

# Hire and Rental

INDUSTRY QUARTERLY

Official Publication of the Hire and Rental Association of Australia

August 1998



## Totally Green Air

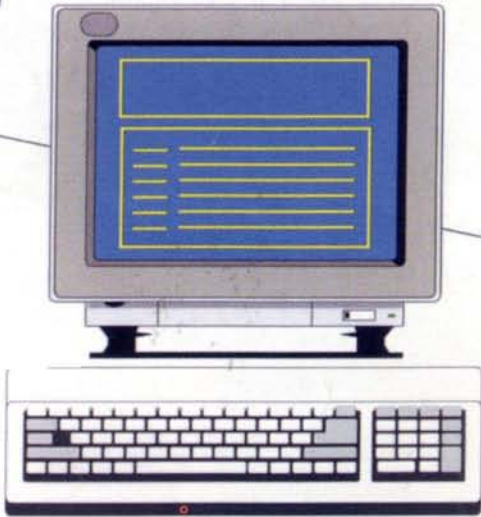
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	Actual	Budgeted
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August	\$ 941,386	\$ 850,000
September	\$ 892,237	\$ 990,000
<b>TOTAL</b>	<b>\$2,585,854</b>	<b>\$2,630,000</b>



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#### **PRESIDENT'S MESSAGE**



Lack of communication has always been said to be the downfall of any association. This lack of communication was starting to show in our Association between States and the National. The National Committee has finally agreed to appoint a National Executive Director, which is advertised in this magazine. The concept is for this person to facilitate communication between the States and provide direction and stability to the Association as a whole. I feel there will always be a need for the State Association because this is the best way to communicate directly with members and maintain a strong social aspect, which is an important component for association cohesion, as well as providing the all important technical support.

There will be lots of discussion over the next few months about the GST and whether we will be better off or not. The Association has realised that if a GST is introduced there is a possibility of double tax on leased equipment, purchased prior to GST start date. As this is an issue that affects nearly every member and needed to be addressed in the early planning stages of the GST, we have enlisted the services of a specialist consultant to prepare a case on our behalf for tax relief to ensure no double taxing. The case has already been forwarded to both the Prime Minister and Treasurer and hopefully we will receive a favourable result.

With the new National Association Structure and its new Executive Director, I feel the Association will gain new vibrancy to carry us through to the next millennium. It is a crucial time now for us all in planning for 2000, checking our computers, drawing up contingency plans to cater for other problems that may arise as a result of others, including government departments, who have failed to complete upgrades for D Day.

For those who operate Fiscal Year Diaries, don't forget to enter the HRA Convention in Melbourne 2 -5 May

Regards

Peter Walden

# There are booms and there are booms

**T**he end of the financial year has come and gone and as usual it is time for reflection.

To look back at the year past, appraise the results and more importantly, look forward to try and access what the future holds in store for your business.

Although, it is hard to generalise about individual performances, the overall view is that the last year has been an improvement on the previous years – which were considered very flat, as the hire industry kept pace with the slowly improving economy.

But the future is always more important than the past.

The main topic of debate at the moment concerns the Asian financial crisis and its effect on Australia.

While undoubtably this will have some affect on our industry in the future, at the moment our domestic markets is going strongly and looks the most promising it has for a while.

An increase in private and public sector spending has contributed towards the construction industry being the busiest it has been for years. Coupled with the infrastructure projects in progress in the eastern states which will continue through next year, an increase in expenditure in mining and government commitment to outsourcing should ensure this boom period continues through at least 1999.

This will be welcome news for the hire industry which derives the greater part of its income from these areas.

But it must be pointed out “there are booms and there are booms.”

The present boom in building and construction can no way be compared with the previous boom in the mid 1980s.

This was a period of overall growth and everybody went along on the magic carpet ride. The hire industry was one of the many recipients of those extravagant times.

Those days are gone. It is very unlikely they will be sighted again for quite some time.

The downturn cycle which followed those buoyant times has brought about dramatic changes in the industry.

Rationalisation, low inflation, increased competitiveness and rising operating costs have help create a completely new environment which sees the hire industry being forced to exist on reduced margins.

Although the hire industry is on an upward spiral these reduced margins look like being the Status Quo for some time to come.

Despite the Asian crisis and the pressure on margins, indications point to the next two years being the most productive for the industry in the last decade.

Greg Kelson

**From the editor**

## **HIRE and RENTAL Industry Quarterly**

The Hire & Rental Industry Quarterly is published by C & I Publishing (“the Publisher”) for the Hire & Rental Association of Australia Inc.

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We welcome any articles relevant to the industry, but publication is solely in the hands of the editor.

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# Hire & Rental Industry Quarterly

Official journal of the Hire & Rental Association of Australia

August 1998

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## CHANGE OF COLOUR REVEALS TRUE NATURE OF KANGO

Kango, one of the leading electric hammer suppliers, takes advantage of its adoption of Atlas Copco's yellow livery to introduce a powerful range of new products. This reflects a new direction for Kango, positioning the brand as the electric hammer specialist within the global market place.

Kango, which has been part of the Atlas Copco group since 1993, believes that the change of colour is appropriate at a time of dynamic developments within the company.

Kango's recently introduced production processes, based on advanced cell manufacturing techniques at its Bedford factory in the UK, reflects the latest thinking in quality production. Such techniques provide improved customer response times as well as enhanced product quality and service.

Increasingly product development is based on three dimensional technology to provide Kango with the opportunity to produce innovative designs tailored to meet market needs more quickly.

### Benefits

The benefits of the colour change is that Kango can build upon the market presence of the Atlas Copco Construction Tools business area and the combined strength of other companies within the group. In addition, it reflects a closer working relationship with other subsidiaries.

This collaboration has led to the introduction of the 850 Model which has built-in microchip technology capable of recording service details and advising when maintenance needs to be carried out. This hammer also features the latest anti-vibration system to reduce operator fatigue. The inclusion of weight saving magnesium casting is another feature of this model.

In total, six products are being launched including updated versions of the popular 900/950 models, versatile hammers that have proved themselves throughout the construction industry world-wide.

### Quality Production

Kango is a name that has been associated with electric hammers for more than 70 years. The company, however, has its sights firmly on the future and has committed itself to quality improvements in all facets of its operations. Changing to yellow emphasises this commitment to quality.

**All enquiries;**

**Atlas Copco Construction and Mining**

**A division of Atlas Copco Australia**

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# **EXECUTIVE DIRECTOR**

## **Hire & Rental Association of Australia**

As Executive Director of the Hire & Rental Association of Australia, you will be responsible to the National Executive Committee for the promotion of excellence in the Hire & Rental Industry of a wide range of equipment throughout Australia.

### **Your key areas of responsibility will be:**

- \* Representing the Association at a National level to Industry, Governments, the Media and Consumer Groups.
- \* Liaise and communicate regularly with five state based Secretaries.
- \* Organise Industry Conventions and Seminars.
- \* Co-ordinate and developing Members' service such as OH&S programs and training courses.
- \* Writing newsletters and articles for Trade Publications.
- \* Expanding membership and commercial opportunity for the Association.
- \* Provide own office & secretarial services.
- \* Travel between State Committee Meetings when required.

### **The Executive Director will demonstrate the skill and experience in:**

- \* Database marketing and management.
- \* Financial and budgetary management.
- \* Strategic planing and communication skills.
- \* A knowledge of the Hire & Rental Industry would be an advantage.

The position is offered on a yearly consultancy basis and can be based anywhere within Australia. It is envisaged that this position will commence at three (3) days per week with a view to full time.

Salary package will be discussed during the interview with the National Executive Committee, if you have the experience and competencies required please forward your resume to:

**Mr. Peter Walden**  
**National President**  
**Hire & Rental Association of Australia**  
**P.O.Box 118**  
**Ferny Hills 4055**

# Four-Stroke Rammers From Mikasa

Flextool are proud to offer the Australian hire industry the MT-50F & MT-72F 4-stroke rammers manufactured by Mikasa.

These two models enable the hirer to eliminate the reliability and maintenance problems associated with 2-stroke rammers.

Fuel mixing is not only messy, it also increases the chances of a customer making mistakes. Now refuelling is as simple as adding petrol to a car, eliminating the costly mistake of adding too much oil, or worse, no oil at all. Quickly offsetting the extra cost of the unit by putting an end to service calls and lost hires from engines put out of commission by improper fuel mixing.

Like their 2-stroke counterparts, the 4-stroke oil bath F series offers the same rugged and reliable design package that Mikasa is renowned for.

In comparison to a 2 stroke model, some of the features of the 4-stroke rammers include are:

- A reduction in fuel consumption of up to 27%.
- Lower operating noise levels.
- A reduction of engine emissions.
- Easier starting.

Along with the standard features of a Mikasa rammer:

- Metal backed, laminated wood shoe.
- Heavy Duty tubular steel frame and rubber engine mounts.
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Honda G100 Four-Stroke Engine

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# Will hire in hardware chains affect the hire industry?

The announcement by Westfarmers that they are about to engage in capital raising in order to fund the expansion of their Bunnings Warehouse chain may have significant implications for small hire companies in the future.

Bunnings Hardware stores have 15 operations throughout Victoria, South Australia and Western Australia, which also offer a hire department which is aimed at the DIY market. They are now setting up stores in New South Wales and Queensland as part of their expansion.

The stated aim of the group is to set up another 13 stores in the Eastern States before June 1999. All of which will provide a facility to hire certain items of equipment, which are aimed at the home handy man market.

While the enterprise is not new, the operation started about three years ago, it poses the question of whether these operations will prove to be a threat to small suburban hire companies who concentrate on supplying to the home handy man market.

Bunnings are not the first to try and make hire a part of a hardware operation in Australia. It has been tried before on a smaller scale on several occasions. These previous endeavours generally fell by the wayside for various reasons. But never before has anyone of Bunnings size or financial backing (Westfarmers) become involved. It is reasonable to presume that Bunnings have done their homework on their operations in Victoria, South Australia and Western Australia and foresee the hire side of the operation to be a profitable proposition for the future. Because they are committed to the hire operation being part of the Bunnings national expansion.

Hire operators approached regarding the Bunnings operation did not see it as any serious threat at the moment. One line of thought by an experienced hire operator is that Bunnings are merely providing an extra service to their customers by giving them an alternative to purchasing certain items of equipment. As their product range is very limited and not expanding they do not present any threat to established hire operations, who have more to offer in the way of equipment range, service and maintenance of equipment. In fact Bunnings may be even creating hire clients by introducing them to the alternative to purchasing equipment.

But the alternative to that opinion is that Bunnings would not be expected to continue with an operation and commit to the future development of same, if it was not considered viable.

Of course what must be remembered is the operation is only an add on, not the primary source of

income of the hardware store and can be discontinued at any time.

The danger to hire companies in this end of the market is that if Bunnings look like being successful in this enterprise their opposition may follow them into the market. Neither of the spokesmen for the other major hardware chains (BBC or Mitre Ten) would commit themselves as to their future intentions, but you can be sure they are monitoring Bunnings progress closely.

Australia has a long history of copying America and this is probably another example. Hardware chains have been involved in the American hire industry for some time. Their involvement ranges from the small corner operation in some store to the hire yard with the full range of equipment, including access equipment in others. They have definitely had an effect on the market, but the American hire industry is a huge market which cannot be compared to Australia's.

Hardware hire operations may not appear to present any threat to hire companies in Australia at the moment, and it is highly unlikely any hardware store would attempt to match a hire companies range of equipment. But, a hire operation operating in a national hardware chain, which had sufficient time to research the market and evaluate its customers needs, which would allow it to target these areas, could prove a thorn in the side of hire companies, because;

- A ready made client base of home improvers continually visit their stores.
- They can employ experienced hire personal to run the hire operation
- They open 7 days a week
- Their bulk buying facilities.
- The opportunity of being able to advertise their hire operation as an alternative to purchasing through their regular equipment catalogues.

Whether these assets would allow them to take market share from hire companies in their limited area of involvement is another matter.

But the hardware stores availability to monitor their regular clients purchase and hire preferences over a period, which would allow them to shape their product range accordingly provide the fundamentals. Fine tuning this information and transforming it into a successful hire operation is the key. If it can do so we could see them provide formidable opposition to hire companies in these areas of involvement.

The Bunnings Hardware hire operations may eventually fade into oblivion as others before it have. Or it could be the beginning of a change in the hire environment. Whereby, as in America, hire in hardware stores is part of the hire industry.

Only time will tell.

# Ditch Witch appointed Australian Agents for Trenchmaster mini Trenchers

Ditch Witch Australia, a Division of Bateman Equipment, has been appointed the agents for Trenchmaster mini Trenchers,

The appointment coincides with the release of the Trenchmaster F - 780H Bededger™ and F-1201H9.0 Model.

The **F-708H Bededger™** is a lightweight mini-trencher designed for ease of operation and maneuverability. Much more flexible than other mini-trenchers. By removing one nut and changing rotors you may grind small stumps, make standard trenches, prune roots, and much more. Cut across gravel and asphalt driveways.

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- Wide pneumatic tyres provide better flotation in sandy or very soft soils
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- Quicker movement through heavier soils

All enquiries regarding the the F-708H or F1201H9.0 Trenchmaster models contact:

Ditch Witch Australia  
A Division of Bateman Equipment  
Head Office;  
9 Grey Avenue  
Minchinbury NSW 2770  
Tel: (02) 9677 9011  
Fax: (02) 9677 9375

## News in Brief

### Australian to be guest speaker at overseas Convention

Ron Lawson, from National Hire, will present a paper on the EWP licence system in Australia, at the the Apex Conference to be held in Maastricht, the Netherlands, on September 17-18.

The paper,

#### Certification of EWP Operators The Australian Experience,

Will cover the reasons for the introduction of Certificates in Australia and their perceived benefits

It will trace:

- The development of the enabling legislation in each state.
- The introduction of the certificates.
- Certificates and their relationship with "duty of care" responsibilities.
- The impact on the day to day operation of the perspective of the owners and the users of the equipment.

The request is an acknowledgement of the standing that Australia has earned in the access industry worldwide in being acknowledged, as having one the highest safety standards anywhere in the world.

### Ringling your Elevating Work Platform

It would appear that the age of automation is creeping closer as two companies at the Bauma show produced operating systems on the work platforms that are quite revolutionary.

One truck mounted manufacturer produced a new devise on their electrically controlled platform that allows head office to "interrogate" the platform during its operation. A "black box" on the platform permits an engineer from the office to change operating speeds and operate the platform levelling status.

The system also permits the platform to be programmed to ring the office if there is a malfunction.

While another company demonstrated their system of ringing their boomlift from a specially adapted mobile phone. Information on when the platform was switched on that day and if it was still operating are transmitted back to base via the phones readout. The platform can also be switched off if necessary from the ground.

# Trends in the US Equipment Rental Market

Aaron Smith from RER magazine in the USA was the guest speaker at the NSW July Conference, held in Leura in July. His address on trends in the USA hire market provided an in depth look at the US market today. In the first of a two part article we look at that address.

Good day. It's very good to be in here in Australia and the Blue Mountains for the first time and I want to thank the New South Wales Hire Association for this wonderful opportunity to come here and speak about the U.S. rental industry.

This U.S. rental industry is a busy subject, so I'll take you on the express tour and try to remember to take a few deep breaths along the way -- I can tell you our industry hasn't taken any deep breaths in the last two years... And it doesn't look like it's going to take one for a while. So much is happening and so much of it begins with consolidation. You've seen it here, I know. There aren't many industries these days that haven't.

Consolidation is a force that has changed our industry in the U.S. more in the past year than the past three decades. In fact, even the past year's activity pales in comparison to what has happened just this month. And this trend is going to continue to impact every aspect of the business -- from employees to equipment to earnings.

But the whole story includes more than consolidation. There are other major forces of change in the rental industry. One involves equipment manufacturers, who are seeing rental as the distribution channel and are getting directly involved in the process. Another is coming from the retail side with hardware groups and mass merchandisers developing rental programs and bringing rental to the consumer level.

Together, these three forces of change -- the consolidation fuelled by Wall Street capital, the manufacturer involvement and the retailers-- are combining to create enormous competition and challenges in the U.S. rental industry. But at the same time there are enormous opportunities. The industry's growth is in itself a fourth force of change. Yes, the very concept of renting is spreading throughout America.

