ROAD SAFETY COMMITTEE

Inquiry into vehicle safety

Melbourne—6 August 2007

Members

Mr J. Eren
Mr T. Mulder
Mr P. Weller
Mr C. Langdon
Mr D. Koch
Mr S. Leane
Mr I. Trezise

Chair: Mr J. Eren
Deputy Chair: Mr D. Koch

Staff

Executive Officer: Ms A. Douglas
Research Officer: Mr D. Baker

Witnesses

Mr D. Healy, Senior Manager, Road Safety, Transport Accident Commission; and
Mr J. Bolitho, Senior Manager, Legal Policy, Transport Accident Commission.

The CHAIR—Thank you, welcome to these hearings. The reference we have at the moment is vehicle safety. These hearings are protected by parliamentary privilege and if you make any comments outside the hearing you may not be afforded such privilege. Having said that if you could introduce yourself and your organisation.

Mr HEALY—Thanks, Mr Chairman. David Healy, I am senior manager of road safety at the [TAC] and John Bolitho is the senior manager, legal policy, at the TAC. Obviously we see the TAC's role as an important one in respect of vehicle safety. Under the Transport Accident Act of 1986 under which the TAC was formed, certainly road safety was deemed to be an important plank. In that context, vehicle safety we see as being an important element within road safety. We are a partner with VicRoads, Department of Justice and for Victoria Police in helping to develop and then implement Victoria's road safety strategies. The current strategies are part of Arrive Alive 2 which will come to a conclusion this year. We believe that we do have an important role, along with our partners, in promoting vehicle safety.

In this regard, the scope of our submission very much concerns itself with the effectiveness of specific technologies, the prevalence of these in our community and the role of marketing, promotion and even regulation going forward to make sure our roads are safer. We start off with the premise that safer cars do save lives. I believe you heard from Monash University Accident Research Centre. Indeed one of their findings suggested that if we could all change overnight from our current vehicle to the very safest vehicle on Australia's roads, in the current class, that in fact serious injury or deaths would drop of the order of 26 per cent the following day. If you were able to put together in one vehicle all the various safety features that are available across a range of vehicles and you swapped to that class of vehicle, you might see deaths and serious injuries drop by the order of 40 per cent. These are really very significant changes. Of course this will not happen overnight but what it does show is that there is an enormous potential for vehicle safety in helping to make our roads safer. This is making no comment about changes in behaviour. In other words, if we did not change the level of drink-driving, if we did not change the level of speeding but we were to change from our current vehicles to the safest vehicles, then road trauma would drop very appreciably.

It is in light of that we believe it is important the TAC has a role with our partners in helping to reduce trauma. The TAC's role is essentially one to educate, to support cooperative research and development programs and to demonstrate new technologies, each of which we will touch on briefly. Turning now to term of reference A, which was to identify and prioritise those vehicles safety technologies that have the most potential in road safety. It is worth pointing out at the start that the TAC has commissioned a report from an independent consultant to examine the current range of technologies that are available in the market and also those that are emerging in the market to help determine what priority should be given to these technologies into the future. We have given a set of criteria by which the consultant should be reviewing these technologies, including such things obviously as impact or effectiveness; state of readiness to implement; the degree to which you have community acceptance; the cost of the technology; are their requirements for regulatory change. All these factors are quite important when we start to assess which technologies either now or in the very near future have the genuine potential to be implemented to the very best effect to our communities.

We are awaiting the final report and it is our intent with that report to call a forum across all jurisdictions in Australia to help collectively agree what we see as being the key priority areas for safety into the future in relation to vehicles.

Mr KOCH—When is it likely that report will be available?

Mr HEALY—Potentially it should be available within, I would say, six weeks, of

that order from this point. I should say the report is more of an exploratory report. We are not saying this provides a definitive list for technologies. We think that will form the basis for discussion with jurisdictions around Australia to help identify what we collectively agree as being the key priorities.

Mr KOCH—We look forward to it.

Mr HEALY—Thank you. The TAC, as I mentioned before, works with our partners RACV in this case, and VicRoads, in promoting a range of technologies. Some of the key technologies which I am sure you will have heard of today include electronic stability control which many have described as being like the golden bullet of road safety in the sense that the evaluations across a range of areas, both in Europe and the United States, suggest that there will be very significant reductions in serious trauma, particularly single vehicle crashes, deaths, and rollover-type crashes amongst four-wheel drives or sports utility vehicles as a result of fitting these technologies. In the USA they estimate that if every vehicle was fitted out with electronic stability control then it would save some 10,000 lives each year across the US. The equivalent figure for Victoria would be of the order of a hundred lives saved each year if every vehicle was fitted out with electronic stability control.

Mr KOCH—That is a third, David?

Mr HEALY—Just under a third. That would be the best estimates off the back of the research that we know from overseas.

Mr KOCH—Is available, yes.

Mr HEALY—Correct. Currently I believe MUARC are undertaking some work examining this very area right now to evaluate the Australian context for ESC and its potential effectiveness.

