



PROFESSIONAL TRUCK DRIVER - SHORTAGE -

How driver availability impacts the
transport industry & Australian society

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VOLVO
Volvo Group Australia

CLEMENGER **BBDO**

FOREWORD

Road transport is the lifeblood of this country, with over 75% of non-bulk domestic freight transported via our roads, and by 2030 the road freight task is set to double. Alarming, we are faced with the very real prospect of not having enough professional truck drivers to cater for this demand. The professional truck driver population is aging, and without enough young men and women entering the industry we may fail to meet our future freight demands.

As the leading manufacturer of heavy vehicles in Australia, Volvo Group Australia is addressing the looming issue regarding the availability of professional truck drivers; an issue that will ultimately affect Australian society at large. Volvo Group Australia commissioned Clemenger BBDO to conduct both qualitative and quantitative research into the availability of professional truck drivers, surveying nearly 600 industry representatives whom collectively employ almost 34,000 professional truck drivers. The results contained within this report are irrefutable, and highlight the need to dramatically improve society's perception of the industry, and urgently attract young men and women to the trade of a professional truck driver.



This report recognises that the role of a truck driver has changed over time, with transport companies today wanting drivers who are ambassadors for the organisation, who take pride in what they do, and are professional, more so than drivers with extensive mechanical knowledge. Overwhelmingly, the respondents feel that the public's perception of professional truck drivers is predominately negative, out-dated, unwarranted, and directly impacts the number of professional drivers available.

Whilst it will require a collective industry effort, Volvo Group Australia is committed to actively addressing the issue of professional truck driver availability, initially focusing on communication and education/certification. Volvo Group Australia will leverage its industry-leading position to positively promote the trade of a professional truck driver, and in 2017 will establish a Volvo Group Australia Driver Academy that will provide the necessary training to transform heavy-vehicle licence holders into professional truck drivers. Volvo Group Australia is also proudly partnering with the Pilbara Heavy Haulage Girls, a heavy-vehicle driving academy from the Pilbara region providing a gateway for women into the industry as professional drivers.

Thank you for taking the time to read this report, and I sincerely hope you find it valuable. I strongly believe that '*without truck DRIVERS, Australia stops*', and collectively we can change the way professional truck drivers are perceived by society, hopefully resulting in more professional truck drivers entering our progressive and dynamic industry.

Best regards,

A handwritten signature in black ink, appearing to read "Peter Voorhoeve".

Peter Voorhoeve

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SUMMARY OF KEY FINDINGS

- Overwhelmingly, trucking industry representations believe the issue of driver availability is real and is currently affecting their ability to find both the quantity and quality of drivers required.
- The issue of the shortage of quality drivers is believed to be strongly influenced by the current perspective of driver image.
- Driver image is seen to be:
 - Not reflecting the recent positive change in driver professionals - it is stuck in the past in the minds of the general public and the media
 - A function of the low attractiveness of truck driving as a profession
 - A result of the gap between the age of school leavers (16 to 18 years) and the time they are able to enter the workforce as a licensed truck driver
 - Influenced by the negative aspects of the job – long hours, away from home, stress and low pay
 - A narrow perspective, without diversity or inclusion
- Most trucking firms are actively working to improve driver image, such as:
 - The introduction of strict uniforms, or the application of certain restrictions in dress-codes, such as collared shirts, no singlets or thongs
 - Prioritise the aesthetics and performance of trucks through technology and innovation
 - Promoting internal pride through internal awards, or public recognition
 - Improving accountability through monitoring behaviours, such as dash cams, GPS, fatigue trackers and telematics systems
 - Positioning drivers as their salesforce and ambassadors, and hiring people that are fit for this role
 - Promoting work-life balance to increase employee satisfaction and potentially diversify the workforce
 - Paying hourly rates
- Overwhelmingly drivers are seen as essential to the Australian society at large.
- There is strong support for industry action to find a solution to the declining workforce, such as:
 - A formalised trade accreditation program for heavy duty driving professionals
 - On the job training with new drivers entering the industry
 - Changing the general public's outdated perception of truck drivers to more accurately reflect reality
- To change the trend of driver shortage and prevent the potential impacts on Australia's future, all audiences must contribute; including the media, the general public the government and those within the industry.

