

INQUIRY INTO HEAVY VEHICLE SAFETY AND USE OF TECHNOLOGY TO IMPROVE ROAD SAFETY

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The Chair
StaySafe Committee
Parliament House
Macquarie Street
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StaySafe Inquiry into heaving vehicle safety and use of technology to improve road safety

Thank you for the invitation to provide a submission to the above StaySafe Inquiry. Where appropriate, I have commented below on the Terms of Reference for this Inquiry. I am also happy to appear before the Committee and expand on the points made.

By way of background, I have been involved in the freight transport sector in NSW for over 50 years. I am Chairman of the Board for Ron Finemore Transport (RFT) which was established in 2004. I have been a pioneer in advocating improvements to road transport health and safety to ensure our drivers and other road users get home safely to their families and friends.

I am currently chairman of the NSW Freight Advisory Council, and a member of the NSW Road Freight Industry Council and the NSW Road Safety Council.

RFT is dedicated to continuously refining and pursuing an innovative approach to health and safety standards on the road and in our workshop. Through best-practice work processes and safety systems, training, fatigue management, accident prevention and effective lines of communication, I consider RFT is a leader in the road transport industry when it comes to safety.

In particular, RFT Telematics, an advanced safety systems installed in all RFT equipment produces reports and data on individual drivers, giving managers a real time tool to monitor and improve driver behaviour, thus improving road safety. In addition, our recent large investment in improved fatigue and distraction detection management tools (Seeing Machines technology) has RFT continuing to show leadership when it comes to improving road safety outcomes.

RFT History

Our head office is located in Wodonga on the New South Wales/Victoria border, directly in the centre of the Sydney-Melbourne-Adelaide freight triangle, RFT provides regional and inter-capital city line-haul road transport services across four major operating divisions; general freight, liquid freight, temperature-controlled, and bulk freight.

We also operate out of our \$9 million custom-design operations base in Orange in servicing our customers in central-western New South Wales plus we operate regional hubs in Wagga Wagga, New South Wales, and Wacol Queensland to support our logistical network. This allows RFT to continue to provide a consistent safe and reliable standard of customer service.

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More than 450 people are employed by RFT, including drivers, internal maintenance workshop crews, operational and administration staff. Many of the current senior managers, drivers and support staff originally worked for Finemore Holdings; demonstrating the high level of employee satisfaction and care that exists within the company.

With a fleet of more than 200 prime movers, and upwards of 400 pieces of trailing equipment, travelling over 50 million kilometres annually, RFT maintains a strong safety culture, supported by industry best practice compliance accreditations including:

- TruckSafe: Management, Maintenance, Workplace Health and Safety, and Training
- National Heavy Vehicle Accreditation Scheme: Mass, Maintenance, Basic Fatigue.
- Retail Logistics Supply Chain Code of Conduct
- Customer Quality and HSSE assurance standards
- Canberra and Regions Oil Industry Emergency Response Group
- HACCP Food Safety Certification
- Australian Institute of Petroleum Safe Load Pass certification for two in-house maintenance workshops

Inquiry Terms of Reference

My 50+ years' experience obviously places me in a better position than most to realistically talk about safety in our sector and also more broadly, in the community. Over this time, and more specifically in the last 20 years, we have seen a big decline in the road fatality rate across the board in NSW but specifically in relation to fatalities involving heavy vehicles. In my view, from an industry perspective, this has mainly been driven by three factors namely:

- Continuing positive impact that the chain of responsibility legislation has had on the industry and on our customers. Today, many more customers are aware of and embracing their responsibilities and are increasingly demanding companies provide safer services.
- Investment in our roads particularly major freight routes like the Hume and Pacific Highways.
- Improvements in road freight industry culture and approach.

So I would suggest that the Committee's main focus be on supporting and further embracing initiatives that clearly assist in improving road safety such as the chain of responsibility concept. I would also ask the Committee not to make knee jerk recommendations based on a narrow timeframe of outcomes.

