

# TRANSCRIPT

## ROAD SAFETY COMMITTEE

### Inquiry into serious injury

Melbourne — 11 September 2013

#### Members

Mr A. Elsbury

Mr T. Languiller

Mr J. Perera

Mr M. Thompson

Mr B. Tilley

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#### Witnesses

Mr D. Russell, senior manager, government and public affairs,

Mr B. Savage, general manager, policy and government relations, and

Mr M. Oakley, consultant, Victorian Automotive Chamber of Commerce.

**The CHAIR** — We will make a start. On behalf of the Victorian parliamentary Road Safety Committee I would like to welcome representatives from the VACC to our deliberations on our inquiry into serious injury. By way of background, I inform you that the evidence you are giving today is protected by parliamentary privilege. Any comments made outside the hearing are not afforded such privilege. The transcript will become a matter of the public record. You will be given an opportunity to amend the Hansard transcript to make any necessary corrections to typographical errors, and then you will need to return it to us. Prior to making your comments it would be helpful if you could provide your name and position to assist in the presentation of the Hansard transcript. Thank you for taking the time to speak to us today. I invite you to commence your presentation, following which we will ask you a number of questions.

**Mr RUSSELL** — Thank you, Chair. My name is David Russell, and I am senior manager, government and public affairs. With me is Brian Savage, who is general manager, policy and government relations. With us also is Martin Oakley, who is consultant to the VACC on the subjects of vehicle safety, vehicle roadworthiness, responding to government regulatory impact statements and the like.

Thank you for the opportunity to come and present to you. Our submission was made a little while ago, and in that submission we raised questions of the quality of the vehicle fleet. In particular it focused on paragraphs (d), (e) and (f) of the committee's terms of reference, so we did not get into all the bits and pieces about what a serious injury is et cetera. What we are interested in are the countermeasures and how to prevent serious injuries occurring.

In our submission we said — and we made this point quite clearly — that maintenance of vehicles in Victoria is very important. We say that unfortunately too many vehicles on our roads are unmaintained. We want to alert you to this problem and to the sorts of issues that our members see every day when vehicles are brought into their workshops for service or repair. The VACC has 5000 members. Many vehicles per day are serviced and repaired.

Too many vehicles on our roads are unmaintained and unsafe. Thirty-five per cent of passenger cars, based on our own statistics provided by our members in a program that we run, are unroadworthy when they come in for servicing. They have been brought in for servicing — they are there for a reason — and they are found to be unroadworthy when they are driven in. Eighty-four per cent of heavy vehicles, discovered during Operation Hazard conducted by VicRoads, Victoria Police and WorkSafe last year, were found to be in an unroadworthy condition. I think 1200 or 1500 heavy vehicles were inspected at the roadside, and 84 per cent were found to be unroadworthy.

This year a further operation called Operation Trishula, a similar combined VicRoads, Victoria Police and WorkSafe activity, found 77 per cent of heavy vehicles — that is, over 4.5 tonnes — to be unroadworthy. These are alarming figures to us. They show us that there is a much higher rate of risk out there than many people would understand. We are trying to get this point across to you because we think in your investigation of serious injuries it needs to be understood that there are risks out there caused by the fact that cars and trucks are unmaintained. The point is that too many vehicle owners neglect maintenance, and even though they have a responsibility under the road safety laws to do so, they are not accountable for the maintenance of their vehicles. More needs to be done.

In our submission we recommend to the committee that greater resources should be applied to roadside checks of vehicle condition, that vehicle owners should be encouraged to maintain vehicles in good order and that workplace vehicles must be checked as part of an occupational health and safety regime. We also recommend that the government should endorse and cooperate with the VACC on a critical safety check education awareness campaign for the public and that a road safety action plan for vehicle maintenance should be developed by the government and endorsed by this committee. Serious injuries would be reduced by motorists taking responsibility and becoming accountable for vehicle condition.

Alarming, since our submission was made to the committee, the Victorian government has announced, via a consultation paper called *Streamlining Victoria's Roadworthiness System* issued by VicRoads in July 2013, that it is considering removing the requirements for a roadworthy certificate upon transfer for vehicles less than three or five years, depending on the option — there are three options in that paper. There are no other options, only three, and it says other options are not on the table.

The VicRoads consultation paper was released in July. The VACC has responded. We would like to include our response to that submission as material of interest to this committee because we think the two are crossing over. I have handed a copy of our VACC submission in response to that consultation paper — it looks like this — and we will also provide you with further copies.

We are at the stage where amendments are proposed in the interests of cutting red tape, but in our view they are not at all supported by data or evidence, and the assumption that vehicles that are less than three or five years old do not require testing for roadworthiness upon transfer because they are all in good order is, in our view, plainly wrong. Our members tell us that all vehicles, regardless of age, need to be maintained and inspected regularly. We are asking this committee to reject the sorts of changes that have been proposed by VicRoads in the interests of cutting red tape. We have supplied a copy of the submission to you for that purpose.

I would like now to let Brian give a brief explanation of how some of the problems, conditions and failures of maintenance can cause and contribute towards unsafe motoring and the risks that are associated with it, especially in relation to the modern vehicles that are fitted with electronic systems like ABS and ESC.

