

REPORT ON PROCEEDINGS BEFORE

STAYSAFE (JOINT STANDING COMMITTEE ON ROAD SAFETY)

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

At Jubilee Room, Parliament House, Sydney on Monday, 9 April 2018

The Committee met at 9:10 am

PRESENT

Mr Greg Aplin (Chair)

The Hon. Scott Farlow

Dr Mehreen Faruqi

The Hon. Thomas George

The Hon. Daniel Mookhey

Ms Eleni Petinos

The CHAIR: Good morning and thank you for attending this public hearing of the Staysafe Committee. My name is Greg Aplin. I am the member for Albury and Chair of the Joint Standing Committee on Road Safety, better known as the Staysafe Committee. The other members of the Committee are the Hon. Scott Farlow, MLC, who is the Deputy Chair; Dr Mehreen Faruqi, MLC; The Hon. Thomas George, Deputy Speaker and member for Lismore; the Hon. Daniel Mookhey, MLC; and Ms Eleni Petinos, the member for Miranda. Mr Adam Crouch, the member for Terrigal, and Mr Nick Lalich, the member for Cabramatta, are apologies today.

We are hearing evidence today for the Committee's inquiry into heavy vehicle safety and the use of technology to improve road safety. This inquiry was referred to the Committee by the Hon. Melinda Pavey, Minister for Roads, in October 2017. Following some alarming incidents involving heavy vehicles during the 2017-18 holiday period, Minister Pavey asked the Committee to examine the holiday road toll. The Committee has received 44 submissions to the inquiry. The authors ranged from heavy vehicle operators and advocates, industry regulators, academic researchers, driver advocates, and representatives of vulnerable road users, to individual drivers and citizens, and the New South Wales Government.

The Committee will be examining a number of issues today, including which technologies offer the most promise for making our roads safer, how to encourage the take up of safety technologies by truck operators, big and small, the best way to regulate safety technology standards and performance in the industry, what other states and countries have been able to achieve, and what the data on the recent road toll tells us about why the steady downward trend in fatalities has been interrupted. We will hear today from heavy vehicle operators and advocates, academic researchers and the New South Wales Government. I now declare the hearing open.

BILL McKINLEY, Chief of Staff, Australian Trucking Association, sworn and examined

The CHAIR: Thank you for appearing before the Committee today. Do you have any questions about the information you have been sent and our process today?

Mr McKINLEY: No.

The CHAIR: Would you like to make a brief opening statement?

Mr McKINLEY: Yes. The Australian Trucking Association [ATA] is the peak body representing trucking operators. Our members include State and sector trucking associations, major logistics companies and businesses with leading expertise in truck technology. The ATA was established after the Grafton truck and bus crash in 1989. Safety is our highest priority, and in our view the only acceptable number of fatal and serious injury crashes on our roads is zero. I will highlight three of the key recommendations in the ATA submission, starting with crash investigation, which is addressed in ATA recommendation No. 6. Australia needs a better system for investigating road crashes and making safety recommendations. Fatal crashes are investigated by the police and are ultimately the subject of coronial inquiries. Those investigations focus on determining blame. Coronial recommendations rarely look beyond local issues, like the posted speed limit or visibility at an intersection. They tend not to look at the safety system as a whole.

Australia takes an entirely different approach to aviation, marine and rail crashes. The Australian Transport Safety Bureau [ATSB] carries out no-blame safety investigations into those crashes, it makes recommendations and it tracks the responses. It is one of the world's leading safety investigation agencies and is respected globally. The ATA urges the Committee to recommend that the ATSB conduct safety investigations into truck and autonomous vehicle crashes where there are safety lessons to be learned. It would cost about \$5 million a year to do this, which could be part funded by the Australian Government and part funded by participating States and Territories. This approach would be consistent with international best practice, and it goes to the Committee's overseas terms of reference. No-blame safety investigations into selected road crashes are now carried out in Finland, France, The Netherlands, Norway, Sweden, and the United States.

I turn now to technology. The most urgent truck technology issue on the ATA's agenda is mandating stability control for trucks and trailers. This is the vehicle safety system that applies the brakes if it detects that a rollover is starting. In a regulatory impact statement, the Federal Department of Infrastructure, Regional Development and Cities has proposed that stability control be required for new prime movers weighing more than 12 tonnes and new trailers weighing more than 10 tonnes. It would not need to be fitted to rigid trucks at all. We say that Australia needs to go further: It needs to be mandated for all trucks with only a narrow range of engineering-based exemptions. This approach would save 148 lives and stop 1,496 serious injuries over the modelled period. That is 24 more lives and 412 more serious injuries prevented than the Federal department is proposing. Ultimately, vehicle standards are determined nationally and a Federal Minister signs off on them. The State governments are consulted, and they are entitled to have a view, and this Committee is entitled to put a view to the State Government on this issue. Therefore, the ATA urges the Committee to join it in calling for mandatory stability control.

The overwhelming majority of trucking businesses are small businesses; that is, 94 per cent of Australia's 50,000 trucking operators have a turnover of less than \$2 million. The disparity in size between trucking businesses and our customers has long raised safety concerns. That is why the Heavy Vehicle National Law includes the concept of chain of responsibility, which aims to hold customers and their executives to account for their demands on trucking businesses and drivers. The ATA has championed important changes to these laws, which would impose a general safety duty on all parties in the chain, extend the concept to vehicle maintenance, impose a due diligence obligation on company directors and executives, and dramatically increase maximum penalties. The maximum penalty for an individual who was reckless about the risk of death or serious injury would increase to \$300,000, five years imprisonment, or both.

The Queensland Parliament hosts the Heavy Vehicle National Law and it passed these amendments in 2016, but they are yet to come into force. There is a second amendment bill before the Parliament now. Once passed and proclaimed, these amendments will become law in New South Wales as a result of the Heavy Vehicle (Adoption of National Law) Act 2013. There have been suggestions that these important reforms should be delayed until December. However, there has been extensive consultation and training about the laws already. The ATA believes they need to be brought into force in mid-2018 as planned. The State Government sits on the Council of Ministers that makes decisions about these national laws. We urge the Committee to recommend to the Government that these important amendments come into force in mid-2018, which has been the schedule and which is what the industry is ready for. I am happy to take questions.

The CHAIR: Thank you very much, Mr McKinley. I notice that, in your submission and again in your opening statement, you focused—as we all did—on stability control when you were talking about safety technologies. Which other safety technologies should be prioritised for the New South Wales heavy vehicle fleet?

Mr McKINLEY: Once stability control is locked away, our view is that the next technology that needs to be progressed to being mandated is autonomous emergency braking. This is a system that applies a vehicle's brakes—a truck's brakes—in an emergency situation. The safety advantages of this system are enormous. Monash University research shows that if the technology was available across the whole fleet—of course that would take many years—we would see up to a 25 per cent reduction in fatal heavy vehicle crashes, and an up to 17 per cent reduction in serious injury crashes. Importantly, in those serious injury crashes there would be a reduction of up to 21 per cent—so a higher reduction—involving rigid trucks. This is a particular concern in metro areas involving vulnerable road users like cyclists, motorcyclists and pedestrians. Autonomous emergency braking is the most prospective next technology to mandate, in our view.

The CHAIR: What would you feel is the best way for the New South Wales Government to consult with you, and the heavy vehicle industry generally, before implementing strategies?

Mr McKINLEY: The key thing for the New South Wales Government and this Committee to bear in mind is that the trucking industry is predominantly an industry of small businesses. So the large companies, such as Toll Group, do great work, but they represent a very small part of the trucking industry. Looking at the statistics for New South Wales, there are just over 16,000 road freight businesses in New South Wales. Of those, 7,000 are non-employing businesses. So the people who work in the business own the business. Another 8,800 have between one and 19 employees. Beyond that, the numbers get very small. So consultative approaches need to be ones aimed predominantly at small businesses.

There is a second point I would ask the Committee to bear in mind. The hire-and-reward trucking industry, which is the sector I represent, is only a small part of the businesses that use trucks. In fact, if you look at the number of truck drivers working in Australia, you see that only 58 per cent of them work for our hire-and-reward businesses. The remainder work in other sectors—in the farming sector, the mining sector, the wholesale trade sector and so on. In addition to considering how you regulate the hire-and-reward sector, you have to remember that any changes to the truck laws affect businesses such as farm businesses that have only a small connection to the hire-and-reward industry in many cases. Those would be my two points.

Ms ELANI PETINOS: I turn to the terms of reference on fatigue and other safety risk managements. I understand from your submission that the association does not support the mandatory introduction of electronic work diaries, and has reservations about their voluntary use. Can you outline your reservations to the Committee, and the preconditions which you believe should be met before their use is encouraged or mandated?

Mr McKINLEY: Electronic work diaries [EWDs] have enormous potential to reduce the workload on truck drivers and employers—both in filling in manual work diaries with a complex system of work and rest hours, and then in checking them to satisfy the employer's safety obligations, particularly the enhanced obligations we hope to have from mid-2018. We strongly support the idea of voluntary electronic work diaries. The problem is with the regulations and compliance policy attached to them. The Heavy Vehicle (Fatigue Management) National Regulation puts in place a maximum eight-minute tolerance on work hours per day for errors in the time a driver is driving. Electronic work diaries count to a minute. You could imagine a situation where a truck driver is driving along, a rest area is coming up and they intend to stop but they run over their work hours by a few minutes. What happens? Under a manual system, where the count is 15 minutes, it just disappears into the system, with no fatigue consequences whatsoever—we are talking about minutes.

The regulation provides a maximum eight-minute tolerance on work time per day for these analogue, on-the-road issues, and it provides no tolerance for rest areas. So if a driver was to rest for 14 minutes rather than 15 minutes in a short rest break—again, it would be hard to see a fatigue consequence there—it would record the driver as having not rested at all, with compliance consequences. The national regulator has released a draft compliance policy for EWDs. Under that policy it would provide that breaches of 15 minutes or less would not be shown to enforcement officers at the roadside. The idea is that the electronic work diary would mirror the way a written work diary currently works. The problem from our point of view is that that is a policy. It is a good policy but it is not the law.

A driver relying on that policy would face a situation where an enforcement officer could scroll through the detailed times or, alternatively, look back and see a series of breaches that are not displayed in the compliance view on the diary but are, nonetheless, breaches of the law. In our view, the law needs to be brought into line with the policy for EWDs to be workable. I know a number of very good major trucking operators who have put the view that they are not prepared to use electronic work diaries at this stage because they think that

the policies around the diaries and the regulations around the diaries would put their drivers at increased legal risk of getting infringement notices for violations. The central problem is the disparity between compliance policy, which is good, and the law, which is overly stringent for the analogue nature of driving on a road, inadequate rest areas, and so on.

Ms ELENi PETINOS: Thank you for clarifying that. The New South Wales Government described several initiatives to improve the number and quality of facilities available at rest areas. Are you satisfied that the provision of rest areas is being managed in a way that supports safety outcomes rather than an enforcement based approach?

Mr McKINLEY: Across the board there are not enough rest areas on Australian roads. When rest areas are available, unfortunately our members report that they are often filled with caravans. So considerably more action on rest areas is needed at both Commonwealth and State levels. As attention focuses on fatigue management the fact is that you can have the best fatigue management systems and fatigue monitoring systems you like but if there is not a rest area for the driver to pull over in you may as well not have them at all.

Ms ELENi PETINOS: Are there any specific facilities that you would like to see included in the rest areas that are not currently there?

Mr McKINLEY: The view of the Australian Trucking Association [ATA] on rest areas is that what we would mainly like to see done is at a Commonwealth level. The Commonwealth is currently underspending on its heavy vehicle safety and productivity program, which is the program that part funds rest areas with the States. The issue is not the amount of funding available; the issue is that the money needs to roll out to actual rest area construction.

The Hon. SCOTT FARLOW: You have noted in your submission, and in your opening statement, some concerns about some of the mandatory telematics uptakes for your members, and supported voluntary mechanisms by which we could see telematics implemented more widely across the New South Wales trucking fleet. Could you outline some of the mechanisms you think could be used to increase voluntary uptake—particularly amongst your members?

Mr McKINLEY: In the voluntary update of telematics, the key as far as electronic work diaries is concerned is to get the underlying legislation and policy right. Trucking businesses on the whole—and there will be some businesses who take them up—are not going to spend large amounts of money on technology unless they know that it will not put their drivers or themselves at increased legal risk and unless there are productivity benefits as well as safety benefits to match the cost. In the case of electronic work diaries, we would say that there needs to be attention given to the underlying regulation. In the case of telematics systems, like fatigue warning systems, we believe that Australia needs to move eventually to a system where a business with those sorts of systems in place has more flexibility on their prescriptive work and rest hours so that drivers can drive when they are not fatigued and rest more when they are tired. Those underlying policy initiatives need to be sorted out in order to increase the uptake of this technology.

The Hon. SCOTT FARLOW: Some submissions have outlined incentives such as stamp duty rebates or registration concessions and the like for certain safety equipment. Is that something that you would support? Is that something your members would be interested in?

Mr McKINLEY: Across the board there is no doubt that new trucks are safer than old trucks. Technology is advancing all the time. Trucking businesses operate on very narrow margins. Any tax changes that make investments in new technology more affordable would be extremely welcome. In fact, initiatives like stamp duty exemptions for new trucks with the latest safety features would be absolutely ideal from the point of view of our members.

The Hon. SCOTT FARLOW: With respect, the association proposes a voluntary rather than a mandatory approach to encouraging the uptake of heavy vehicle safety technology, as we just discussed. You also endorse an industry-based accreditation scheme like TruckSafe over regulator-mandated schemes. How do regulators ensure that industry-wide take-up and compliance through industry-based schemes are effective? Should all operators be required to join an accreditation scheme of their choosing?

Mr McKINLEY: The central problem with accreditation right now is that there are multiple schemes. If you are in one—say, you are in TruckSafe or the National Heavy Vehicle Accreditation Scheme [NHVAS]—very often you find that customers want to do their own audits as well. You get the staff of medium to large trucking businesses doing nothing but managing audits covering the same issues over and over again. You have your TruckSafe audit. We work to ensure that if there is a TruckSafe audit, we will arrange for your NHVAS audit to be done at the same time. But you might have audits from a number of customers as well. There is this plethora of audits all covering the same ground.

What is needed is an approach of minimising the number of audits and, therefore, the cost to trucking businesses. The National Heavy Vehicle Regulator [NHVR] last year, on the initiative of the Australian Government, commissioned a review of accreditation schemes, so that is NHVAS, TruckSafe and the Western Australian scheme, by a consultant, Peter Medlock, and that report is due out shortly. Our hope is that—and we are confident it will—it will show a way forward to simplify the schemes, ensure that there is competitive neutrality between them, and take steps to make it more attractive to join one of those schemes.

The Hon. THOMAS GEORGE: Do you believe that exemptions undermine the road safety aims of accreditation schemes?

Mr McKINLEY: This is an exemption as in the NHVAS exemption from registration inspections?

The Hon. THOMAS GEORGE: Yes, and other exemptions. I have concerns when you create exemptions, but I am just wondering what your thoughts are on that.

Mr McKINLEY: In New South Wales, if you are in the NHVAS maintenance module, you do not have to have a yearly roadworthiness check of your truck. In contrast, if you are in TruckSafe, our members are not entitled to that exemption. In any case we require nationally that TruckSafe businesses, whether they are in a State that requires a yearly roadworthiness check or not, to have one anyway, either internally against the roadworthiness standards or externally, which is what happens here. The exemption was offered originally under NHVAS as a way of encouraging operators into a scheme, but we believe it is essential that when you have a scheme like this there has to be some sort of external check that the system is working. That is why in TruckSafe we require a roadworthiness check every 12 months anyway and we think that is good safety practice.

The Hon. THOMAS GEORGE: How can the community be best assured that the risk of accidents due to poor vehicle condition has been reduced?

Mr McKINLEY: Step one is for the amendments to the chain of responsibility laws to come into force. After the Mona Vale tanker crash, the Australian Trucking Association [ATA] called for maintenance to be brought into chain of responsibility because right now it is not. It is not part of the chain, which means that senior executives of businesses and industry customers are not personally accountable for the critical safety maintenance of the fleets for which they are responsible. We argued very strenuously for maintenance to become part of the chain of responsibility. We succeeded. We are nearly at the final step, which is when the legislation comes into force. I believe that is serving now, as our customers and the industry become more aware of it. It is a bit of a wake-up call about the importance of maintenance and the personal duty that directors and executives have, even if you are an industry customer, to do what you reasonably practicably can to make sure that you engage businesses that have good maintenance practices. I really do think that is the first and most important step.

Dr MEHREEN FARUQI: Thank you for coming in today.

Mr McKINLEY: Thank you.

Dr MEHREEN FARUQI: Mr Ben Maguire, who is the chief executive of the Australian Trucking Association, told the *Sydney Morning Herald* in December last year about the trucks that were working on the WestConnex project and that the condition of some of those vehicles was outrageous. I would like to know how we get to a stage where in 2017 in Australia the condition of trucks on the road becomes outrageous?

Mr McKINLEY: We are working very closely with the Melbourne Metro and to a lesser extent I think the Sydney Metro on a program that will aim to address this. It is based on a United Kingdom [UK] model called Construction Logistics and Community Safety [CLOCS]. The Australian version of it would be CLOCS—A. Under this program, construction vehicles working on construction projects would be required to meet minimum safety standards.

Dr MEHREEN FARUQI: And they are not required as yet?

Mr McKINLEY: The Roads and Maritime Services [RMS] terms of work and contract require that vehicles comply with the law, but the compliance managers on the large projects in Sydney are, in our view, overwhelmed by the size. They are working hard. They are great people. We have met with them. The task is enormous. That is why we think there needs to be an accreditation scheme, particularly for construction projects in major cities that particularly addresses concerns around vulnerable road users.

New South Wales has a voluntary scheme at the moment, which is the Safety, Productivity and Environment Construction Transport Scheme [SPECTS]. It is voluntary. The idea is that if you are enrolled in it, your truck meets higher standards and in return you get to carry greater mass. The standards are great, but our

understanding is that the take-up of that scheme has been relatively low because of issues with local councils actually granting that extra mass access. From that point of view we believe that some sort of mandatory accreditation scheme, such as the CLOCS—A scheme that is being worked on, is what is needed for those major construction projects.

Dr MEHREEN FARUQI: But you still do not think that a regulator ensuring that operators are complying is the best way to go?

Mr McKINLEY: The problem with doing police blitzes and Roads and Maritime Services [RMS] blitzes is that they establish the roadworthiness of the vehicle at a point in time, and two weeks later the vehicle might well be unroadworthy. That is why you need an audited scheme that requires that businesses have systems to maintain the safety of the vehicle between times.

Dr MEHREEN FARUQI: Would that be a licensed scheme?

Mr McKINLEY: Essentially, yes.

Dr MEHREEN FARUQI: I want to explore the connection between how heavy vehicle drivers are paid and road safety. We are going to hear from two researchers later today whose research shows the link between trip-based payment schemes and higher speeds. Obviously, there is a lot of discussion around having a salary- or wage-based system of payment for drivers. What is your view on that?

Mr McKINLEY: What this comes to is an argument about the relevant awards. The ATA has long taken the view that we do not deal with award matters. Our membership includes both employer associations and the Transport Workers Union [TWU].

Dr MEHREEN FARUQI: Even though it is directly related to the safety of drivers?

Mr McKINLEY: That particular issue relating to the awards is really an issue for our member associations, whether they are employer based or employee based. I imagine that they have views on that.

Dr MEHREEN FARUQI: Do you accept that there is a link between how drivers are paid and the safety issue?

Mr McKINLEY: I would really rather leave that to members.

Dr MEHREEN FARUQI: Heavy vehicle drivers have told the media—I think this was reported in the *Sydney Morning Herald* last year—that there is a practice in the industry where long-haul drivers are given two sets of instructions, one official and one unofficial, where they are asked to do local jobs besides delivering the main load and that can add a number of hours to their driving time. Are you aware that? If that is the case, what can be done about it?

Mr McKINLEY: This comes to the definition of "work" under the fatigue laws. The current fatigue laws have a definition of work that, as you would expect, includes driving a vehicle but also loading and unloading the vehicle. It includes tasks related to marketing the vehicle, selling, repairing and so on. Yes, we are aware that drivers do get asked to do additional work, and I would imagine there are drivers who do other jobs as well. This is a significant fatigue risk, as you would imagine, and what it comes down to is whether drivers are fit for duty at the start of the shift. What we know from statistics from national transport insurance is that two-thirds of fatigue-related accidents actually occur in the first 500 kilometres of a driver's trips—in other words, they are not caused by the length of the shift; they are caused because the driver is fatigued at the start of the shift. These are all issues of major concern, and the ATA is very worried about their duty under the fatigue laws, which is a major problem in the industry.

Dr MEHREEN FARUQI: I guess it is also related to chain of responsibility; it is not just the drivers being given instructions to do things. Would you agree?

Mr McKINLEY: As far as a part in the chain is concerned, even now you have a duty, as a business and as the management of a business, to make sure that drivers do not drive while impaired by fatigue. That obligation will be even stronger again come mid 2018, we hope. Businesses need to bear those obligations in mind and not just focus on the prescriptive work and rest hours, which is really a substitute because it is easier to calculate work and rest hours than a person's fatigue state. Prescriptive work and rest hours are, if you like, a substitute for actually knowing whether or not someone is fatigued.

The Hon. DANIEL MOOKHEY: I declare for the record that I was on the ATA council for three years, I believe, from 2008 to 2011. It is good to see you again, Mr McKinley.

Mr McKINLEY: And it is good to see you.

The Hon. DANIEL MOOKHEY: Mr McKinley, would you agree with me that an 86 per cent increase in the number of heavy vehicle deaths and injuries in New South Wales in 2017 is a tragedy?

Mr McKINLEY: It is appalling.

The Hon. DANIEL MOOKHEY: And it is even more appalling given the high levels of accidents, deaths and injuries that preceded that 86 per cent spike; we are talking about 300 people dying every year. Would the ATA agree that that is an unacceptable outcome under all circumstances?

Mr McKINLEY: The only acceptable outcome is zero.

The Hon. DANIEL MOOKHEY: Would you describe it as a crisis?

Mr McKINLEY: I would describe the New South Wales situation as extremely worrying, because it is not reflected in the figures for the other States. The 86 per cent figure is actually 92 per cent for the year from 1 January to 31 December. It is 92 per cent of deaths involving articulated trucks in New South Wales, so it is extremely worrying, particularly when in the other States covered by the Heavy Vehicle National Law we saw a 9.1 per cent decrease in deaths in Victoria, a 24 per cent decrease in deaths in Queensland, a 36 per cent decrease in deaths in South Australia, a 60 per cent decrease in deaths in Tasmania and a 100 per cent decrease in deaths in the Australian Capital Territory [ACT], although that was from one to zero.

The Hon. DANIEL MOOKHEY: You are most eloquently making my point, because I was going to say that the rise in New South Wales exceeds the rise in heavy vehicle kilometres travelled through New South Wales, which means that the existing freight task is leading to more deaths and injuries than it did before, because it is not like the freight task is growing. Would you agree with that?

Mr McKINLEY: Yes.

The Hon. DANIEL MOOKHEY: In the wake of the crisis—and as you have just established New South Wales stands out—is the ATA aware of a single chain-of-responsibility investigation that the RMS has done, which has involved customers at the top of the chain, in the last 12 months?

Mr McKINLEY: The RMS is one of the more active jurisdictions involved in pursuing chain of responsibility. We are aware of chain-of-responsibility investigations coming through the courts involving consignors and companies like that, but on the whole—and I am going to generalise—the amount of resources being put into up-the-chain investigations, if you like, has been very poor across the board; not just in New South Wales, but everywhere.

The Hon. DANIEL MOOKHEY: In New South Wales was that accompanied by the choice to dissolve the compliance and enforcement unit and to reduce its staff numbers in the RMS, which took place circa 2012 to 2016? Has the lack of resources to which you have referred meant that when we have had a 92 per cent spike the RMS has simply not had the resources to respond?

Mr McKINLEY: I think we need to try to work out what the cause of this spike is.

The Hon. DANIEL MOOKHEY: I am actually asking about the responsiveness of the regulator to the 92 per cent explosion in deaths and injuries in this industries. Whilst I agree with you, I do not think that we have the time to go through the cause. Do you think that there is a correlation between the reduction in RMS resources between 2012 and 2016 and the inability of RMS to respond to the spike in 2017?

Mr McKINLEY: I really think the cause of this increase is too complex to be attributable to one cause, but I would say that there needs to be more investment, including by RMS, in compliance and enforcement looking at the industry's customers, because that is where the pressure on trucking companies and drivers comes from.

The Hon. DANIEL MOOKHEY: I agree with you. In respect of the technologies that should be contemplated, is there a role for truck drivers to be given electric shocks with that technology being mandated as part of any enforcement strategy that the New South Wales Government would contemplate?

