

Questions on Notice

Transport and Resources Committee

Inquiry into Vehicle Safety, Standards and Technology, including Engine Immobiliser Technology

Provided on 1 July 2021

The Transport and Resources Committee asked the Department of Transport and Main Roads

QUESTION:

1. In regard to the planned changes to the Written-Off Vehicle rules in Queensland, can TMR please comment on the following:

- a) What is the process, including consultation and legislative, that needs to be followed in order for the changes to occur?
- b) What impact does TMR expect that the planned changes will have on the second-hand vehicle market in Queensland?
- c) Will these proposed rules make it harder for a vehicle to be legally sold on the second-hand market in Queensland?
- d) Has TMR monitored the impacts of these rules in New South Wales since they were introduced there 10 years ago? (If yes) What are TMR's conclusions about how New South Wales' changes to Written-Off Vehicles have impacted on the price of second-hand vehicles?
- e) Has there been a demonstrated improvement in the New South Wales vehicle fleet safety as a result of their changes?
- f) Has TMR considered other options prior to deciding the NSW scheme the preferred option? Can you please elaborate on the reasons for selecting this scheme as the preferred scheme.

ANSWER:

- a) The Department of Transport and Main Roads (TMR) recently undertook a comprehensive review of the way written-off vehicles (WOV) are managed in Queensland. The objectives of the review were to assess the health of and look for ways to improve the operation of the existing WOVS scheme for light vehicles, and to consider the adoption of a written-off heavy vehicle (WOHV) scheme in Queensland.

As part of the review, TMR undertook a comprehensive stakeholder consultation process which included face-to-face workshop presentations and a mail-out to industry peak bodies, members of the vehicle repair community, inspection service providers, vehicles scrap merchants, enforcement agencies, interstate jurisdictional peers and major insurance companies. All parties were additionally asked to complete an online *Get Involved* survey to seek out preferences and input into the options available for TMR to improve the robustness of the scheme.

The Minister for Transport and Main Roads approved reforms for the Queensland WOVS scheme which are set out in the written submission.

However, there are still substantial preparations needed to prepare for and introduce the reforms, including:

- legislative amendments to the *Transport Operations (Road Use Management—Vehicle Registration) Regulation 2021*.
 - IT systems changes to accommodate both the light and heavy vehicle WOV changes.
 - a procurement process to identify a provider of the new inspection services.
 - the development and delivery of operational policies and required procedures and staff / contractor training.
 - a comprehensive communications strategy to keep stakeholders up to date and provide advice on the expected implementation date of the reforms, including what it means for stakeholders in practice.
- b) TMR does not envisage any significant change to the second-hand vehicle market. In fact, the Motor Trade Association of Queensland (MTAQ) has indicated that there will be little or no impact on their industry, given the proportionally small size of the written-off vehicle activity.

For context, the number of WOVs recorded annually in Queensland is relatively small. As at 31 December 2019, there were 3,933,260 registered light vehicles in Queensland. Meanwhile, there were 17,024 statutory write-offs (SWO), which is 0.43 per cent of the Queensland light vehicle fleet, and 35,798 repairable write-offs (RWO), which is 0.91 per cent of the Queensland light vehicle fleet, recorded in 2019. Of all reported RWOs, approximately only 13,000 (0.33 per cent of the Queensland light vehicle fleet) were presented for a Written-Off Vehicle Inspection (WOVI), and subsequently re-registered.

Based on insurance data, it is estimated that there were approximately 380,000 light motor vehicle crashes that resulted in a claim in Queensland in 2019. Given this, only 13.9 per cent of crashes were significant enough to be classified as a WOV (either SWO or RWO), meaning 86.1 per cent of vehicles were repaired and returned to the fleet. Further, only 3.4 per cent of all light vehicles involved in a crash were classified as an RWO and presented for a WOVI in order to be re-registered.

While there will be some impact for the small community / industry sector who may specialise in repairing and re-registering RWO vehicles (those who acquire RWO vehicles with intention of putting them back on the road for profit), this sector will need to refocus or broaden their business model to other light vehicles which have been damaged but not to the extent they have been written-off.

Nevertheless, consumers (purchasers of second-hand vehicle) will in the main be overwhelmingly positively impacted by the additional protections provided by the WOV reforms. The proposed changes will help ensure that all WOV repairers are held to the same standards around quality of repair and are accountable for their work, and further limit the potential for unscrupulous vehicle re-birthing and use of stolen parts.

An increased number of SWO vehicles will in turn mean an increased number of used parts commercially available from registered auto-dismantling businesses, likely to result in reduced costs for the vehicle repair industry and greater consumer protection against buying an inadequately repaired vehicle. The approved reforms promote the most positive road safety message, are a vehicle crime reduction initiative, and assist in encouraging the replacement of older vehicles with a more modern and safer vehicles.

- c) For the reasons set out above, the WOV scheme changes will not have any significant impact on the second-hand vehicle market, and in fact, there are numerous benefits as a whole for the consumer and overwhelming proportion of the motor vehicle repairs and sales industries.

- d) As part of the TMR review consultation process, research was also undertaken on practices within interstate jurisdictions and included meetings with Transport for New South Wales (TfNSW) and the Department of Transport Victoria (DoTV) to better understand the state of the WOV schemes in the two largest jurisdictions.

As the Committee is aware, NSW introduced an alternate approach to managing WOVs, by requiring all vehicles deemed to be a total loss to be recorded as SWO. Under the scheme introduced in 2011, WOVs are not eligible to be repaired and returned to the road network, unless they meet an exemption category.

This alternate approach was taken in an attempt to reduce the incidence of auto theft activity in NSW, which accounted for around 70 per cent of the vehicles stolen in Australia annually at the time. NSW asserted at around the same time, that professional criminal enterprises would find ways around a Quality of Repair (QoR) process on a RWO (where vehicles are classified as either a SWO or RWO based on damage alone), and this would ultimately result in a lack of control over the use of stolen parts and rebirthing.

As part of the TMR WOV review consultation process, TfNSW advised they have seen a dramatic reduction in vehicle rebirthing activity, and no tangible difference to the cost of insurance premiums. TfNSW have observed that severe weather events were the main drivers for premium changes and not the change to their policy.

TfNSW has observed that prior to 2011, savings garnered from the purchase, repair and sale of a written-off vehicle, were not always passed on to the customer; but instead retained by the repairer and/or seller. Accordingly, TfNSW indicated prices of second-hand vehicles have remained consistent through the changes.

- e) It is worth noting several practical reasons why vehicle defects (from poor vehicle repairs or maintenance) may not readily show up as a major contributor to road safety outcomes. These include (i) the most common, dominant and explicit reason for vehicle crashes are most often driver behaviour related¹; (ii) the contributory role also of vehicle defects to vehicle crashes is less explicit and more difficult to determine and record by those from the incident scheme; (iii) only a small proportion of vehicles involved in crashes are forensically analysed. Further information about the contribution of both vehicle defects and periodic vehicle inspection to the road safety outcomes is provided in the answer to question 4.