**Mr SAVAGE** — Thank you, David, and thank you to the committee for giving us the opportunity to speak to you and to bring to your attention the matters regarding serious injury that we see as being really important. In fact it goes a little further than what David said. We are very anxious and concerned that the link between vehicle safety is not being made and will not be considered without us bringing it to the attention of bodies of government, and this is the perfect opportunity to do so.

We believe very firmly that vehicle safety is very closely connected with the potential for serious injury on the roads. We also believe that there is insufficient data currently available that says that there is no connection there at all. In fact we do not think data is being collected accurately that demonstrates that.

This is why we want to bring to your attention our most recent submission to VicRoads. In fact if you look at our submission to this committee, we made that link on page 5. One of our subheadings is ‘That VACC supports existing arrangements for supply of a RWC upon transfer’. We were aware of current proposals to change the roadworthy system in this state. We believe that it is very closely connected with road safety outcomes and the potential for serious injury, and we flagged that in our earlier submission to you. Again, as I say, that is why we linked our more recent submission to VicRoads to this paper. The matters are very closely connected. We believe strongly in evidence-based decision-making, but we do not believe sufficient evidence has been gathered. Hopefully in our most recent submission to VicRoads we can demonstrate that.

To elaborate a little bit on what David has invited me to say in regard to vehicle safety, the prospect that an ANCAP 5-star rated vehicle is safe and that there is really very little else to consider other than driver behaviour, road conditions and environment and the safety of the vehicle as it was manufactured, being notionally a 5-star rated vehicle, is all well and good, and those factors certainly come into play. We are not denying or seeking to reduce the importance of those factors. But over and above that we think that the missing link in road safety is very much that the condition of the vehicle is not taken into account when that vehicle is in service. It is an overlooked issue. We are frequently accused of just looking out for the interests of our members. No doubt we are looking after the interests of our members, but we have a greater obligation to the community than that. We can hold our hand on our hearts and say quite sincerely that we believe that there is much more to it than just that and that we have an obligation to also look out for road safety. We are all road users, we are all consumers, we all have loved ones who are travelling on Victorian roads and we all have an interest in this, as do our members, which is why they responded so passionately with regard to our most recent submission to VicRoads and in fact why we care about this.

Certainly this is a matter that while there is some self-interest, there is also a much greater issue at play here. No doubt that is why you have chosen to conduct such an important review.

I come back to my earlier point regarding 5-star vehicles. Many vehicles are 5-star rated now — more and more so in fact — and ANCAP are to be congratulated on raising within the community the importance of having those vehicles rated as 5-star and encouraging consumers to purchase them. But it is all for nothing if a 5-star rated vehicle is driving around on four bald tyres, because it will not perform anything like it should in the event of an accident.

It is also all for nothing if that vehicle has been involved in repairs before and is structurally unsound; the 5-star rating will not be a 5-star rating anymore. That vehicle, when it is in an accident, will not perform as it was designed to. All sorts of things can happen — airbags may not perform as they were designed to, the crash pulse of the vehicle has changed and a 5-star rated vehicle is probably 2 stars or 1 stars or who knows what depending on the significance of the damage and the quality of the repairs that were done.

There is nothing in place for a vehicle that has not been written off but which has been accident-damaged, for instance, that requires people to ensure that that vehicle is safe to go back on the road other than the obligation of the person repairing it and his or her good conscience in putting it back on the road. To do away with a system that requires that on transfer and prevents people from selling a bunch of problems to an unsuspecting consumer is very important in terms of road safety, and that is one of the things we would like to stress to you today.

They are the major points I wanted to make. I certainly welcome your questions. Martin will go more into some statistics for you. As I say, this inquiry is very opportune. We have some material we would like to bring to your attention in terms of supporting what we put to you this morning.

**Mr OAKLEY** — Thanks, Brian. I would just like to give you some quick context in terms of the VicRoads consultation paper. I actually prepared the regulatory impact statement, or RIS, for VicRoads for the road safety vehicle regulations back in 2009. In its letter of assessment of the RIS the Victorian Competition and Efficiency Commission acknowledged VicRoads's position that:

... 'one of the roadworthy certificate options considered, which involves a more targeted approach to requiring roadworthy certificates for vehicle transfers' ... is attractive and potentially superior to the proposed remaking of the current regulation.

It was basically referring to three-year or five-year options. It continued:

However, further detailed data collection and analysis is required.

In its 2011 inquiry into the Victorian regulatory framework VCEC stated:

One key shortcoming of the RIS —

referring to the 2009 one —

was the lack of data to support a decision on the best approach to vehicle roadworthy inspections in reducing fatalities and injuries on the road. These data would help to inform a better approach to targeting RWCs within the current system — for example, exempting low-risk cars — or it may suggest that a different approach — for example, biannual roadworthiness inspections — provides the greatest net benefits. The outcomes would greatly depend on the findings from the data.

The operative word is 'data'. VCEC concluded:

Based on the commission's earlier assessment of the RIS, this area of regulation is likely to be excessive and burdensome, and significant cost savings could be achieved. The necessary data should, therefore, be collected and a proper evaluation of the regulation conducted within 18 months.