In this overall sense, I do endorse the Committee's focus in looking at the potential for technology to assist in improving road safety.

Having said this, in my view it is critical that governments learn from the mistakes of the past where many unsuccessful attempts have been made to "impose" technological solutions on the road freight sector. For example, the Intelligent Access Program (IAP) which operates in NSW showcases the pitfalls of regulators pursuing a holy-grail type outcome at great expense with little benefit to anyone.

Rather, I implore Governments to work collaboratively with the industry to ensure any initiatives complement the large investments already and continuing to be made by leading industry companies like RFT in safety and other technology.

Comments where relevant are provided below on each of the terms of reference namely:

- a) The management of heavy vehicle driver fatigue and other safety risks through in-vehicle technologies, including benefits, costs, availability and adoption by industry
- b) The development of connected and automated vehicle technologies specific for the heavy vehicle industry and opportunities for further development in this space
- c) The role of compliance and enforcement in maintaining the safety of heavy vehicles on our roads
- d) Heavy vehicle safety strategies implemented in other jurisdictions, both domestically and internationally
- e) The road toll during the period commencing 1 December 2017 through to 31 January 2018.

The management of heavy vehicle driver fatigue and other safety risks through in-vehicle technologies, including benefits, costs, availability and adoption by industry

Yes, RFT believes that fatigue and distraction detection technology is assisting us find ways to improve our road safety outcomes relating to fatigue. However, much work is still to be undertaken to ensure that we can use the technology and the data it produces to achieve that goal.

On the other hand, I recently congratulated NSW Roads Minister Melinda Pavey MP for resisting the pressure being applied on the back of the Xmas period road toll to mandate the use of Electronic Work diaries (EWD's) in heavy vehicles. There is no rationale to do so – in my view, this was simply blatant opportunism to push a particular technology which is far from being proven. RFT will not be adopting EWD's as we do not believe they provide a road safety benefit given the current prescriptive regulatory environment. I also note that the Australian Trucking Association (ATA) has said it will not support the voluntary use of EWD's until:

- the fatigue regulations have been amended to include realistic EWD tolerances,
- further action is taken to increase the quantity, capacity and quality of driver rest areas
- the standards are amended so that EWDs do not provide a 28 day list of minor breaches to enforcement officers.
- a statement has been issued by the NHVR clarifying the meaning of 'voluntary' EWD with specific reference to NHVAS, PBS, notice and permit conditions.

The ATA has also said that it is working to find better fatigue management solutions with certain technology providing a huge opportunity in that area. I endorse and agree with all these points.

In this context, RFT has already invested over \$1m in the last two years in fatigue and distraction detection hardware and its ongoing development. We are also involved in complementary projects with the

manufacturer, Monash University and Volvo trucks to ensure the technical aspects of this equipment work more effectively than when we first decided to go down this path.

Interestingly, the National Heavy Vehicle Regulator (NHVR) is the only regulatory authority to show an interest in this work with its CEO visiting RFT last year to view the technology in action. To her credit, NSW Roads Minister Melinda Pavey has also recently visited our facility to view this technology.

RFT has also recently sought a small grant from the NHVR to undertake complementary work to assist in further enhancing our large investment in fatigue and distraction detection technology. In our funding application, I said *"a key challenge with any technology is ensuring the full safety benefits are maximised and delivered. This requires a sound understanding of the technology and why it is was selected to then deliver the best ways to use this technology to improve safety for internal compliance, regulation and the community at large"*.

We understand this technology is a potential winner – but the larger challenge (as it is with any technology) is ensuring the "how to" Manual on using it effectively is also able to be developed – this is more important than the technology itself. Technology is just a tool, it is really more about how it is used that makes the difference. We need to use the data to encourage a change in behaviour, not dismiss people who then go and work for someone else with the same unsafe habits. This is part of ensuring our people want to embrace it as an initiative that will help improve their own safety. RFT and others have to "learn" and develop systems that help us effectively utilise the data so we can assess and address prospective fatigue and distraction incidents before they happen rather than after.

