

Chapter 1

Introduction and overview

Conduct of the inquiry

1.1 On 30 October 2014, the Senate referred the following matter to the Rural and Regional Affairs and Transport References Committee (the committee) for inquiry and report by 9 September 2015:

Aspects of road safety in Australia, having particular regard to:

- a) the social and economic cost of road-related injury and death;
- b) the importance of design standards on imported vehicles, as Australian vehicle manufacturing winds down;
- c) the impact of new technologies and advancements in understanding of vehicle design and road safety;
- d) the different considerations affecting road safety in urban, regional and rural areas;
- e) other associated matters.

1.2 The Senate granted extensions of time for reporting on 13 August 2015, for reporting by 26 November 2015, on 15 September 2015 for reporting by 2 March 2016 and on 29 February 2016 for reporting by 3 June 2016.

1.3 On 9 May 2016, the inquiry lapsed with the dissolution of the Senate and the House of Representatives for a general election on 2 July 2016.¹

1.4 On 15 September 2016, the Senate re-referred the inquiry to the committee with a reporting date of 18 October 2017.² On 17 October 2017, the Senate granted a further extension for reporting to 26 October 2017.

1.5 After the inquiry was advertised on the committee's website and in *The Australian* on 4 February 2015, the committee received 75 submissions from interested organisations and individuals. Submissions are listed in Appendix 1 and are available on the committee's website.

1.6 Appendix 2 lists the persons and organisations who gave evidence at the committee's public hearings, which were held in:

- Sydney on 2 July 2015 and 26 June 2017;
- Melbourne on 3 July 2015;

1 *Journals of the Senate* No. 147, 9 May 2016, p. 3964.

2 *Journals of the Senate* No. 7, 15 September 2016, p. 225.

- Adelaide on 26 October 2015;
- Perth on 18 February 2016; and
- Canberra on 14 August 2015, 25 February 2016, 22 March 2016, 10 November 2016, 15 February 2017, 8 and 29 August 2017.

Acknowledgement

1.7 The committee thanks all contributors to the inquiry, including those individuals and organisations who provided evidence to the committee on several occasions.

Interim report

1.8 The committee tabled a substantive interim report on 3 May 2016. The interim report made 17 recommendations (at Appendix 3) in relation to:

- the social and economic cost of road deaths and injuries, including the impact on vulnerable road user groups;
- the role of design standards and emerging road safety technology;
- road safety challenges in regional and rural areas and the adequacy of driver education throughout Australia; and
- emerging issues for the heavy vehicle industry, including licensing, training and accreditation for Australian and overseas drivers.

1.9 The committee notes that at the time of tabling this report, a government response to the interim report had yet to be provided, despite the requirement for the Government to respond to committee reports within three months of tabling.³

Structure of the final report

1.10 Issues relating to the heavy vehicle industry were at the centre of the committee's inquiry into aspects of road safety in Australia. As hearings progressed, new and startling evidence emerged about the dangerous behaviour of individual drivers, together with systemic failures in administration and policy. To make these matters worse, the abolition of the Road Safety Remuneration Tribunal (by legislation on 18 April 2016) removed a much-needed layer of protection for the industry.

1.11 Longstanding issues for the heavy vehicle industry with regard to overseas drivers, including licensing, training and visa status, are discussed in Chapter 2 of this report. It is the committee's view that these issues will only be exacerbated in a less regulated environment.

3 *Journals of the Senate*, 14 March 1973, p. 51.

1.12 Chapter 3 considers the need to find economic solutions for an industry facing a high road toll from truck crashes and a shortage of skilled drivers. It discusses the need for broad consensus to prioritise chain of responsibility laws, the use of electronic work diaries and to provide for 30 day minimum payment terms.

1.13 In Chapter 4, the committee examines the gap between the ideal and reality with regard to heavy vehicle training in Australia and the need for a better national scheme.

Road safety policy and national coordination

Transport Infrastructure Council and National Road Safety Strategy 2011–2020

1.14 In its interim report of May 2016, the committee noted that Australia does not have a unified road safety system. Each state and territory is responsible for its own road network and has implemented model legislation which is overseen by a range of cross-jurisdictional agencies. To provide for a 'coordinated and integrated' approach, the national Transport and Infrastructure Council (TIC) was established by the Council of Australian Governments (COAG) in 2013.

