



Commercial Vehicle Industry Association of Queensland

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Consultation Regulatory Impact Statement,
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1.0 Introduction

The regulatory impact statement (RIS) assesses options for improving the national heavy vehicle roadworthiness system. The RIS is restricted to assessing the major principles, costs and benefits of identified viable options to improve heavy vehicle roadworthiness. It does not extend to analysis of how the options would be implemented in practice, including developing detailed implementation policy and plans, and developing and implementing regulatory amendments.

Improved heavy vehicle roadworthiness can help contribute to better road safety outcomes and can support community confidence in heavy vehicle safety. In practice, the draft reforms may contribute to these objectives by preventing or minimising the likelihood of a heavy vehicle:





1. becoming defective
2. being contracted for use, or actually used, whilst defective
3. crashing as the result of a defect.

The draft reforms must also support the objectives of Heavy Vehicle National Law (HVNL), including promoting industry productivity and efficiency.

This submission is a response from the Commercial Vehicle Industry Association of Queensland (CVIAQ) to the NTC's invitation for industry submissions on the discussion paper.





2.0 CVIAQ

Collectively, CVIAQ represents 170+ Member Companies, including:

-  Truck Manufacturers, Importers & Dealerships
-  Trailer Manufacturers, Importers & Dealerships
-  Component Manufacturers and Suppliers
-  Consulting engineers

Areas of work include technical and regulatory proposals affecting the commercial vehicle industry including vehicle and component construction, modification and operation, and the review, development and delivery of national training packages.

The CVIAQ maintains representation with a number of agencies including:-

-  National Heavy Vehicle Regulator (NHVR)
-  Commonwealth Department of Infrastructure and Regional Development (DIRD)
-  National Transport Commission (NTC)
-  Standards Australia

The CVIAQ also provides input and responses to proposed vehicle regulations and reviews and proposals for Australian Design Rules, Australian Vehicle Standards Regulation and Australian Standards.

3.0 Questions & CVIAQ Response

Members of the CVIAQ were invited to comment on the opportunities presented in the discussion paper, and responses received have been summarised below.

Question 1: Is there further information or data that may help more clearly assess the link between mechanical defects and heavy vehicle crash risk?

Response: National Transport Insurance (NTI) funds and operates the National Truck Accident Research Centre (NTARC). It has a large database specific to the Australian market.

Whilst there are a number of sources of accident research data, the NTARC research reports provides a unique, reliable, industry analysis of accident causation.

The *2013 Major Accident Investigation Report* was released this month. It identifies accidents caused by mechanical defects.

Question 2: What benefits will developing more nationally-standardised procedures for different inspection types and defect clearing provide? What, if any, problems have you experienced with existing variations in these matters?

Response: There is a clear need for a nationally standardised system. Today it is still possible for a vehicle to pass at one inspection station and fail at another due to testing equipment tolerances or operator error. Further, the level of education amongst inspectors varies as does the application of the NHVIM.

In Australia, the vehicles offered to the market come from 3 major geographical areas – Europe, United States and Japan.

There are varying component specifications and tolerances set by the original equipment manufacturer, which often leads to defecting of safe, roadworthy vehicles. Inconsistency and a lack of awareness and education among inspectors of this issue is a huge impost on industry.

Question 3: To what extent do you expect operational reforms – such as improvements to regulatory practices under the existing HVNL powers – to achieve the objectives of improved heavy vehicle roadworthiness?

Response: Reasonable improvements are possible under the existing HVNL powers.

Question 4: How are industry members, who may provide heavy vehicle inspections and repairs, positioned to support any increase in demand for these services? Is sufficient skilled labour available?

Response:

Like any new reform, with a sufficient phase-in period the market would easily react and respond to meet the needs of increased demand. Many vehicle technicians in industry are already qualified to conduct vehicle inspections. Should any further training be required, this would not be difficult to facilitate.

4.0 CVIAQ's position on Heavy Vehicle Roadworthiness Program, Consultation Regulatory Impact Statement.

The CVIAQ is grateful for the opportunity to make comments on the Heavy Vehicle Roadworthiness Program, Consultation Regulatory Impact Statement and appreciate the time given by the team to work with the CVIAQ to better understand the complexities of the Heavy Vehicle Roadworthiness RIS within the commercial vehicle industry.

It appears evident that any positive economic impacts brought about by annual inspections have not been quantified in the RIS.

The increased inspection frequency would deliver:

- A positive incentive for operators to proactively inspect and repair their vehicles prior to the scheduled inspection at a time which fits in with their vehicle utilisation.
- Savings to the community due to a reduction in traffic congestion (less breakdowns)
- Savings for the operator with a reduction in breakdowns
- Savings to the community with on-time deliveries
- Better safety and environmental outcomes due to better maintained vehicles

Whilst option 3 appears to offer a compromise with regards to vehicles inspected, the adoption of a risk based approach for dangerous goods vehicles and those vehicles that are 15 – 20 years old, would leave a huge segment of the vehicle park off the radar and as such the net effect would be negligible towards the improvement of vehicle reliability and safety. Given high utilisation, trucks are now clocking upwards of 450,000 kms a year from new, an age based system is simply not appropriate.

Research is required to validate if a targeted approach is indeed practicable and will deliver the benefits sought.

It is CVIAQ's position that to meet the reform objective (better road safety outcomes which supports community confidence in heavy vehicle safety and the objectives of the HVNL), the introduction of annual inspections across Australia for vehicles 4.5t GVM and above (not registered in an approved maintenance scheme) must occur.

This would provide a robust, consistent baseline regime which could not be circumvented and upon which targeted inspection regimes could be added.

Whilst option 4 would be the catalyst to deliver the greatest improvement in reliability and safety in the vehicle park we cannot accept the inclusion of third party maintenance providers and vehicle or component manufacturers in the chain of responsibility.

CVIAQ will only support a primary (general duty of care) for CoR if it remains applicable to the existing parties **not** the manufacturing, sales, service, repair and modification sector of the transport industry.

The owner / manager / director of a vehicle / fleet has the primary responsibility for ensuring it is maintained correctly. Secondary responsibility belongs to the driver, who should alert the owner of any defects, and in an unsafe situation refuse to operate that vehicle.

There is sufficient, indeed robust regulation and control on the manufacturing, sales, service, repair and modification sector of the industry in place today, directly via Chapters 3 and 5 of the HVNL, Australian Consumer Law, and of course common law and duty of care obligations. There would be no benefit in the inclusion of third party maintenance providers and vehicle or component manufacturers in the chain of responsibility.

For the above reasons the CVIAQ would like to see a modified version of Option 4 introduced, with a revision to the chain of responsibility clause that does not include the manufacturing, sales, service, repair and modification sector of the transport industry.

The CVIAQ looks forward to participating in the next step in the project.

A handwritten signature in blue ink, appearing to read 'Ken Cowell', is positioned above the typed name and title.

23 March 2015

Ken Cowell
CVIAQ National Policy Director