

## News release 19 February 2020

## **Corona virus impacts transport industry**

China's shutdowns to control corona virus are impacting New Zealand trucking companies which carry exports like logs and meat to ports or Chinese imports to New Zealand warehouses and retailers.

"It's potentially going to get worse quickly," says David Aitken, chief executive of National Road Carriers Association (NRC), which represents 1,800 road transport companies collectively operating 16,000 trucks throughout New Zealand.

"With Chinese towns and cities in lockdown, many factories are closed and therefore not taking goods, nor producing goods. We are aware of importers who are not able to place orders and expect to run short if production doesn't get back to normal soon. This has consequences for our sector.

"A number of forestry operations throughout the country have stopped logging with the Forest Industry Contractors Association reporting about 30 percent of the country's logging crews are unable to work amid the supply chain disruption and no one knows how long the situation will last. This will have a flow on effect to truck operators.

"Meat works have reduced kills for the China market meaning farmers are having to keep stock even during the drought conditions we are experiencing, so stock are not being carried to the meat processors, and processed goods are not transported to ships. We understand freezers and chillers are full so this will further affect the processors' ability to take stock.

"There are also limited goods coming out of China, so the number of containers with goods destined for New Zealand shop shelves is expected to be down. These are just some of the effects, all of which will reduce the number of road transport movements."

Mr Aitken said National Road Carriers was advising its trucking company members to be aware of the situation and plan where possible.

"We are telling trucking companies to do what they can to keep their company infrastructure in place. When this virus blows over, which it will, there will be a



mad rush to move goods around again. Chinese people need to eat, and China needs materials to get its industries up and running again."

Mr Aitken said there were a number of steps trucking companies could consider to manage the situation and soften the blow including:

- Ask staff if they are willing to use leave
- Reduce hours down to four days as some have already
- Use the time to carry out vehicle maintenance
- If struggling or worried, talk to partners, friends, other operators or NRC
- Talk to their banks so they know what's happening and can assist with finances

The corona virus outbreak has also raised awareness of the need for personal hygiene measures to prevent the spread of the disease if or when it surfaces in New Zealand.

National Road Carriers has sent all its members a two-page corona virus advisory circular from its health and safety partner Safe Business Solutions. The circular provides guidance on preventative health practices, business planning and continuity in the unlikely event of a widespread outbreak in New Zealand.

Safe Business Solutions points out that an outbreak in New Zealand means businesses need to prepare for:

- protecting workers and reducing the spread of the virus in the workplace
- high numbers of workers away due to illness or caring for dependants
- national and international travel restrictions
- restrictions on public gatherings
- closure of schools
- disruptions of supply to essential goods and services
- alternative work practices workplace e.g. social distancing measures, remote working capability

"No one knows how long the corona virus outbreak will last or where it will lead. We do know it will pass at some stage, hopefully sooner rather than later," said Mr Aitken.

"We need our trucking company members to come through this disease outbreak in the best shape possible so they can resume their businesses when we return to normal."



**National Road Carriers Association** (NRC) is New Zealand's progressive nationwide organisation representing road transport companies. It represents 1800 members, who collectively operate 16,000 trucks throughout New Zealand. NRC supports its members with legal, financial, employment relations, health & safety, workplace relations, business and environmental advice. It advocates on behalf of members and works with Central and Local Government on road transport infrastructure and regulations.

## For more information please contact:

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