In contrast to the positive reduction of vehicle rebirthing activity for the NSW WOV reforms, TfNSW advised that the standard of vehicle repairs has generally remained consistent prior to and post their WOV changes. The reason the QoR reforms may not have had as positive a change in other States may be because of NSW's vehicle repair licensing requirements. In NSW the *Motor Dealers and Repairers Act 2013*² requires all vehicle repairers to be licensed and affords NSW regulators the opportunity to take action directly against any vehicle repairer responsible for substandard repairs.

- f) TMR considered three options as part of the review of Queensland's light vehicle WOV scheme. The options were to (i) retain the current WOV scheme, (ii) implement more stringent inspection requirements through a QoR process, and (iii) adopt the NSW position (categorise all WOVs as SWO unless exempted, and undertake a QoR process on repaired vehicles). Even though DoTV introduced a QoR process for WOV's, DoTV was still aware of fraudulent activities in their scheme. This was in the form of the use of stolen parts, falsified invoices and potential rebirthing of vehicles.

¹ Commonly known as the *Fatal Five*. Queensland's crash data indicates that the '*Fatal Five*' behaviours – distraction, drink driving, fatigue, speeding or not wearing a seatbelt – are a factor in one in two fatalities from crashes.

² The Act replaced the *Motor Dealers Act 1974* and the *Motor Vehicle Repairs Act 1980*.

The illicit trade in stolen parts stems from vehicles being stolen and the parts harvested to replace the damaged components on the repairable write-off, which are bought at vastly reduced prices. By adopting the NSW approach, parts from stolen vehicles cannot be readily used to repair written-off vehicles, at least not on a widespread commercial scale, as there are only a limited number of vehicles that will be eligible for repair.

The WOV reform options approved for implementation in Queensland were supported by many entities including the Motor Trades Association Queensland, RACQ, QPS and the Office of Fair Trading (OFT). The approved reforms further prevent poorly repaired vehicles being re-registered, provides the highest level of consumer protection for future vehicle buyers, dramatically reduces the temptation for or possibly eliminates cross border movement of WOVs into Queensland, provides the most robust measures to deal with instances of vehicle rebirthing and re-use of stolen parts, promotes the most positive road safety message, and provides a further measure to encourage replacement of older vehicles with a more modern and safer vehicles.

QUESTION:

2. The MTAQ and the RACQ have both supported changes to the written-off vehicle regime in Queensland. The RACQ has advised the committee that they want a more robust inspection process, including interim inspections to ensure structural damage has been repaired adequately. They also advised that ‘Queensland is the place to go to get a repairable write-off cleared, because it is much easier than in other jurisdictions’. Could TMR please respond to these comments, particularly in relation to the differences compared to other jurisdictions?

ANSWER:

Prior to the review, TMR received a number of complaints and submissions from industry and the community, including insurance companies, about the current written-off vehicles (WOV) Scheme. The issues raised included, but were not limited to, movement of repairable write-offs from interstate to be registered in Queensland, and substandard quality of repairs of WOVS that were returning to Queensland roads.

Unlike other states, Queensland did not have a Quality of Repair QoR process as a feature of its WOV scheme. Furthermore, as detailed in the answer to question 1(f), the NSW WOV scheme deemed all WOV to be a SWO, unless exempted, which further reduced opportunities for vehicle rebirthing and the use of stolen parts.

One of the objectives of the review of the WOV scheme in Queensland was to assess the health of and look for ways to improve the operation of the existing WOV scheme. The approved reforms will enhance the current Queensland WOV scheme, further reduce instances of vehicle rebirthing, increase consumer protection when purchasing vehicles, whilst helping ensure exempted WOV vehicles are repaired to a safe and professional manner.

RACQ and MTAQ both provided feedback during the consultation process and indicated in feedback to TMR that they support the option ultimately approved by the Queensland Government.

QUESTION:

3. The committee has heard from stakeholders about the differences between vehicles being written-off for economic reasons and vehicles being written-off for safety reasons. Could TMR please comment on this issue and how Queensland differentiates between these types of write-offs? Will there still be a place for vehicles to be re-registered if they are written-off for economic reasons?

ANSWER:

Businesses (notifiers) that assess, buy, sell or repair written-off vehicles are required by law to notify TMR when a vehicle has been assessed as a total economic loss (a notifiable vehicle). Most notifiers are vehicle insurers.

A notifiable vehicle is a vehicle that has been declared a total economic loss due to collision damage, fire damage, water immersion or weather event damage, parts stripping or dismantling.

A 'total write-off or economic loss' is when the cost of repair combined with the wreck's salvage value is greater than its market value. A notifiable vehicle declared as a total economic loss can be classified as either a statutory write-off (SWO) or repairable write-off (RWO) vehicle.

Currently in Queensland, a light WOV can be classified as either a RWO, making it eligible for repair and re-registration, or a SWO which is suitable only for parts or scrap metal. There is currently no provision in Queensland for classifying and recording the status of a heavy vehicle within the WOV scheme.

The determination on whether a vehicle is a SWO or a RWO is based on nationally agreed damage assessment criteria. Vehicles that are damaged to the extent that they cannot be safely repaired are classed as SWOs. This damage would meet the definition of statutory written-off assessment criteria documented in the NMVTRC publication "Damage Assessment Criteria for the Classification of Light Vehicle Statutory Write-Offs".

Under the current WOV scheme, to be re-registered, all RWOs must currently be repaired, pass a Queensland Safety Certificate inspection, and pass a Written-off Vehicle Identity (WOVI) inspection.

Under the new scheme, all light vehicles that are written-off will be classified as SWO. However, exemption criteria will apply. TMR will issue an approval to repair and re-register a SWO vehicle where it (i) meets one of the exemption criteria³ and (ii) the vehicle has no non-repairable damage. Non repairable damage is damage that is so severe, it is not safe to repair the vehicle. This damage would meet the definition of statutory written-off assessment criteria documented in the NMVTRC publication "Damage Assessment Criteria for the Classification of Light Vehicle Statutory Write-Offs".

It is difficult to speculate on how many vehicles will be authorised to be repaired under the WOV exemption criteria, as each application will be judged on a case by case basis. TMR does however expect a considerable reduction in the number of repaired WOVs returning to the fleet in the new scheme.

³ The indicative criteria are set out the Queensland Government written submission.

QUESTION:

4. New South Wales requires an annual safety inspection for most vehicles that are older than 5 years. Does TMR conduct any reviews of the comparative safety of the Queensland and New South Wales vehicle fleets to compare if one safety inspection system is producing better results?

- a) (If yes) What are the results of these reviews? Can they be shared with the committee?**
- b) (If no) Is this something that TMR would consider undertaking?**

ANSWER:

TMR routinely collects and compares road safety data from all Australian jurisdictions. This information is publicly available and published on the TMR website at <https://www.tmr.qld.gov.au/Safety/Transport-and-road-statistics/Road-safety-statistics>.