Mr McKINLEY: We think the priorities for technology need to be stability control, emergency braking systems and then lane departure warning systems. They are the next three items.

The Hon. DANIEL MOOKHEY: What is the ATA's stance on the application of electric shocks on drivers?

Mr McKINLEY: We believe that drivers should be treated with the utmost respect, because they are the people who, at the end of the day, drive the trucks.

The CHAIR: The association believes the road-sharing content of the learner driver training is inadequate. What contact have you had with the Government to address this deficiency and how should road sharing be communicated to experienced drivers?

Mr McKINLEY: Our primary concern about light vehicle drivers is 18- to 25-year-olds. They are the people entering the driving space, and the problem is that there is virtually no driver education about how to share the road with trucks. In the New South Wales driver knowledge test question bank—there are 1,064 questions, I think—there is one question involving a turning truck. Your chance of getting that question on the test is about 6 per cent. We have done focus groups recently in Victoria with young people about what they know about sharing the road with trucks, and I do not think the results would be any different in New South Wales.

They overwhelmingly said that they did not know what "Do not overtake turning vehicle" actually means on the back of a truck and generally wished that they had learned about it when they did their driver training. In our view, light vehicle driver training needs to include a stronger "share the road" component, ideally so that learners, either at school or college, actually have the experience of sitting in a heavy vehicle and understanding where the blind spots are. We know from American research that when that happens, there is a statistically significant improvement in their recall of what to do around a truck. We are doing our part. We have a safety truck—which Mr Mookhey will remember. It is still on the road and is doing great work—doing exactly that. But we cannot do that work by ourselves. We need to make sure that the driver education program includes that as a component.

The CHAIR: Did you have any input into the recent "Be Truck Aware" campaign that was run by the NSW Centre for Road Safety and Roads and Maritime Services?

Mr McKINLEY: We did not have input into that campaign, but it is an excellent campaign. The problem is though that what we know—and we know this from research—is that when there is a hands-on component, there is much better recall than from a television or web advertisement before a League of Legends competition on YouTube or whatever. The key is to actually have a truck for learner drivers to look over, to sit in the cab and understand, "Yes, if I am immediately to the driver's left, the driver cannot see me." There is no substitute for that hands-on experience.

The CHAIR: Thank you very much. Regrettably, our time has come to an end. We may wish to send you some additional questions in writing. Your reply will then form part of the evidence that you have given and will be published. Would you be happy to answer any such questions?

Mr McKINLEY: Yes, we would.

The CHAIR: Thank you very much for appearing before the Committee today.

(The witness withdrew)

RON FINEMORE, AO, Executive Chairman, Ron Finemore Transport, sworn and examined

The CHAIR: Good morning, Mr Finemore. Thank you for appearing before the Committee today. Do you have any questions about the information you have been sent on our processes today?

Mr FINEMORE: No, I have read it and I think I understand.

The CHAIR: Thank you. Would you like to make a brief opening statement?

Mr FINEMORE: Yes, I would. I thank you for the invitation to talk with you today. I think it is important that the Committee speaks to people like me, who have more than 50 years of experience in the industry. I can talk from a position of long and mostly successful experience which, as I said in my submission, places me in a position better than most to talk about safety in our industry. This is backed by the fact that my company employs more than 450 people, operates over 200 trucks and does in excess of 50 million kilometres each year. Each day we do more to build a stronger safety culture in our business. I am the chair of the Freight Advisory Council, which provides advice to the New South Wales Government across all freight sectors. I am also a member of the Road Freight Industry Council, which does likewise, but is focused on road transport. I am a previous chair of the Australian Trucking Association. I am also the trucking industry representative on the Road Safety Council.

From this, the Committee can see that I have always accepted my responsibility as an industry leader to be involved in making our industry a better and a safer place to work. Safety is a core value and number one priority at Ron Finemore Transport. It underpins our values as a brand, and we make a substantial investment in initiatives that will help to improve the safety of our people and all other road users. I would like to make a few more comments. First, I applaud Staysafe for undertaking this inquiry, and hope I am still saying the same thing when the Committee releases its findings. This is a different course to the line others have taken recently, following the spike in fatalities over the 2017 Christmas period. Rather than take the lead from the example this Committee has set by objectively and cooperatively looking at the facts, some have chosen to try to seize the moment to push their hobby horse and call for the mandatory use of telematics along with other misconceived so-called safety initiatives.

Sadly, I have seen this happening with some senior bureaucrats in the State too. One of them even told me earlier this year that the game has changed, which I took to mean, "We can do what we want and do not have to listen to you anymore." To me, this is blatant opportunism by those involved. First, I do not understand what benefit mandatory telematics would deliver, or how it could possibly be done if a case was built. Secondly, it appears to me that some are just pushing their own commercial or sectorial interests, rather than helping to improve safety outcomes. Luckily, New South Wales roads Minister Melinda Pavey has taken a more sensible approach and has shown a lot of common sense when looking into this issue. She understands that the bulk of fatality crashes involving heavy vehicles are caused by the other driver. That is a critical point for this Committee to understand.

Like the Committee and the Minister, I like to look to the facts first and then review the options to address the problem if, in fact, there is one that we are not already dealing with. Ron Finemore Transport and other companies continue today to make a huge investment in technology to invest in improving safety. Over the past few years our company has spent millions of dollars on technology, including our most recent investment in fatigue and distraction detection equipment. The technology itself is only part of the journey; it needs three other ingredients to deliver better safety outcomes. The first of the other ingredients is working out how to effectively use the data obtained from the technology to improve safety outcomes. There is no use in having a pile of data if it cannot be interpreted. Ron Finemore Transport is hoping to undertake a study in this area in the next 12 months with the National Heavy Vehicle Regulator, which will help the industry in this area.

The second ingredient is having your people stress the fact that the technology is there for their safety. It is only when that happens that we will have a chance to really benefit from its use. That is why mandating technology does not work—people work against it, rather than with it. The Intelligent Access Program was and still is a failure because the bureaucrats convinced Ministers that it was the Holy Grail for higher mass limits. This State has borne a huge economic cost because of its use and that continues to be the case today. The last ingredient is having a flexible regulatory environment in which the technology can be used. Electronic work diaries are doomed to fail if State bureaucrats do not realise that they need to work with the National Heavy Vehicle Regulator to deliver more flexible arrangements. History suggests that this will not happen and Ron Finemore Transport will not use them until it does.

We are committed to investing in initiatives to change the way we manage and address fatigue. We are working to get in front of the fatigue-management challenge, instead of looking at it post event. We want to stop

it before the incident occurs, and I suggest others need to do likewise. It is early days, and a lot of work still needs to occur before we know whether it will deliver the benefits that we hope it will. But governments need to work with us rather than against us if this is to occur. I would like to stress that there has been much positive and successful work done on a cooperative basis in the safety arena of our industry over the past 10 to 15 years, for which we should all be proud. A great example of this cooperative approach is the chain of responsibility legislation which, in my view, has been a key driver in improving accountability for safety along the whole supply chain.

It was one of the initiatives that came into being while I was chairman of the Australian Trucking Association. It was brought on by industry; not government. We must continue to improve and prosecute this concept. Today, I can see all the hard work starting to pay off, with a culture of a lot of customers now actually walking the talk. This is where the big gains in safety can be made—in sharing the responsibility along the supply chain, rather than trying to push it all down to the driver and operator. The same can be said for the safety improvements achieved by the ongoing investment in better roads, particularly for our key freight routes. Personally, I think the proposed investment in the inland rail is a waste of money and could be better spent on roads. The freight class is changing rapidly. We no longer have a large local manufacturing base, and so much of our freight now comes into our ports and is distributed from there. But that is a debate for another day.

I did not provide much comment in my submission on automated technologies, as whilst I think it will happen it is a long way off for heavy vehicles. The recent crashes and deaths in the United States have shown that the technology has some way to go and the community acceptance of it will be hard to manage for cars, let alone trucks. The community will take some time to accept the claim that automated vehicles will kill fewer people. However, the claims being made about the safety of these vehicles need to be managed, including ensuring the manufacturers are held accountable and cannot push that accountability onto third parties. They have to be responsible for the vehicles they put out there and promote those things. One of the problems we have is the reliability of the new technologies as we add the electrical systems and the computers to trucks. In closing, we have collectively made many gains in the road safety area in the past 15 to 20 years. I would like to see that cooperative approach continue in the future because that is how we will deliver real gains. I thank you for the opportunity to talk to you and I am happy to answer any questions.

The CHAIR: Thank you very much. In your submission and in your opening statement you refer to fatigue and distraction detection equipment as being one of the elements that you have embraced in your fleet. Can you identify in a priority manner which safety technologies you believe should be considered by the New South Wales heavy vehicle fleet?

Mr FINEMORE: I strongly believe in the Seeing Machines technology or similar technology that we have in all our fleet. We have a fleet that is less than 2½ years old. We have all the safety available on every vehicle. I have a view that safety pays; it does not cost. The Seeing Machines technology monitors driver fatigue events and distractions. When they first looked at that technology it did not have a forward-facing camera. We wanted to have a forward-facing camera as well as a driver-facing camera. In my view people have to embrace the technology; the technology is only a tool. If management does nothing with it you will get no outcome. The key factor in everything is changing the culture—the culture of our industry and the culture of our people. Unless we have a culture of safety coming first in everything we do we will not achieve an outcome.

We have to get the drivers to accept that technology. A lot of people say to me, "How did you get your drivers to accept it?" Our drivers accepted it because we did it on a test basis. We said to them, "We want to accept you. We want you to go home safe to your family after every shift. We want the community to be safe. We want to have a sword and a shield. We want a shield so you can see what is going on in front of you and so we can help you by having the camera on you." The large majority of our people have accepted it and the majority today I do not think would drive without it. We lost a few good people because they did not want to have that technology there, but the large majority has accepted it and I think it has been unbelievably successful.

We have now started on a new study with Seeing Machines, Monash University, the Federal Government and Volvo to go to the next level of technology with 10 vehicles being fitted with further monitoring artificial intelligence technology to predict beforehand when the driver is going to feel fatigue. That goes one further with the technology. I am excited about that. It has been a two-year journey. My journey has been since 1976 on safety when unfortunately I had three people killed in a short period. I made a commitment never to do anything other than work to improve safety in the industry. I have been 42 years on that journey now and hopefully I will do it for a long while. We have combined technology with the latest safety equipment on the vehicle—we have telematics on the vehicle but the telematics we choose to monitor is the key thing—and we have the Seeing Machines technology. It is having those tools and using them.

I have a copy of a presentation here. We want to keep everybody in the green; our whole focus is keeping people in the green. We look at people and say, "You had this event. What is causing it?" We have found since we have used this to talk to our people that there will be little things. We have found out a great deal through using this technology. When drivers have a new member in the family—a baby is born—straightaway we have to look at what they are doing and ensure that they are careful because they do not get the rest. We are working towards finding out more about our people and we are working out how to work with them as part of that cultural change. Safety is good for everybody and for everybody in the community.

The CHAIR: Would you be prepared to table that document?

Mr FINEMORE: I thought I would get into trouble bringing it here today.

The CHAIR: It is up to you if you wish to tender that.

Mr FINEMORE: It is a presentation that our people did to the Minister earlier in January. Yes, I think it is okay. I just need to look through it. There is some stuff in here. We have a privacy agreement with our drivers not to publicly distribute information on them that we see. That is our arrangement. There is some stuff in here on that.

The CHAIR: That is understandable. You might like to extract any documents—the table for instance—and tender that individually. We would have to redact the private information in any case.

Mr FINEMORE: I am happy to do that.

The Hon. DANIEL MOOKHEY: Mr Finemore, thank you for your appearance today. I commend you for Finemore's outstanding safety record relative to the rest of the industry and for the serious way in which you have approached safety throughout your time in the industry. Would you agree with me that Finemore invests far more in safety than a lot of its competitors do. Are you at a competitive disadvantage because of the cost of your investment in the safety technologies that you have described?

Mr FINEMORE: I do not think we are at a competitive disadvantage because I think safety pays. I think we spend the money up front and we get the return down the road by having fewer incidents, having our people at work, and not having the vehicles off the road. The productivity and safety and the cost savings of repairs and of keeping people fit are all benefits. It has taken a long time but in most things you invest up front and you get the return down the track—like building highways, or whatever.

The Hon. DANIEL MOOKHEY: Not politics.

Mr FINEMORE: No, I think it comes out of everything we do. The key issue for me is I do not believe safety costs; it pays. Our business has to make a profit to survive as well. We do not have more money than anybody else; it is just getting people to understand. It has been a cultural change—getting our people to understand and to shift over that 50-year journey that I have been on. Culture is a key issue. Craig Bellamy, one of the best coaches ever, talks about culture.

The Hon. DANIEL MOOKHEY: You may need to table that if you are going to refer to it.

Mr FINEMORE: I can table it. Everybody in the team has to do their part. That is the thing in our company. Everybody in the team has to think culture.

The Hon. DANIEL MOOKHEY: I refer to the tender processes in which Finemore participates with its customers and with other people in the industry. To what extent do you think those customers are joined to the safety culture in which you and Mr Bellamy believe?

Mr FINEMORE: Most of the people we work for—

The Hon. DANIEL MOOKHEY: Most of the people you work for? Obviously not the people you do not work for?

Mr FINEMORE: Some have different standards that we will not work for. They might not pay at the same terms and they might not have the same priority on safety, et cetera. I am seeing more and more people moving to the chain of responsibility and talking to us because of safety.

The Hon. DANIEL MOOKHEY: When you say you have seen more people moving towards a culture that is compliant with the chain of responsibility, given that the chain of responsibility laws first existed in 1995, is it your view that customers in the industry are changing fast enough? Are they going at a medium pace or could customers at the top of the chain be changing a lot faster?

Mr FINEMORE: I think you clearly understand that change is difficult. It takes a long time. I have been on a 42-year journey and some of the people that worked for me 42 years ago still work for me today.

Getting them to move over that time, I really think that nothing happened for quite a few years but the momentum is growing. Our biggest customer is Woolworths. Woolworths drive chain of responsibility and drive safety to the specification. Everything they ask for is around adhering to the chain of responsibility.

The Hon. DANIEL MOOKHEY: What about Aldi?

Mr FINEMORE: I do not work for Aldi. I do not have the opportunity. I am not being critical in that sense.

The Hon. DANIEL MOOKHEY: You said earlier that change takes time. Chain of responsibility laws that apply to mass weight have been around since 1995. We saw a 92 per cent increase in accidents, deaths and injuries in 2017, a lot of which was to do with overweight and heavy vehicles. That is what the evidence and the data are suggesting.

Mr FINEMORE: Is it?

The Hon. DANIEL MOOKHEY: It is. How much more time should we be giving the industry in respect of those two categories? The fatigue laws have been in place for 12 years—they were applied in 2005. How much more time should we be giving the industry and more importantly its customers? I agree with you that industry is far more compliant than are the people at the top. How much more time is needed before we start to see the culture that you describe universally across consignors of freight?

Mr FINEMORE: When you talk about the 91 per cent increase, that is involving heavy vehicles; the heavy vehicles are not responsible for it.

The Hon. DANIEL MOOKHEY: Yes, I did not say that they were responsible.

Mr FINEMORE: I understand that but it is important that we say that it is involving heavy vehicles. The number of accidents caused by heavy vehicles has fallen.

The Hon. DANIEL MOOKHEY: My point is that the involvement of a heavy vehicle, as has been described, is an additional risk factor. The fact that the vehicle is a heavy vehicle is an additional risk factor. That is one of the reason why we have chain of responsibility laws that apply to heavy vehicles and not to other smaller vehicles. I go back to the question that I asked. How much more time is needed before this community can have confidence that consignors of freight are taking seriously their responsibilities under chain of responsibility laws that have been in effect at one level for 22 years and at another level for 12 years?

Mr FINEMORE: In any society there are good and bad people in businesses. The large majority of the people that we deal with are taking seriously their responsibility. I think you will find that people in those organisations are part of the issue as well; the same as people in my organisation. I might say it up here, but I guarantee that somebody in my organisation today will have forgotten about the situation that they should carry out. They should not, but it is changing people dramatically. In 1995 I took on a business in Thailand. I took over a fleet of vehicles for Esso Mobil which was the worst in the world. They gave us the job of changing it because they could not. In three years we took it from the worst in the world to the best in the world because the people wanted to please me. I dealt with them personally. You could not do that in Australia because the Australian culture is not about complying. The majority of small operators do not want to comply; they want to be renegades. I retract that; it is not the majority.

The Hon. DANIEL MOOKHEY: Some operators.

Mr FINEMORE: Some operators, yes.

The Hon. DANIEL MOOKHEY: Has Finemore ever contemplated investing in technology that would allow drivers to be shocked electrically?

Mr FINEMORE: No and there is no technology that I am aware of. The technology that Minister Pavey referred to was a misunderstanding of the technology that we have where the seat shakes and gives an audible alarm at the same time—not an electric shock.

Dr MEHREEN FARUQI: Thank you, Mr Finemore, for coming in to give evidence. You know very well that from September 2016 to September 2017, within just 12 months, truck accident related deaths increased by 86 per cent—from 29 to 54—which I think is the highest that New South Wales has ever recorded since 2009. I would like to get your view. Do you think there was one contributing factor as to why this happened or did a number of things that you talked about come together? What is your view on this and what should be done? Can you provide the Committee with any recommendations?

Mr FINEMORE: There is not one contributing factor in these things; it is a combination of everything coming together. I think that we were riding for something to get a spike because we had done very

well beforehand. I know in our business that we try to do everything right but Murphy gets up very early every day, works seven days a week, does not have any time off, and things go wrong. Unfortunately things went badly wrong. Let us go back through those lists. We were talking about the technology we have with the drivers. All the technology we have will not stop a car driver from going to sleep and running into us. It will not stop a car driver speeding and hitting us. It will not stop a person walking out in front of our trucks, which is what happened in Cowra recently. But the technology showed us that a person walked out in front of the driver; it showed us what the driver did; and it showed us that the driver did a fantastic job in not injuring that person.

We get the technology and then we use it as a tool. The technology we have helped us to find people who were sick with Ross River fever. We then got them to go to their doctor because they did not know that they had it. The alert went off in the first two hours. We are using the technology as a tool. The roads in New South Wales are the best they have ever been. In some areas you get weather conditions. There was a period in the past, not like now, when we had a lot of rain and a lot of weather conditions. If you go back and look at all those things and do a close analysis it was a combination of things.

Dr MEHREEN FARUQI: I also understand from your submission—correct me if I am wrong—that you are opposed to operator licensing. Is that correct?

Mr FINEMORE: Yes, I am opposed to government regulation.

Dr MEHREEN FARUQI: I wanted to know why.

Mr FINEMORE: The regulators impose things and they are not in the best interests. The telematics that are being proposed would not be the telematics that I would buy. The Intelligent Access Program [IAP] program involved telematics that were brought in by higher mass limits [HML] in 1995 but nobody picked it up because it does not do the job that you need to do to manage your business. When I asked a question many times about how many people have been prosecuted using IAP the answer is not always easily obtained. You have got to get people to want to use things and then get the benefit from them. Some people have our technology operating in trucks but the drivers put their cap over the camera and they get away with it. We do not want to sack drivers; the last thing we want to do is sack a driver. We want to change their attitude towards safety and we want to coach them to change their habits. They can leave us today and have another job this afternoon and they are still out on the road with all of our families. The aim of the exercise is to get people to change and to improve using the tools we have.

Dr MEHREEN FARUQI: I refer to the drivers and the way that they are paid. Research in Australia clearly shows that there is a link between trip-based payment schemes and higher speeds which could obviously result in accidents. Do you think a salary or a wage-based system is a better system rather than a trip-based system?

Mr FINEMORE: Our drivers are paid on a trip-based system. Everything is calculated back to ours and the driver gets paid for everything he does. If he is held up on the road he puts a claim in for the time he is held up, and he is paid for it. One of our problems with drivers is people leaving us because we will not let them work too many hours and they want to earn more money. We pay very well in the industry. We pay incentive bonuses for safety every month—a \$250 bonus each driver for the speed and the things that they do. I do not see that there is a difference. It is what management does with what it has.

The Hon. THOMAS GEORGE: If the analysis of the road toll confirms that country roads are the problem, what should the Government priorities be regarding investment?

Mr FINEMORE: I was surprised when I saw the information on country roads versus city roads. At that point I suggested that people in the bush needed to know more about it. There was an advertising program around regional New South Wales prior to Christmas. I think it was absolutely fantastic and it made people aware of how many people had been killed in their area. It was their people, not the idiots driving from the city to the country who could not handle driving on the local roads. There is a continuing need to look at the bad parts of the roads. The widening of the Newell Highway is fantastic, as are rumble strips and those sorts of things. The real issue is that people are overconfident in their driving.

When you talk about investment, the New South Wales Government has been working for some time on blackspots and other areas. Some things do not happen quickly enough and a lot of money has been earmarked. I keep trying to hurry up the bureaucrats about spending it in the right places cost effectively. For example, Appin Road desperately needs work. One of the things we fail to do is to use the technology we have on the roads. I believe that the cameras monitoring trucks should be used on all vehicles on the road. I strongly believe that we should all run with the same rules. I for one would probably have to adjust my speed down one or two kilometres an hour. I drive across the border into Victoria and I reset my speed to a different level

because that is what you get booked for in Victoria. I aim to drive safely. We all need to be responsible for our own actions.

The Hon. THOMAS GEORGE: I must recognise the contribution of Ron Finemore Transport to the industry. We go back a long way.

Mr FINEMORE: One of my sons says that I am stupid still to be in the industry.

The Hon. SCOTT FARLOW: Thank for appearing before the Committee. Members have spent some time today talking about the road toll spike. As you quite rightly point out, it might be a 91 per cent increase involving trucks, but it is not necessarily caused by trucks. A lot of the things we hear anecdotally are not necessarily evident in the statistics, such as distracted drivers, particularly car drivers using mobile phones and the like. What do you think about that sort of technology and do you use blocking technology in your trucks? Do your drivers report seeing a lot of people using their mobile phones and causing accidents?

Mr FINEMORE: I have been of the view for many years that distractions are a major cause of accidents. Distractions and speeding in bad circumstances are two key factors. They are not necessarily breaking the speed limit, but they are driving too fast in bad weather conditions and those sorts of things. The incidence of people texting on mobile phones is horrifying. We have blocking technology and we send messages that are read out. They ask the driver to pull up and to call us. We have mobile phones in vehicles, but drivers also have their own mobile phones, and they use them when they should not.

We use the technology that monitors distractions to encourage people not to be distracted. After a certain time, if we cannot change their behaviour, we change the people. However, that does not fix the problem. I see people everywhere in the city on their mobile phones. Personally, I try not to use my mobile phone when I am in the city because I know I will end up in the wrong place because I am concentrating on it rather than on where I am. I will end up going home when I am heading somewhere else or whatever. It tells me that you cannot do too many things properly at the one time.

The Hon. SCOTT FARLOW: You mentioned the process involved in changing drivers and stated that you were reluctant to use it because you knew they would get a job in the afternoon if they were sacked in the morning. Do you have a "three strikes and you are out" process, or is there a more informal system to change drivers who may be problematic in the organisation?

Mr FINEMORE: It depends on what is happening. We use this approach and we get people in to talk it through. They might be in the amber category and they need to be in the green category. Why are they there? We talk through all the little things that are happening. It is a combination of things, not only how they are driving, whether they have been speeding, whether they have not handed in their paperwork, whether they have had a bingle and so on. We put that all together and ask them what is going on. Do they have a problem in their marriage or are there other things going on in their life? It is a lot of those things. We use this approach to talk with our people. I have found since we started using this process that the majority of people understand it and what we are trying to do. We are trying to keep them safe and ensuring that they go home to their family safely after each shift.

The Hon. SCOTT FARLOW: There has been a lot of commentary, and we have heard some today, about the trip method of payment for workers. There is a great balance to be achieved in this regard. If there is an hourly method of payment then there is a disincentive for some to do the job in a timely manner and a perverse incentive to do it slowly. If they are paid by the trip, there is a challenge in that drivers want to do more trips and therefore do the job quickly. We see that in Sydney with companies trying to get more jobs throughout the day. Your safety bonus payment seems to be a way around this in that drivers have an incentive to drive safely. I imagine that you have looked at all the different models of payment. How have you arrived at that model?

Mr FINEMORE: We want drivers to be able to pull up and to have a rest. The current prescriptive regulations tend to stop that because they are trying to work within their band of hours, to have their rest after seven hours and so on. We encourage people to pull up and have a rest; we are not going crook about that. The technology tells us how long they have been working, what they have been doing and whether they have pulled up. I think what we do is fair and it helps us to achieve an outcome.

The Hon. DANIEL MOOKHEY: You would be one of the only operators using a trip-based method of remuneration and paying waiting time.

Mr FINEMORE: We pay for loading and unloading time and if they are held up over and above that.