1.15 Evidence to the committee suggested that there is a strong commitment to the Safe System approach⁴ as outlined in the *National Road Safety Strategy 2011–2020* (the strategy) and endorsed by the TIC.⁵ Some submitters, however, queried whether the approach meets the needs of vulnerable road users, including cyclists and motorcyclists. The committee made recommendations in its interim report to strengthen the protections available to these vulnerable road user groups.

1.16 Under the strategy, jurisdictions have committed to achieving a 30 per cent annual reduction of road-related deaths and serious injuries by 2020.⁶ The strategy presents a 10-year plan to reduce the annual numbers of both deaths and serious injuries on Australian roads.⁷

1.17 The committee is seriously concerned by recent evidence which suggests that progress towards a reduction in road deaths has slowed. When questioned during Budget Estimates in May 2017, the Department of Infrastructure and Regional Development (DIRD) provided evidence that, rather than trending towards the

4 Australian Transport Council, *National Road Safety Strategy 2011-2020*, p. 3.

5 Mr Bernard Carlon, Acting General Manager, Transport for New South Wales, Centre for Road Safety, *Committee Hansard*, 2 July 2015, p. 15; Ms Samantha Cockfield, Senior Manager, Road Safety, Transport Accident Commission of Victoria, *Committee Hansard*, 14 August 2015, p. 49; Mr Robert McDonald, Senior Manager, Research Centre, Insurance Group Australia, *Committee Hansard*, 2 July 2015, p. 1.

6 Australian Transport Council, *National Road Safety Strategy 2011-2020*, p. 3.

7 Australian Transport Council, *National Road Safety Strategy 2011-2020*, p. 3.

targeted 30 per cent, an annual reduction of nine per cent had been achieved. Deputy Secretary, Ms Judith Zielke, stated:

...we have had a recent change in trends in relation to road deaths. In particular, we have gone from a situation where we had achieved almost 18 per cent against that 30 per cent in relation to the target we had set. More recently our figures have actually deteriorated down to only nine per cent as against that 30 per cent.⁸

1.18 This worrying trend has not gone unnoticed by the Australian community. The Australian Automobile Association (AAA) highlighted in its December 2016 report *Benchmarking the performance of the national road safety strategy* that:

...in the year to December 2016, there was a 7.9 per cent increase in the number of deaths on our roads. This means the annual road toll for December 2016 is the worst since March 2013, and the same as May 2011. In effect, these results are little better than when the NRSS was agreed to more than five years ago. In total in 2016 1,300 people died on our roads, 95 more than in 2015.⁹

1.19 The AAA's June 2017 benchmarking report recorded 'a decrease of 1.3 per cent' in the 12 months to June 2017, concluding that 'the strategy will not deliver the targeted 30 per cent reduction in road deaths'.¹⁰

Review of the National Road Safety Strategy

1.20 Noting the lack of progress in reducing the road toll, the committee awaits the results of a review into progress against the strategy. The committee was informed that on 19 May 2017, the TIC agreed to establish an independent reference group to 'inquire into progress under the National Road Safety Strategy 2011–2020'.¹¹ The Secretary of DIRD, Mr Mike Mrdak, explained that:

The minister agreed with his state colleagues to appoint an expert panel to review our progress on the National Road Safety Strategy. That will be done as an additional review, with advice coming back to ministers as soon as possible this year.¹²

8 Ms Judith Zielke, Department of Infrastructure and Regional Development, Rural and Regional Affairs and Transport Legislation Committee, *Committee Hansard*, 23 May 2017, p. 119.

9 Australian Automobile Association, *Benchmarking the performance of the national road safety strategy*, December 2016, p. 6 <<http://www.aaa.asn.au/files/download/?id=1090>> (accessed 4 September 2017).

10 Australian Automobile Association, *Benchmarking the performance of the national road safety strategy June 2017*, 31 July 2017, p. 5 <<http://www.aaa.asn.au/files/download/?id=1164>> (accessed 4 September 2017).

