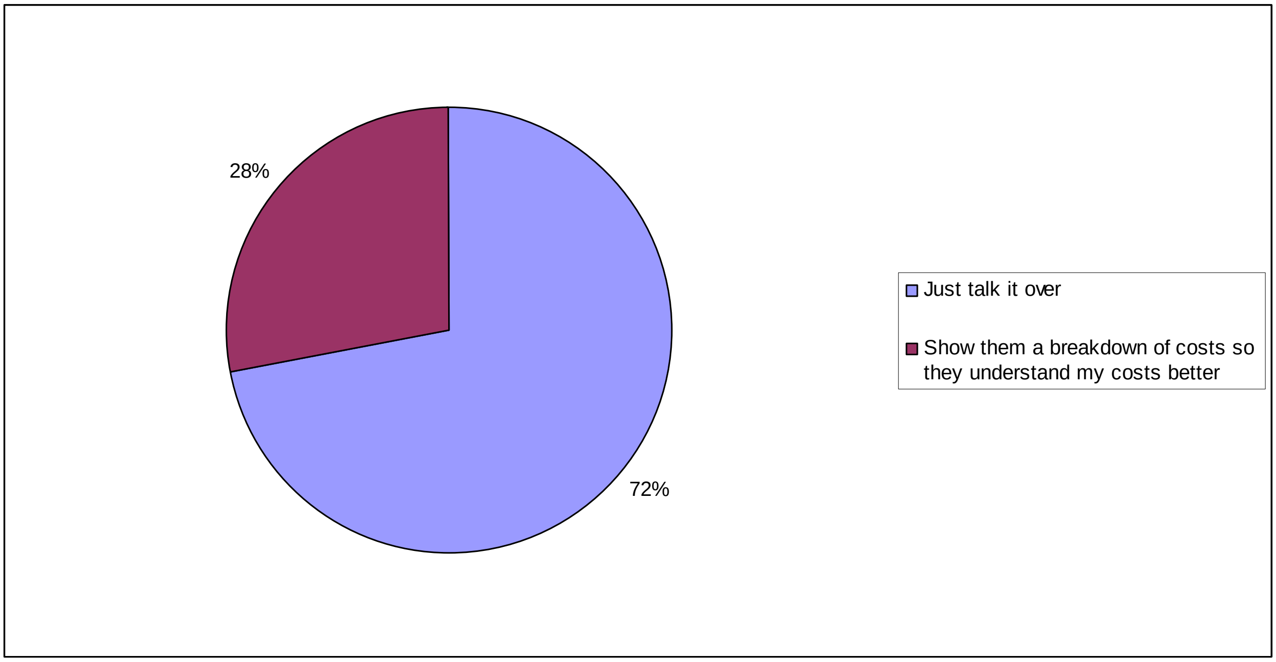
3.1.51: 'When it comes to pricing my jobs…'

Analysis: In posing this question, the ALTA was interested to learn what level of rigour was applied when survey respondents were pricing their jobs. Accurate pricing is a key to any business' success. This result suggests that a little over a third of respondents were applying substantial rigour to managing their costs and pricing decisions, with another third taking a less-rigorous approach which still at least took some notice of shifts in discrete cost inputs, while the remaining third did very little to examine the fundamentals of their business costs and how this affected pricing and profitability.



