Addressing workforce issues in the road freight sector

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Abstract

This paper outlines some work currently being undertaken by the Victorian Department of Transport, as part of developing a strategy to enhance workforce capability in the road freight sector in Victoria. Actions and recommendations being developed for consideration by Government seem likely to fall into four priority areas, and implementing these will require the support of government, industry or both in collaboration. This paper discusses why skills shortages in Transport and Logistics (T&L) are important, what skills shortages exist or appear to be emerging, and why governments have a legitimate role to play in assisting the industry to address such challenges. Reasons for skills shortages in the road freight sector are briefly explored, and responses being taken to address workforce capability more broadly are also outlined. Some of the complexities of developing and implementing a strategy of this kind include the cross-portfolio nature of the issues to be addressed and the importance of securing engagement and buy-in from a traditional industry.

1 Introduction

Workforce capability is integral to the performance of the economy, including the attainment of social and environmental outcomes. While workforce planning in Transport and Logistics (T&L) is primarily an issue for industry to address, government also has an important role covering cross-portfolio interests. Several government departments (at both national and state levels) exert both a direct and indirect influence over workforce capability in T&L. This paper outlines some current work within the Victorian Department of Transport (DOT), as part of developing a strategy to address workforce capability in the road freight sector in Victoria. This paper is effectively a sequel to the paper entitled Workforce Issues in the Freight Industry, presented at the 31st ATRF (Kazalac, Ramsay and Morris 2008). A Workforce Strategy for Freight Drivers is currently being prepared for the Government's consideration, with actions and recommendations to address workforce issues in this key employment sector, requiring the support of industry and government in collaboration. The recommended actions seem likely to fall into four priority areas, including:

- positioning the road freight sector to compete more effectively for labour;
- broadening the employment base;
- progressing regulatory and policy reform; and
- sustaining a strategic approach to workforce planning.

The global economic crisis has significantly reduced employment requirements and freight activities over the course of developing the strategy. This dramatic change in workforce demand may be thought to have removed the urgency to address workforce challenges in the road freight sector. However, skills shortages are still
evident in this sector, and attention is also being directed to skill shortages in other sectors of T&L, such as the rail industry (with a parliamentary inquiry currently underway in Victoria). There is also a stronger focus by national and state governments on workforce planning and skills in general. Victoria has recently established a Victorian Transport and Logistics Workforce Advisory Group (T&LWAG). This new group will have a pivotal role in assisting with the implementation of policy related to the freight workforce. The group will also provide input to national initiatives to enhance workforce capability in T&L. This allows Victoria to address workforce capability in T&L in a more co-ordinated and collaborative way.

This paper outlines why skills shortages in T&L are important, what shortages exist or appear to be emerging, and why governments have a legitimate role to play in assisting the industry to address such challenges. Reasons for skills shortages in the road freight sector, in particular, are briefly explored. Responses being undertaken for workforce capability more broadly at both national and state government levels are also outlined. The paper then briefly outlines the actions and recommendations likely to be considered in addressing workforce capability in this sector. Finally, there is a discussion of some of the complexities and risks of implementing a strategy to address cross-portfolio issues where the responsibility is shared by many stakeholders.

2 Current and emerging skills shortages in T&L and why they matter

Transport and logistics activities contribute 14.7 per cent to Victorian Gross State Product and create 334,000 jobs across all industry sectors (DOT 2008, page 3). According to an August 2006 industry study by the Australian Logistics Council to establish the size and composition of the T&L workforce in Australia, more than 1.2 million people participated in T&L in Australia at that time. This equated to 13.9 per cent of the national workforce as a whole, with some 23.9 per cent located in Victoria (Apelbaum 2008). These figures provide evidence of the important role T&L plays in the Victorian and Australian economies – and considerably more than is suggested by the 5.5 per cent (or 597,200 employees) employed directly in the T&L industries nationally, as currently recorded in the national accounts (Federal Department of Education, Employment and Workplace Relations {DEEWR} 2009).

