Cynulliad Cenedlaethol Cymru National Assembly for Wales

Y Pwyllgor Menter a Dysgu

Adroddiad ar ystyriaeth y Pwyllgor o'r Ddeiseb Tanwydd a Chludo Nwyddau ar Ffyrdd

Cefndir

1. Ystyriodd y Pwyllgor Deisebau ddeiseb P-03-145 ar Danwydd a Chludo Nwyddau ar Ffyrdd yng Nghymru yn ei gyfarfod ar 25 Mehefin 2008. Ceir copi o'r ddeiseb yn Atodiad 1. Gwnaeth y pwyllgor gais i'r Pwyllgor Menter a Dysgu ystyried y materion a godwyd.

2. Ar 3 Gorffennaf 2008, trafododd y Pwyllgor Menter a Dysgu bapur a oedd yn nodi'r opsiynau ar gyfer ymdrin â nifer o ddeisebau a oedd wedi eu cyflwyno'n ffurfiol neu wedi'u cyfeirio at y pwyllgor i gael eu hystyried ymhellach. O ran deiseb P-03-145, penderfynodd y pwyllgor ethol grŵp rapporteur i graffu ar y mater ar ei ran. I'r perwyl hwnnw, etholwyd David Melding AC, Janet Ryder AC a Kirsty Williams AC.

Cyflwyniad

3. Cyfarfu'r grŵp yn anffurfiol â chynrychiolwyr y Sefydliad Trafnidiaeth Cludo Nwyddau (FTA) ar 4 Tachwedd 2008. Darparodd y sefydliad femorandwm ysgrifenedig, sef Atodiad 2. Cynrychiolwyd y sefydliad gan:

   Bill Simons, Rheolwr Trafnidiaeth, Capper & Co Ltd (Tonysguboriau)
   Ian Jarman, Rheolwr Amgylcheddol a Deddfwriaeth, Owens Road Services
   Vincent J M Brickley, Cyfarwyddwr, Tandem Transport Services Limited
   Ian Gallagher, Rheolwr Polisi, Sefydliad Trafnidiaeth Cludo Nwyddau, Canolbarth Lloegr, De-Orllewin Lloegr a Chymru
   Stephen Kelly, Pennaeth Polisi, Sefydliad Trafnidiaeth Cludo Nwyddau, Canolbarth Lloegr, De-Orllewin Lloegr a Chymru

   Mae'r grŵp yn ddiolchgar i'r sefydliad am ddarparu tystiolaeth ysgrifenedig ac am ein hysbysu o'r sefyllfa ddiweddaraf o ran prisiau tanwydd.

4. Cafodd y grŵp ac aelodau eraill y Pwyllgor Menter a Dysgu gyfle i holi Richard Brunstrom, Prif Gwnstabl Heddlu Gogledd Cymru a llefarwr

Cymdeithas Prif Swyddogion yr Heddlu yng Nghymru, ar faterion yn ymwneud â diogelwch ar y ffyrdd yn ystod sesiwn fideo gynadledda fel rhan o wrandawiad ffurfiol y pwyllgor ar 12 Tachwedd. Rydym yn ddiolchgar iawn i'r Prif Gwnstabl am ei gymorth ac am y dystiolaeth lafar a roddodd.

Prisiau Tanwydd a'r Economi Fyd-eang

5. Mae'n hysbys i bawb fod prisiau tanwydd yn gyfnewidiol. Mae'r chwalfa ddiweddar yn y farchnad ariannol fyd-eang wedi arwain at ostyngiad cyflym ym mhris manwerthu tanwydd petrol di-blwm o 119.7c ar ei uchaf ym mis Gorffennaf i gyfartaledd o 98.6c y litr yn y DU erbyn diwedd mis Hydref, ac mae'r prisiau'n parhau i ostwng. Dros yr un cyfnod, bu gostyngiad o 40.9 y cant ym mhris olew crai i $78.83 ym mis Hydref.

6. Dywedwyd wrthym fod natur gyfnewidiol pris olew'r byd yn cael effaith enfawr ar y gadwyn gyflenwi gan achosi ansicrwydd i weithredwyr o ran rhagolygon costau'r dyfodol. Cawsom ein hysbysu gan un cwmni ei fod wedi talu £132,000 yn fwy am yr un swm o danwydd ym mis Ionawr 2008 nac ym mis Ionawr 2007.

7. Disgwylir cynnydd pellach o 1.84 ceiniog y litr ar dreth tanwydd yn y DU ar 1 Ebrill. Unwaith eto, dywedwyd wrthym y gallai hyn olygu rhwng £3,000 a £15,000 o gostau ychwanegol i gontractau allweddol un o'r cwmnïau a roddodd dystiolaeth. Yng nghyd-destun y cwymp ariannol, byddai'n anodd codi'r costau hyn ar y cwsmer.

8. Mae rhai rhagolygon y gallai pris olew godi eto i gymaint â $300 yn y 18-24 mis nesaf.

Gweithgarwch economaidd yng Nghymru – Ardrethi busnes

9. Yn yr hinsawdd economaidd sydd ohoni, archwiliwyd yr hyn y byddai'n bosibl ei wneud i sicrhau bod yr amgylchiadau masnachu presennol yn fwy ffafriol i fusnesau. Trafodwyd y mater o ystyried ardrethi busnes.