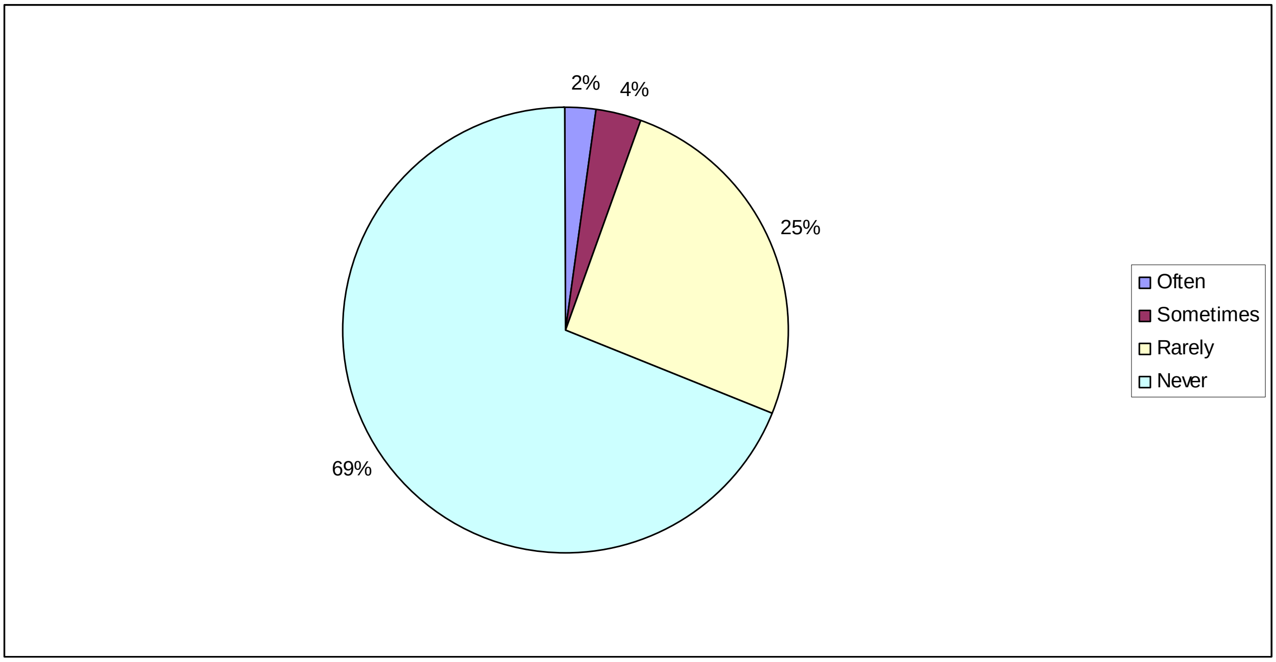
3.1.52: If you review your charges with your customer, do you…

Analysis: This response would perhaps suggest that the same rough portion of respondents who do the most work in mapping, monitoring and analysing discrete cost movements in their business (see question 51 above) are prepared to produce this information for the information of their customers in negotiating price variations. At the same time, the majority of respondents nominating that they would deal with this by 'just talking it over' are perhaps forced into that strategy by not having any accurate way of explaining the cost inputs to their business.



3.1.53: Do you take on jobs that lose money (to win a contract, hold off competitors etc?)

Analysis: As with many other survey outcomes here, the real value in this response will be seen when new data points are added from future surveys, to establish trends on pricing behaviour. Anecdotally, operators taking on jobs at a loss as a 'market share' development or retention strategy is a big cause for concern; it may be interesting to see whether an improvement in education on accurate pricing methods leads to a change in this response pattern at the next survey.



3.1.54: What influences your decision in regard to engine choice? Please rate from 1-5, with 1 most important, 5 least important.