11 Transport and Infrastructure Council, *Communique*, Brisbane, 19 May 2017, p. 3.

12 Mr Mike Mrdak, Department of Infrastructure and Regional Development, Rural and Regional Affairs and Transport Legislation Committee, *Committee Hansard*, 23 May 2017, p. 121.

1.21 Noting that such a review should be at the top of the government's priorities, the AAA has described this review as 'an urgent task'.¹³

1.22 The committee notes with concern that no additional funding was allocated in the 2017–18 Budget for the review of the strategy. Instead, funding for the review will be drawn from 'within existing departmental resources'.¹⁴

Road safety trauma funding

1.23 In its interim report, the committee reported that the number of road deaths per 100 000 Australians had risen during 2015 to 5.1.¹⁵ The number of deaths on our roads rose by 6.4 per cent in 2016 to 5.4 per 100 000 Australians.¹⁶

1.24 The committee notes with some relief that as of September 2017, the rate of annual deaths per 100 000 Australians has declined slightly, to 5.0.¹⁷ However, this number remains worryingly high, and far short of the goals established by the Australian Government under the National Road Safety Strategy. The committee will continue to monitor this data closely and encourages all jurisdictions to do the same.

1.25 The committee heard evidence during this inquiry about the considerable costs of road trauma. In terms of financial cost, road trauma costs the Australian taxpayer around \$27 billion or 1.8 per cent of gross domestic product per year.¹⁸ This amount is separate to the incalculable human, social and psychological costs of grief and loss that flow from road death and serious injury. There are also substantial health and community care costs. Support services, particularly in rural and regional areas are disparate and often inadequate, leaving affected families with the options of going without, or travelling often long distances to receive appropriate specialised care.¹⁹

13 Australian Automobile Association, *Benchmarking the performance of the national road safety strategy June 2017*, 31 July 2017, p. 5 <<http://www.aaa.asn.au/files/download/?id=1164>> (accessed 4 September 2017).

14 Mr Mike Mrdak, Department of Infrastructure and Regional Development, Rural and Regional Affairs and Transport Legislation Committee, *Committee Hansard*, 23 May 2017, p. 121.

15 Rural and Regional Affairs and Transport References Committee, *Aspects of road safety in Australia*, Interim report, May 2016, p. 5.

16 Bureau of Infrastructure, Transport and Regional Economics, *Road deaths Australia; December 2016*, p. 1, http://bitre.gov.au/publications/ongoing/rda/files/RDA_Dec_2016.pdf (accessed 6 October 2017).

17 Bureau of Infrastructure, Transport and Regional Economics, *Road deaths Australia; September 2017*, https://bitre.gov.au/publications/ongoing/rda/files/RDA_Sep_2017.pdf (accessed 19 October 2017).

18 Rural and Regional Affairs and Transport References Committee, *Aspects of road safety in Australia*, Interim report, May 2016, p. 5.

19 Rural and Regional Affairs and Transport References Committee, *Aspects of road safety in Australia*, Interim report, May 2016, p. 6.

1.26 To increase national understanding of the scale of road trauma, the committee recommended in its interim report that the Commonwealth Government commit \$150 000 for three years from 2016–17 to fund the continued operation of the Australian Trauma Registry. The registry provides nationally consistent data on road trauma, serious injuries and related outcomes which is gathered from Australia's major hospitals.²⁰ The committee notes that this recommendation received the public support of the Royal Australian College of Surgeons²¹ and the AAA.²² The AAA Chief Executive, Mr Michael Bradley, described the recommended funding as a 'very small investment' in a national measure of the severity of road crashes. He recognised the committee's recommendation as an important first step, arguing that 'we cannot fix a problem that cannot be measured'.²³

1.27 The provision of nationally consistent road trauma data would enable respective governments to target the areas of greatest need, and thereby maximize investment in road safety. However, the committee also acknowledges that greater awareness of road safety investment initiatives would assist all states and territories to make the best use of their road trauma funding.