10. Mae gwahanol fathau o gymorth ar gael i leihau'r swm o ardrethi busnes y mae trethdalwyr yn gyfrifol amdanynt. Mae rhai ohonynt yn orfodol ac eraill yn ôl disgresiwn. Fe'n cynghorir nad yw'n bosibl amrywio ardrethi busnes yn ôl grŵp neu ddosbarthiad busnes yng Nghymru, ac eithrio yn ôl gwerth ardrethol. Rydym yn cydnabod y cymorth penodol a roddwyd i fusnesau bach ac rydym yn ymwybodol o ymgynghoriad Llywodraeth Cynulliad Cymru ar ehangu'r Cynllun Cymorth i Fusnesau Bach. **Pwyswn ar Lywodraeth Cynulliad Cymru, o ystyried y cwymp economaidd presennol, i ystyried ymestyn y categorïau o fusnesau a gaiff eu cynnwys yn y cynllun cymorth i fusnesau bach ymhellach a defnyddio'r holl bwerau posibl i gynorthwyo busnesau yn ystod y cyfnod anodd hwn.**

Datblygu Porthladdoedd Cymru

11. O gofio'r angen i roi hwb i weithgarwch economaidd yng Nghymru, byddai'n bosibl datblygu porthladdoedd megis Port Talbot i fod yn debyg i borthladdoedd Felixstowe a Southampton, er mwyn galluogi nwyddau i gael eu llwytho a'u cludo'n gyflym ar hyd coridor yr M4 gan y diwydiant cludo nwyddau ar y ffyrdd yng Nghymru. **Rydym yn argymell bod Llywodraeth Cynulliad Cymru yn hysbysu'r adolygiad arfaethedig o borthladdoedd Cymru a gaiff ei gynnal gan y Pwyllgor Dethol ar Faterion Cymreig o'r angen am arolwg o borthladdoedd yng Nghymru. Diben hyn fyddai penderfynu lle y gellir dod o hyd i gapaisti ychwanegol i wella hygyrchedd i gludiant nwyddau a hyrwyddo'r diwydiant cludo nwyddau ar y ffyrdd yng Nghymru.**

Datgysylltu

12. Cyfeiriodd y Sefydliad Trafnidiaeth Cludo Nwyddau at yr angen i weithredu dull ar wahân o drethu cerbydau masnachol a cherbydau preifat er mwyn bod yn ganolog i ddichonolrwydd y dyfodol, ond roedd yn cydnabod hefyd y byddai hyn yn ddrud.

Masnach y glannau

13. Yn ôl data'r Adran Drafnidiaeth, nifer y lorïau o dramor a ddaeth i Brydain ar deithiau rhyngwladol yn 2007 oedd 1,719,000, sef y rhif uchaf erioed. Bellach, mae cludwyr nwyddau o Brydain yn 19 y cant o gyfanswm y cludiant nwyddau rhyngwladol ar y ffyrdd rhwng Prydain ac Ewrop.

14. Mae treth disel ar gyfer trafnidiaeth y DU yn 50c/litr, o'i gymharu â'r cyfartaledd Ewropeaidd o 25c/litr. Rydym yn ymwybodol bod yr anghysonderau hyn mewn costau yn golygu annhegwch i gludwyr nwyddau ym Mhrydain, a thrwy hynny'n tanseilio eu gallu i gystadlu. Yn bennaf, rydym yn rhannu pryderon y diwydiant o ran effaith y teithiau lori sy'n cychwyn o Iwerddon.

Diogelwch ar y ffyrdd

15. Mae'r mater o ddiogelwch ar y ffyrdd, o ganlyniad i'r ffaith bod mwy o gerbydau ar y ffyrdd yng Nghymru nad ydynt wedi'u cofrestru yn y DU, yn arbennig ar yr A55 a'r M4, yn peri pryder mawr i ni. Clywn adroddiadau rheolaidd sy'n cyfeirio at y ffaith bod y lorïau hyn yn aml wedi'u gorlwytho, bod oriau'r gyrwyr yn rheolaidd yn uwch na'r nifer diogel ac mai'r gwir yw nad oes llawer o lorïau'n addas i'r ffordd fawr.

16. VOSA, yr Asiantaeth Gwasanaethau Cerbydau a Gweithredwyr, sy'n gyfrifol am sicrhau bod lorïau a'u gyrwyr yn cydymffurfio â'r gyfraith.

Mae hefyd yn monitro pa weithredwyr sy'n torri'r rheoliadau amlaf o ran addasrwydd cerbydau i'r ffordd fawr, gorlwytho ac oriau gyrwyr.

17. Dywedodd y Sefydliad Trafnidiaeth Cludo Nwyddau bod nifer y lorïau peryglus ar ffyrdd Cymru yn golygu cystadleuaeth annheg, gan fod costau cynnal a chadw cerbydau nad ydynt wedi'u cofrestru yn y DU yn is o dan gyfreithiau diogelwch ar y ffyrdd sy'n llai cadarn.