The CHAIR—Just on that, David, apparently in Sweden the fitment rate of ESCs are about 85 per cent—

Mr HEALY—That is correct.

The CHAIR—compared to Australia's 22 per cent. Is there any data coming out from Sweden, and the impact that that has had after having so much ESC fitted into their vehicles—have we seen a real reduction in fatalities?

Mr HEALY—It is a good question. I have not seen a particular study which suggests that the reductions of late are directly attributable to the ESC fitment. In Victoria you mentioned the fact that the fit-out rate is approximately 22 per cent currently. Remember this is new vehicles coming into the system. What that probably means—and this is purely back of envelope estimation—is maybe about three to five per cent of vehicles on Victoria's roads have ESC. The fact that in Sweden the fit-out rate for new vehicles is of the order of 85 per cent does not mean that in fact we have 85 per cent of vehicles on Swedish roads which have ESC, it is the new vehicle fitment rate which must percolate through into the population. The actual proportion of vehicles on the road in Sweden would be considerably less than the 85 per cent. We must bear that in mind.

Mr KOCH—It is all about new sales.

Mr HEALY—It is all about new sales currently but we make sure that ESC is integrated in the vehicle manufacturing process. It is not a retrofit process, ESC, unlike some technologies, must be built into the manufacturing process itself and hence it is important we

get in very early in terms of influencing the designers of vehicles to make sure that ESC is integrated into that process.

The CHAIR—What can we do to increase the percentage which is at 22 per cent? How can we make this more popular that people understand this piece of technology could potentially save their lives?

Mr HEALY—From the TAC's perspective—with our partners RACV and VicRoads—we have been very much about promoting within the community the benefits of electronic stability control, hence the TAC did develop and put to air an advertisement which demonstrated what happens to a vehicle with and without ESC, because without knowledge then indeed we will not see the consumer pressure. One of the key ways to change behaviours or change policies within the vehicle manufacturing industry is to build consumer demand. Consumer demand can only come if (a) they understand what this technology does and know to ask for it and (b) be motivated to ask for it. In that way we try to promote the actual safety outcomes that we have been talking about here this morning to the community, that they fully understand the benefits. There is potentially the role of regulation which I will return to later, Mr Chairman, in terms of its role to influence change in the longer term.

The CHAIR—Do we have a response in relation to that campaign? Is it being well received out there? I know there are some ads now, 'How Safe Is Your Car' ads.

Mr HEALY—That is right.

The CHAIR—Very good. It is certainly highlighting to the wider population that they should be looking at the safety features of the car rather than the leather seats or 10-stacker CDs.

Mr HEALY—That is right. That is the idea of these promotions, to try and raise in the community's mind the importance of safety generally; in other words, the star ratings of your car. Our website, howsafeisyourcar.com.au, provides a compendium of information surrounding safety both for new and used cars. Used car safety ratings are developed by Monash University Accident Research Centre. We put on that same website the crash test results from new cars; as well we include references to the value of technologies such as electronic stability control and also side curtain airbags which is another technology which we are currently promoting through advertising, and also with the assistance of RACV and VicRoads. Why that one, because certainly the results also out of the United States suggest that with side curtain airbags you can reduce the risk of death to occupants in a side impact by some 38 per cent. That is work conducted by the Insurance Institute of Highway Safety. We see these as being very important technologies. We do believe that the market-driven approach is an important one.

We note the success of Sweden in building a new car fitment of ESC to 85 per cent. That is essentially without regulation. That is using consumer demand, plus working with the manufacturers so they understand the importance of these technologies and that there is a reasonable community expectation that change will be made and safety will be improved through vehicles. In the context of road safety strategy, everyone can play a role and the important thing is to establish what role each individual can play or what role industry can play, what role government can play, what role community can play to the very best effect of getting a safety outcome.

I will make a brief reference, if I may, to other technologies which we believe have genuine benefit. They include alcohol interlocks which are currently used as a condition for serious drink-drive offenders as a condition for relicensing after they have served their disqualification period. This really helps to break the nexus we believe between alcohol

consumption and driving, using technology. We think it is a most worthwhile technology. Certainly there is some evidence from the USA which suggests that you reduce the amount of repeat drink-driving in using such devices. What we find amongst drink-drivers is that about 30 per cent have had a prior drink-drive offence so the repeat or recidivism rate is very high and that is a strong reason to start to appreciate the role that technology such as this can play in our communities.

Seat belt reminder systems: even though Victoria has a very high seat belt wearing rate—and of course in 1970 was the first jurisdiction worldwide to introduce compulsory seat belt wearing—we find that still some 20 per cent of vehicle occupants killed are not wearing a seat belt. That is one in five. It is still a very significant percentage. Yet if you went down to a Melbourne street corner and conducted an observational survey you would probably find about 97, 98 out of every 100 drivers are restrained. Approximately 95 out of every 100 front-seat passengers are restrained. Yet one in five occupants killed are without a seat belt.

