

# MEDIA RELEASE



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## CODE OF CONDUCT THE ANSWER TO TRUCK MARKET POWER ISSUES

The Australian Trucking Association has today urged the Senate to support the immediate abolition of the Road Safety Remuneration Tribunal, following the ATA's announcement of a new plan to address market power in the trucking industry.

ATA Chief Executive Christopher Melham said the RSRT and its minimum payments order were causing dire outcomes for owner drivers and small businesses.

"Abolishing the RSRT would be a very positive step for our industry. However, concerns have been raised that this will not address market power issues faced by some small businesses, including extended terms of payment, dispute resolution and force majeure," Mr Melham said.

"Given these concerns, the ATA urges the Government to use an existing and well-accepted mechanism to address market power issues - the development of a mandatory code of conduct under Part IV B of the Competition and Consumer Act.

"A mandatory code of conduct would apply to all industry participants, not just a specific segment of the industry. These codes of conduct are legally binding – the ACCC has the power to enforce a code, impose penalties, and follow up complaints.

"There are already five mandatory codes regulated by the ACCC, including ones covering the horticulture and franchising industries and bulk wheat leading. Adding another code to cover the trucking industry would be a logical and effective way to address market power issues affecting small operators.

"The first step for this code to be developed and implemented is for the Government to invite the industry to develop a draft mandatory code for consideration, and the ATA stands ready to engage with Government and industry on this matter.

"There has been some discussion that the National Heavy Vehicle Regulator (NHVR) could be involved in this space. However, it is a safety regulator, not a competition policy regulator. Australia already has an expert competition policy regulator through the ACCC; there is no need to invest the NHVR with overlapping sector-specific powers over competition issues."

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