18. Dywedodd Prif Gwnstabl Gogledd Cymru bod hyn yn arwydd o nifer o faterion difrifol. Roedd yn cydnabod bod rheoliadau trafnidiaeth fasnachol yn well yn y DU na mewn rhai rhannau o Ewrop. Dywedodd bod 1 y cant o loriau sy'n cynnal busnes yn y DU nad ydynt wedi'u cofrestru yn y DU yn gyfrifol am 8 y cant o farwolaethau. Cyfeiriodd hefyd at ddatganiad i'r wasg a gyhoeddodd VOSA ar 14 Hydref 2008, a oedd yn tynnu sylw at gamau diweddar i fynd i'r afael â lorïau peryglus. Gweler y datganiad yn Atodiad 3. O'r 3,628 o gerbydau a gafodd eu profi yn ystod "Operation Boston" ar 1-5 Hydref 2008, roedd 2,273 wedi'u cofrestru y tu allan i'r DU ac roedd 1,206 yn torri'r gyfraith. O'r 1,355 o gerbydau a gofrestrwyd yn y DU, roedd 683 yn torri'r gyfraith.

19. Roeddem yn falch o glywed fod deddfwriaeth a ddaw i rym ar 1 Ebrill 2009 yn rhoi pwerau newydd i'r VOSA a'r heddlu roi dirwy wrth ochr y ffordd; ni chaiff cerbydau nad ydynt wedi'u cofrestru yn y DU eu heithrio. Mae hyn yn sicrhau eu bod, am y tro cyntaf, yn rhwym i gyfraith y DU.

20. Edrychwyd hefyd ar yr effaith a gaiff cystadleuaeth annheg a deddfwriaeth gadarnach y DU ar yr economi a busnesau Cymru. Dywedodd y Prif Gwnstabl wrthym y byddai gorfodi llymach ar ffordd yr A55 yn golygu y byddai mwy o drafnidiaeth yn defnyddio Lerpwl ac o ganlyniad yn cael effaith andwyol ar fusnesau gogledd Cymru. Yn amlwg, byddai angen dynesiad ar ran y Deyrnas Unedig yn gyfan i fynd i'r afael â'r mater hwn a byddai Cyflwyno mentrau ar ran Cymru yn unig yn anodd.

21. Cyfeiriodd y Prif Gwnstabl hefyd at y maniffesto plismona ffyrdd arfaethedig a gaiff ei gyhoeddi ar y cyd gan Lywodraeth Cynulliad Cymru a'r heddlu. **Rydym yn argymell bod Llywodraeth Cynulliad Cymru yn defnyddio'r maniffesto plismona ffyrdd arfaethedig i gyfleu ei phenderfyniadau polisi strategol ar ddiogelwch ar y ffyrdd.** Ar ôl i'r ddogfen gael ei chyhoeddi, byddwn yn cynnal ymchwiliad i'r modd y caiff y polisi ei weithredu a'i ddatblygu.

Costau Tollau Pont Hafren

22. Ar hyn o bryd, mae costau tollau Pont Hafren yn £15.90 i lori gludo nwyddau ddod i mewn i Gymru, gyda chynnydd o £0.70 wedi'i gyhoeddi o 1 Ionawr 2009 i gyd-fynd â chwyddiant. I gwmni sy'n croesi'r bont ar gyfartaledd 880 o weithiau bob mis, mae hyn yn

gyfystyr â chyfanswm blynyddol o £167,904 a chost ychwanegol o £3,168.

23. Rydym yn pryderu y gallai effaith y tollau hyn, ynghyd â'r posibilrwydd o dollau ar ffordd liniaru'r M4 yn y dyfodol a'r posibilrwydd o gyflwyno taliadau atal tagfeydd yng Nghaerdydd, olygu na fydd cludo nwyddau i mewn ac allan o dde Cymru yn atyniadol na chynaliadwy. Ni fyddem am i'r rhanbarth fod ar ei golled yn erbyn Bryste a de-orllewin Lloegr.

Effeithlonrwydd y Diwydiant Cludo Nwyddau ar y Ffyrdd

24. Mae'r diwydiant cludiant ar y ffyrdd yn gweithio i safon o wyth milltir y galwyn ar gyfer y cerbydau trymaf. O gofio'r angen i adennill costau ychwanegol i gynnal gweithrediadau'n ddichonol, mae llawer o weithredwyr yn chwilio am arbedion effeithlonrwydd o ran cynllun cerbydau – sef y trelar cywir ar gyfer y gwaith, sicrhau bod pwysau aer y teiars yn gywir a hyfforddi gyrwyr mewn effeithlonrwydd tanwydd.

25. Rydym yn croesawu'r datblygiadau hyn ac yn cymeradwyo'r diwydiant am gymryd camau o'r fath i sicrhau cynaliadwyedd ar gyfer y dyfodol gydag effaith amgylcheddol gadarnhaol ar yr un pryd. Fodd bynnag, roedd y ffaith bod hyfforddiant priodol mewn effeithlonrwydd tanwydd ar gyfer gyrwyr, sef SAFED (Gyrru Diogel ac Effeithlon o ran Tanwydd) ar gael yn Lloegr a'r Alban ond nid yng Nghymru yn peri pryder i ni. Bydd hyn yn sicr o ddod yn gynyddol bwysig, o ystyried y caiff deddfwriaeth newydd ei chyflwyno yn 2009, a fydd yn gosod dyletswydd statudol o hyfforddi galwedigaethol i yrwyr er mwyn gallu cadw eu trwyddedau. **Rydym yn argymell bod Llywodraeth Cynulliad Cymru yn neilltuo arian digonol i sicrhau y gellir darparu hyfforddiant SAFED yng Nghymru.**