Mr KOCH—David, is that in passenger vehicles or is that taking other transports into account?

Mr HEALY—No, it is passenger vehicles.

Mr KOCH—It is purely passenger vehicles.

Mr HEALY—Passenger vehicles, that is right. What we find then is that the one in five rate is very high. We also find that half of those have been drink-driving. In other words, for whatever reason they consider themselves to be immune from risk, more likely to take risks or, as we have found out, just plain forgetful, forget to put the seat belts on. We see value in technology for seat belt reminder systems in vehicles which will alert you if indeed your belts are not appropriately strapped in. It is a very simple technology but one which we deem to be very useful in the context of helping to improve the safety of occupants on our roads in the event of a crash.

Mr TREZISE—David, this committee has heard in the past that there was a low take-up of using seat belts for truck drivers. A low percentage of truck drivers wear seat belts. Is that correct, and how much of an issue is that?

Mr HEALY—I do not pretend to have ready-hand information available for that. Certainly, historically, my understanding is that for heavy vehicles the seat belt wearing rate was typically lower than for cars. Whether it was a perception on the part of the driver that in fact they were a lot safer in a much heavier vehicle I am not certain. Certainly there are terrible instances where the lack of a seat belt has caused great injury or death to the drivers. I am sorry, I cannot give you a firm figure in terms of the non-use of seat belts currently in heavy vehicles. It is rather a difficult one too for enforcing because you can understand their height off the road with respect to the height of a policeman in a car makes it difficult for observation to determine if in fact a seat belt is being worn or not. It does point once again to the role of technology into the future, the roles that it can have in terms of providing at least guidance to the driver that in fact they should have their seat belt on, or indeed if appropriately researched and acceptable to the community, more of an interlock-type device which prevents you from driving unless your seat belt is engaged. That is one possibility for the future we should not discount.

There are other technologies which have value which I will only briefly reference: forward collision warning systems which in fact were used in the TAC Safe Car which uses radar to determine if you are getting too close to the vehicle in front. Once again an advisory system is deployed which gave audible warnings back to the driver if the closing gap was getting too much and the situation was becoming too risky. That certainly can have a beneficial impact;

adaptive cruise control systems whereby you can preset the top speed at which you wish to travel at and if you are getting too close to the vehicle in front by virtue of sensor radars detecting the vehicle proximity then the vehicle will make adjustments to make sure that the headway or time between yourself and the vehicle in front stays at a safe headway time. These, we believe, also have genuine benefit. I would like now to refer to John in terms of issues surrounding technology for motorcycles.

Mr BOLITHO—Thank you, David. Thank you, Mr Chairman. In the context of David's presentation and mine, it is important that the TAC also paid compensation and benefits for 41,225 people during the financial year ended 30 June 2006. This involved a total of $675 million that were paid in support benefits and also in damages for people who were seriously injured. Safety is a very important context for the TAC as well as a support of its liabilities. It is also in this context that technologies for motorcycles and scooters are seen by us to be very important. Attention is drawn to the fact that in the ABS motor vehicle census of 2006 it showed that there were 114,438 motorcycles on the register in Victoria as at 31 March, and this was up by 11.4 per cent from 2002. This is also significant because it has certainly exceeded the growth in passenger vehicles over the same time which was only 8.8 per cent. As we get into an evermore congested situation where public transport seems to be coming under pressure, so it is that particularly small motorcycles and scooters seem to be becoming a vehicle of choice.

Very little literature exists discussing the research and development and effectiveness of specific motorcycle ITS applications, although MUARC may already have addressed you on the study that Bailey did in 2006 which suggested that there were a number of products that had the potential to assist motorcycle crash problems. Principally amongst these we see are issues involving braking systems for motorcycles. Anti-lock braking systems and linked braking systems have been available for motorcycles for some time but their general availability in the marketplace appears to be much the same as it is with cars in the more expensive models and also as expensive options.

MUARC has suggested that ABS could lead to a reduction in forward collisions and run-off-road crashes which are two of the most commonly reported motorcycle crash types in Victoria. It is important that although three per cent of all registered motorcycles that the ATSB data suggests that motorcycle riders were involved in 14.8 per cent of the motorcycle road fatalities and almost half of the motorcycle deaths and the severe casualty accidents in Australia were also as a result of single vehicle crashes and we believe too that ABS and linked braking would go a long way towards assisting reduction in that figure. There is a concern that major European and Japanese manufacturers of motorcycles and scooters, and particularly at the lower end of the market, they do offer ABS and brake linking systems in their home markets but those are not as readily available in Australia.