Information on skill shortages is largely based on feedback provided by the T&L industry. As part of its advisory role to DEEWR, the Transport and Logistics Industry Skills Council (TLISC) conducts an annual environmental scan of the T&L industry. The scan “…captures and analyses the most recent….industry intelligence…..that identifies existing and emerging skill shortages and training requirements…” (TLISC 2009a, page 3). An accompanying survey (TLISC 2009b) identifies skill shortages in the road transport and warehousing sector in the following categories: truck driver (general, delivery, dangerous goods, tanker and combination vehicle); bus driver; driving instructor; forklift operator; warehouse store person; and despatching and receiving clerk.

While this is a national perspective, it is consistent with the results from surveys undertaken by Workforce Victoria. The 2006 Regional Skills Shortages Survey
identified difficulties in filling many driving occupations within the T&L industry, including truck drivers, freight and furniture handlers, automobile drivers (taxi, hire cars), and bus drivers (DVC 2006).

A difficulty in identifying skills shortages in the road freight sector is the lack of readily available freight-specific information, due in large part to the freight sector crossing other industries besides T&L. This presents difficulties in making the best use of official transport statistics, due to restrictions on the way information from different industry sectors can be cross-tabulated. Transport and logistics activities are undertaken across different industry sectors, but employees engaged in these activities outside transport are not included in the official government statistics of the Transport and Logistics workforce. These employees are defined as ancillary T&L workers. A noteworthy example is the Australian Defence Force, characterised by a permanent transport and logistics workforce of 19,000 personnel (TLISC 2009b). Such ‘under-reporting’ of the T&L workforce has significant implications for the development of policies on workforce planning, with a risk that insufficient importance will be placed on the magnitude and composition of the skills required to service the Australian economy.

![Figure 1 – Structure of the road freight industry (BTRE 2003)](image-url)

The structure of the Australian road freight sector is represented in Figure 1 (Bureau of Transport and Regional Economics {BTRE} 2003). Freight is carried by a mix of ancillary operators, who own the product that they carry, and hire-and-reward operators, who carry freight on behalf of others. Hire-and-reward operators either operate their own fleet – which may include subcontractors – or act as freight forwarders, engaging third parties to carry the freight on their behalf. The road transport sector consists of a few large transport companies, a substantial number of small to medium operators, and a large number of ancillary operators whose main activity is not road freight.
On the basis of the number of trucks used, most road freight is moved by hire-and-reward transport companies; yet most freight vehicles are in fleets that are ancillary to other businesses (BTRE 2003). While ancillary operators account for 86 per cent of the fleets, BTRE (2003) estimated that ancillary operators travel less than half the distance travelled by the hire-and-reward road freight sector. Moreover, grouping fleet size by type of industry reveals that the vast majority of operators use only a single vehicle. There are clearly a large number of businesses operating their own heavy vehicles and employing truck drivers that are not considered to be in the road freight industry (see, for example, ACIL Tasman 2004). The workforce issues identified in this paper are mainly associated with the hire-and-reward sector, although similar issues may be applicable to the ancillary sector. The complex structure of the freight workforce illustrates the difficulties in addressing workforce issues more broadly.

Workforce needs in the road freight sector are also strongly tied to the economic cycle. Until recently, Victoria had experienced years of continued economic growth, with the tight labour market during this period contributing significantly to the difficulty experienced by T&L in competing for labour. Faced with nearly full levels of employment, employers in many industries struggled to find, recruit and retain employees (DVC 2006). The most recent acute shortage of truck drivers was largely due to a combination of a skills shortage and an overall shortage of labour in a tight market. While pressure on labour availability has eased due to the global economic slowdown; skills shortages are still present in some areas.

