



Toll and the Freight Unions Mapping Project (FUMP)

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What is FUMP?

- **An inter union research project on major employers in the freight industry**
- **Aim is to develop a solid research base on major employers**
- **This will provide information on these employers and the industry for use by the unions and their officials/delegates and members.**
- **It further provides a basis for inter union cooperation in dealing with these employers by identifying particular areas for joint organising and support**

Who Is Involved?

- **MUA/RBTU/TWU**
- **University of Newcastle as the research team**
- **ITF relationship**
- **ACTU to help co-ordinate the project.**
- **NZ Unions ?**
- **Other Australian unions in the industry ?**

Why Toll?

- Rather than start with whole industry, start with one major employer – more doable.
- Toll is an industry leader (50th largest Australian company and growing daily).
- Aims to be .. *The best supplier of logistics in Australia*
- Operates right throughout Australia (and region) in all areas of freight logistics
- Study excludes Pacific National (Aus)
- Excludes NZ (and other regions)
- Initially ‘top down’ research



Toll – More than Line Haul

Toll – a freight logistics company

Freight Logistics is –

- **An ideological movement**
- **A management specialisation**
- **A new form of corporation**

Toll – a freight logistics company

As a freight logistics company Toll –

- Operates across transport modes offering customers integrated options
- Offers procurement, inventory control, warehousing and distribution
- Can co-ordinate customer's logistics and can integrate entire supply chain from suppliers to customers

Barriers to Freight Logistics Industry Performance

- **Supply of a skilled workforce**
- **Workplace Flexibility**
 - **Demarcation Issues**
 - **Working Hours**
- **Occupational Safety and health**

Toll – an outstanding business performer

- **51st largest listed company in Australia**
- **84% of revenue generated within Australia (16% NZ, Thailand, Malaysia and Singapore)**
- **17,000 employees world wide (786 in 1995)**
- **Taken over 40+ companies since the '80s**
- **All under leadership of Paul Little**
- **Sound, sustainable and profitable growth**



Toll – its Competitive Strategy

Based on -

- **Size**
- **Horizontal Integration (combining sea, road, rail and air)**
- **Vertical Integration – offers full range of logistics services across whole supply chain**
- **Outsourcing (requires company to outsource logistics to Toll)**

Toll – its competitive strategy (cont)

- **Technology. OneToll – comprises TollWorks (transport management systems, TollExchange (electronic trading hub), TollCentral (information repository for customers, staff etc), TollBI – data and analysis tools**
- **Customer Partnerships – long term contracts with large customers providing full and integrated range of services**
- **Internationalisation – leading Asia Pacific provider (Toll Asia Pacific)**



Toll – Organisational Structure

4 levels

- **Group (Corporate and Group Business Development)**
- **Division –**
 - **Toll Networks (line haul, 48% of revenue);**
 - **Toll Logistics (35% of revenue)**
 - **Toll North (Queensland focus)**





Toll – organisational structure (cont)

- **Subsidiary Companies (wholly, partially owned or JV)**
- **Work Sites/Locations (450)**

FUMP – Next Steps

- **Stick with Toll**
- **Bottom up research – focus on the workplace including industrial relations, bargaining, union rights, industrial instruments, OSH, disputes, delegates**
- **Analysis of share price movements**
- **Background senior management**
- **How Toll handles mergers and acquisitions**



FUMP – Some Issues

- **Translating the research into action eg focus points for joint organising**
- **Focus on organising intermodal points as points of maximum leverage**
- **Collective Bargaining – decentralised v centralised/common standards**
- **Involvement of NZ unions**
- **Involvement of other Australian Unions operating in Toll**
- **Regulatory bodies and impacts of competition policy.**