Crynodeb o'r argymhellion

- **Pwyswn ar Lywodraeth Cynulliad Cymru, o ystyried y cwymp economaidd presennol, i ystyried ymestyn y categorïau o fusnesau a gaiff eu cynnwys yn y cynllun cymorth i fusnesau bach ymhellach a defnyddio'r holl bwerau posibl i gynorthwyo busnesau yn ystod y cyfnod anodd hwn.**
- **Rydym yn argymell bod Llywodraeth Cynulliad Cymru yn hysbysu'r adolygiad arfaethedig o borthladdoedd Cymru a gaiff ei gynnal gan y Pwyllgor Dethol ar Faterion Cymreig o'r angen am arolwg o borthladdoedd yng Nghymru. Diben hyn fyddai penderfynu lle y gellir dod o hyd i gapasiti ychwanegol i wella hygyrchedd i gludiant nwyddau a hyrwyddo'r diwydiant cludo nwyddau ar y ffyrdd yng Nghymru.**
- **Rydym yn argymell bod Llywodraeth Cynulliad Cymru yn defnyddio'r maniffesto plismona ffyrdd arfaethedig i gyfleu ei phenderfyniadau polisi strategol ar ddiogelwch ar y ffyrdd**
- **Rydym yn argymell bod Llywodraeth Cynulliad Cymru yn neilltuo arian digonol i sicrhau y gellir darparu hyfforddiant SAFED yng Nghymru.**

ANNEXES

Annex 1 – P-03-145 Fuel Prices

Petition Wording

> ‘Fuel and Road Haulage in Wales
>
> We the undersigned call upon the National Assembly for Wales to recognise the crippling financial impact of rising fuel prices on Welsh Haulage businesses and ask the National Assembly for Wales to instigate a review / inquiry into the competitiveness and future sustainability of the Welsh Road Haulage industry. The outcome from any inquiry should then be used to shape supportive measures for the Road Haulage Industry here in Wales and to lobby the National U.K. Government where any measures fall outside the National Assembly for Wales’ remit.’

This petition was submitted by Mr. Martin Palmer from Sully.

The petition collected signatures from 35 road haulage companies.

Annex 2 – Written memorandum – Freight Transport Association

The UK Supply Chain

Road: The dominant mode of transportation within the UK is road, accounting for 82%[1] of all goods lifted. The amount of goods moved by road has increased by 75% since 1980, but appears to have been stable since 1995. This is due to improved performance by the freight industry in areas such as vehicle utilisation and vehicle weights resulting in a decoupling of freight traffic from growth in GDP. Users of transport services are placing greater emphasis on agile supply chains that are responsive to customer and consumer needs and can provide door to door services – demands which trucks and light vans are well equipped to respond to. Sectors adopting this approach to supply chain management, such as manufactured white goods, drink and foodstuffs have become much more significant to the UK economy.

Goods tend to move from international gateways or sites of production to distribution centres across the UK. Exceptions to this would include products such as coal or aggregates which would move direct to their site of use. Distribution centres can be either national or regional, depending on the business model. They are placed to ensure that within constraints (e.g. driver's hour's rules) they can be received and redistributed to customers' bases in the most economically effective method. That tends to place distribution centres close to transport infrastructure such as motorways, trunk roads and multi modal freight facilities.

Facts and Figures

- Every lorry load of goods arriving at a supermarket will be taken away by approximately 400 cars
- Despite its dependence on the road network, lorries are not the biggest road users. 63 cars are registered for every goods vehicle over 3.5 tonnes
- Only 1 in 18 vehicles on Britain's major roads is a goods vehicle over 3.5 tonnes, and only 1 in 9 is a van

(sources: DfT Transport Statistics Great Britain, Society of Motor Manufacturers and Traders)

Rail: Rail freight, after a long decline, has seen a growth in the share of UK freight movements since the mid 1990's. This has been due to a reduction in rail freight costs through reduced Track Access Charges, the increased need for container service as production has been outsourced internationally, and improved rail freight services, resulting from competition in the rail freight market since privatisation. Increased unreliability of road services has also been a factor. The traditional market for rail is bulk commodities such as coal and aggregates, but the significant growth area is container traffic – of both industrial and consumer goods. The main strategic routes in the UK for container services are from the major container ports to the West Midlands and London, and north-south for domestic services from the Scottish central belt to the Midlands. These are the lines with the potential for growth.

[1] DfT Focus on Freight

Facts and Figures

- Rail's share of GB freight movements has remained broadly stable over the last 20 years (8% of total tonne km); this compares to a 30% market share in 1960
- Rail is used for movement of bulk freight such as coal and coke. In 2004, 82% of coal and coke moved by rail compared to 53% in 1980.
- The movement of international containers by rail is also an essential element in the UK industry supply chain. The number of containers coming into UK ports has increased by 46 per cent between 1993 and 2003. The number of goods vehicles coming into GB ports on ro-ro ferry services has increased by 59 per cent over the same period
- Rail freight volumes on services through the Channel Tunnel have declined by 45 per cent since 2000.

(sources: DfT Transport Statistics Great Britain, Channel Tunnel)

Water: Water provides an alternative means for domestic freight movements in the UK. Of this, coastal short sea shipping forms the larger part, with inland waterways playing a small role for domestic movements.