Let's look at each of these four trends. And then let's look at the ways rental companies are responding. What are the strategies in the face of change? And, while were at it, what does the future hold? It's a wild time...

## CONSOLIDATION

You could say it all started about two years ago when the rental industry was "discovered" in America. Of course, it has existed for 40 years -- my magazine just celebrated its 40 year anniversary covering the industry. But for most of that time, rental really was an insiders industry -- no one knew that it existed except the people that ran the businesses and the customers they served. Then, about two years ago Wall Street discovered the industry -- it has been compared to Columbus discovering

America: It was always there, but it won't ever be the same.

Beginning in 1996, our four largest rental companies went public in six months -- there had never been any public rental companies before. Since then several others have followed. And combined, these companies have raised more than \$2 billion dollars in capital from their stock offerings.

Rental is a story Wall Street is buying -- an industry that is growing annually at 20 percent ... and industry that is fragmented and has great potential for consolidation... an industry that is capital-intensive and ripe for economies of scale. So the stocks have done well.

And these companies have used their "free" money to buy up hundreds of companies ... and open hundreds of new locations -- a year ago it seemed a deal was announced every week, then it seemed a deal was done every other day.

In 1997 20 percent of the RER 100 -- our list of the top 100 companies -- was acquired. One out of five companies. This year, another 20 companies on the RER 100 have already been acquired. Forget about a deal every day -- it's more like one in the morning and one after lunch.

The industry's largest companies are getting larger and last year they were joined by several newcomers -- companies with no rental history, but a strategy to make some history in a hurry, and they are the most dramatic example of the current state of change in the industry. They also represent its future.

The two biggest are United Rentals and NationsRent... I guess you could call them United Nations if they ever merged -- anything is possible, we've learned. These two companies didn't exist at this time last year. Within 6 months of forming, they were among the largest companies in the industry -- and they did it all through acquisition.

They are both run by people familiar with raising capital and consolidating industries.... Both management teams met before in the waste industry ... They both bought hundreds of waste haulers in the early 1990s and built multi billion dollar networks. .. They made themselves and their investor a lot of money And they plan to do the same thing in rental.

How serious are they to be taken? A month ago, I was ready to make the very dramatic point that United had acquired 140 locations with revenues of more than \$340 million -in the last 60 days. Then four weeks ago, they announced the acquisition of U.S. Rentals - - the second largest company in our industry. This makes United a \$1.4 billion company. We've never had a half-billion dollar company. And they did it in less than a year!!

As Dan Kaplan put it -- the consolidators are now consolidating the consolidators. Dan Kaplan's the former CEO of Hertz, which was the longtime No. 1 company before this merger. It's amazing. If you took Hertz and

merged it with another Hertz and then merged it again -- you still wouldn't have a company as big as the one-year-old United.

But it's not going to end there. United is the first to the top of the mountain. But Nations has the billionaire pockets of Wayne Huizenga as its director. Huizenga is known for creating the huge video rental chain Blockbuster Video and now a dealership chain called NationsAuto -- these were also fragmented industries when he got involved and they weren't by the time he left.

So, United and Nations are the two newcomers making the most noise. But they are certainly not alone. There are the established companies -- Hertz, RSC, Prime -- who are all growing rapidly. And it's worth mentioning some others -- NES was formed about a year ago and it is run by the former management team of Brambles' U.S. division. It went public this month.

You know about Brambles. It is still our 10th largest company and is also picking up its growth through acquisition .... Another Top 10 company -- Neff-- is backed by GE Capital... And we know that American Equipment, which is owned by Fluor Corp., is for sale and a deal may be finalised by next month. It goes to show that Wall Street may be picking favourites and wants consolidation and results in a hurry because now these big companies are starting to eye each other for acquisition.

It's a bigger-is-better attitude. As United's CEO Brad Jacobs said after the U.S. deal: "Size does matter." It means access to less expensive capital, it means leverage over vendors, it means national accounts. And it means the world has changed forever for independent rental companies.

## MANUFACTURER INVOLVEMENT

The second force of change in the industry isn't making as many headlines but it is just as significant -- perhaps more. Equipment manufacturers are getting directly involved in the business of renting equipment. And no matter how big United or Hertz become, they will never be as big as Caterpillar or Case or Deere.

Manufacturers traditionally went through distributors to sell their equipment to the rental industry. Then they began to sell directly to the rental industry. They saw the importance of the rental channel even before Wall Street discovered it -- in fact, distributors did too and most have rental departments now

But now the biggest manufacturers are looking for a direct piece of the action. They want to stay in contact with the end users of their products. They see rental as THE distribution channel. And they want to have some control over it.

This became very clear about a year ago when Atlas Copco paid more than one billion dollars to acquire Prime Equipment, our fourth largest company. How on earth could Prime be worth a billion dollars people asked? Its revenue was about \$300 million. But Atlas Copco wasn't just buying a company. It was buying a trend. It was buying a distribution channel that had national coverage.

All the major manufacturers have taken similar steps. Deere acquired part of Sunstate, one of our Top 15 companies. Deere is taking a hands-off approach with Sunstate. It says it wants to learn to industry. But with Deere's support, Sunstate has moved into new states it has never been before, it has doubled its revenue and tripled its locations in two years.... Deere is learning all right, but it is also participating.

So is Komatsu. It has acquired three of its dealers to set up rental programs and show their other 50 dealers that rental can work. It was a message that they should rent or they shouldn't be dealers for Komatsu. To back it up, Komatsu is launching a new product line of smaller construction equipment.

And then there's Caterpillar. For sometime, there have been Cat dealers with strong rental programs -- in fact 10 Cat dealers are on this year's RER 100. Now Cat has created a corporate division dedicated to rental...and like Komatsu they plan to make new rental friendly products like compact wheel loaders and mini-excavators and skid-steers.

That was a wake-up call to everyone. By the end of this year, most Cat dealers will have dedicated rental programs. By the year 2000, the Cat rental network will have more than 300 locations offering Cat and other brands of equipment and its compact equipment line will be in full swing.

So the rules of equipment distribution are changing at the same time that consolidation is increasing. And these two major forces of change are happening at the same time that a third force in the rental market is emerging.

## RETAIL HARDWARE RENTAL MIX

It once was said rental couldn't mix with retail. There was a time when distributors rented reluctantly. And hardware stores wanted nothing to do with the maintenance. Turning the product was the key -- they didn't want the product resumed ... again and again. Mixing retail with rental was "Like putting a laundry mat in a hamburger store."

Well, maybe doing your laundry while eating your burger and fries isn't such a bad idea after all. Hardware rental is growing faster than any other niche in that industry. The big hardware buying coops and mass merchandisers like Home Depot are driving this trend.

The three biggest hardware coops -- TruServ, Ace and Do it Best -- have schools for their members to learn rental, and they support them with advertising and group buying power. Combined, these three now have more than a thousand members with rental departments and hundreds of stand alone locations. They've also brought retail sophistication to the effort with attractive lighting and product displays, standardized colours and promotions.

These programs are growing about 25 percent a year - - combined they did more than \$100 million last year. And while their core market is the homeowner, many of these members have expanded their inventory to include

contractor-oriented machines.

Now the home improvement giant Home Depot is trying rental. It quietly launched a tool rental program two years ago. Like everything they do, it won't be quiet for long. They brought in rental veterans to pick the inventory. They studied and tested the concept in one market and then a few more. This program, which they still have never announced officially, has begun to roll out nationally. And wherever these rental departments pop up, they always guarantee the lowest rates -- just like Home Depot does on the sales side.

By next year, sources tell us that Home Depot plans to have 150 rental departments across the country and start sharing "its little rental secret" with ad campaigns. That's significant to anybody in the homeowner rental business. But for Home Depot, it's barely a start. By the year 2000, Home Depot expects to have rental departments in 800 of its stores.

So, those are the three outside forces of change in today's U.S. rental market.

1. There's the race to consolidate the industry led by Wall Street capital.

2. There's the manufacturers involvement, either encouraging their dealers to rent or actually investing in rental companies.

3. And there's the mass retailers and hardware coops adding rental to their stores.

These three trends have been developing over the past few years, and the implications are clearer now than ever. Competition has reached a new level. But something else as well. It's actually another force of change: Equipment rental in America is bigger than it's ever been. And it's only going to get bigger.

## GROWTH AND AWARENESS

The growing awareness of the rental concept is the most encouraging force of change, the part of the story no one complains about.

The American rental industry is no longer operating in the shadows it once did and it is no longer in its infancy. But even now, it is also far from a mature industry. I guess you could call it a fast-growing, somewhat awkward teenage industry. And that can be a difficult stage to try and figure out.

It's even a hard stage to track and quantify. Rental, by most accounts, has grown in total size about 15-20 percent a year for the past three years and it is now estimated at about \$20 billion. But some estimates expect that to double to \$40 billion in five years. That's a number that begins to sound more mature.

This kind of optimism has become a force of change in itself. As all the new money and competition targets new markets and customers, the rental concept is spreading. The American market is learning about the benefits of renting and concluding that it makes sense. That it offers many benefits over ownership. The result is something that everyone can cheer -- big companies, small companies, industry magazines, industry associations.

On all levels -- from the contractor who used to own almost all of his fleet -- to the industrial plant that used to manage its equipment -- to the consumer who used to buy a new car every few years -- the idea of renting (or hiring or leasing) is becoming a larger part of the American way.

Most people prefer to own. The American dream of owning your own house and a nice car. But in the 1990s, for the first time, we started seeing commercials that didn't just show the car's price, but also the monthly lease rate. People discovered that you might drive a nicer car if you leased it. And you wouldn't have to worry about the maintenance.

In the rental industry, the same basic principle is at work in all three of the major revenue segments -- contractor, industrial and homeowner.

U.S. contractors have always liked to own, too. But that is changing. A recent survey found that contractors now rent 16 percent of their fleet -- just three years ago it was only 5 percent. So there's a very real trend and there's a lot of room for it to continue. After all, in England and Japan, contractors rent 50 percent or more of their fleets.

Companies even use a simple mathematical scenario to promote rentals and we're likely see more of it like we do in car commercials. One company says its monthly rate on a backhoe is \$1,600. It estimates it costs \$15,000 a year to own the same backhoe. So pulling out the calculator, it only makes sense to own if you are running the backhoe nine months out of the year -- of course, most contractors don't get that 75 percent utilisation.

On the industrial level, companies are following the same logic and outsourcing to cut costs and increase profits. The concept is simple: Concentrate on your area of expertise and let outside experts handle the rest. When it comes to equipment, rental companies are the experts and that's why the industrial market is the fastest growing segment in rental.

Petrochemical facilities, chemical process plants, wood and paper companies, public utilities are all partnering with rental companies. And there is plenty of room for more growth here, too. Less than 1 percent of the equipment used in the industrial market is rented, so every major rental company has created a separate industrial division with specialized sales staff and mechanics to go after the market.

This is the segment that has really got the attention of Wall Street. It's growing, it's lucrative and it's less cyclical than construction. In short, it makes a good quarterly report. The contracts are long-term and once a rental company gets a foot in the door, it can create a barrier to competition. It becomes the expert of the plant's equipment needs.

And then, far, far away from the industrial plants, is the third major rental segment -- the one Wall Street pays the least attention. The American consumer -- that car buyer who may now lease -- is still a largely untapped market in the equipment rental industry. This is the market that the hardware stores and the Home Depot are now chasing. And this happens to be the market where the best

opportunities for the smaller independent rental centre still exist. Why?

Well, unlike consolidation in the construction rental and industrial markets, Home Depot coming to the homeowner rental market isn't viewed by everyone as the beginning of the end. It's more like Tiger Woods in golf. When Tiger Woods won the Masters, he looked unbeatable. I think even "the shark" Greg Norman said so. But it turns out that Tiger is very beatable. And his true impact on the game of golf turns out to be not so much his putting but his presence. Tiger Woods has attracted millions of new fans to the sport of golf. His commercials put his face -- and golf -- into living rooms every night. The point: Tiger Woods is good for golf and the other golfers. The prize money and popularity of the game has grown.

As one rental centre owner told me, he was thrilled when Home Depot opened a store near him. He knew it would bring thousands of customers to the area -- customers he could never attract through his limited resources. And he knew that if just 1% of these new customers couldn't find what they needed at Home Depot, they might come to him. Meanwhile, he was confident that his customers knew that there was more than a low price to consider when renting equipment. He didn't think he'd lose too many of them.

So Home Depot is a force to be reckoned with, but far from dominating, it could actually help expand the

concept of rental like never before. Home Depot has the power to turn the huge \$100 billion DIY retail segment into frequent or at least occasional renters.

This type of exposure is happening elsewhere. We see it on racing cars and on billboards during televised baseball games. We hear commercials on the radio. Forbes magazine ran a profile of Brad Jacobs, the United CEO. The news channel CNN interviewed him after the deal for U.S. was announced. And the team behind NationsRents is very familiar with the power of advertising. They used it to make Blockbuster the No. 1 video rental chain. And they have already retained the same national advertising firm.

It's clear then that even as competition and consolidation continue to increase, everyone -- the public companies, the hardware retailers, the manufacturers -- are pursuing the same higher agenda, which is to promote the benefits of rental, to grow the market size. They are almost like partners in profit.

So rental is growing as it grows up. It has a bright future. And this is what has attracted investors and consolidators and competition...and this is what is creating more awareness and growth. In short, it's a chain reaction. One trend fuels another trend fuels another.

*Aaron Smith is the Research Director, for Rental Equipment Register, the leading hire industry journal in America.*

## Ingersoll-Rand introduces 4.5kW Generator for the P185 WJD Portable Air Compressor

### New 4.5kW Generator has three different modes of operation

The Portable Compressor Division of Ingersoll-Rand Company has introduced an upgraded version of its P185WJD portable compressor with an optional 4.5kW generator. This multi-purpose machine has three modes of operation including air only, generator only for sensitive equipment requiring constant frequency, and air/generator for less sensitive equipment that can handle variations in frequency from 60 to 80Hz.

The new generator, belt driven off the engine crankshaft, has a separate panel containing the voltmeter; a mode switch; and a 2 duplex 120 volt, 25 amp GFI protected outlet. There is also a minimum pressure valve with a check valve to prevent any backup into the air compressor.

"This generator is perfect for fusion welding, job site lighting and electric hand tools," said Paul

Sullivan, Product Manager, Single Axle Portable Compressors. "The generator is also theft-proof because it is contained within the air compressor housing. A dealer kit also will be available to retrofit existing machines."



Ingersoll-Rand is a major diversified industrial equipment component manufacturer. Its product lines serve a wide range of industrial and commercial markets worldwide. The company employs 47,000 people. Further information on Ingersoll-Rand can be found on the company's World Wide Web site at;

[www.ingersoll-rand.com](http://www.ingersoll-rand.com).

For more information on the P185WJD with 4.5 generator option contact; Australian distributor.

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# Dormers Hire looking after the country

Tony Dormer, from Dormers Hire in Dubbo, was recently awarded the 1997 Isuzu Truck of the year award. The win was for their two delivery trucks, which are fitted with sliding tilt trays, with one of the trucks fitted with a 3 tonne mounted cranes for loading and unloading his heavy hire equipment. It was an even more meritorious win considering Dormers was chosen from a field of 3600 entries. This was a further feather in the cap for this family owned business which celebrates 21 years in business, this year.

Tony comes from a farming background and in 1977 was completing a course in farm & business management with a view to opening a produce store in Dubbo in conjunction with the family farm in Collie, 100 kilometres from Dubbo.

Although committed to the project, Tony was looking for other options. When a friend suggested that an equipment hire business in Dubbo had some potential, it was a window of opportunity for Tony. It was originally planned to open a produce - hire combined store. But, after a family conference, it was decided to purchase premises in Fitzroy street, in Dubbo, and concentrate on the hire operation.

The premises was double fronted with living quarters at the back. It had served as a Saddlery and a Chinese Market Garden previously, and was ideal for a hire operation.

It was purchased privately for \$22,000. The vendor funded the loan and told Tony, if he could repay the loan in 12 months he would refund the interest payments.

Tony clearly remembers the first week of the hire operation. Starting with a limited range of equipment, aimed at the small contractor, his turnover was \$159.

But the business grew to the extent that Tony was able to borrow the money from the bank to pay off the original loan within the prescribed 12 months, and receive the promised refund of the interest payments.

