

ROAD SAFETY COMMITTEE

Driver distraction subcommittee

Inquiry into driver distraction

Melbourne — 6 February 2006

Members

Mr B. W. Bishop

Mr E. G. Stoney

Dr A. R. Harkness

Mr I. D. Trezise

Chair: Mr I. D. Trezise

Staff

Executive Officer: Ms A. Douglas

Research Officer: Mr G. Both

Witnesses

Mr S. Charity, executive director; and

Mr B. Bartlett, manager, member services, Australian Automotive Aftermarket Association; and

Mr R. Beluszar, national sales manager, Pioneer Electronics Australia.

Mr STONEY — For the record would you like to introduce yourselves and say what you do and so forth? After that I will say a couple of words and then we will get into it.

Mr CHARITY — I am happy to do that. My name is Stuart Charity; I am the executive director of the Australian Automotive Aftermarket Association. With me is Ben Bartlett, who I understand you met last week. Ben is our member services manager and is also the convenor on our subcommittee looking at mobile entertainment systems. We also have with us, Rob Beluszar, who is the national sales manager for Pioneer Electronics. Rob will not be speaking, but he has been heavily involved in the formation of the position paper and can answer any questions. Brad Davis from Siemens VDO Automotive, which is also a major player as a major manufacturer and distributor, is also present. Just before we commence the formal presentation I would like — —

Mr STONEY — Stuart, firstly there is something I need to say. You are covered by parliamentary privilege. Hansard is taking a record of this; in due course you will get a transcript to make sure that what you said is fair and accurate, and a bit later it will go on the web. Would you now like to give us a bit of an overview?

Mr CHARITY — Thank you. Just before I kick off, I understand that this is not a public hearing and I really thank you for making the time available for us to present on this issue.

Overheads shown.

Mr CHARITY — The Australian Automotive Aftermarket Association was formed in 1980 and represents the interests of manufacturers, remanufacturers, importers, distributors, wholesalers, resellers and retailers in Australia of automotive aftermarket equipment. So it is a very broad-ranging association. We were actually formed 25 years ago in response to some legislative concerns that were taking place in the high performance area, and representation to state and federal government authorities and regulators is a very important part of our service delivery to our membership, the industry, and the wider community.

We are an active participant in a range of standards committees and we provide advice to government and regulators on a range of issues impacting on our members. We have certainly provided submissions to this Road Safety Committee before. I understand that my predecessor, Kim Elliott, lodged a submission to your country road toll inquiry recently. The AAAA has 900 member companies nationally covering all aspects of our membership and approximately 30 per cent of those companies are located in Victoria. We have experienced significant recent growth in the car audio and entertainment sector. That is as a result of the growth in that segment in the industry, but there are some concerns in the industry on the regulation of the industry, so we have been asked to put together this submission on behalf of our members.

In looking at the subcategory of entertainment and car audio, we represent a wide range of companies in this sector at various points in the supply chain. Specifically, of the manufacturers, we represent companies like Pioneer, Alpine, Clarion and Siemens VDO; of the importers and wholesalers, we represent companies like TDJ, AZ Trading and AudioXtra; and in the retailers and fitters area, we represent organisations such as Car Audio Masters, which is the largest independent fitter of car audio and entertainment, as well as well-known retailers such as Repco, Bursons and Autobarn. We have undertaken extensive industry consultation in the preparation of this report, and I would now like to hand you over to Ben Bartlett who has been the convenor of this committee, to go through our major recommendations. Thank you.

Mr BARTLETT — Thank you, Stuart. I echo Stuart's comments in thanking you for your time. I sat in with you guys on Monday; I know you have heard a lot of information. I am sure you are looking forward to hearing some more in some ways, but in other ways I am sure you want to get this moving.

The way we want to structure this today is to keep it pretty simple. You have probably heard before the message we will communicate to you, but we want to make sure it is communicated with an aftermarket feel to it. We also want to leave some time at the end for you to ask some questions, because I think clarification will be required on some areas. If we go through the five areas of the terms of reference, that should pretty much clarify our stance. The first is the prevalence of mobile phone use by drivers and its impact on crash causes. A number of our members offer hands-free kits and a few others in those areas, but I believe you have covered that pretty adequately, so we do not have any further comment as opposed to what everyone else has said. The current legislation covers that.

Mr BISHOP — Do you mind if we ask questions as you go along?

Mr BELUSZAR — We actually prefer that.

Mr BARTLETT — As we go along, just jump in.

Mr BISHOP — Otherwise we miss it.

Mr BARTLETT — I have asked these guys to jump in if I miss anything, as well. I think we should be fine.

Mr BISHOP — On the mobile phones, we have had a number of the manufacturers in here. One of the issues we made a suggestion on related to the kits and the fact that they could be positioned a little differently than where they are now.

Mr BARTLETT — Yes.