The Local Supply Chain

The final leg of the supply chain is the local delivery which encompasses the following:-

- Deliveries to shops, shopping malls, restaurants, public houses, markets and retail parks;
- Fuel to garage forecourts;
- Equipment and supplies to offices and commercial premises;
- Raw materials and finished goods to and from manufacturers / wholesalers;
- Supplies to hospitals, schools, municipal and other public buildings;
- Building materials to construction sites;
- Refuse collection and disposal, street cleansing and maintenance; and
- Domestic deliveries and furniture removal.

Lorries play an indispensable role in servicing our towns and cities. The lorry's unique ability to move freight literally from door-to-door determines its pre-eminent role in distributing goods at this level.

The Government has made clear its policies about the need to regenerate and revitalise our urban areas. Such policies are coupled with those which aim to reduce reliance on the private car, primarily by improving public transport and encouraging alternative modes such as walking and cycling. However, such measures are irrelevant to the movement of goods as industry's reliance on the lorry for urban freight movement will remain undiminished for the foreseeable future. If policies to regenerate our towns and cities are to succeed, the importance of efficient and reliable access and movement for freight via the lorry must not only be recognised, but promoted at both national and local level.

The increasing use of home delivery of internet purchases is creating greater need for freight services to individual residencies. In the longer term this will logically create different local freight patterns.

Reconciling the need for access for goods and services with local social and environmental concerns is vital. Industry takes these issues seriously and has taken significant steps to minimise local nuisance when undertaking delivery operations in order to reduce the environmental impact.

Freight in Wales

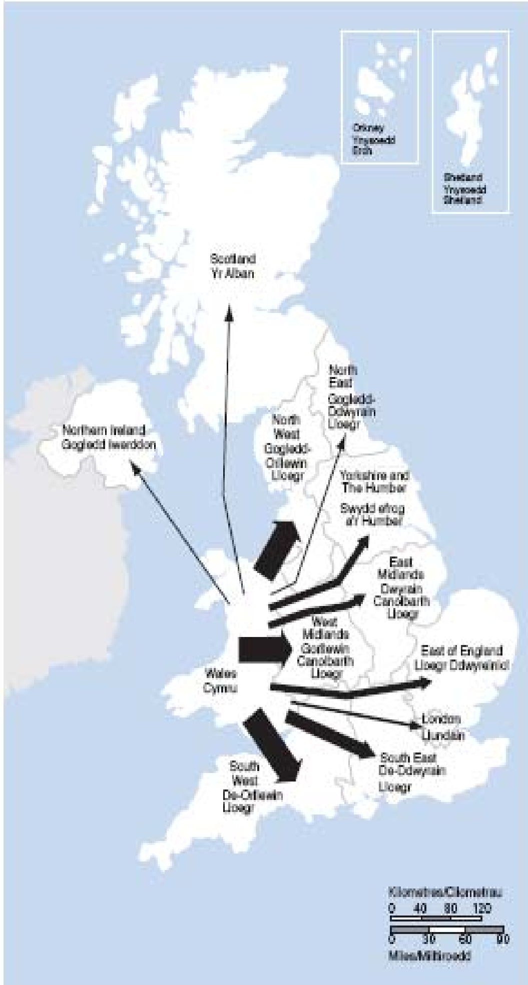
Movement of freight in Wales is predominantly by road. The main areas of conurbation are centred along two corridors in the North and South and serviced by two important trade routes namely the A55 and M4. Connectivity between these two areas is limited by the nature of the geography.

Facts and figures

- In 2006 there were an estimated 754 thousand tonnes of export by road from Wales - an increase of 96 thousand tonnes since 2005
- An estimated 427 thousand tonnes of imports were carried by road to Wales in 2006 - 3% less than 2005
- In 2006, 75 per cent of the tonnage of exports by road from Wales were to Belgium, Luxembourg, France or Germany The same four countries together account for over four-fifths (81%) of the tonnage of imports by road in 2006.
- In 2006, there were an estimated 330 thousand tonnes of chemicals exported by road from Wales. This was 108 thousand tonnes (49%) more than in 2005
- In 2006, around 63 million tonnes of goods were moved within Wales by UK registered HGVs and a further 57 million tonnes were moved between Wales and the rest of the UK
- More than half (54%) of the tonnage of goods leaving Wales by road in UK registered HGV's, were transported both to the North West of England and to the West Midlands (28% and 26% respectively). The South West of England accounted for a further 18%.
- In 2006, over a quarter of the tonnage of goods entering Wales by road in UK registered HGVs came from the North West (26%). The West Midlands and the South West of England each accounted for 20% and 22% respectively

Source: Wales Transport Statistics 2007

Goods lifted by road into Wales,
by origin of goods, 2006



Goods lifted by road out of Wales,
by destination of goods, 2006

(Source – Wales Transport Statistics 2007

Rail Freight - The UK rail freight industry has grown significantly in the 10+ years since privatisation, increasing its market share and largely reversing the long-term decline in demand for rail freight observed over the preceding 40 years or more. Rail freight traffic is forecast to continue to grow, with the biggest increase in the volume of maritime containers, which is predicted to double over a ten year period. The vast majority of rail freight services in Wales run without direct subsidies. Most current rail freight services run in South Wales, with some services in North Wales and very limited operations in Mid Wales.