David talked about electronic stability control, and BMW is understood to be motorcycle manufacturer that is offering an automatic stability control on an expensive motorcycle as an option. Whilst there is no current study on the effectiveness of this technology it is certainly an emerging technology that is available. We have also addressed in our submission the subject of motorcycle airbags. Certainly Honda have produced a big Honda Gold Wing touring motorcycle that comes fitted with an airbag. We understand that airbag model, whilst it is available in Japan and the United States, is not presently available in Victoria. Yamaha are believed to be conducting research into airbag systems for motor scooters as well. We have also addressed wearable airbag jackets which started as an occupational health and safety response to industrial and older person falls and some of these have been developed for horse and motorcycle riders and this technology—personal airbag jackets—is reasonably inexpensive. You can buy one in Melbourne now for $900. That in itself we see as having some initiative to save lives further on.

Daytime running lights were previously part of the mandated Australian Design Rules. That requirement was rescinded in 1996 but the visibility of motorcycles—particularly in the other 51 per cent of accidents that collisions with cars—remains a very important issue of hazard reduction. We consider the potential for new technologies to address this issue should also be kept under review. Thanks, David.

Mr HEALY—Thanks, John. Turning very briefly to heavy vehicles, many of the technologies that we have referred to in the context of motorcycles and of cars generally can be applied with respect to heavy vehicles. That includes electronic stability control, electronic brake systems, adaptive cruise control, seat belt interlocks. These types of devices, we believe, can be fitted also to heavy vehicles and are applicable in the heavy vehicle context. We note that by virtue of the mass differential between heavy vehicles and other vehicles on the road that some 17 per cent of traffic fatalities each year are linked with the involvement of a heavy vehicle. It comprises a very significant representation amongst persons killed on our roads. That is not to attribute fault, it is purely a factual statement in terms of their involvement. The role of systems, such as mentioned, we believe can be of some advantage in the future for heavy vehicle safety.

I wish to briefly talk about emerging safety technology with a focus especially on intelligent speed adaptation or [ISA] as it is known. This is a system that was incorporated within the TAC Safe Car Project which was conducted with Ford Australia and with Monash University Accident Research Centre and essentially it is a system which means that within the car there is an electronic map of the road network, including all the speed limits. It also has a GPS tracker. At any point in time the GPS will tell you that you are here in the road system, then checks the electronic map to say, 'The speed limit here is 60 kmh.' It then checks your speedo. If you are travelling at 70 kmh then indeed you will get feedback to that effect. Feedback can take a number of forms: it can be push back on the accelerator pedal; it could be purely visual—flashing of a speed limit sign; or auditory. Currently we are developing a demonstration project with ISA in which we are providing an advisory system, not a limiting system, in which we will get feedback visually and also through sound to the effect that, 'You are exceeding the speed limit at that point and we suggest that you reduce your speed back to the posted speed limit.'

Certainly the evidence from both the TAC Safe Car Project and from demonstration projects overseas in the UK and in Sweden suggest that there are significant safety benefits by reducing average travel speeds by a few K's. We believe this technology can be of genuine assistance to the community in helping to comply with speed limits. We believe there will be a significant road safety benefit as a result, and based on the TAC Safe Car Project, it is unlikely that there will be any costs in terms of increased travel times; in other words, a few K's reduction in average travel speed does not translate into massive increases in delay or reaching your destination much later. We believe that appropriate promotion of the technologies through our demonstration project can bring the role of this technology in our community both to the attention of decision-makers and to the community with a view ultimately to see some of these technologies coming in, introduced at least at some high end of new vehicles in Australia ultimately because we understand its benefits. Unlike electronic stability control it can also be retrofitted. The technology we are fitting out will be fitted to 50 vehicles in Victoria. We will have an electronic map and we will certainly be gauging reactions over time to these technologies in terms of community acceptance. We understand the safety value but it is important that we showcase the value of these technologies to the community in general.

The CHAIR—David, on that, considering that speeding and drink-driving are probably the major cause of collisions, fatalities and injuries—and we have a very successful program, the alcohol interlocks at the moment for recidivist offenders—do you think that ISA could be adopted in that manner for those people that are recidivist speeders, or do you think

that these two technologies should be a priority in terms of the technologies available in the vehicles and should they be mandatory in all vehicles, the ISA and the alcohol interlock?

Mr HEALY—I think to consider them to be mandatory is some way down the track. We have to make sure that the technology works effectively, that we have very accurate mapping of the speed limits on our system and, not only that, when the speed limits change on our system that there is real world updating; in other words, you have the infrastructure to support regular updating and change, that you have a guaranteed, up-to-date speed database within your vehicle. That potentially might mean some communications between some transponder and your vehicle over time. Conceptually it is possible. There is a lot of developmental work. At this stage to suggest that it could be mandatory would be to jump a number of stages and by that I mean it is very important that we do work to get community acceptance and to understand in a voluntary sense what this technology is about and what role it can play. We do believe it has genuine potential but it is important that you bring the community along with you in relation to these.

Mr LANGDON—In that sense do you know how the drivers respond to all the new technology?