Subsequent to those two reports by VCEC the government announced the red tape reduction strategy, and of course this proposal by VicRoads is part of that red tape reduction strategy.

In its consultation paper VicRoads has not done what VCEC asked it to do in 2009 and again in 2011 — that is, to collect the necessary data to ascertain whether or not a three-year or five-year option is appropriate. The data that VCEC and I were referring to in the 2009 RIS was to look at the motor vehicle defects that cause or contribute to fatalities and serious injuries on an age basis — one year, two years, three years, four years or five years. That data does not exist. VicRoads would need to collect that data. The consultation paper has relied on very old data from the 1990s et cetera, so it has not made a very compelling case for making a change to the current system.

I suppose the other key point to make here is that many times in the research literature reference is made to the fact that motor vehicle defects cause or contribute to a very small percentage of fatalities and serious injuries. The reality is that most of those records are collected by police. The major crash investigation unit is a very small unit in the Victorian police, the members of which are trained and expert in going out and investigating

crashes. They focus very much on fatality crashes. They do not pick up the other 5000 or 6000 serious injuries that are caused in crashes, so there is that data that is missing.

When I was preparing the submission for the VACC I looked at Europe, and they do collect some very excellent records between the UK and Germany. There is an organisation called DEKRA. That is an independent testing organisation. They conduct periodic motor vehicle inspections right throughout Europe and North America, and they are also contracted by the German police to undertake what we call destructive testing of a motor vehicle after it has been in a crash. What they have found is that on average right across the entire passenger motor vehicle fleet about 26 per cent of the motor vehicles involved in crashes have defects which have caused or contributed to the accident. I will quickly show you a graph here.

This graph is from DEKRA. This is a sample of about 5500 crashed motor vehicles from 2001 to 2004. They have gone in and torn the vehicles apart looking at their brake lines et cetera, brake pads, suspension. It is 26 per cent overall. As you can see, even at under three years of age you have 11 per cent of motor vehicles found with serious defects. In four to five years you have 20 per cent of vehicles, so in effect one in five vehicles under five years have a serious defect that has caused or contributed to the crash. In Victoria, let alone in Australia, we do not collect that sort of data. We do not do that sort of destructive testing. Meanwhile, when you read through the submission from the VACC you will see that as you get into more detailed and comprehensive testing of motor vehicle crashes, the percentage of defects that cause or contribute to the accident goes up quite considerably.

The other thing the VACC asked me to do was look at what is going to be the impact if we move to either exempting motor vehicles under three years of age or under five years of age. Bear in mind too the three and five. How did they select those years? Three years is reasonably common throughout Europe. It is in the UK. And five years they got from New South Wales, because New South Wales now has a system where for up to five years you do not need to have an inspection. Also bear in mind they are not totally comparable, because we do our roadworthy systems on the transfer of registration. In most jurisdictions it is a periodic system. In the UK for up to three years you are exempted, then after that it is every year so it is a periodic system. We do not have that. Across Europe it is up to four years exempt and then it is two years and two years et cetera.

**Mr LANGUILLER** — What about Germany?

**Mr OAKLEY** — Germany is comparable to the UK. It might be 3-2-1. They all have slightly different permutations in terms of the way they actually operate, but there is a European directive. It is a minimum standard; it is four years exempt, then it is every two years and on the seventh year I think it has to be done annually in recognition of the fact that as cars get a lot older you have more serious defects.

If you look at it in terms of what would happen in our system, where it is done on transfer, if we exempted vehicles under three years, based on the average time you hold a motor vehicle is about seven years across the vehicle fleet, you would be looking at probably an extra 277 000 motor vehicles over that seven-year time frame that would not be subjected to a roadworthy certificate. That is for options 1 and 2 in the consultation paper relating to exempting motor vehicles under three years. If you took it to five years, the figure jumps up to 777 000 motor vehicles by year seven that have never been subjected to a roadworthy certificate.

I will give you an example. If you were to purchase a motor vehicle just under five years, you were not required to do a roadworthy certificate. If you hold onto it for seven years and at 12 years are about to sell it again, for the first 12 years that vehicle has never been subjected to a roadworthy certificate. All the research literature, whether it is in Europe or in Australia, always shows there is an exponential curve from year 5 onwards up to about year 10 or 11 — that is on page 29 — —

**Mr TILLEY** — Before you move on, that graph you have on the screen there is of 2004 data, but in today's terms you are probably talking about vehicles that are over 20 years old. Was that the higher percentage you were talking about?

**Mr OAKLEY** — Yes. I am not quite following you.

**Mr TILLEY** — If you go back to that graph, the top paragraph is talking about the data from 2001–04, then in the separation groups the data is from 2001 and 2004. We are talking about 46.7 per cent of vehicles over 11 years. In today's terms you would be looking at vehicles that are over 20 years old. I am trying to argue a case in modern — not modern, but in 2013 terms.

**Mr OAKLEY** — Yes. But I guess there is not a great deal of difference in terms of that sort of trend. Whether it was done 30 years ago or — —

**Mr TILLEY** — I have to be fair and ask, this is a recent submission that the VACC has done. Is there any more recent data that can assist us?