1.28 In terms of state-based road trauma funding, Western Australian third party insurer RAC called for a much greater investment in the state's Budget. It emphasised the point that road trauma funding was particularly important in regional areas where '61 per cent of WA road deaths occurred' in 2016, despite regional areas housing only 21 per cent of the population.²⁴

1.29 Similarly, in NSW, insurer NRMA suggested that an extra \$1.5 billion needed to be spent on road trauma in regional and rural NSW alone. Its *Funding Local Roads: Recommendations to clear the infrastructure backlog* report found that around 75 per cent of the road trauma in NSW occurred on those roads.²⁵ NRMA Regional

20 Rural and Regional Affairs and Transport References Committee, *Aspects of road safety in Australia*, Interim report, May 2016, pp 9–10.

21 Royal Australian College of Surgeons, *Funding options for the Australian Trauma Registry*, 27 May 2016, <<https://www.surgeons.org/media/college-advocacy/funding-options-for-the-australian-trauma-registry/>> (accessed 6 October 2017).

22 Australian Automobile Association, *Road trauma recommendation must be heeded*, 4 May 2016, <<http://www.aaa.asn.au/news-and-publications/news/article/?id=road-trauma-recommendation-must-be-heeded>> (accessed 6 October 2017).

23 Australian Automobile Association, *Road trauma recommendation must be heeded*, 4 May 2016, <<http://www.aaa.asn.au/news-and-publications/news/article/?id=road-trauma-recommendation-must-be-heeded>> (accessed 6 October 2017).

24 RAC, *State Budget must address regional road trauma*, 31 August 2017, <<https://rac.com.au/about-rac/media/media-releases/august-2017/state-budget-must-address-regional-road-trauma>> (accessed 6 October 2017).

25 NRMA, *Funding local roads: Recommendations to clear the infrastructure backlog*, August 2017, <www.mynrma.com.au/-/media/documents/reports-and-sub/dcg-7365-local-road-funding-paper_final_low-res.pdf?la=en> (accessed 6 October 2017), p. 3.

Director, Ms Fiona Simson, called for state and federal governments to fast-track such funding.²⁶

1.30 Road trauma investment by the NSW and WA Governments contrasts markedly with the \$1 billion dollar package of road improvements, driver training programs and research announced by the Victorian Government in May 2016. The funding in Victoria is directed at cutting the number of road deaths to below 200 by the year 2020.²⁷

Committee view

1.31 The committee considers the matter of road trauma funding to be far too significant to be defined by regional difference.

1.32 During the course of this inquiry, it has become clear to the committee that all jurisdictions would benefit from discussions regarding road trauma funding initiatives, with a view to identifying best practice and maximising effectiveness. This is particularly critical in rural and regional areas of the country, where investment in road infrastructure will have the greatest impact on reducing road trauma. To this end, the committee recognises that the COAG TIC would be the most appropriate forum for discussion on road trauma funding initiatives.

Recommendation 1

1.33 The committee recommends that the Minister for Infrastructure and Transport initiate discussion on road trauma funding at the Council of Australian Governments Transport and Infrastructure Council (TIC) with a view to encouraging effective investment in road trauma funding across the nation.

Vehicle safety standards

1.34 The committee's interim report articulated the tangible connection between vehicle safety standards and road trauma.²⁸ With reference to the Australasian New Car Assessment Program (ANCAP) ratings, the committee heard that people 'are

26 'NRMA calls for plugging of road funding holes', *Sky News*, 24 August 2017, <<http://www.skynews.com.au/news/national/nsw/2017/08/24/nrma-calls-for-plugging-of-road-funding-holes.html>> (accessed 6 October 2017).

27 Premier of Victoria the Hon Daniel Andrew MP, 'Saving Lives – Victoria's New Road Safety Strategy', 15 May 2016, <<http://www.premier.vic.gov.au/saving-lives-victorias-new-road-safety-strategy/>> (accessed 6 October 2017).