INTRODUCTION

Road freight transport is critical to the continued growth, prosperity and welfare of Australia. Due to the vast land size and dispersed population, Australia is heavily dependent on road transport, with over 75% of non-bulk domestic freight carried on roads.¹ And this demand is only expected to considerably increase, with a predicted doubling of freight demands from 2010 to 2030.²

However, despite demand increases, the heavy vehicle industry is currently under pressure from severe driver shortages and an image problem. The low numbers of youth, females and indigenous Australians entering the industry has resulted in a workforce lacking in the diversity to help meet labour demands. It has been suggested that the rate of recruitment will need to increase by 150% in order to account for the simultaneous pressures of increased road freight services demand and the loss of retiring drivers.³

There have been two key factors attributed to the driver shortage (also referred to as the issue of driver availability), one is a negative driver image and the second a lack of driver training. This includes but is not limited to the following issues:

- Truck driving is not perceived as a desirable profession due to being away from home, long hours, work/life balance, pay and negative perception in the media.
- Barriers for younger drivers, such as limited training opportunities, no nationally recognised qualification, high cost of obtaining a heavy vehicle licence, limited progression of licence classes and limited flexibility in work hours.
- Higher insurance premiums creating a barrier for employers to employ younger drivers.
- Barriers for female drivers, such as the lack of female-friendly amenities and limited flexible work hours for parents.

The potential impacts of a lack of driver availability highlights the need to improve the perception of the industry and the image of the profession to attract younger and female drivers.

To better understand the issue of driver image and its effect on driver availability, Volvo Group Australia in collaboration with communications and research agency Clemenger BBDO conducted research across Australia. This included in-depth phone interviews with 20 participants and an online quantitative survey of 547 industry representatives.

This Report provides timely insights into the decreasing number of truck drivers entering the industry. It shows that despite improving working conditions and industry innovations, the industry is still combatting negative public perception.

The research identified:

- The reality of driver shortage in the industry
- A clear issue with driver image in Australia
- The importance of the driver availability issue to the industry
- The influences towards and effects of negative driver image
- A strong appetite for the industry to help in finding a solution to the driver shortage
- A range of initiatives to help in resolving the driver availability issue

¹ Commonwealth of Australia, 2014, *Trends: Infrastructure and Transport to 2030*, p.10

² ATA, 2014, *ATA Submission: Australian Workforce and Productivity Agency - Skilled Occupation List for 2014*, p.3

³ Department of Transport Victoria, 2010, *A workforce strategy for road freight drivers*, p.4

THE INDUSTRY SAMPLE



Participants in the survey included a broad range of representatives from the Australian transport community, such as Managers, Company Owners, Drivers, Mechanics and various Employers. While predominantly (97%) based in Australia, there was also response from customers from New Zealand, Singapore, Thailand and the United States.

Collectively, respondents indicated that their companies had a total number of almost 34,000 drivers. However, as seen in Figure 1, while some participant's organisations had over 1000 drivers (1%), 50% had fewer than 10 drivers and 78% had fewer than 50 drivers.

When looking at who makes up the Australian industry further it was found that the sample was reflective of the concerns in industry reports. As seen in Figure 2, 48% of participants said their organisation had at least one driver under the age of 30, but these drivers accounted for only 18% of their organisation's total drivers. 24% of participant's organisations had a female driver and this accounted for only 3% of their organisation's driving workforce.