Mr HEALY—In terms of the TAC Safe Car Project we make sure that the design of the technologies were such as to minimise distraction, that we get a positive safety benefit and that you would not have a distraction which would minimise the safety outcome. What is important here is you develop what is called the human machine interface with a view to understanding how the human performs, what information they need to perform safely, but ensure that the types of messaging back to the driver is not distracting. We have gone to great lengths to make sure that the technologies we trial accord with those human factor principles.

Mr LANGDON—The other side of that, David, is the affordability side—Terry's point—which we have to be wary of all the time. We have a very small market as such by unit. What concerns me is de-specification of imported cars coming over here and I wonder whether there is a legal or a social responsibility in relation to that factor that should be given more significance from your own point of view and from the industry's point of view because it is disappointing where we may see five-star products produced across the water and they get here and they are flat out to be four, yet there is an acceptance that there is an affordability to buy that four-star product in the light of, and on many occasions, people believe it is a five-star product, and how well is that rating marketed within the industry, both in the new and the second-hand industry? Although we have that opportunity in place, how far is that being pushed?

Mr HEALY—There is still work to be done in that regard. In terms of the actual cost of devices, you are right. When you introduce a new device the costs are likely to be very high. It is a function that once demand builds and mass production techniques kick in, then suddenly you see some of these costs shrink very rapidly. The first airbags may well have cost the equivalent of $1000 now, the first frontal airbag, but now it is integrated into the manufacturing process. It would be lucky to add $10 to $15 to the actual cost. What was once seen as a luxury extra amongst the high-end market has suddenly become a feature that we all expect and it is transparent to us in a sense it is only a very small cost increase in terms of purchasing vehicles. Similarly with some of these technologies which are potentially excluded from our markets but which are available elsewhere, you are not giving our community a chance to in fact purchase and use and build demand and reduce the costs of those devices.

Mr LANGDON—I think you are but the commercial reality is that people are not prepared to pay for them.

Mr HEALY—I think that is changing. In the context of fleets, oftentimes cost margins are deemed to be important and that would probably be one of the reasons why, because it is a very tight margin, manufacturers do make a choice to exclude a particular technology.

Mr LANGDON—But fleet markets is only one side of the argument.

Mr HEALY—True.

Mr LANGDON—That is the easy side, in my opinion.

Mr HEALY—Although the fleet side is a very important side. I only say that because amongst the very popular vehicles, such as the middle-sized large car, such as the Commodore, the Falcon, the Toyota Aurion, we have seen some very positive changes in terms of these technologies. The Aurion has both ESC and side curtain airbags, they are standard across the board. The VE series of Commodore has ESC as standard and has side curtain airbags as optional in the lower grades.

Mr LANGDON—But you would appreciate that the knowledge in your fleet marketing and purchasing side is somewhat greater than it is on the individual basis on John Citizen coming off the street.

Mr HEALY—Absolutely correct.

Mr LANGDON—I see you can do a lot more in the fleet area than you can as a private purchaser.

Mr HEALY—That is true, hence really our reasons to educate the community through advertising, public relations, about the safety benefits of these technologies to apply consumer pressure back directly to the manufacturer, but also because the fleet is the best gateway that we have into the broader community. If indeed fleet policies are in place which indicate that we must have cars for our workers under occ health and safety with electronic stability control or side curtain airbags, and indeed because after every 30,000 kilometre or every two years or so they then churn through to the broader community, what you have is an ideal way to accelerate the uptake in the broader community through the fleet gateway. I agree, there are those who are individuals buying cars and hence that is the role we see public education can play and also directly meeting with manufacturers to talk about what we deem to be important safety issues. There is still ground to be made up, there is no question there. We still have work to do.

Mr BOLITHO—It is interesting too in the motorcycle context that Insurance Australia Group is very concerned that manufacturers have been slow to adopt technology because they say the community of motorcyclists do not want it. Their research shows that that is not the case at all and that new safety technology has not been properly explained to the community. It may be that the property damage insurers—Swann Insurance issues 75,000 policies a year and they have recently announced on 3 August that they have an initiative of their own to try to increase the uptake because of the amount of money they are having to pay out for property damage for motorcycles that are involved in single vehicle accidents. They see they have a role through distributors, dealerships and their own property insurance to influence that market.

Mr HEALY—If I can turn briefly to Term of Reference B which really compares the level of safety provided by these leading edge technologies with the minimum regulated standards. The Australian Design Rules set a minimum safety standard that all vehicles must comply with before they are allowed to be sold to Australians for our use on our roads. There

is a recent example where a vehicle which passed that standard received a one star under the new car system program crash testing, which is the Mitsubishi Express van 2006, and yet TAC analysis would suggest that on average new cars sold in Australia currently are reaching the order of four stars. We are seeing really a very significant gap between the minimum floor level as imposed by the Australian Design Rules as they are currently, and what is happening in practice by virtue of market demand, consumer pressure and manufacturing response. Given that large gap we believe that there is a role ultimately for that gap to be reduced and for the federal government to consider upgrading the design rules to better match the reality out there on the road and to ensure that vehicles, such as one-star vehicles or two-star vehicles, no longer would be acceptable on our road system. That is a question that we need to consider. In fact it is one of our recommendations to the committee.