A workforce strategy for freight drivers in Victoria was identified in the Victorian Government’s freight network strategy, *Freight Futures* (DOT 2008), as part of addressing potential future labour and skill shortages. A critical factor in delivering *Freight Futures* will be the availability and capability of a T&L workforce to meet the demands of future freight growth and associated infrastructure investment, particularly given the impact of ‘downstream’ labour resources upon the delivery of government infrastructure and freight transport services. The strategic importance of the freight sector to the economic productivity of Victoria, and the nation, gives added legitimacy for governments taking on a role in assisting the industry to address this challenge – especially through reducing regulatory impediments; facilitating and coordinating programs and initiatives; and providing information. *Freight Futures* identifies the value in having a workforce strategy for freight drivers and the importance of government’s role in working with industry to address the major workforce issues facing the freight sector. Recently the Victorian government released a new framework entitled *Action for Victoria’s Future* (Victoria 2009). This high level strategic framework highlights the importance of skills and workforce capability by acknowledging the current skills reform agenda and development of *A Workforce Strategy for Freight Drivers*. Workforce issues in T&L are likely to be a key strategic risk for governments in future years. This is due to factors such as an ageing workforce and the industry’s difficulty in competing for labour in general. Given the cyclical nature of economies and the changing landscape of the T&L industry, labour shortages are again likely once the economic situation improves, unless these underlying factors are addressed.
3 Workforce issues in the road freight sector

Labour shortages are a recurring problem for the freight sector and the T&L industry. Truck and train driver shortages, in particular, have been experienced in Victoria’s and Australia’s recent history. This has resulted in the commissioning of various government and industry studies in recent years. Areas of concern such as industry image, and attraction and retention of staff, have all been identified previously as opportunities for strategic intervention (ATA and DEST 2003, TLISC 2005). More recently, the TLISC environmental scan and accompanying survey has highlighted the key challenges for workforce development in the T&L industry as: an ageing demographic; low levels of recruitment of young people; current and emerging skills shortages; globalisation of the labour market; low levels of innovation and poor structural linkages (TLISC 2009a, p.15). Specific priority labour concerns for the road transport sector include: attracting staff with the right mix and levels of skills; retaining staff; and achieving productivity improvements with current staff and current skill levels (TLISC 2009a, page12).

In addition, DOT's work identifies several areas that are the responsibility of government which have the potential to limit the supply of truck drivers. These may require efforts to be made in policy and regulatory reform and in longer-term strategic planning in relation to workforce capability.

3.1 Ageing and narrow workforce demographic

An ageing workforce poses a major challenge in the future for the freight workforce and the T&L industry in general. As detailed in Kazalac et al. (2008), the truck (and freight train) driver workforce is comparatively older than the workforce as a whole. Of particular concern for the freight sector are the higher proportion of drivers older than 55 years of age and the lower proportion of drivers younger than 25 years of age, compared with the workforce overall.

Forecasts of longer term increases in the freight task and an exodus of older freight drivers through retirement are expected to have a significant impact upon the availability of suitably skilled truck and freight train drivers in the future.

There is also a risk in the short term of insufficient freight drivers being available and ‘work ready’ to meet the increased demand for the movement of goods once the economy improves. The older age profile highlights the need to understand the retirement intentions of the workforce, how to better manage an older workforce, and how to recruit new drivers into the industry.

An additional demographic characteristic of the freight sector is the small number of women drivers. Men account for 98 per cent of the Victorian truck-driving workforce (ABS 2009). This older and narrow workforce profile is found Australia wide. Broadening the demographic composition of drivers - to include more women, new migrants, those with culturally diverse backgrounds, youths and the under-employed - would serve this sector well, particularly in regions experiencing persistent skills shortages.
3.2 Difficulty with competing for labour

The freight sector has difficulty in attracting new workers and retaining existing workers (DVC 2006). Significant changes in business practices have also been occurring within the road freight sector, which has made this even more difficult for the smaller operators. Kazalac et al. (2008) identified several factors reducing the T&L industry’s ability to compete in the labour market, including:

- a poor image, not being an industry of choice for potential employees
- weak structural linkages, within the road freight sector and with other parts of T&L
- low priority given to training, both in relation to specific and general skills
- the lack of clear entry points and career pathways through the industry
- working conditions and practices that do not match lifestyle aspirations
- remuneration and its perceived relationship to the demands of the job.