**Mr OAKLEY** — There is, but this particular data is quite unique in terms of the way it has been done, and that is the point I am making. It is destructive testing. It is not the visual, outside test done by a policeman at an accident scene where it is only, say, a serious injury and is probably going to involve looking to see if there are bald tyres and that sort of stuff, interviewing the driver and asking, ‘Did the brakes fail on you?’ or something like that. That is a pretty minimalist investigation. This is actually crash experts pulling a vehicle apart, and there is not a lot of that sort of data around. This is the most recent data I could find, from DEKRA.

**Mr SAVAGE** — That is the point we were trying to make earlier that this data is not being collected. As you can see, this is pretty much the best we can get. In terms of finding forensically obtained data, it is very hard to come across. We have an appendix in our VicRoads submission, and I do not know how many pages that is, which is all anecdotal evidence that we have obtained from our members when we conducted this investigation. But if you want real scientific stuff, that is about as good as we can get because there is nothing in Australia. That is one of our points. Do not assume that there is no problem because no-one is providing evidence of a problem. The point I very much want to make is that there may well be a problem. We argue there is a problem. But there is insufficient data to demonstrate that.

**Mr TILLEY** — But in today’s terms it would be fair to say, with ANCAP programs and purchasers’ abilities to determine what type of vehicle they want to buy, the choices are a little bit different.

**Mr SAVAGE** — Certainly the choices are different. Without question the market has changed, especially in Australia — significantly in terms of 5-star. Hyundai was one of the first high volume brands to do 5-star across their range and everyone pretty much got on board after that. The prestige makes have had it for quite some time, and it has just become mainstream. Certainly in Australia more recently 5-star has become the norm.

**Mr TILLEY** — Would it be the VACC’s view that the Victorian fleet in particular has changed significantly or to some extent on that?

**Mr SAVAGE** — Without question the nature of the fleet has changed.

**Mr RUSSELL** — The Victorian fleet has still averaged just over 10 years on average. That means that there are a lot of 20s around, and there are a lot of 1s, 2s and 3s around. Our point is that it does not matter really how old the vehicle is, the maintenance still needs to be done.

**Mr SAVAGE** — Absolutely. Irrespective of the fact that it is a 5-star car, in fact in some cases, and I am speaking anecdotally here, young people — younger people than me; people who have recently obtained their licence — say, ‘But I’m in a 5-star car, so I don’t have to worry’. That is a false perception.

**Mr TILLEY** — I agree.

**Mr OAKLEY** — I take your point in terms of it is not the most recent data, but VicRoads used 1999 data in terms of motor vehicle defects, and they are basically saying newer vehicles have much lower risks. Yes, relative to older vehicles, but I would still say 11 per cent and 20 per cent for up to five years is a considerable risk. We are talking 1 in 10 and then 1 in 5 vehicles were found with a serious motor vehicle defect that caused or contributed to an accident. That is the sort of evidence that they are missing.

Also, I made it quite clear — and I think the VACC accepted it — that we are not really saying that a lot of the data that is found from research literature is not that conclusive, but it is presenting it to say, ‘Look. You need to do a lot more work here to understand the problem’. We are not saying this one is right or this one is wrong — there are some limitations even with that — but the reality is when someone goes through and does a lot more detailed testing in his investigation, the numbers tend to go up generally speaking.

**Mr RUSSELL** — We also do not think that VicRoads has assessed the likely impact on the condition of vehicles that are over the age of five because they do not transfer and they do not get an inspection unless they

are still being used. There is not this rigour of inspection that would otherwise occur had the vehicle been inspected for a roadworthy certificate up to the age of five. They missed that out, and they talked not at all in their paper about the cumulative effect that Martin has calculated, which is over five years 777 000 vehicles were not tested.

**Mr PERERA** — These statistics are obtained after the accident occurred, aren't they?

**Mr RUSSELL** — Yes.

**Mr PERERA** — And also these factors, like bald tyres and everything — the defects — have contributed to the accident?

**Mr RUSSELL** — Yes.

**Mr PERERA** — If they have not contributed, that is not part of the statistics? There is some other reason, such as the road conditions, then it could not be part of the study.

**Mr RUSSELL** — Yes.

**Mr SAVAGE** — Yes. Driver behaviour or whatever the case may be, but they have determined that these have contributed. It is hard to say that they are solely responsible or any other factor is solely responsible, but they have certainly contributed in the view of the investigator.

**Mr ELSBURY** — So you cannot pin it down that it was the primary reason for the crash, only that it could have —

**Mr SAVAGE** — That is right.

**Mr ELSBURY** — contributed to the incident?

**Mr SAVAGE** — Yes.

**Mr RUSSELL** — We should supply you with the DEKRA document. It is quite a good description, the document itself. We can do that.

**Mr PERERA** — If it is not the primary reason, how do we determine?

**Mr RUSSELL** — They may not be conclusive at all. They say, 'Look, the car had a bald tyre and has been crashed in this way. Did it cause it? Was it the primary reason? I don't really know, but we can tell you that it had a bald tyre at the point of that collision occurring'. Then they go into it in greater depth, and they actually say in the report that some of the most obvious are not the contributing factors; they are other items that they find by taking the thing apart, even in its crashed condition.