The Hon. DANIEL MOOKHEY: But that is not a common practice in the industry for users of trip-based remuneration.

Mr FINEMORE: I am not aware of what other people do; I only know what we do. I do not ask people to do anything I would not do myself. That is the focus. If we pay for that we then do something about the customers.

The Hon. DANIEL MOOKHEY: Can you recover that cost from the customer?

Mr FINEMORE: No.

The Hon. DANIEL MOOKHEY: So you are happy to internalise that cost yourself when you have to pay waiting time?

Mr FINEMORE: We have to fight to stop the delays occurring.

The Hon. DANIEL MOOKHEY: So if a person is waiting to unload at a distribution centre that is controlled by a major retailer and for no fault of the driver or your company they find themselves having to wait a long time, you internalise that cost?

Mr FINEMORE: We do not fine them for having to wait a long time.

The Hon. DANIEL MOOKHEY: Should that happen—

Mr FINEMORE: We do something about it; we get on the phone.

The Hon. DANIEL MOOKHEY: But you cannot recover it from the client contractually?

Mr FINEMORE: No, we have to manage it. When the driver rings to say he is held up, we get on the phone and do something about it. It all gets back to using the information and tools you have for management.

The Hon. SCOTT FARLOW: I refer to the vision technology. You were talking about mandated rests and the challenges. The Chair and I visited Toll and found from looking at some of its systems and viewing the drivers that surprisingly some of the fatigue events happened earlier in the shift rather than later. Have you found that?

Mr FINEMORE: I know from when I drove that there were times when I had driven for only an hour on a Sunday night and I was buggered. I would pull up and have an hour's sleep and then drive on. It is the same situation. We have those things. All I am getting told today is that the result of the technology is that all the things I thought would happen have been verified.

The Hon. SCOTT FARLOW: With respect to this Committee and its recommendations, you have been quite vocal in commending the Committee on not having a knee-jerk reaction and also in hoping not to see any recommendations of the like in the Committee's final report. What would be a good path for this Committee to take in its recommendations to try to reduce the road fatalities in this State? What would be a recommendation that you would like to see the Committee make?

Mr FINEMORE: As far as our industry is concerned, I believe that the key thing is to give more flexibility to drivers in their driving hours, but that that be linked to the sorts of technology that I am talking about. I am happy to have electronic work diaries but they have to have flexibility—not like the current regulations. That should be linked so that the driver can get home. People get anxious when they are held up and running late. The traffic is bad so they get anxious; they want to get home. When people get anxious they make mistakes. So we need to take the anxiety out of what they are doing and give them the flexibility to be able to get to the right place to pull up safely, get the right rest, have a shower and get a meal.

The Hon. SCOTT FARLOW: In your submission you also outline that the Government should look at providing benefits to the operators who clearly invest in better safety systems. What sorts of benefits would you be envisioning?

Mr FINEMORE: At the moment all we have is the stick. I am talking about the people who do not cost the society anything in accidents and those things. I cannot even write off the safety technology in the first year, because we are above the limit. So we have to write that off over four years. It should be an immediate tax break. That is not a New South Wales responsibility, but New South Wales can help in recommending that that should be able to be written off. Small operators can write that off straight away. The key thing is flexibility for the driver linked to the technology.

The Hon. SCOTT FARLOW: So those are the key benefits you would be looking at, rather than a stamp duty concession or a registration concession or something like that?

Mr FINEMORE: We have invested the money we have invested because we want safety as our number one priority. The second priority is reliability. The third priority is to look after our people in that situation. It is a combination of those things, and we think safety pays. It does not cost because we have less

accidents and less injuries and all those things. To incentivise smaller operators to take the plunge, if you gave them the flexibility of driving hours linked to the two technologies people would do it. I think that is one of the things that small operators respect.

The CHAIR: Thank you very much for appearing before the Committee today. We know that time is valuable, and we have come to the end, but we may have some additional questions in writing. Would you be prepared to respond to those in writing?

Mr FINEMORE: Yes.

The CHAIR: Your reply would then form part of the evidence and be published. Mr Finemore, thank you for appearing before the Committee today.

(The witness withdrew)

(Short adjournment)

ANN MARINA WILLIAMSON, Director, Transport and Road Safety [TARS] Research Centre, School of Aviation, University of New South Wales, affirmed and examined

RENA FRISWELL, Research Fellow, Transport and Road Safety [TARS] Research Centre, School of Aviation, University of New South Wales, affirmed and examined

The CHAIR: We will commence at stage two of our hearing and welcome Professor Ann Williamson and Dr Rena Friswell from Transport and Road Safety [TARS] Research. I thank our witnesses for appearing before the Committee today. Do you have any questions regarding the information you have been sent and the processes of today's hearing?

Dr FRISWELL: Not really, no.

Professor WILLIAMSON: No.

The CHAIR: Would you like to make a brief opening statement?

Professor WILLIAMSON: Yes, absolutely. What we have put forward sums up what our major points are. From the point of view of heavy vehicle safety and new technology, our major point to be made is that the push to new technology across the board is, as people keep reminding us, overtaking us. We need to perhaps stem that tide a little because there are some real caveats on the new technology that is available both in the claimed benefits that are likely to ensue from them and the claimed abilities of many of the technologies that currently are available and are about to be available. That is no less in the heavy vehicle space.

In the heavy vehicle space I think we have to be really concerned. We have to be considered across the board, yes, but certainly when you are talking about people spending their life, effectively, in trucks, one must be aware that we are talking about a workplace health and safety issue as well as a road safety issue when we are talking about trucking. We also need to be aware that truck drivers are committed to, and do, longer hours than any other work group in our community. From the view of subjecting them to less than adequate workplace conditions, such as could occur with some of the new technologies that may be incorporated in vehicles, we are actually talking about creating more problems than we are likely to solve.

We need to be really cognisant of those sort of things and before we introduce things that are likely to be deleterious to safety and wellbeing of truck drivers—and of course the driving community. When heavy vehicles have a crash, the whole of us sit up and take notice, particularly those who are in the vehicle that they unfortunately encounter. This is a serious consideration. It is great that your Committee is looking at it because I think it is very timely and needed.

The CHAIR: Dr Friswell?

Dr FRISWELL: I agree with all of those things.

The CHAIR: Thank you very much. That is great. Thank you for the table you produced in your submission on heavy vehicle safety technologies. I would be interested to know, of all the technologies you have investigated and listed, which you feel might be of most benefit. Have you prioritised them as being a list that you would recommend for the New South Wales heavy vehicle fleet?

Dr FRISWELL: This is the table on page 5 of our submission?

The CHAIR: Correct.

Dr FRISWELL: That was actually produced by Transport for NSW and it appears on its website. Based on our knowledge of the general literature on road safety, I think probably electronic stability control is one of the technologies that has the best evidence for effectiveness. I guess I would say that one is the one that we would put up at the top.

Professor WILLIAMSON: In a nutshell—because there are an awful lot here—

The CHAIR: That is why I asked for the priorities from your research.

Professor WILLIAMSON: From the research that has been done—and not so much ours necessarily, but from what we know—any of the technologies that work seamlessly to the driver and do not ever confuse or surprise them would be okay. Electronic stability control is good, when it works to gently steer you back onto the road without a driver going, "What's happening now?", is fine. A lot of the warning devices we have to be extremely careful of. For many of us who have newer vehicles now, your car will warn you of things and you think, "What on earth is it telling me? I have no idea." You often turn them off, if you know how to do that, because they are just not useful. Currently, from what we know, any of the technologies that assist you and help

a driver do something at a time when there is a bad aspect or a bad event unfolding, such as stability becoming impaired, under those conditions, so long as the driver is not surprised or confused, that can be quite helpful. But a lot of the technologies do not do that. A lot of them are warning. A warning technology is just not good enough.

The CHAIR: I draw a comparison with smart phones. Obviously people are able to get their head around those, and many drivers do as well, unfortunately—both light vehicle and heavy vehicle drivers. Are you saying that they will be unable to distinguish technologies such as you have described for safety purposes within the cab?

Professor WILLIAMSON: For example, if the warning is yet another beep, I think, "Why is that? Why is it going off in the middle of nowhere?" For example, I mention forward collision warning devices. I do not know about your vehicle but mine is a nice little European car. I am driving along and all of a sudden it will, I think, sense a barrier in the middle of the road and it will start giving me warnings, even though I am nowhere near the barrier, I know what I am doing, and I do not know why it is making that noise. It is the same sort of thing. Any of those sorts of stray, single-use technologies, where they are not integrated into a holistic driving experience, you have to ask how useful they are.

A lot of the fatigue devices, for example, might be warning a driver that they are too tired. For a start, drivers often do not need to be warned. They know they are tired. No-one falls asleep without knowing they are tired first. The idea that drivers need to have a warning to tell them they are tired is just wrong. The issue is to tell drivers that they are tired, therefore they need to do something about it. If the warning is used to actually say, "No, no, your performance is now starting to be impaired", because you now are starting to not be as straight on the middle of the lane, for example, that sort of use of a warning may well be extremely useful because that is giving a driver some information that they may not know.

We know that drivers are very good at detecting fatigue and that they are tired. What we are not so good at detecting, the longer you experience fatigue, is when it is too much and you are likely to fall into sleep because it is part of the process. But certainly it is absolutely not correct to say that you need these warning devices to tell you that you are tired. We know that. We could use these devices to help us to enforce—and we can elaborate on how you might do that—but certainly the idea that it is used for detecting fatigue for drivers is incorrect.

Ms ELENI PETINOS: I will pick up on fatigue and other safety and risk management issues. You say in your submission that fatigue detectors and warnings are not useful if the drivers have incentives to keep driving. Do workplace regulations in the heavy vehicle industry need to be amended as a precursor to introducing fatigue management technology?

Professor WILLIAMSON: Yes.

Ms ELENI PETINOS: Can you elaborate on that for the Committee?

Professor WILLIAMSON: Currently, the standard hours committed for long-haul truck drivers, fatigue-affected truck drivers, allow them to do hours of service that are too long to be safe and they only require periods of continuous rest time, ostensibly for sleep, that are too short. Seventy-two hours of work in a week is far longer than any other work group is scheduled to do. If you are working with basic fatigue management, you can do 84 hours of work in a week. Many drivers, we know from our surveys of drivers, will do even longer hours. This is a problem to start with, because those work hours can be pretty much at any time of the day or night.

The Hon. DANIEL MOOKHEY: What about Advanced Fatigue Management?

Professor WILLIAMSON: Under Advanced Fatigue Management, that is a whole different ballgame and how it is organised depends on the safety case that is being put up. In theory, and if you use the at-risk classification matrix as it is intended to be used, it should work supremely well to manage fatigue while still getting the operational needs of the job done. You cannot move Gatton in Queensland closer to Melbourne, which is a 16-hour trip. How do I do it with one driver and manage fatigue? There are ways of doing that, we think. Standard hours do not work like that, though, because any driver may work 72 hours in a week with only, in any 24 hours, a requirement for them to have seven hours of continuous break.

Those seven hours can be in the daytime or the night time. If they are in the daytime, I am not getting sleep that is nearly as good; it is broken, more fragmented, not as restorative. Even at night, seven hours is not long enough if that break is also to include eating, perhaps having a shower, talking to another human being face-to-face and those sorts of things. Sleep will be shortened, and a driver can do six of those shifts in a week and then have 24 hours off. Those 24 hours may be from 3.00 a.m. one day to 3.00 a.m. the next day, which

means that sleep will still be mainly in the day. We have real problems with this; we need to change this. When you get the hours of service right then you can start using technologies and so forth to try to ensure that we are enforcing something that is reasonable.

Ms ELENi PETINOS: You outline your reservations about current fatigue warning technology, and you touched on this when you made your opening remarks. How do devices that enhance driver alertness differ, and at what stage of development are they? Are you confident that heavy vehicle operators who have already installed fatigue management technology understand the limitations that you describe?

Dr FRISWELL: Devices that are intended to improve alertness are still at a very rudimentary stage of development. Research is still being done, so I do not know that we would recommend that they be implemented at this stage. They just show some promise. They differ from fatigue detection technologies in that they are an attempt to raise the alertness level of a person for a short period, which might enable them to get to a place where they can stop safely. They would certainly not be a long-term solution for a driver who is starting to become fatigued. What was the second part of your question?

Ms ELENi PETINOS: You have basically answered my question. My final question concerns electronic work diaries, which I understand you have expressed reservations about. What preconditions would have to be met for you to be satisfied that electronic work diaries should be introduced or potentially even mandated? Would you like to make any other comments about electronic work diaries?

Professor WILLIAMSON: I firmly believe that there is little point in enforcing a law that is inadequate. Enforcing the standard hours for basic fatigue management [BFM], which is even worse—sure, let us enforce those, but the hours of service are too long and the rest period is too short. If we fix the hours then electronic work diaries might be very useful to ensure that people actually are doing the right thing. But at the moment the right thing is not good fatigue management, so that is putting more pressure on an industry that is already under a huge amount of pressure. The fact that I can now enforce down to the second, when we are talking about needing a bit more flexibility for a driver who is out of hours because they took a rest that they needed to take in order to get to where they needed to go, means that we are starting to lose the plot a bit, I think. We have to remember why we are looking at electronic work diaries in the first place, and if it is for good fatigue management then this is window-dressing, not getting to the heart of the problem.

Ms ELENi PETINOS: To clarify, whilst you are referencing the need for adequate rest as a reason why electronic work diaries are missing the point in this context, are you saying that electronic work diaries would effectively not address the problem in most contexts?

Professor WILLIAMSON: They cannot address the problem because they are only enforcing what we have already, and that is excessive hours of service. If the allowed hours of service are too long, we are not going to address the problem of fatigue; that is why we are bothering to look at how to address the problem. If we are talking about enforcing the rules then, yes, of course electronic work diaries will work. But if you are talking about managing fatigue then they will not work, because we are not managing fatigue well. All we can do is enforce a regulation that is just not adequate for managing fatigue. It depends on your intention, and if it is just enforcement then, yes, sure it will work.

Ms ELENi PETINOS: I think that the Committee would say that the intention is driver safety.

Professor WILLIAMSON: I think that is good.

The Hon. SCOTT FARLOW: You raised a point about flexibility, and we have heard about that in regard to managing driver hours. How should that flexibility work?

Professor WILLIAMSON: I think AFM is a real option. I have always thought that AFM is a real option, and that is why I have been very involved in helping the National Heavy Vehicle Regulator [NHVR] set it up. I think it needs evaluation, and NHVR know that I think they have allowed some things through AFM, which should not have been allowed. In theory, it is definitely one of the ways to go in solving the problems that we have in Australia. We have long distances; we do not have many stopping places that are feasible if you are driving a B-double; we do not have as many drivers as we need. The way drivers are remunerated and the pressure in the industry combine to make drivers keep driving and keep the vehicle on the road. All these things come together to mean that you do need flexibility, but it has to be flexibility that manages fatigue. The AFM approach that says, "You cannot move Gatton and Melbourne, so how do you do this task?" is where some real solutions lie. I know that the enforcement people are not so fond of AFM because it is harder to enforce, but the theory would be that if you make it more feasible and make the job get done more easily then you will not have problems with enforcement, because that is what the companies will do.

The Hon. SCOTT FARLOW: Today we have heard the view that while incidents involving heavy vehicles have increased, causation by heavy vehicle drivers has not increased or has actually decreased. Would you agree with that?

Professor WILLIAMSON: We have to be a little careful about how we make that claim and how strongly we make it. I think the authorities would agree that assigning the key vehicle in crashes is a bit questionable. We cannot say, for example, that the crash could have been avoided if the long distance truck driver, who might not have been in his lane when the vehicle came across, was not so tired. Fatigue may well be playing a role not so much in the causation of it, but in the avoidance of the really sad consequences. We have to be extremely careful about making that claim too loudly.

There is a lot more that we need to do in looking at our crash data. Driving distractions, fatigue and all these outcomes and causes are really quite poorly identified. I am almost certain that we are underestimating the role of driver fatigue in crashes, simply because, by definition, it is not this or that; it is 3 o'clock in the morning; it is a single vehicle crash, so it must be fatigue. Then we say, "Oh look, all these single vehicle crashes involve fatigue." That is by definition. We need to do some more work in that area to try to understand and uncover the role of the driver and why drivers do some of the things that they do. We are not doing that very well at all.

The Hon. SCOTT FARLOW: With respect to that crash data and crash investigations, some proposals have been put forward to the Committee that the Australian Transport Safety Bureau should take over the role of the crash investigator. Is that something you would support, or are there other mechanisms that you would see as being more meaningful?

Professor WILLIAMSON: Yes, although I am quite familiar with what they do in aviation, and they struggle with the same kinds of approaches. I do think that there is a real opportunity. For example, I have talked to the people of New South Wales about how we might start asking more questions about the causes of crashes. When a driver did whatever it was—quite often they might have turned into the path of the vehicle—the question that is not asked is why did that happen and why did the driver do that. Quite often, it will be something to do with the structure of the road or that the other vehicle did not have its lights on. There are other factors that we are not asking about. Too often the crash investigation will end up with driver error being the cause of the crash, when, in fact, we have not uncovered the reason why the person did that in the first place.

To call it an error is, more often than we know, unjustified. I think there is a huge opportunity to do a lot more. We have done that when looking at workplace fatalities in workplace health and safety areas. We tried to uncover what it was that people did to cause workplace fatalities. By asking why the person did that and looking at the context, we get much more information and understand the circumstance much more. Road crash investigations are very limited. They only look backwards from the moment of the crash for a very short period; they do not look at the broader circumstances. I think there is a huge opportunity to do more work.

The Hon. SCOTT FARLOW: With respect to some of the advancements in vehicle safety that you were discussing before, such as the beeps, lights, lane departure warnings, stop-start braking, Telesafe and whatever else it might be, do you think that some of them—you were talking about having them informed, particularly heavy vehicles users—lead to drivers becoming too reliant on the technologies and to drivers who are distracted while driving because they know that something in the system will prevent things from happening?

Professor WILLIAMSON: I think we have seen three very sad events where vehicles that had an autopilot mode have led to fatalities of either the driver or some poor person crossing the road with a bicycle. They are all examples of exactly that. The autopilot mode is allowed in our level 2 automated vehicles now obviously. When someone hears the word "autopilot", what do they think it means? Germany has said, "Tesla, you may not use the term 'autopilot' because it is misleading." On the one hand, Germany acknowledges that it can happen; whereas, in the United States, in that first Tesla crash with the white truck against the white background, the driver was found to be at fault. It cannot be both ways—either autopilot is autopilot or it something else. Only telling someone, "You have got to keep your hands on the wheel every six seconds" is not doing drivers any favours and is unlikely to be successful, as we are seeing by the unfortunately increasing number of crashes.

The Hon. SCOTT FARLOW: We have heard that mobile phone usage is underreported when it comes to incidents because often other things are related such as speeding and the like. What do you think of the technologies that block mobile phone usage in cars and proposals to mandate or encourage their adoption, particularly with heavy vehicles?

Professor WILLIAMSON: We are looking at this. We have just completed our naturalistic driving study, looking at experienced drivers. We have 350 drivers and we have instrumented their vehicles in their

ordinary driving for four months each. We now have a lot of information about what drivers do when they are just driving about. One of the things that we are noticing—and we have just started doing this analysis—is that there is an awful lot of eyes off the road. Much of that is to do with the driving itself, but drivers do choose, at times, to look around. It is what we all do it seems. I think that we are probably underestimating the whole issue of driver distraction and in-vehicle distractions such as mobile phones. People do manage when they do these things and will often do it when they are at the traffic lights, when they slowing down for the traffic lights or when they are on a long, straight drive when there is nothing much going on and they quickly look at something. It is time to reassess what we are thinking about driver distraction.

On the other hand, I do not think there is any other way of avoiding a driver interacting with these devices apart from making them not operate when the vehicle is in motion. That is the only solution really. We also have to remember that while we are saying that we are allowing this in vehicles at the moment. I have a central console in my vehicle that has a video screen and I can no longer change the radio station without looking at it. I used to know that the third button from the right was the one I wanted, or whatever, but I cannot do that anymore and I now have to look. We are allowing this. On the one hand, it is distraction if it is on a mobile phone but is it not a distraction if I am looking at that console? I would say that it is. We have to come clean on what we are thinking. If we are really interested in safety we need to balance out all these things. How do we do it?

Dr FRISWELL: There is also the issue that a truck cab is an office in today's day and age. The driver is surrounded by his electronic communication devices, back to base and so on. It is not just the mobile phone; his workplace is kitted out with all these potentially distracting devices which may be delivering important information, for example, "Do not take that road; we have heard there was a crash on it", or, "We need you to go somewhere else to collect freight."

Professor WILLIAMSON: Navigation applications in vehicles are often really hard to navigate and the time of eyes off road might be significant.

The Hon. THOMAS GEORGE: Following on from your comments on the holiday road toll and your experience of analysing previous road toll spikes, what do you expect to see as a result of the holiday road toll analysis? Can we expect that traditional risk factors in road fatalities—such as speeding, drink driving, fatigue and not wearing seatbelts—to figure in the causes of fatalities? Is there any reason to think that this year's experience is different?

Professor WILLIAMSON: We would suggest not. We obviously discuss this at some length. In the year 2000 we did an exhaustive amount of work—I think we ended up with five different reports on different aspects of what the problem was—and we came to the conclusion that it was more of the same. There is no doubt that over the holiday period you get more people on the road doing longer trips at odd hours, so it may be higher speed when people are not used to it; it may be that drivers are more tired because they get up at 3 o'clock in the morning to beat the traffic or go after work. Those sorts of things might also contribute. Basically, the same constellation of factors will be involved, and that is what we did find last time.

Dr MEHREEN FARUQI: Thank you very much for coming in today and also for your submission. Table 2 on page 8 of your submission is where you compare the working hours limits in Australia with other jurisdictions. We had a chat about that earlier. Is there a specific recommendation that you would make to the Committee as to what you think is the better model? Is it the European Union?

Professor WILLIAMSON: I would say the European Union is certainly something to aspire to. The major thing we must do is allow drivers a longer period for continuous rest. That would be the one thing that we need to acknowledge. Then after that the number of hours per week and so forth needs to be dealt with as well, with some caveat also on the time of day in which the rest is allowed.

Dr MEHREEN FARUQI: Night-time rest for sleeping?

Professor WILLIAMSON: Far more beneficial, yes.

Dr MEHREEN FARUQI: Is it Transport and Road Safety [TARS] research that has linked driver remuneration schemes to high speed?

Professor WILLIAMSON: Possibly.

Dr MEHREEN FARUQI: We were talking about remuneration schemes earlier. Is there a link between, say, trip-based payments and high speed?

Professor WILLIAMSON: Yes. Certainly longer hours. Our work does not suggest speed. The only studies that have looked at speed were some years ago with David Hench's group. They definitely did look at

speed and found the same sort of thing. When there is pressure to keep the vehicle on the road, drivers drive faster, they drive longer, but also trucks are not maintained as well. As well as not maintaining the driver, the truck itself—because that is the means by getting the freight—also will not be maintained. It is not just about drivers; it is about the trucking itself.

Dr MEHREEN FARUQI: What would be your recommendation to overcome that?

The Hon. DANIEL MOOKHEY: How long have you got?

Dr FRISWELL: Yes. Timed-based payment would obviously be preferable.

Dr MEHREEN FARUQI: Or a wage, salary based.

Professor WILLIAMSON: Yes, absolutely. Acknowledging that work for long distance truck drivers includes sitting in the queue, waiting and participating in loading and unloading. That sort of stuff is part of their work. They cannot do what they like, they cannot go and do the banking or whatever when that happens so you have real problems. That would be the first step.

Dr MEHREEN FARUQI: In your submission you mention truck driver fatigue data which is not readily available on the website of Transport for New South Wales and you discussed those issues. How do we get that sort of data and then use it to improve safety?

Professor WILLIAMSON: I think that there are a number of questions not asked during crash investigations. I know that police are starting to be much more aware of the issue—how long the driver has been awake, when did they sleep last, was it daytime or night-time sleep, and all those sorts of things. I think that is the kind of approach we need to try to understand the extent to which fatigue will play a role. One of the issues for long distance truck drivers though is that we are talking pretty much about drivers who work to standard hours—or basic fatigue management [BFM] even worse—and they are tired; they are always tired. You almost can assume that any trucking crash will involve a driver who is not, even if they have just had their 24-hour break. Twenty-four hours is not long enough to recover from the build up of chronic fatigue that they do experience. I think that we are kind of playing around the edges and the problem still exists.

Dr MEHREEN FARUQI: Does it make a case for less trucks on roads and more freight on rail, for instance?

Professor WILLIAMSON: Yes, well, if that can be organised, but that is a big issue. Of course it is a solution.

The Hon. DANIEL MOOKHEY: In general is there a link between safety practices in the heavy vehicle industry and driver remuneration?

Professor WILLIAMSON: Yes.

The Hon. DANIEL MOOKHEY: In your view is there a strong academic consensus on that?