3.3 Barriers to entry to the workforce

Other factors exert an impact on workforce capability by influencing entry into employment in the road freight sector and mobility of the workforce.

3.3.1 Heavy vehicle licensing

There is a national agreement in place between all transport ministers to operate the same Graduated Licensing Scheme (GLS) across Australia. Consequently, graduated licensing schemes pertaining to heavy vehicles are administered in a similar way in all Australian States and Territories. A key feature of these schemes is that a candidate for a heavy vehicle licence must hold relevant pre-requisite licences for prescribed periods before being eligible to apply for a higher licence. This increases the minimum age of drivers of heavy vehicles. Achieving and maintaining positive road safety outcomes is the justification for this graduated approach to heavy vehicle licensing.

Some key industry stakeholders consider that the GLS acts as a barrier to young and new drivers entering their workforce, as by the time young adults reach heavy vehicle licensing age, they are often already established in an alternative career. For career changers, the long period of time required to be served can deter them from considering truck driving as an alternative career option.

Given industry’s concerns about “this barrier to entry”, there would seem to be merit in evaluating the experience and road safety outcomes in overseas countries, such as the UK, where structured driver training and assessments have been embedded in apprenticeships to facilitate young drivers obtaining heavy vehicle licences at an earlier age. Underpinning the GLS with competency and training (and linking this with ongoing professional development), needs to be fully evaluated to ensure that road safety outcomes are not compromised. However, it is important not to overlook the potential of such reforms to deliver benefits, such as assisting with improving the sector’s image and improving social and environmental outcomes (if linked to enhancing employment opportunities for younger people and improving other competencies, such as eco-driving).
3.3.2 Regulation

Over the past 12 months, heavy vehicles have featured strongly on the Federal Government’s Reform Agenda. In July 2009 the Council of Australian Governments (COAG) endorsed a proposal to establish a single national heavy vehicle regulator within the next few years. Complementary work is also being progressed through COAG to introduce a formal licensing system for a broader range of transport workers and other specified occupations.

3.3.3 Occupational mobility

Transferability of skill sets and qualifications from other industries (e.g. armed services, manufacturing) is also relevant to workforce capability in T&L. Occupational mobility assists in addressing skills and labour shortages through a transfer affect (i.e. a simple movement of labour or skills shortage from one industry to another or one region to another). In a recent project examining the occupational mobility of jobs within the T&L industry, TLISC (2008) identified many other industries which are strongly related to the T&L industry because of the nature of the supply chain. Some major industries (such as defence, wholesale and retail, tourism and hospitality and ‘agrifood’) provide skilled and semi-skilled labour to the T&L industry. On the flip side, the T&L industry often provides skilled and semi-skilled labour to other industries such as mining, resources and infrastructure, building and construction, forestry and tourism and hospitality (TLISC 2008, page 23).

Over time, skills shortages may be alleviated through a stronger alliance with ancillary industries and sectors. This may create better pathways for recognition of prior learning and provide information to employees about opportunities to increase their occupational mobility and develop their career.