Mr BISHOP — That was not enthusiastically grasped by the manufacturers at all. Do you have a view on that? I will give you an example. My colleague Mr Stoney and I have our phones up on the top right-hand corner of the car. Yet when you buy a car they are generally tucked down in the bottom left-hand corner. I am not suggesting we should be using phones going along — and I think most of us stop if we have a call that requires a fair bit of concentration — but could you give us your views on the positioning of the kit?

Mr BARTLETT — Sure. I have a bit of an advantage. I did not say so in my introduction, but I spent four years working with DaimlerChrysler. As part of that time I looked after the accessory business, so I certainly understand the positioning of the screens and the handsets. Certainly for Mercedes-Benz it was a big issue — mainly because it came out of Germany — where it was and you had no other option but to position it there.

From an aftermarket perspective there are a number of products whereby you can get universal cradles positioned in a number of places across the car. Obviously the car manufacturers will have a requirement to put it in a position, mainly because it is easier for them to get the wiring through and the brackets in position, but I think there are a number of options within the aftermarket that can suffice for that. But I also think a lot of that issue will be eliminated with the Bluetooth technology.

Coming in today I saw the Blue Ant Bluetooth speaker system Stuart bought yesterday. It just sits up on his visor and you push a button on the visor. It is a big button, so you cannot miss it. You push a button to answer the phone and you push a button to hang up — it is as simple as that. It attaches to his visor and the phone is in the glove box. I think you will find that that sort of problem will be eliminated over the next few years as Bluetooth becomes dominant. But as I think we saw last week when Motorola was showing Bluetooth, it is not foolproof; there are still some issues with it. If I sat here telling you that the VDO kit was 100 per cent perfect or that other kits of other members of ours was perfect, then I would not be telling you the truth. Technology is still improving, and part of the problem with Bluetooth, as far as I understand it — and I am not an expert — is that the integration between, say, a Nokia phone and a Motorola phone with Bluetooth is different.

Mr BISHOP — That is correct.

Mr BARTLETT — You have to understand that. Hopefully over the next few years the phone manufacturers get together and talk and allow us to have, as an aftermarket product, one that will work across the range.

Mr STONEY — Just on that, the Bluetooth technology does not actually improve the aerial side of it, does it?

Mr BARTLETT — No.

Mr STONEY — So you would still have to have your cradle.

Mr BARTLETT — You are using the antenna, the external antenna.

Mr STONEY — Yes, that is precisely why you use it, to get the reception at places like those that Mr Bishop goes to, where no-one else ever goes to.

Mr BELUSZAR — In actual fact the beauty of the Bluetooth kit is that you do not actually need an external antenna. What happens is that you are using the antenna of the mobile phone, and the mobile phone itself could be sitting on a car seat, in your pocket or in the glove box. You are not actually relying on an attachment for an external antenna.

Mr STONEY — But the mobile phone itself would be relying on a bigger aerial to get out?

Mr BARTLETT — You are saying to enhance the coverage?

Mr STONEY — Yes, you get a 6dB or a 9dB aerial simply to get out in some places.

Mr BELUSZAR — Yes.

Mr BARTLETT — I think one of the areas that the OEMs and the aftermarket can improve on is to make sure that the cables are long enough to position the cradle in a reasonable position.

Mr STONEY — I think that is the point Mr Bishop is making.

Mr BARTLETT — That is something which I think is one of the challenges with Bluetooth now. A lot of people are moving away from the standard kits to allow for that. That is something the industry will have to grow with and work on a better solution for. But the advantage there is that you can put your cradle wherever, because you will not need access to your phone. That is the theory there. So if you want to use your existing cradle for your antenna, because you can then have your Bluetooth hands-free kit or your Blue Ant speaker phone above you, it does not really matter about the position then. That does not help you at the moment, but it gives you an idea of where we are heading.

Mr STONEY — Do not let us distract you from your presentation.

Mr BARTLETT — No; please, jump in at any point and we will answer the questions.

Mr BISHOP — One more question on that, because this is a huge issue in the distraction area. Another issue that has been raised with us is voice-activated phones. We all have interesting stories to tell about how voice-activated phones work. What is your organisation's view of where that will be in the next couple of years?

Mr BARTLETT — It is something I will be honest with you and say we have not done a lot of work on as an association. We have not put out a study in terms of it, but certainly from speaking to members it is an area that still needs a lot of work. I have a Motorola phone in my pocket which will work via voice activation, in theory. I do not use it because I have to concentrate more on trying to say, 'Ring home' than pushing 'Dial'. That is one of those things where I think we have to be able to manage the technology better, but, again, it is not an area we are expert in.

Mr BISHOP — The feedback you get as an association would come from your members and their customers. Is that quite wide? Is there a lot of that?

