

MEDIA RELEASE



25 National Circuit
FORREST ACT 2603
Tel: (02) 6253 6900
www.truck.net.au

04 February 2016

TRUCKING INDUSTRY WELCOMES SENATE PAYMENT TERMS MOTION

The Australian Trucking Association (ATA) has welcomed the passage of a non-binding transport industry terms of payment motion through the Australian Senate earlier this week, following its introduction by Senators Williams and Sterle last year.

[The motion](#) noted that some large companies have been unfairly asking trucking operators to accept extended payment terms of up to 120 days, and the resultant impact on a trucking operator's cash flow may affect their ability to meet their own financial commitments.

The motion goes on to state that any reduction in maintenance and repair schedules forced on operators by extended payment terms could lead to an increase in serious accidents and fatalities, and calls on businesses to adopt payment terms not exceeding 30 days, consistent with the requirements of the Road Safety Remuneration Tribunal.

ATA Chief Executive Christopher Melham welcomed the motion, and said the ATA has also called for trucking businesses to be alert to extended payment terms in their contracts.

"We know there's sometimes a perception in trucking that if the wheels are turning, you're all good," Mr Melham said.

"But operators that agree to extended payment terms still need to pay their own creditors on their existing cycles – for example, this could include 21 day payments to fuel suppliers, 30 day payments to small owner-driver subcontractors, and weekly or fortnightly payroll payments.

"I am delighted to see the Senate's acknowledgement of this issue, and congratulate Senator Williams and Senator Sterle for their passionate advocacy of trucking operator concerns."

The ATA is currently developing a best practice trucking industry contract checklist, which will include guidance on setting payment terms for trucking operators and their customers. The checklist will be launched at Trucking Australia 2016 in June.

The detailed checklist and guidance material will be available exclusively to members of ATA member associations. Businesses will be able to use the material as they consider appropriate: they will not be required to use it.

Media contact:

Kathleen Horne

02 6253 6900 / 0409 524 120