Ports - The UK port sector is largely privatised and deregulated. However, port and harbour authorities are established by an Act of Parliament and have statutory powers and responsibilities. In Wales, private ports predominate and as well as being nodes for transfer of goods from land to water, ports also support a range of related industries and functions, ranging from full scale manufacturing and processing to storage and consolidation of cargo in transit. Most international freight arrives or leaves the UK by sea and the Welsh share of UK port traffic was just over 10% at 58.1 million tonnes (in 2004). There are 15 commercial ports in Wales, but the three major ports (Milford Haven, Port Talbot and Holyhead) carry over 80% of all Welsh throughput.

Air - Direct Welsh air freight is essentially confined to Cardiff International Airport, which transported some 2,391 tonnes in 2006/7[2]. The most significant air freight flow in Wales relates to the Airbus wing factory at Broughton. However, this is a closed operation, using bespoke aircraft specifically designed to carry aircraft parts. In general in Wales, air freight tends to be of high value and contained in the belly hold of the aircraft.[3]

Employment in the logistics sector – Wales[4]

01.1.1 There are 7,410 logistics sector workplaces in Wales accounting for 7.5% of all workplaces nationally. However many micro businesses do not need to register for VAT and may not be included in the figures. Given the large number of micro businesses operating, this may mean that many workplaces are excluded from these figures.

01.1.2 Wholesale workplaces make up 61% of the sector and freight transport by road a further 26%. The majority of the workplaces are small to medium sized enterprises with 86% of them employing 1-10 people. 59% of the workforce is employed in workplaces with less than 50 people. Freight transport by road accounts for a further 26%. The majority (87%) of wholesale workplaces employs between one and ten employees and within freight transport by road the percentage is 93%. Courier businesses account for 5% of workplaces. 11% of logistics employers employ between 11 and 49 staff meaning 3% of workplaces employ over 50 staff.

01.1.3 The logistics sector in Wales is responsible for the direct employment of 60,950 people. However, by including people in logistics related employment in other sectors, the true size of logistics employment in Wales stands at 90,950. This accounts for 7% of all employment nationally. Process, plant and machine operatives and elementary staff make up 50% of the employment. 10% of the workforce is self-employers and 16% work part-time.

Self employment in the Welsh logistics sector stands at 10%, in comparison to 13% for the Welsh all sector figure. The numbers of self-employed in the sector are mainly due to the high numbers of self-employed within freight transport by road and wholesale sub-sectors. Self-employment in national post activities, the second largest logistics sub-sectors in the region, is very low.

[2] Wales Transport Statistics 2008
[3] Wales Freight Strategy
[4] SfL - Welsh Logistics Sector National Profile 2007

The Welsh logistics sector has significantly fewer part time workers in comparison to the rest of the Welsh economy – 16% compared to 27%. The third largest sub sector, freight transport by road, has only 8% of its workforce working part time. However a fifth of national post activities employees work part time.

The age of the Welsh logistics sector workforce loosely mirrors the Welsh all sector workforce, bar the lower numbers in the youngest age group. However, it is notable that within road freight, the majority of employment comes from the older age groups and that employment figures in the 55+ age group are greater than the average for the logistics sector with over a fifth of the workforce in this category. The aging workforce does highlight the growing concerns of the future workforce supply as there are very few employees in the 16-24 age grouping.

Fuel Cost Predictions

Supply/Demand - Oil prices peaked in early July at an all-time high of $147 per barrel. Since then prices have been in steady retreat, influenced by the turmoil in the world's financial markets and the implications that a shrinking world economy would have on future oil demand. Oil demand growth continues to weaken, offsetting the impact of hurricane related disruption and lower OPEC output. However, prices remain very volatile, with unprecedented daily swings.

Estimates of global demand growth this year and next continue to be revised downwards.

	2007 demand	2008 demand	2009 demand
Actual	86.1 million barrels / day		
IEA projection of world oil demand as at October 07		88.0 million barrels / day	
IEA projection of world oil demand as at October 08		86.5 million barrel / day	87.2 million barrels / day

Source: IEA

OPEC has grown increasingly concerned over the extent of falling oil prices. Asia's financial crises in 1998 pushed oil to below $10 a barrel. In an attempt to stabilise the market, at an emergency meeting on 24 October a 1.5 million barrels per day cut in output (or about 4.5 per cent) from November was agreed. But the reduction, which in normal times should have led to a jump in prices, failed to stop the slide in the crude price. It fell on Friday to $62.65 a barrel, the lowest level since June 2007.

Many commentators expect the price of oil to slip below $50 per barrel. However, the expectation is that the fall will be temporary. Prices did not bottom for three months after the last cycle of formal OPEC cuts began in October 2006, suggesting higher prices in early 2009.

Sterling / US Dollar exchange rate

Over the last quarter, Sterling has fallen sharply against the US dollar as the UK's exposure to the financial crisis becomes clearer and the prospect of a recession is increasing likely. Between the end of June and the end of September, Sterling lost 10.5 per cent of its value.

The drop in Sterling's value has meant the effect of falling world oil prices has been much more muted. Had Sterling remained broadly unchanged against the US Dollar, diesel prices as at the end of October would have been 6.5 pence per litre lower.