Mr BARTLETT — Across our association we have retailers. We have, as I said before, the Repcos, the Bursons, the Autobarns, who are the masters at fitting these kits to cars or otherwise. However, we also have the hands-free manufacturers — there are a number of those — and we have a number of other companies which are associated with telecommunications sites. We have the wholesalers saying they are getting pressure for better quality voice activation and the retailers are saying, 'This product is selling really well because the voice activation works better than any of the rest of them'. That is how we get our feedback for that kind of thing.

Mr BISHOP — Okay.

Mr BARTLETT — Let us move into the prevalence of in-car video devices and their effect on drivers and impact on crash causes. Before I move on I want to clarify that a lot of our members are associated with navigation, but for the sake of expediency and time we are not going to spend a lot of time on navigation. Brent Stafford from ITS Australia covered navigation very well last week. I have met with Brent a number of times, and we met prior to this session, so we would be comfortable with where he was standing. I think you guys know — I do not think there is too much dispute — that navigation is a driver's aid when used correctly. We certainly stand by that. We would like to follow on by discussing video display units, predominantly rear-seated units, because that

is where there is some conjecture at the moment, but we are open to questions on navigation if required. We have Siemens VDO here to help us if there are any questions there, but obviously I have some knowledge there.

If we look at video display units we have some figures from a company called Infomark, which is an industry auditor; I suppose that is the best way of describing it. They have shown that three years ago video display unit sales increased by 51 per cent, two years ago by 80 per cent and last year over 100 per cent in the aftermarket. We are seeing a huge increase in sales of video display units. They are being installed in the dash, they are being installed in head rests — we have some photos for you — but they are also being installed in the rear in the roof. At this point in time we have found no evidence that rear-positioned screens — those positioned behind the driver's seat; and there is more information on that in our written submission — have been a factor in causing crashes. We certainly believe screens that are installed in the dash should be installed as per manufacturer's requirements — that is, they are linked to the park brake or the vehicle speed sensor, as Rob's units certainly are, whereby when the vehicle is in motion the screens disengage. Obviously if navigation is installed, navigation continues to work, but if you were to switch the unit to DVD or TV it simply would not work. We would advocate that, and we will be reiterating to our members as part of our recommendations that that must be done. However, when we come to the rear screens we have found no evidence that they will cause crashes. In actual fact those who have ever used one will find that it is more of assistance in keeping the rear passengers engaged so they are not distracting or trying to engage the driver. We believe that is a real advantage of the screens when used correctly.

However, one of the areas where we have found a bit of interest recently from VicRoads, Victoria Police and to a lesser extent the Monash University Accident Research Centre and the Transport Accident Commission is concern that these screens installed in the roof are actually causing distraction to people outside that particular vehicle. But, as you would have known from the submissions you received from those organisations and others, there is still no evidence to prove that is the case. There is some anecdotal evidence with a story from, I think, Victoria Police, that its members saw a driver follow a car from Geelong to Lorne to watch a movie. That may or may not have ever happened, but as we will show you in a minute when we have some photos of these screens as installed, and we have picked the biggest of the average-size screens out and about in the market, it is very difficult to do that. To do that he would have had to have been pretty much tailgating with his head almost out of the sunroof. It is a situation which we do not believe is an issue.

One of the problems a driver has with trying to watch another screen is the screen size is relatively small. We have brought in a 10-inch screen, which is the biggest of the average-size screens. You will find that most screens sold now are between 8 and 10 inches. Even if you guys were sitting back there trying to watch that, you would have some trouble trying to keep track of what was going on. You guys are about 3 metres back, when you add that to the back of a people mover, say a Chrysler Voyager, and then back another 3 or 4 metres to where the driver of the other car is, you get the impression that it would be pretty difficult to see if you could at all, so trying to watch it would be an incredible challenge. With the addition of tinted windows, car vibration as you are going over bumps — cars vibrate in different ways with different suspensions — it would be difficult to see. With vehicle design you are talking about the B pillars behind the driver's door, the C pillars behind the passenger door, and occasionally D pillars on some of the bigger cars, and you have large areas of the car which you cannot see through — they are solid parts of the vehicle. Trying to see through to the screen is incredibly difficult. To take this further, this is a 8-inch screen installed in the headrest of a passenger car. It is running a movie. If we sit next to it, you do not see much at all. That is running, and you can just make out the silhouette of a person. This is all of half a metre away, but on a fairly acute angle.

Mr BELUSZAR — Inside the vehicle.

Mr BARTLETT — Inside the vehicle. Now we go outside the vehicle in the middle of the day and you are lucky to even make out that there is a screen. Obviously this is daytime, but we have some pictures of night-time as well. Reflection from the sun, reflection from the glass — tinted glass — makes it very difficult. This is the screen we pulled out here — a 10-inch screen — —

Mr BELUSZAR — A dispatch screen.

Mr BARTLETT — That screen there was installed in a Prado. We are standing about 4 metres back taking a standard photo. If you look very closely you can just see the silhouette of a screen. The problem is that there is still a perception that that can be distracting. If we go sideways, you pull up at the lights in the middle of the

day and you can again just see the silhouette of a screen. The tinted windows and the pillars are in the way — you cannot make out anything.