However, the effect of comparative vehicle inspections systems on road safety outcomes is difficult to quantify. Other than NSW, all other states that were performing annual periodic light vehicle inspections have ceased to do so after reviewing their policies. The policy evaluation revealed that vehicle defects contribute to a very small number of crashes and road trauma in comparison to the effects of driver behaviour and road design and condition.

A Tasmanian government report titled *Periodic Vehicle Inspections in Tasmania - Roadworthy and Crashworthy: A Road Safety Perspective* concluded that “*vehicle defects are not a significant factor in fatal and serious injury crashes*” and that “*In various studies random inspection encourages motorists to maintain their cars in a roadworthy condition at all times, whereas programmed vehicle inspections encourage motorists to maintain their vehicles in a roadworthy condition only at inspection times*”. The report can be accessed at <https://www.transport.tas.gov.au/?a=111998>.

Similar findings have been found in independent academic research. A research paper released by the Monash University Accident Research Centre in 2012 found both the New Zealand Warrant of Fitness scheme and the potential for a periodic inspection in Victoria are unlikely to provide benefits greater than the cost to the community. The full report can be accessed at <https://www.monash.edu/muarc/our-publications/muarc314>.

The common theme across the research is that the cost to the community of implementing a periodic inspection scheme for all light vehicles far outweighs the benefits to road safety. It is considered that resources are better directed to improving road condition and driver behaviour, which contribute to over 95% of road crashes.

Although Queensland does not have compulsory annual inspections for all light vehicles, random inspections are undertaken by Transport Inspectors from TMR. This process assists in encouraging owners to maintain their vehicles to approved standards.

It is not considered desirable to replace the current policy of targeting non-complying vehicles through on-road enforcement to impose the additional costs and inconvenience of mandatory inspection requirements on the vast majority of Queenslanders who maintain their vehicles in good condition.

Accordingly, TMR is not currently considering introducing annual safety inspections for light vehicles routine or programmed inspections are currently required for light vehicles providing a regulated service (such as a taxi or personalised transport vehicle).

QUESTION:

5. The Committee has been advised that the average age of the Queensland vehicle fleet is around 10 years. Can TMR provide the latest figures on this?

ANSWER:

As at 30 June 2021, the average age (in years) of vehicles on the Queensland register by registration category was:

Registration category	June 2021
Buses	11.47
Campervans/Motorhomes	17.41
Cars	10.85
Conditional Vehicles	13.64
Light Commercial	11.29
Mobile Machinery	13.70
Motorcycles	12.53
Trailers	15.39
Trucks	14.58

QUESTION:

6. Austroads provided evidence to the committee that the main challenge in regard to road safety in Australia and Queensland is the age of our vehicle fleet.

- a) How does the average age of Queensland's vehicle fleet compare to other Australian jurisdictions?
- b) What statistics does TMR have in regard to the average age of Queensland's vehicle fleet over the last 20 years?
- c) Does the trend pattern of this data show that the average age of Queensland's vehicle fleet is getting younger, older or staying the same?

ANSWER:

a & b) The table below shows the average age (in years) of vehicles on the Queensland register by registration category as at 30 June 2004 to 2021. There is insufficient data available to calculate the average age of vehicles prior to 2004.

Average age of vehicles on Queensland register 2004 to 2021							
Year	Buses	Campervans/ Motorhomes	Cars	Light Commercial	Motorcycles	Trailers	Trucks
2004	11.17	16.35	10.03	11.12	10.48	13.94	14.33
2005	11.22	16.48	9.85	10.84	10.09	13.91	14.05
2006	11.06	16.37	9.71	10.56	9.64	13.90	13.85
2007	10.90	16.20	9.61	10.36	9.28	13.85	13.52
2008	10.64	16.08	9.57	10.19	9.07	13.75	13.28
2009	10.43	16.04	9.62	10.10	9.11	13.79	13.21
2010	10.28	15.89	9.65	10.07	9.38	13.89	13.25
2011	10.30	15.95	9.74	10.14	9.64	14.05	13.43
2012	10.12	16.36	9.79	10.19	9.86	14.15	13.51
2013	10.13	16.69	9.84	10.18	10.08	14.24	13.45
2014	10.19	16.49	9.89	10.27	10.35	14.35	13.60
2015	10.18	16.58	9.96	10.43	10.64	14.50	13.82
2016	10.42	16.70	10.01	10.58	10.93	14.67	14.05
2017	10.63	16.83	10.14	10.72	11.17	14.84	14.24
2018	10.68	16.93	10.24	10.80	11.45	15.00	14.25
2019	10.99	17.03	10.40	10.91	11.85	15.17	14.30
2020	11.34	17.49	10.66	11.11	12.23	15.35	14.44
2021	11.47	17.41	10.85	11.29	12.53	15.39	14.58

To draw a somewhat meaningful comparison between Queensland vehicle fleet data with other Australian jurisdictions (which TMR does not hold or have access to), it is necessary to use data collected by the Australian Bureau Statistics (ABS) Motor Vehicle Census. It should be noted that the methodology used by the ABS excludes certain vehicles that are included in the TMR data above. Notably, the ABS data excludes veteran and vintage vehicles registered for restricted use. Consequently, the ABS data differs slightly to the TMR reported data.

According to the ABS Motor Vehicle Census, as at 31 January 2021:

- In 2021, the average age of light passenger vehicles in Queensland is 10.1 years. The national average is 10.4 years. In comparison, NSW is 9.7 years and Victoria is 10.3 years.
- In Queensland, the average age of light passenger vehicles in the recent years has slightly increased. In 2001 it was 10.1 years, in 2016 it was 9.5 years and in 2020 it was 9.9 years.
- In 2021, the average age of light commercial vehicles in Queensland is 10.7 years. The national average is 10.8 years. In comparison, NSW is 10.1 years and Victoria is 10.9 years.
- In Queensland, the average age of light commercial vehicles in the recent years has slightly increased. In 2001 it was 11.1 years, in 2016 it was 10.1 years and in 2020 it was 10.5 years.

c) As can be seen in table provided in the response to Question 6b, the average age of Queensland's vehicle fleet has increased marginally between 2004 and 2021 across all registration categories.

QUESTION:

7. Does the Queensland Government have any policies in place to reduce the average age of the Queensland vehicle fleet?

- a) If so, please provide details of this policy, including what the targeted average vehicle age is and how the policy objectives are to be achieved.**
- b) How does the government support or encourage Queenslanders who wish to purchase a newer, safer vehicle?**
- c) Are you aware of any specific policies that have been adopted in other jurisdictions aimed at encouraging the replacement of older vehicles with more modern and safer vehicles?**

ANSWER:

The Queensland Government encourages Queenslanders to purchase newer, safer vehicles through a number of ways, including:

- SafeCars webtool.
- 'You're no dummy' safe vehicles campaign.
- StreetSmarts social media promotion of safe vehicles.