4 Wider policy context

Addressing the workforce planning and skills development needs of freight drivers is primarily an issue for industry. However, several government departments at both State and Commonwealth levels exert an influence directly and indirectly over workforce capability in the T&L industry. Government’s influence is particularly evident through regulation of the Heavy Vehicle sector with regard to Occupational Health & Safety (OH&S), graduated licensing schemes, registration and accreditation. Provision of resources to higher education, vocational education and training, and funding training packages for industry and migration policy, are further areas of government influence. The T&L industry is also strongly shaped by transport departments and agencies, through their high-level policy goals, strategic planning activities, and transport infrastructure investment decisions. State and Commonwealth government climate change policies will also influence how the T&L industry operates in future. Local councils also exert political influence over the routes being used for transporting freight (e.g. the inner western suburbs of Melbourne), the vehicles used (e.g. Environmental Freight Zones in areas such as the City of Melbourne and the Port of Melbourne) or assistance in recruiting truck drivers to address regional shortages (e.g. Wellington Shire in East Gippsland).
As noted, skills shortages have been gaining national policy attention in recent years. The Senate Inquiry into workforce challenges in the transport industry (Parliament of Australia 2007) raised the profile of this issue on a national level. A national transport policy framework is currently being developed under the auspices of the Australian Transport Council (ATC), and this provides a new forum for addressing skills and labour shortages, heavy vehicle licensing and other related issues to be discussed. Of particular relevance are two working groups, one of which is focussing on workforce planning and skills in the T&L sector, and another is addressing governance issues, including regulatory reform in heavy vehicle transport. These have been brought under the control of the Standing Committee on Transport’s (SCOT) Network Performance Standing Sub Committee.

4.1 National transport policy framework

Engaging the industry has been a key initial priority of the national approach. In November 2008, Transport Ministers agreed to establish Transport and Logistics Workforce Advisory Groups (T&LWAGs) in the States and Territories, based on the successful model developed by Queensland Transport’s Industry Capability Unit. The State and Territory advisory groups are expected to progress workforce planning and skills development within their own jurisdictions and provide input to the national exercise. These advisory groups are intended to create a collaborative mechanism for identifying priorities and addressing workforce issues (such as access to training and skills development and retention of employees) in the T&L industry (ATC 2008).

In late April 2009, the Minister for Roads and Ports in Victoria approved the establishment of the Victorian T&LWAG under the auspices of the Victorian Freight and Logistics Council (VFLC). The VFLC is an independent industry advisory body, set up to provide advice to government on the development, planning, regulation and operation of freight and logistics transport, infrastructure and services in Victoria within the context of the overall national scene. The Victorian T&LWAG will cover all transport modes including rail, air, sea and road, and examine workforce capability issues in both freight and passenger transport. The first meeting of the Victorian T&LWAG was held in late July 2009.

This new group is likely to assist the implementation of A Workforce Strategy for Freight Drivers once approved by the Victorian Government. There are strong synergies between the various sectors of the T&L industry (an example being the common problems in competing for labour). As such the freight workforce strategy is expected to have relevance to other parts of T&L (and hence for addressing workforce issues in other transport sectors). The Victorian T&LWAG should play an advisory role to the State government on the preparation of a response to recommendations arising from the current parliamentary inquiry into skill shortages in the rail industry.

Workforce capability within the freight sector is also being considered in other parts of government at the national level. The research program released by the Bureau of Infrastructure, Transport and Regional Economics (BITRE) in January 2009 indicates a project on “Freight Transport Workforce Analysis”, which is scheduled for completion in late 2009.
4.2 Skills Reform

Current high levels of unemployment have served to increase the focus on skills reform and investment in training, with both the Victorian and Australian governments making large investments in these areas. These efforts include enhancing the role of the Industry Skills Councils and creating additional training places for industry.

The Victorian government released a skills reform agenda titled *Securing Jobs for Your Future – Skills for Victoria*, which is managed by the Department of Innovation, Industry and Regional Development (DIIRD 2008b). The investment now being made in training and skills reforms is one of the largest of its kind. This policy is intended to be demand driven, and hence it is imperative that the needs of industry are understood and reflected in the packages offered. From the perspective of the T&L industry, the success of this investment will inevitably be measured by the take up of opportunities under the new policy – specifically, through the numbers of new recruits and existing employees securing funded places to appropriate courses and programs for up-skilling. For new entrants, the demand driven model does not necessarily relate to industry need, but rather the applicants’ need. Understanding industry’s needs is also vital for finetuning the delivery of training over time.