To be fair, I could have just shown you daytime and said there was no problem at all, but night-time has been brought up before. The best thing we could do for night-time as opposed to us getting together at 10 o'clock at night was to go into an underground car park where the lighting was very dull. The other thing to note with these photos is that these are not taken from inside another car. We are not factoring in another level of tint. We are also not factoring in any other vehicle design pillars or anything that could be in the way. This is the best of the worst case, if I could word it that way. From about 4 metres back, where we were in the outside conditions, you can just see that there is a screen playing. but if you could tell me from where you guys are sitting, even if I blew it up significantly, what the movie was and how you could watch it, it would be quite a challenge. Even at night, even from the side, it is the same thing: we have a headrest here and a C pillar and you can just make out probably two-thirds of the screen.

The problem is the way the legislation is written at the moment. If an enforcement officer — a police officer — drives past and just sees a flicker, they could, in theory, have that car pulled over and the driver could lose three demerit points and be fined up to \$ 220. That is a real concern for the aftermarket because — this is Rob's car — Rob could be driving along with the best intentions in the world entertaining his kids in the back seat and doing nothing malicious, not trying to distract cars either side of him, but could get himself in a fair bit of trouble. The problem is I do not believe the general public knows this, and they are finding out only after they get pulled over.

Mr STONEY — Just to finish that off, is the sound from those devices just in the car, or is it earphones?

Mr BELUSZAR — There are two forms. In my vehicle, as displayed on the screen, we can do infra-red headphones. That means that the people in the back watching the screen can listen to the sound through a pair of infra-red headphones. Providing they are in line with the flip-down screen itself you could have any number of headphones. It is an eight-seater so there could be 2, 3 or 4 people in the back and they can all listen to it through the infra-red headphones. There is also an FM transmitter built into it, so I can actually select a station on my FM tuner and they can then listen to it through the car stereo system. Preference wise, I would never do that because there is nothing worse than listening to something you cannot see, so I tend to listen to my music and then my son or daughter in the back will listen to it through the headphones. They can do either/or to answer your question.

Mr BARTLETT — I wanted to highlight some talk about existing laws. There is a significant discrepancy between the Australian road rule 299, which I was alluding to before, and ADR 19. Just to clarify: ADRs are not applicable to the aftermarket as such. They are Australian design rules which affect vehicles prior to leaving the dealership predominantly — brand-new vehicles — but often they are used as guides for the aftermarket because they make the most sense when it comes to required product. Road rule 299 lists whether the screen is likely to distract another driver. We have a concern with the term 'likely' — it is very grey and it is up to the interpretation of the enforcement officer whether the screen could potentially distract. We have a car here and we are happy to take you out and show you it. It really is not going to distract even if you wanted it to. However, an overzealous enforcement officer has the capability to pull people over and they would be in violation of this law.

To clarify: with road rule 299 you cannot run a television receiver where the driver can see it whilst he is driving. If he is in the driving position, he cannot see the screen. This makes perfect sense and we are completely supportive. What we do not want to see is mums and dads being penalised for trying to distract their kids while they are driving and entertain them on long trips. Our accounts girl started last week. I was talking to her about this today. She runs a movie from Melbourne to Wangaratta, which is about a 2-hour drive, another one to Gundagai and all the way up to Queensland. She has the whole thing set up so her kids are entertained and she can focus on the road and keep driving. That is the sort of thing these systems are used for.

Unfortunately the reason this road rule was set up was taxis in Las Vegas and areas of Asia are running videos on the back screens of the taxis. That was the reason for this being set up; it was to stop basically mobile billboards being used on our roads. We completely agree with that, but unfortunately what has happened is that as technology has evolved — and we discussed this in the hearing on Monday last week — legislation has not kept up. This was set up to stop video screens being installed on the side and back windows of taxis, courier vans and so on, but it is now affecting these screens. In the last few years there has been a growth in these screens. Technology has now been overtaken by legislation and it is causing a fair bit of havoc. We do not believe it was set up for that purpose. I really challenge you to go back and talk to whoever it was who set up this law and they would tell you the same

thing. We have a letter from Transport South Australia attached to the back of this and it mentions the same thing. It is an area in which I believe technology has overtaken legislation, which is now really impeding the use of a very safe technology. ADR 19 specifies a few requirements not to obscure the driver's vision; that is in reference to the front of the vehicle. Obviously you do not have to be able to use your rear vision mirror if you do not want to, but often these screens allow for that anyway. We are talking more about screens installed on windscreens and around steering wheels et cetera. It states under the heading 'Restriction on visibility of screen':

Unless a driver's aid

— that is, navigation —

all television receivers or visual display units must be installed so that no part of the image on the screen is visible to the driver from the normal driving position.

