MEDIA RELEASE



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

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ATA RELEASES CONTRACT CHECKLIST AND UNFAIR CONTRACTS INFORMATION

The ATA has today released its exclusive **contract checklist**, which aims to help trucking businesses ensure their contracts are fair and legal.

The checklist responds to the lengthening payment terms faced by trucking businesses, as well as concerns that small trucking businesses lack the power and information to negotiate balanced contracts with their customers.

The Chief Executive of the ATA, Christopher Melham, said that some small trucking operators found themselves signing whatever was required to get a job, without being able to weigh up what the contract could mean for their business.

"Failing to examine the terms of a contract can lead to businesses taking on risks that should belong to consignors, signing contracts with illegal chain of responsibility stipulations, or accepting payment terms they don't have the cash flow to support," Mr Melham said.

"This best practice checklist provides trucking businesses and their legal advisers with information about the contract issues they should consider before they sign."

The checklist covers contract issues such as:

- Heavy Vehicle National Law and WA chain of responsibility contract requirements
- · pricing and payment terms
- liability for consequential loss
- · indemnities, limitation and release clauses
- force majeure and more.

The checklist was unveiled at Trucking Australia 2016 as part of a masterclass on trucking industry contracts, and will now be available exclusively to members of ATA member associations and their advisers.

To support the checklist, the ATA has also released comprehensive information about **the new protections for small businesses against unfair terms in standard form contracts**. The protections will come into force on 12 November 2016.

The protections will apply to businesses with fewer than 20 employees that agree to standard form contracts where the upfront price does not exceed either \$300,000, or \$1 million if the contract is for more than 12 months.

"Almost 98 per cent of trucking businesses have fewer than 20 employees, so these protections have the potential to be extremely important for the trucking industry," Mr Melham said.

"The ACCC has published excellent general information about the protections, but this ATA information focuses specifically on the terms that are commonly found in trucking industry contracts.

"The information is essential for any small trucking business that is considering signing a standard form contract, and for larger trucking businesses that are looking to review their standard form contracts to comply with the new requirements," he said.

The contract checklist and unfair contract terms information were prepared by Cooper Grace Ward exclusively for the ATA and the members of its member associations. Contact your ATA member association to get your copies.

Media contact: Bill McKinley 02 6253 6900 / 0488 292 823