I refer very briefly to Term of Reference C. Because we covered off the fact the level of penetration of ESC and side curtain airbags is significantly less than some other jurisdictions, including Sweden. One of the problems in terms of this is the very slow vehicle turnover in Australia. The average vehicle age is something of the order of 10.1 years. It means that we really need to use every opportunity to ensure that every new vehicle purchased does have these technologies, otherwise it is an opportunity lost. That vehicle will be on the road potentially up to 20 years—the average being 10—on our road system without that technology. Every user of that vehicle over those 20 years will be operating a vehicle which would in our view have less than what is optimum and achievable in terms of safety for that vehicle.

The CHAIR—David, in relation to comparing us with New Zealand and the cars that they import compared to the cars that we import and the level of safety technology features in the two different countries, are they better or worse?

Mr HEALY—To be honest, I cannot give you an objective comparison between the two. I would have thought there would be great similarities, although I suspect that their average age is slightly longer than ours which would mean that it would be a slightly slower percolation of new technology through into the complete vehicle fleet which would work against them. Certainly many of the technologies that are available and imported to us would also be imported directly to New Zealand. I note that in terms of the adoption of some of these technologies that when you look at the luxury end of the car market you are much more likely to find ESC and side curtain airbags in a very high proportion, upwards of 80 to 90 per cent in the Australian market. These technologies are most definitely at the very high end. As we said before there is still a considerable gap to make up with our European counterparts. In fact in the US, the National Highway Traffic Safety Administration is preparing to introduce a new federal motor vehicle safety standard to the effect that vehicles below 4.5 tonnes will have ESC fitted by the year 2012. In fact they have set various milestones for each of the manufacturers to meet between now and that point in time.

Term of Reference D makes reference to de-specifying vehicles. We have touched upon that issue, but we believe that it is definitely an opportunity lost in terms of the community missing out on what would seem to be appropriate for communities and drivers in other jurisdictions and we would certainly strongly advocate that in fact the time has come to ensure there is no de-specifying of these important life-saving technologies in Australian vehicles available on Australian roads.

The CHAIR—In relation to that you say that you will be working directly with the manufacturers to address the de-specification issue. How do you propose to achieve that outcome?

Mr HEALY—We would make direct contact with manufacturers—potentially the partnership arrangement with VicRoads and RACV—to talk about the issue of

de-specification and what it means and what steps they would like to put in place to assist us to make sure that the Victorian community have access to safer vehicles. I do think in many respects you do have to adopt the partnership approach. They are a key industry in Australia, particularly in Victoria. We need to support that industry but they need to support us and understand that government is working hard to try and make this a safer community. They have such a crucial role to play, we would expect leadership on their behalf, and such things as de-specifying vehicles we would see as being inappropriate in the context of helping Victorians and Australians be safe on our roads. It is working with them and also working directly with the consumer to inform them as to what is happening in respect of vehicle safety; what sorts of technologies they should be asking for or demanding; what sorts of star ratings they would like to see on their vehicles. We would see that as being very important—consumer pressure, plus direct advocacy with the manufacturers.

Mr KOCH—Overseeing it is one thing, what is your strike rate in discouraging the de-specification of vehicles as they enter the country?

Mr HEALY—I could not give you—

Mr KOCH—We can all read the downsides and that side of the argument. The important part here is what success have you had in the last five years or since, for instance, since GST was introduced which allowed, quite obviously, imported cars a greater advantage to this marketplace? In that period of time, where has TAC, RACV and VicRoads gone in relation to de-specification and trying to have some input in there where there is a recognition by those manufacturers they will abide by offering those opportunities over here at no greater cost?

Mr HEALY—I cannot give you a percentage. I can certainly cite examples whereby, through the partnership, we have raised on the community agenda the fact that de-specifying has happened, but in fact it means that we do not have the same access to safety as others around the world. There are some examples more recently, such as the Ford Focus. At the time this particular paper was being produced we said that with the Ford Focus in Australia, ESC and curtain airbags are standard on top models and unavailable on any other model. It is our belief now that both technologies are becoming available on other models. They do not necessarily say directly that it is as a result of consumer advocacy on the part of government but they do recognise there are certain pressures in the community now and indeed if they do not follow suit they will be left behind. You will see a number of references if you read such motoring magazines as *Drive* within newspapers that in fact you see increasingly such factors as ESC, 'Does the vehicle have ESC? Does it have side curtain airbags?' Indeed it is deemed to be a plus or a negative according to whether it is within the vehicle or external to the vehicle. The climate is most definitely changing, there is no doubt about that, but we have a long way to go. That is one example that I quote but I do feel, for instance, the Holden Commodore's most recent V series, there is considerable pressure brought to bear generally in terms of the role that ESC has to play in the future and we were delighted that was the first Australian manufactured car to include ESC across all models.