I make these comments as I often perceive Governments and their bureaucrats think the best way to address a perceived problem is to throw "the next best thing" government response at it – an example of this would be mandating a particular alleged solution, in this case some type of technology such as Electronic Work Diaries that will magically resolve fatigue or related issues through simply installing a black box.

So yes, advances are being made in fatigue management through looking at the use of fatigue and distraction detection technology that might assist. But as is usually the case, these advances are being made and developed by industry leaders such as RFT and if successful, they will overtime become part of delivering better outcomes in this area across the road freight sector.

Thinking that mandating an alleged technological "solution" on the road freight and passenger industry is the answer to reducing our road toll is plainly wrong in many ways. This also only leads to the "good or better" companies seeking to comply, companies just meeting minimum requirements rather than maximising the benefits and those not wanting to comply obtaining another commercial advantage as they don't have the associated costs of compliance. This also then leads to interest groups successfully pressuring Parliament to provide exemptions to requirements which further undermines the perceived benefit.

The real challenge is for Governments to work more co-operatively and genuinely with the industry to enhance and deliver more with initiatives like chain of responsibility rather than just move on to the next "new best thing". Governments should also look to provide benefits to the operators who clearly invest in better safety systems.

Finally on this point, I was disheartened when I recently visited [REDACTED] to discuss road safety matters only to be told “the game has changed”. I took this to mean that the spike in the road toll had provided the opportunity for the “big brother” stick to be dragged out and for some so called road safety expert to decree that they have “the answer”.

To be honest, I have always thought we have been on a hiding to nothing for the last few years with the great results achieved with the continuing reduction in the road toll. With respect, there was always going to be a time when a spike occurred. Our collective challenge is to now understand why this occurred and then react in a calm, managed and realistic way to continue the advances made in the last twenty years.

The development of connected and automated vehicle technologies specific for the heavy vehicle industry and opportunities for further development in this space

I will not spend much time on the question of automated vehicles as whilst I believe they will have limited application in our sector in the short term, I do not envisage the technology nor the political environment to deliver their widespread use in the freight sector will occur quickly.

One point I will make here as we move forward and I suggest the Committee do likewise is that responsibility for automated vehicles must be secured directly with the manufacturer and not be permitted to be moved to other parties. This will ensure that misleading performance claims are limited.

We need this technology like any other to be fully proven and accountabilities maintained – manufacturers need to stand behind their claims.

The role of compliance and enforcement in maintaining the safety of heavy vehicles on our roads

I’m a strong supporter of effective and targeted enforcement including;

- mandatory annual inspection checks for all heavy vehicles;
- the Courts taking a tougher stance on persistent offenders;
- Governments better utilising the tools they already have available to them for all road users e.g. speed cameras.

The key question is how to more effectively use the limited resource available to achieve better outcomes.

The recent blitz by authorities on the road freight sector following the media frenzy about the road toll was predictable. Understandably, it was not well received and did far more damage than good. I’m guessing someone will claim the blitz has now led to better outcomes which again, in my view is incorrect. By targeting everyone, enforcement creates an “us and them” attitude that does not encourage broader compliance, in fact it leads to the opposite.

The prescriptive regulations and unfortunately, often nit-picking enforcement of them creates anxiety and tension on the road which in my experience, creates more unsafe practices.

At the broader level, my understanding of the recent road toll increase shows the main challenges relate to country roads – and involves speed, fatigue and alcohol and drugs – but mainly by other road users, not heavy vehicles.

The perception is evident that the political will isn't in the Parliament to effectively use the systems such as speed cameras that are already in place for all road users. This is similar to Parliament providing broad ranging exemptions to regulations as mentioned above. With prescriptive regulation, unfortunately, this is always going to be the case.