Professor WILLIAMSON: I think that everyone who has asked the question finds that the answer is yes.

The Hon. DANIEL MOOKHEY: Is there any peer reviewed study that you are aware of that shows the contrary—that there is no relationship?

Professor WILLIAMSON: No, not that I can think of.

Dr FRISWELL: Not to my knowledge.

The Hon. DANIEL MOOKHEY: Is the magnitude of the relationship between remuneration and safety higher for trip-based payments or hours remunerated? The academic literature suggests that trip-based payments lead to more safety incidents than hourly based payments.

Professor WILLIAMSON: Certainly we show strong correlations between drivers who are paid on a trip-based basis—higher levels of fatigue and higher reporting of incidents, near misses and so on.

The Hon. DANIEL MOOKHEY: Given that the majority of the Australian hire and reward freight task is conducted by small operators and a lot of it by owner-operators, particularly in long distance, in your view is that relationship stronger the lower down the chain you go?

Professor WILLIAMSON: Not always.

The Hon. DANIEL MOOKHEY: It is quite possible for the bigger people equally?

Professor WILLIAMSON: Yes. Often the bigger players with their employee drivers will still pay them a trip-based payment but they tend not to put the same pressures on them. Where they have got a route when there is pressure they will often use subcontractors, in which case it naturally goes down the line. It is the way the work gets shared out. And of course you do have trips that are inherently paid better than other trips. Anything from Melbourne to anywhere is paid at a higher premium than anywhere to Melbourne, for example. Looking at who does which of those better remunerated routes would also tell you who is likely to be more pressured.

The Hon. DANIEL MOOKHEY: Going through some of the specific behaviours and relationships that you identified earlier, and perhaps expanding on them, you said there is a relationship between remuneration and maintenance. Are we right in interpreting what you are saying is that lower remuneration causes heavy vehicle operators at all levels to defer or otherwise not undertake maintenance because they cannot afford it?

Professor WILLIAMSON: It is the same problem—if I only get paid when the truck is on the road, I need a truck and a driver for that. So that keeping those two things on the road means you have got tired drivers and trucks that do not see the inside of the maintenance workshop often enough.

The Hon. DANIEL MOOKHEY: In your view do the low levels of remuneration create incentives for operators to break things such as speed limiters?

Professor WILLIAMSON: I think it is very likely that that is the case.

The Hon. DANIEL MOOKHEY: What about falsification of logbooks?

Professor WILLIAMSON: Again, I do not know of any. We have not ever asked about that in any of the surveys that we do. But they do tell us that they do longer hours than 72 hours in a week, or 84 even.

The Hon. DANIEL MOOKHEY: What about vehicle replacement and fleet replacement?

Professor WILLIAMSON: No, we have not. Again, I suspect there have been some studies in that area but off the top of my head I cannot think of any.

The Hon. DANIEL MOOKHEY: If you can find them or if you become aware of them can you send them to the Committee on notice?

Professor WILLIAMSON: We can. Certainly, where the margins are small and there is pressure to just keep the trucks on the road and so forth, it makes sense that I do not have any spare cash to upgrade my fleet.

The Hon. DANIEL MOOKHEY: With the relationship between remuneration and fatigue management you made the point earlier that the quality of rest differs. In your view is the quality of rest tied to the conditions in which a driver is asked to work by his or her operator, or the operator is asked to by the customer?

Professor WILLIAMSON: To rest effectively. When you are really tired you can sleep anywhere but the quality of sleep and on a regular nightly basis, that is not acceptable. They need to be sleeping in a stationary location either at a motel or some sort of accommodation that the company organises, or at home preferably. Quite a few long-distance truck drivers will sleep in the sleeper bunk, and typically that can be a real problem because it is hot and sleep is harder to obtain and so on. The quality of the sleeping conditions are very important.

The Hon. DANIEL MOOKHEY: When a driver is asked to rest whilst the truck is queued at a distribution centre or a port and they are asked to move the vehicle every 15 minutes or 30 minutes, does that qualify as quality rest in your opinion?

Professor WILLIAMSON: No.

The Hon. DANIEL MOOKHEY: In your view, would the Committee's attention to strategies that address these factors exceed the safety return that would be available if it were to turn its attention purely to technology?

Professor WILLIAMSON: Absolutely. That is one of our whole points. Let us get the fatigue management right before we try to add technology. Automated vehicles, getting rid of drivers, then we will not have a problem.

The Hon. DANIEL MOOKHEY: In that respect, was the abolition of the Road Safety Remuneration Tribunal a positive or negative step?

Dr FRISWELL: We would think it was a negative step to get rid of the tribunal.

The Hon. DANIEL MOOKHEY: In any academic literature or any practice of which you are aware, is there any safety benefit by having a truck driver electrically shocked should they find themselves in a fatigue circumstance?

Professor WILLIAMSON: No.

The CHAIR: I might add that previously Mr Mookhey actually used the word "electrocuted", which I thought was rather terminal. He does mean given some form of electronic reminder or a vibration.

The Hon. DANIEL MOOKHEY: Or a shock to the body with electricity, might be a way to describe it.

Professor WILLIAMSON: It goes back to the same issue, it is a form of warning, whether it is on the body—

The Hon. DANIEL MOOKHEY: Are you aware of any jurisdiction that does it?

Professor WILLIAMSON: No. But certainly warnings in trucks, yes. But their effectiveness, as I said before, is really questionable.

The CHAIR: It is actually in the form of a vibration in the seat. I think it has been a little bit exaggerated.

The Hon. DANIEL MOOKHEY: That was not the proposal described though, Mr Chair.

The CHAIR: Electrocution is a little bit far. The New South Wales government submission states that Transport for NSW will develop a specific heavy vehicle strategy. What should be the leading priorities for action?

Professor WILLIAMSON: If you take first things first, we need to look very carefully at the pressures in the industry that are really at the heart of some of the problems. I think that issues like huge differences in remuneration on various trips are a problem and how that work is done. I think the chain of responsibility has got an enormous potential to do some good here. A driver who is sent out from Melbourne has to get back, for example, so there needs to be remuneration of truck drivers. Whether they are an owner-operator or a big operator, it is the same sort of problem. We have got to acknowledge that the return needs to be paid for.

I was one of the chief investigators on the crash control study. We looked at 500 crashed long-distance truck drivers and we compared them with 500 or so controlled drivers who drove through exactly the same place at the same time. We looked at the factors that predicted a crash versus not crashing. One of the predictors was, in fact, empty loads. Trucks were more likely to have crashed if the drivers had not had a break for at least four hours. They were more likely to crash if they were empty. The empty load, backloading issue, is a really significant one. There are engineering-type reasons, that is, stability of empty trucks because they travel differently and an empty load means a driver is not being paid. So those are the sorts of pressures we need to be looking at so that the way remuneration of the industry is conducted will have an influence on what people do.

To some extent, until you fix those things and actually get some rational, fair, safe management of those things playing around at these edges, with hours of service and so forth—I am not saying do not do it. We really must change what we say to the community is safe about driver hours of service. There are linear relationships here. The pressures in the industry cause people to behave in the industry the way they do. You remove those pressures and people will start behaving in a much safer manner. It is workplace as well as road safety. So it is not just about what happens on the black stuff, it is not just about what happens on the road, it is the state of the driver when they get into the vehicle at any time and so on.

The Hon. DANIEL MOOKHEY: In your view, does the heavy vehicle industry have meaningful market power to recover additional costs from its customers?

Professor WILLIAMSON: If you look at some of the evidence given to the Road Safety Remuneration Tribunal you find that, yes, some of the freight forwarders do pay demurrage, for example, and some of the companies and/or the organisations that represent some of the smaller operators will request it. But it is a bit ad hoc—in fact, very ad hoc. It is just not adequate. We need something much more formal. We need to ensure that when you work you get paid. That is what this boils down to: that truck driving is not just about driving.

The CHAIR: The Committee may wish to send you additional questions in writing and your reply will form part of your evidence and be published. Are you happy to answer any additional questions?

Professor WILLIAMSON: Yes.

(The witnesses withdrew)

MICHAEL JOHN KILGARIFF, Managing Director, Australian Logistics Council, sworn and examined

KERRY CORKE, Policy Adviser, Australian Logistics Council, affirmed and examined

The CHAIR: Do you have any questions about the information you have been sent and our processes today?

Mr KILGARIFF: No, I do not have any further questions.

The CHAIR: Do you want to make a brief opening statement?

Mr KILGARIFF: Yes. The Australian Logistics Council [ALC] would like to thank the Committee for the opportunity to provide evidence to the inquiry on heavy vehicle safety and the use of technology to improve road safety. By way of background, ALC is the peak national body representing the major national freight logistics companies in Australia. We have a focus on supply chain efficiency and safety. The written submission of ALC to this inquiry recommends that the Heavy Vehicle National Law be amended to require heavy vehicles to carry telemetry. Simply put, a telemetry device is able to provide information on a vehicle's speed, location, distance travelled by the vehicle, and the times the engine was on or off, among other things.

Indeed, many of the chain of responsibility requirements contained in the Heavy Vehicle National Law can be monitored with telematics devices. This could enable Roads and Maritime Services in New South Wales to have access to data that indicates a breach of the Heavy Vehicle National Law or any other heavy vehicle law or regulation has occurred. Data collected from these telematics devices would also allow Roads and Maritime Services to better target its compliance and enforcement operations.

ALC has been a consistent advocate of mandatory telematics over a long period; in fact, since 2010. We believe this is the best way to reduce the number of fatal crashes involving heavy vehicles in Australia, and in particular in New South Wales. The Committee would know that fatalities as a result of articulated truck crashes increased by 92 per cent according to the Bureau of Transport Economics in the 12 months ending December 2017. A number of recent studies have supported this point. In 2013 the National Transport Commission concluded that the current punishment is relatively meaningless to offenders and would-be offenders. What matters most is the probability of detection and punishment for illegal behaviour.

In 2005 a European Commission report concluded that implementing broad accident data led to a 10 per cent reduction in collision probability. More generally, a recent survey undertaken by Teletrac Navman found that 88 per cent of transport businesses are currently using or are planning to use telematics. Bearing in mind the statistics, ALC believes that a move to mandatory telematics will not place an unduly onerous requirement on the heavy vehicle industry.

As Committee members would be aware, the Heavy Vehicle National Law uses what we call an "applied law scheme", whereby the host jurisdiction—in this case Queensland—enacts the law, which is then picked up and applied by other jurisdictions. The Heavy Vehicle National Law currently applies across all States and Territories except for Western Australia and the Northern Territory. Amending the Heavy Vehicle National Law to make the use of telematics mandatory would provide national consistency regarding the standards required for that telemetry hardware. In ALC's view, any relevant equipment should comply with the data dictionary compiled by Transport Certification Australia. This is far preferable to States and Territories making their own rules, which would be inefficient, confusing and costly for heavy vehicle operators.

Amendments to the Heavy Vehicle National Law are approved by the Council of Australian Governments Transport and Infrastructure Council [TIC] before being enacted through the Queensland Parliament. The ALC submission therefore calls on this Committee to encourage the Minister for Roads, Maritime and Freight and the New South Wales Government to advocate through the TIC process that these changes be made. The ALC understands that telematics is just one part of a broader solution to improving heavy vehicle safety. By itself, it would not have the impact that we require. To this end, the ALC is today pleased to release and to table for the Committee a copy of its paper, "Improving Heavy Vehicle Safety the Australian Way—A Position Paper". We can circulate copies to the Committee now. This position paper argues that in addition to mandating telematics, the Heavy Vehicle National Law should be amended to require heavy vehicle operators to meet a national operating standard before they can begin operations.

This national operating standard would require heavy vehicle operators to have the financial capacity both to operate and to adopt a uniform safety management system. This standard would be similar to standards that have already been implemented in Canada, New Zealand, the United Kingdom and the United States. Mandating telematics and introducing a national operating standard was supported by Toll group Managing Director Michael Byrne in his letter to the Prime Minister earlier this year. As the nation's most populous State,

New South Wales has a significant opportunity to lead the way on this vital road safety initiative at the Council of Australian Governments. ALC believes that now is the time to grasp that opportunity. I again thank the Committee for the opportunity to appear at the hearing today. We welcome questions.

The CHAIR: I was interested to note the reference in your submission, and you have referred to it again today, to 88 per cent of transport businesses currently using or planning to use telematics. Which safety technology should be prioritised for the New South Wales heavy vehicle fleet? Will you also expand on the issue of telematics and how it can benefit road safety? I noticed that you made the point that some of the chain of responsibility requirements could be monitored using telematics devices, which would lead to that desired outcome.

Mr KILGARIFF: We are talking about mandating installation of devices in heavy vehicles. As I said, they can measure many of the KPIs around chain of responsibility, being fatigue, driving hours and things like that, and they need to be compliant with the Transport Certification Australia data collection. Not only can they record driving hours but also, and more relevantly, they can be used to record speed and fatigue, which can then effectively be used by investigatory bodies conducting root-cause investigations of crashes. If you like, it is data of a standard that would be admissible in a court.

The CHAIR: Over what time frame would you see regulators acting to ensure telematics were fitted?

Mr KILGARIFF: We believe that given the Teletrac Navman study has already concluded that 88 per cent vehicles are already fitted with these devices, a suitable time frame would be roughly three years.

The Hon. DANIEL MOOKHEY: I declare that about a year ago—Mr Kilgariff will be able to confirm this—I was attending board meetings of the Australian Logistics Council.

Mr KILGARIFF: That is correct.

The Hon. DANIEL MOOKHEY: I refer to the membership of your organisation, and you helpfully provided information in your submission. You cover some of the large, if not the largest, consigners of freight in the country. Is that correct?

Mr KILGARIFF: If you include Coles, Woolworths and Metcash as the largest consigners of freight, that is correct.

The Hon. DANIEL MOOKHEY: If you do include them, that accounts for the purchase of roughly 84 per cent, or thereabouts, of Australian freight movements.

Mr KILGARIFF: Yes, but I am not aware of the study referred to. One of the unfortunate characteristics of the Australian freight industry is that we do not know how much freight is moved and where. Anecdotally, we use statistics of 70 per cent to 75 per cent. It could be—

The Hon. DANIEL MOOKHEY: I am happy to go with that figure. When you factor in that you cover New South Wales ports, the Port of Brisbane and the Port of Melbourne, which are three of the largest facilities at which freight movements take place, it is fair to say that the ALC has close to universal coverage of the consignment side of the freight task.

Mr KILGARIFF: Not total, but, yes—

The Hon. DANIEL MOOKHEY: Close to.

Mr KILGARIFF: Yes.

The Hon. DANIEL MOOKHEY: One of the issues that has arisen repeatedly in the industry, and an argument articulated by consigners in the past, is that it lacks visibility of the supply chain that flows underneath. Insofar as they have chain of responsibility requirements under various laws, they are not in a practical sense able to meet those responsibilities because of that lack of visibility. Do you agree with that position?

Mr KILGARIFF: If you take into account a company like Linfox, which does a substantial amount of work with Coles, it certainly has all of those devices in its trucks.

The Hon. DANIEL MOOKHEY: But that would be—

Mr KILGARIFF: Telematics devices.

The Hon. DANIEL MOOKHEY: But are you talking about the Coles, to Linfox, to store relationship?

Mr KILGARIFF: Yes.

The Hon. DANIEL MOOKHEY: What about into the Coles distribution centres from other suppliers?

Mr KILGARIFF: It is what we refer to as the "primary freight task". To be frank, that is a part of the industry where we do not have a lot of visibility around who moves what where.

The Hon. DANIEL MOOKHEY: Insofar as you are arguing for the mandatory use of telematics, is it your view that that would give freight consigners far more visibility over the total freight task in which they engage?

Mr KILGARIFF: Yes. Not only would we get a lot more visibility of the sort freight being moved and where it is going but there would also be more visibility of the chain of responsibility and compliance in that section of the industry.

The Hon. DANIEL MOOKHEY: Insofar as there is an additional cost impost on heavy vehicle operators as you go down the chain—including everyone from operators like Linfox to an owner driver—would consignors be willing to help meet some of those costs and allow those costs to be recovered in contract negotiations?

Mr KILGARIFF: I think that is a commercial issue. I could not sit here today and say yes or no. The one thing I can say is that a lot of the larger operators are becoming more and more aware of the cascading responsibility down through the contract chain. A lot of the subbies who are now working for the larger companies are required to take a mobile telematics device with them. That is a little more substantial than a mobile phone. It can, for example, be put in the glove box. It measures things like rapid deceleration, where the vehicle might be at any point and those sorts of things that contribute to unsafe driving.

Mr CORKE: One aspect that should always be remembered is that there are significant changes to the chains of responsibility law that are about to be proclaimed by the Queensland Governor which will take effect some time during the course of 2018. It will, amongst other things, increase the liability of management for breaches in the chain of responsibility.

The Hon. DANIEL MOOKHEY: We will get to that.

Mr CORKE: To the extent that it forms part of the overall whole, that is the answer.

The Hon. DANIEL MOOKHEY: Your point of view about the use of mandatory telematics is the complete opposite to the view of groups like the Australian Trucking Association and, for that matter, Ron Finemore and the other two witnesses we have heard from this morning. Can you explain why your view should be preferred over theirs?

Mr KILGARIFF: As I said in my opening statement, we believe that there is enough evidence internationally to substantiate our claim that it will reap a safety dividend. The United States, as recently as December 2017, has mandated the use of—I cannot remember exactly what they call it—an electronic work diary. Similar devices are also mandatory in the United Kingdom. We believe that the evidence is there to substantiate the fact that it will deliver a safety dividend.

Mr CORKE: As Mr Kilgariff indicated in answer to the Chair's question, the other advantage that it has is that the presence of that body of data—which is collected passively; it is not the sort of thing that a driver has to interrupt what he is doing to punch in—will assist enforcement bodies and operators themselves in doing root-cause analysis.

The Hon. DANIEL MOOKHEY: Do you subscribe to the view that the push for the mandatory use of telematics is motivated more to obtain a commercial advantage by bigger operators at the expense of smaller fleet operators, and that should it be mandated we will be driving small fleet operators out of the industry?

Mr KILGARIFF: No. I refer to the statement that I made earlier, that telematics by itself is not a cure-all; it needs to be implemented with other measures such as national operator standards and the changes to chain of responsibility that are coming in. What I am saying is that a greater level of safety in the industry does not necessarily come at a huge price, but unfortunately it will come at a price.

The Hon. DANIEL MOOKHEY: I move on to two other issues which surfaced this morning. Should consignors of freight, which would include your members, be subject to chain of responsibility in respect to the maintenance of heavy vehicles?

Mr KILGARIFF: Mr Corke might chip in here, but I think under the changes to chain of responsibility that are coming in in 2018, they will be.

Mr CORKE: They will be.

The Hon. DANIEL MOOKHEY: Do you support that?

Mr CORKE: To the extent that they can influence the outcome, yes; they are attracted to those provisions.

The Hon. DANIEL MOOKHEY: When you say that they are "attracted to those provisions" what do you mean?

Mr CORKE: By that I mean that if it can be said that a consignor made a decision to get something from Sydney to Melbourne in two hours or something, and a heavy vehicle missed a service, it is possible in that circumstance, because of that decision, which influenced a poor maintenance decision. Yes, the consignor could very well be caught by the chain of responsibility obligations. It does not go so far as putting in place a positive duty—for instance to check that the truck is not leaking oil.

The Hon. DANIEL MOOKHEY: I am asking you whether we should be putting in place that positive duty. First, insofar as the law is being amended through the Queensland Parliament, and we will then mirror it under our provisions, did you support those changes from the ALC's perspective? Secondly, to the extent to which there should be a general duty introduced in respect of heavy vehicles—to which the entire supply chain is subject, not just consignors—is that a position that the ALC would support. If so, why? If not, why not?

Mr CORKE: Yes, we have supported it. As I understand it we have written a letter to the Queensland Parliament—

Mr KILGARIFF: That is correct.

Mr CORKE: —asking that the legislation be passed as soon as practicable.

Dr MEHREEN FARUQI: Good afternoon. Thank you for coming in today. We know, quite clearly, that driver fatigue is closely connected to the safety of drivers and that maybe some of the technology that is used to keep drivers awake, or even electronic work diaries, may only be addressing the symptoms rather than the problem of drivers being fatigued. What is your view on mandating longer continuous rest hours, and that the quality of that rest and the time that the rest is taking should be changed from what it is at the moment? Would you support the Committee making a recommendation like that?

Mr KILGARIFF: Just so that I get the question right, are you asking whether we would support longer hours applying in—

Dr MEHREEN FARUQI: Longer rest hours. We saw in the TARS submission—we had a bit of a discussion earlier about that—that rest hours are too short and that drivers in Australia do not really get quality rest. The European Union has a much better model, for instance.

Mr KILGARIFF: I do not feel qualified to make a response about the appropriate levels of fatigue. The one thing I would say, however, is that we need to take into account the state in which the driver arrives at work. For example, the fatigue of a driver cannot be measured by just what they have done at work. It needs to take into account what they might have done on the weekend as well. Logic would dictate that that is the case. The one thing we do not support is the regime that applies in Western Australia, where drivers are allowed to drive for 17 hours without a break. We believe that that is completely inappropriate. If anyone sitting around this table were to be working 17 hours a day that would not be an optimum outcome.

Dr MEHREEN FARUQI: You would be surprised!

Mr CORKE: The only other thing I would add is that we are aware that the National Transport Commission has formed a partnership with the Alertness Cooperative Research Centre to evaluate the impact of the Heavy Vehicle National Law on heavy vehicle driver fatigue. As Mr Kilgariff said, we—the Australian Logistics Council—are not experts in this area but we certainly look forward to seeing the outcomes of that research and how it is implemented.

Dr MEHREEN FARUQI: But you do agree that fatigue is an issue and that it needs to be addressed.

Mr KILGARIFF: Yes, absolutely. That is why we support compulsory use of electronic work diaries. To be frank, we do not regard a paper-based diary as being temperate. Many identities in this industry, over the years, have referred to paper-based diaries as joke books.

The Hon. DANIEL MOOKHEY: They are susceptible to fraud, are they not?

Mr KILGARIFF: Paper-based diaries?

The Hon. DANIEL MOOKHEY: Yes.

Mr KILGARIFF: Absolutely.

The Hon. DANIEL MOOKHEY: There is widespread practice of making fraudulent entries, throughout, particularly—

Mr KILGARIFF: I can only go on the evidence that has been put forward by Superintendent Phil Brooks recently, where multiple books were found in trucks, and pages out of people's logbooks. I do not know how widespread it is but I think logic would dictate that an electronic work diary could be believed a lot more than a paper-based diary.

Dr MEHREEN FARUQI: Drivers have also highlighted many times the pressures of working in the industry. They have cited sometimes unrealistic delivery times set by retailers. The Transport Workers Union says in its submission that drivers are under increasing pressure to deliver their goods as quickly and as cheaply as possible. I guess we also heard quite a bit in our evidence today about accountability in the chain of responsibility. What responsibility do you think your members have in regard to these pressures that the drivers have raised?

Mr KILGARIFF: I would certainly like to think that the members of the Australian Logistics Council [ALC] are probably setting a very high bar in terms of the safety levels that are actually allowable. Under the current chain of responsibility laws, but certainly under the laws that are about to come into effect maybe on 1 July or maybe probably 1 September, if it could be demonstrated that a major retailer was imposing either too short a time frame to get from, say, Melbourne to Sydney, or actually allowing a driver to drive longer than their allowable hours, that would impose a considerable risk for that company.

Dr MEHREEN FARUQI: Do you think that that is not happening? What is your experience?

Mr KILGARIFF: I do not have any evidence that it is happening now.

The Hon. DANIEL MOOKHEY: What is the average wait time for a Woolworths distribution centre [DC]?

Mr KILGARIFF: I do not have that information handy. However, the one thing I can tell you that through our retail committee the whole issue of wait times at DCs has been a considerable focus of both the major retailers and service providers since the national chain of responsibility laws came in.

The Hon. DANIEL MOOKHEY: Do Woolworths and Coles, or any of the other major consignors, allow a heavy vehicle operator or a driver of any type to enter into any negotiations on what is the appropriate and correct delivery slot for them to collect their freight?

Mr KILGARIFF: I am sorry—do they allow them to?

The Hon. DANIEL MOOKHEY: Is it mandatorily imposed, as in Woolworth says, "You must unload between 9.45 and 10 o'clock"?

Mr KILGARIFF: No.

The Hon. DANIEL MOOKHEY: Is there any flexibility shown by consignors in respect of those timetables should there be, for example, a major accident on a motorway, such as on the Hume Highway, which causes the vehicle to be late? What are the resilience mechanisms that are in place in companies like Woolworths and Coles, which you have just said account for 74 per cent of freight movements, to allow for shocks to be absorbed into the supply time and freight times?

Mr KILGARIFF: I do not have that information to hand, I am sorry. I am not a party to the commercial and day-to-day negotiations that go on between retailers and drivers.