Figure 1: Number of Drivers in the organisation

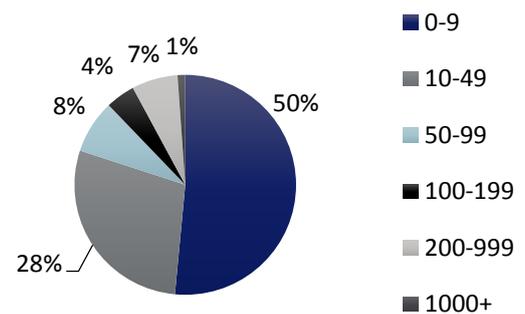
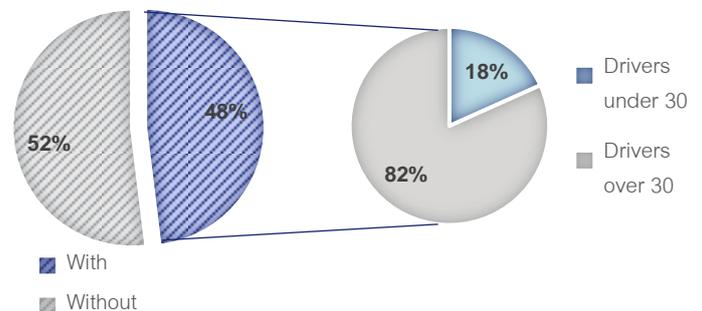


Figure 2: Organisations with drivers under 30

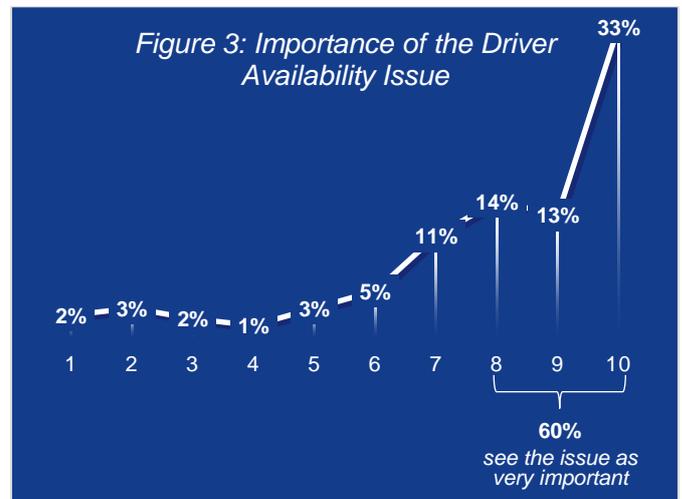


DRIVER AVAILABILITY IN THE INDUSTRY



While conducting the first phase of exploratory interviews it was quickly identified that employers find it difficult to get not just the quantity but particularly the quality of drivers desired. This was supported when explored further with the larger respondent base. 52% reported having issues attracting the quantity of drivers needed and 82% have issues attracting the quality of drivers they expect. These issues are becoming a tangible problem for the industry, with 46% of respondents experiencing a driver shortage right now.

Driver availability is an issue very important to respondents. In fact, as seen in Figure 3, when asked to rate it from 1 (not at all important) to 10 (extremely important) 33% of respondents gave the level of importance the highest score possible and 60% rate it as very important (from 8 to 10).



The industry understands the seriousness of driver availability for freight transport. In fact 94% agree with the statement 'Without truck drivers, Australia stops'. In an attempt to solve the issues of driver availability, respondents strongly support finding pathways for young people to get into the industry (90%) and for the industry to do more to improve driver image (92%).

Attracting School Leavers

School leavers who decide to take a path other than university may decide to do an apprenticeship or TAFE course. However, as there is no set course or typically travelled path to truck driving, this means that many will take employment in other areas before they reach the age of 25 when they can legally start driving.

“It is hard to bring young drivers into a business now and bring them up through the ranks because most trucking companies no longer have small trucks which is where young drivers normally start their career.”

It was suggested that other transitional jobs that involve training and education in the industry would help bridge this gap. For example, this could be working in the Volvo Group Australia factory or dealerships as mechanics, transitioning to driving.

Also, the industry is encouraging study in mechanical trades with work experience at trucking companies to introduce young people to the industry.