The SafeCars webtool (<https://streetsmarts.initiatives.qld.gov.au/all-drivers/car-safety>) allows car buyers to check vehicle safety ratings by make, model, and price. It calculates safety ratings for new and used cars. The Used Car Safety Ratings (UCSR) and the Australasian New Car Assessment Program (ANCAP) rate car safety on a five-star scale. Users are encouraged to buy the safest car model they can afford, one that scores at least four stars and above.

The importance of purchasing the safest vehicle buyers can afford, including the SafeCars webtool, was promoted through the 2019 public education campaign, 'You're no dummy', and will continue to be promoted through StreetSmarts social media, including Facebook, Instagram and Snapchat.

The 'You're no dummy' campaign ran online from 30 August to 11 October 2019. The goal of the campaign was to encourage young people, and their parents, to consider safety when buying a vehicle. It included online advertising where people search for second-hand cars, including Gumtree, CarSales and Ebay. Digital advertising was also targeted to reach people at car yards while looking at second-hand vehicles. Social media, Youtube and Catch-up TV were also used, with online video targeting households with young drivers. All media directed audiences to the SafeCars webtool on the StreetSmarts website, which enables people to check vehicle safety ratings and search for the safest car in their budget.

Post campaign market research showed that the campaign achieved exceptional results. More than three-quarters of young people who recalled seeing the campaign said they were more likely to check vehicle safety ratings when buying a car and would consider buying a car with a higher safety rating. More than 7 in 10 said the advertisements made them aware of where they could go to check vehicle safety ratings. Also, more than 8 in 10 parents said they were now more likely to encourage their child/children to buy a safe car since seeing the campaign. 'You're no dummy' achieved more than 23,000,000 impressions, 48,000 clicks, and 6,153,000 completed video views online.

In addition to promotion of the SafeCars webtool, StreetSmarts social media has also promoted important vehicle safety features and technology to look for when buying a car such as Autonomous Emergency Breaking (AEB) and Lane Support Systems (LSS) that can help drivers avoid crashing.

The Queensland Government also maintains a focus on lowering emissions, which will have a flow on effect on the average age of vehicles in Queensland. Policy initiatives aimed at increasing the use of zero emission vehicles in Queensland such as, *The Future is Electric: Queensland's Electric Vehicle Strategy*, was released in 2017 to help position Queensland for an increased uptake in electric vehicles. TMR is also currently developing a *Zero Net Emissions for Transport Roadmap* to help guide the transport sector to a zero-carbon future.

One outcome of pursuing strategies such as *The Future is Electric: Queensland's Electric Vehicle Strategy* and a *Zero Net Emissions for Transport Roadmap* is likely to contribute to a decrease in the average age of the vehicle fleet.

The Queensland Government also provides incentives to people looking to purchase an electric vehicle through reductions in registration and registration (stamp) duty costs. In relation to registration, electric vehicles in Queensland are charged at the lowest rate for passenger cars. The 12-month registration fee for a private use electric vehicle is currently \$267.50. This fee is \$72.70 less than a private use four-cylinder vehicle for example which is charged \$340.20 annually. Electric vehicles are also charged at two percent vehicle registration (stamp) duty at initial registration which is also the lowest rate available in Queensland.

Earlier this year, Victoria announced a pilot 'cash for clunkers' scheme. Under the pilot, the Victorian Government has signalled their intent to offer 1,000 selected young drivers in regional Victoria, cash grants toward the cost of buying newer, safer cars to replace their older vehicles. Details about the value of the grants and conditions placed on how the money can be used have yet to be revealed, but it is known that the grants will be by "invitation only", targeting at-risk young motorists in regional areas identified as owning older cars.

It may also be worth noting the experience in America where the government offered a 'cash for clunkers' scheme for a short period back in 2009. Whilst hugely popular, analysis of the scheme found the program had little or no lasting effect.

While the cash for clunkers program incentivised the purchase of an additional 360,000 cars in July and August of 2009, almost all of the additional purchases under the program were sales that were going to occur in the very near future. The effect of the incentive on auto purchases was almost completely reversed as early as seven months after the program ended through a major drop in car sales following the scheme.

QUESTION:

8. The Queensland Police Union of Employees (QPUE) has advocated for a trial of ghost immobilisers in Townsville. They have suggested that a trial would cost \$5.4million based an installation cost.

- a) Has the department been approached regarding this proposal?**
- b) If so, what is the status of the proposal?**
- c) Are you able to provide any information to the committee regarding the whether an installation cost is realistic and what would the likely cost of ghost immobiliser devices?**

ANSWER:

- a) No.
- b) Not applicable.
- c) TMR's research indicates the cost of fitting a ghost immobiliser varies but is typically within the range of \$700-\$900 per vehicle.

QUESTION:

9. The state government imposes a duty on the registration of new and used vehicles.

- a) How much revenue has the Queensland Government received from new vehicle registration duties for each financial year from 2010-2011 to 2020-2021?
- b) How much revenue has the Queensland Government budgeted to receive in new vehicle registration duties for 2021-2022?
- c) How much revenue has the Queensland Government received from used vehicle registration and transfer duties for each financial year from 2010-2011 to 2020-2021?
- d) How much revenue has the Queensland Government budgeted to receive from used vehicle registration and transfer duties for 2021-2022?

ANSWER:

Queensland Treasury does not specifically collect data that would enable it to determine whether vehicle registration duty relates to a new or used vehicle.

The table below outlines the actual revenue collected from (new and used) vehicle registration duty between 2010-11 and 2019-20, as well as the estimated actual revenue collected in 2020-21 as reported in the 2021-22 Queensland Budget.

Vehicle registration duty revenue

	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21
	\$M	\$M	\$M	\$M	\$M	\$M	\$M	\$M	\$M	\$M	\$M
	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Est. Actual
Vehicle reg'n duty revenue	432	461	509	486	483	504	514	543	555	533	668

Source: Queensland Budget papers

QUESTION:

10. It has been suggested that new vehicle registration duty creates an impediment to Queenslanders who wish to purchase a new vehicle. How would you respond to this suggestion?

ANSWER:

The responsibility for vehicle registration duty sits with Queensland Treasury. Queensland's vehicle registration duty is competitive with other jurisdictions. For example, the vehicle registration duty for a 4-cylinder motor vehicle costing \$40,000 in Queensland is \$1,200. This compares to \$1,200 in New South Wales, \$1,680 in Victoria, and \$2,000 in Western Australia⁴.

Queensland's overall motor vehicle registration fees are also competitive with other jurisdictions. For example, the common full registration cost, including traffic improvement fees and Compulsory third-party insurance for a 4-cylinder motor vehicle, is estimated to be \$744.45. This compares to estimated costs of \$892.22 in New South Wales, \$834.80 in Victoria, and \$768.47 in Western Australia⁵.