The Hon. DANIEL MOOKHEY: When there is an evidentiary record showing that a huge amount of the safety risks that arise are not necessarily in the planned delivery schedules between Sydney and Melbourne but rather how the supply chain copes with shock, are you in any position to dispute that evidence? Do you have any evidence to the contrary, or should we be accepting that that literature, which has been provided to us in other submissions, should prevail?

Mr CORKE: We have not got any direct evidence. However, it remains the fact that you do have circumstances such as the M5 and the difficulties in moving goods on the M5 and similar roads where issues arise. As best as I understand it, companies have protocols in place to deal with those issues. I do not know what they are.

The Hon. DANIEL MOOKHEY: Perhaps on notice, is it possible—

The CHAIR: Mr Mookhey, you did have your turn, I am afraid.

The Hon. DANIEL MOOKHEY: I just want to ask whether on notice it is possible for you to provide whatever information you have about those protocols to which you have just referred as to how major consignors deal with those issues?

Mr KILGARIFF: I can go back and ask if that information can be provided.

The CHAIR: Provided that it relates to road safety, which of course is the only term of reference—the impact upon road safety and anything that can enhance road safety. The Committee is looking particularly at technology that enhances road safety outcomes, so if you can provide it within that framework, thank you.

The Hon. THOMAS GEORGE: I want to come back to information that is accessed by telematics. Does the ALC have any concerns about privacy and information that may be gathered?

Mr KILGARIFF: The view of the ALC, when it comes to the telematics information, is that it is first and foremost the property of the company concerned. Yes, it is discoverable in the event of an incident, but primarily it is the company itself that gets to keep it. In terms of the privacy of information, we certainly take the view that there is a considerable safety risk attached to the movement of heavy vehicles around the country. To a great degree the community deserves to have some comfort that that freight is being moved safely. Will the information be used, for example, to track someone as they are travelling across the Hope Plain, or wherever it might be? Not in an immediate sense, but should there be some sort of an incident attached to that, then yes it will be.

The Hon. THOMAS GEORGE: As far as the ALC is concerned, do you have any insights into the recent holiday road toll we have just experienced in New South Wales?

Mr KILGARIFF: Of course, that is why we are here today—to talk about that exact issue. I guess we are putting forward what we consider to be a policy response to that, which is that with the use of compulsory telematics operating in conjunction with the national operator standard, people actually have confidence that the trucks being driven on our roads are being driven in a very safe manner and the companies are being run properly. We believe that to be a response to that.

Mr CORKE: We also are hopeful that the changes to the chain of responsibility also will lead to some sort of behavioural change in the industry.

Mr KILGARIFF: Could I just elaborate a bit further on that?

The CHAIR: Certainly.

Mr KILGARIFF: One of the issues we have with the chain of responsibility to date—and we think that the changes to the chain of responsibility will certainly increase the focus—is a lot of people who are actually part of the supply chain do not really consider that they have any responsibility for what goes on in that supply chain. We really need to be making sure that people understand that the chain of responsibility is exactly as it is described. It is a chain where anyone who moves or who has responsibility for the movement of freight by a heavy vehicle at any given point in time may actually have responsibility if something goes wrong.

The Hon. SCOTT FARLOW: You noted in your submission that in incidences involving a heavy vehicle, in 80 per cent to 85 per cent of them, the heavy vehicle driver has been found not to be at fault. We have heard a little bit of discussion on this. You might have heard the evidence earlier about the caution in terms of attributing that. Would you like to comment on that in terms of the rise in incidents involving heavy vehicles, but to the extent that 80 per cent to 85 per cent of them are not caused by heavy vehicle users?

Mr KILGARIFF: We rely on the Bureau of Transport Economics for our safety statistics. We are not academics. We do not conduct long studies of cause and effect of accidents. However, it is well known in the industry that, unfortunately, a lot of the incidences that are what we might call near misses are not reported and more often than not they are not the fault of the driver of the heavy vehicle. There are many different causes, but the industry is very cautious about talking too much about that in that we do not wish to raise the level of anxiety about what is causing that 85 per cent of incidences not involving a heavy vehicle driver. But we rely on the Bureau of Transport Economics for our information.

The Hon. SCOTT FARLOW: With respect to your submission on mandating both electronic work diaries and telematics, there is a lot of fierce resistance within some quarters of the industry. What do you believe are the reasons for that resistance? Why is it that you have taken the view that a mandatory approach is best?

Mr KILGARIFF: As Mr Mookhey said, among the members that we have here, they certainly represent a fairly substantial part of the Australian freight task and they are all unanimous that it should be compulsory. As to why people might be opposed to it, there could be a number of things. One is that I guess

there may be a fear among the smaller end of the industry that the law might be looking over their shoulder at everything that they are doing. There is another concern about cost. But when you take into account the cost of a telematics device, even at the standard that we are seeking, in comparison with the purchase and the actual maintenance of the heavy vertical, it is considerably smaller. It is a very, very small percentage.

The Hon. DANIEL MOOKHEY: What is the cost of the telematics device to which you refer?

Mr KILGARIFF: The telematics plans work a bit like the plans for a mobile phone in that they depend on what your plan is—and by the way, in my view mobile phones are not a substantial device. You could purchase a telematics device, you could rent it by the month, or you could get all sorts of different add-ons.

The Hon. DANIEL MOOKHEY: Can you give us a general estimate of how much a median plan would cost?

The Hon. SCOTT FARLOW: Are you talking about \$500 a vehicle, say, or \$2,000 a vehicle?

Mr KILGARIFF: It is probably closer to \$2,000, I would say, but again it depends on the company.

The Hon. DANIEL MOOKHEY: Is it a recurrent cost, not a capital investment?

Mr KILGARIFF: Again, it depends on what sort of plan you are on. Quite often, for example, how it works is that the actual telematics provider still owns the device, but they will install the device in a truck and then the company actually pays them per month to get the information that they have asked for. It is like a mobile phone in that way.

The Hon. DANIEL MOOKHEY: Is there a competitive market or is it just one supplier?

Mr KILGARIFF: No, there is more than one supplier. We represent two, being MTData and Teletrac Navman, which probably do set the standard in terms of the information that they can gather. There are all sorts of providers, right down to devices that can be purchased overseas but that, in our view, do not really satisfy the requirements of chain of responsibility at all. It is a very wide range, if you like.

The Hon. SCOTT FARLOW: There has been quite a lot of discussion with respect to remuneration of drivers and how that plays in the safety environment: whether remuneration is calculated on a trip basis, an hourly basis or some alternative measure. What are your observations in that space? Does the Australian Logistics Council have a position on that?

Mr KILGARIFF: We do not really, but the one thing I can say is that the issue of demurrage, since the changes to the chain of responsibility laws came in in 2011, has been a greater focus for the industry in terms of making sure that there is a quicker turnaround at driver control stations. Sometimes things happen, as Mr Mookhey said, but generally we do not have a position per se on demurrage or waiting times.

The Hon. SCOTT FARLOW: If this Committee were to take up your recommendation to mandate telematics for vehicles, over what time frame should that be put in place?

Mr KILGARIFF: As I said, we do not see mandatory telematics by itself as being the solution. We consider that there need to be a number of other things implemented at the same time, being the national operator standard, where a company needs to demonstrate that they are capable of even operating a heavy vehicle company. We see a term of about three years as being a reasonable time to allow people to make all the necessary changes.

The Hon. SCOTT FARLOW: What would you say to some proposals that suggest the same outcome is achievable by offering incentives to install telematics or other safety measures, not making the system mandatory? These proposals suggest there should not be a stick approach but there should be some form of incentive, whether it be in stamp duty rebates on new vehicle purchases, registration redemptions or vouchers or more flexibility in operating hours. Do you have a view with respect to that suggestion?

Mr KILGARIFF: One of the interesting things about this industry is that there is a big debate going on at the moment around what we call heavy vehicle road reform, which is essentially moving from a registration-cum-fuel tax type arrangement for the provision of maintenance of roads to a new system. From our perspective, we do not believe that any new system involving heavy vehicle reform can really happen without some way of monitoring where the vehicles might be at any given time. An incentive system might work, but as far as we are concerned the public policy debate is moving quite rapidly in that direction anyway.

The CHAIR: We have heard evidence to the effect that telematics gather information for analysis after the event. What processes would you advocate to ensure the information derived from telematics leads to both a better understanding of the cause of accidents and safer driving?

Mr KILGARRIFF: If the devices do comply with the Transport Certification Australia telematics framework that has been put forward then those devices would not only measure how long that driver has been on the road but also track, for example, the extent to which that vehicle is being driven dangerously—that is, rapid deceleration, going around corners too fast and things like that. Unlike the previous witnesses, we are not experts in heavy vehicle accidents and investigations, but as far as we are concerned a telematics device would prove to be useful in tracking the root cause and, according to evidence, its presence in a heavy vehicle acts as a disincentive to break the law. As I said, the risk of detection has been demonstrated to be a disincentive to break the law.

Mr CORKE: I would add that we are increasingly moving to the world of big data. The more data that there is, the more capacity that the National Heavy Vehicle Regulator, the national body that enforces and ensures compliance with the heavy vehicle law, has through analysis of the data received to become more focused in the manner that they enforce the law and, in that way, to improve safety outcomes. To say that it is all completely reactive overstates it. The opportunity to have a body of data that can be used for technical analysis so as to improve and enhance enforcement procedures is something of extreme value, and that is the reason why you really do need mandatory telematics. You really cannot have a patchy sample; you really do have to have a sample of the fleet as it moves through the transport routes of the nation.

The CHAIR: Are you saying that it is an educative business management and self-management tool leading to safer outcomes on the roads?

Mr KILGARRIFF: Absolutely. As I said, part of the compulsory requirements for a heavy vehicle company ought to be the development of a safety management system, of which we consider telematics to be a fairly integral part.

The CHAIR: Thank you for your responses today. We may wish to send you some additional questions in writing, and your reply will form part of your evidence and be published. Would you be happy to answer any additional questions?

Mr KILGARRIFF: Yes, absolutely.

(The witnesses withdrew)

(Luncheon adjournment)

ROYCE CHRISTIE, Group General Manager, Toll Group, affirmed and examined

The CHAIR: Good afternoon and welcome to the second part of our inquiry into heavy vehicle safety and the use of technology to improve road safety. I welcome Mr Royce Christie from Toll Group. Thank you for appearing before the Committee. Do you have any questions about the information you have been sent and our process today?

Mr CHRISTIE: No, I do not.

The CHAIR: Would you like to make a brief opening statement?

Mr CHRISTIE: Thank you, Chair. I will make a short statement, because I believe the questions from the Committee are more important than what I might want to say. The most important thing I want to put on the record to start off with is that our Managing Director Michael Byrne would like to send his sincere apologies. Unfortunately, we have a town hall meeting where he is talking to 200 frontline employees this afternoon—he is out there right now, updating them on the way that the business is operating and answering any questions that they have. He would have liked to be here but, unfortunately, that took precedence.

As the Committee is aware, we have hosted a number of Committee members at our Eastern Creek site maintenance facilities. At that meeting, the members got to meet some of the real experts in this field. Just to explain Toll Group in very short terms, we have about 43,000 employees, approximately half of whom are based in Australia. We operate in more than 50 countries in 1,200 locations. We offer a diverse range of services, from standard freight and logistic services—including domestic and international freight forwarding, contract logistics services, express parcels, B2C, and B2B, across all modes of transport, including rail, road, air and sea. In addition, we also offer services that many people do not know about, such as our regional remote campsite and logistic support in Australia and internationally, as well as aeromedical helicopter services in New South Wales. I will stop there so we can move on to questions.

The CHAIR: I thank you particularly and Toll Group for hosting the Committee at that site visit. It was instructive for us and it made us aware of some of the issues we are addressing through this inquiry. I thank you for your submission, which is clear and direct and follows Mr Byrne's public letter which, of course, is embraced by your submission. First, I would like to ask which safety technologies should be prioritised for the New South Wales heavy vehicle fleet. Could you expand on the issues you raised in your submission?

Mr CHRISTIE: We would not pick a technology. Unlike many others who have probably come before this Committee, we would like to see a suite of action on road safety. Picking one form of technology introduces faults in that technology. That is why Mr Byrne was at pains to point out at least six points to start the conversation to turn around the road safety crisis that we currently have in Australia. With the number of deaths that are occurring as a result of our industry, it is the moral objective of everybody who works in our industry to drag that down to zero by all the means that we have available to us.

The CHAIR: You advised that no jurisdiction provides incentives for operators to upgrade their fleets and adopt safety technologies. How important is the age of the truck fleet in achieving road safety outcomes, and what sort of consensus would you propose?

Mr CHRISTIE: I was looking through the Truck Industry Council submission to this Committee before I walked in this morning, just to refresh myself on that. A lot of what the council said makes sense to Toll Group. Toll Group is currently going through a \$1.5 billion equipment upgrade project, which includes introducing new fleet. All of the new heavy fleet will have the latest safety equipment on board and all will have telematics installed as well. Driver state sensing is also an important part of that. The benefits that we see from that technology to us are enormous. When talking technology, another point I like to make to people is that technology does not have to be expensive and it does not have to be electronic. At the moment, there are differences between the trucks that use squirrels or other lug nut type devices. It ensures that the tyres stay on the truck which is an important part of the business. They are cheap but a number of businesses still refuse to use them or see no need for them because wheels come off only occasionally. But when a wheel does come off it can be catastrophic. It is not the number of times that an event occurs; it is the impact that the event can have that we are looking to curtail.

The CHAIR: During the site visit it was obvious that in addition to the telematics there were also, as you indicated, some fairly simple measures that were involved, including convex mirrors which help to overcome the problem that was addressed through the New South Wales Government's "Be Truck Aware" video. Could you comment on the availability and ease of fixing such devices for safety purposes?

Mr CHRISTIE: I might take that question on notice. It would come down to our equipment buyers and installers, which is beyond my scope of direct knowledge. But in general the temptation to look to electronic means for every solution is something we can all fall into. A simple solution driven from the ground up, such as we have seen in Toll Group on a number of safety issues beyond just vehicle safety, is a great way forward. It is empowering to the staff to identify and find a solution or a fix to a safety problem. That way the shared responsibility of safety, which is the key to all safety measures—whether it be road safety or occupational health and safety—and all the efforts that we undertake to keep our people safe and injury free can be played out.

There are cheaper solutions. People can be tempted to put cameras on the blind spot on the left-hand side of trucks in Australia to take in that area that cannot easily be seen by a driver. I am aware of a United Kingdom version when Crossrail work was being undertaken. Instead of installing cameras or sensors to see whether someone was in the blind spot, they simply put a window in the bottom of the door, so that when drivers sitting in their cab looked over to the left they could see, when they were stationary at a set of lights or whatever, if there were pedestrians or cyclists immediately in their left-hand door blind spot. That was a simple and quick fix that was made as part of the Crossrail process, which generated significant safety benefits for the most vulnerable people on the road who often make mistakes around trucks. The concept is not to reduce the mistakes the truck driver makes; the concept is to try to stop—when people do make mistakes, because they will make mistakes—those mistakes causing injury or death.

The CHAIR: Thank you.

Ms ELENi PETINOS: Good afternoon. Throughout the day we have been speaking to some of the witnesses about fatigue and safety risk management. One of the things that we have been looking at is the use of electronic work diaries. Other stakeholders have expressed concerns about electronic work diaries, including the differences in the treatment of electronic and handwritten notes, the problem of technological breaches and the lack of other fatigue management initiatives, including rest areas, in the industry culture generally. What is the response of Toll Group to mandating the use of electronic work diaries and how would you overcome opposition to the mandating of electronic work diaries?

Mr CHRISTIE: Our position is very simple on this, we believe electronic work diaries should be mandated. The reasons behind that are the clear breaches that are made by a very small percentage of people on the road and Australia's highway distance which makes enforcement incredibly difficult. The number of instances of logbook breaches—albeit most of them are minor but there are some very serious logbook breaches—that are picked up by jurisdictions, including New South Wales, on a regular basis for drivers and the penalty for that sort of behaviour is insufficient to the risks that they pose to the community.

One of the things we take very seriously is our social licence. People believe that truckies are dangerous because they see on the television the occasional fatigue-related incident where a driver has rolled, or a driver has just rolled through a whole set of parked cars, or some other incident. Fatigue is one of the classic five fatal issues that cause incidents on the road, not just with road transport but with other drivers as well. My managing director is very forthright on this one. We have been talking about implementation of electronic work diaries in Australia for at least a decade, possibly more.

The United States [US], which is the home of the free and the home of the truckie who does not like to be regulated, has introduced electronic work diaries. Yet in Australia we seem to constantly talk about the need to put in electronic work diaries and then fail to deliver because of a vocal few who stand up and say, "Well, that is infringing on my personal liberties. You will then fine me for every minor enforcement issue. You are just introducing extra red tape. This is not the solution we need; we need an electronic work diary but we need it in a different format." It seems like it is being held back by those who try to find the minor issues in the issue, whereas we simply say, start electronic work diaries.

Ms ELENi PETINOS: I understand that you advise that no jurisdiction provides incentives for operators to upgrade their fleets and adopt safety technologies. How important do you consider the age of the truck fleet to be in achieving road safety outcomes and what sort of incentives would you propose to people to upgrade their fleet?

Mr CHRISTIE: I made some earlier remarks on this but I just remembered the incentive part of the question. Incentives can come in different ways. Some of the people at Toll believe that the jurisdictions could lead because they still have control of registration charging for heavy vehicles. That could be a way to help implement it. Additionally, there were some suggestions within the submission about the use of the jurisdictions using their contracting power to see fleet ages improved as well; so that you could not actually obtain a contract, say for WestConnex moving spoil around, without having an average age of four or five years, something along those lines. There are multiple incentives that are beyond our ability to actually supply to the Government. But we believe the Government, if it puts its mind to it, could actually see it through.

The Federal Government also has some possibilities there, albeit not for safety technology but for heavy vehicles, to altogether exempt heavy vehicles from the luxury vehicle tax because of the value of the vehicle. It sometimes can be considered it is well and truly above the value of what a luxury vehicle would be considered for a car, so they do exempt that. I notice unfortunately none of the original equipment managers were able to attend this hearing in person but I believe that some of them would be able to support the anecdotal evidence that we keep on hearing from people across the industry saying that the number of people that are willing to spend \$250,000 to \$300,000 on a prime mover but refuse to spend \$2,500 to \$3,000 on safety equipment as it is an optional extra on their vehicles for much of the fleet is just surprising. Whereas we will take every safety equipment piece we can to put into our fleet.

The Hon. SCOTT FARLOW: From the outset, I need to make the declaration—as the Hon. Daniel Mookhey has made his conflict of interest declaration in the past—that my father, Mark Farlow, is an employee of Toll Group. Mr Christie, thank you for coming here today and for your submission, also for your hospitality to the Committee at the Toll site at Eastern Creek. We have heard repeated today that while the incidents of heavy vehicles involved in major accidents have increased, there are differing views on the culpability of heavy vehicle drivers themselves in these incidents. What is Toll's experience with the incidents it has had and the culpability of its employees in those incidents?

Mr CHRISTIE: Culpability is an important aspect of the incident. We count fatalities as every fatality. We will count a driver who has a health issue in his vehicle as a fatality, but the road toll will not. We count a coroner's approved unfortunate suicide against one of our vehicles as a fatality. Our aim is to reduce all of those fatalities to zero. It does not matter whether our driver was culpable under the laws of the land or not. There are ways and means to help our drivers and also help the community to reduce those. That is why we also invest in programs such as the Toll Driver Reviver program because we believe that the general community can learn a lot from professional drivers about fatigue management, especially when they do it only occasionally.

We also support the Amy Gillett Foundation as well, who I understand have provided a submission to the inquiry, because we also believe that there is a role we need to play, both for the vulnerable road user and cyclist, as well as our vehicles. Sharing the road, sharing the responsibility is important. It is a problem of our society that we live in that it is the splash of the death that occurs and it needs some burning platform for governments to start acting upon. One of the key reasons my managing director was so upset over the summer period was not so much the total number of deaths that seemed to occur as a spike within New South Wales—actually did occur as a spike in New South Wales, there is no doubt about it—was because we have all been here before. There is a strong complacency across Australia, not just within New South Wales, that there is a certain number of road deaths the community is willing to tolerate. As I said previously, Toll's position is: How many road deaths can we tolerate in Australia? Zero. How many serious injuries can we tolerate in Australia? Zero. We should not be hurting people. We should not be killing people because of the job that we are doing.

The Hon. SCOTT FARLOW: We have spent quite a bit of time today on the issue of mandating telematics, which Toll has outlined in its submission that it supports. Does Toll have telematics?

Mr CHRISTIE: In a large number of our vehicles, not in all. Sorry to talk over you.

The Hon. SCOTT FARLOW: With that experience, what impact has the installation of telematics had on your road safety figures, crashes, incidents, serious injuries and fatalities? Do you have some of that data?

Mr CHRISTIE: I can go into one specific area that we have had some investigation into. Telematics by itself would not solve the problem but telematics being used will solve part of the problem. We instituted telematics and a speed alert system as we installed those. In other words, as a vehicle went over 100 kilometres per hour—which is possible even in a speed-limited vehicle; the mass of the vehicle as it goes over the top of the hill and goes down the hill, you can breach 100—that there would be a back-to-base alert when that occurred. Before we installed, we were seeing about 150 speeding events per month. In the three years following July 2012 to May 2015 we saw a reduction in the number of the speed alerts in the 105 to 106 kilometre per hour area by 75 per cent. We also then saw a reduction in the number of speed alerts between 107 and 108 kilometres per hour by 60 per cent. We had no speed alerts for events greater than 110 kilometres per hour.

The process is simple in that the driver does not get sacked if they have a speed alert but they are counselled. No driver wants to go out there and cause problems, and there is a general rule in Toll that if you feel you have to speed to get the job done, do not. We do not need the job done that much. Monitoring, analysing, counselling, training, keeping the good drivers on who are willing to listen to the advice they are getting from the telematics boxes, and the advice that we are receiving, has led to a significant reduction in at least speeding alerts and we believe in a great improvement in safety overall.

The Hon. SCOTT FARLOW: In your submission you noted some technologies that are mandated in cars but not in trucks. What technologies are they? What should the New South Wales Government, in conjunction with the Federal Government, do to mandate certain technologies to be present in trucks?

Mr CHRISTIE: The Australian Design Rules control what goes into a truck. The process behind that for trucks is a lot slower than that it is behind cars. As I understand it there is a current process going through—I think it is electronic stability control—the Australian Design Rules, getting closer to the point. Electronic stability control AEB, one or the other, sorry, it just slips my mind as to which one it currently is. There are other technologies that are starting to come through that are being put into place, such as autonomous emergency braking which has got a strong push at the moment to be moved into cars.

You can still buy a truck with drum brakes on it, which just seems strange to the uninitiated within the transport sector thinking that when was the last time someone bought a new car with drum brakes on board. They are just cheaper, they are not as efficient and they still meet the Australian Design Guidelines. Along with autonomous emergency braking, electronic stability control, lane departure warning, and some of the other technologies, there are significant safety improvements that could be made to the fleet if you could also at the same time incentivise people to start buying new fleet as well to improve the average age of our fleet.

The Hon. SCOTT FARLOW: When the Committee visited Toll, you remarked that a lot of your vehicles are then onsold and used for truck and dog configurations and the like afterwards. What sort of program needs to be in place to maintain those vehicles? The Committee also visited the Roads and Maritime Services and its maintenance stations and inspection process. Is that sufficient to be able to maintain the quality of those vehicles?

Mr CHRISTIE: Road worthiness is not a once-a-year issue. Some businesses will fall into the trap with a single green slip or annual road worthiness process to clear up the few issues they might have on the truck once a year and not worry about the continual process that is required to get the truck road worthy throughout a year. That is where a concern falls within an annual inspection program. That said, the statistics are there showing that the older the truck the more likely it is to be unroadworthy on the road. I think you will find some of the numbers behind the latest baseline study that the National Heavy Vehicle Regulator did towards the end of last year indicating such a thing as well. We strongly believe that there should be more focus on an accreditation system to make sure that businesses do have sufficient skills, finances and personnel to maintain that truck throughout the year—just not on the one day to have to go and get a "roadworthy". That falls within the operator licensing system which is being mentioned here by a few people, including those experts from overseas such as the United Kingdom and the United States of America.

The Hon. THOMAS GEORGE: In your submission, you talked about the National Harmonisation of Heavy Vehicles Regulations to ensure safety outcomes are achieved. Have you had any discussions with industry and regulators to advocate the National Harmonisation Scheme? If so, have you had any success?

Mr CHRISTIE: We continue to have conversations with national regulators and other bodies around Australia about national harmonisation. If there is one thing my managing director probably hates most is the ability for—not necessarily picked up all the time—a Western Australian truck driver to be able to do 17 hours in a day, which is just sensationally wrong. In the Northern Territory, because they have no specific trucking regulations—they use a lot of the occupational health and safety regulations—they can do up to 18 hours in a day. There are so many discrepancies across Australia as part of this.