“The single most important factor is ability, drivers need to start in the workshop and understand the workings of their equipment.”

It was identified that learning to drive used to be something that was passed down from father to son. Families with truck drivers would teach their children the full spectrum that encompassed being a good driver including the basics of mechanics to safety on the roads.

“In the old days it was father to son training, or family tradition you learnt from an early age.”

While this is no longer practiced in this day and age due to important OH&S legislation, it was felt that the care and dedication that parents would apply to teaching their children is not truly replaced by the options for training for new drivers today.

The key point respondents emphasised is the need for young people to be introduced to the industry early to spark interest in a potential career.

Also mentioned frequently were the constraints that increased insurance put on employers hiring younger drivers.

“There needs to be more effort put towards young people being encouraged to drive as a profession without penalties on insurance...”

“Insurance restrictions and excesses limit opportunities for young people to enter the industry.”

Industry Diversity

While respondents stated that recruitment is conducted without discrimination and most are open to a more diverse workforce, few have formal policies to increase the diversity of their workforce.

Respondents are aware of the lack of diversity in their workforce; however right now, it's not a top-of-mind priority because respondents don't see how the systemic issues can be overcome on a large scale.

These include issues such as:

- The long working hours/ away from home
- The nature/physicality of the job
- Outdated and stereotyped societal perception of who is a truck driver

THE ISSUE OF DRIVER IMAGE

88%

Believe there is a **negative image** of truck drivers in Australia

77%

Believe that driver image in Australia is **outdated**

72%

Get **frustrated** with the perception of driver image by those outside the transport industry

Companies today understand that good employees are not just important to business, they're essential. Employees are the heart and soul of a business; they are the mechanism that makes a business run; they are the lasting impression customers have.

When a business is challenged with poor employee behaviour, this can affect an employer by driving down sales, cost the company unwanted expenses due to negligence of the equipment/gear and most importantly affect the relationship a company has with their customers.

The sentiment of driver importance was echoed in the initial and further research conducted, where one General Manager even identified that:

"My drivers are more important than my customers."

However, when it is a perception of truck drivers and the profession that drives negative stigmas and low employment desirability, the issue becomes much more complicated than simply finding the best people for the role.

While the industry has improved as a whole, the public's perception is still based on old behaviours and is not reflective of the industry today.

"Transport Operators and Drivers are amongst the hardest working, most conscientious and professional workers in Australia. The vast majority take an enormous amount of pride in what they do and are very customer and safety conscious."

"Blue singlets are not the norm anymore."

"Most Drivers have changed into professionals embracing new modern trucks."

88% of respondents felt that there is still a negative image of truck drivers in Australia.

"At times treated like second class citizens."

"Everyone thinks truck drivers are cowboys and are unsafe on the roads."

"It is widely considered that it is an industry that accepts persons with a lower level of education and moral standards."

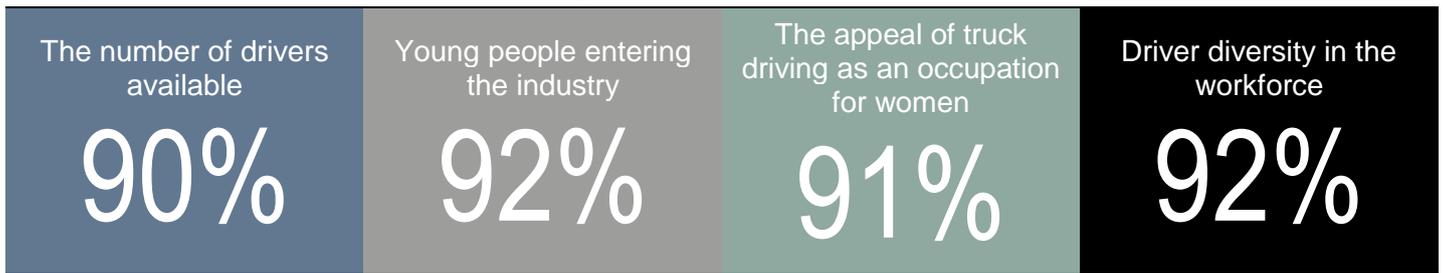
This negative perception is not conducive to a proud, professional workforce and can create a sense of shame with employees.