28 Rural and Regional Affairs and Transport References Committee, *Aspects of road safety in Australia*, Interim report, May 2016, p. 28.

twice as likely to be killed or seriously injured in a one-star car versus a five star car'.²⁹

1.35 The committee was informed that ANCAP ratings would have a greater impact if displayed on vehicles at the point of sale, as consumers would have immediate access to vital safety information at the time of purchase.³⁰ The committee supported such an initiative, and recommended that the Australian Government work with state and territory governments to ensure that the display of ANCAP safety ratings is mandatory at the point of sale.³¹

1.36 It was also made clear to the committee that financial support for ANCAP was not guaranteed. For this reason, the committee recommended increased financial support to ANCAP.³² It also recommended continued funding of the Used Car Safety Ratings program maintained by the Monash University Accident Research Centre.³³ The committee endorses these recommendations.

1.37 On 10 February 2016, the government announced reform of the *Motor Vehicle Standards Act 1989*, with legislation to be introduced 'as soon as possible'.³⁴ Since then, DIRD reported that 'the Australian Government has conducted a number consultation sessions with key stakeholders'. In May and June 2017, for example, it held consultation sessions on an online Register of Approved Vehicles and new certification arrangements for light trailers.³⁵

1.38 The Minister for Urban Infrastructure, the Hon Paul Fletcher MP, announced on 16 August 2017, that the Government would introduce legislation 'this year' to implement the reforms by 2019.³⁶ The Minister also announced that the legislation would be introduced without the proposal 'to allow individuals to personally import

29 Mr William Golsby, General Manager, Corporate Affairs, RAC WA, *Committee Hansard*, 18 February 2016, p. 46.

30 RAC, *Submission 59*, p. 6.

31 Rural and Regional Affairs and Transport References Committee, *Aspects of road safety in Australia*, Interim report, May 2016, Recommendation 6, p. 31.

32 Rural and Regional Affairs and Transport References Committee, *Aspects of road safety in Australia*, Interim report, Recommendation 5, May 2016, p. 31.

33 Rural and Regional Affairs and Transport References Committee, *Aspects of road safety in Australia*, Interim report, May 2016, p. 31.

34 Department of Infrastructure and Regional Development, *Motor Vehicle Standards Act Reform*, February 2016, p. 2.

35 Department of Infrastructure and Regional Development, Reform of the *Motor Vehicles Standards Act 1989*, 22 August 2017, <https://infrastructure.gov.au/vehicles/mv_standards_act/> (accessed 6 October 2017).

36 The Hon Paul Fletcher MP, Minister for Urban Infrastructure, *New Road Vehicle Standards Act to Better Protect Consumers and Provide More Choice*, Media Release PF037/2017, 16 August 2017, <http://minister.infrastructure.gov.au/pf/releases/2017/August/pf037_2017.aspx> (accessed 6 October 2017).

new vehicles from countries with comparable vehicle standards to Australia'.³⁷ The committee welcomes this exclusion. In its interim report, the committee had raised concerns about the personal importation proposal, noting that 'the risks appear considerable and the benefits unclear'.³⁸

1.39 The committee notes with interest that the proposed reform to the *Motor Vehicle Standards Act 1989* are likely to:

- mirror safety recall provisions in Australian Consumer Law and apply them to road vehicles;
- require secure vehicle identification marking on new vehicles as a deterrent to motor vehicle theft for re-birthing; and
- improve pathways for importing specialist and enthusiast vehicles.³⁹

1.40 Noting the attention given by Minister Fletcher to consumer protection and choice, the committee urges a renewed focus on driver safety and the prevention of harm. While the committee acknowledges the importance of streamlining processes for consumers, it also considers that improving vehicle standards can have a positive impact on reducing the road toll. This view reflects the strong concerns expressed by submitters and witnesses to this inquiry.

Committee view

1.41 The committee awaits the detail of the legislative proposals to reform the *Motor Vehicle Standards Act 1989*. Without this detail, the committee has not been able to consider the merits of final policy proposals in either its interim or final report.

1.42 Nevertheless, the committee emphasises the importance of achieving national agreement on a sufficiently high level of vehicle safety standards. To this end, the committee urges the Australian Government to comprehensively deliver on this long awaited reform. The committee recognises that the Australian Government is in a position to provide a nationally consistent minimum safety standard for all vehicles. It must now take this opportunity to ensure that vehicles on our roads are safer for all Australians.