The Heavy Vehicle National Law [HVNL] was a good first step to try to push things through but was a first step, and with the way the Commonwealth works, there were compromises made. It needs to be revisited and we strongly believe that New South Wales as one of the leading States, if not the leading State, in heavy vehicle regulation can help lead that across the Commonwealth through the Transport Infrastructure Council of Ministers and through other processes as well. I think you will find that regulatory bodies such as the National Heavy Vehicle Regulator would love to see a more streamlined and strongly adhered to national harmonisation of trucking regulations.

The Hon. THOMAS GEORGE: You also advocate for the introduction of an operating licensing system. Is that in addition to or instead of another compliance regulation?

Mr CHRISTIE: They are a little bit supplementary towards each other. We believe that an operator licensing system is as much about rewarding good operators and providing national harmonisation across the network so that you can easily carry freight from State to State without considering the different regulations you pass over on a border. But also it offers us the option to remove bad operators from the system, be it the truck driver who may lose their licence in one State and then goes into another State and gets their trucking licence all over again and continues to drive and is refusing to live up to their responsibilities to the community, or even

more important, the business operator that can operate in a phoenix-style system where he just allows one business to burn down and walks into another. The United Kingdom system that we have some exposure to from discussions over there is supported by its peak organisation, the Freight and Trucking Association [FTA], I believe it is called, as a way of proving that you can operate a trucking business—that you just cannot go to the bank, buy two trucks and go on the road and expect to be able to make a dollar.

The Hon. THOMAS GEORGE: What is your response to the criticisms of operator licensing as anti-competitive?

Mr CHRISTIE: How so? I cannot see the anti-competitive nature of it. If all it is is requiring operators to prove that they put safety first and that they have the ability to maintain and keep a safe fleet and operation system, how is that anti-competitive? It is actually positive competition. Everybody has got the same rule book that they are living up to.

The Hon. DANIEL MOOKHEY: What is Toll's market share?

Mr CHRISTIE: Generally it is thought to be about 8 per cent of the entire road transport network.

The Hon. DANIEL MOOKHEY: How many accidents or deaths and injuries involving Toll-operated vehicles took place in the past 12 months?

Mr CHRISTIE: The only number I have in my head is the total number of fatalities we have been involved in globally over the past 12 months, which is 14. That includes health-related issues for third parties as well as our own.

The Hon. DANIEL MOOKHEY: You mentioned that not all Toll vehicles have telematics.

Mr CHRISTIE: Correct.

The Hon. DANIEL MOOKHEY: What portion of the fleet does?

Mr CHRISTIE: I am not sure; I do not have that number in front of me. Every new vehicle we purchase has it included and most of our linehaul vehicles have it, as do a number of our dangerous goods vehicles. It is across the fleet.

The Hon. DANIEL MOOKHEY: Is it now a requirement for all vehicles? Has Toll made a corporate decision that henceforth all new vehicles will have telematics as a default.

Mr CHRISTIE: Our managing director has issued a direction that every new vehicle we purchase must have telematics.

The Hon. DANIEL MOOKHEY: How many employee drivers do you have?

Mr CHRISTIE: We have 43,000 globally and about 20,000 in Australia.

The Hon. DANIEL MOOKHEY: Are they all employees or owner drivers?

Mr CHRISTIE: We have a very broad definition of employee. It does not include direct contractors in the sense of drivers. We are talking about part-timers and people who fall within the Toll People organisation, which is a labour hire organisation. We use it as a broad base. If the Committee would like the numbers, I can provide them on notice.

The Hon. DANIEL MOOKHEY: I think that is adequate. It is more a case of understanding Toll's reach. Mr George mentioned the introduction of an operator licensing scheme. To the best of your knowledge, in order for you to operate an airfreight service you would have to obtain a licence.

Mr CHRISTIE: Correct.

The Hon. DANIEL MOOKHEY: You would also require a licence to operate a rail freight service.

Mr CHRISTIE: Correct.

The Hon. DANIEL MOOKHEY: As far as the three major modes of distribution—air, rail and road—are concerned, road is the only one that does not have that requirement. Is that correct?

Mr CHRISTIE: As far as I know, yes.

The Hon. DANIEL MOOKHEY: You can answer this question on notice if you cannot answer it now. I understand that 80 per cent of freight movements on the eastern seaboard are conducted by truck.

Mr CHRISTIE: I do not know the number, but it is readily available through the Bureau of Infrastructure, Transport and Regional Economics, which has done some work on this along with the National Transport Commission.

The Hon. DANIEL MOOKHEY: Injuries and deaths involved in the Australian freight task overwhelmingly occur in the road freight sector rather than the rail and aviation sectors.

Mr CHRISTIE: Arguably, the road transport industry is the most dangerous industry in Australia.

The Hon. DANIEL MOOKHEY: When we are talking about operator licensing, we are talking about schemes designed to provide a preliminary check of a person's ability to operate a vehicle. That is no different from what already applies in the aviation and rail transport sectors. Is that a fair statement?

Mr CHRISTIE: It is a very general assumption, but it is generally the case. It is designed to ensure that the operator has the wherewithal to correctly implement the regulations and the ability to keep people safe.

The Hon. DANIEL MOOKHEY: It is a way of introducing some transparency about who is operating in the market.

Mr CHRISTIE: That is how the United States does it; it publishes the details of every operator and the incidents.

The Hon. DANIEL MOOKHEY: You are right in identifying this as a corrective to an issue that plagues heavy vehicles—that is, phoenixing of companies.

Mr CHRISTIE: Yes.

The Hon. DANIEL MOOKHEY: I am assuming that Toll has never phoenixed. Would you describe it as being a commercial problem for Toll, in that companies escape their debts by using bankruptcy laws and reinventing themselves?

Mr CHRISTIE: The problem we probably face more often is that there are companies that are willing to flout the law to reduce their costs to continue to make a dollar. Some do it inadvertently because they feel that is the only way they can make money, and some are more malicious.

The Hon. DANIEL MOOKHEY: You subcontract, do you not?

Mr CHRISTIE: We have a number of subcontractors, yes.

The Hon. DANIEL MOOKHEY: What procedures do you have in place to ensure that such operators do not participate in your supply chain?

The CHAIR: Before you answer that, I remind everyone that we are dealing only in matters of road safety. The witness can confine his answer only to those aspects.

The Hon. DANIEL MOOKHEY: I can reframe the question. What procedures do you have in place to ensure that no subcontractor participating in your supply chain has corporate practices that lead to road safety issues?

Mr CHRISTIE: We run an initiation and audit process for our subcontractors. I do not know the details of that.

The Hon. DANIEL MOOKHEY: Can you provide any information on notice?

Mr CHRISTIE: I will see what I can provide.

The Hon. DANIEL MOOKHEY: I am sure you and your managing director have made public comments about the holiday road toll spike. Are you aware that in New South Wales last year there was a 92 per cent increase in the number of heavy vehicle fatalities?

Mr CHRISTIE: Yes.

The Hon. DANIEL MOOKHEY: You would also be aware that New South Wales stands out like a sore thumb given that other jurisdictions have had declines. In fact, the Australian Trucking Association told the Committee this morning that pretty much every other jurisdiction has experienced substantial declines in the number of heavy vehicle deaths.

Mr CHRISTIE: This is part of the issue that we would like to point out. It is not that New South Wales has had a spike or that every other State has had a minor decline. On average, around 200 people across Australia are losing their lives because of the road transport industry. These are crashes where someone has made a mistake generally that has caused a death. That should be zero.

The Hon. DANIEL MOOKHEY: I agree, but you would agree that right now it is not zero in New South Wales and that the trend line here is not good.

Mr CHRISTIE: It is not zero in any State.

The Hon. DANIEL MOOKHEY: No. Tell me if you disagree and if you think the data is wrong. The ATA told the Committee that Victoria has had a 66 per cent decline and the South Australian rate is comparable, but that New South Wales has experienced an increase. You operate in all of these jurisdictions. Can you identify any factors that you think are unique to New South Wales that would explain why the numbers are going up here and down everywhere else?

Mr CHRISTIE: No, because we believe that everyone across Australia needs to work to push that number to zero.

The Hon. DANIEL MOOKHEY: Toll has engaged in compliance and enforcement activities in this jurisdiction, particularly with consigners. Can you talk about that? In general, can you talk about your interactions with consigners and the extent to which you believe their systems and Toll's systems are adequate to meet their responsibilities under chain of responsibility laws?

Mr CHRISTIE: In general terms we take our responsibility as a leading figure within the industry so seriously that we produce material on chain of responsibility for our customers. I have one of our brochures here with me.

The Hon. DANIEL MOOKHEY: Can you table that?

Mr CHRISTIE: Yes. We provided that to our customers and to our suppliers to keep them updated on chain of responsibility. We did something similar with the specific Western Australian issues regarding chain of responsibility to ensure that our customers and suppliers were aware of their responsibilities.

The Hon. DANIEL MOOKHEY: Is the reason you are providing that information that you are engaging with customers who either have an inadequate understanding of their responsibilities or are not taking these cultural issues seriously as Toll does?

Mr CHRISTIE: We provided that information to improve safety across the board.

The Hon. DANIEL MOOKHEY: How many Toll vehicles have been delayed at a distribution centre controlled by a major retailer because of a factor beyond the control of Toll or the retailer? Do you keep those statistics?

Mr CHRISTIE: I do not have that number.

The Hon. DANIEL MOOKHEY: Does Toll group keep those statistics?

Mr CHRISTIE: I am not aware. That is a deep operational issue.

The Hon. DANIEL MOOKHEY: Does Toll pay waiting time to subcontractors?

Mr CHRISTIE: Again, that is a deep operational issue and I am not aware.

The Hon. DANIEL MOOKHEY: You are not aware whether Toll remunerates—

Mr CHRISTIE: I do not have an answer for you.

The Hon. DANIEL MOOKHEY: Are you paid or do you seek cost recovery from consigners when delays occur at distribution facilities or ports?

Mr CHRISTIE: I do not know the answer to that question.

The CHAIR: Do you have any comments on the relative contribution of light vehicle drivers driving on country roads to the road toll and how governments should target their road safety messages? That was the final point added to the terms of reference. Clearly, as you have outlined, it is not solely the responsibility of the heavy vehicle industry. You said in your earlier statement that it involves the light vehicle driver. Do you have any thoughts about how that awareness could be improved to reduce the interaction?

Mr CHRISTIE: A point is often made in conversation that if you walk into a room and ask people around the table how many believe they are either average or above average drivers, 90 per cent of them will put up their hand where statistically that is not true. Driving a vehicle is not a right; it is a responsibility. It is also a lifelong training exercise. If you are in charge of a vehicle you are in charge of something that is potentially quite deadly to you and to those around you. As far as Toll Group is concerned, we approach the area of regional and long-distance driving mostly through our Driver Reviver support. So we provide not only facilities

for light vehicle drivers to pull over and take fatigue breaks—breaks that they are probably not aware that they need—but also try to use some of the lessons that we have from our professional drivers, through marketing material, et cetera, that can assist light vehicle drivers in their continuing education process to stay safe.

The CHAIR: Are there any further questions from members? I can see that there are not. I would like to thank you for your responses today, Mr Christie. We may wish to send you some additional questions in writing. Your reply will then form part of your evidence and be published. Would you be happy to answer any additional questions?

Mr CHRISTIE: I would be.

The Hon. DANIEL MOOKHEY: Can I clarify whether Mr Christie tabled that document?

The CHAIR: He did.

(The witness withdrew)

SHARRON O'NEILL, Senior Lecturer, School of Business, University of New South Wales, Canberra, affirmed and examined

LOUISE THORNTHWAITE, Associate Professor, Department of Management, Macquarie University, affirmed and examined

The CHAIR: Thank you for appearing before the Committee today. Do you have any questions about the information you have been sent about our process today?

Associate Professor THORNTHWAITE: No.

The CHAIR: Would you like to make a brief opening statement?

Dr O'NEILL: Yes. We would like to thank you for the opportunity to provide evidence to the inquiry. We appreciate that the Committee is seeking to improve the safety of truck drivers and other road users. We would like to offer some preliminary insights from our recent research. First, truck drivers are not a homogenous group. They do not have a homogenous work safety experience. For example, our recent study confirmed that a majority of drivers feel safe and supported by their employer in their safety at work. However, a not insignificant minority—one in five—have serious concerns about their safety. The fact that drivers are not an homogenous group has important implications for the type and success of interventions that we can come up with.

We need to target effective solutions to problems, and we currently have important challenges which are set by the limits of our understanding of the problems and, to some extent, our understanding of the solutions. Some of that has been raised by previous speakers this morning. In particular, a speaker before lunch noted the lack of basic information about freight movements. We have also seen a lack of information about numbers of truck drivers and causes of injury. That introduces issues about what data is going to be relevant and how that data should be used. Previous speakers have spoken about the use of data.

If we are going to understand the problems that we face we need to move to mature safety investigations which look beyond root-cause analysis and trying to find a single cause, and develop the capability to explore what the late Geoff McDonald would call "essential and contributing factors" that precede and enable damaging events. We need to recognise that we have a very complex problem, particularly in a high-risk work environment such as this. So while we all want to find the solutions to the road safety problem we must acknowledge that identifying the most appropriate and effective solutions will be very difficult until we really understand the problem. We hope we can contribute to that process.

The CHAIR: Thank you for providing a submission. In your submission you mentioned some external and in-vehicle technology advances. I would like to explore with you which safety technologies should be prioritised for the New South Wales heavy vehicle fleet. You mentioned a range and I was interested in exploring whether you had in mind a priority for introduction.

Dr O'NEILL: We could come at that from a position of the design of safe work, and look at things that make the work design safer rather than identifying drivers, given that we have such a range of driver experiences and situations. There were a number of technologies to do with truck safety improvements and I think that is where we need to start. We also look at the use of the technologies. For example, if fatigue technologies are going to provide an immediate safety improvement for the driver that is one thing. If it is monitoring equipment that goes back to a base but does not provide that immediate effect, that is probably less useful as a safety intervention immediately.

The CHAIR: I wanted to explore that further. You have conducted surveys and identified some of the responses to those questions. You mentioned suggestions for cameras to be installed on or under trucks so that drivers can eliminate blind spots and to have better visibility for the hitching process. You mentioned lane departure warnings and autonomous braking systems. Would you go further and recommend to government that there be priorities for action—either on the road or within the vehicle—that you think should be mandated, for instance?

Dr O'NEILL: I think those recommendations came from drivers. These are not things that we have raised.

The CHAIR: Did you arrive at any priorities? Was it an all-embracing suite or do you feel that there could be a stage one—things that should be immediate and mandated—and another stage for things that should perhaps be voluntary? Have you formed an opinion from your research?

Dr O'NEILL: I certainly think that the things that make the truck a safer work environment and a safer workplace would be the things that should be prioritised.

The CHAIR: The New South Wales Government submission says that Transport for NSW will develop a specific heavy vehicle strategy. What should be the leading priorities for action?

Associate Professor THORNTHWAITE: That is a very difficult question to answer. One of the reasons for that is the source and causes of safety issues in the industry. That goes back to the previous question that you were asking in relation to the technologies. The technologies are principally directed at the drivers. They are to various degrees and in various ways focused on safety, fatigue, speeding and those sorts of things for the drivers themselves. But in regard to an overarching strategy to ensure safety in the industry, that is much more of a question of the supply chain—the chain of responsibility all the way up the line—and not just what happens with the drivers themselves who fairly often have no control over their schedules. Our research showed that many drivers have very little control over schedules and the deadlines for reaching their destinations and those sorts of things.

The CHAIR: Would you not see a link between the advances in technology being able to inform that chain of responsibility for a safer outcome?

Associate Professor THORNTHWAITE: I would definitely see a link and certainly trying to ensure that the drivers themselves are actually observing various compliance requirements—the rules and so forth—is crucial in all of that. The problem that I see with that—and Dr O'Neill will have other things to say on this as well—is that for most drivers within the industry, conditions are actually fairly safe now. We heard from Toll, for instance, and those large companies and most of their drivers are actually driving under very safe conditions now with the levels of technology that are there. The ones who are not are the 20 per cent to 25 per cent at the bottom who cut across the subcontracting chain of companies like the Tolls of this world, but are actually more the owner-drivers with small fleets and the owner-drivers themselves. That is a separate set of drivers in a sense. For them, I think the commercial pressures are really fundamental in how the drivers ultimately behave in their trucks.

Dr O'NEILL: I will just add that in terms of how you use the data, coming from an accounting background, if we have performance data it really depends how you actually use that. Is it used to target strategies that drivers use? Is it used to re-evaluate the supply chain to look at issues of scheduling and moving it up through that chain of responsibility, and indeed just within the organisation, up through the management chain? We find that there are instances where companies will say, "Well, that's not really under our control." But when you look at it, particularly at the diagram that we provided in our submission, you can see that there are multiple points of intervention and there are earlier points at which we can actually start to improve safety. If those technologies are used to inform that higher level, a deeper analysis, I think, is useful. It just depends on how we actually use the data.

The CHAIR: Thank you, yes. That is what I was driving at. Do you see a range or hierarchy, as it were, which would better inform that earlier on rather than later?

Dr O'NEILL: Yes, definitely.

The CHAIR: Thank you.

The Hon. DANIEL MOOKHEY: I have to declare that I used to attend board meetings of the organisation that part funded this research, the Transport Education Audit Compliance Health Organisation. That is the last declaration that I think I will be making today.

The Hon. SCOTT FARLOW: TEACHO?

The Hon. DANIEL MOOKHEY: Indeed. Thank you for your appearance today. Firstly, is there a link between driver remuneration and safety?

Associate Professor THORNTHWAITE: Yes, there is. There is a well-evidenced link. When we were doing our study—and since that time we have actually done more work on that particular topic—there are a number of studies that have been done in America and the United Kingdom [UK] as well as in various other places. We could find only one study that said that there was no link, and that was a 1992 study, I believe. Every other study has found that there is a positive link, or what you might actually think of as a negative link, between remuneration and safety either of a low level, a medium level or a high level.

The Hon. DANIEL MOOKHEY: Just to clarify, when you say "every other study", how many are we talking about that you are aware of, just off the top of your head?

Associate Professor THORNTHWAITE: We have about 15. They are the major studies that exist and that are continually cited. Any document you go to or government documents about the Road Safety Remuneration Tribunal, for instance, and other consultancy documents, they essentially all cite the same 15 articles and government reports. There are a couple of government reports in there as well. They all essentially cite the same ones but we have gone back and looked at the originals and made our own judgements.

The Hon. DANIEL MOOKHEY: For lots of reasons I am not an academic, but would you describe it as being a firm academic consensus that says there is a link between remuneration practices and safety?

Associate Professor THORNTHWAITE: Yes.

The Hon. DANIEL MOOKHEY: Wonderful. With the diagram you have provided showing the control of remuneration, is it your view that the customer has sufficient or enough power over the supply chains to meaningfully impact on the relationship between remuneration and safety?

Associate Professor THORNTHWAITE: If you mean by "the customer" the ultimate sort of end receiver?

The Hon. DANIEL MOOKHEY: As in the manner in which, for example, a major purchaser of freight services remunerates the people who provide their company with goods in turn affects the remuneration of drivers, is that a valid causal link?

Associate Professor THORNTHWAITE: Yes.

Dr O'NEILL: I would say it appears to be. It certainly appears to be. I think we do need more research to be able to validate the strength of the links of those different causal factors. One of the things that I think has caused some of the inconsistency in the research that has been presented to date is the fact that we have these different driving arrangements and different contexts within which workers work. As we said before, for some the situation is good; for others, it is not so good. Where it is not so good appears to be where that link is stronger. It really depends when we are doing that kind of research on being able to identify other contextual factors that will then inform the research conclusions.

The Hon. DANIEL MOOKHEY: When you provided this diagram, which is on page four of your submission and which states, "Customer demands affect financial constraints, which affect remuneration and pay arrangements which affects scheduling and time pressure," is that a fair description of the link that you have just described?

Dr O'NEILL: Yes.

The Hon. DANIEL MOOKHEY: With some of the behaviours that have been described in submissions and evidence earlier today, we have seen evidence of waiting times affecting safety outcomes, remuneration affecting the maintenance and roadworthiness of vehicles, remuneration being tied to the age of fleet and replacement of fleet and therefore that is correlated with how much technology is available on a truck. In your view is there a clear link between remuneration and all those factors?

Dr O'NEILL: Just from a fiscal point of view, yes. If you have not got the funding to finance it, we would need to explore the level of remuneration. But certainly if the funds are not available and if you are being offered contracts—and this is where we come back to looking at the contracting process for any organisation—if the contract is at a level where you cannot do the job safely then that is an issue.

The Hon. DANIEL MOOKHEY: When you talk about upstream safety interventions, is what you are describing a chain of responsibility approach?

Dr O'NEILL: Yes.

The Hon. DANIEL MOOKHEY: Is there evidence to suggest that that chain of responsibility approach should apply to remuneration as much as it applies to weight, mass and fatigue?

Dr O'NEILL: If you look at the Work Health and Safety Act—and this is where the new changes to the chain of responsibility seem to bring it into line with the existing Work Health and Safety Act—and you look at the due diligence provisions and the requirements for consultation, the requirements for making sure that that job can be done safely and take that in the context of your hierarchy of controls in eliminating the risks and hazards and minimising them, I think that kind of consultation is getting at some of those issues already. We see it in other industries as well where the financial side does come into play as well as the operational side in determining a safe and healthy workplace.

The Hon. DANIEL MOOKHEY: This morning we heard that companies like Woolworths and Coles between the two of them account conservatively for 74 per cent of all road freight movements in the country. If

they were to adopt the system that you have just described, in your view will that lead to a significant change in safety behaviours throughout the entire industry?

Associate Professor THORNTHWAITE: I think that would be very difficult to anticipate and the reason for that is there is still a proportion of the industry that operates on an auctioning-down basis in terms of the contracts. Coles and Woolworths, their own drivers and the drivers that they employ through Linfox, Toll and the other major companies are essentially, as I said before, already safe.

The Hon. DANIEL MOOKHEY: Yes, but insofar as those companies subcontract on those supply chains to engage the fleet operators that you have just described, is it your view that there is a role there for the consignors at the top to introduce supply chain transparency at all points in the supply chain?

Associate Professor THORNTHWAITE: I think there is a role for it. It would be great. To some extent, at least, Woolworths is trying to do that through the retail logistics supply code.

The Hon. DANIEL MOOKHEY: Yes, it is trying to do that and, to be fair to it, it is very motivated to lead behavioural change in that respect. You speak of a culture of retribution that inhibits drivers from coming forward to identify safety risks. First, can you describe the culture? Secondly, what does the survey say is causing that culture? Thirdly, how is the culture being manifested at the level of the driver—that is, what are drivers not willing to do because of the culture?

Associate Professor THORNTHWAITE: I will start at the end: What are drivers not willing to do because of the culture? What more than half of those we surveyed told us is that they are not willing to raise safety issues with either supervisors, managers, clients or vendors or even the union or government agencies. Although they say in response to a survey they are not willing to raise those issues, we know that issues are raised in certain circumstances. But there is a reluctance to raise issues and, particularly for those who are outside the network where there are union delegates and so forth, it is much harder to raise issues.

The Hon. DANIEL MOOKHEY: What do they fear?

Associate Professor THORNTHWAITE: They fear three things. The major one is getting the sack or getting black-banned from the industry. I should add that there are two levels of this fear. One is those who have experienced these things firsthand and the other is those for whom there is a perception that this is the way in which the industry works. More than half the drivers basically either had experienced this or perceived that that was the way the industry worked. They are the ones who actually wrote recent comments about it, which shows a level of motivation to raise it. They are afraid of termination and being black-banned or some other kind of income loss, like a loss of shifts or a reduction in shifts or shifts that are less economical for them. They are also afraid of intimidation, harassment and bullying.

The Hon. DANIEL MOOKHEY: Are owner-drivers with a debt for their trucks more fearful of loss of work and loss of income?

Associate Professor THORNTHWAITE: For those in the bottom 20 per cent, in a sense, they all respond—

Dr O'NEILL: They are more exposed.

Associate Professor THORNTHWAITE: Yes, they are more exposed. The commercial imperative is such that they are much more exposed and it is harder for them to say no to a job. It is therefore harder for them to say, "I'm not going to take that load; that load hasn't been loaded correctly; it's an unbalanced load." It is much harder for them to say that to the supervisor, so they drive off with an unbalanced load anyway. They are afraid of intimidation and bullying, and there is a masculine component from being told, "You've got no guts, no balls" and that kind of stuff. I do not think it is a masculine thing; I think it really is the commercial imperatives. The other thing they are afraid of, although it is not so much a fear as a perception, is that they will just be ignored anyway, so why bother because you expose yourself. That perception sets you up for the future in a negative way.