**Mr SAVAGE** — There is a distinction to be made between what has contributed to the cause of the accident and the performance of the vehicle when it is in the accident. Vehicle maintenance is integral to both. A person may have an accident for absolutely nothing to do with the fact that their tyres were bald. If they were T-boned by a truck and just cleaned up and just driving along minding their own business, the fact that their tyres were bald is not a factor in that, but the structure and integrity of the vehicle is very much a factor in that, and its performance in that accident is very much a factor. It is a very complex discussion. There is a very big distinction to be made between causal factors and the performance of the vehicle when it is in the accident. We argue very strongly that the vehicle maintenance — how well that is maintained and repaired through the course of its life — affects both of those outcomes in terms of the performance of the vehicle.

**Mr TILLEY** — What about compatibility of vehicles within the fleet as a result of injury crashes — putting aside maintenance, but the compatibility of the vehicle fleet?

**Mr RUSSELL** — Are we talking about size — size differential?

**Mr TILLEY** — Yes, size differential.

**Mr RUSSELL** — It is not something we had considered. We consider the performance of the vehicle and its maintenance rather than prospect of a smaller vehicle and a larger vehicle colliding. Five-star ratings are getting better on all sizes of vehicles. I guess they are improving.

**Mr SAVAGE** — It is certainly a factor. Whether you can influence market behaviour to achieve a better outcome is difficult, because it is also related to the emissions, consumption — everyone has different needs for their vehicle. We have not delved into that compatibility area. Clearly if I am driving a 5-star-rated Volkswagen Up and I get T-boned by a B-double, I am going to be in trouble.

**The CHAIR** — Gentlemen, we have got some questions we would like to put to you, and time is moving forward at the moment. Are there any points you would like to speak to in your general submission before we go to putting a number of questions to you?

**Mr RUSSELL** — No. What we wanted to do was update you. Our submission has a series of recommendations which we would ask you to consider, especially those that are around endorsement of education and awareness campaigns — around those recommendations that say that more should be done on educating the public about vehicle maintenance, and that Victoria's road safety strategy should include vehicle maintenance, which it does not touch on very much these days. Those are the main points.

That the proposal has come forward to change our roadworthy inspection campaign during the term of your inquiry is very interesting, and means that that is why we are back here emphasising the importance of the roadworthy inspection program and leaving it as it is. If there was only one message that we want you to take away, that is that the Victorian government should not change the existing arrangements for roadworthiness on transfer, and that this committee should in its report consider that as an important matter and support the existing roadworthiness upon transfer system and not dilute it.

**The CHAIR** — Thank you. We will now move to questions.

**Mr PERERA** — In your submission you claim that vehicle owners have an insufficient understanding of the importance of vehicle maintenance. Has any research been conducted that investigates the regularity in which vehicle owners service their vehicles?

**Mr RUSSELL** — Most of our information about this is anecdotal. Very little research is done into this. I can remember research being done a long time ago — maybe 10 or 12 years ago — into this subject, but it is very rarely done these days. It would be market research by companies who are trying to find out when people make decisions about getting their car repaired. To my knowledge, very little of that work is done these days. Our information is anecdotal, and it comes from our members telling us that people either do not do the servicing, because they do not see the cars for very long periods of time, or when they do bring it in it is in such a condition that they can tell immediately that it has not been attended to for a long period of time.

**Mr SAVAGE** — What David says is absolutely correct, except that we are able to make that statement because some of our members participate in a program that until recently — it is being renamed at the moment — was called Five Point Safety Check. That was really a data-gathering exercise for us. It had a consumer benefit in terms of trying to improve road safety outcomes. It was an inspection conducted by our members on a customer's vehicle when that vehicle was in that member's workshop for whatever reason — whatever the nature of the repairs or maintenance that was occurring. It was an inspection on tyres, brakes, steering, lights and restraints. A report was written as a result of that inspection. It was not solicitation for work; it was very simply, 'These are the things we have identified as serious safety defects with your vehicle'. We capture the information that comes from that inspection, and we have been amassing that over some time.

That program is not as widely utilised as we would like; however, we were able to draw some conclusions from the data we have obtained from that, so we believe we know in terms of consumer behaviour that motorists in general are not aware and in fact could not be aware — this is confirmed by some of the data we have in our VicRoads submission — of the things on their vehicle that might be unsafe. I should not say unroadworthy — unsafe.

There are several examples. We were discussing one prior to coming in here where there is a picture of a car with wheels and tyres on that car. It is a ute. It is a load-carrying vehicle. The wheels and tyres on that vehicle are not suitable for load carrying. The average motorist or the average tradesperson who is using that ute would



have no idea and probably purchased that ute in good faith, but he would have no idea that the 35-section tyres that are on it are not suitable for the purposes he is probably going to require of it. It is impossible for him to know; only a qualified tradesmen would be able to determine that. This is why we believe we can make those sorts of comments and claims.

**Mr PERERA** — Just a quick clarification. Your 5000 members are the people who are qualified to be roadworthiness certifiers. Is that right?