Indexation of motor vehicle registration fees is lower than it has been in previous years. In particular, registration fees in Queensland (including the traffic improvement fee) increased by 2.25 per cent in 2019-20, 1.8 per cent in 2020-21, and 1.7 per cent in 2021-22. This compares to annual increases of 3.5 per cent from 2015-16 to 2018-19⁶.

In Queensland, motoring costs (purchase and operation of vehicles) as a proportion of household income was 5.5 per cent in 2019-20 (latest available), the lowest it has been since the income series began in 1989-90. In comparison, this proportion was 6.7 per cent five years ago in 2014-15 and 7.3 per cent a decade ago in 2009-10.

Vehicle registration duty is imposed on applications to register or transfer the registration of a vehicle in Queensland. Therefore, it applies in relation to both new and used vehicles.

Vehicle registration duty is generally calculated on the dutiable value of the vehicle (the list price plus any optional equipment for new vehicles and the higher of the total consideration or the market value for used vehicles) and imposed at the rates set out in the *Duties Act 2001*, which generally differ depending on the number of cylinders that a vehicle has (i.e. ranging from approximately 2 per cent for hybrid vehicles to 4 per cent for vehicles with seven or more cylinders).

Vehicle registration duty is only one of many costs associated with purchasing a vehicle. Many of these costs are ongoing, such as registration and insurance, whereas vehicle registration duty is a one-off payment generally payable at the time of purchase (i.e. as it does not apply in relation to applications to renew the registration of a vehicle).

Like Queensland, other jurisdictions generally do not distinguish between new and used vehicles for the purpose of imposing vehicle registration duty.

⁴ Based on vehicle registration duty calculators on state government websites. Figures represent duty payable only and exclude any transfer fees that may also be applied.

⁵ Estimated registration costs based on a 1,275kg tare for 12-month registration periods as at 1 July 2020 (with the exception of NSW as at 1 March 2020). Source: Department of Transport and Main Roads <https://www.qld.gov.au/transport/registration/fees/comparison>

⁶ Indexation is based on the sum of the registration fee and traffic improvement fee.

QUESTION:

11. Has the Queensland Government conducted any research or cost benefit analysis on a potential lowering of the Queensland road toll that may result from having a younger vehicle fleet than presently exists?

ANSWER:

The Queensland Government has not specifically conducted any research or cost benefit analysis on the road safety benefits of having a younger vehicle fleet than presently exists.

In their submission to the Australian Government's independent inquiry into the effectiveness of the National Road Safety Strategy 2011-2020, the Australasian New Car Assessment Program (ANCAP) analysed Australian fatal crash data over the period 2014 - 2016 (published 2018) as supplied by the Bureau of Infrastructure, Transport and Regional Economics (BITRE) National Crash Database.

The analysis focused on the age of passenger vehicles and SUVs involved in fatal crashes where the fatality was an occupant of the vehicle. ANCAP found through this analysis the following key highlights:

- Older vehicles are consistently over-represented in fatal crashes, with vehicles aged 15 years or older representing the smallest portion of the passenger vehicle fleet but involved in the most fatalities.
- Newer vehicles (five years old or less) represent the largest portion of the fleet yet are involved in fewer fatalities.
- The rate of fatal crashes per registered vehicle for vehicles aged 15 years or older is four times higher than that of vehicles aged five years old or less.
- The average age of vehicles involved in fatal crashes increased over the period analysed, while the average age of the registered fleet remains constant.

More recently, Budd and Newstead (2019)⁷ undertook research to determine the potential road safety benefits of making safer vehicle choices in Australia and found significant savings in fatalities and serious injuries from road crashes are possible through safer vehicle choices. This study is important as it focused on the potential benefits of safer vehicle choices through optimising both vehicle own occupant protection (crashworthiness) as well as across all people involved in crashes (total secondary safety).

While the authors noted replacing the entire light passenger vehicle fleet is unrealistic, the analysis showed if every vehicle was replaced with the safest vehicle of the same age and within the same market group, fatal and serious injury savings of around 33 per cent would be possible, representing savings to the Australian community of nearly \$2b per annum through reduced trauma costs. Safety benefits are maximised, not by choosing vehicles that prioritise protection of their own occupants (crashworthiness) but rather through choosing vehicles that provide best possible protection from injury for all people involved in a crash (total secondary safety)

Queensland is currently working with other Australian jurisdictions at the National level to further consider the road safety benefits and implications of reducing the vehicle fleet age. An important component of this will be determining both the social and economic costs associated with artificially stimulating fleet turnover within Australia, over and above safety considerations.

⁷ <https://roadsafety.transport.nsw.gov.au/downloads/making-safer-vehicle-choices.pdf>

QUESTION:

12. Vehicles manufactured from 2001 onwards have been required to have an engine immobiliser fitted.

- a) How many vehicles manufactured pre-2001 are currently registered in Queensland?
- b) What proportion of Queensland's total registered light vehicle fleet is manufactured pre-2001 and then from 2001 onwards?
- c) If possible, can the figures for currently registered vehicles manufactured pre-2001 and from 2001 onwards also be broken down by region of registration?

ANSWER:

- a. As at 30 June 2021, there were 5,642,365 (light and heavy) vehicles on the Queensland register. A small number (<0.1 per cent did not have an age recorded) have not been included in the table that follows.

Of these:

- 768,888 (13.6 per cent) were manufactured prior to 2001;
- 4,868,034 (86.3 per cent) were manufactured from 2001 onward.

- b. As at 30 June 2021, there were 4,048,395 light vehicles on the Queensland register.

Of these:

- 391,542 (9.7 per cent) were manufactured prior to 2001;
- 3,656,099 (90.3 per cent) were manufactured from 2001 onward; and,

- c. The breakdown of all vehicles by TMR Customer Service Branch Region⁸ is:

Vehicles on the Queensland register, 30 June 2021		
TMR Customer Service Branch Region	Year of Manufacture	
	Prior to 2001	2001 onward
Central	92,406	455,257
Northern	103,961	521,789
South East North	174,604	1,353,085
South East South	231,267	1,874,857
Southern	163,346	628,817
Interstate / Overseas / other	3,304	34,229
Total	768,888	4,868,034

⁸ https://intranet.tmr.qld.gov.au/sites/csb-reg/Documents/Map_1_Qld_Customer_Service_Offices_TMRO.pdf

QUESTION:

13. Has Queensland ever implemented a vehicle requirement rule (separate from the Australian Design Rule (ADR) system) as a condition of registering the vehicle?

(For example, in 1999, Western Australia made the installation of an immobiliser a compulsory requirement for all motor vehicles not more than 25 years old. In 2008, the Victorian Government required as a condition of registration that all new passenger vehicles underwent the fitment of Electronic Stability Control from 2011 and Head Protecting Technology, such as Side Curtain Airbags, from 2012.)

