



48 Hours - A FAIR WEEKLY AVERAGE ?

Most fleet operators now accept that the Working Time Directive will become law in March next year and the prudent ones are already preparing for its implementation. Although some of the detail may not yet have been published, the principal components are not in dispute.

Although the Directive applies to all of the employees working in the distribution centre, it is the delivery drivers that most operators are concentrating on at present.

The 48 hour working week is to be flexible, based on a 4 month average which can be extended to 6 months with the agreement of the workforce. The maximum hours which can be worked during any single week are 60. The limit of 10 hours on night working can also be extended if employees agree.

The 'average' can be based on a fixed reference period or a rolling one. The choice will probably depend on the extent to which the business peaks during various periods of the year. So, operators could now be examining which is best for them. They can then install the monitoring procedures in preparation for March next year.

Those operators who have already installed an Annualised Hours based payment system will have a considerable advantage over those who now pay on a weekly basis. Those operators will already have the concept of 'average' working hours within their existing contract of employment and will already be keeping the necessary records. They will however, now have to keep those records for 2 years.

For those operators who have a payment system based purely on work done, the application of the new laws may well force them to revise their journey schedules to meet the new legal requirements which, in turn, may well disturb the gross earnings of those employees whose working week must be reduced. Once again, an early evaluation of the effects of the new legislation and its impact on driver earnings (and vehicle requirements) is a must.

There will also be a greater need to rotate drivers between runs so that the effect of long and short runs can be evened out.

An exclusion from the legislation, at least until 2009, is the owner driver. The owner driver concept is widely used in the Republic of Ireland with considerable success. If the delivery price is based on packs or cases the unit cost of delivery is fixed.

In addition, the vehicle assets are removed from the balance sheet and the monitoring and control of vehicle running costs is passed to the owner driver. Greater flexibility can also be achieved when a driver and vehicle come as a pair, so that peaks and troughs can be more easily accommodated.

Furthermore, most people work hardest when they are working on their own behalf. The only fly in this ointment is that the owner driver cannot work only for one operator and must satisfy the Inland Revenue that they are truly independent and not merely an employee in disguise. Nevertheless, it is an aspect that all operators should examine before they reject it.

Perhaps the most important lesson to be learned from the introduction of previous new legislation is to be **ready**. Start preparing now so that the change, when it comes, does not disrupt the business in any way.

© *Copyright DMA*

.....

For further information contact us at www.dma2000.com dma2000@eircom.net

or write to: Ralph Drew, D MA, 'Nettles', Kingsmill Lane, Painswick GL6 6SA

Or telephone: Patrick Madigan 00 353 (0) 872 41 42 43
Peter Fox 00 44 (0) 7710 630 180
Mike Mulleady 00 44 (0) 7885 408 630
Ralph Drew 00 44 (0) 1452 812 614