**Mr RUSSELL** — There are 2500 licensed vehicle testers. You have to be licensed by VicRoads to do this. You have to pass through training, examinations, a proper-person test and all those sorts of things. You must employ motor mechanics who are qualified to do the work and who have also passed the tests, so it is not everybody. It is around 2500 businesses in Victoria who have a licence from VicRoads to be roadworthiness testers.

**Mr SAVAGE** — Not all are VACC members, though we have 5500 members. Well more than 3000 of those members are involved directly in mechanical repair or auto electrical and mechanical, and they are predominantly roadworthiness inspectors. While we cannot claim that every licensed vehicle tester in Victoria is a VACC member, for sure the great majority are — but you do not have to be.

**Mr TILLEY** — Gentlemen, I am going to throw you a bone here. I am probably going out on a bit of a limb. I certainly agree with the VACC's concerns with, specifically, roadworthiness certificates on transfer, and the reason I say that is, being a former member of the police force in the highway patrol and a vehicle safety tester and inspecting literally thousands of motor vehicles, we all know working in the industry that a tyre is not only about being bald. A tyre tells you a whole range of things about the motor vehicle. It tells you about suspension. It tells you a story right there in front of you. Certainly with transfers, tyre placards and less information on tyres nowadays from some manufacturers, working out the story and the ratings of the tyres, whether it is compatible with the motor vehicle, whether the owners have chosen different tyres from when it was first purchased — there is a whole range of things.

I am going out on a limb. I certainly agree with the perspective of minimising crashes for safety. But in that regard, in your submission you have stated that the best method to prevent serious injury is to identify vehicle faults and to have those faults repaired. Are you able to advise the committee of research that has examined the role of faulty vehicles in road crashes? I think to some extent you have probably detailed that in our conversation already.

**Mr RUSSELL** — Yes, we have had to do that through the DEKRA information. It is probably the best material we have been able to find so far. In Victoria, unfortunately, the role of inspection of vehicles post crash is very small. You know from your own personal experience that if it does happen, it happens at the roadside with somebody who may or may not have the appropriate training from Victoria Police. Therefore Martin's point is very relevant — that is, that there is a whole range of data that is collected by people who perhaps do not even really know what they are collecting.

**Mr TILLEY** — Which leads me to the issue of suspension, which is quite complex. Again, unless you are either an engineer or a tradesperson you are not going to understand the performance of the suspension. It was interesting that earlier in your evidence you spoke about the heavy vehicle fleet and the roadworthiness of the heavy vehicle fleet. Speaking of suspension, are you aware or do you have any knowledge of larger, longitudinal airlines on airbag suspension and the performance of that area, specifically where it may or may not save run-off crashes or rollovers? As I understand it, the VACC does not necessarily represent the larger vehicle fleet.

**Mr RUSSELL** — We do. We have commercial vehicle members. Many of the major truck companies and repairers are members. Your question would best be answered by one of those businesses that sees those vehicles every day. We do have — I can think of one person in particular who would be able to answer that question. He is out there every day working on that sort of situation.

**Mr TILLEY** — So the VACC's relationship would be with OEMs and large brand distributors.

**Mr RUSSELL** — Distributors mainly.

**Mr SAVAGE** — Yes, retailers and distributors, although we do have a commercial vehicle industry association division of our membership. They are predominately concerned with retailing but also repairing of heavy vehicles. Several of them also are also VASS certificate holders. They are engineers authorised by VicRoads to perform inspections and repairs — and inspection of repairs in fact — on heavy vehicles. So we certainly do have them as part of our consultation on this paper and the previous one. We have had heavy-vehicle representation around the table. The operations Hazard and Trishula were very timely for us in being able to demonstrate that at the heavy end of the market there are serious issues at play. I think Hazard was in Dandenong, wasn't it?

**Mr RUSSELL** — They were all over. It was basically in 2011, and Trishula was 2012 and early 2013. We can supply the full figures to the committee.

**Mr TILLEY** — Yes, that would be good.

**Mr RUSSELL** — Those figures — they are both alarming. They were not entirely random checks; there were heavy vehicles going past that point, so there was that randomness to it, but they were pulled over and inspected on the spot, and to have 70 to 80 per cent of them defective is just alarming to us.

**Mr TILLEY** — Was that seen across the board, whether they are large freight forwarders from large, reputable companies, as well as those that are — —

**Mr RUSSELL** — The larger ones tend to be better.

**Mr SAVAGE** — Yes. In our experience the larger operators, for a whole host of other reasons, in particular the reason that it is economically more sensible to repair a problem when you identify it early rather than letting it manifest itself as a bigger problem later — it is cheaper to do the fix up-front. It also obviously has significant impacts on vehicle emissions and vehicle fuel consumption often. The bigger fleets are right on to that and run very efficiently, so they tend to maintain their fleets very well to avoid those sorts of pitfalls.

**Mr TILLEY** — Are you absolutely confident of that?

**Mr SAVAGE** — I cannot speak for everyone, but our experience with the likes of Linfox and these sorts of people is that they run very efficient operations. They are also very aware of their — they pay their drivers a bit more — obligations in terms of the workplace and keeping workers safe in the workplace, and they very much regard their drivers as being in the workplace, obviously.