37 Department of Infrastructure and Regional Development, Reform of the *Motor Vehicles Standards Act 1989*, 22 August 2017, <https://infrastructure.gov.au/vehicles/mv_standards_act/> (accessed 6 October 2017).

38 Rural and Regional Affairs and Transport References Committee, *Aspects of road safety in Australia*, Interim report, May 2016, p. 36.

39 Department of Infrastructure and Regional Development, Reform of the *Motor Vehicles Standards Act 1989*, 22 August 2017, <https://infrastructure.gov.au/vehicles/mv_standards_act/> (accessed 6 October 2017).

Recommendation 2

1.43 The committee recommends that the Australian Government commit to a robust set of national minimum safety standards for all vehicles, including second hand vehicles and the government fleet, as part of its proposed reform of the *Motor Vehicle Standards Act 1989*.

Importing safety technology – Australian Design Rules

1.44 The committee's attention was drawn to evidence that the United Kingdom, the United States and Europe mandate or maintain high levels of technology in imported cars, but that such technology does not feature in the cars imported to Australia. In fact, many imported vehicles sold in Australia are not equipped with the new technology which would be a standard feature of these vehicles if sold elsewhere (including Europe or the United States).

1.45 Mr Mark Jackman, Regional President, Chassis Systems Control, Robert Bosch Australia informed the committee that:

There are models being sold in Australia whose equivalent models in other parts of the world have a feature that is not even available here. Manufacturers will tell you that it is about supply and demand: if we have the demand, we would then be able to increase the value of the car or show that it is worth while adding that in. I think we as a consumer group in Australia do not understand the technologies. And when we do not understand them we are very reliant on the contacts that we have with the sales people, with the internet reports and hopefully with the road safety agencies. They are the ones from whom we get this educational information. With that demand comes the car manufacturers' requirement, from a marketing point of view, to include those features.⁴⁰

1.46 The committee accepts the overwhelming evidence which indicates that incorporating new technology into our vehicles would contribute to road safety. While some witnesses suggested that competition was the most appropriate means to increase access to new safety technology, a considerable amount of evidence upheld the view that the Australian Design Rules (ADRs) were the most efficient mechanism to achieve this. The ADRs include requirements for 'vehicle safety, environmental performance and anti-theft protection'.⁴¹

1.47 A number of submitters highlighted the value of ADRs to road safety. However, concerns were raised that ADRs do not cover all classes of vehicles, which can lead to time lag across classes, as features are progressively adopted. Evidence to the committee focused on this time lag between the development of new technology and updates to the ADRs.⁴² For this reason, many witnesses and submitters to the

40 Mr Mark Jackman, Robert Bosch Australia, *Committee Hansard*, 3 July 2015, p. 3.

41 Department of Infrastructure and Regional Development, *Submission 51*, p. 6.

42 Monash University Accident Research Centre, *Submission 67*, p. 24;

inquiry pointed to the need to address the slow legislative progress with regard to ADRs. Many called for an exploration of methods to introduce ADRs in a timely manner to encourage the take up of new safety technology and to ensure that Australia keeps pace with international developments.⁴³

Committee view

1.48 The committee recognises the importance of safety technology on our roads. Technological advancements such as lane departure warning systems and fatigue monitoring have been proven to assist drivers in remaining more alert – thereby protecting Australian road users.

1.49 The committee endorses the recommendation it made in its interim report with regard to immediate amendment of the ADR, which would require all new light vehicles sold in Australia to be fitted with automatic emergency braking technology.⁴⁴

1.50 Furthermore, the committee encourages the Australian Government to explore methods to introduce ADRs in a timely manner, to ensure that all Australians can benefit from new vehicle safety technology, and remain safe on our roads.

Recommendation 3

1.51 The committee recommends that the Australian Government explore methods to introduce Australian Design Rules (ADRs) in a timely manner to ensure that Australia benefits from, and keeps pace with, international developments in vehicle safety technology.

43 Mr Mark Jackman, Robert Bosch Australia, Committee Hansard, 3 July 2015, p. 4; ARRB Group, *Submission 26*, p. 4.

44 Rural and Regional Affairs and Transport References Committee, *Aspects of road safety in Australia*, Interim report, Recommendation 8, May 2016, p. 34.