ANSWER:

No, Queensland has never implemented a vehicle requirement such as this. When it comes to regulating road vehicles, Queensland continues to support the clear differentiation of the roles between the Commonwealth and the States and Territories.

The role of the Commonwealth is to manage the standards that are applicable to new (and imported used) road vehicles at the point of their first supply to the Australian market. Queensland, like other States and Territories, has the responsibility to manage and maintain the standards of in-service vehicles.

QUESTION:

14. How does the department monitor and respond to any changes to vehicle modification rules that occur in other Australian jurisdictions?

- a) Is there an automatic dialogue process between TMR and the other jurisdictions to discuss why they have decided to change their rules about a certain modification?**
- b) Is there a process triggered for TMR to then consider if a change in another jurisdiction is supported in Queensland?**
- c) Does TMR engage with stakeholders to ask for their views on the changes that have occurred in another jurisdiction?**

ANSWER:

The National Code of Practice for Light Vehicle Construction and Modification (VSB-14) was developed collaboratively by all state and territory regulators. Jurisdictions participate in regular meetings of the *Single Issue Working Group* (SIWG) to discuss maintenance of VSB-14, modification schemes, topical issues and the emerging actions being taken. The SIWG is a national forum of all state and territory jurisdictions that meets twice a year under the auspices of the Commonwealth Department of Infrastructure, Transport, Regional Development and Communications (DITRDC).

Each jurisdiction has adopted the core content of the code of practice in different ways. Some have called up the code of practice as a regulatory instrument in their subordinate legislation whereas others have declared it as one of the acceptable ways of certifying modifications. In addition, each jurisdiction, including Queensland, has at times facilitated modifications that are / may be unique requirements of its vehicle fleet and operators.

When jurisdictions have adopted unique modification codes, they also have the option to offer those modification codes to the SIWG for adoption into VSB-14 for use by all other jurisdictions. If offered and accepted, then the unique modification code becomes the harmonised national modification code. Queensland has always offered all of its unique codes to the SIWG for consideration and adoption into the VSB-14 as national codes.

As set out in the Queensland Government written submission, TMR is actively collaborating with colleagues from other jurisdictions, and major industry groups, to progressively and meaningfully align vehicle modification requirements.

An example is TMR's current work with Victoria and NSW, and industry, in developing a draft code permitting an increase in a vehicle's Gross Combination Mass (GCM). It is intended have the code endorsed and adopted nationally (in the NCoP) which will help ensure a consistent approach to the management of GCM modifications for light vehicles, regardless of the state in which it is modified. This cooperative cross jurisdictional approach can be progressively applied to the other topic areas where in-service light vehicle modification requirements currently differ among the states or with the NCOP.

An agenda paper is proposed to be put forwarded to the national Infrastructure and Transport Ministers' Meeting later this year. While any final option will of course be dependent on what that Ministerial Forum, including the other States and Territories, it is proposed to seek a commitment of Ministers for a consistent national approach to in-service light vehicle modification standards. Further, to commit to a formal a review of regulatory options to achieve greater coordination and national harmonisation of light vehicle modification requirements, including with the Commonwealth Government.

Finally, TMR routinely engages with stakeholders, when consulting on changes to policy/vehicle standards requirements or through regular meeting of the *Recreational Motor Vehicle Safety Group* for example. Where another state has a more flexible/lenient approach to a particular modification, the option of Queensland adopting the interstate option is often discussed. That may not be the case of course, when other states have more onerous requirements and stakeholders are happy to retain the Queensland model.

QUESTION:

15. The Low Volume and Individually Constructed Vehicle Association (LVICVA) suggested that NSW does not issue modification plates, and this could lead to police being unaware of the legality of the modification. Can TMR please comment on this issue?

ANSWER:

Many types of vehicle modifications do not require certification or the fitment of modification plates. In Queensland, only modifications that require certification by an accredited Approved Person under either the Queensland or National Code of Practice for light vehicle modifications are issued with a Certificate of Modification and the vehicle fitted with a modification plate. More complex modifications that are not covered by a code of practice may be approved by the TMR by issuing a modification approval letter. In these cases, a modification plate is not fitted to the vehicle.

A vehicle owner can present either a modification certificate or a TMR modification approval letter to a Queensland Police Officer as evidence that a light vehicle modification has been approved. While a modification plate provides the benefit of an additional method of demonstrating compliance, it is not the only method accepted by QPS.

A modification certificate or approval letter from another jurisdiction is an acceptable method of demonstrating the modification has been approved provided the vehicle is currently registered in the jurisdiction in which the modification approval was issued. It is recommended that the vehicle owner carries a copy of the modification approval or certification while travelling in Queensland so that it can be presented to a Queensland Police Officer in the event their vehicle is subject to a roadside inspection.

QUESTION:

16. The committee has heard that Queensland automotive aftermarket businesses may have been undertaking modifications that were not legal in Queensland. Is there a clear set of rules that are understood by all parties that state what modifications and products are legal in Queensland? If not, why not?

ANSWER:

In Queensland, all significant and extensive modifications to light vehicles must either (i) be certified either according to a specific published Code for Modifications or (ii) have an individual Vehicle Standards (TMR) Approval, if granted. The codes for modifications are contained in the VSB-14 and the Queensland Code of Practice.

The requirements for legally certifying the modifications are clear and communicated to the Approved Persons authorised to certify modifications and are available on-line. This information is also relayed to representatives of modification companies attending the information sessions held by TMR.

Vehicle Standards Approvals are granted to applicants that have demonstrated that, while a current code of practice does not address their unique requirements, there is a genuine operational or community service need for the modification and there are adequate measures in place to mitigate any risks.

Compliance to these requirements is verified during random roadside inspections, regular safety inspections, regular and triggered audits of Approved Persons and as part of any specific road safety campaigns undertaken by TMR and QPS.

QUESTION:

17. The committee understands from other stakeholders that there are a few testing facilities available for issues such as emissions control including free tests in NSW and a \$700 test in Victoria. Does Queensland have any testing facilities? If not, is TMR considering developing testing facilities in Queensland?

ANSWER:

Queensland does not currently have comprehensive vehicle emission testing facilities. While there are opportunities for Approved Persons to provide test facilities to conduct IM240 emission testing under the National Code of Practice - LT3 code, the cost to establish testing facilities and the lack of consumer demand has not made this a financially viable option to date.

TMR acknowledges the impact of vehicle emissions on public health and climate change. However, TMR's dominant priority is reducing the number of lives lost on the road each year and instigating additional and enhanced road safety measures, such as the introduction of mobile phone and seatbelt monitoring technology later this month. TMR is not currently considering the development of emission test facilities in Queensland.

Vehicle emission standards are set by the Commonwealth Government to apply to new and imported used vehicles when they are first supplied to market in Australia. Australia tends to harmonise its emission standards with the international United Nations Economic Commission for Europe standards.