We know we have road safety challenges in regional and rural NSW. We can start addressing part of the problem simply through using the tools such as speed cameras already available. And these challenges in regional and rural area in the main are not about heavy vehicles but rather the behaviour of other road users. This is a cultural and generational issue with more targeted education and awareness programs being key. For example, the regional advertising campaign carried out before Xmas about road deaths in targeted regions was brilliant – and a good start to raising awareness and creating cultural change in drivers in those regions.

This is also similar to the growing challenge that the use of mobile phones continues to be - until that cultural issue is addressed within the community as a whole, regulatory tools will be less effective. I also believe the penalties are way too low for offences with these devices, especially texting.

Heavy vehicle safety strategies implemented in other jurisdictions, both domestically and internationally

I have continuously expanded my knowledge of overseas and domestic practices to enhance my business both commercially and in regard to safety. In this sense I believe successful safety initiatives saves money and are not a cost.

I travel overseas many times each year visiting equipment shows seeking new ideas and innovations. I have many operator, manufacturer and equipment provider contacts both here and internationally which helps me keep abreast of regulatory and commercial opportunities. RFT is on the cutting edge of advances in most areas – we import trailer equipment where it is better – our recent IT and safety technology investments have come from both our international domestic contacts and we have worked hard to adapt them to Australian conditions and needs.

I am also aware that Australia has a very unique operating environment – great distances and a relatively small population provide more challenges than most other countries experience. We are vastly more reliant on road freight than our overseas competitors – seven times more so is the often quoted fact. And despite suggestions to the contrary, I believe we cannot afford two first class land transport systems. We also need to understand our freight task is changing dramatically – our manufacturing base is shrinking day by day meaning more and more freight is being imported and moves substantially less distance.

Australian Governments in the main have embraced the national freight needs challenge particularly in NSW in the last ten years. Australia has some of the most innovative and efficient road transport equipment in the world – and our regulatory system works hard to embrace this need and allow for continuing innovation – this is essential if Australian producers are to compete against international competitors. However, one of our failures has been moving too slowly to embrace concepts like Higher Mass Limits (HML). This initiative introduces newer and safer vehicles and also reduces heavy vehicle numbers on our roads – and it improves efficiency for Australian producers.

It still marvels me that the road freight sector performs so well and as safely as it does given the ever increasing task it performs.

The road toll during the period commencing 1 December 2017 through to 31 January 2018.

This point needs to be considered in the broader context of the NSW road strategy and not a 2 month snap shot. A knee-jerk reaction without context would be dangerous and illogical without considering the gains made in the last decade and the initiatives already in place to improve road safety.

My understanding of the 2017 road toll indicates very low trucks at fault rates in the key areas namely:


- Speed – 6 out of 16 involved a speeding truck
- Fatigue – 3 out of 13 involved a fatigued truck driver
- Alcohol – none out of 3 involved a HV driver with an illegal level
- Drugs – no figures provided

I would strongly encourage the Committee to adopt a measured approach to this Inquiry including amongst other recommendations:

- Acknowledging the great gains made in reducing the road toll in recent times
- The importance of continuing to improve investment levels in our major freight routes including ensuring we get more efficiency from the fees already collected from road users
- Strongly supporting the continuing investment in the chain of responsibility concept in NSW and nationally
- Not taking a knee jerk reaction to the short term increase in the road toll but rather work more cooperatively with the road freight industry and other sectors to address key issues
- Encouraging NSW and national regulatory authorities to genuinely engage and work with industry to investigate and assess the best options to progress the use of fatigue and distraction technology
- Stronger insistence that regulators introduce meaningful rewards for operators who invest in road safety tools and systems
- Reviewing and replacing the current prescriptive regulatory environment to ensure the voluntary use of electronic work diaries is supported by industry.

I look forward to further discussing these points with the Committee.

Kind Regards,


✓ Ron Finemore AO
Executive Chairman