Within three years he was able to borrow

\$120,000 from the bank, to build new premises on the original site. Where Dormers Hire still operates from today.

In the early days there were no Isuzu trucks for deliveries. Tony lived at the back of the premises and run the hire operation during the day. If equipment had to be delivered, a "back in 10 minutes" sign was put on the door, Tony would load up the trailer behind the Datsun 180 B, car, deliver the goods, return to the shop and wait for the phone to ring again. The Datsun also acted as the advertising venue, with Dormers Hire prominently displayed. It wasn't until the second

year of the operation that Tony could afford to employ staff. Tony's parents acted as part time employees in those early days.

Tony attributes the rapid progress of the business in the early years down to the fact that there was very little opposition and being in the position of servicing the growth of Dubbo.

Civil and Civic Construction had a lot to do with this early growth. They came to Dubbo to build the Dubbo City Centre. The project took from 1978-1980 and provided Dormers with plenty of business. They were exceptionally good clients who even gave Tony plenty of notice of equipment they intended

to hire, providing him with his limited stock, time to get the equipment if necessary.

So fast did the business grow that in 1980 his parents sold their farm properties, moved to Dubbo and Tony's father, Jim, joined him in the hire business.

This growth was acknowledged in 1981, when Dormer's Hire was one of the State finalist in the Commonwealth of Australia's Small Business Awards for Outstanding Achievements. Reaching the top ten from six hundred entries.

The company was also recently the winner of the Dubbo Chamber of Commerce & Industry 1995 Outstanding Business Award for trade. They followed this up by being judged the Ten Capital TV Business of the Month for January 1996.



## *Celebrating the Award*

*Front row, L/R. Rod Gilbert (Truck Manager Isuzu), Jim Dormer, Cheryl & Tony Dormer, Marc Storey (Managing Director Tracserv P/L Dubbo)*

## *Back row, Dormers team,*

*L/R. Tim Mealey, Adam Bruce, Leica Doran, Marc Stoddard & Max Mallard.*

Coupled with the Isuzu Truck award, these awards are an example of Dormer Hires ability to keep up the high standard of its operation.



*Tony Dormer, with the latest recruit, three year old son, Harrison, delivering a Snorkel Scissorlift to the Earthtracking Station near Dubbo.*

The business has continued to grow, servicing the steady growth in home building and construction in Dubbo, While also expanding its area of operations in outlying areas. Smaller towns nearby did not have the population to support a permanent hire company, which has allowed Dormers Hire to build its customer base serving these areas over the years. Its areas of involvement now cover Wellington, Mudgee, Coonabarabran, Dunedoo, Walget, Lightning Ridge, Bourke, Parkes, Cobar back to Dubbo. Tony

attributes a lot of this growth to the use of TV advertising. Dormer's has an ongoing monthly TV budget which allows it to get its message to surrounding areas. This is especially beneficial with the introduction of new equipment.

In order to keep up with demand Dormer Hires equipment range has expanded to cope with the diverse areas of involvement. Living up to its slogan "the ultimate toolbox".

The need to service building contractors, construction industry, local government, home handyman and the farming industry, over such wide sweeping areas, has seen it build up a huge range of equipment. Making it probably the biggest country hire company in New South Wales.

Dormers has always been a family business. Tony, wife Cheryl and Tony's parents, Jim and Marion, have all been involved over the years in the running of the company. Dormers now has six permanent staff and two casual employees, in order to run the business smoothly, seven days a week.

Tony Dormer looks to the future with a great deal of confidence. He sees the hire industry as very challenging. The necessity to continually source new equipment which may benefit the business, from the continual supply of new products which become available, while at the same time keep up with industry changes, is one of those challenges.

But, with Dubbo's 40,000 population and the surrounding districts making up the population to 150,000, it provides a very good potential customer base for Dormers hire to continue to built on the foundations it has established over the years.

Its proven record for service and dependability should ensure it continues to grow for years to come.

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# GENIE SCISSOR LIFTS ON THE RISE DOWN UNDER

Since Genie Industries were launched in Australia earlier this year, more and more hire and rental organisations have discovered exactly why having a Genie makes good sense.

Genie Scissor Lifts, for example, comprise an internationally acclaimed range designed and refined in response to customer needs and expectations.

Both the GS 1530 (6.4m working height and a 272 kg capacity) and the GS 1930 (7.6m working height and a 227 kg) Electric Self-Propelled Scissor Lifts offer a list of features which maximise performance, safety and value.

These include a solid steel deck platform with slip-resistant surface, roll-out extension platform (1m), heavy duty steel guardrails for maximum durability, lubrication free, service free pivot points and ergonomic Joystick controller which can be operated from the platform or on the ground.

High angle steering enables outstanding manoeuvrability, while a variable speed motor helps conserve energy and a low noise level means the GS 1530 and 1930 can be used in workplaces where quiet is required. In addition, on board troubleshooting diagnostics forewarn operators of any potential fault situations.

But it doesn't stop there.

Genie backs up its remarkable range with an exceptional standard of after-sales service. Technical advice, spare parts, training and assistance is available 24 hours a day through an Australia-wide network of agents and distributors.

It is this combination of performance and back-up

which maximises the 'hireability' of Genie products, and makes them the obvious choice for the hire and rental industry.

Other models in the Genie Scissor Lift range include the GS 2032, the big brothers in the range, the GS 2046 and GS 2646, and the new addition to the family, the GS 2668 RT Rough Terrain Self-Propelled Scissor Lift, re-inforce Genie's commitment to providing the appropriate Scissor Lift for just about any situation.

For more details on Genie Scissor lifts range Contact Chris Goddard on 1800 331 660



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# The importance of effective employee selection

Recent editions of the Hire and Rental Quarterly have highlighted the continuing problem of low rental returns and increasing operating costs. However a factor often overlooked in our product oriented industry is the area of personnel. Specifically, the hiring and retention of key human resources. This has become a critical issue for all Australian organisations wishing to minimise operating costs without diluting efficiency and productivity. Increased competition, pressure to improve performance, hire company mergers and rationalisations and an erosion of profit margins has meant that organisations cannot afford the luxury of poor employee selection, as the efficiency and effectiveness of an organisation is largely dependant on the quality and competence of its staff or 'human resources'.

If properly designed, an organisation's selection process can identify competent candidates and accurately match them with the job. While employee selection is far from a science, some organisations fail to design their selection systems so as to maximise the likelihood of achieving the right person-job fit. While many hire company owners or managers may think their selection process is adequate, the costs involved with making a wrong choice may cause them to think again. Research indicates that the ratio of staff turnover costs to annual pay is between 1.2 and 2.0. For example the loss of a \$20,000 a year employee may cost \$24,000, or more given costs such as;

- Clients lost to bad service from a poorly selected individual.
- Inefficiencies while new employees learn new tasks, it takes on average 13.5 months for a new employee to reach 100% efficiency.
- Additional time lost by supervisors and peers while new employees get up to speed.
- Productivity lost while the position is vacant.

While many large organisations have human resource managers or utilise recruitment agencies to ensure they have an effective selection process, the costs involved place these tools out of reach for many small hire company's. However, the following provides simple cost effective ways to ensure that your organisation has the best people possible, who are productive and add value to your organisation.

The employment interview is the most widely used selection technique. and Australian managers have a strong preference for the unstructured interview. However research indicates that the use of a structured interview yields more accurate results. Also data gathered by the unstructured is often biased and unrelated to future job performance as interviewers make perceptual judgements that are often inaccurate. By following a structural outline, the interviewer can ensure that all relevant information needed from the candidate is systematically covered.

## Know the job

To select the right person an interviewer must know

about the job to be filled. This may sound contrite to many hire company owners but how many have sat down and listed the key responsibilities, reporting relationships and determined the unique aspects of the organisations various positions. In addition, many managers or owners may find that those staff that the least amount of time spent hiring (ie drivers and counter staff) actually spend the most time in front of the people that matter the most in the organisation, the customer. Therefore these individuals can cause a considerable amount of damage if they do not 'fit' the position.

## Know personal attributes, experience and skills required

It is important that the required qualifications, experience and special skills must be job related, as any non job related requirement can leave an organisation open to claims of discrimination. In addition to established unnecessary requirements may eliminate many good candidates. Requirements should be ideally reduced to 4 or 5 essential elements that can clearly be shown as job related. It is important for the interviewer to remember that the interview is a tool to predict future performance and that performance is a function of both ability and motivation and not ability alone.

Interviewers should look for gaps in employment history, such as dates left out and employers not named, vague wording, inflated job titles, danger signs, such as frequent job changes and vague reasons for leaving the previous jobs and health problems. One technique that enables the interviewer to simplify this process is the matching sheet. List the most important job dimensions on the left side of the page, then list each applicants relevant qualifications in the right column. This makes mismatches obvious and can save time in reaching an objective decision on who to interview.

The interview is important to the applicant and to the image the company presents. Hence the interview should be conducted in a setting free from interruptions. Not to do so conveys a negative image to the applicant by communicating to them that the interviewer does not really think they are important enough to justify the basic courtesy of a professional interview.

## Beware of prejudices

If applicants are to be reviewed objectively, it is important that prejudices do not impinge on the selection decision, otherwise interviewers run the risk of losing good candidates and leaving the way open to charges of discrimination. To be effective, interviewers must know their prejudices and must be aware that;

- Candidates being interviewed before or after a very good or bad candidate can have their evaluation seriously distorted.
- Candidates judged to be attractive and appropriately groomed are more highly evaluated than unattractive or inappropriately dressed candidates regardless of skills.

- Applicants who demonstrate more eye contact, head moving, Smiling and other similar non-verbal behaviour receive higher evaluations.

#### Encourage the applicant to do most of the talking

While the interviewer is talking they are not learning about the applicant. The more the applicant talks (about relevant subjects) the more the interviewer is going to learn about them. Yes/no type questions are of limited use and the applicant should be encouraged to talk by asking open questions, such as, "tell me what you did in your last/current job and what are the most important contributions you have made to it." Negative questions can also be useful such as "that's an impressive achievement can you tell me about a time when things did not go as well." Follow up questions such as, "how did the situation arise and what did you do," are vital to obtain specific information. Interviews can be ruined if the interviewer monopolises the conversation.

#### Close the interview

Closing the interview should be done in a friendly way. It should be remembered that those with the responsibility for recruiting represent a window into the organisation. As a consequence of this, they are in a position to either greatly enhance or diminish the company's image by their actions.

#### Write up the interview

One of the biggest deficiencies in interviewers is the failure to write up the results while it is still fresh in their minds. Accuracy is increased if facts and impressions are recorded as soon as possible. Checklists or rating forms can help make this a less onerous job. Finally, accurate records are vital in proving that a selection decision was not discriminatory.

It cannot be denied that the smaller hire company's are struggling to sustain their operations in the face of continued low returns and increasing costs and these trends appear to be with us for some time. However, selling any service effectively is not just a question of having the right products or producing the appropriate service, it is a matter of doing it more efficiently than your competitors. This frequency boils down to effective management, which to a large extent means having the right people in the right place - and that is a matter of having an appropriate selection process.

Gavin Lowe  
Flextool Australia

Sources: *Human Resource Management* by R.J.Stone;  
*Organisational Behaviour* by S.P.Robbins; *Strategic Human Resource Management* by A.R.Nankervis.

## Ditch Witch Introduces the **TRENCHMASTER BEDEDGER™ (Model F-708H)** The mini trencher which is big on power and performance

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# **VIC '99 TOMORROW'S HIRE TODAY**

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**Melbourne is on the move**

Don't miss the opportunity of attending the National Convention in Melbourne. Planning is underway to ensure that 1999 is the Convention that will introduce new initiatives and lead the Hire and Rental Association into the next millennium

### **Convention Sessions**

#### **Tuesday 04 May**

8.30 - 10.00am

10.00 – 12.00 noon

#### **Wednesday 05 May**

8.30 – 10.00am

### **Social Program**

#### **Sunday 02 May**

6.00pm Welcome Reception

#### **Monday 03 May**

**Evening** Informal Dinner with entertainment

#### **Wednesday 04 May**

1.00 – 3.00 pm Lunch with entertainment

### **Exhibition**

#### **Monday 03 May**

Yard Tours

Equipment in Action Field Day

Training Sessions

Lunch

#### **Tuesday 04 May**

12.00 noon Exhibition Opening

1.00 - 5.00pm Lunch and Exhibition viewing

5.00pm Happy Hour

6.30 - 9.00pm Dinner & Exhibition Viewing

#### **Wednesday 05 May**

10.00 am - 1.00pm Exhibition Viewing

For further enquiries please contact the Conference Secretariat

ICMS Pty Ltd 84 Queensbridge Street Southbank Vic 3006

Phone: + 61 3 9682 0244 Fax: + 61 3 9682 0288 email [hire@icms.com.au](mailto:hire@icms.com.au)

# **VIC '99 TOMORROW'S HIRE TODAY**

**Hire and Rental Association of Australia  
National Convention and Exhibition**

## **Equipment in Action Field Day Monday 03 May**

### **The Camel Paddock at Werribee Park**

Activities will Include

- Demonstrations of mobile equipment on an all terrain course
- Demonstrations of portable equipment

Chainsaws

Mulchers

Ground Maintenance Equipment in actual working situations

The day will commence with visits to Hire Yards and then coaches will proceed to Werribee Park for the equipment demonstrations.

The venue is also the site of the historic Werribee Mansions and the Werribee Zoo – a natural wildlife setting for its animal inhabitants.

Delegates' partners will joint participants at lunch after viewing the Mansion and Rose Garden. A Safari Tour of the Zoo will be offered in the afternoon.

### **DON'T MISS THIS OPPORTUNITY OF PARTICIPATING IN THE 1999 CONVENTION IN MELBOURNE**

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# Totally Green Air

## CompAir Oil-Free Portable arrives in Australia

**C**ompAir (Australasia) Ltd has recently taken receipt of its new TGA-425 (Totally Green Air) diesel engine powered oil free portable air compressor.

The all new compressor has been successfully launched in the USA — the world's largest oil free market — and already over 70 are in service. The Australian launch of the TGA-425 makes CompAir one of only two world-wide suppliers of these portable oil free compressors.

Applications for the TGA-425 include portable standby air for planned maintenance breakdown and meeting short term peak requirements in industrial applications requiring oil free air, such as the food, drink, chemical, pharmaceutical and tobacco industries.

Oil free portable compressors are also frequently used in oil refinery maintenance programmes such as cleaning catalytic converters in flare stacks, in the steel industry in speeding furnace cooling prior to replenishment, and in other specialised applications.

The CompAir TGA-425 produces 42.5m<sup>3</sup>/min (1500 cfm) of compressed air at 7 bar (100 psi) pressure via two compression stages with integral inter-cooler and after-cooler. A high pressured model of 10.5 bar (150 psi) @ 32.5 m<sup>3</sup>/min (1150 cfm) TGA-325 oil free compressor is also readily available.

The compressor is powered by a CAT 3406 DITA diesel turbo engine developing an on load output of 460 bhp at 2000 rpm. This engine conforms with the current and imminent legislation on exhaust emissions worldwide.

The "totally green air compressor" has been designed with environmental protection during operation very much in mind. Spillage of any of the compressor fluids, lubricating oil, diesel or engine cooler water is prevented by a totally sealed canopy unit.

The compressor has eleven separate automatic shut down systems to protect this high value plant and ensure reliable operation with minimum downtime. These include control systems for high compressed air temperature at various stages, high compressor bearing temperature, low compressor bearing oil and engine pressure, low compressor gearbox oil level, low engine coolant level and high coolant temperature, engine over

cranking, low fuel and excessive vibration.

A unique safety feature of the TGA-425 is its automatic start up cycle. This includes external pre-lubrication of the bearings of the compressor rotors to prevent wear and damage resulting from oil drain down during inactivity. An automatic warm up and shut down period is also built into the control cycle, together with an emergency stop facility.



Picture: Four TGA-425 portables being used in the USA

The steel compressor canopy is sound attenuated to reduce noise emissions to 76 dBA sound pressure at 7 metres, and will meet Australian legislative requirements for site noise emissions (Occupational Noise: National Standard and National Code of Practice) whilst enabling operation in ambient temperatures of up to 50°C, giving the TGA-425 genuine Nationwide usage capability.