Queensland continues to work with the Commonwealth and all the states / territories to achieve better environmental outcomes in relation to emissions from transport by early adoption of tighter standards for vehicles when first supplied to market. Encouraging low and zero emission vehicles in Queensland fleet is also part of its strategy to reduce emissions from transport.

QUESTION:

18. The LVICVA provided an example of a Herrod Performance high-performance Mustang. They advised that the requirements for the testing was the same for all states and was undertaken in Victoria. However, there were slight differences in the certification requirements for each of the states which required different certification certificates to be issued. Would you like to comment on this issue, including some suggestions about what work is being done to resolve these types of issues?

ANSWER:

In addition to the regulation of vehicle modifications itself (see answer to Q14), each state and territory runs its own separate scheme to accredit and regulate the actual persons who certify the modification (e.g. similar to the case of approval of the curriculum used to teach students is separate to the scheme licensing the actual school teacher themselves).

In a scheme regulating the persons who certify modifications the following types matters are relevant: eligibility requirements for appointment, business rules and record keeping requirements, and the audit and compliance activities.

A solution to this sort of variation could also be considered as part of proposed Agenda Paper at the national Infrastructure and Transport Ministers' ITMM seeking endorsement from all jurisdictions to undertaking a review of options to achieve a national harmonised regulatory system. Specifically, that the review also covers administrative arrangements for managing the light vehicle certifiers.

QUESTION:

19. The Australian Automotive Aftermarket Association (AAAA) have recommended that a vehicle standards working group be established, modelled on the group that operates in New South Wales.

- a) Has TMR received this request from AAAA and what is TMR's response to the proposal?**
- b) The AAAA advised that the implementation of a vehicle standards working group would increase the collaboration and communication between industry and government and achieve better outcomes from regulation. Does TMR agree with this?**

ANSWER:

TMR has fostered a healthy and productive working relationship with the AAAA and achieved some significant steps in ensuring the safety of all road users and both organisations agree that this outcome is paramount.

More recently, TMR has convened the Recreational Motor Vehicle and Safety Group (RMVSG). The group has a broader membership and has an expanded scope in comparison to the previous Motoring Organisation and Car Club (MOCC) forum, which has met regularly over a number of years. The AAAA, and other entities like the RACQ and the Australian Recreational Motorists Association (ARMA), for example have accepted invitations to participate, along with existing members of the MOCC forum, as part of the RMVSG.

The role of the RMVSG is to foster deeper engagement and cooperation between TMR and representative bodies whose stakeholders have an interest in motor recreational activities and vehicle safety. Those interests are quite broad (including but not restricted to vehicle standards modifications); and the variety of topics raised in the recent Parliamentary Committee inquiry into Motor Recreational provided an ideal example of that.

TMR has had informal discussions with the AAAA about the formation of what is more commonly referred to as a Technical Advisory Committee (TAC). The option was also raised at the last RMVSG meeting earlier this year.

In NSW, the TAC is known as the Vehicle Safety Working Group (VSWG) and comprises representatives from industry and Transport for New South Wales (TfNSW). The group is co-chaired by a representative from industry and a representative from TfNSW and their role is to provide advice to the Roads Safety Advisory Council on vehicle standards issues relating to NSW.

A common promoted feature of state-based TACs is for these committees, made up of regulators and industry representatives, to be given a type of legal decision-making power / veto regarding light vehicle modification standards, with the government / parliament simply sanctioning the committee's decisions. TMR is not supportive of delegating law making or delegating decision-making power for light vehicle modification standards, and there is no justification for such a proposal.

As was also proposed in several written submissions, industry would also like to see nationally harmonised vehicle standards and TMR supports that ideal. Establishing a series of state based TACs is ultimately counterproductive to a truly harmonised in-service vehicle standards framework – with each group simply advocating for concessions in each state. This point was made at the last meeting of the RMVSG when the option was raised.

A further limitation is that no single state or territory TAC or regulator can, on its own, ultimately achieve national harmonisation of in-service vehicle modifications. What is needed is a genuine commitment of state and territory ministers to not only achieve harmonisation, but to also provide a mechanism to maintain it into the future.

TMR is not in favour of introducing a Queensland focused TAC, in addition to the existing RMVSG. Rather there is more value in continuing to progress efforts towards achieving harmonisation of in-service vehicle medication standards by the means set out in the Queensland Government written submission. There will be also be a need in any harmonised regulatory model to ensure that suitable industry engagement / consultation is a core feature

QUESTION:

20. With regard to QFleet:

- a) How many vehicles presently comprise the QFleet?**
- b) Do QFleet vehicles currently utilise any telematics software programs to monitor the usage of those vehicles?**
- c) (If yes) What impact has the use of this technology had in regard to any reduction in unsafe driving, accidents and insurance claims?**

ANSWER:

- a) QFleet consists of 10,333 vehicles. TMR manages its own fleet which consists of 1,028 vehicles.
- b) 35 QFleet vehicles have telematics installed which is combined with carpooling software to manage these vehicles. A further 1,005 TMR vehicles have a telematic system known as 'In Vehicle Management System' installed.
- c) The introduction of this type of technology into the QFleet and TMR fleets only began in the last 12 months and it is too early yet to tell if the presence of this equipment has impacted driver behaviour or insurance events. Any impact on insurance, if it was to eventuate, is likely to be some time off.

QUESTIONS:

As advised at the hearing, the Australian Recreational Motorist Association (ARMA) has provided the following questions to the committee and requested advice from the department. The committee has agreed to put these questions to the department and will consider the responses as part of its inquiry.

- 1. Under the federal Second Stage Manufacturing (SSM) process, can brand-new 4WD vehicles fit vehicle lift kits which are outside the Queensland regulations and still proceed to have the vehicles registered in Queensland?**
- 2. Can a 4WD vehicle which is currently registered in Queensland, install and certify a vehicle lift kit which has been approved under the SSM process - assuming the lift kit is being fitted to the exact same vehicle type it was originally certified?**
- 3. If an SSM certified suspension kit cannot be installed and certified on a Queensland registered 4WD vehicle, then why not?**
- 4. If all brand-new 4WD vehicles are able to safely engineer and certify SSM 4WD lift kits to limits outside the Queensland modification standards, then why are Queensland regulations so restrictive about current in-service 4WD vehicle modifications, shouldn't they also be able to engineer and certify modifications using ADRs?**
- 5. Can't the 4WD vehicle owner choose a lift kit modification of their own choosing, which can be engineered and certified at any time in the vehicle's life, noting there are fixed vehicle dimensions in the ADRs, already preventing vehicles from being lifted to high?**
- 6. If vehicle modifications are not safe, practical and affordable for all Queensland vehicle owners, and they chose to undertake the modifications illegally because the cost and restrictions are too high, how does this impact the safety of other road users?**

ANSWER:

To meaningfully address these questions, it is necessary to provide some background on the Commonwealth Government's Second Stage of Manufacture (SSM) scheme, highlight current experiences with the scheme, and discuss the role of critical vehicle safety features.