It actually goes a bit further. I know because we were doing video display units to comply with this in my last role and we would put the set right back, so that even if you were sitting back maybe 30 centimetres from where you could reach the steering wheel you still could not see the screen. That was the requirement that we as a manufacturer had — to make sure we absolutely complied with this in case you got someone who was 9-foot tall putting their seat right back. We still had to make sure it complied. So in the standard driving position you should not be able to see the screen. Our installer-fitting instructions for the aftermarket state the same thing. I cannot speak for some of the small importers who come and go as they get a great deal on a shipment of screens from China, but the reputable manufacturers and members of our association certainly recommend the position of that screen. We will certainly recommend we put that back out as a requirement following these discussions.

Following our concerns, we have some recommendations for changing it. First, ideally we should look at changing Australian road rule 299, changing the wording from 'likely to distract another driver' to 'install with the intention to distract'. Obviously if a taxi or courier driver wants to make a screen available for everybody to see while they are driving, that is a distraction and they should be taken off the road. It is for the same reason that we do not have billboards with videos on them, although that is a bit of a grey area and there are a couple of billboards that push that. We have had that discussion; I know you have had that discussion. We certainly do not want to encourage that. If it is installed with the intention to distract, it should be banned. But if it is installed trying to allow the rear passengers to be entertained, they should not have fear of reprisal over that.

I have attached at the back of the documents a letter we got from Transport South Australia. We have met with regulators nationwide on this issue. We applaud Victoria because it is the first state to actually go into a review of this issue. A lot of the states have said the road rule says this and they will stick by that. That was the original stance. We have had a letter now from South Australia which states it will not enforce it unless it was installed with the intention to distract, which makes perfect sense. I was talking with the department of primary industries in West Australia on Friday last week and asked if it was aware of your Road Safety Committee's reference. Most states are aware and are watching you very carefully because obviously it could affect their standards. Western Australia has also said it has no intention of prosecuting. There is one situation, which I will not go into the details of, where the police brought a driver up on charges under that road rule. The department said it would not support the police on that prosecution. It was thrown out and the department will not prosecute again unless the screen was installed with the intention to distract. New South Wales is going down the track at the moment of prosecuting. There is a fair bit of backlash but not as much as there will be as we up the ante.

We met with the department in New South Wales once last week and I will be going there and sitting down again with it in the middle of this year. If we still feel we are getting nowhere, we will have to start making the public more aware because it is a genuine issue whereby I believe their rights are being impinged by something that is really not a distraction. We know that New South Wales is prosecuting. We are not sure with Victoria. Obviously following this we will have a better idea. VicRoads officially says it can if it wishes to prosecute, but again we will be having this discussion with it following your recommendations. Queensland has taken no official stance. Because the Australian road rule allows it to, it could potentially enforce it. It has not put out a letter like we have got from South Australia and Western Australia stating that they will not. It is a matter of watch this space. That is part of our role — to come to people like yourselves, go to the regulators and say what is reasonable. Let us talk about why it was set up and let us make sure it makes sense. I do not believe the current legislation makes a lot of sense.

Our recommendations basically revolve around the fact that road rule 299 was set up prior to this technology really taking off as I discussed previously. I do not believe any further legislative change is required after we have updated road rule 299 or issued a letter for Victoria to the enforcement officers saying if it was installed with the intention to distract, throw the book at them. But if it is set up to engage rear passengers, it should be fair and reasonable to allow them to use the system.

We are also offering to — and we do already — up the ante. We set up an infotainment committee three months ago because of this issue and we will certainly keep it running. We will work as a conduit with industry to communicate current legislative requirements and recommendations from this committee to make sure the industry is aware of it. We believe that is very important. We also want to ensure — and we will reaffirm — voluntary compliance. At the moment the road rule simply states that if you cannot see it, which is fine. We are also concerned about the distraction component of road rule 299. We want to make sure we specify the voluntary compliance with ADR 19 — that is, that it is installed correctly — and that we make sure the industry is kept reputable. If we just ignore the regulations — the legislation — then the industry we are paid to represent will be severely undermined. Pioneer will be undermined and so will Alpine. That is not the way we want to work. We want to work with the regulators with reasonable regulation. So I think that gives a complete understanding of where we stand.

Mr STONEY — Thank you very much. We have time for questions and I will start. Obviously design rule 299 — —

Mr BARTLETT — The road rule?

Mr STONEY — The road rule covers navigational equipment, which is becoming very popular. It can be and is argued that it is a driver aid. Obviously there is a glaring anomaly in that road rule simply on navigation aids, let alone with television in the back seat. Perhaps you would like to expand on that a little more because it might really make your point?

Mr BARTLETT — You are saying that it allows navigation — —

Mr STONEY — No, but nav aids or Navman or whatever it is. The driver has those but clearly they contravene Australian Design Rule 299. Is that correct?