Bulk diesel price forecast to Q4 2009

	Rotterdam Diesel Product Price $ / tonne	Sterling / USD Exchange Rate	Bulk Diesel Price incl. UK Duty (ppl)
3Q 2008	1,098.5	1.89	**101.1**
4Q 2008	725.0	1.75	**87.0**
1Q 2009	733.8	1.75	**87.4**
2Q 2009*	775.8	1.75	**91.2**
3Q 2009*	813.0	1.74	**93.2**
4Q 2009*	820.7	1.72	**94.1**

* Based on 1.84 pence per litre diesel duty increases as announced in Budget 2008

Forecourt Price Wales

Over the three month period from July to October 2008, the average price for forecourt diesel in Wales reduced by 10.8 per cent. This is a slightly larger reduction than the UK (minus Wales) average over the same time period, which shrunk by 10.6 per cent. Overall, the average price paid for forecourt diesel (incl VAT) in Wales is lower than the UK average.

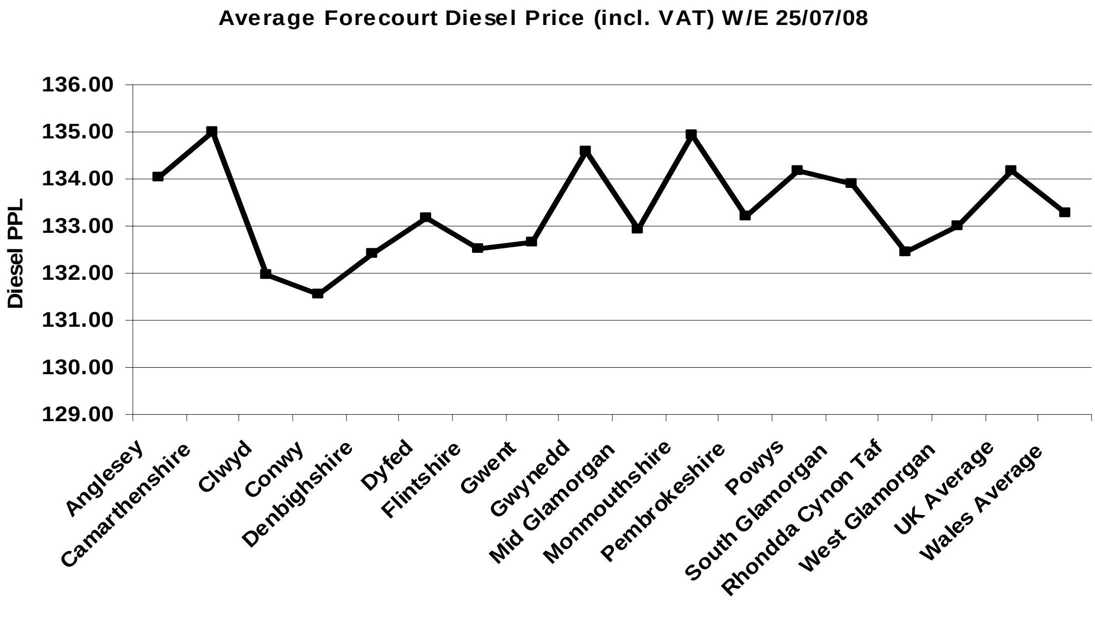
The following table and figures demonstrate the trends in forecourt diesel prices (Incl. VAT) in pence per litre (ppl) for Welsh towns and regions compared to the average for Wales and the UK (minus Wales) at two points in a three month period.

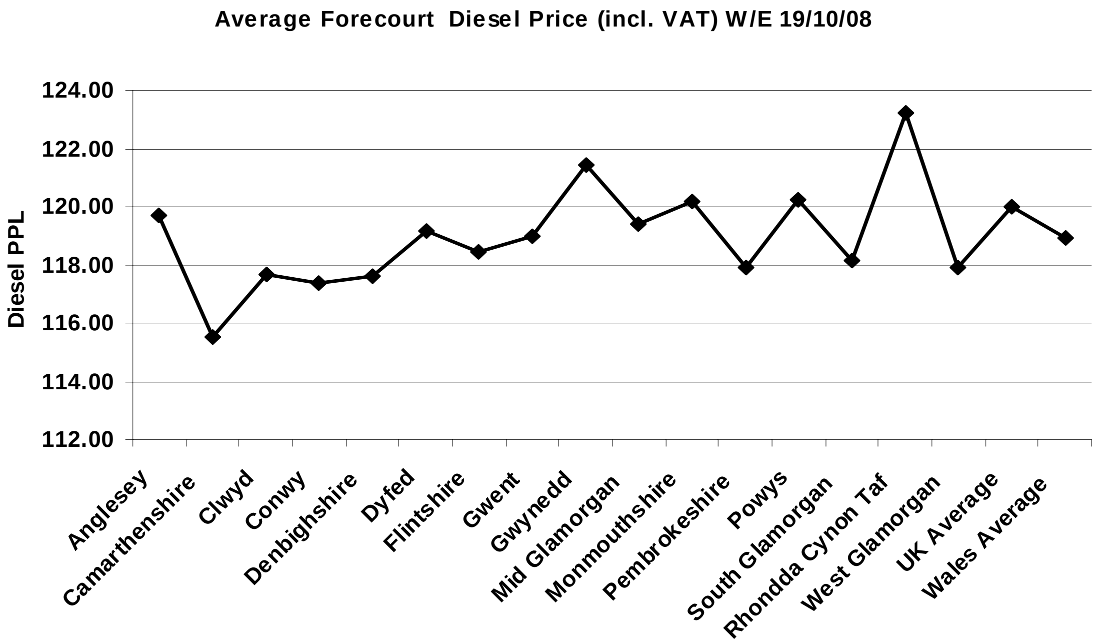
Table 1 illustrates the percentage change over the three months; figures 1 and 2 show the average price of diesel (including VAT) for week ending the 25 July 2008 and week ending the 19 October 2008.