Second Stage of Manufacture Scheme

Modifications to customise new vehicles prior to first supply to market can be performed under the SSM approval process managed by the Commonwealth Department of Infrastructure, Transport, Regional Development and Communications (DITRDC).

The SSM approval pathway was setup with a legitimate objective of meeting the requirements for vehicles that need to be adapted to meet the needs of small markets. Examples include the modification of a vehicle to turn it into a Tow Truck, Ambulance, Motorhome, Fire Truck, Wheelchair Accessible Taxi, Armoured Security Vehicle and so on.

Under more recent developments, an SSM applicant under the Commonwealth scheme can also request approval for a range of pre-registration modification matters, for example to increase a vehicle's Gross Vehicle Mass (GVM). SSM scheme applicants seeking a GVM upgrade are often fitting a suspension kit that also lifts / raises the vehicle. The vehicles supplied to market under the SSM scheme must maintain compliance with Australian Design Rules (ADRs).

One issue that becomes relevant when a vehicle is raised is Electronic Stability Control (ESC). Often modern vehicles seeking GVM rerating under the SSM scheme have ESC already fitted by the OEM. The ADR's provide that ESC is mandatory for new vehicles up to 3.5t GVM. However, the ADRs do not mandate ESC for a new vehicle between 3.5t and 4.5t GVM.

Nevertheless, almost all of the OEMs of new light vehicles with GVM in the range 3.5t to 4.5t are today voluntarily fitting an ESC system in the interest of safety, despite not being mandatory.

Vehicle lifts under the SSM scheme

New vehicles where the GVM increase results in the vehicle still being under 3.5t GVM

- TMR, as well as NSW and Victoria, is aware that there is a level of misunderstanding by some recreational vehicle modifiers as to what is the extent or meaning of an approval under the Commonwealth's SSM Scheme.
- There has been a misbelief that the Commonwealth's approval to increase a vehicle's GVM also incorporates in some cases (i) approval to also undertake a high lift of the vehicle (over 50mm), and/or (ii) that there is no need to perform the necessary testing to ensure the vehicle's ESC system continues to function.
- We understand applicants for SSM approval are not always universally providing details of lifts in their applications and / or suitable evidence of ESC compliance even if they include details of lift. TMR understands from DITRDC that SSM approvals to re-rate GVM do not incorporate approval to undertake a high lift in absence of ensuring ESC continues to function.

New vehicle where the GVM increase results in the vehicle being between 3.5t and 4.5t GVM

- There is no legal requirement under the SSM scheme for an applicant to demonstrate ESC functionality is maintained where a GVM increase incorporates a high lift (as it is not mandatory under the ADRs for ESC to be fitted for this category of new vehicle).
- Nevertheless, almost all of the OEMs of new light vehicles with GVM in the range 3.5t to 4.5t are already voluntarily fitting an ESC system in the interest of safety.
- Despite it not being mandatory to test ESC still functionality, there is still a fundamental problem: the vehicle was originally manufactured with a key safety feature (being ESC), and there is no current need to confirm that safety feature continues to function as required when performing a high lift.

TMR, along with TfNSW and DoTV who share similar concerns, are currently in communication with the Commonwealth Government over these matters, with the intention of clarifying for the community / industry what an approval under the SSM scheme actually means (and more importantly does not mean) and further, whether the Commonwealth would consider enhancements to the SSM approval process more generally to better manage vehicle safety requirements.

In an effort to address these concerns as part of a broader focus on expediting the national harmonisation of in-service light vehicles standards, Queensland will be progressing an Agenda Paper to the next National Infrastructure and Transport Ministers' Meeting. TMR will be seeking a commitment to ensure greater consistency between modification standards at SSM level and for in-service vehicles. To not do so would undermine efforts to harmonise in-service vehicle modifications.

Despite current communications the States are having with the Commonwealth, TMR recognises and registers brand new 4WD vehicles that have been modified under the Commonwealth's SSM scheme, without imposing any further requirement.

When it comes to in-service vehicles, TMR recognises in-service 4WD vehicles (of the same make and model) that have been modified in a consistent manner to a vehicle under the SSM scheme. The only exception is that where the in-service vehicle has (consistent with an SSM approved vehicle) also been lifted by more than 75mm, consistent with the Queensland Code of Practice, we require ESC to be tested to ensure it continues to function at the increased height.

In Queensland, an in-service vehicle such as a 4WD is permitted to be raised 75mm or 3 inches (50mm suspension + 25mm tyres) without certification by an Approved Person, but for lifts between 75 mm and 150mm it does require the necessary tests to be carried out to verify the continued performance of the ESC before the lift can be certified.

In terms of the ESC testing, there is a comprehensive test facility in Victoria which opened in late 2019 with the support of the AAAA. Further, we have an Approved Person in North Queensland with the required equipment who can provide testing of ESC, and other Approved Persons are currently investigating their equipment options.

It does not mean you need to test every single modified vehicle that needs to be certified. You only need to test one modified vehicle type to verify continued performance of the ESC. For example, if you test a 2020 Toyota Hi Lux with a particular lift / suspension combination / set up, and it is determined that the ESC still works at the increased height, you can continue to apply that lift combination to any other in service vehicle of the same make and model without further testing.

Road safety benefits of vehicle safety features

Advancements in vehicle safety features over years have been a significant contributor to road safety outcomes, preventing serious injury and death.

OEMs (such as Toyota) spend considerable time and resources to ensure safety technologies (such as ESC and Advanced Emergency Braking) are installed and function as required.

In terms of safety features, ESC is the most significant safety development since the seatbelt several decades ago. It has contributed significantly to the reduction of road trauma by way of avoided crashes and reduced fatalities and serious injuries⁹.

ESC helps a driver recover from loss of directional control and stability by selectively and automatically applying brakes to individual wheels. ESC is a helpful feature on vehicles of all categories, but more so on lighter vehicles. Lighter vehicles are often pushed to the limit of their handling ability compared to goods carrying heavier vehicles. Vehicles re-rated (rather than designed) to GVM above 3.5t are rarely driven at their full load rating. Most of them are still used as light recreational vehicles and very much need and stand to benefit from safety features like ESC.

For these reasons, TMR believes it is imperative that in the interests of road safety, where modifications are made to in-service vehicles which impact these critical vehicle safety features, the required tests are undertaken to ensure that safety outcomes are not compromised.

TMR supports the safe modification of 4WD vehicles and knows that illegal modifications have the potential to affect vehicle braking, stability and propensity to roll over, especially at highway speeds.

TMR strongly encourages vehicle owners to make sure any modifications they make to their vehicle are compliant in accordance with the law. TMR also strongly encourages motor recreational bodies, such as ARMA, to promote the use of safe and legal modification practices among their members and assist the government in its road safety message.

9

<https://acrs.org.au/files/papers/arsc/2015/McAuleyJ%20031%20The%20impact%20of%20airbags%20ESC%20and%20AEB.pdf>