More recently the Toyota Aurion, an Australian produced car, now has a standard both ESC and side curtain airbags. We believe these are important additions and we are seeing these changes as a result of a range of activities on behalf of government and non-government community groups upping the ante in terms of the importance of it. I cannot give you a percentage success but I do believe that there are some very notable case studies which suggest that the climate is changing and that manufacturers are increasingly incorporating these safety features into their vehicles.

Mr MULDER—In relation to the issue of de-specifying—and quite often you will see a car offered without ESC, without airbags, but it is then offered in the next range up with

leather seats and with a whole host of other options, otherwise it is optioned in. Is there potential in some way, shape or form to ban that practice, including safety features that would normally be available on a vehicle, at a very reasonable price—as Paul Weller pointed out—ESC I think on all vehicles, when you are in France, about $110 to fit.

Mr WELLER—US.

Mr MULDER—US. But when it is pumped into an options package it probably adds $4000 or $5000 to the value of a vehicle, as to whether or not that practice of pumping them into option packages—expensive option packages—should not be allowed.

Mr HEALY—If we had our way we would like to see it not being allowed, being prohibited. To be honest I could not tell you what legal process we would need to draw upon to ensure that that happened across Australia, because when we are dealing with the vehicle industry we are dealing with a national issue, not just a Victorian issue. In that context I would need to defer to and seek counsel as to how that could best be done. We certainly agree in a sense that the practice should be at the very least strongly discouraged amongst manufacturers for the very reason you stated that some key lifesaving technologies are being lumped in with things such as maybe leather upholstery or CD stackers, whatever it might be, entertainment or convenience or comfort, which adds considerably to the cost of the total package and it means that is the only way you are about to receive those safety features. We agree. Ideally we want to see the technologies in the base model because that means irrespective of whether you have heard of the technology or not, when you purchase that car you will derive the benefit from it. The next best option is to have it at least as an option but a safety package per se, and that is the first option which should be promoted. We sympathise with the view; the degree to which it can be enforceable I could not tell you at this stage.

Mr TREZISE—David, you mentioned that in the US by 2012 they are going to regulate that ESC is going to be—is it ESC, did you say?

Mr HEALY—That is right, ESC.

Mr TREZISE—Do you feel we need a federal or state government to be looking at going down that path of regulation?

Mr HEALY—What we say in the series of recommendations is that because of that gap we alluded to earlier between the current design rule system and where we are at in terms of safety of new vehicles off the assembly line that gap needs to be redressed and there is the potential for the design rule system to consider performance based outcomes, not necessarily suggesting if it has a seat belt then it is fine, but rather what can you do to improve the safety of occupants. Indeed electronic stability control could be one such system. What would need to be addressed—including that specifically—within a design rule context would be to understand exactly how you are going to measure its performance in vehicles to give the imprimatur that in fact it has been fitted to these types of vehicles to a standard and a specification which is deemed to be desirable. Notionally we would love to see the marketing model being underpinned by appropriate regulation to ensure that at an appropriate point in time in the future we have 100 per cent fitment of what we see to be key lifesaving technologies.

To conclude, there are a number of recommendations which the TAC made in its submission, essentially without going to detail for each one of them – to continue to support the crash testing program and used car safety ratings program. The TAC, along with other Victorian entities, is a financial supporter and is also represented on the technical committee. We believe it is an important area to make sure that we maintain and update the crash data base so we can provide the very best information to the consumer to help them in their choice of

vehicles. We wish to continue to promote the star ratings and specific safety technologies to the community to make sure that they do demand these sorts of technologies in their next vehicles and, prior to that, understand exactly what these technologies can do for them. The TAC is working with the Victorian WorkCover Authority to look at developing appropriate guidance notes for industry, to assist them in policies in terms of selecting safer vehicles, and we believe this is important under occ health and safety, but also it is important under good corporate citizenship and potentially important in terms of reducing the number of staff days' downtime by virtue of injury resulting from crashes.

We are very interested in investigating, evaluating and demonstrating emerging technologies, such as intelligent speed adaptation, and the TAC and its partners would like to maintain that role of bringing to the fore in the community some of these key lifesaving technologies. As mentioned earlier, we wish to establish a safety forum in which jurisdictions across Australia collectively agree what are some of the key safety technologies which we should collectively work with and promote and assist manufacturers to introduce. There are also areas in respect of motorcycle safety in which we support further research and development, what technologies can make a genuine difference, because we note motorcyclists, if they are involved in a crash, unfortunately they are very vulnerable and outcomes can be very severe. We feel it is incumbent upon us collectively to look at ways that new technologies can make a difference to motorcyclists and their safety. In fact we support the examination—at least looking to the feasibility—of some comparative safety rating system for motorbikes, as well as for cars. We say 'feasibility' because we do not have a clear conception of what sorts of criteria would apply there, but we do feel that notionally it is worthwhile to consider what we could do to assist motorcyclists in choosing the very safest bikes to ride when we understand their vulnerability on the road.