"I have felt that you are looked at in a different way once you tell people what you do."

"I was embarrassed sometimes – I would dread when people asked me what I do."

"I am ridiculed or told that 'you are better than that, re-educate'."

Respondents believe that driver image influences:



This misalignment in perception is attributed to a lack of understanding of truck drivers and the industry and the continuous attacks from the media.

The overall feeling is that the mainstream media contribute to the negative image of truck drivers. This has been attributed to the desire for a sensationalised news story where bad news means big news. It's also viewed as lazy journalism where reporters will look for an easy scape-goat rather than investigating thorough facts in any story.

While most respondents have negative opinions of the mainstream media in relation to the media's portrayal of the industry, it was suggested by a few that they had made contacts within the media, to try and maintain a positive relationship with their organisation.

There is significant opportunity to work with the media to promote the positive industry and driver image.

"Many non-transport industry professionals merely use stereotypes and generalisations of the transport industry rather than conducting any meaningful research."

"The media has made us out very badly where as in my younger days my dad and the other drivers were big men I looked up to."

Understanding begins with a well-educated general public, such as:

- How to drive around trucks - be safe but not afraid
- How trucks enable us to live and function as a society - the food we eat and the clothes we wear

- The vital role of the trucking industry to the Australian economy
- Reality of truck statistics and the industry today

"People who don't understand road transport don't understand driver capabilities."

"There's a real lack of understanding how stock arrives in shops and how property and infrastructure is built."

"Some sort of publicity campaign is needed to educate the general public about the importance of trucking in Australia, highlighting that the daily items we consume rely heavily on the trucking industry and to promote the profession as a career path for young school leavers."

"I am continually espousing the accident statistics which show that truck drivers are hugely misrepresented in at-fault accidents."

It was also acknowledged however, that there are some outliers who let the industry down and perpetuate the negative image.

"They think all drivers are the same based on some bad 'apples'."

"I think the small number of unprofessional drivers unfairly tarnishes the professional majority."

The issue of driver image is of strong importance to the industry (63%) as it is able to:

- Influence driver availability (90%)
- Attract young people to the industry (92%)
- Create appeal as an occupation for women (91%)
- Increase driver diversity in the workforce (92%)

LOOKING TO A SOLUTION FOR THE FUTURE

In moving towards resolving the issue of driver availability and driver image, all audiences: the industry, the general public, the media and the government must be part of the solution.

This includes:

The Industry:

- More comprehensive driver training encompassing the full scope of skills.
- Consistency across the industry with standards of accountability and regulations.
- More employee empowerment and sales force repositioning
- Focus on a program for school leavers, such as an apprenticeship program.
- Raise the profile of truck driving as a profession.
- Expand and improve the image of truck drivers and the profession.

The Government:

- Consideration of policies to support positive driver image and new employee and youth entrants.
- Consideration of reduction in regulation to allow for career flexibility.

The media:

- Find good new stories and remove the tendency to attack/blame truck drivers and the industry.
- Well researched journalism, based on proven statistics.
- Set the record straight on truck driver road safety records.



Outcomes:

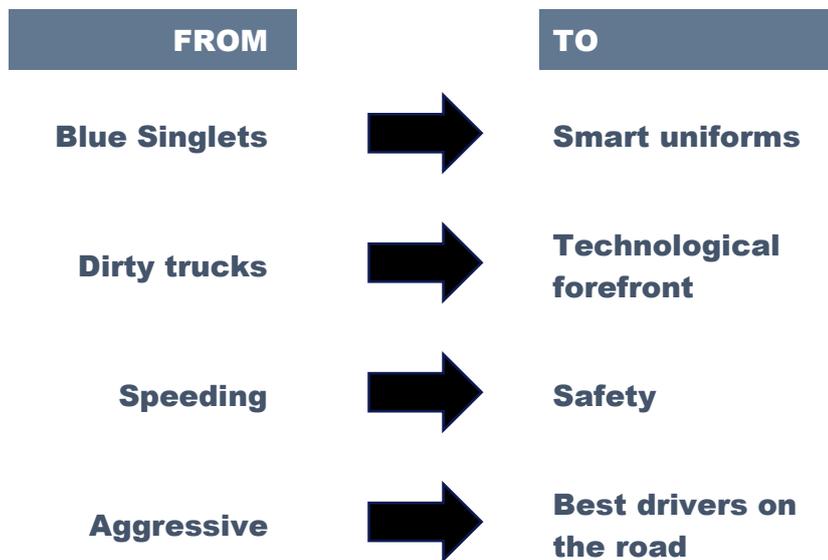
- Recognises the industry and its contribution to Australian society and economy.
- See truck driving as a more attractive profession.
- Increased education around trucks –difference in driving compared to cars, desired behaviour around trucks.
- Increased safety around trucks is taught in driver education.
- Shift in perceptions to show the industry as it is now, not what it has been.

Industry Initiatives

The industry is proactively taking multiple initiatives to improve driver image issues, such as:

- The introduction of strict uniforms, or the application of certain restrictions in dress-codes, such as collared shirts, no singlets or no thongs
- Prioritise the aesthetics and performance of trucks through technology and innovation
- Promoting internal pride through internal awards, or public recognition
- Improving accountability through monitoring behaviours, such as dash cams, GPS, fatigue trackers and telematics systems
- Positioning drivers as their salesforce and ambassadors, and hiring people that are fit for this role
- Promoting work-life balance to increase employee and satisfaction and potentially diversify the workforce
- Paying hourly rates

And due to these actions the industry is changing:



Potential Initiatives

To understand further what the industry can do, the research evaluated the effectiveness a range of initiatives to provide tangible support to the key issues within the industry.

A FORMALISED TRADE ACCREDITATION PROGRAM FOR HEAVY DUTY DRIVING PROFESSIONALS.

A comprehensive training program will improve driver quality and therefore perception of the career. However, it does need to be thorough in the skills learned and also cover theoretical and practical training as the programmes currently available are seen as unreliable and ineffective.

“It needs to include it all - load restraint, axle weights, carrying capacity, use of log books etc.”

It will also create efficiencies when hiring drivers as with a trusted, effective program employers can have assurance of the skillset of the driver.

“A Government backed apprenticeship is what is required.”

CONDUCT ON THE JOB TRAINING WITH NEW DRIVERS ENTERING THE INDUSTRY TO REDUCE THE EXPERIENCE GAP.

On the job training was seen as achieving the current gap between training and on the job requirements.

“Training needs to include operating, loading, reversing and general education around the vehicles road behaviour.”

“Insurance companies should give incentives to companies that have on the job training.”

“A bloke taking a younger driver under their arm ... how to deal with situations like authorities, changing a tyre, the Gazette routes, descending a hill, overtaking, travelling in weather conditions, carrying out minor maintenance, load security, tarping, this would instil expectations and experience.”

Both potential initiatives were seen as effective in finding a solution to the issues within the industry:

		EFFECTIVENESS IN:			
		Increasing driver availability	Improving driver quality	Increasing driver diversity	Shifting negative driver image perceptions
	A trade accreditation program	66%	75%	73%	73%
	On the job training	75%	83%	76%	75%

CONCLUSION

As a critical enabler of economic growth, the trucking industry directly impacts Australia's future economic and individual prosperity. Without truck drivers, Australia stops.

It is imperative that quality investment and resources are allocated to the issue of driver availability and improving driver image. It is not just the responsibility of the industry, but the broader Australian population to help ensure the continued growth of this pillar of the Australian nation.





Volvo Group Australia

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