**Mr TILLEY** — Taking into consideration the roadworthiness of a passenger vehicle, times are tough; no-one is spending money on a car. Do you think or have a view that that may have had an impact in more recent times on our injury crashes or — —

**Mr SAVAGE** — Without question. If you are asking questions about that sort of commercial, especially the light commercial, I would argue the exact opposite. Again, I have to concede it is anecdotal. In a perfect world we would be sitting here arguing about the relevance and the quality of the data, but we are not there because we just do not have that data. That is a fact, and we have covered that, I think, a few times now.

If you wanted to talk about the lighter end of the commercial vehicle market, that is completely at the other end of the scale. I can speak as a motor mechanic; I have worked on the tools for some years. As a motor mechanic and roadworthy inspector — I worked for a shop that did roadworthy inspections — I can assure you that couriers, the small courier firms or independent operators of courier vehicles, are very poorly maintained, extremely poorly maintained, and will never give you an opportunity. They will fix only what has to be repaired to keep that vehicle on the road. You can report all manner of other things pertaining to the safety of that vehicle; they are just not interested. Until it stops the vehicle driving up the road and delivering the next job, they are not interested. That has been very much my experience firsthand, I can assure you, but it is also the reports we receive from our members that that is very much the case. They are not highly rated vehicles often in terms of ANCAP either. They are improving, and the Australian vehicles in particular have done very well in that regard, but other vehicles coming into the market are still catching up on the ANCAP rating, so there is certainly a risk.

**Mr TILLEY** — Thanks.

**Mr ELSBURY** — I just want to get a bit of an explanation of the difference between and unsafe vehicle and an unroadworthy vehicle. I would have thought they would be one and the same.

**Mr SAVAGE** — Okay. An unroadworthy vehicle is unsafe, but there may be safety matters that are not necessarily covered by a roadworthy. You are going to ask me to give you an example of one, and I am rapidly trying to think of something.

**Mr ELSBURY** — Give me an example of one.

**Mr SAVAGE** — What would be unsafe but not unroadworthy?

**Mr ELSBURY** — A non-working electric window? A loose window?

**Mr RUSSELL** — Windows have to go up and down.

**Mr ELSBURY** — They have to go up and down, do they?

**Mr RUSSELL** — Perhaps some element of the — —

**Mr ELSBURY** — Pick out who is not a mechanic here, by the way.

**Mr ALIFERIS** — Minor oil leaks?

**Mr SAVAGE** — Yes, oil leaks it can be, but they are — look, with our roadworthy system I cannot think of an example. As soon as I walk out of the room one will pop into my head. I cannot think of an example; you have put me on the spot.

**Mr ELSBURY** — No worries.

**Mr SAVAGE** — But if I do, I will bring it up.

**Mr LANGUILLER** — What about a tyre that is not properly inflated?

**Mr RUSSELL** — That is probably a good example. If the tyre is a little down on its inflation, it might not be unroadworthy but it is not a great idea to drive around because it would rapidly become unsafe. It is a very good example.

**Mr TILLEY** — Tyre pressure would be classic.

**Mr SAVAGE** — Yes.

**Mr RUSSELL** — Tyres are a problem.

**Mr SAVAGE** — Which manifests itself as a wear pattern.

**Mr RUSSELL** — Our unroadworthy test is very comprehensive and it is done in a workshop on a hoist. It takes an hour or more for the mechanic to do the test. All sorts of relatively small things contribute towards a vehicle being deemed to be an unroadworthy vehicle. If it has one indicator out, it is an unroadworthy vehicle technically and will not pass the test. But putting it back into a roadworthy condition is fitting a bulb and off you go. Unroadworthiness can be quite technical as against unsafe. It might be a vehicle that has many things wrong with it which contribute to it being dangerous to drive.

**Mr ELSBURY** — Okay.

**Mr SAVAGE** — It is certainly the case, as David has already said, that our roadworthy is very comprehensive. But just further to that, there are comparisons made between what we do here in Victoria and interstate inspections, annual inspections in particular. They are completely different. Our roadworthy puts the vehicle up on a hoist, removes wheels, inspects tyres, brakes — with wheels removed, under body, the whole bit. An inspection in New South Wales, for instance, periodic inspection, is a walk around of the vehicle on the ground. You cannot see the exhaust system, you cannot see the structural integrity of the chassis rails. You might do a brake retardation test, which tells you that the brakes are pulling up, but it does not tell you that there

is half a millimetre left on them and that they will pull up that time, but give it two days and they will not pull up any more because they will be metal to metal. Our inspection reviews all of those sorts of things, it is very comprehensive, and we are very anxious about people thinking, 'Well, Victorian repairers are just ripping off consumers. They do the same thing in New South Wales and it costs much less for the inspection'. That is absolutely not the case; you are not comparing apples with apples.

**Mr RUSSELL** — We use the terms a little bit interchangeably, and perhaps we should not. We are trying not to use the term 'unroadworthy' too much because people have that in their minds as being a very technical description.