Mr BARTLETT — No. Under road rule 299 there is an exemption for navigation — —

Mr STONEY — There is?

Mr BARTLETT — There is.

Mr STONEY — Perhaps you could clarify that a bit more, especially for our research officer.

Mr BELUSZAR — ADR 299 states — —

Mr BARTLETT — The ADR follows that. What I do not show — I was running out of space to fit everything on because of the size of my computer screen, but am happy to issue it to you — is that Australian design rule 299 includes an exclusion section. Ideally we have a couple of options here. Obviously one exclusion at the moment is a driver's aid — that is, navigation equipment. So they are already excluded; they are covered. We had the option of coming to you and saying, 'You could add an exclusion but then as the technology evolves, are you actually covering it sufficiently?'.

Mr STONEY — How do you know what is coming out?

Mr BARTLETT — I will pass this around.

Mr STONEY — Just pass it around because we are taking a transcript.

Mr BARTLETT — It says at the bottom that there is an exemption for driver's aids. At point 3 it says that an example of a driver's aid is navigational or intelligent highway and vehicle system equipment, which is an exemption.

Mr STONEY — Thanks for clarifying that.

Mr BARTLETT — But obviously what are of concern under this legislation are rear-seat DVD systems that do not engage the driver at all.

Mr BISHOP — I think the automotive industry itself was inclined to go down the path of a voluntary code of practice rather than have legislation. You have been talking about legislation being overrun by events, so that you have to go back and correct it. Are you at odds with that?

Mr BARTLETT — Not at all. I think what we have said in our recommendations is that we do not believe any further legislative change is required because legislation cannot keep up, and we saw that with road rule 299 which was set up for one cause, but unfortunately it is really affecting mums and dads more than anything else. It also affects the driver of the Holden Statesman who drives it off the lot and as soon as he gets into the car to show his best mates that he has a great DVD player in the back, he can get pulled over. It was installed as a factory unit and complies with the ADRs, but unfortunately he will also get penalised. So a voluntary code of practice is something that has been brought up. We have had a number of committee meetings where this has come up even after last week. I emailed all our members to say that this would come up, that I expected you to ask the question and ask for our stance on it, because we do not have an official stance as yet. If I were to say to you, 'As an industry body we would be happy to go down that track' it is not a decision that Stuart and I can make on the fly. We would have to go back to our board.

As you would understand, a voluntary code of practice to cover what we are talking about is a huge step. But again, since Monday I have done a fair bit of research into this. There are existing codes of practice in Japan, in the United Kingdom and in the United States of America. We have fantastic international relationships whereby we can access a lot of that information. Considering we do not have any manufacturer of these products in Australia, most of our members have representation in those countries. So we have the resources if our members support it — which we believe they would — to go down that track. But it is not something we want to commit to as of today.

Mr CHARITY — There are two issues. One is whether we were charged with developing a voluntary code of practice, and obviously we would need to get industry and board support for that. But in terms of adhering to a code of practice developed for the industry, there would be no question that we would recommend to our members that should that be the road you go down, we would recommend that our members abide by that voluntary code, and we would also communicate the requirements of that code to our membership.

Mr BARTLETT — There are a couple of things on the national code, and I know you brought it up with Ford and Holden last week. They include whether the aftermarket is working with the original equipment manufacturers on a code of practice. We would be happy to work with them. We understand the requirements are fairly different, and I know as well as most that they have an opportunity to install a lot of screens on the dashboard and in the roof whereby the aftermarket has to work in with whatever is already there. So the requirements are a little different, and that is why we have worked with the international codes of practice which cover both those issues, because there are some distinct differences.

Dr HARKNESS — From your research do you have any data on the market penetration of these sorts of devices? Also, I have a couple of related questions. Earlier you touched on illegal installation: do you have any evidence of that? Also, can you give us any advice not only on the penetration in the market, but also any information on the proportion of Victorian drivers who might be using these devices at any one time? Principally, are people using them for long-distance trips or are people using them to entertain the kids on the way to and from the shops?

Mr BELUSZAR — We have no data. Penetration is a different question. In the last three years we have seen enormous growth. In the last 12 months the market has grown by 121 per cent. In the previous year it was 81 per cent, and the year prior to that — which was three years ago — it was 51 per cent. So we are seeing enormous growth. I guess one of the problems is that there is no real data because if we look at who buys the product, we still really do not know whether it is predominantly an 18 to 24-year-old male, or whether it is a 25 to 29-year-old male or female who may be buying it for a young family. There are no real figures on that.

Mr CHARITY — Your question would be in relation to the total vehicle fleet, is that correct?

Dr HARKNESS — Yes, that is correct.

Mr CHARITY — We would not know definitively the total sales of units each year in the aftermarket.

Mr BELUSZAR — That is right. If we look at the total market, you are really looking at about \$140 million, but that is head units, speakers, amplifiers, the works.