Dr O'NEILL: In terms of bullying, what we found in our report confirms a report that came out from Safe Work Australia. It was a meta analysis of transport studies where they had interviewed employers. One of the things that is important to note from that study is that 91 per cent of employers had spent a significant—they said more than \$1,000 a year—amount of money on bullying and harassment training compared to a fairly small 10 per cent of other high-priority industries and other industries. Bullying is something that is recognised in the industry and businesses are putting a lot of resources into it. It is a recognised phenomenon, and our study and our results confirmed those sorts of things. Within that study of employer responses, we see a high level of risk taking, risk acceptance and the resources going into those kinds of areas.

The Hon. DANIEL MOOKHEY: Does that study find that the operators themselves fear income loss from their customers through loss of work contracts?

Dr O'NEILL: We did not look at that.

The CHAIR: The purpose of this Committee's inquiry is to determine methods of addressing such things through new technology.

The Hon. THOMAS GEORGE: You have probably heard, as we have, that some stakeholders have reservations about the use of electronic work diaries as enforcement tools, rather than management tools. Can you expand on the impact of electronic work diaries on driver behaviour and management of heavy vehicle operations?

Dr O'NEILL: I would certainly say that it is not my area of expertise to talk about electronic work diaries, but I can say from some of the examples that we found from speaking to workers that in certain parts of the industry electronic work diaries would seem to be quite useful. It is about getting to the nature of what is work. For example, drivers have talked about the furniture removal industry, where the drivers work all day loading furniture and then they drive, and what goes in the diary is only the driving component. That means we are not actually capturing the full day of work, and those sorts of things seem to be limitations to the manual diaries.

We know manual diaries have limitations, but electronic diaries certainly would help with that. There is some research by John Culvenor that looks at interventions for health and safety. One of the points he makes quite strongly is that, when you introduce an intervention, you then need to go back and see what the consequences of that intervention are going to bring about and where the intervention might have dysfunctional consequences. It is important to look at both sides, because while electronic work diaries might have some very strong benefits, we need to be mindful of looking at any limitations the introduction might have or any dysfunctional consequences that would be problematic.

The Hon. THOMAS GEORGE: Some drivers indicated they suffered from distraction, stress and anxiety from the installation of in-vehicle safety technologies. How are operators responding to this, and how should they respond?

Dr O'NEILL: I think that comes back to an issue of trust and the quality of management, which is one of the issues we had in our diagram. If you know that your management is looking at in-vehicle safety technologies to improve the system and the design of work, I think you are not going to be as anxious as other drivers. We spoke to a number of drivers who were very concerned about some of these technologies because they were fearful of how the technology was going to be used. It comes back to the relationship between the contracting parties and whether they think new technology is used to improve safety or for other purposes.

The Hon. SCOTT FARLOW: Picking up on that point, the Chair and I visited Toll to go through some of the changes to telematics. One comment was that when it came to some systems, drivers originally were anxious about the introduction of new systems but then started to see the benefits, particularly when it came to road incidents. They saw that a driver may not be responsible for an incident, but the company would usually say, "Okay, we will accept fault" although the video showed that a car had been responsible for the incident. Did you do any work on how drivers responded when they had more information about the benefits of new systems, or did you just ask whether the drivers supported X, Y or Z?

Dr O'NEILL: Our study did not target these sorts of technologies specifically. We were talking about a range of things and we took a much broader line as to the safety of truck drivers. It was not just a study of on-road safety; it involved off-road safety as well. We certainly heard stories about where cameras have shown that a vehicle has run into the back of another vehicle, and drivers raised things like cruise control being a factor in vehicles running into the backs of the vehicles or braking systems not working and being able to demonstrate such incidents via the camera. One of the earlier witnesses mentioned poor driver behaviour, like harsh braking. Harsh braking does not necessarily indicate poor behaviour if a car has ducked straight in front of you and you have to brake to avoid hitting it. Things like cameras, particularly, can be quite helpful in demonstrating why some of these behaviours are happening. Rather than just saying, "This is what the data shows", it is about asking why the data shows it. The big question is: Why does the data show this and what can we learn from it to improve the safety system?

The Hon. SCOTT FARLOW: Perhaps there should be more of an emphasis on qualitative rather than quantitative. We have heard some advocacy for telematics and advanced technologies when it comes to road safety, but we have also been told to be cautious because sometimes the technology provides distraction or drivers become over-reliant on it. I note that your research drew attention to the importance of upgrading the

non-electronic safety features of heavy vehicles as well. Do you have a view on the relative importance of some of them and what non-electronic safety features in particular should be upgraded?

Dr O'NEILL: Certainly things such as steps were issues that drivers were really concerned about: access and egress. One of the major causes of fatal and serious injury is falling off or out of a truck. The access points were a serious issue, as were hand holds and things like that—just the basics of getting in and out. We talked to drivers about why they do not wear seatbelts and part of that was because they were attached to the wall, not the seat, so when the seat bounced, it jarred against them and was causing damage and discomfort. The drivers actually raise a lot of these issues themselves. When we were asking about why they were not talking to management and raising these issues, this is the one thing which came back to the bullying side. It really is those kinds of very practical things that could make quite a difference.

One of the big things, which you would have seen—not so much on the road, but in the distribution centres—is the separation of plant and people. When looking at things like inductions, drivers working for multiple companies—if they are working for one company they feel much more safe and secure in what they are doing. Drivers working for multiple companies may have done multiple inductions, all with different rules. There is no need for different rules. It comes back to this idea of national standards. They have different coloured lines on the ground; one they have got to drive beside, and one they have got to drive over. One of the drivers gave us a lovely quote that said "Every company has its own Picasso." Being able to know what they are supposed to do on different sites is really challenging. Getting to grip with some of those very practical designs of work, site and truck features would be a really important first step while we investigate incidents in more detail to try to understand what the factors are that are actually driving them.

Associate Professor THORNTHWAITE: Just to go on from there for a moment, our focus was on safety, whereas most of the discussion in the media and in a lot of research that has been done in the past has been about fatalities and collisions. Fatalities and collisions are the thin end of the wedge; they are a tiny proportion of safety incidents in this industry. There are so many really severe and major forms of injury and health implications that occur that are not to do with the fatalities on the road. That is, in a sense, why we were also looking at these off-road aspects, what is happening off the road.

Dr O'NEILL: Things like fatigue too. Just on that front, if we are talking about what other things we can do before we move to telematics, something that has come out very strongly in our research and very strongly in the submissions that the Committee has received is the idea of providing adequate places for people to get rest, adequate time and adequate space. Having truck stops that they are able to access that are not on the side of the hill where they feel like they are rolling down the hill when they are trying to sleep—

Associate Professor THORNTHWAITE: And are not filled with grey nomads. There is a problem with grey nomads. As much as we might feel fond of grey nomads, they not only use the bathroom facilities but as a result may dirty the bathroom facilities and make things much less pleasant for the truck drivers, in a sense. Everyone has to share the roads, but it is a big issue for them.

The Hon. SCOTT FARLOW: There has been criticism around the quality of the data. Is that something that you are concerned about and do you think the Australian Transport Safety Bureau would be a better body to be investigating fatalities and serious injury crashes?

Dr O'NEILL: I think there needs to be a body. It is certainly too fragmented at the moment. Depending on where the incident happens, who is actually going to be investigating it; and whether or not it is an insurance claim will have another effect on where data goes and where it is available. We certainly need one body that is going to be able to have a very good detailed set of data about incidents and be able to investigate in more detail—

The Hon. SCOTT FARLOW: Just to clarify, do you mean one body in New South Wales or one body nationally?

Dr O'NEILL: No, nationally. Otherwise we do not get the data. We have seen it with the workers compensation data getting thinner and thinner. We are just not getting the level. I noticed that with the New South Wales workers compensation, the statistical bulletins that are produced in New South Wales are really good in that they do not just show the mechanism of incident, number of injuries and nature of injuries; they have a table that actually cross-compares so that we start to see where the pockets of incidents are. It is getting down to that level of detail that is going to be able to help inform where the attention needs to be focused. But we certainly need much better detail on incidents and the circumstances around them—the essential and contributing factors.

Associate Professor THORNTHWAITE: It works at the enforcement level as well. We do not have a centralised Australian form of access to enforcement material—how these things have been resolved and what is actually happening in relation to the company, and those sorts of things. It is completely scattered.

Dr O'NEILL: On that side, it would help also if there was more transparency. When we talked to drivers about what they thought the main reasons were for fatalities and really serious—I try to get away from the word "serious"—class one disabling injuries, we would say things such as falling out of the truck, and they would say "Oh, no, that never really hurts anyone." But it is one of the leading causes of death. There is a misunderstanding because there is not a lot of information that goes to drivers around what the leading causes of injury are. It is not just us as researchers or regulators; it is also about ensuring that employees understand where the risk factors are.

Ms ELENI PETINOS: Good afternoon, ladies. You just touched on the idea of enforcement, so I might flesh out an idea with you. Your submission addresses compliance from the point of view of the chain of responsibility and where enforcement currently focuses and should focus. Can you expand your views about building better enforcement through the supply chain, including the role of penalties?

Associate Professor THORNTHWAITE: In terms of building better methods of safety control through the supply chain, at the moment we essentially have three. We have the work health and safety legislation, which provides the duty of care, and we have the National Heavy Vehicle Regulator legislation, which provides for the particular supply chain forms of control in relation to particular issues such as maintenance and the mass and weight of vehicles. Then we have a series of industry-based mechanisms for supply chain control. They are all essentially operating across the same space, which does create some issues in terms of overlap. Although the overlap actually occurs because there are mechanisms that are enforceable by law and mechanisms that are enforceable through reputation or the ability of an industry body such as the Australian Logistics Council to withdraw accreditation or registration. There are two completely different sets of supply chain management going on at the moment and they are all trying to address some of the same things, but they all have gaps as well.

In terms of improving that situation, we need to become clearer about the roles that different parts of the industry play in it. The industry-based supply chain codes have an important place, because they have that semblance of being voluntary—well, in fact, they are voluntary. But in this industry, we cannot have purely voluntary systems. There are a number of regulation theorists and also the Organisation for Economic Co-operation and Development that have reported that this is one of the industries where the competitive and commercial pressures within the industry are such that it has to have statutory basis for supply chain management. We could not rely simply on an industry-based or company-based supply chain, for example Woolworths, controlling the supply chain that flows under it. We could not rely on that. We still need to have a statutory base. International regulatory theorists are all firm in agreement on that particular aspect. I do not know how that is actually addressing your question, Ms Petinos, but I do think we need to look at both and ask the questions around the issue of having a strong legislative base for anything else that is operating at industry level.

Ms ELENI PETINOS: Given that you are here for your prowess in a research field, do you have any recommendations regarding what the research priorities should be for heavy vehicle safety?

Dr O'NEILL: I think the first point definitely needs to be to get a better understanding of the incidents that are occurring and why they are occurring and not to limit that to fatalities. Because the difference between an incident where, say, you have a truck rollover or a crash, and it causes somebody to be permanently and totally disabled but not killed, versus one where someone is killed, can be as little as a stroke of luck. I think what we need to be targeting is those crashes that have serious outcomes, disabling outcomes, and we know there are a lot more of those than the number of fatal crashes that we see. We need to be able to delve into that to really look at the organisational context, the work context and capture information that we are not capturing now that can give us some insights into when is an incident fatal, when is it happening on particular stretches of roads, what does that look like, what are the contributing factors there. I think that is one area.

The other area would have to be looking at the supply chain and at how these things are managed and what actions managers and schedulers are taking. Some of the people we spoke to were certainly very vocal about schedulers. They felt their managers were quite keen for safety and prioritised safety but it can be the scheduler and the person in the middle—who perhaps is under pressure themselves—sending people on very tight time frames or those sort of things; how sites are managed, the whole thing about where people park, what they do when they are waiting to be loaded and unloaded around rest. There are a whole lot of issues around those management actions that I think we really need to understand better as well, which would then feed into some of the issues that we are seeing in terms of speed, fatigue and maintenance and all of those sort of things.

Associate Professor THORNTHWAITE: We also do need to understand how these different systems work, the ones that are already in operation. What is it that they are in fact doing in terms of regulating health and safety? We just do not know. Many of them are operating in a kind of data vacuum, the industry logistics, supply codes, even the industry company codes of practice and so forth, and then moving up into the National Heavy Vehicle Regulator [NHVR] accreditation scheme. There is a whole range of areas that we actually do not know what is happening within those schemes.

The CHAIR: We have heard competing opinions on the advantages of telematics and black box technology. Do you have any reservations about the role of telematics for data collection, compliance and enforcement?

Dr O'NEILL: I think my main reservation would be how it is used, who gets to access it, how they access it and why they access it and what is done with that data. I think it certainly offers some opportunities for improving safety but if it is not used in a way that is constructive then I think it can exacerbate all the problems that we have seen with bullying and retribution that have been coming through in various research studies. I think that is probably why we have conflicting views around it, it is the way it is used. Secondly, is about bringing in solutions before we really understand the problem and how is that going to solve the problem and what other potential problems might those systems introduce. I think it is really about the relationship context and how that information will be used, but then also what else is that going to motivate, what other impact might that have that we may not be aware of.

The CHAIR: Unintended consequences. I take you to page 9 of your submission where you refer to a particular company being fined. You are talking here about more resources for regulators and you indicate that two investigators had each spent more than seven months cross-referencing types of records. Is that in fact an argument for the introduction of electronic work diaries, and what would then be the relative merits of electronic and handwritten work diaries in managing fatigue and by consequence ensuring compliance?

Associate Professor THORNTHWAITE: I think that these sorts of regulatory difficulties in terms of proof and evidence do suggest that technologies would be very useful. I would say that the question for me would be the level at which they are applied, whether they are applied at the level of the driver or whether the statistics are used at the level of the operator and the company. We know that the drivers themselves have very little control over what they are actually doing because their schedules are set. In a sense the speed at which they are going to have to drive to make a particular deadline is set for them. But if the statistics are used at a company and operator level to look at what is happening at that level, then I think that would be a very useful thing.

The CHAIR: That would be in the context then of the supply chain, which I think is how you were probably indicating it could be used, without stating it exactly. Therefore in an educative and a business management and self-management role there is an opportunity to look at those technologies to bring about a better road safety regime.

Associate Professor THORNTHWAITE: Yes.

Dr O'NEILL: Yes,

The CHAIR: Thank you very much for appearing before the Committee today. We may wish to send you some additional questions in writing. Your reply will form part of your evidence and be published. Would you be happy to answer any further questions?

Associate Professor THORNTHWAITE: Yes.

Dr O'NEILL: Yes.

(The witnesses withdrew)

(Short adjournment)

PAUL FREDERICK PULVER, Policy Representative, Livestock, Bulk and Rural Carriers Association, sworn and examined

The CHAIR: Do you have any questions about the information you have been sent and our process today?

Mr PULVER: No.

The CHAIR: Would you like to make a brief opening statement?

Mr PULVER: I thought you were going to ask me all the questions.

The CHAIR: We will do that but we give you an opportunity to expand or clarify anything that might have been in your submission or that has arisen since.

Mr PULVER: I think we are all aware that it is not one simple thing to fix the problem that we have. We have worked towards getting better and better, and we seem to be getting better at it. But there are some very simple things that are out there at the moment that are available in Australia on the market—and they are improving all the time—that could go a long way to helping that such as electronic braking systems with roll stability, adaptive cruise control, lane departure, Seeing Machines or that type of thing which detect fatigue or the concentration level of the drivers, and also the lack of facilities out there as far as parking bays are concerned. Those are the main points that I bring to the Committee.

The CHAIR: You mentioned some safety technologies. Would you like to categorise or prioritise those for introduction in the New South Wales heavy vehicle fleet?

Mr PULVER: I do not want to get into the specifics of what happened or what did not happen, but there were three major accidents around Christmas time. I am not saying that this technology would have stopped the three of them but I am sure it would have stopped two out of the three—I am not sure which two they would be. I am referring to roll stability because one of those vehicles rolled over and the EBS is out there at the moment available, and there are a lot of fleets—it is not compulsory—that fit EBS to all their equipment. They have been doing that for a number of years. I think with the mandatory fitting of EBS to all equipment including cars, trucks and trailers I think we would get a long way down the track with that. In one of the incidents a vehicle ran into the rear of another. Adaptive cruise controls would have allowed that vehicle to slow down or to stop before it hit the other vehicle. I referred before to lane departure which is available out there. It would have ensured that the driver was aware that the vehicle was not in the correct lane.

I have spent the last six weeks doing a bit of work and travelling up and down from Rockhampton, back down to Sydney and back up to Coffs Harbour for our conference, et cetera. I have noticed that the ripple strips they put on the left-hand side of the road have not been fitted to a lot of the new freeways that have been opened up on the North Coast. I think they have made a major mistake by not fitting those ripple strips. Part of where I have been is in Queensland on the Bruce Highway. The Bruce Highway is in a worse position than we are in New South Wales. On the majority of the Bruce Highway they have done exactly what they have done on the Newell Highway—they have put a 1½ metre strip up the middle and they have put the ripples on both sides of that 1½ metre strip. So you have ripples on your left-hand side and you have ripples on your right-hand side, and then you have that buffer. Everyone is aware of what the trials have done on the Newell Highway with the buffer in between.

The CHAIR: Yes.

The Hon. THOMAS GEORGE: In defence of the North Coast, on the Pacific Highway, the M1, they put the ripples on. Being such a closely populated area everyone complained about the noise they were making and they pulled them up.

Mr PULVER: I think they should look at the safety aspects rather than the noise. If we were to leave off the ripples and we put the reflectors at a one metre spacing instead of being at a five or six metre spacing, we would probably get the same result without the noise.

The CHAIR: What would be the best way for the New South Wales Government to consult with your industry or the heavy vehicle industry more broadly before implementing strategies such as we are now discussing?

Mr PULVER: That is one part. We have just completed the deviation through Trewilga on the Newell Highway. We have taken out three parking bays. We got invited to a meeting about the Parkes bypass where they told us about it. We do not get asked for any input and we are happy to provide input. We do not want to

get involved in the city as livestock and bulk carriers, but in regard to major roads and country roads we are happy to get involved.

The CHAIR: That is exactly the point because we are concerned about the spike in road tolls and so many of these are occurring on country roads. What would be the best means of consultation? Do you make submissions.

Mr PULVER: We do, yes. I am not saying we are perfect but we try to reply to any submissions that we are asked to reply to. I was invited to a meeting at Parkes and they talked about the Parkes bypass. It is beautiful what they have set up. They are going to have this and that and everyone will be happy. But four parking areas have just been dissolved; they have gone.

The CHAIR: These are truck parking areas?

Mr PULVER: Truck parking areas. Some of those are not official parking areas but they have been used for drivers who need to pull up for the past 30, 40 or 50 years.

Ms ELENi PETINOS: I refer to fatigue and to other safety risk management about which we have spoken to other witnesses today. I understand that your association does not support the introduction of electronic work diaries and that you have reservations about flexibility. Would you outline your reservations and the preconditions which you believe should be met before their use is encouraged or mandated?

Mr PULVER: We do not know enough about electronic work diaries. As of two weeks ago, we have organised for the National Heavy Vehicle Regulator to come to Canberra to meet with our committee and whichever members of our organisation want to attend so they can explain to us exactly what their work diary is. One person tells us one thing and someone else tells us something else. We go on what we have seen in America and Europe. Every time we ask someone what we will do if a driver is having a rest and they have not clocked off, they say they might get a mobile phone and do this, that or something else. We do not understand, and I am not sure the National Heavy Vehicle Regulator [NHVR] completely understands it and how it will work.

A couple of our members are using electronic work diaries and they are happy with them. But they have not had a big exposure to monitoring devices in their vehicles prior to this; this has been their first exposure to them. There are rules for electronic work diaries. People have invested millions of dollars in computer systems that provide a paperless system. It goes from the order to the truck to the delivery docket and back to the system for charges to be sent out. I do not believe that any of the electronic diary systems that have been specified will comply. We now have our own computer system.

In 1991, New South Wales made it mandatory to have monitoring devices, but the Government has never enforced it. Are members aware that the law says we must have monitoring devices in New South Wales? We have our own monitoring devices, and we have had them for a long time in most cases. We now have the Intelligent Access Program [IAP], which is another monitoring device, and we could end up with electronic work diaries. We could have three devices in our trucks. Most of the information—and probably better information—can be sourced by the monitoring device that people fit to their own vehicles. We have not closed the door on electronic work diaries. We will look at them, but we cannot afford to let two or three people be the only suppliers in Australia, and at the moment it looks as though that will happen.

I worked for Ron Finemore for 37 years; I have just retired. We tried to get the boxes we had in our trucks upgraded for IAP, but it was impossible. We do not want to be in the same situation with electronic work diaries. It does not matter whether it is Ron Finemore Transport, Miners Transport at Adaminaby, Martins Haulage or whoever. By the way, Ron is a member of our association. We do not want to get to a situation where we have two or three boxes in our trucks. We believe that some of the boxes people have can do a better job.

Ms ELENi PETINOS: While I appreciate that you say you do not have a view about work diaries at this time, do you have a view about how fatigue eye-detection software would alleviate the need for electronic work diaries?

Mr PULVER: I have an opinion on a lot of things. I had a Seeing Machines device in my company car to see what they did and did not do when I worked for Ron Finemore and before he put them in the trucks. At the moment they are probably too sensitive. They are not undersensitive; they are oversensitive. That can be annoying, but it is better that they are oversensitive rather than undersensitive. You can try to trick them, but you cannot; they know where you are. I believe—and this is my personal belief—that a piece of paper or an electronic work diary will not tell you the status of the driver. A driver can leave home today and drive for half an hour and he will have to pull up. Tomorrow he might be able to drive for 14 or 16 hours and be fine. My son

sometimes drives trucks and I tell him that the groceries will not get there if he is lying in the gutter. It is as simple as that. It is normal to have to pull up to rest for half an hour. But if you have to stop for four or five hours of sleep, you were probably not ready to drive. That is a very difficult thing to ascertain when it depends on your body whether you are fit for duty.

Ms ELENi PETINOS: If a foolproof telecommunications network is required in rural and regional areas as a springboard for new technology, what are your minimum requirements for that network and over what time frame could that be achieved?

Mr PULVER: All they want is to be able to make contact wherever they go. It is a mobile phone network that covers all areas. Once that is available, some of the information can come back directly. On major highways most of the information can come back directly. With Seeing Machines, which were probably discussed this morning, within 30 seconds that message has gone to a call centre in America and someone has analysed it. Within two minutes it is back to your office. If you are in an area that has no communication, those things cannot happen. That is one part of it. Communication is a major issue to us as rural carriers.

The Hon. SCOTT FARLOW: You have criticised the IAP and said that it is an example of how you can have good technology but if you do not know how to use it then it is no good. What is the problem and how could it be corrected in terms of the application of other forms of technology?

Mr PULVER: I go back to where I worked for 37 years. We had about—

The Hon. SCOTT FARLOW: I think Ron Finemore Transport might have made the same criticism.

Mr PULVER: I am probably repeating word for word what Ron Finemore said.

The Hon. SCOTT FARLOW: No, I did not ask him that question.

Mr PULVER: I looked after all the IAP equipment. We got only one piece of correspondence from Queensland about those 50 trucks. Drivers had a computer keyboard in their truck, but I know they were not putting in their starts and finishes, their loads or anything else. They were not touching them. It was not all the drivers, but a big majority did not touch them. We did not get any feedback whatsoever from IAP. It cost money to put them in, to run them each month and to have the truck off the road for a day every year to get them recertified and resealed. As I said, the drivers did not touch them. They have had computer monitoring since 1980, so it is nothing new to them and they accept it. But with no feedback whatsoever and after paying all that money, you ask what is going on.

We went to the authorities through the association and asked for proof about what had happened, for feedback and an explanation of its value to the New South Wales Government. They came back with cases that had been prosecuted. I went back and said I think they needed to distinguish between cranes and trucks. I was told that that information was confidential and that they could not sort out whether they were crane or truck fines. It leads me to believe that there has not been much prosecution of trucks in New South Wales since IAP was implemented.

The Hon. SCOTT FARLOW: If the Committee were to advocate for some form of telematics or the like to be mandatory, would there be a similar downside and would there still be no feedback? You would have the technology but not be able to apply it properly.

Mr PULVER: There is not a very good track record. There were supposed to be monitoring devices in 1991 and the major players installed them. Some minor players installed them, but the rest of them did not worry about them. That has gone nowhere. IAP was installed and we did not get any feedback. In Victoria we run HML with no IAP. If you want to know what roads trucks are travelling on, come to see us and we will give you all the information. We will show you what roads they have been down and so on. We will also pull out another piece of paper and show what was loaded. With IAP at the moment, you put in whatever you like. You would have to be a fool to get caught with IAP on a truck. I know that crane operators cannot do anything about it because they have one weight; whatever weight they are is what they are. I believe all the incidents have involved cranes going over bridges they should not have gone over. If you put in 42 tonnes when it was 68 tonnes, they will never know.