Overall Results in order

1. Reliability

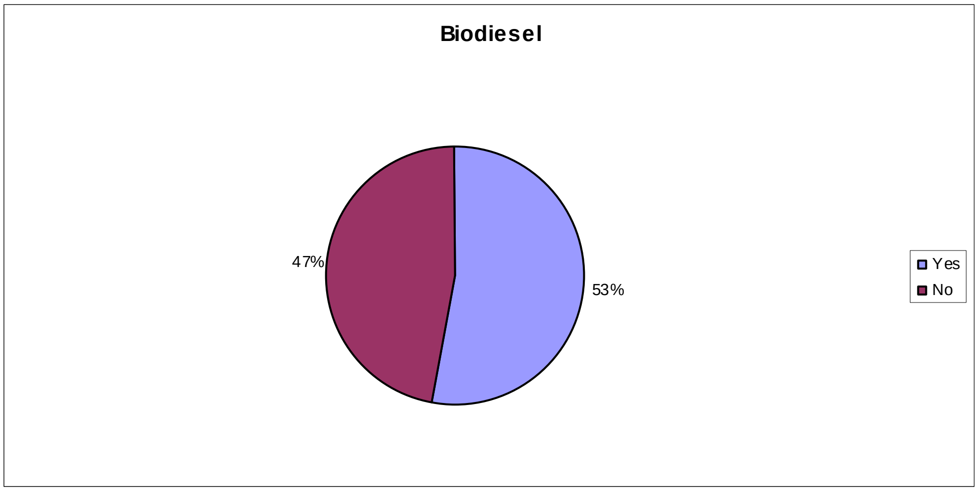
2. Fuel economy

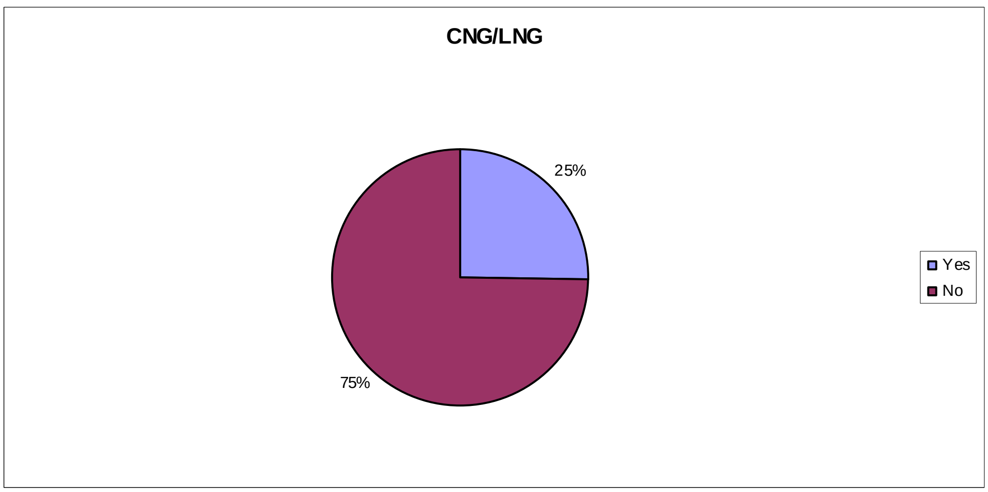
3. Support network

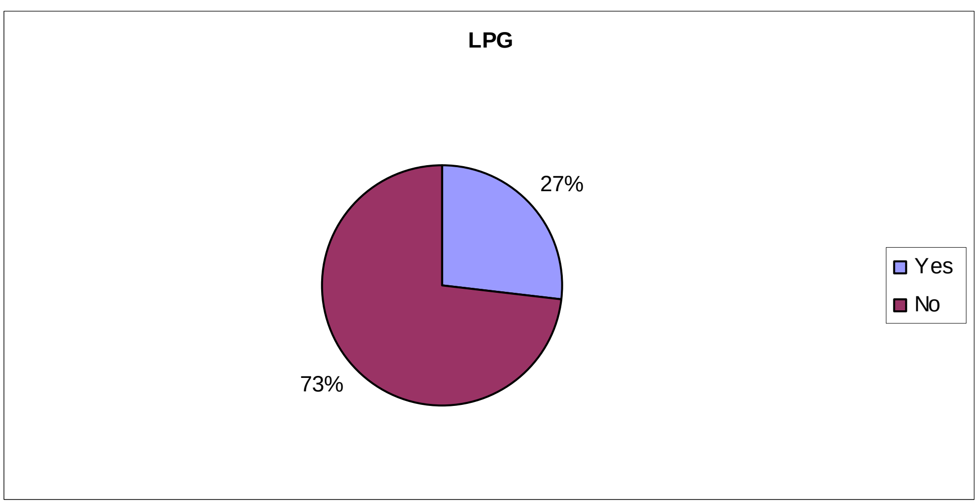
4. Relationship with engine company

5. Other- availability of parts, horse power, dealership- good mechanic for service, other people's experience, performance, power, initial cost and tyre man (only one person suggested each of these responses).