Mr CHARITY — How many units?

Mr BARTLETT — I can jump in there. It is not that we are avoiding giving you an answer, but there are a number of players within the market. We get some data from Infomark, and we quoted that previously. It is predominantly made up of Japanese wholesalers. But since the advent of markets such as China and other areas of Asia, there have been a lot of other still significant players that have come in who are not audited by Infomark. It is up to them to give data, and as with a lot of industries the aftermarket is very good at keeping a lot of that information closed because of the competitive nature of the industry.

We looked at original equipment and the aftermarket, and we would be very surprised if it was any less than 60 000 to 80 000 units nationwide on the road in the last two years. That is anecdotal evidence but it is certainly the experience I have had in the past from companies we are working with who are supplying these units as standard. We are also talking to a number of individual retailers to whom I said, 'Please give me an indication of the numbers you are selling'. But again, none of them will stand by the figures officially because of the competitive nature of the industry.

Dr HARKNESS — There was also the other issue of any evidence you might have on the illegal installation by people deliberately trying to avoid design and road rules.

Mr BARTLETT — I suppose no-one is going to publish the fact that they do it. I am not trying to be smart, but it can be done. The concern is that if you work off the fitting instructions of all the suppliers, and I am talking about original equipment as well, you can still get around it by disengaging a cable, although you have to know where the cable is, so you have to have some knowledge. But it can be done. But in saying that, if you get driving lights installed and they are allowed to have 100 watt globes, as soon as they leave the workshop someone could put in 150 or 200 watt globes so they absolutely dazzle you when you are driving down the road. That can occur, too. It is an issue across multiple industries — automotive is not alone there. So it can happen. I would be lying to you if I said it could not.

Dr HARKNESS — I have one other question. It is an aftermarket product completely, and a lot of people in my electorate of Frankston like these blue lights or coloured lights that go either on the window washers or along the side skirtings and whatnot. Do you have any comment to make on those types of products?

Mr BELUSZAR — I understand there are a lot of car audio enthusiasts who install very expensive amplifier systems, subwoofer systems et cetera. They use them for shows, like in show cars. I have seen a lot of these lights when they are demonstrating the show cars. Music will be booming out, and there is almost a strobe effect with the lights pulsing at the same time. I have never had the experience of seeing a car driving down the street with these lights on, but certainly I have seen a lot of them in show cars.

Dr HARKNESS — If you go into auto parts shops, Super Cheap Auto or whatever, you can buy them and put them on.

Mr BARTLETT — The way I understand it — I am a little bit ignorant, but I have spoken to a few of our retailers about this — is that with the requirements there are particular light colours that you cannot have like red, white, orange; things that are similar or the same as your park brake, reverse or indicator lights, because they are presumed to be a distraction, whereas there are no cars at the moment with blue lights. But in saying that there are also — I am not going to quote where they are — positions on the car where no lights can be installed. I cannot tell you where they are at the moment. I am happy to get back to you on that. I believe there are a number of vehicles out there — they can do it themselves; they can simply put them wherever they want to put them, and yes, they can certainly be a distraction. We would certainly not support that.

Mr CHARITY — I would like to add just one thing to that. This could probably be taken in the context of the video screens and all of those lights. When you first see a screen — even though the numbers are increasing, the numbers are still fairly low — there is a bit of novelty value the first time, the same as with those lights. I have seen the cars with the blue lights — you sort of turn around and ask, 'What's that?'. But after you continue to see them

and they get greater market penetration they become less of a novelty and probably less likely to distract going forward. But certainly it is eye-catching when you first see one.

Mr BISHOP — I have a slightly different tack. We have talked today about putting additions in cars that may increase our distraction, but I suspect in the aftermarket area we might get additions that help drivers combat distraction with the smart car stuff, the sensors et cetera. Have you got some any comments to make on that? Where is the market for that type of — —

Mr BARTLETT — I think Brent Stafford from ITS followed that up pretty well last week when he talked about things like the Road Angel unit, which recommends that you slow your car down when you are approaching school zones. The Road Angel will also tell you about speed zones and crash zones and those sorts of things. That sort of thing will certainly assist. And with navigation — more and more navigation will allow for interaction with the area around the road. One area that has not taken off here but has taken off very significantly in Europe, because the infrastructure has not been supported in Australia, involves standard car radios. We sell some in the aftermarket here. As you are driving you get updated driving information — information about a crash on the same road that you are driving on; there is a sensor on the road that tells your radio to tell you to slow down because there is a traffic hazard within 3 kilometres. Those sorts of areas are constantly evolving; it is one advantage of the aftermarket. We get criticised a lot by the car manufacturers for being, I suppose, cowboys in some ways; they are concerned that we get product on the market fairly quickly. It does not make our product any more or any less safe. The advantage that we have is that we do not have to go through the process of fitting it into the design of a car, which takes five years. We get a lot of product out there very quickly.