As with all CompAir Holman portable compressors, zinc coated steel panels are used in the canopy construction for maximum corrosion resistance. Good service access is also provided with lateral drain points for fluids.

Container twist lock points to ISO standards will be provided so that the compressor can be transported or used on a skeletal drawbar trailer capable of carrying standard 20 ft. length international containers.

For further details on the CompAir Holman Oil Free Portables or any of your other Compressed Air requirements please contact Laurence Bingham:  
Ph: (03) 9544 0777, Fax: (03) 9562 8894  
Email: [marketing@compair.com.au](mailto:marketing@compair.com.au)



**CompAir (Australasia) Ltd:** Head office: 34-40 Ricketts Road, Mt. Waverley, Vic. 3149  
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# Cleaner is hot stuff

A new revolutionary engine drive hot water pressure cleaner has been released by Australian Pump Industries Aussie Echo Clean Division. Called the HSP 3500 the big pressure washer utilises a devise called EMF (patent pending) that enables the machine to generate hot water and steam to 120 degrees C without the use of complicated and expensive electrical apparatus.

The machine, designed for contractor or public utility applications, develops 3,500psi pressure (220 bar) and is available with flows up to 15 litres/minute. It is mounted in a robust 4 wheel trolley with pneumatic tyres for ease and mobility on even rough construction sites.

Powered by a reliable Honda 13 hp overhead valve engine the Aussie HSP has a heavy duty triplex ceramic type plunger pump as the heart of the pressure system.

Available at up to a third lower cost than the more old fashioned machines, Australian Pumps say it is the EMF system that gives the machine its edge. Product Manager Hamish Lorenz said, "EMF stands for 'electro magnetic firing'. This is a unique system which completely eliminates the need for blower motor transformer, alternator/battery or generator systems. In other words, it is simple and much lighter weight, less expensive and easier to maintain than the older fashioned systems that included one board alternators."

A convenient centre lift eye is built into the heavy duty frame to make the machine easy to move around

construction sites.

It is ideal for cleaning construction machinery in the field, ie where no power is available, or for use by government utilities for killing weeds without chemicals. Steam is being increasingly used as a chemical free weed killer.



Further information,  
Australian Pump Industries  
Tel: (02) 9894 4144

## A Tribute to Harry Campbell

Many of the older hire operators would be saddened to learn of the death of Harry Campbell, who passed away on the 20th June 1998.

Harry was probably the longest serving supplier to the hire industry.

Harry provided blacksmithing services by sharpening jackhammer moils for most of the hire companies in Sydney at some time during his lifetime.

Andrew Kennard recalls he first met Harry in 1962, when he had his blacksmiths shop in Chatswood. "He would sharpen the points, chisels and spades for Kennards as well as the only other hire companies in existence at the time, North Sydney Traders and Associated Hire at Kingsgrove."

"One shilling for Kangos and one and sixpence for air moils was the price," Andy remembers.

"Harry was a stickler for quality. He was very concerned if a point broke off (and that was not often) and advised on the problems with different brands of moils (he reckoned that P & V 101's were the best)".

Andy learned from Harry that a brokenmoil means a chipped anvil on the breaker and Harry always insisted "I'd better fix it fast or it will damage other moils which will in turn damage the anvils of other breakers".

His attention to detail saved hire companies a lot of money over the years.

Harry's son Henry continues to run the business and has learned the importance of quality from his Dad.

Andy Kennard would like to join the members of the hire industry who knew and respected Harry to offer their condolences to Harry's wife, Vera and family in their sad loss.

# Boom and Bust

**T**he next few years will be important for the Australian access rental industry as it grapples with oversupply and low rates. Access International reports.

In some ways, the Australian access industry is an example to us all: it has introduced one of the world's few operator licensing schemes, has an uncommonly strict system for inspecting old platforms, and has created an industry association which could serve as a perfect model for such bodies anywhere in the world (see box story).

This progressive approach to safety and training has played a big part in raising the profile of the Australian access industry in recent years. But even more important, probably, has been the dramatic growth in platform sales and the powered access rental sector in recent years.

"Key factors in the strength of the market", says Eric Johnson, a consultant to the Elevating Work Platform Association of Australia (EWPAA), "are new infrastructure projects, industrial applications, building activities generally, the forthcoming Olympic Games and updating of old fleets." Up to 300 platforms, for example, are reported to have been working on Olympic projects in Sydney.

This strong market has meant annual sales of around 1000 self-propelled units in 1996 and 1997, a healthy figure for a country with a population of 17.6 million. The vast majority of these are supplied by the US manufacturers, with JLG Industries, Snorkel - which has a truck mount manufacturing operation in New Zealand - and, more recently, Grove Manlift, among those featuring well in the market. JLG is the acknowledged market leader, with over 25 years presence in Australia.

The rental sector has absorbed most of the platforms, and although dominated by two national players - Wreckair (owned by Brambles) and Coates Hire, both with fleets exceeding 1000 units - there is a growing number of smaller regional operations with fleets numbering in the hundreds. Examples include Skymaster Plant Hire and the National Hire Group Sydney, Donpra Hire in Queensland and Victoria, Access Hire in Melbourne, Victoria.

As a consequence, there are now real fears of oversupply in the rental sector. Michael Cotter, a director of Sydney-based Active Hire which runs a fleet of under 100 Liftlux scissors, says there are 50 per cent more scissors and booms in the market compared to two years ago, and that a rate war is underway; "Rates are lower now than five years - and still coming



***A JLG 660SJ boom owned by Coates Hire, working on the Homebush Park Olympic Site in Sydney. Coates' Auburn branch supplied up to 60 machines for the Olympic project.***

down, in a city like Sydney with population of 5 million and a booming market to reduce rates is madness."

Another Australian salesman quotes rates of A\$900/week (US\$650/week) for a 60 foot boom - half what it has been in the past - and a \$200/week (US\$125 week) for a small electric scissor.

"The market is truly flooded with equipment", says George Kotselas, business development manager with JLG Industries (Australia) and manager of its New South Wales operation. He estimates that Australia's total rental fleet could now number around 8000 machines.

Adding to the problem has been the recent influx of used machines from Asia and North America, with Thomas Equipment in the US ruffling a few feathers when it entered the re-rent business in Australia with a fleet of used machines numbering anywhere from 80 to 300 units. "That drove rates down overnight", one

Australian owner told Access International.

As elsewhere, the manufacturers' willingness to provide generous deals to customers hasn't helped. For example, Bob Maxwell, construction manager for Alfasi Constructions, a major Australian steel fabrication and erection contractor, says he has found some of the manufacturers' guaranteed buy-back schemes very attractive.

### Unrealistic view

Eric Johnson of the EWPAA thinks there are simply too many suppliers; "Overseas [manufacturers] of elevating work platforms appear to have an unrealistic view of the Australian market. They do not seem to realise that the total Australian population is only 18 million people. Currently around 20 suppliers of new platform equipment have established offices or representation in Australia...We are concerned that the market cannot support this level of representation and over time it will be to the detriment of the industry by causing the quality of product, services and financial returns to run down."

Despite the threat of oversupply and pressures on margins, the suppliers continue to push the access concept, with scaffolding contractors and crane rental companies being prime targets, as well as end user industries such as mining. Grove, for example, has recently supplied 22 machines to Bechtel for a major expansion of the Roxby Downs mine in South Australia.

One of the first crane rental companies to enter the powered access business was Sydney-based Gillespies Crane Services which bought its first platforms in 1985 and which now runs around 90 machines, mostly JLG booms and scissors.

The company sees lots of potential outside construction; "All sorts of markets are still untouched", says Chris Wilson, manager of Gillespies' access division. Its own particular niche is TV and film work using platforms to carry cameras and lighting. This represents a "substantial" proportion of its work and determines the composition of the fleet: the scissors, for instance, start at around 20 feet (6.1 metres), while the main scissor market in Australia is for machines under 20 feet.

This kind of specialist operation is likely to be the salvation of many of the smaller rental companies in Australia, particularly as the current high level of construction activity will not last for ever.

Eric Johnson already sees platform sales "easing back" this year, and John Gillespie, owner of Gillespies, says the Australian construction industry is two to three years away from a major downturn; "and we're not just anticipating it, it will happen." The boom and bust cycle - that's one example from Australia it would be good not to follow.

## A common front

**The Elevating Work Platform Association of Australia (EWPAA) is little more than a decade old, but already plays a vital role in the industry.**

For evidence of the maturity of Australia's access Industry you need only to look at its Elevating Work Platform Association (EWPAA). Established in April 1987 in response to specific problems within the Industry, the association now has a membership of over 200, encompassing manufacturers, renters and end users.

Eric Johnson, a consultant to the association, says that in the eighties manufacturers and renters were worried that the Industry was growing rapidly without adequate coordination or support service; "There was no forum to discuss Issues affecting the Industry, no specific training programmes, and second-hand equipment (some of doubtful quality) was being brought into the country from overseas."

The Association's key objectives were to: foster co-operation between manufacturers, owners, renters and users; set high standards of safety for the equipment and its operation; establish self regulation in the industry; implement a training and instruction programme for operators; and represent the industry on standards bodies and government committees.

Mr Johnson says that current efforts are directed towards safety and efficiency in the use of platforms, particularly training and instruction; "The programme is designed to allow members to instruct literally thousands of operators of work platforms, mainly self-propelled and trailer-mounted machines. It includes a train-the-trainer course run by the Association, in-house training of instructors by members and on site instruction of operators".

The Association has itself undergone some major changes in its short life. In 1994 it merged with the much larger Hire and Rental Association of Australia (HRAA). This boosted membership to around 200, but proved cumbersome to administer, so on January this year the EWPAA re-established itself as an independent national organisation.

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*Fax: 0011 44 1892 784086*

# Mustang reaches new heights

On a bleak overcast day in early August, Metropolitan Demolition Pty. Ltd. of St. Peters, Sydney took delivery of two Mustang 2070 units to add to their already impressive range of plant.

One of the main considerations by Mr. Paul Giannikouris, Managing Director, in the decision to purchase of Mustang was the market reputation of Mustang for strength, power and reliability which is essential for demolition contractors who have to cope with the very demanding time constrictions imposed by commercial developers in the lead up to the year 2000 and the Olympic Games.

The Mustang model 2070 was released to the Australian market in January 1998 and was the latest edition of the 200 series that was just released in September 1996.

Some of the features of the Mustang 2070 Turbo which was engineered for higher operating capacity, greater breakout force and tractive effort, operator comfort, durability, reliability and serviceability are:

- Bow-tie drive system with 100K drive chains
- High - capacity auxiliary hydraulics with easy -access couplers.
- Sealed and pressurised hydraulic system for cleaner, cooler operation.
- No maintenance direct drive coupler.
- Superior operator and bucket cutting edge visibility.
- Roomy cabin with low sound levels.
- Operators suspension seat with arm rests.
- Unsurpassed service access through swing - out tailgate, flip - up engine hood - with even greater access through flip - up operators seat.
- All welded unitised mainframe.
- Forged axles and axles housing.
- Built in axles seal protectors.
- Increased stability with longer wheelbase and wider stance.

Optional weight kit for increased load capacity.

## Steering/ Hydraulic Control Options

- T-Bar Steering/Foot Controls
- Dual Lever Steering/Foot Control
- Dual Lever Steering/Hand Control

## Fast-A-Tach Options

- Mustang Single Pin Fast -A-Tach
- Mustang Two Pin Fast-A-Tach

For Further information please ring  
Tutts-Tat Hong on 1300 65 8888



*Photo of Mustang 2070 being lifted by Brambles Crane Hire Division 160 tonne capacity Truck Crane, 14 floors on the top of the old Angus & Coote building in George Street Sydney on 5/8/98*



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# Battery Maintenance

At this time of the year I thought it would be appropriate to start discussions on D.C. Electric Circuits and their components, for we often suffer from failures due to a lack of maintenance of the components that make up this system.

First of all we have the battery, basically the heart of the system, for it is the component that gives us the kick to start our engines or power to operate a D.C. motor driving a hydraulic pump for example. Like our heart that sometimes suffers from clogging or neglect due to a poor life style maintenance program, batteries can do the same. They corrode around the terminals, run low in water/acid content and clog up with deposits between the cells that make up the battery.

## Battery Functions

The battery in an automobile has three major functions:

1. It provides a source of energy for cranking the engine.
2. It acts as a stabiliser to the voltage in the electrical system.
3. It can, for a limited time, furnish energy when the demands of the electrical units in operation exceed the output of the generator.

In order for the battery to function, it is necessary that the amount current withdrawn from the battery be balanced by the current input from the generator, so that the battery is maintained in a properly charged condition. If the output exceeds the the input, the battery will become discharged and will be unable to provide sufficient energy.

The state of charge of the battery as well the temperature of the electrolyte, has an important bearing on its capacity for supplying energy. Battery efficiency is greatly reduced when the temperature of the electrolyte decreases because a low temperature has decided reducing effect on the electrochemical action. Under high discharge (such as cranking) the battery voltage drops to a lower value in cold temperatures than in warm temperature.

In extremely cold climates, it is important to keep batteries in a nearly full-charged condition to avoid the possibility of freezing, which will damage any battery.

## Care of Battery when not in use

Batteries in cars that are being stored over days require care to prevent plate sulfation or other deterioration due to chemical action.

Before being placed in storage, the battery should be tested to assure that it is filled to the proper level and that it is fully charged. Batteries should be checked every days and given a boost charge of 25 percent of ampere rating of the battery at a rate of five amperes.

*Additionally, it is wise to disconnect the ground cable of the battery during the storage period*

## Battery fundamentals

An electric battery consists of two or more individual units or cells producing electricity by certain chemical reactions. Electric cells can be classified into one of two groups, namely: primary cells and secondary cells.

There are a number of different kinds of primary cells, one of the most familiar being the dry cell, such as in a flashlight. All primary cells become exhausted in converting chemical energy into electrical energy, and they cannot be recharged by an electric current as can a secondary cell.

Secondary cells, sometimes called accumulators, also convert chemical energy into electrical energy. The passing of an electrical current through the cells restores the chemical energy (or charges the cells) so that they are ready to supply electric current again when required. There are two types of secondary cells in general use today; these are the lead-sulfuric acid type and the Edison or alkaline type.

The lead-acid cell is made of plates of lead and lead oxide immersed in an electrolyte of sulfuric acid and water. Due to its economical and electrical advantages, the lead-acid storage batteries in general use for many purposes, the most common of which is for starting, and lighting the modern automobile.

In automobile installations, several cells are used in groups. The number of cells depends on the voltage requirements and the size depends on the service(ampere) required. The usual assembly method is to connect these cells in series - that is, the positive terminal of one cell is connected to the negative terminal of the next cell, and so on, to the end of the row.

With the cells in series, the voltage of the battery is the sum of the voltages of the individual cells. Thus, for example, a typical 12 - volt storage battery has 6 cells with 11 plates per cell, a capacity of 70 ampere-hours at a 20 hour rate, and a rating of 840 watts.

## Care of wet batteries

Batteries stored in new cars, as well as wet batteries in stock, must be given regular attention to prevent sulfation of their plates that may result from inactivity and self discharge. All automobiles-type wet batteries will slowly discharge while standing idle, whether stored in vehicles or in stock, and will self-discharging much faster when warm than when cold.

To minimise the extent of self - discharge, always store batteries fully charged and in the coolest possible place. At frequent interval, check the level of

electrolyte and add water as required; also checking the specific gravity with a hydrometer. A boosting charge at a moderate rate, without excessive overcharge, must be given batteries in storage whenever the specific gravity falls to 1.250, corrected for temperature. Batteries used for display purposes or standing must be treated in the same manner as batteries in stock.

### Level of Electrolyte

Water is the only component of the electrolyte which is lost as the result of charging and recharging, and it must be replaced before the electrolyte level falls to the tops of the separators.

If the water is not replaced, and the plates and separators become exposed, the acid may reach a dangerously high concentration that will char and disintegrate the separators and may permanently sulfate and impair the performance of the plates.

Plates cannot take full part in the chemical action unless they are completely covered by the electrolyte. Separators are no longer porous in the area that has dried out as a result of exposure; Therefore, the corresponding area of the adjoining plates is rendered inactive and subject to continuous sulfation.

### Specific gravity test

It is advisable to occasionally check the condition of the battery electrolyte with a hydrometer in order to determine whether the automotive charging system is maintaining the battery in a proper state of charge. This is particularly during cold weather when the battery must deliver more power.

