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Hon Brian Ellis MLC
Chairman
Standing Committee on Environment and Public Affairs
Parliament House
PERTH WA 6000

Brian
Dear Chairman

Petition No 117- Transperth Service Contracts- Request the Legislative Council to investigate the process for awarding Government contracts

I refer to your correspondence dated 30 May 2011 regarding the above petition, and am pleased to provide a submission in support of the petition.

My submission on this important issue is as follows.

I am informed that the recent changes in Transperth Service Contracts has caused a great deal of concern and angst amongst bus operators. Contracts that were previously held by Path Transit were changed over to Swan Transit (Marmion area) and SCT (Joondalup area), leaving bus operators in Joondalup, Karrinup, Nowergup and Wangara with new employers.

This changeover constituted what I believe to be one of the most significant shake-ups in Transperth bus operations since privatisation in 1996. Prior to this year, each of the three private contractors serviced a large and roughly equal section of the Perth area. However, now that contracts have been taken away from Path Transit, I am made to understand that the economies of scale created by 'global running' will be lost, reducing efficiency and cutting the length of shift times for bus operators.

Employees who are now with new contractors will have new employment conditions and their accrued entitlements may be affected. My understanding is that despite the magnitude of these changes, no consultation was done with bus operators.

The changeover of contracts will mean that many long term Bus operators will face their third employer in 12 years. This has implications for their long service leave plans, as any drivers employed over seven years have been paid out their entitlements. Drivers who have worked hard over their life to accrue time off to spend with their family and friends will now be unable to realise their plans. This is a clear example of where privatisation has taken away entitlements and damaged the work-life balance of hard working Western Australians.

One of the unforeseen consequences of this contract changeover has been the de construction of the 'global running' and inherent efficiencies that go along with this. This has resulted in drivers now losing up to \$200 - \$300 dollars a week as the depots no longer have the runs to facilitate full shifts. This has also resulted in drivers going from Permanent Full Time to Part time or casual status.

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Part time or casual status. It has also meant that many more drivers have had to be employed in some depots to fill small shifts. This has had an effect on over time availability and again many drivers are part time and the wage has dropped considerably. They are now leaving the industry as they can no longer afford to work as bus drivers. The loss of knowledge and experience to the industry as a whole has been considerable

The provisions written into the request for tender documents issued by PTA allow for the changeover to be classed as a non-transmission of business. This has allowed successful contractors to pick and choose employees who until now have been faithful and loyal suppliers of a public service. The Committee could examine why this was included in the tender.

It seems manifestly inequitable that bus operators doing the same work will be treated differently based on whether their depot is kept under the same contractor or changed to a new one. It is my understanding that bus operators in the Marmion area will most likely be placed on a Swan Transit Systems South Agreement, which will change some of their employment conditions and could potentially impact the amount of pay they take home each week. It has even been suggested to me that operators may not be offered employment by the new contractors due to their weight.

I am informed that more contracts will be up for tender over the next year for the Welshpool, Kalamunda, Palmyra, Midvale and Morley/Bayswater depots. Given how stressful and inequitable the current process has been for bus operators it is overwhelmingly clear that the process needs to be reviewed.

I therefore find it both appropriate and desirable for the Legislative Council to scrutinise the current process for the tendering of Transperth Servicing Contracts and the implementation of contract changeovers.

151 signatures were collected from Bus Operators within the Transperth Public Transport System who are concerned about the lack of consideration for their ongoing wellbeing.

On behalf of my constituents and residents of the area, I encourage the Committee to further investigate this important issue.

Please don't hesitate to contact my office if you require any further information.

Yours sincerely



KEN TRAVERS MLC
MEMBER FOR NORTH METROPOLITAN

12 August 2011

CC: Kevin Starr, principal petitioner

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