We also make a reference to there being a large gap between the current design rules in terms of minimum standard and the actual safety of vehicles on our roads, and ways the design rules could redress that gap through looking at an overhaul and potentially looking at performance based measures for the future to increase the floor level which must be achieved by all vehicles sold on Australia's roads.

In summary, we are very grateful to have the opportunity to present on vehicle safety because we think it is such an important area. In every crash, there is a vehicle, there is a road user, and there is a road and roadside. The vehicle is one of the key elements of the triad. If we can influence vehicle safety outcomes in terms of either preventing a crash—such as ESC—or if you are in a crash, reducing the likelihood of injury to yourself or to others—such as side curtain airbags—then indeed we will certainly have a safer community on our roads. Thank you.

The CHAIR—There were some discussions earlier on about the black box that exists in every vehicle and the data that that contained, the information in some cases could be critical. There were some legal issues surrounding the access to that information. Do you think that information could be crucial in terms of what the TAC want to do in terms of getting to the bottom of what possibly caused the accident and so forth? Is that on your radar at the moment?

Mr HEALY—We have not looked at it specifically within the TAC. Potentially it has a role to understand exactly what circumstances led to a particular crash so you could be measuring speed, braking in the event of a crash, and they would be important elements to help understand causative factors and how you could modify the circumstances to reduce that type of crash or reduce the severity; in other words research and development. I could see it as being a very important tool for the future. In terms of the legal access, I am less well qualified to speak. I would imagine there would be some interest in determining whether vehicles were exceeding the speed limit at the time of the crash. That would be of some

interest, I am sure, to law enforcement agencies, but I could not give you a clear understanding of what the legalities are in relation to that. In terms of understanding the mechanisms underpinning a crash and ways in which we might be able to design a system to get a better result, that information could be very useful.

Mr BOLITHO—To add to what David said, the coronial process also provides an excellent opportunity for examining that kind of causative issue in an impartial way. If the coroner had access to that black box—the coronial process is really designed towards fact-finding in a way that perhaps civil litigation or law enforcement might not bring to the fore.

Mr LANGDON—Claims against TAC, which is the highest category? For example, where does whiplash fit into the claims that TAC often get?

Mr HEALY—To the best of my knowledge it comes under the category of musculoskeletal injuries which can be a bit broader than whiplash specifically. My understanding is it represents approximately 30 per cent of our claims and approximately eight to nine per cent of our no fault costs. It is not trivial and it does mean that in fact technologies such as adaptive cruise control or following distance warning or indeed speed measures, pulling vehicles back to within appropriate speed limits, can be important in reducing those sorts of outcomes. There is also within vehicles now, a number of vehicles, active head restraint systems which have examined to some extent the biomechanics of crashes and the hyperflexion of the neck and how that can lead to whiplash-type injuries and how you might better actively design the head restraint to ensure that it remains very close to the back of the head during the crash. Under these circumstances I believe it can be quite an effective technology for reducing whiplash. There are a number of opportunities we have, whether it is speed, adaptive cruise control, following distance warning and active head restraint systems to make a contribution to reducing that level of trauma.

Mr LANGDON—Is there anything higher than 30 per cent. You said it was under a name which I cannot remember.

Mr HEALY—Musculoskeletal.

Mr LANGDON—That was about 30 per cent of your claims. Is there anything higher than the 30 per cent?

Mr HEALY—That would be, to the best of my knowledge, the highest grouping; not necessarily the most severe because you see the relationship between costs and frequency.

Mr LANGDON—I understand that, yes.

The CHAIR—I find it bizarre that back in 1999 you had trialled in the Safe Car Project many of the technologies we are talking about today. That is many years ago. Technology has advanced rapidly. Why is it that in terms of those technologies it is not commonly available in Victorian vehicles? It does not make sense to me.

Mr HEALY—It can be a very slow process. Intelligent speed adaptation is a system we are really plucking from that Safe Car Project because we believe there is genuine value in the future, but it is important that we promote that within the community before we can go the next step. That project took four years. It mainly took four years because of some of the technological hurdles we had to overcome to make sure that this system functioned properly and that all the technologies were interacting with each other. It was frustrating in many respects that it took that long but we do understand the value of these technologies, and it is unfortunate that in fact some of these technologies had not been picked up earlier. Potentially manufacturers have not adopted speed reduction techniques possibly as actively as

governments may wish to look at them because of their safety value, but we do think there is a role in the future for the community to adopt these technologies, to voluntarily use them and to derive a safety benefit. I agree, the process has been slow and I cannot give a hard and fast reason why it takes such a long time for some of these technologies to filter through.

The CHAIR—On behalf of the committee, thank you for your submissions, David and John.

Mr HEALY—Thank you.

Mr BOLITHO—Thank you.

The CHAIR—It is an appropriate time to break and we will be back at 1 o'clock.

Witnesses withdrew.

Hearing suspended.