Table 1: ***Comparison of average diesel price per litre for Wales and UK***

Region	25/07/08 average diesel price (ppl)	19/10/08 average diesel price (ppl)	% Change
Anglesey	134.03	119.70	10.69
Camarthenshire	135.00	115.50	14.44
Clwyd	131.96	117.67	10.83
Conwy	131.55	117.40	10.76
Denbighshire	132.40	117.60	11.18
Dyfed	133.18	119.15	10.53
Flintshire	132.52	118.46	10.61
Gwent	132.66	118.98	10.31
Gwynedd	134.57	121.42	9.77
Mid Glamorgan	132.94	119.43	10.16
Monmouthshire	134.93	120.15	10.95
Pembrokeshire	133.19	117.89	11.49
Powys	134.18	120.25	10.38
South Glamorgan	133.90	118.15	11.76
Rhondda Cynon Taf	132.44	123.20	6.98
West Glamorgan	133.00	117.93	11.33
UK Average	**134.16**	**120.01**	**10.55**
Wales Average	**133.28**	**118.93**	**10.77**

Figure 1




Average Forecourt Diesel Price (incl. VAT) W/E 19/10/08
124.00
122.00
120.00
118.00
116.00
114.00
112.00
Diesel PPL
Anglesey
Camarthenshire
Clwyd
Conwy
Denbighshire
Dyfed
Flintshire
Gwent
Gwynedd
Mid Glamorgan
Monmouthshire
Pembrokeshire
Powys
South Glamorgan
Rhondda Cynon Taf
West Glamorgan
UK Average
Wales Average

Annex 3 – VOSA press release – 14-10-08 – Biggest ever clampdown on unsafe lorries

The Vehicle and Operator Services Agency (VOSA) carried out its biggest ever clampdown on dangerous commercial vehicles between 1-5 October 2008, with checks at 97 different locations across the country.

The 5-day national clampdown, code-named Operation Boston, was the start of a national campaign introducing VOSA's new capability to provide roadside presence across Britain on a 24/7 basis, targeting vehicles and drivers that break the law. The Department for Transport (DfT) allocated £24m extra funding earlier this year enabling VOSA to step up its enforcement activities targeting high risk traffic. The campaign was supported by Road Safety Minister Jim Fitzpatrick when he attended one of VOSA's enforcement check sites on 2 October.

During Operation Boston VOSA targeted more high risk vehicles than ever before, carrying out over 3,600 vehicle checks and issuing nearly 1,900 prohibition notices. VOSA is using a smart, intelligence-led approach in tackling unroadworthy UK and non-UK vehicles, utilising modern technology including Automatic Number Plate Recognition (ANPR) linked with Weigh in Motion Sensors (WIMS), and a device that links directly to operator databases and highlights those at risk of non-compliance. By using this approach, VOSA is able to target the non-compliant operators and reduce the burden on those who do comply.

Results of checks on vehicle condition, drivers' hours and overload:

The results of the operation clearly show that there are unacceptable numbers of unsafe vehicles on Britain's roads. VOSA examiners inspected a total of 3,628 dangerous UK and non-UK registered commercial vehicles. Of those, a total of 1,889 unroadworthy vehicles were taken off the UK's strategic road network for offences including dangerous mechanical condition, tired drivers flouting drivers' hours limits, overloading and other offences.

Of these 3,628 vehicles 2,273 were registered outside the UK and 1,206 were breaking the law. Out of the 1,355 UK registered vehicles stopped by VOSA, 683 were breaking the law.

Examples of vehicles and drivers found to be a risk to road safety include:

- A driver stopped near Holyhead was found to be carrying a false licence and two digital driver cards, which he could use to falsify his drivers' hours records. Both cards were registered to two unknown Dutch drivers. The driver was arrested by the Police.

- Another driver, stopped at the Humber Bridge, had been driving for 19 consecutive days without the required period of rest. The driver was required to take a 45-hour rest period with immediate effect.

- A VOSA stopping officer on the M6 observed that the rear wheels on the trailer unit of a loaded articulated vehicle were misaligned. During the inspection it was discovered that there were no attachment nuts remaining, and the twin wheels were about to fall off.

- On the M1 a rigid goods vehicle was found to be 150% overweight.

- On the M6 it was discovered that the rear axle on a French oil tanker's trailer was insecure to the extent that it was in danger of failing. This vehicle was in immediate danger of causing an accident.

VOSA Chief Executive Stephen Tetlow said:

"Operation Boston was the first operation of its kind where VOSA was able to extend its 24/7 presence nationwide. We used all available targeted enforcement technology and newly recruited shift working staff. As a result, VOSA officers dealt with a staggering 3,628 vehicles and prevented a lot of accidents waiting to happen on the UK's strategic road network. The number of offences is unacceptable. We will continue to improve road safety with the national rollout of additional enforcement staff targeting high risk traffic across the country."