The hydrometer measures the percentage of sulfuric acid in the battery electrolyte in terms of specific gravity. As a battery drops from a charged to a discharged condition, the acid leaves the solution and enters the plates, causing a decrease in specific gravity of the electrolyte. By measuring the specific gravity of the electrolyte with a hydrometer, an indication of the approximate state of charge of the battery is obtained.

A hydrometer can be used only if there is sufficient electrolyte above the battery plates to fill the hydrometer tube. Do not take the hydrometer readings immediately after refilling a battery with distilled water. The specific gravity test cannot be made on the sealed-type battery.

To make a hydrometer test, remove the battery filter caps. Draw the electrolyte and force it out of the hydrometer tube several times to bring the temperature of the hydrometer float to that of the electrolyte. Then draw in just enough electrolyte to lift the float. Make sure the float is not binding on the side of the hydrometer tube. Read the specific gravity of the float scale.

A fully charged battery has a gravity reading of 1.280 to 1.300. A battery that has specific gravity reading of 1.250 or less, with all cells reading evenly within 30 points (.030 ) of each other, requires

recharging. A battery that has a specific gravity reading which varies more than 30 points between any two cells should be replaced and tested for cause of failure.

### Load testing

This is carried out by placing a rotating rheostat device between the two terminals. The rheostat is rotated until a reading on the Amp meter measures three times the ampere-hour rating of the .(210 amps for a 70 ampere hour battery)

If the terminal voltage reads 9 volts or more the battery is satisfactory.(minimum voltage require for a kettering ignition system using a ballast resistor.) If the reading is less than 9 volts the battery must be completely recharged and tested again.

### Precaution in Battery Charging

A battery charger must be connected in parallel with a battery. The positive terminal of the charger must be connected to the positive terminal of the battery. The two negative terminals must also be connected together. With any type or brand of battery charger, the positive terminal is a cable and clamp usually with red insulation. The negative cable usually has black or green insulation.

If a charger is connected in reverse polarity, the battery can be ruined very quickly, and may even explode due to the extreme heat developed in the electrolyte. If the battery is still in the automobile and connected to the electrical system, a reverse-connected charger can ruin a transistor-type regulator or damage diodes in the alternator.

Most modern battery chargers are equipped with a protective device that lights a signal lamp when the charger is connected in reverse polarity. This device also prevents the flow of current until the polarity is correct.

Some of the most common causes of repeated undercharged battery conditions, other than those due to a defective battery include:

1. Regulator improperly adjusted, low alternator output due to defective alternator or loose alternator belt(s).
2. Improper installation of "add - on" accessories or excessive use of accessories with engine running.
3. Leaving headlamps or parking lights turned on, or leaving the doors open with the car unattended for extended periods.
4. Defective switch in underhood or trunk lamp circuit. If left burning long enough this small lamp will discharge a battery.
5. Self-discharge due to dirty battery case or undercharging due to corroded or loose battery cables.

Peter Armstrong  
National Hire

# Folding chairs reduce warehousing and transport

For many years, folding chairs have been the standard party hire chair in the United States. American party hire companies and others purchase around 6,000 locally made folding chairs per day. Buying decisions in this highly competitive market have been heavily influenced by the need to minimise storage and handling costs of rental products to protect tight margins. While there are similar cost pressures in Australia, folding chairs are not widely used, despite the obvious advantages they offer.

Last year, the Sydney-based Australian Catering Tables began stocking the American made McCourt folding party hire chair. Marketing Manager, Mr Stephen Popplewell, told Hire and Rental that the company made the decision to stock the chair because it saw significant advantages in the product when compared to stackable non-folding chairs. "We are convinced that widespread use of folding chairs has not occurred to date in Australia due to the lack of ready availability of a quality product at a reasonable price. We saw this as an ideal opportunity to expand our product range and fill a hole in the Australian market."

The diagram below shows an indicative comparison of the warehousing space required for chair storage. With the use of pallet racking, 720 folding chairs can be stored in 3 square metres of warehouse space compared to only 180 stackable chairs (stacked 15 high). In Sydney, for example, this warehousing space would

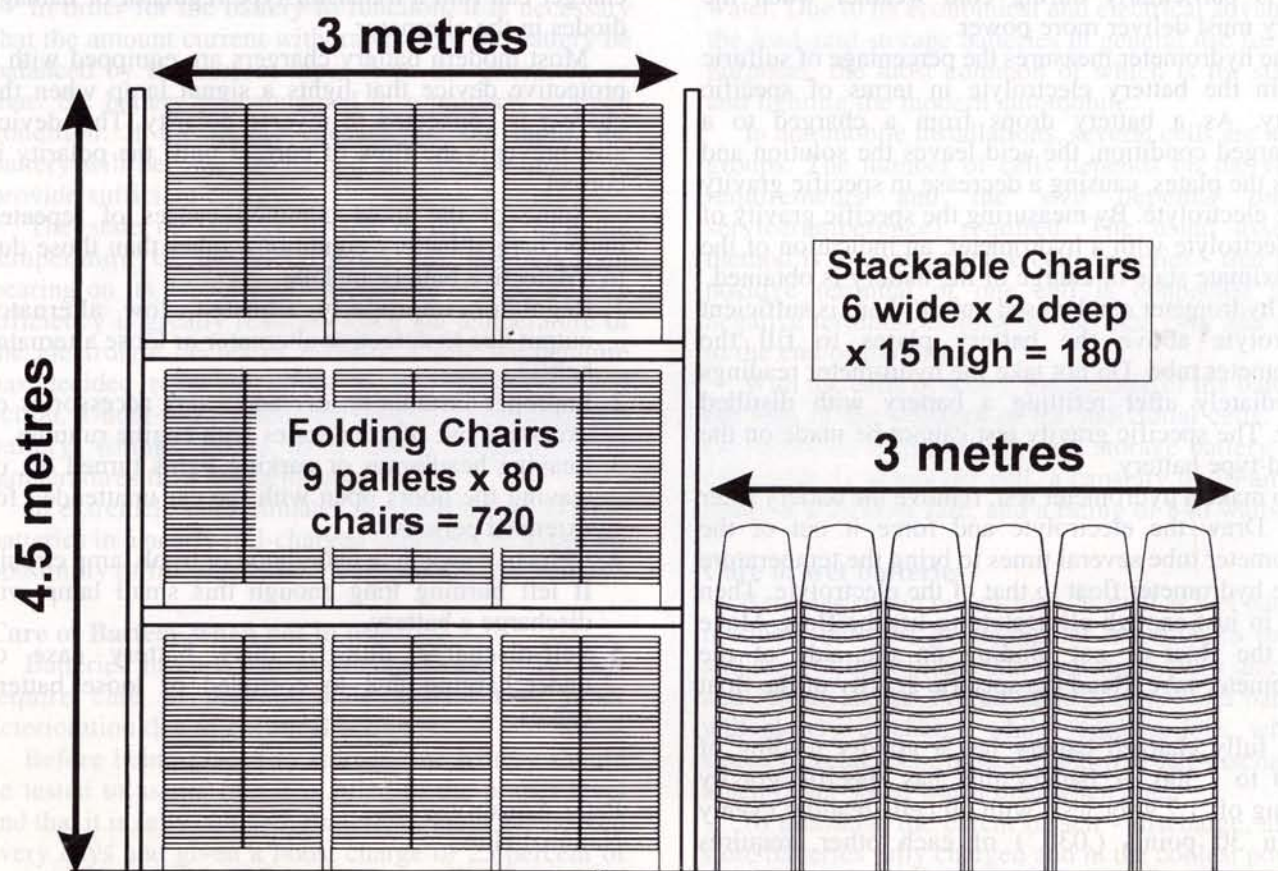
cost around \$100 per square metre per year which means that it would cost \$1.67 per year to store a stacking chair compared to \$0.42 for a folding chair – a saving of \$1.25 per chair per annum.

The compactness and light weight of the McCourt folding chair also results in savings in transport costs. 300 chairs weigh less than 1 tonne and can be physically stacked on a one-tonner. Large quantities of chairs required for some functions can be loaded on fewer, smaller trucks. Loading and unloading of trucks can be achieved in less time. For small "back yard" parties, hirers can often take folding chairs home with them in the backs of their cars.

In addition to savings in operating costs, product durability and support are two other factors which have made folding chairs a success in the United States. Australian Catering Tables is confident that ultimately, similar market pressures in Australia will result in a significant shift towards the use of folding chairs in the local market.

All inquiries regarding McCourt folding chairs should be directed to the Australian national distributor:

Australian Catering Tables  
38 Hickson Road  
SYDNEY NSW 2000  
Freecall 1800 70 70 72  
Tel (02) 9251 2223  
Fax (02) 9251 2782



# Folding Tables and Chairs

## Chairs

### McCourt folding chair



Manufactured in USA  
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Moulded carry handle  
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Only 3 kg each  
US standard in party hire

Available ex stock



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# Baytex Springtop & Clipframe get even better!

Baytex are offering two exciting new developments for 1998 with major enhancements to the Clipframe and Springtop marquee ranges.

## Springtop Downsizes

Sizes now start at 2.4m x 2.4m with a lightweight adjustable height unit complete with hook-on walls and good quality PV.C. roof ideal for over-the-counter rentals. This unit comes with full instructions at a price that allows it to compete with the much more fragile folding canopies on the market.

A comprehensive range of sizes up to 10m x 10m makes the Springtop a versatile, attractive and cost effective option for all Party Hirers looking to build their smaller marquee inventory. Observers are always amazed at how quickly and easily the Springtop goes up and how little labour is required. And yet when enhanced with stylish window walls and base rail systems they are extremely strong and stable.

## Exciting New Variations

Gaining in popularity are the rectangular sizes 5m x 10m and 6m x 12m both one piece units but when put side by side and with an efficient guttering system make for an impressive 10m x 10m or 12m or 12m marquee complex big enough to do a good sized function and look spectacular into the bargain.

The smaller sizes are just great for barbies, fete stalls and elegant garden parties and they all look beautiful inside when lined!

## Clipframe goes Pull-thru

The other major new development at Baytex is the conversion of all our Clipframe range to the Pull-thru roof system. This is an evolutionary development that has built on the work we have already done in much of our earlier frame design. We can now offer you the best features of the Clipframe frame system, the unlimited extendibility of the structure frame system with its bay-at-a-time erection sequence, and a pull thru roof system for minimal installation labour.

We are now offering two new round tube extrusions with two and four Keder grooves respectively. These are enhancements to existing Channeltube extrusions and are based on 50 mm high strength round tube profile as opposed to the rectangular profile of most alternative structures.

Everyone knows that round tube is the most efficient structural profile both in size and weight and both of these are important considerations for rental marquees and structures.

Our 3m and 6m Clipframes are now stronger than ever without being over engineered. You are not paying for or carting unnecessary alloy and erection is now quicker and easier than ever. Call and talk to us about this exciting new development, if you're not already a Clipframe convert you'll soon be one.

## Simply Spectacular !

# Electron

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from

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**Baytex Manufacturing Co Ltd.**

40 Mirrielees Rd, P.O. Box 2571, Tauranga, N.Z.  
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# Action Tents

Action Tents are the Australian Agents for Tentnology. The Tentnology Marquee is a premium quality frame tent designed with advanced tension structure principles. Impressive strength, elegant form and ease of assembly are a few of the features that make the Tentnology Marquee a peak performer. Tentnology Marquees are engineered for extreme weather conditions. Using the Tentnology computer program, the structural properties of the Marquee are analysed and the strength and safety specifications documented. Confirmed by over 10,000 hands-on field test in diverse applications and under various conditions, the Tentnology Marquee is guaranteed to perform. Tentnology uses the tensile strength of the fabric to replace heavy frame sections so that the Marquee is much lighter than other frame tents with significantly fewer parts. Its so light that once assembled, four people can easily lift and carry and erected Marquee. No special training is needed. Detailed installation instruction and a product video make simple work of assembling these tents. Two people can set up the 20' X 20' Marquee in only 10 minutes. Even working alone, the job is perfectly manageable. No special tools or equipment are required. Durability is guaranteed. The Marquee performs longer in the field with fewer parts to replace and less down time. The magnum slip fit design means there are no bolts, pins or small parts to lose or confuse. And there is no ceiling frame to break under pressure or cause to cause wear and tear on the fabric. 15 sizes and standard gutters form a modular system that allows an unlimited variety of dynamic spaces and

configurations. Every square foot of your inventory is usable at all times. Each unit has free span interiors for maximum unobstructed, usable area. Adjustable height options are also available for added versatility. Many parts are interchangeable between all the tents in the product line. Purchasing and inventory management couldn't be easier. The newest addition to the Marquee line is hexagon shaped. With only 6 legs on 20' centres, the Hexagon weigh only 500lb for 1040 sq/ft of spectacular space. The 20' X 20' Marquee can be easily attached to the sides of the Hexagon for additional space. Now in two new sizes.

Tentnology structures are produced accordingly to the ISO 9002 standard, which is internationally recognised for assuring highest quality and craftsmanship. Warranty Lifetime guarantee on all cast parts. One year on materials and workmanship to original owner.

Allan Campbell, who worked in the field in New Zealand for 14 years, worked with Tentnology in Canada for a year prior to bringing the product to Australia through his association with Queensland based Horizon Sail Structures.


Action Tents' association with Horizon Sail Structures ensures prompt repair service. This association also allows for customisation of the Tentnology product to suit individual needs. For instance a Tentnology M10 Hexagon tent, together with walls, doors windows etc, by Horizon, has been erected at Couran Cove for use as a Child Care Centre.

Likewise an MQ20 tent serves as the Ferry Terminal.

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**Fax: 61 7 5573 6646**  
**Mobile: 0414 837 148**  
 Post Office Box: 2258  
 South Port  
 Queensland, Australia 4215

# New Safety Information Cards for DIY Equipment

For some years, injuries sustained from the use of DIY equipment have been a significant and growing concern for both hire companies and regulatory authorities.

At last, a new set of simple and practical safety information cards have been prepared for 38 pieces of DIY equipment. The cards are easy to read, contain clear instructions and are presented in the form of an compact laminated card (215 mm x 150 mm).

The safety information cards provide information on recommended protective equipment that should be worn, such as ear muffs or face shields and specific safety instructions in relation to the operation of the equipment.

The safety information cards have been developed to raise safety awareness among hire industry employees and customers and reinforce the importance of using hire equipment safely. Use of the safety information cards can assist equipment hirers to meet their legal obligations in relation to health and safety and minimise public liability risks.

**The cards can be personalised to include company details and logo for individual organisations .**

In a project funded by the Victorian WorkCover Authority and supported by the Hire & Rental Association of Australia, Noel Arnold & Associates, a leading Victorian health and safety consulting firm have produced an initial set of 38 safety information cards for equipment typically hired in the domestic Do-It-Yourself markets.

Safety information cards have been prepared for the following equipment.

Floor Stripper	Whipper Snipper	Loader
Floor Sander	Cultivator	Planer
Floor Polisher/scrubber	Power Trowel	Post Hole Digger
Steam Stripper	Diamond Tile Saw	Mulcher
Snorkel Cherry Picker	Diamond Saw Concrete	Slide Compound Saw
Turbo Spray Gun	Cutter	Engine Hoist
Concrete Vibrator	High Pressure Water	Electric Sander
Slasher	Cleaner	Chainsaw
Plate Compactor	Water Pump	Brick Saw
Electric Jack Hammer	Lawn Aerator	
Electric Drill	Circular Saw	
Elevating Work Platform		

Additional cards are currently being developed for other pieces of hire equipment

**Copies of these safety information cards can be purchased directly from**

**Noel Arnold & Associates - Tel (03) 9890-8811.**

# SAFETY CARDS

## CONCRETE CUTTER

**DANGER!** Ensure the hirer shows you how to use the equipment. Read the instructions below **BEFORE** using this equipment.