**Mr ELSBURY** — And they are worried about the canary?

**Mr RUSSELL** — Yes. We want them to understand that a vehicle is unsafe — it is unsafe to use, it will be unsafe to other users, it will be unsafe to your passengers. We do not want them to think, 'Unroadworthy? Oh, it doesn't matter. Unsafe? Yes, that matters'. We talk about 5-point safety inspections, critical safety checks and unsafe vehicles rather than unroadworthy vehicles.

**Mr PERERA** — To what extent do vehicle owners actively ensure that their vehicles are serviced at intervals recommended by the vehicle manufacturer?

**Mr SAVAGE** — The simple answer to that is they do so while the vehicle is under the new car warranty, because they believe — correctly most of the time — that to not maintain the vehicle as per the manufacturer's specifications during the warranty period will imperil their warranty. Warranty periods typically run to about one visit per year now. Across the board, that is pretty much the average for most vehicles. You buy a new car today, you will probably need to get it serviced once a year for average kilometres travelled and the average person. They will generally visit their dealership typically once a year. Outside the warranty period, about three or five years, whatever the case may be. They are probably unlikely, unless there is a problem, to have it attended to. That is our experience, and we pretty much — —

**Mr RUSSELL** — Yes, our experience is that people do quite ignore some of the service intervals because cars are capable of operating quite successfully despite the service interval. The service intervals are getting longer, so they are ignoring them. This is not something that people understand readily. They just keep going, and in the process, because they are not very familiar with the functioning of the vehicle, they will find that things go wrong and they will become unsafe.

**Mr PERERA** — Is one reason that servicing is getting costly?

**Mr RUSSELL** — I do not think so. No, I do not think that is the point. I think people can avoid it, and therefore they do. I doubt that servicing is any more expensive than it used to be going back 10 years, 20 years or 30 years proportionally.

**The CHAIR** — Thank you.

**Mr LANGUILLER** — Thank you, gentlemen, for your submission and the efforts you put into it; as a committee we appreciate it. I have a question, but given that you have answered other questions that I had in mind, I will go off the script slightly. I put the question to you: how does the VACC propose to increase awareness among Victorian employers about their responsibility to provide a safe system of work for employees that extends to vehicles?

**Mr SAVAGE** — Sure. There are a few answers to that. There are two real answers to that. In terms of putting our money where our mouth is, I welcome that question. The first thing we have done, sometime ago — yes, David, that is what I was hoping you would pull out of the bag — is that we have worked with WorkSafe to produce a guide — —

**Mr RUSSELL** — The *Guide to Safe Work Related Driving*, which was published by WorkSafe in November 2008. I do not believe they have published it since, although it is available on their website. It describes all of the issues around the purchasing and maintenance of vehicles that apply to workplace vehicles or the workplace that is a vehicle that I use.

**Mr SAVAGE** — We launched that at a Freight Week conference that was conducted in 2008. We have an OHS department that is very involved with the industry and seeks to promote that at all and every opportunity. Is there more that could be done? Absolutely. Is there more we could do? Absolutely. Is there more we would call on government to do to raise the awareness of this among the community? Absolutely. That was some time ago, as you can see, so we have been giving a lot of thought as to what to do next.

We have put to government, to Minister Mulder, a proposal for a vehicle safety campaign that is very much about maintenance and that very much takes into account safety in the workplace and that the community considers that the workplace can be a motor vehicle and that the employer has an obligation to his or her employees in regard to providing safe motor vehicles for that purpose. We are in the midst of arranging that campaign with Minister Mulder's office and we are seeking support. We were told we had support and we have spoken to the minister about it. The current status is that he has recommended that we go and speak with the TAC.

As it happens, David is in the throes of organising that meeting with the TAC. We have spoken to the CEO of TAC, Janet Dore, and she is certainly supportive. We are hoping to launch that campaign very soon. We have put significant funds behind it.

**Mr RUSSELL** — There is definitely a link with this. Recommendation 4 of our submission to you was:

The use and wider distribution of *A Guide to Safe Work Related Driving* as it describes well the necessary occupational health and safety risk management approach that should be taken by responsible and accountable vehicle owners.

It is really good. It is a hidden gem. It needs more promotion.

**Mr SAVAGE** — It does.

**Mr RUSSELL** — WorkSafe has many other things to do. It does not get referred to very often. People need to read it.

**Mr LANGUILLER** — Just a quick supplementary through the Chair. I hope you do not mind me being a bit cheeky but do you think the Australian Motoring Enthusiast Party that was recently elected to the Senate can help you?

**Mr SAVAGE** — It is a very good question. We have been talking amongst ourselves.

**Mr LANGUILLER** — You do not have to answer.

**Mr ELSBURY** — There are so many lines.

**Mr SAVAGE** — At the very least we will be meeting with them to understand whether they might be supportive of some of the things we want to do or whether we might be supportive of some of the things they want to do. I suppose that is my short answer.

**Mr RUSSELL** — What we might do is send them some of our submissions and see if we get a reaction.

**Mr LANGUILLER** — Good on you.

**The CHAIR** — Thank you very much, gentlemen, for your submission and the time you have taken to prepare it and to speak to it. As I alluded to earlier, you will get a copy of the transcript in about a fortnight or so. By way of clarification, amendments are for typographical and factual errors and not the substance of the transcript. Thank you.

**Witnesses withdrew.**