**Table 1 – Relevant programs in Securing Jobs for Your Future – Skills for Victoria**

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<tr>
<th>Victorian Training Guarantee</th>
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<tr>
<td><strong>For people aged up to 20:</strong> The Victorian government will subsidise places for training at any qualification level.</td>
</tr>
<tr>
<td><strong>For people aged 20 and over:</strong> The Victorian government will subsidise places for training at the foundation skills level and for any qualification higher than the qualifications already held by the individual. For example, an individual holding a Certificate III will be eligible for a subsidised place at a Certificate IV, Diploma or Advanced Diploma (DIIRD 2008b, page 15)</td>
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<tr>
<th>Skills for Growth: The Workforce Development Program</th>
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<tr>
<td>The Workforce Development program is available free of charge to all small to medium sized businesses in Victoria to address the skill needs and the relevant training needs of their business and workforce. $52 million over three years has been allocated towards this important program.</td>
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<tr>
<td>Businesses can expect the following from the service providers delivering this program:</td>
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<td>- undertaking a strategic business diagnostic assessment;</td>
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<td>- identifying business goals and objectives;</td>
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<td>- assessing the skill needs of the business and its employees;</td>
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<tr>
<td>- tailoring a workforce training and development plan for the business; and</td>
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<tr>
<td>- assisting the placement of staff into accredited training.</td>
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<tr>
<th>More teachers, more skills – Industry experts as teachers</th>
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<tr>
<td>Skills for Victoria will fund the training of 250 industry experts to the level of Certificate IV in Training and Assessment to certify competence in delivery and assessment (DIIRD 2008b, page 27).</td>
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Within *Securing Jobs for Your Future – Skills for Victoria*, the three specific initiatives most relevant for the T&L industry are detailed in Table 1. The skills reform packages allow for redundant workers to access funded training to facilitate their transition into occupations in demand in the T&L industry. Furthermore, individuals and businesses may be assisted in accessing consultants who have expert advice on the Victorian training system.

The Victorian T&LWAG appears to be well placed to assist in the implementation of skills reform packages, by creating greater awareness about available training opportunities among the T&L industry, and by providing industry views and knowledge to government departments.

5 Addressing the issues

5.1 Positioning the road freight sector to compete more effectively for labour

This potentially includes facilitating cultural change within the road freight sector, including increasing the recognition of the importance of training, promoting a positive and contemporary image, (with a consistent T&L branding), creating clearer training and career pathways, introducing more flexible and innovative work practices and working arrangements to improve working conditions and improving workplace amenity. Remuneration is a separate lever to attract or retain staff and is certainly quite a different consideration to training and skills development, but is nonetheless highly important.

5.2 Broadening the employment base

This potentially includes: strategies to retain experienced and older workers; increasing the pool of workers with targeted employment programs to recruit women, indigenous workers and school leavers; developing stronger links (including career programs) with the ancillary sector and other relevant industries; developing best practice case studies demonstrating innovative recruitment strategies and knowledge sharing; and developing cadetships and apprenticeships (including rotation schemes catering for smaller operators).

5.3 Progressing regulatory and policy reform

This is largely about removing barriers to entry into the workforce. It potentially includes:

- examining skilled migration criteria as possible solutions for addressing persistent skills shortages in regional areas or the longer term;
- reviewing international experience (including road safety outcomes) associated with graduated licensing schemes underpinned with competency-based training and experience;
- ensuring that accreditation and other proposed schemes do not impose an unnecessary burden on the road freight sector; and
- facilitating greater occupational mobility within the T&L industry and among other industry sectors.
5.4 Sustaining a strategic approach to workforce planning

Sustaining a more systematic, strategic and longer term approach to workforce planning in the road freight sector and the broader T&L industry is vital. Relevant actions include establishing appropriate high level cross portfolio oversight for the activities of the T&LWAG, facilitating appropriate levels of ‘buy-in’ by key stakeholders in longer term strategic planning, improving data collection and reporting (especially at a regional level and in a form that enables cross-tabulation with other industry sectors), conducting research, and longer term forecasting to augment information on skill shortages collected by industry with trends in other key drivers.