### Safety Equipment

The following protective equipment **MUST** be worn when using this equipment:



\* Safety goggles and/or visor



\* Ear muffs or ear plugs



\* Dust mask if cutting operation produces dust



\* Close fitting clothing



\* Leather gloves

### Safety Instructions for this Equipment

- \* Always hold with two hands when the engine is running. Place your left hand on the front handle bar and your right hand on the rear handle and throttle trigger. This applies to left-handed users also.
- \* Stop the engine before putting down or carrying this machine. Ensure the cutting wheel has come to a complete stop. When carrying grip the front handle and place the exhaust muffler at the side away from the body. Avoid touching the muffler as it gets hot.
- \* Dust may collect on the powerhead, especially around the carburettor and may collect gasoline resulting in danger of fire. Clean dust from powerhead regularly.
- \* Do not drop start. Start on firm ground or other solid surface. Never attempt to start when the cutting wheel is in a cut. Do not allow the starter grip to snap back into position. Guide the starter rope slowly back into position. Never start with the starting-throttle lock engaged.
- \* Avoid standing in direct line with the blade.
- \* Do not use on flammable grounds. Direct sparks away from the operator or any flammable surroundings.
- \* Adjust the wheel guard to ensure the user is not endangered by particles of the material being cut, sparks or pieces of damaged wheels; either directly or by ricochet.
- \* Do not cut into any pipe drum or other container without first ensuring that it does not contain roller tile or flammable substance.
- \* Always maintain a firm foothold. Do not use on a ladder or any other insecure support. Do not cut above shoulder height.
- \* Begin cutting and continue at full throttle. Release the pressure as you reach the end of the cut.

### Fuel Safety

- Do not smoke or bring any fire or flame near the fuel whilst refuelling or operating the machine.
- Always shut off the engine and allow it to cool before refuelling. Relieve fuel tank pressure by loosening the fuel cap slowly.
- Select bare ground for fuelling and move at least three metres from fuelling spot before starting engine.
- Wipe up any spilled fuel and check for leakage.
- If fuel gets spilled on clothes it is very important to change clothes immediately. Flammable quantities of fuel may stay on clothes after a spill longer than expected. Operation of machines when clothes are wet or damp from gasoline is extremely dangerous as the operators clothes may catch fire and cause serious or personal injury.
- Always ensure the fuel cap is secured tightly. Check for fuel leakage while refuelling and during operation. If a fuel leak is suspected, do not start or run the engine until the leak is fixed and spilled fuel has been wiped away.

This information has been developed by Noel Arnold & Associates in association with the Victorian Workcover Authority to assist with the safe use of this equipment

### General Safety

- Do not use machinery if you feel tired or under the influence of alcohol or drugs.
- Check controls for proper response. Shut down the machine if a fault is detected.
- Do not wipe plastic parts with solvents, such as gasoline, thinner, alcohol and ammonia, as they will damage and crack plastic parts. Wipe parts with a soft cloth lightly dampened with soapy water.
- Always use the right tools. Never force a tool or attachment to do a job for which it was not designed. When using attachments, ensure they are fitted correctly and practice the operation before beginning work. Always use recommended accessories only.
- Always keep guards in place and in working order.
- Do not wear loose clothing, gloves, neckties, rings, bracelets or other jewelry which may get caught in the moving parts.
- Do not overreach. Ensure proper footing and balance when working with the tool.
- Always keep the work area well lighted.
- Never permit children, other people or animals to loiter near the work area.
- Do not fool around while operating, always keep the machine under control.
- Never leave a machine running while unattended.
- Do not use or continue to use faulty or damaged equipment. Check the condition of the machine at the end of each day and report any damage or defects.

**REMEMBER:** If in the event of death or a dangerous occurrence you must notify WorkCover on 132 360 (toll free). For further information or if in doubt over the use of this equipment, contact the hirer and ask for further instructions.

## Winter Roast for Melbourne Members

The Victorian Region of the Hire and Rental Association of Australia has conducted three construction Division Trade Nights at suppliers premises this year. The most recent was held at Flextool (Aust) in the inner Melbourne suburb of Collingwood, on July 14.

Just on forty members braved the chilly winter night to attend. A short division meeting was conducted by Gary Kerr, who deputised for Division Chairman, Brian Harmer, who had succumbed, as Gary succinctly put it: to an affair of the toilet seat".

After a brief introduction and warm welcome by Flextool management, Association members enjoyed a three course spit roast meal. It certainly proved the wisdom of the saying: Give the man meat: with many returning for seconds. Country members were also represented with travelers from Geelong, Bendigo and Murray Valley.

The Extensive showroom display included the familiar Flextool product lines and highlighted the extended product range from Bartell in Canada and Mikasa in Japan. A video of power screeds and ride-on Trowels in action at a local construction site showed some of the products available for producing "flat" concrete floors, an emerging industry requirement.

Surprisingly this was Flextool's first Melbourne trade night since they started forty seven years ago, but it was certainly worth the wait. A stalwart of the industry was heard to remark "it's the best trade night I have ever been to".



*Victorian members enjoying the hospitality at the Flextool Trade Night, held at the Flextool premises in July.*

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CREAM 2439

# Association News

## National Association addresses GST

The Hire and Rental Association of Australia has submitted a letter to the Federal Government seeking assurance that member companies of the Association will not be subjected to double taxation in the event of a GST being introduced.

It seeks the Governments written confirmation that it will allow lessors of hire and rental equipment to claim a credit for the sales tax component of such equipment held by lessors when a GST is introduced.

The Association has submitted a paper outlining its case, including the details of other countries treatment of Trading Stock and Capital Assets in transitional GST periods.

The Government has been requested by the Association to respond to the submission before the next federal election.

## Victoria

The Victorian Hire and Rental Association has submitted a proposal to initiate an Accreditation Scheme. for the industry.

A draft of the proposal is outlined below with a view to promoting discussion on a national level.

### **Purpose for an Accreditation Scheme**

An accreditation scheme would recognise quality work practices and professionalism benefiting not only the hire company and customer but the hire industry in general.

## The Benefits

### **The Company**

- Reduce insurance premiums (less risk of claims)
- Increased market share (recognition of quality by public, commercial and Government sectors)
- Marketing Edge
- Customer satisfaction and loyalty (Dealing with professional company)

### **The Customer**

- Accreditation would give customer confidence that certain standards have been achieved and maintained
- Help the customer when choosing what hire company to deal with.

### **The Hire and Rental Association**

- Improved Image
- Professionalism within the Industry
- As hire companies achieve accreditation the over all standard of the industry is improved.

## Possible accreditation guidelines

### **Areas:**

- Occupational Health and Safety
- Documented checking and tagging of equipment to ensure safe and reliable operation.
- Electrical checking and tagging of equipment
- Service Delivery
- Management practice
- Business presentation (both premises and equipment on offer)

### **Accreditation Assessment**

Accreditation assessment would be an independent organisation with knowledge of risk assessment and accreditation procedures.

Possible organisation might include

OAMPS

VECCI

Business Victoria

### **Costs**

Costs would be formulated once the scheme criteria is finalised.

There is a possibility of Government funding for industries that are formulating programs to implement : Best Practice" procedures and guidelines.

### **Accreditation**

Accreditation would be optional when becoming a member of the hire and rental association.

Companies opting to be an ordinary member could do so with no change to current standing.

### **About this proposal**

This brief outline is for consideration purpose only. However, with time and effort a carefully implemented accreditation scheme could only be of benefit for everybody involved in the hire industry.

Any comment on the proposal should be directed to:

Roger Bylsma

Bylsma Hire

356 Albert Street

Sebastpool 3356

Tel: (03) 5335 8397 Fax: (03) 5336 1692

Or ,

Gary Kerr

President

The Victorian Hire Association

Tel: (03) 5278 6011 Fax: (03) 5278 8398

### Train the Trainer

The Victorian association is developing a train the trainer scheme together with Moorabbin college of TAFE. The scheme shall be presented to Victorian WorkCover authority for approval so that it can be developed into a national scheme.

The events division of our association have approached the Victorian yellow pages for a listing of members in a locality guide and a hire and rental association listing of members. hopefully this will expand into a concept that covers all directories in the Victorian region. The Victorian association will pay for the heading and members pay for the entry.

The organisation of the National Convention is on schedule and at this stage I can promise all members who attend and all those who have not attended before that this will be one of the best conventions ever.

After a very successful trade night in April at Wacker, in July the construction division members visited the premises of Flextool in Victoria for their quarterly meeting.

Over 60 members and staff were given an excellent presentation by our hosts and we enjoyed their hospitality throughout the evening. I would like to take this opportunity to thank Kemble Miller and his staff for a fantastic evening.

Our next meeting will be in October at Stihl. Where I am sure it will be a great success.

Gary Kerr  
Victorian President

### NEW SOUTH WALES

The New South Wales Hire Association travelled to the blue mountains for their July Conference.

Held at the Leura Gardens Ibis Resort, from July 26-27, the conference attracted a crowd of 75 members and guests.

The weather in the blue mountains this time of the year has only two ratings cold and colder, but those who attended the Yulefeast Christmas in July Dinner on Sunday night were well fortified against it as they enjoyed the good food and the entertainment provided by the Zany "Faulty Towers" comedy crew.

Anybody who has had a meal with this group will testify it is quite an experience in its own right.

### Conference Sessions

The conference sessions began on Monday, With a very good mix of speakers,

Aaron Smith, from Rental Equipment Register, the leading United States hire magazine, the first of the guest speakers, provided a very informative, in depth look at trends in the US Equipment Rental Market today.

A resume of Aaron address is covered elsewhere in the magazine.

He was followed by Greg Savage, from Executive Director, Recruitment Solutions. ;

Greg spoke on "How to find, motivate & keep key employees". covering aspects such as, The do's and don'ts of employing people, How to reduce the cost of high staff turnover in entry level positions and employment contracts & avoiding unfair dismissal cases.

Robert Warnock, the next speaker, from the Legal Council, National Tax & Accountants Association, examined such issues as; How to make more money in your business now. Taxation solutions for small business owners. Family trusts and partnerships. While finally tackling the very topical subject of; The impact of the GST on the hire industry.

The final speaker, William de Ora, Managing Director, Results Corporation spoke on "Cost effective marketing strategies for hire companies".

He covered such areas as, cost effective marketing tools for hire companies.,The role of direct mail and customer loyalty techniques and Why competing on price is the least effective competitive tool.

This brought the conference to a close in which the quality of the speakers covering the wide range of industry related topics, combined with the surroundings to make this a very successful and enjoyable conference.

### Welcome New Members

Mr. Darryl Milburn  
Bunnings Industries Supplies  
177-207 Reedy Creek Road  
Burleigh Heads  
4220

Mr Brian Murphy  
G James Glass & Aluminium  
30 French Street  
Eagle Farm  
4009

Mr. Jerry Krucza  
Hiretech P/L.  
P.O.Box 274  
Emu Plains 2750

# 1998 NORTHERN ROUNDUP

This years Northern Roundup was held over the Queens Birthday weekend, 6-8 June, at the Novotel Resort, Palm Cove, Cairns.

The Roundup kicked off on Saturday morning with golf for those energetic Members. Congratulations to the winning team comprising of Gary Kerr, Bruce Davies, Richard & Maria Triggs.

Following the golf game, it was the Hitch Hikers' guide to the yard tours that was organised through Cairns Party Hire, Underwood Hire Service and Paramount Hire.

The Queensland sunshine did not let us down throughout the weekend. The Roundup dinner on Saturday night was attended by 96 Members & guests. It was an excellent social get together even with the plastic cockroach finding its way into our drinks. Thank you to Svedala & Trilogy Business Systems for their sponsorship towards the pre-dinner drinks. After dinner some Members partied on at the Nightclub.

Sunday was a relaxed day for Members and invited guests who came to see the latest equipment that is available to the Hire Industry. It was great to meet Gary & Heather Kerr of Kerrs Northside Hire and John & Judith Guiney of Belgrave Hire from Geelong who travelled up to see what happens at our Roundup.

Peter Walden, the State & National President gave an informal talk to the Members outlining issues relevant to the Hire & Rental Association. This year Plaques were awarded for the best product and the best stand of the Roundup.

Congratulations to Tommy Tucker Trestles for being voted "Best Product" and to Makita Australia for the "Best Stand".

We would like to express our gratitude to the following Supplier's who gave their support for this years' Roundup: Cairns Truck & Tractors, Compair, Crommelins Machinery, Dembicon, Dial A Dingo, Flextool, Hilti, Hiretech, Lato Industries, Gerni Powerclean, Makita, Merlin Australia, OAMPS Insurance Brokers, Spitwater, Tommy Tucker Trestles, Trilogy Business Systems, and Wacker.

Even though Oldfields Access & Hills Industries could not attend the Roundup, they kindly donated door prizes.

Special acknowledgement to Julian Laws of Paramount Hire for his co-ordinating talents, patience and hard work in making the Roundup such an enjoyable & memorable weekend for us all.

Sharlene Grant  
Secretary  
Queensland Hire Association

## *Next Queensland*

### **Trade Show**

## **Mt Gravatt Showgrounds**

*Wednesday*

*9th September  
1998*

## **Vale Allan Fuller**

All of us at Brisbane Hire were saddened by the recent death of our workmate and friend, Allan Fuller, who was well known to other members of the Association in Brisbane.

Allan had been with us for over 29 years and contributed enthusiastically to the growth and development of our company.

He was a hard working, loyal and very knowledgeable employee, who in this industry will be very difficult to replace.

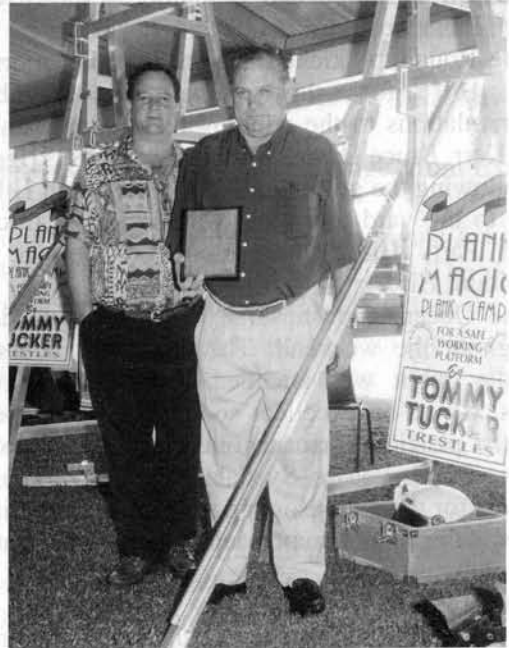
We have lost a friend and a valued employee of our team who will be greatly missed by Management and staff.

Allan Thompson  
Manager

# Northern Roundup



*Makita stand, winner of the best stand award.*



*L/R Adam Hilmi & Tommy Tucker, from Tommy Tuckers Trestles. Winner of the Best Product Award at the trade show*



*L/R Country delegate, Shane Smith, winner of the door prize and Sharlene Grant (state secretary)*



*L/R State & National President Peter Walden, with Dan Neate (Paramount Hire)*



*L/R Sharlene Grant, Richard Triggs (Paramount Hire & Lyndon Toy (Innisfail Hire)*

# UpRight boom from Instant Access

Since its launch in March 97, UpRight's AB46 articulated self-propelled boom lift has given a new lease of life to access in the fiercely competitive 16m working height (w/h) sector.

Disarming the competition with an unprecedented package of operational firsts - including a class-beating 7.6m up-out-&-over clearance and 60% faster cycle times - the AB46 has proved that significant margins of improvement were possible in a sector where the boom had seemingly reached its limits.

Commenting on UpRight's strategy with the AB46, Instant Access Managing Director, Phil Pontey, said:

"Development research for the AB46 revealed that the capabilities most sought from a 16m boom by today's user were those least well satisfied by competitors machines. Users complained that boom functions were too slow and when used at the same time, only one function could be operated at full speed. They also placed great importance on the provision of convenient controls, a roomy work basket and reach into hard-to-get-at places. This helped us define a boom design which would ensure UpRight's debut machine in the 15-16m w/h market would not simply join the throng but actually break new ground."

Combining a full telescoping 16.0m working height, 8.0m outreach and a 140 degrees action 1.5m articulating jib, the AB46 offers an extremely versatile working envelope to negotiate even the most tortuous path of address. True multi-function control allows simultaneous full speed operation of 2 functions, such as boom raise and slew, for significantly faster positioning in comparison to rival booms. A 5.8km/h drive speed and 30% gradeability give improved speed and mobility around site and unequalled handling over demanding terrain.

Stowed dimensions have been trimmed to the bone

at 1.75m wide x 2m high x 5.5m long, to allow passage through standard 70" double doors. A tight 0.61m inside turning radius and 25% more platform space complete the AB46's impressive line-up of statistics.

