



14 September 2012

Mr Bjarne Nordin
Inquiry Manager
Parliament of New South Wales
Macquarie Street
SYDNEY NSW 2000

By email: staysafe@parliament.nsw.gov.au

RE: RESPONSE TO THE COMMITTEE'S ADDITIONAL QUESTIONS & QUESTIONS TAKEN ON NOTICE

Dear Bjarne

I refer to your letter of 5 September pertaining to the additional questions asked by the Committee and seeking responses to questions that were taken on notice by Suncorp at the hearing.

Further, we appreciated your granting of the extension until today to respond to the above requests. Attached you will find our responses.

If you have any questions or need any further clarification in the information we have provided, then please don't hesitate to contact me on 0419 772069 or via e-mail at mike.thomas@suncorp.com.au.

Yours sincerely



Mike Thomas
Manager
Group Government and Stakeholder Relations

Suncorp Response to Questions on Notice

Below are answers to questions taken on notice during Suncorp’s appearance before the Joint Standing Committee on Road Safety Inquiry into Driver and Road User Distraction.

1. The take-up of the BetterDriver Telematics system is in its early rollout phase. To date approximately ten (10) BetterDriver customers have taken out a discounted policy with AAMI.
2. The *2012 AAMI Crash Index* (due for launch late in September) analysed 275,000 accident claims over the past year and compared the breakdown of crash types with claims data from five and ten years ago. The analysis shows that:
 - a. Nose-to-tail collisions remained relative steady over the past 10 years, sitting between 27% and 29% of all accident claims lodged since 2002. The proportion of nose-to-tails in the year to June 2012 was 28.1%
 - b. Accidents with parked vehicles (including in car-parks), however, has risen from a low of 15% in 2004 to almost 20% of accident claims in 2012.

Given that the *2012 AAMI Crash Index* is not yet released we give an undertaking to forward to each member of the Committee, and the Committee Secretariat, an advance copy of the *Index* in the coming week.

3. While we understand the desire of the Committee for more accurate information and to better understand the level of contribution “using an electronic device” is in vehicle accidents, the proposition of a “moratorium” on such declarations associated with claims against motor vehicle insurance policies is not something that we will be considering at this time. AAMI believes that more detailed/expansive questions in future crash index surveys may provide more detailed information for use by interested parties.
4. The 2012 AAMI Crash Index research revealed the following were identified by people who have had an accident in the past five years as contributing factors:

Which, if any, of the following factors contributed to that accident or these accidents?			
Other Driver/s	45%	Traffic Congestion	12%
Carelessness	29%	Speeding	11%
Distraction/Loss of Concentration	28%	Fatigue	10%
Bad Weather	14%	Animal on the Road	8%
Impatience	13%	Alcohol	3%
Bad Roads/Infrastructure	12%	Some other factor	15%

Suncorp's Response to Additional Questions

1. *A number of submissions to this Inquiry, including the research presented by AAMI have highlighted concerns that younger drivers (aged 18-24) are more likely to use their mobile phone while driving.*
 - *Why do you think younger drivers are more likely to behave, or more likely to admit to behaving, in this manner?*
 - *What can be done to specifically target these younger drivers who are more prone to distracted driving?*

Response

Younger road users have been raised with mobile phones. They have grown up in an era that is increasingly 'instant'. So many things – information, conversations, goods and services – are available on demand and this impacts their expectations as consumers.

'Nomophobia' is the name given to the fear of being out of mobile phone contact. While it is not a scientific phobia, studies overseas have identified the stress and anxiety of being unable to use one's mobile phone as a very real thing.

Younger road users and their familiarity with and higher use of technology and an 'on demand' like pre-conditioning would more likely makes younger drivers prime candidates for Nomophobia.

As with other risky driving behaviours, younger drivers are less likely to comprehend the risks associated with the dangers of using their mobile phone while driving. Driving courses such as the AAMI Skilled Driver course can be used to help novice drivers understand these risks.

Likewise, advertising and digital marketing can demonstrate in an impactful way the risks of mobile phone use, as well as helping to attach a stigma to such behaviours. For example, this Volkswagen YouTube clip demonstrating the dangers of putting on make-up while driving –

<http://www.youtube.com/watch?v=eX6gZkaHmY>

2. *The results of your survey also suggest that drivers in NSW aged 25-49 are just as likely, or in some case more likely, to perform tasks such as reading emails, browsing the internet or sending and reading text messages, which is considered more dangerous (Graph on P9).*
 - *Why do you think this may be the case? Could a focus on younger drivers and the associated restrictions on provisional drivers lead to complacency amongst older drivers?*
 - *Should campaigns be specifically targeted at this group to change their behaviour?*

Response

More experienced drivers tend to drive 'on automatic', that is, they don't have to consciously think about the driving basics – brake here, indicate here, slow down here – due to their experience.

As a consequence of this belief, they may feel themselves capable of and comfortable of 'multi-tasking' with technological devices. This self-assurance may well breed contempt into drivers that their abilities, behaviour and reactions will not be impacted by partaking in such activities.

We feel there is value in also targeting this group and are currently investigating options for this utilising both traditional and social media.

3. *The submission also shows that NSW drivers who answered the survey believe that 'drivers distracted by mobile devices, children and other' is almost as great a threat as drivers under the influence of alcohol or drugs (P9).*
 - *Given the success of education and publicity campaigns to stigmatise drink driving, do you think it would be beneficial to conduct something similar for distracted driving?*

Response

As mentioned in our response to Question 1 (above), the Suncorp Group believes any educational campaign to make drivers more aware of the consequences of distracted driving can also stigmatise that behaviour. It is important to remember, however, that it has taken many years of consistent drink driving and speeding campaigns to have a noticeable impact on the target market, given it is essentially a societal change.

4. *Can you provide the Committee with further information on the partnership between AAMI and Mercurien and the beneficial results in crash behaviour (P13)?*
 - *What are some of the key features of the 'Better Driver' systems developed by Mercurien?*

Response

The 'Better Driver' system is a form of telematics. It involves installing a device in the car that tracks driver behaviours, such as acceleration, speed, braking, lane changes and routes taken.

The device comes with an in-car 'tutor'. The tutor is a graduated series of beeps (ie 1 beep=safe through to 4 beeps=more dangerous behaviour). For example accelerating downhill would drive an increased number of beeps.

Fleet trials carried out by Mercurien showed a 38% decrease in the crash rate during the trial.

5. *The submission states that AAMI would be interested in developing a cooperative road safety strategy in partnership with Government, industry and community organisations.*
- *Has any work been done to foster such a partnership?*
 - *Similar reference is made to a working group that further investigates technological solutions that supports safe driving. Is this something which is discussed in the industry?*

Response

As mentioned in our submission, AAMI has demonstrated is working in partnership with the University of New South Wales' School of Psychology to conduct a three-year study into the behavioural effects of road rage, driver distraction and driving anxiety. This project has allowed the research team to build a state of the art driving simulator that exposes participants to various situations and triggers and measures the participant's physiological response.

In addition as mentioned in the hearing and the answer provided above, the findings of the research into driver assistance technology conducted by University of Sydney's has seen AAMI partner with Mercurien to promote the Better Driver system.

The potential working group mentioned in our submission is a proposition raised by the Suncorp Group in an attempt to raise the idea for consideration of other parties interested in road safety and safe driving.