

Submission to the 'Impact of Petrol Pricing Select Committee.

Submitted by:

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Driver Training Industry in Queensland.

Queensland currently has around 1000 accredited Driver Trainers working around the state. Our Industry is not based around any compulsory training requirements for Learner Drivers and as such could be described as an elective form of training.

Our pricing is governed by costs such as Insurances, FUEL PRICES and other automotive running costs such as mechanical maintenance, and replacement tyres.

Due to the competitiveness of the industry and the relative low number of instructors for the State, increases in lesson costs are very slight each year. The majority of Driving Instructors are self employed either as single entity proprietors (single operators) or sub-contractors to Driving Schools who pay a commission per lesson to the Driving School who supplies them with signage and clients.

Impact of Petrol Pricing on the Driver Training Industry

On average the Driver Training Industry in Queensland would as a whole spend \$8,502,000.00 per annum on fuel alone at current prices. This equates to an average of \$163.50 per week per instructor. The average instructor would drive anywhere from 1500 to 2000 kilometres over a six day working week. And so with the current prices of fuel are now spending an extra \$28.50 per week on fuel in comparison to fuel prices pre September 2005.

Even with an increase in lesson costs, overall there has been no increase in income for the majority of instructors. Some instructors within the industry have suffered losses in income since the increase in fuel costs.

Queensland Transport has just recently released a discussion paper in relation to Driver Education and Training, and a possible outcome from that paper could be that Learner Drivers will be expected to complete 120 hours of supervised training before getting their provisional licences.

This would obviously be a boon to our industry, because a percentage of these hours might be required with professional tuition. As an industry we must retain the instructors we have, as well as offer income packages that would be attractive to potential Driver Trainers.

As an Industry we believe that we should receive either tax cuts or a fuel subsidy to encourage new instructors into the industry as well as keep existing instructors in the industry.

We would like to suggest the following:

Any small business who rely on vehicles for their Income and can show that their Drivers travel more than 1000 kilometres per week for work related matters.

- Should receive a fuel subsidy of at least 5c a litre.
- Should be subsidized to fit LPG to their vehicles if possible. (In our industries case most vehicles are 4 cylinder and LPG fitment is not recommended)
- Have discount cards issued through the fuel suppliers. (Independent and major)

Conclusion

Many people speak of incentive schemes to limit the amount of vehicles on our roads, and our industry understands the reasoning behind these ideas. We also agree that more should be done to find an alternate fuel source, that would be cost effective as well as greener than normal oil based products. But in the short term many small businesses are currently suffering with the increase in fuel prices and associated costs, and with this in mind we should be ensuring that people who have worked hard to establish and run businesses, and employ people are assisted in keeping their businesses running, until alternate fuel sources are found.