## Boom time for construction output

Now two new additions to the AB46 range reinforce its position as the construction industry's most versatile and productive line - up of 16m booms.

The AB46 Bi-Energy combines a direct electric drive (48V DC power pack with 350 AH batteries) with a powerful Kubota ZB600C auxiliary diesel engine, meeting growing global demand from contractors for booms capable of working inside and outside the building shell

Also new, the AB46 RT (Rough Terrain) model features 4 wheel drive, powered by a 36HP John Deere diesel engine, for outstanding mobility over the severest ground conditions.

Both new models offer the same unrivalled

performance of the core AB46 machine, including a 7.6m up - & -over clearance, 8m outreach, a 140 degree action 1.5m articulating jib and true multi-function controls. An extra large platform and easy-entry clam shell gate are also standard on all AB46 machines, for greater convenience in loading and handling tools and materials.

## AB46 Bi-Energy

In electric mode, the AB46 Bi-Energy retains all of the smooth operation, high efficiency and long working cycles of the standard electric unit. In diesel mode, it will work continuously on the most gruelling site conditions for up to 16 hours before refuelling is required. Drive speed is almost 6km/h and



*Just launched, one of the two new versions of the UpRight AB46 16m Self-Propelled Articulated Boom: the AB46 Bi-Energy version and the AB46RT (Rough Terrain) version with 4-Wheel Drive*

gradeability exceeds 30%.

This dual power facility offers enormous flexibility. The freedom of a fully-featured diesel machine with the added benefits of fast cycle times and excellent manoeuvrability can be enjoyed outside while erecting the structure. With a simple switch over to emission-free electric power, the AB46's superior performance can be swiftly and safely applied to interior fitting work.

Tyres can be specified as smooth tread or high grip lug type at no extra cost to suit the machine's dual use.

The AB46 Bi-Energy design enables the batteries to recharge fully from discharged in under 6 hours by running the diesel engine, and allows operation on diesel power-even when the battery pack is fully discharged. An on-board battery charger is provided for normal recharging when mains power is available.

### AB46 RT Rough Terrain

The provision of 4-wheel drive, an oscillating axle and big 14-17.5 high-grip tyres equips the new RT model for unstinting output on the most arduous site conditions.

While having the same big 8m outreach of the 2-wheel drive models, the RT achieves slightly greater working height - 16.3m. Increased gradeability of 40% coupled with a higher ground clearance of 330mm allows it to negotiate severe slopes and site obstructions with ease. The unique ability to lift the jib while still driving at full speed further enhances the RT's go-anywhere capability, providing improved visibility and preventing grounding of the platform.

Despite the huge size of its tyres, the AB46RT turning radius is below 1m, better than competitive models equipped with 4-wheel steer. On all other AB46 models, the turning radius is just 0.61m, adding to the products unmatched manoeuvrability.

All enquiries regarding the AB46 contact;  
Instant Access  
P.O. Box 12  
Lidcombe North 2141  
Tel: (02) 9748 6200  
Fax: (02) 9748 6255

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## Shindaiwa Saws

The 488P1 comes loaded with features you'd expect on larger saws, but that's the sort of quality you'd expect from Shindaiwa. This machine comes with the unique profiler system which is ideal for our tough Australian hardwoods. You need that consistent high performance from your saw. These high capacity filters provide up to 50 per cent better performance.

Shindaiwa never compromised quality for profit and have kept on giving their saws top quality components to make them last longer for you. Smart operators know that their investment comes back to them ten fold because their saws are not in the work shop, there out in the field. Things like dual rings on all our models make your machine last longer because of improved Compression.

There are seven tough performers, from 28.5cc to a power saw at 73.5cc that will really exceed your expectations for performance and reliability. Surprisingly, they are also light weight with the heavy duty 757 tipping the scales at just 6.8 kilograms.

We have always known how great the Shindaiwa Chainsaws really are with all their high quality alloy crank case, gear driven oil pump and pro air filter system on all models, giving less vibration, longer life and a much higher kilowatt rating per cc than others in their class.

All enquiries contact: Shindaiwa 1800 807 446

# Elevating Work Platform Association Of Australia

## National Executives

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**Vice President:** Martin Foster  
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Whelan Access  
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Alan Forbes  
Coates Hire  
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Ross Hogan  
Snorkel EWP  
(02) 9725 4000

Tim Nuttall  
JLG Industries  
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Chris Goddard  
Genie Australia  
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Skymaster  
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(08) 9362 9318

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## Buying Pre-owned EWP'S in Australia

### INTRODUCTION

There is no doubt that a cost effective way to become an owner of Elevating Work Platforms is to buy them second hand provided the EWP meets the regulations and conforms to Australian Standards. Otherwise the price of the EWP may be high no matter what you pay for it. Buying second hand equipment is especially valid for small rental fleet owners and end users. The world market for pre-owned EWP's has expanded rapidly over the past ten years as the major rental fleet owners continue their policies of removing rental units after 4-7 years of use and replacing with new.

### POTENTIAL BUYERS

Elevating Work Platforms, by the very nature of the product and working conditions are a potentially high-risk product to own. Before "buying a bargain" it is essential to check out the basics to satisfy yourself as to the state of the EWP being considered and the level of risk you are prepared to take on.

### LEGISLATION

Australia maintains a high safety standard and history when it comes to EWP's, helped by manufacturers, rental fleet owners, owners and end users working together with the relevant statutory bodies to ensure standards are maintained.

Key legislation currently in place includes:

Occupational Health and Safety Acts

Plant Regulations and Codes of Practice

AS1418.10, AS2550.10, Australian Standards covering the design, testing and operational requirements of EWP's.

The OH&S Acts put the emphasis on all involved with EWP's on the "Duty of care" requirement. This

means that a supplier of EWP's must ensure the unit meets legal, safety and operational standards. Also employers have to ensure all operators have been adequately trained in the safe use and operation of the EWP.

This legislation follows on to the relevant Australian Standards, particularly AS1418 and AS2550. Conformance to these Codes will be seen as meeting 'duty of care' requirements.

The key points from the legislation and Codes of Practice in regards to pre-owned EWP's include:  
Annual Inspections

Major Inspections, ie: Ten Year Test (thereafter every 5 years)

Maintenance history/Manuals

Log Books

Operating Instructions

The Ten Year Test is particularly relevant when buying Pre-owned EWP's. AS2550.10 clearly states that an EWP must be Ten Year Tested in accordance with the standard which in practice requires the EWP to be stripped down and all relevant structural welds x-rayed.

For example on a 60'(18.2m) Boom Lift this can mean an additional outlay of \$25000 to \$40000 depending on machine type, age, history and location. Then it all has to be repeated five years later! !

Meeting AS1418 is law in Australia and meeting AS2550 is in the process of being incorporated into legislation in most States. Where not specifically included in regulations all OH & S Authorities regard adherence to the Standards as a minimum requirement.

#### **WHAT TO CHECK FOR WHEN ASSESSING AN EWP**

1. Check the Compliance Plate matches what it is advertised as eg; Platform Height, date of manufacture, model type, serial number.
2. Check the EWP's maintenance history including retrofits, safety upgrades etc.
3. Check the operational instructions are available and Decals in place and legible.
4. Check the Ten Year Test requirement-if completed sight the Major Inspection Checklist that will confirm who did the testing in Australia and their qualifications. Also check who carried out the non destructive tests in Australia and if they meet the requirements of AINDT (Australian Institute of Non Destructive Testing).
5. Check warranty claims and ease of obtaining spare

parts and professional advice.

#### **OTHER CONSIDERATIONS**

1. Check who the manufacturer is and if they are represented in Australia.
2. Contact the manufacturer and seek their advice on the EWP you are interested in. Also ensure it is covered by their product liability and what safety retrofits have been required on the unit.
3. Contact the previous owner (details in Logbook) and confirm its working history.
4. Work out what type of EWP you require with regards to working height, frequency of usage, reliability, ground conditions etc.
5. If you have any doubts about what legislation is applicable in the State of operation phone the relevant WorkCover Authority and get advice.

#### **FINALLY**

Always "Gather the Facts" when considering purchasing an EWP be it new or pre-owned. Assistance is only a phone call away be it the manufacturer, a rental company, an owner, a user or the EWPAA.

Legislation can be particularly onerous and it is important to be pre-warned. (Eg, no pre-owned US market EWP's are sold into Europe, as they do not conform to the EC Standards). Like wise AS 1418.10 is regarded as a more rigorous Standard than the US.

If still unsure ask yourself this key question:

**"If there is an accident will I be blamed?"**

This should help you focus on the "Duty of Care" aspects of the problem! !

### **Why do I need a Yellow Card to operate an elevating work platform?**

#### **Introduction**

Every State in Australia has in place an Occupational Health and Safety Act (OH & S) which aims to protect the health, safety and welfare of people at work. In these Acts, it is clearly stated that there is a duty of care to ensure workplace safety. It specifically states that:

- Employees must provide information, instruction, training and supervision necessary to ensure the health and safety of employees at work.
- Manufacturers and suppliers of plant must ensure

equipment is safe to use when properly used and must make available adequate information about the conditions for the safe use of the equipment manufactured or supplied.

- Employees must co-operate with efforts to comply with OH & S requirements.

What this means, in reality, is that there needs to be some form of proof that a person has been instructed in the safe use of an EWP. Verbal instruction tends to be disregarded in a court of law, so the favoured solution is something in writing- hence the EWP Operator Ticket or Yellow Card.

### How does it work?

The Operator Card is a registered ticket issued to operators who have been successfully instructed by EWPAA authorised instructors in the safe use and operation of various types of EWPs.

There are six different types of EWPs listed on the ticket, with those not applicable deleted by the instructor before issue.

The categories are:

- Trailermounted Boomlift
- Self Propelled Boomlift
- Self propelled Knuckle boom
- Vertical Lifts
- Scissor Lifts
- Truck Mounted Boom

Whilst these are all classed as EWPs, each one is very different in use and safe operation.

The EWPAA Yellow Card is a national scheme recognised by all major manufacturers, suppliers and users of EWPs. The Yellow Card initiative meets the two key objectives of the OH& S Acts, being~:

- It confirms that the operators of specific types of EWPs have been instructed in the safe use of the work platform
- The supplier, employer and user all have documentary evidence that the required 'duty of care' has been met or exceeded.

### What are the alternatives?

The EWPAA Yellow Card is the Associations way of meeting the duty of care requirements. However, other methods can be used. Such methods include having in-house training schemes or user specific programmes. The key elements are that all programmes need to have is a structured training format or procedure plus written proof of successful completion by a suitably qualified person.

### What if I do nothing?

The 'do nothing' approach also works well until

there is an accident or claim. Then there are major problems for all concerned as there is no proof that any attempt has been made to make the workplace safe.

Where does the WorkCover 11m Boom License fit in?

To complicate matters WorkSafe Australia introduced Certificate of Competency licenses for users of Boom Lifts 11m and over through the National Occupational Health and Safety Certification Standards for Users and Operators of Industrial Equipment (NOHSC: 1006 (1995)).

This is a national scheme in place throughout Australia.

From an EWP point of view, it means that you must have a license to operate a boom 11m or more. It does not specify what type of boom and excludes scissor lifts.

To obtain a license or Certificate of Competency, you are required to sit an exam with an accredited assessor. This is a two-part test, knowledge and practical, and requires a good practical and safety knowledge of EWPs to avoid failure.

### Do I need both a Yellow Card and WP License to work over 11m in a boom?

The straightforward answer is YES. Remember, the Yellow Card confirms you have been trained in the safe use and operation of specific types of boom lifts, thus meeting your duty of care. The WP license is a WorkCover requirement for working in booms 11m and over.

This can be confusing but an example may clarify the point.

*Eg You have just got your 11m boom licence using a Trailerlift with a boom length of 11.2m. Next day you have to operate a 20m Self Propelled Knuckleboom. Both EWPs are over 11m but very different units. Your Yellow Card will indicate whether you have been trained for this type of unit- if not, you will need instruction before use.*

### In summary

The OH & S Acts are there to protect you in the workplace. Ensuring you have met the duty of care and license requirements will go a long way to achieving a safe working environment.

The EWPAA Operator Ticket (Yellow Cards) is an important step in the direction of proof of safety at work.

**For further information on the EWPAA training programmes please contact us on**

**02 9970 6301 or 0417 2126 27.**

## From the world's first and best mini loader manufacturers comes our latest model



### AUSTRALIAN MADE

heritage going back to the design of the world's first commercial mini loader in 1981, Jaden has upgraded to the Kanga to increase capacity, accessibility, reliability, safety and ease of operation, while retaining the features which have made the Jaden so popular with operators in a wide range of industries.

The Kanga offers substantially improved hydraulics with increased reservoir capacity, improved filtration (with pressure and return filters), and two hydraulic accessory outlets fitted as standard, for greater flexibility with attachments. Steel hydraulic lines replace flexible hoses, for a neater installation, cooler operation and greater reliability. A choice of 20hp diesel or petrol engines is available.

A new wider frame allows easier access to the engine for maintenance, without increasing overall machine width. Drive chains are fully enclosed, with automatic tensioners, while all linkage pins are fitted with greasable, hardened bushes.

Machine operation is simple by incorporating all controls on a single panel, while operator safety is enhanced through incorporation of perforated non-slip metal step tread for the operator to stand on.

Lift capacity has been increased to 250kg, with safety overload protection. The self-levelling bucket linkages prevent any load spillage and ensure simple operation while enhancing operator safety. A wide variety of other attachments, including a new angle backfill blade and a purpose-built stump grinder, mean that the Kanga can be used in virtually any application which requires hydraulic power in confined spaces.

Improved standard features include:

- Improved lift capacity to 250 kg with overload protection.
- New wider frame allows easy access to engines for maintenance and assembly without increasing overall machine width.

Jaden has just released its new "Kanga Loader", designed to take the company into the next century. With a 17 year

- Steel hydraulic lines replace flex lines for neater, cooler, more reliable service
- Increased hydraulic reservoir capacity
- Increased fuel capacity by 25% to 46 litres
- Improved hydraulic filtration with pressure and return filters
- 2 auxiliary hydraulic power outlets fitted as standard equipment for even greater machine flexibility
- All controls on single panel ensure maximum ease of operation
- All linkage pins with greasable hardened bushes
- Totally enclosed drive cabins with automatic tensioners
- 20 Hp engine (petrol or diesel)

Safety features include:

- Lift overload protection
- Self levelling bucket linkage prevents any load spillage
- Enclosed drive chains
- Life time perforated metal step tread ensures no operator slip
- Simple controls layout

New attachments include angle backfill blade and purpose built stump grinder, plus all the other conventional attachments such as carryall-leveller, trencher, post hole and tree planting augers, etc.



*For more information, please contact us for your nearest dealer*

**Jaden Loaders**

**43 Alex Fisher Drive, Burleigh Heads 4220**

**Phone: (07) 5593 4567**

**Fax: (07) 5593 4398**

**Mobile: 0411 425 421**

**Website: <http://www.kanga-loader.com>**

**E-mail: [jaden@jaden.com](mailto:jaden@jaden.com)**

# INSURANCE

## INSURANCE BY AUS

No. 4

This article will concentrate on Claims including the size and type of claims that have occurred. It will address what trends appear to be forming and make suggestion on how to reduce the chance of the same loss occurring again.