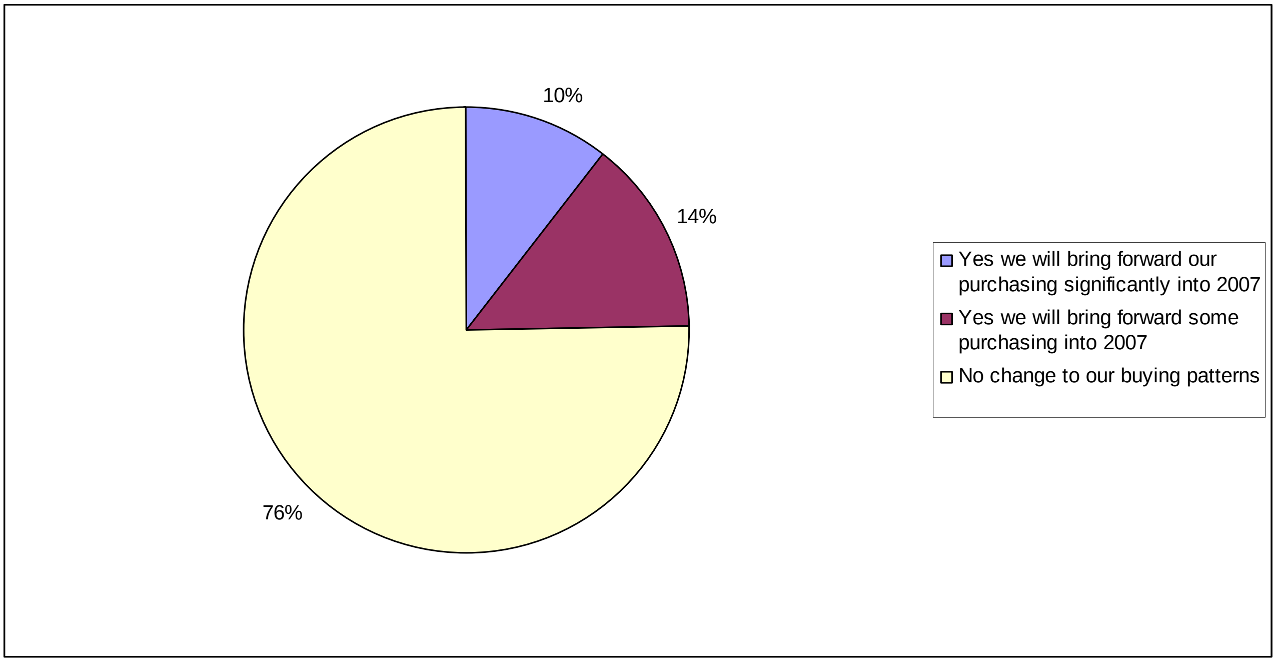
3.1.55: Have you considered the use of any of the following alternate fuels?







3.1.56: Will the upcoming emission regulations legislated for introduction January 1st 2008 affect the timing of your truck purchasing decisions?



4 Success in Achieving Objectives

4.1 Outcomes

The ALTA developed, collated and analysed this survey in an attempt to form a clearer picture based on statistically valid approaches, of what its industry looked like. It has achieved this outcome and this will help the ALTA develop more targeted policies and reform agenda for the future. But the survey has in turn delivered analysis that is of importance to the wider meat and livestock industry in formulating policy and education initiatives into the future, particularly in areas concerning animal welfare and traceability.

5 Conclusions and Recommendations

5.1 Opportunities These Outcomes Present for the Entire Industry

The outcomes from this survey represent the first time that the commercial Australian livestock industry has been surveyed in a comprehensive, targeted way that has produced statistically-representative responses of the industry at large.

As stated earlier in this report, many of the issues to emerge from this exercise are of primary, if not exclusive, interest of the ALTA. The ALTA works on many policy fronts across meat and livestock, grain and freight, logistic and safety policy. This survey improves the knowledge base for these efforts greatly over the coming years.

However, a number of issues within the survey responses have emerged that deserve the full attention of the wider meat and livestock industry. In the ALTA's view, the foremost among these issues are the contributors to poor animal welfare outcomes in commercial stock transport and the remaining shortcomings in the traceability systems operating in the industry. The ALTA hopes that these results will be embraced and understood by MLA and the wider industries that this organisation represents as a way to improve professional outcomes in the Australian meat and livestock sector.

The issues emerging from this report will benefit from trend analysis and this can only occur through repetition of the survey at some point in the coming few years. The ALTA recommends that MLA consider involvement in such an event.