The responsibility for tackling many of these major workforce issues rests primarily with the T&L industry. This is particularly so for actions under the first and second themes.

There is scope, however, for government to work in partnership with industry to provide initial seed funding for practical programs and initiatives to enhance workforce capability (and demonstrate the value to industry of undertaking workforce planning). Targeted local programs lend themselves to a partnership approach and are likely to increase the uptake of employment and training and have an impact on building a more positive industry image. The industry would benefit from diversifying its employment base - by attracting youths, retraining mature-aged workers from other industries, and supporting women and culturally diverse and indigenous people to enter the T&L industry.

There is an opportunity to progress and raise awareness of these approaches through the T&LWAG. Two initial projects have been developed, with funding allocated from the Freight and Logistics Division within DOT and Workforce Victoria within DIIRD. One of these projects will be in a regional area (focussing on indigenous job seekers), and the other in metropolitan Melbourne (assisting culturally and linguistically diverse or CALD job seekers).

DOT’s funding of these projects is being channelled through the VFLC, so that the government’s seed funding can be leveraged directly with industry through the VFLC’s membership, assisting industry to see the direct benefits of targeting a wider employee base. It is, after all, up to industry to seek a wider employee base, provide training and a suitable work environment to retain workers in the current employment market. The value of demonstration projects based on strong local partnerships has already been proven through existing workforce participation programs run by Workforce Victoria.

Another role for government is progressing regulatory and policy reform to reduce impediments and facilitate efficient business operations. Concerns have been consistently raised through the various rounds of stakeholder consultation about the need for governments to consider more fully the impacts of new regulations and procedures on industry. This includes concerns about the allegedly onerous nature of compliance tools and regulatory reform. The diverse nature of the road freight sector, described in Section 2, should be considered when developing policies or regulations intended for this sector.
The Victorian T&LWAG offers a mechanism for developing and overseeing collaborative initiatives involving industry and government and will provide a stronger interface between the T&L workforce, skills reform initiatives and key State departments (including DOT and DIIRD) than has existed previously. Ultimately, genuine collaboration and a willingness to work together will be the key ingredients for success. Matters of policy and strategy will require State government endorsement.

6 Implementing the strategy – complexities, barriers and limitations

Developing policy is a complex process for a sector such as road freight where extensive consultation is needed to identify the key challenges and to formulate appropriate responses for the future. Added to this is the difficulty of clearly identifying what the respective roles of industry and government should be in relation to workforce planning, even if there is agreement that this is a shared responsibility. The overlap between workforce planning and industrial relations issues is an additional complexity. Furthermore, the range of key stakeholders involved (including several different levels of government) requires extensive consultation within and between government, as well as the need to understand and respect existing relationships and sensitivities within the industry. Paradoxically, undertaking policy reform is sometimes more difficult in cases where existing mechanisms are in place, rather than working with a clear canvas.

Additional barriers include the limitations of available data outlined earlier, and the fact that some workforce planning initiatives (such as cultural change) can only be undertaken over the longer term. Fragmented relationships within the road freight industry across state borders also add to the difficulty of progressing national efforts on workforce capability. The opportunity now exists to address some of these issues through the working groups developing national transport policy.

7 Conclusion

Traditionally ‘downstream’ skills shortages in the transport sector have not been recognised as having a direct impact on the performance of transport departments and agencies. There is now much greater recognition of the importance and potential impacts of skills shortages in the T&L industry. This is reflected in the recent formation of the Victorian T&LWAG and identification of workforce issues in Freight Futures, as part of an increasing national focus on workforce capability in T&L. This paper illustrates some of the challenges of developing a strategy that requires cross-departmental support, extensive consultation involving several levels of government and multiple stakeholders, as well as strong engagement and buy-in from industry – the ultimate ‘customers’ as employers of the future. Some of the complexities of working in this policy space include managing the shared responsibility for addressing workforce capability, the need to engage with a broad range of stakeholders, and a lack of specific cross-sectoral information giving an accurate picture of T&L workforce needs and issues.


References