### Claims Type and Size

#### • Update

Claims for the period March 1997 - July 1998

Type of Claim	No of Claims	Total Cost of Claims \$	Average Cost of Claims \$
Burglary - Hire Premises	7	\$ 39,004	\$ 5,572
Burglary - On customers premises	4	\$ 5,303	\$ 1,325.75
Theft by hirer *	3	\$ 15,000	\$ 7,500
Theft open air**	3	\$ 35,100	\$ 11,700
Theft whilst on Hire - From locked vehicle	1	\$ 1,375	\$ 1,375
Property - Fire whilst on hire	2	\$ 41,390.50	\$ 20,695
Property - Fire whilst on hire - operated by hire company	1	\$ 6,300	\$ 6,300
Property - Accidental Damage	2	\$ 4,801.50	\$2,400.75
Property - Storm	1	\$ 263	\$ 263
Glass	1	\$ 166	\$ 166
Liability - Property Damage	1	\$ 25,000	\$ 25,000
Motor - Whilst on hire - Hit by Third Party	1	\$ 24,400	
Motor - Whilst on hire - Hit Third Party	2	\$ 1,200	\$ 600
Motor - Not on hire - Hit Third Party in rear	1	\$ 10,000	\$ 10,000
Motor - Whilst on hire - Accidental Damage	1	\$ 1,937	\$ 1,937
Total	31	\$211,240.00	\$ 6,814.19

\* One of these was notified but no claim lodged

\*\* Claim below excess

#### • Benefits

The benefits of reviewing the nature and size of claims that have occurred provides:

- a useful management tool.
- assistance to you, as a manager of Hire and Rental business, in determining the levels of cover required and the exposures faced by your business.
- assistance in improving your operations and may help avoid a similar loss situation by asking questions such as 'Why did the loss occur?' and 'How can the chance of loss be reduced?'.
- assistance in recognising trends

#### • Trends

- Fire - Total 3 Claims = \$ 47,690.50

There have been 2 claims which have occurred outside the hire companies custody. One involved fire to a portable toilet block whilst on location. The other involved 2 compressors with a fuel drum in between them, one caught fire spread to the fuel and then to the other compressor.

Whilst there are less claims under the fire area than burglary you can see fire claims are generally more severe.

- Burglary/Theft - Total 18 Claims = \$ 95,782.00

It appears that Burglary is one of the major exposures faced by the hire industry. The majority of burglary incidents are occurring from the hire companies situation. The thieves are getting away with substantial amounts of equipment with each attack.

Entry was gained through the following methods:

- Ram raid gates with vehicle
- Cut hole in perimeter fencing
- Broke into office building by smashing glass

The majority of items stolen is hire stock although one claim involved office equipment, maintenance tools, cash, etc.

There also appears to be an increasing trend of theft from the clients site. In most cases the client has secured the equipment. In one instance the equipment was waiting to be collected by hire company.

- Liability - Total 1 Claims = \$ 25,000 (estimate)

There has been 1 reported incident and as you can see the estimate of the claims is for a substantial amount.

- Motor - Total 5 Claims = \$ 37,537.00

The majority of motor claims are occurring whilst in the hirers control. It is a little to soon to see any major trends forming at this stage.

## • Risk Management

What can be learnt from these losses?

Now that you are aware of the above, you can use this information to improve your own business. Why not place an employee in charge of reviewing the suggestions below and assessing the exposures your business faces?

Provided below are risk management suggestions to deal with the some of the loss situations above. A few of these have been designed and implemented by fellow hire and rental operators already.

Loss	Action
Cut hole in perimeter fencing	In the perimeter fencing insert additional horizontal bars between vertical poles to reduce space. Therefore restricting gap to drag equipment through.
Ram Raid gates	Similar to above – except the aim is to strengthen gates or points of entry.
Break into buildings	Install an alarm. If already installed regularly service and check alarm to ensure operating. Check sensors are covering entire floor area.
Theft from customers premises	Ensure your customers understand they must protect the equipment as if it was their own. Try placing sticker son equipment such as ladders etc with “lock me up” or something to that effect.
Theft by hirer	The thief is not usually a regular customer of the hire company. It is therefore imperative to obtain reference checks especially if hiring large pieces of equipment. It appears to be common practice to obtain drivers licence details and registration number. This information is not enough as proven with one claim. Drivers licences can be false and registrations numbers can be from stolen vehicles. It is recommended that only credit card payments be accepted for new or unfamiliar customers and an authorisation number obtain from the bank. This will alert you immediately if the credit card is stolen.
Fire	It is difficult to influence the customer on how to look after the equipment when it is in their control. The use of operation and safety cards, stickers, manuals, etc is a good start. In a couple of instances it appears fire has originated from the equipment itself. Ensure the equipment is regularly maintained and if necessary completely overhauled. Check equipment before each hire.

## • Next Issue.....

The next article will remind you who AUS is and how AUS relates to you and your Broker.

AUS products can be accessed through:

- Your nearest OAMPS office
- Your local insurance broker
- or by calling Alison Butler at AUS on 03 94836309

# Wreckair enters multi-million dollar alliance with major equipment suppliers

**W**reckair Hire has entered into supply agreements with three major Australian distributors in one of the largest individual commitments to inventory expansion the Australian equipment hire industry has ever seen.

As part of its ongoing fleet expansion program to meet growing business throughout the country, the program clearly positions Wreckair as an industry leader.

"Along with large scale acquisitions over recent years, this investment is part Wreckair's ongoing strategy to provide unequalled levels of customer service," said Wreckair's National Asset Manager, Gary Northover.

"Genie Australia, NS Komatsu and Banbury Engineering will supply access equipment, compressors and compaction machinery on a preferred supplier basis designed to develop new markets beneficial to all parties and provide end-customer input into equipment development.

"The mutual commitment between Wreckair and the suppliers has resulted in closer working relationships which will benefit the customer through the provision of the very latest technology and unmatched service.

"Wreckair's parent, the Brambles group is supplied by Genie Industries in the United States, so the new relationship in Australia strengthens a global alliance between the two groups," Northover said.

Genie will supply 20 to 85ft boom lifts as well as a 125ft model to be introduced at the end of the year.

Fifteen to 26ft, and soon to be introduced 53ft, scissor lifts will also be supplied. Diesel, gas, electric and combination power are available for this equipment.

The Z 45/22MP 50ft knuckle boom lift is the state-

of-the-art in knuckle boom design and typifies the quality of equipment Wreckair is acquiring from Genie. The machine features either Bi-Fuel (diesel/electric) or Tri-Fuel (petrol/LPG/electric) power, full proportional controls for easy operation and locking control box descent and travel alarms and flashing beacon for safety.

Wreckair's extensive range of compressors will be boosted by substantial purchases from N.S Komatsu of Ingersoll Rand diesel machines right through the range from 100 cfm to 1600 cfm. Wreckair has a long association with Ingersoll Rand products, and the alliance with NS Komatsu has consolidated since the become Australian distributors.

At the top of the range is the 1600 cfm P1600WCU, rated at 100 psi operating pressure, and powered by a 435 BHP Cummins 6 cylinder engine. The compressor is the latest in oil flooded, single stage, rotary screw technology and carries with it the performance and reliability Ingersoll Rand are well known for.

Manufactured in Germany, Bomag compaction equipment is another top quality product Wreckair is proud to be associated with. The alliance with Banbury Engineering who were appointed Australian distributor in 1986, is strengthened by the new preferred supplier relationship, and Wreckair looks forward to passing on an even higher level of service to customers as a result.

Wreckair is boosting its national compaction fleet substantially with six-tonne BW 172, 11 tonne BW213 and 16tonne BW216 dual drive articulated single drum rollers. All models feature exceptional compaction performance, climbing ability and ease of operation; and the fitment of ROPS canopies ensure the ultimate in operation comfort and safety.

## Low cost diesel transfer

An economically priced engine driven diesel fuel transfer pump system has been released by Australian Pump Industries. Claimed to be ideal for farmers and contractors, the system allows the transfer of fuel to diesel engine driven machinery, in the field, without the need for a separate power source.

Consisting of an Aussie Pump QP Ultralite pump with a specially fitted diesel resistant seals and a diesel resistant hose and nozzle gun, the transfer system can be easily fitted to the back of a refuelling vehicle or can be mounted on the top of the 100 litre fuel drum.

"Our research shows that big machinery operators don't have time to transfer diesel fuel with hand pumps any more. Labour costs are just too high and

machine downtime during refuelling must be cut to a minimum," said Mike Rowley, Aussie Pumps' QP Product Manager. "The new system," he went on, "is efficient, reliable and transfers fuel at up to 100 litres per minute." An automatic stop nozzle is available as an option for applications where even minor spills are not acceptable.

The QC pump comes complete with skid mounts and anti-vibration rubber mounts. Further information on the Aussie QP diesel fuel transfer kit is available from

Australian Pump Industries  
Tel: (02) 9894 4144  
Fax: (02) 9894 4240

# Upcoming Events

## 1998 Crane Seminar

Sofitel Hotel  
Collins Street Melbourne  
September 3-5, 1998  
Contact: Norman F. Jones  
Crane Industrial Council of Australia  
Tel: (02) 9774 4247  
Fax: (02) 9774 2135

## APEX 98

International Exhibition and Conference  
for the World's Access Industry,  
September 1988, MECC,  
Maastricht, The Netherlands  
Tel: +44 1892 784088  
Fax: +44 1892 784086

## SAIE '98

International Building Exhibition  
October 14-18, 1998  
Bologna, Italy  
Tel: +39 (0) 45 588111  
Fax: +39 (0) 45 588288

## 43rd. Annual A.R.A. Convention and Rental Trade Show

Las Vegas Convention Centre, Las Vegas  
Feb. 8-11, 1999

Contact: A.R.A. 1900 19th St. Moline, IL  
61265; (800) 334-2177; fax (309) 764-1533;  
e-mail: ara@ararental.org.

## 1999 Hire and Rental Association National Conference and Trade Exhibition

Melbourne Convention Centre

May 2 - 5

Contact: I.C.M.S.

Tel: (03) 9682 0244

Fax: (03) 9682 0288

## 44th. Annual A.R.A. Convention and Rental Trade Show

Anaheim Convention Centre

Anaheim, California

Feb. 15-18, 2000

Contact A.R.A., 1900 19th St. Moline, IL  
61265; (800) 334-2177; fax (309) 764-1533;  
e-mail: ara@araental.org.

## NATIONAL ASSOCIATION'S ENVIRONMENTAL GUIDE

The Hire & Rental Association of Australia has released a "Environmental Awareness Guide" which has been specifically designed for the Hire & Rental Industry. The Guide is available at a cost of \$ 50 and can obtained by filling out the application form below

### HIRE & RENTAL ASSOCIATION OF AUSTRALIA

TO:

Chris Hanlon, SECRETARY

HIRE & RENTAL ASSOCIATION OF AUSTRALIA

P.O.BOX 938

NORTH SYDNEY 2059

### HIRE & RENTAL ENVIRONMENTAL AWARENESS A GUIDE for the HIRE & RENTAL INDUSTRY

#### ORDER FORM

Contact Name: .....

Company: .....

Address: .....

Post Code: .....Phone: .....

Please supply: .....ENVIRONMENTAL AWARENESS GUIDE/S .....@ \$50 EACH

Cheque for: \$ ..... Made out to HIRE and RENTAL ASSOCIATION is enclosed

**WILL YOU BE THERE?**

**THE REST OF THE INDUSTRY WILL**

**BE**

**AT THE**

**HIRE & RENTAL  
CONVENTION**

**MAY 2-5 1999**

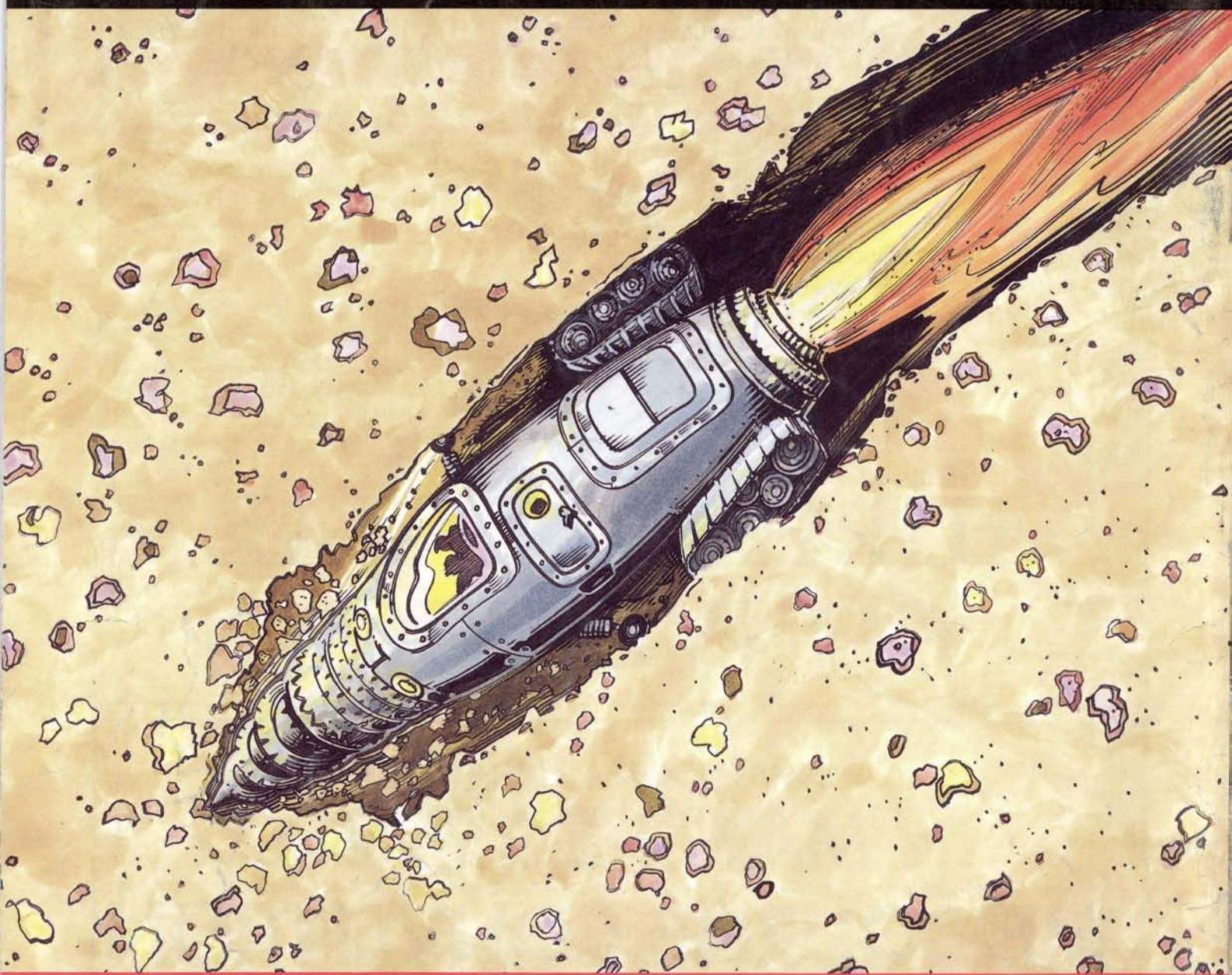
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CENTRE**

**FOR FURTHER ENQUIRIES  
CONTACT CONFERENCE SECRETARIAT**

**ICMS PTY LTD  
84 QUEENSBRIDGE STREET SOUTH BANK VICTORIA 3006**

**PHONE: 61 3 9682 0244 FAX: 61 3 9682 0288  
EMAIL [HIRE@ICMS.COM.AU](mailto:HIRE@ICMS.COM.AU)**

# Drill faster than you've ever dreamed.



Man has always dreamed of ways to drill further, faster. Ingersoll-Rand brings your mission for greater productivity down to earth with the high pressure drilling rig compressor package that's making big moves downunder. Because if your compressor delivers more air with greater efficiency, you'll drill faster, and further.

And of course that's a scientific fact, not science fiction. Tighter operating tolerances deliver increased mechanical performance to provide superior air output for unbeatable drilling productivity.



They have been engineered with tapered roller bearings in the principle load-bearing areas for greater reliability and longer component life.

What's more, the Ingersoll-Rand HR-2 compressor packages can be mounted on your drilling rig or skid-mounted for convenience.

With low initial price and low operating costs, it's not only your drill bits that will be going down faster. So power your rig with the package that delivers more air, for much greater drilling performance. And get the pressure you need for the productivity you've only dreamed about.

## INGERSOLL-RAND

### CONSTRUCTION & MINING

Sold supported & serviced by NS Komatsu

NSW Fairfield Ph (02) 9795 8300, Mt. Thorley Ph (02) 6570 2800. VIC Campbellfield Ph (03) 9205 9300. QLD Sherwood Ph (07) 3246 6222, Mackay Ph (07) 4940 3100. SA Dry Creek Ph (08) 8262 4116. WA Welshpool Ph (08) 9351 0555, Kalgoorlie Ph (08) 9091 3155. TAS Cambridge Ph (03) 6248 5414, Rocherlea Ph (03) 6326 7422. NT Winnellie Ph (08) 8947 1033.