The Road Angel unit has been offered, I am sure, to a number of car manufacturers, and I would expect they will have something very similar available in two or three years, but we in the aftermarket have it available now. It will not be mounted inside the dash; it will not be mounted on the side of the speedometer or in that area; it will not be fully integrated from a look perspective, but it will be highly effective. That is the true advantage of the aftermarket in terms of getting products that will assist drivers quickly, because there is not the hindrance of having to make it fit in and get it tested to the same extent that some of the car companies have. I do not believe that to be an issue of safety; in fact it does allow for those sorts of technologies to be available.

Mr BISHOP — Are you saying that that market is going to expand, or will there be competition between yourselves and the manufacturers in relation to that?

Mr BARTLETT — I think we are an interesting beast in Australia. I will not take up too much of your time; I know you have lots of things to do. If you look at the US market, for instance, the aftermarket and the OEs work pretty much hand in hand — when a new car is designed the aftermarket is given access to the car for a number of days. SEMA in the US — the speciality equipment manufacturers of America — actually allows for the aftermarket to work with it to get better product out on the road quicker. We have to pretty much wait for the cars to be launched to get access to a car to do that, but we still get it out quicker. We believe it is not a competition with the OE manufacturers; we simply have the resource and the ability to get the product out quicker than they do. We have a lot of products that are exactly the same. Ours are branded as one thing and theirs are branded as Holden, Ford, Mercedes or whatever. That is pretty much the only difference. We do not look at ourselves as being dramatically competitive with them. We would like to work more closely with them, and that is what we will be doing.

Mr CHARITY — Just to reinforce Ben's point — we are planning to engage the manufacturers and work with them. Issues like road safety are critical, and the manufacturers have introduced — there is a range of new technologies coming on-stream. Some of them require infrastructure, such as lane departure, et cetera, but some of them can be retrofitted to cars through the aftermarket straightaway. The manufacturers normally introduce new technologies into their fleet. Often they go into the luxury cars or luxury packages and then they filter down. Things like ABS, which used to be at the top end, are now filtering down to standard vehicles. You have things like electronic stability control coming in, and there is a lot of talk about that. We believe in working in tandem with the manufacturers we can get — one of the problems with focusing only on the new cars being sold is that you are only hitting a million cars a year, even if you cover all the new cars, and it is going to take 10 to 15 years to get the full coverage. We can cover 90 per cent of the fleet that are not new cars and do that fairly quickly.

Mr STONEY — Just to finish up, can you give us a snapshot of what may be coming on the market which we have not been told about but could have the potential to distract — in the areas we are interested in of

course? What is coming on that we have not even considered but could in five years be everywhere? There must be things coming on that we may not have heard about, especially in the entertainment area, which could lead to distraction.

Mr CHARITY — Could lead to distraction?

Mr STONEY — Yes. We are just looking at various things.

Mr BARTLETT — One of the things that came across my desk last week — it is an area that we are going to have to watch carefully — is the advent of Internet email being more freely available within units. I could say there is nothing happening, but we want to make sure that the industry is respected. I have a web site here; it actually came up last year — I would not expect it to hit Australia for a while yet — but Microsoft is working very closely on a new version of its automotive pack. You should take into account that the aim of these software suppliers is to keep pushing the envelope, to keep offering people more. We have seen the advent of Blackberry mobile phones, so now you cannot get away from your email; you are tempted to email 24 hours a day. What they are saying now is that they want to be able to get their emails when they are in the car. That is a real risk.

Mr STONEY — So you are saying that at the moment you could have the computer there beside you with your map on it to show you where to go and you could push a button to read your emails, and when a copper comes along you could push a button to show your map. That could be a danger.

Mr BELUSZAR — Absolutely.

Mr BARTLETT — I saw a unit a couple of years ago that was a prototype that could do that then.

Mr CHARITY — Siemens VDO have a product on the market currently that will allow you to do that. However, by use of the handbrake or the speed signals as a means to tell the vehicle that it is moving there are certain features within that system that are inaccessible to the driver's screen but accessible to other screens within the car that are not designated visible to the driver. Those systems are available and becoming more prevalent.

Mr STONEY — So we should make that point in anything we discuss, that indeed systems need to be put in place to prevent — —

Mr BARTLETT — That is where that voluntary code of practice comes in, I believe, because it is really important to us, as I said to you before, that the aftermarket industry and the car audio industry for our members with us here today are understood to be responsible corporate citizens. So we would be absolutely very keen to make sure that that sort of thing was not freely available without restrictions as per the vehicle speed sensor or pathway.

Mr STONEY — Is there something you want to add?

Mr BARTLETT — No, I am happy with that.

Mr STONEY — Thank you very much for coming. It has been very interesting and helpful.

Mr BARTLETT — I will give you my card. Give me a call any time and ask me any questions, and the same applies for Stuart.

Committee adjourned.