The Hon. DANIEL MOOKHEY: For the benefit of Hansard what is HML?

Mr PULVER: Higher mass limits. We are suggesting: Come to us if you have any issues and we will prove what we have done. If you are going to charge us all this money, surely we should get some sort of feedback.

The Hon. SCOTT FARLOW: Mr Pulver, you have also advocated, or recommended in your submission, that the New South Wales Government detach from rigid and prescriptive technology solutions and

instead replace them with outcome-based performance requirements to enable innovation and adaption to new technology easily and cost-effectively. What sorts of performance outcomes do you think should be embedded in any such system?

Mr PULVER: I think you get back to where private people are at the moment—where you have a box that gives you all the information that you need: where engine management is up to, where your drivers are up to, et cetera. Those are the sorts of things that people are investing in. We are happy for you to have that information. There is no issue with that, but we do not want to be duplicating all the way through.

The Hon. SCOTT FARLOW: Fair enough.

The Hon. THOMAS GEORGE: Mr Pulver, it is good to see you. I declare that I have done a lot of business—not with Mr Pulver himself—with the organisation over the years. In your submission you propose that the Australian Transport Safety Bureau become the investigator of transport crashes in New South Wales.

Mr PULVER: And Australia. That name has come up from various locations. People have said that the Australian Transport Safety Bureau is the body to do it. Personally, I do not care whether it is that body or another, but we need—

The Hon. THOMAS GEORGE: One single body.

Mr PULVER: —an independent person to come. I do not believe they have to investigate everything. I think they should just look at the information that has been gathered by the investigators and put it together. Then we can start to get a picture of what is really going on out there. I am also involved in the National Bulk Tanker Association. We have been trying for the last five years to get information on bulk tanker accidents in Australia. We cannot get it. When we had the three incidents before Christmas people said, "This has happened," or "That has happened." We do not really know because the information has not been put together. The police put a bit together. I am not knocking anyone for what they do, but it has not been put together in a standard format so that we can make some real decisions on how we need to move forward.

The Hon. THOMAS GEORGE: You have also provided a long list of types of assistance that is required by the freight operators including better road infrastructure, better mapping, navigational aids, improved data collection and road-sharing education. What discussions has your body had with the New South Wales Government to advocate for assistance in this regard?

Mr PULVER: With respect to the roads funding, we have put support letters together for a lot of councils.

The Hon. THOMAS GEORGE: That is the Roads to Recovery program.

Mr PULVER: The Roads to Recovery program. We supported the truck washers.

The Hon. THOMAS GEORGE: That is right.

Mr PULVER: We have also had numerous meetings with the past and present roads Ministers. We have identified things that need to be done and we have tried to move forward in a positive manner there. So we have not been sitting at home doing nothing. We have had a lot of interaction with the Government to try to move forward.

The Hon. DANIEL MOOKHEY: Throughout the day we have been exploring the interaction between commercial practices that prevail within the heavy vehicle industry and its relationship with road safety. Your organisation is unique insofar as yours is a section of the industry that is exposed to the three branches of law—workplace health and safety, road safety and animal welfare laws. That is correct, is it not?

Mr PULVER: Yes.

The Hon. DANIEL MOOKHEY: One of the particular requirements that your members have, which other heavy vehicle operators do not have, is the general duty to ensure that animal welfare is being respected at all times throughout the course of the journey. Is that correct?

Mr PULVER: That is correct; yes.

The Hon. DANIEL MOOKHEY: The manner in which your members and representatives go about that is multiple and various, but one of the major cost imposts that that would impose on your sector—one which other sectors are not subjected to—is that you have to pay for water to clean your trucks. Is that correct?

Mr PULVER: Yes.

The Hon. DANIEL MOOKHEY: What is the cost of that? What percentage would it be of your general operating costs? Is water expensive or cheap? How is it going?

Mr PULVER: It depends on where you go. Most of the wash facilities are at saleyards. Some of those saleyards are still owned by councils. Some are owned by individuals and groups, et cetera. They could be paying \$2 or \$3 a minute for the water. To wash out a B-double it could take over an hour.

The Hon. DANIEL MOOKHEY: Yes.

Mr PULVER: As we move forward, biosecurity will play a bigger part in our lives. There will be an insistence that all stock crates are washed after every single load. At the moment that is not what happens, depending on where you are going or what you are doing. It is a huge impost.

The Hon. DANIEL MOOKHEY: Are you required to clean the truck at the end of every trip?

Mr PULVER: No, you are not.

The Hon. DANIEL MOOKHEY: At the end of every day or every week? How frequently?

Mr PULVER: No, you are required to keep the trailer in a fit condition, but as biosecurity gets tougher and tougher I believe it is going to get more and more.

The Hon. DANIEL MOOKHEY: Can you recover those costs from your clients?

Mr PULVER: Not directly, but indirectly you have to recover them. We had a system where saleyards did whatever. Some saleyards operated on coins. Some saleyards required you to come and get the key. Some wanted money. There were all sorts of different things, and that restricted the access. So the Livestock, Bulk and Rural Carriers Association went to Avdata Australia and we set up a scheme—

The Hon. DANIEL MOOKHEY: Sorry, you will have to use the full name at least once before you use the acronym.

Mr PULVER: Sorry, Avdata is the name of a company. You have a token or a key. You touch the key or the token on it, and it books it back. That allowed the livestock industry to get access to washes 24 hours a day, seven days a week in most cases, at reasonable costs.

The Hon. DANIEL MOOKHEY: You say that you have to recover the costs indirectly from your clients.

Mr PULVER: Yes.

The Hon. DANIEL MOOKHEY: Because operators are not able to recover those costs do they internalise those costs? It would come out of their margin, would it not?

Mr PULVER: It does, but we have now had charges for washes for 25-odd years. If you go to some other sectors of the transport industry—especially bulk tankers—they can say, "I am going to charge you \$1,000 for this load, plus the wash charge." The wash may be \$400. They are two individual things. I have never seen a livestock carrier who is able to do that.

The Hon. DANIEL MOOKHEY: Federal Senate evidence has been presented about the relationship between your sector and road safety.

Mr PULVER: Yes.

The Hon. DANIEL MOOKHEY: One of the things that has been said is that your industry has a lot of payments that are not on 30-day or 90-day schedules but that getting clients to pay the bills takes quite a bit of time. Is that accurate?

Mr PULVER: Some clients, yes.

The Hon. DANIEL MOOKHEY: The extent to which that cost is financed by the small businesses or the businesses that you represent, a lot of them rely on overdrafts or interest payments, which is an additional cost impost. Is that correct?

Mr PULVER: We do not get into the finances of individuals, but I would imagine that that would be the case. All sections of the transport have the same issue with people who want to hang them out for 90 days, 120 days or never want to pay.

The Hon. DANIEL MOOKHEY: The question is whether or not that provides an incentive for operators to keep the vehicles on the road, working on the next job, in order to meet the cashflow requirements—that that creates a lot of pressure for them to maximise their utilisation rate. That is one of the

reasons that has been nominated for how commercial pressures translate to poor safety outcomes. Do you agree with that?

Mr PULVER: No. I think it relates to poor business decisions. In this industry people do not go broke overnight. It takes them years and years. Today there are probably more people who are paying livestock carriers within 21 days than ever before.

The Hon. DANIEL MOOKHEY: You say that it is poor business practice. Earlier today we heard from Toll. One of the things that they nominate as a big issue in heavy vehicles is that there is a lot of phoenixing of companies—that is, companies declare bankruptcy to avoid debt and then reincarnate themselves in a new corporate form. In your view is that a serious problem?

Mr PULVER: I do not believe so. You are saying that people go broke and then start again the next day.

The Hon. DANIEL MOOKHEY: Yes.

Mr PULVER: No, not in our industry.

The Hon. DANIEL MOOKHEY: Your sector, or your industry?

Mr PULVER: In the livestock industry, no, that is not a big thing. Years and years ago you probably had some punters who probably got into that situation, but the days of punting—

The Hon. DANIEL MOOKHEY: I do not know what you mean by "punting", sir.

Mr PULVER: I am sorry—buying stock today here and then sending them to somewhere else to sell them tomorrow. Right?

The Hon. DANIEL MOOKHEY: Yes.

Mr PULVER: You punt on getting a bigger price. Some of those people used to handle a lot of stock and some of those people did go broke, but those people are very few and far between these days. The sector is a lot more solid than it probably has ever been as far as that is concerned.

The CHAIR: Mr Pulver, in the submission it is mentioned that the Livestock, Rural and Bulk Carriers Association considers that the introduction of technology will result in greater accountability and improved safety. I am interested in how you would propose to ensure that data collection is not used for enforcement purposes. Can you draw a distinction between ensuring compliance, and therefore the delivery of safety, and enforcement which comes where the safety was not delivered?

Mr PULVER: Yes. If we go to the IAP that we spoke about before, under the conditions of the set-up of IAP it was never ever going to be used for enforcement. In Queensland, they have started to use IAP for speed enforcement. We do not have a problem with anyone enforcing speed; there is no issue to our industry at all. We are happy for that, but people say that they have put something in place with conditions, and then those conditions are removed. We really want to know where we stand in the beginning. We are happy for you to have some conditions, but we need to know what you want in the beginning. Do not say you are not going to take it and then four years down the track you decide to take it. That is the main thing that we want.

The other thing as far as information being shared is concerned is we want to know where we are up to. If you are going to look at speed, are there 100 trucks speeding every night? Are there 200 trucks? We do not know. We know where we stand and we monitor what we do and our members monitor what they do, but we are not aware of what these real numbers are. The other day we had Phil Brooks at our conference. Speeding, drugs and fatigue are the biggest problems. What are the real numbers? We cannot get that information. We need to have that information. We need to get that back to our members and say, "This is what we need to do."

The CHAIR: In that context, do you have any comments on the relative contributions of light vehicle drivers and driving on country roads to the road toll, and how the Government should target its road safety messages?

Mr PULVER: We had a conference in Coffs Harbour two weeks ago and there were 200-odd representatives there. The Minister was there. I asked the question of all the people in the room while the Minister was there: Should point-to-point cameras be introduced to light vehicles? It was unanimous; everyone put their hand up and said yes. The next question I asked was: Should anyone, and this includes heavy vehicles as well as light vehicles, that is detected and proven to be talking on the phone or texting on the phone lose their licence for a month? I did not quite get a 100 per cent return on that. Minister Pavey said, "Well, what about if you ask the question, Paul, would everyone in the room accept three strikes for mobile phone usage?" and we

got a 100 per cent response to that. I think they are two things that are very important as far as light vehicles and phones and heavy vehicles are concerned.

The CHAIR: Are there any further questions?

The Hon. THOMAS GEORGE: No.

The CHAIR: Mr Pulver, thank you for appearing before the Committee today. We may wish to send you some additional questions in writing and your reply would then form part of your evidence and be published. Would you be happy to answer any additional questions?

Mr PULVER: Yes.

The CHAIR: Thank you. Once more, thank you for appearing today.

Mr PULVER: The other thing is, while I am speaking, if anyone wants to have a look at the equipment—like you did, Chair—in any of Ron's trucks, I will be happy to take you down there or bring in a truck or whatever we need to do to show you. It is fairly impressive when you have a look at that technology that is there.

The CHAIR: Yes. We offered members of the Committee an opportunity to have a site inspection and several of them took that up. Thank you for your offer. If any members wish to avail themselves of that opportunity, we thank you for the opportunity you have mentioned.

Mr PULVER: Thank you.

(The witness withdrew)

MICHAEL JOHN CORBOY, Assistant Commissioner, NSW Police Force—Traffic and Highway Patrol Command, sworn and examined

BERNARD CARLON, Executive Director, Centre for Road Safety, Transport for NSW, sworn and examined

PHILLIP BULLOCK, Acting Executive Director, Freight Industry Branch—Freight Strategy and Planning, Transport for NSW, sworn and examined

MELINDA JANE BAILEY, Executive Director, Compliance and Regulatory Services, Roads and Maritime Services, affirmed and examined

The CHAIR: Good afternoon and welcome to the hearing on the inquiry into heavy vehicle safety and the use of technology to improve road safety. Do you have any questions about the information you have been sent and our process today?

Mr CARLON: No.

The CHAIR: Would you like to make a brief opening statement?

Mr CARLON: We do have an opening statement on behalf of the whole-of-government submission that the Committee has received, dealing with both the heavy vehicle inquiry and the holiday road toll. Transport for NSW prepared the submission on behalf of the New South Wales Government, and I am here with my colleagues to take any questions from the Committee. The New South Wales Government is investing a record \$282 million in road safety in 2017-18, including in public education awareness campaigns, road upgrades and improvements through the Safer Roads program, as well as high-visibility enforcement. In addition to our dedicated road safety funding, a record \$10.8 billion is being invested in New South Wales roads this year alone. The economic growth and prosperity of New South Wales depends on the safe, efficient, reliable movement of goods. In New South Wales the movement of road freight is mainly undertaken on the transport network, where the movement of freight and the movement of people occur in a shared space.

Sharing this space safely remains a key challenge and an important priority for the ongoing road safety efforts to save lives and prevent serious injuries. In 2017, 272 people lost their lives on country roads. Roads are crucial to country life by linking people and goods to regional economic centres and connecting New South Wales to the rest of Australia. On average, 70 per cent of the lives lost on country roads are local country residents. Almost eight in 10 fatalities on our country roads occur where the speed limit is 100 kilometres per hour or higher, involving a vehicle crossing the centre line in 54 per cent of occasions or running off the road to the left in 23 per cent of occasions. Many of these crashes can be prevented or the harm reduced with proven road infrastructure upgrades. While heavy vehicles make up only 2.5 per cent of the motor vehicle registrations and 9 per cent of the kilometres travelled by all New South Wales vehicles, heavy vehicles were involved in about 22 per cent of all road fatalities in 2017 and 7 per cent of the 12,000 serious injuries where people were admitted to hospital.

Crashes involving heavy vehicles are often more serious because of their size and weight, regardless of who is at fault. Between 2012 and June 2017 there were a total of 6,675 casualty crashes involving heavy vehicles, of which 321 crashes were fatal crashes and 2,237 were serious injury crashes. Heavy vehicles are deemed the key vehicle in 46 per cent of heavy vehicle fatal crashes, 58 per cent of heavy vehicle serious injury crashes and 63 per cent of all heavy vehicle casualty crashes. The role of heavy vehicles in moving freight across New South Wales is substantial, with approximately 92 per cent of freight moved by road. The volume of all commodities demanding capacity on the freight network is expected to grow as population and economic activity increase in New South Wales. Transport for NSW estimates that freight on key road corridors will increase by 33 per cent by 2036, compared to 2016. Our DRIVES data shows that the number of registered heavy vehicles in New South Wales has increased by 22 per cent over the last 10 years, from approximately 156,000 in 2007 to 190,000 in 2017.

As a regulator of the road network in New South Wales and consistent with core regulatory outcomes, Roads and Maritime Services [RMS] along with the NSW Police Force are responsible for ensuring that road vehicle operators and drivers are compliant and their behaviour is safe for all those who use our road network. With a goal to make safety paramount, New South Wales has the most significant heavy vehicle compliance and enforcement program in Australia. This is evidenced by our greatest number of heavy vehicle inspectors and investigators by jurisdiction and our eight heavy vehicle inspection stations across the State incorporating screening lanes that operate 24 hours a day, seven days a week, 24 Safe-T-Cam locations with a network of 27 cameras across New South Wales and 25 average speed camera enforcement lengths covering more than 700 kilometres of the network to target heavy vehicles speeding.

In the 2017, RMS screened more than 2.87 million heavy vehicle movements through automated screening lanes at Mount Wyatt, Marulan, Mount Boyce and Twelve Mile Creek. Last year more than 520,000 heavy vehicle units were inspected as part of RMS enforcement programs, including more than 250,000 licence checks. Investigators and inspectors are also involved in joint operations with New South Wales police and other agencies, both in New South Wales and in other States, to target heavy vehicle speeding, roadworthiness and breaches of fatigue law. RMS conducted 163 special operations in 2017. The number of joint RMS and police compliance operations increased from 15 operations in 2012 to 32 operations in 2017. To reduce fatalities and serious injuries, we continue to work with the industry and stakeholders to maintain current safety measures and deliver vital information sessions to industry operators, so that they are informed of their legal obligations and our compliance expectations.

In response to the inquiry's terms of reference for the second part of the inquiry on the holiday road toll, Transport for NSW undertook a detailed review of the road toll during the period commencing 1 December 2017 and ending on 31 January 2018. Preliminary fatality results for this period showed 80 fatalities, which is the highest figure for any one December-January period since 2005-06. This represents a significant increase, 41 per cent, in fatalities over the average for the previous four equivalent two-month periods. However, the characteristics of those fatalities and fatal crashes during the same period were not significantly different from those during the previous December-January periods—that is, they were largely fatalities of vehicle occupants, fatalities on country roads involving run-off-road crashes or opposing head-on crashes appearing on single-lane, undivided carriageways and at high speeds.

In February 2018 the Government released the Road Safety Plan 2021. The plan resets the priorities and sets out targeted and proven initiatives to be implemented over the next five years to reduce fatalities and serious injuries. There is a commitment in the Road Safety Plan 2021 to develop a new heavy vehicle safety strategy for New South Wales in partnership with the heavy vehicle industry to provide an effective platform for the New South Wales Government to continue to work to improve road safety outcomes for heavy vehicles and other road users. It will also provide an effective mechanism to address outcomes arising from this inquiry. Given that the nature of heavy vehicle movements is not constrained by borders, the New South Wales Government is also seeking national support with a focus on additional national measures to improve heavy vehicle safety, including through the increased adoption of heavy vehicle telematics and safety technologies.

Many Australian road freight operators are already using in-vehicle telematics, as the Committee has heard, to improve their safety efficiency and business processes. We are looking into identifying ways to encourage the uptake of telematics and realise safety and productivity benefits. This was the focus of the recently completed review of the regulatory telematics for the National Transport Commission [NTC]. The submission contains a range of key technologies mandated in Europe, and the status of their introduction in Australia. Australian Standards should keep pace with the world's best practice to improve safety and reduce road trauma. Accelerating the introduction and uptake of safety technologies in the heavy vehicle fleet is a priority action that has been identified in the Road Safety Plan 2021.

Further, there appears to be support for accreditation schemes throughout the industry, with a number of accredited operators indicating that the benefits of accreditation outweigh the costs. Accredited vehicles have been estimated to have between 50 per cent and 75 per cent fewer crashes than non-accredited vehicles. Work has commenced in this space, with New South Wales exploring the introduction of safety requirements in all major infrastructure construction contracts. Industry continues to seek increased flexibility in fatigue management, and technology can be used in a number of ways to improve this approach and potentially allow increased flexibility without compromising safety outcomes or potentially improving those safety outcomes from fatigue. However, additional work is required to meet industry expectations and develop the evidence base.

Government and industry have made significant safety improvements over recent decades including in vehicle design, technology, infrastructure upgrades, driver qualifications and training, education and fatigue management and enforcement. New South Wales has one of the most robust, multifaceted compliance and enforcement systems in Australia and has invested considerably in enforcement resources, infrastructure and technology. We look forward to answering questions from the Committee.

The CHAIR: In that opening statement, you did refer to the commitment by Transport for NSW to develop a specific heavy vehicle strategy and, indeed, you mentioned that in your submission. What would be the leading priorities for action?

Mr CARLON: From our point of view, the key leading priorities initially are having a very sound evidence base that we share with the heavy vehicle industry and other stakeholders, and the engagement of the industry. It is very clear that the leaders in the industry have already adopted many of the advanced technologies and have purchased and operate the safest vehicles on our roads. There is much to be learned by having a very

strong collaborative approach with the leaders in safety in the industry and working together with those leaders in order to ensure that those systems are facilitated across the whole of the industry, recognising that 70 per cent of the heavy vehicle industry is operations of five vehicles or less. There are a lot of small operators in the industry, so bringing the whole of the industry along in the process of developing a strategy is critical.

Clearly, there is the evidence base. There has been a lot of conversation about people not really understanding the fundamental causes and drivers for crashes on our network. We have a lot of excellent information, data and research from the academic institutions, investigations done by police, and all of the analysis that we do on road trauma in New South Wales. One of the priorities is about ensuring that all of the industry has a very clear picture of the evidence base. To that point, we have started publishing heavy vehicle data and reports on the Centre for Road Safety website and distributing that to the industry as well.

The CHAIR: You mentioned the involvement of industry. In what ways does the Government consult with the heavy vehicle industry before implementing strategies, and are you intending on making any changes in that process?

Mr CARLON: Chaired by Ken Kanofski, there is a road freight industry council which has all of the key players in the industry who are regularly consulted as part of our council. It has been agreed that we will establish a subcommittee of that council in the development of a new heavy vehicle road safety strategy for New South Wales. We have already started receiving nominations from the member organisations in order to work with us—the NSW Police Force, Roads and Maritime Services [RMS] and other stakeholder groups within government—to start the design of a new heavy vehicle road safety strategy for the State. Clearly, the evidence and recommendations from this inquiry will be critical to consider in the development of that strategy.

The Hon. DANIEL MOOKHEY: I thank the witnesses for their appearance today. I assume that they would agree that deaths on the road are unacceptable under all circumstances and that deaths caused by the heavy vehicle industry or at least involved in the heavy vehicle industry are a tragedy.

Mr CARLON: Yes.

The Hon. DANIEL MOOKHEY: I am sure you are dismayed, therefore, by the 92 per cent rise in fatalities that involved a heavy vehicle in 2017—I am going off the Bureau of Infrastructure, Transport and Regional Economics statistics. Do you agree that that is disheartening news?

Mr CARLON: Yes.

The Hon. DANIEL MOOKHEY: Would you determine it a crisis?

Mr CARLON: I would not use the term "crisis" in this context. There are many factors that are controllable in these situations. Certainly, the loss of life in these circumstances for everybody involved, the whole of the community, and the individuals, is unacceptable because they are preventable deaths. Clearly, we need to respond to that in the most rigorous way and take on that we need to be addressing those issues with all road users. As I mentioned earlier, in terms of key vehicles involved in fatal multi-vehicle crashes, it is not where a heavy vehicle actually crashes; it is where the individual driver might die—

The Hon. DANIEL MOOKHEY: If crisis is not the appropriate term, what is the appropriate term to describe the 92 per cent spike in one year?

Mr CARLON: I would say that it is very disturbing and, from a road safety perspective, extremely disappointing after so much work has been done and there was such a consistent reduction in fatalities over the preceding decade. Looking at the evidence and taking action are absolutely critical.

The Hon. DANIEL MOOKHEY: Does the New South Wales Government in any of its constituent arms appearing before us today have a view as to why it happened? What is the theory?

Mr CARLON: There is some very clear evidence as to what the underlying drivers were for the increase in fatalities over this period, including—as I mentioned in the opening statement—a significant increase in the actual number of heavy vehicles registered in New South Wales that are operating.

The Hon. DANIEL MOOKHEY: Are we to infer from that that, because there was a big spike in the numbers registered in 2017, there was a consequent rise in 2017?

Mr CARLON: Since 2015, we have been indicating that there has been an underlying recent increase—

The Hon. DANIEL MOOKHEY: Are you saying that the fact that there are more heavy vehicles on the road is the first part?

Mr CARLON: Yes, that is the first part. The second part is that on high-speed roads in the country areas, there has been a significant increase in both the fatigue-related crashes and the speed-related crashes. To a large degree, approximately 50 per cent, those crashes are actually the other key vehicle—the light vehicle. It is not just about the increase—

The Hon. DANIEL MOOKHEY: Is it right to infer that the 50 per cent, for both the light vehicles and the heavy vehicles, is in respect to both those categories of offences?

Mr CARLON: Yes. Half of the speeding drivers in crashes involving heavy vehicles were heavy vehicle drivers and about two thirds of all speeding drivers in the heavy vehicle casualty crashes were heavy vehicle drivers.

The Hon. DANIEL MOOKHEY: Is that trend on an upward trajectory?

Mr CARLON: Yes, that is an increase in the speed, and that is consistent with the increase in the general fatalities across the whole of the network.

The Hon. DANIEL MOOKHEY: Since what year has that been going up?

Mr CARLON: We have seen a trend in the increase in the fatalities since 2014, when we had the lowest level of fatalities in New South Wales.

The Hon. DANIEL MOOKHEY: Thank you, that was very helpful in terms of establishing the baseline that we are talking about. I want to move on now to the enforcement dimensions. I applaud the work of the NSW Police Force, particularly over the summer, and I am sure the Assistant Commissioner will not be insulted if I direct most of these questions to RMS, as a result of the fact that I have confidence in how he is performing his duties. Is it correct to say that RMS has not delegated or otherwise sent its enforcement powers to the National Heavy Vehicle Regulator and still retains the bulk of responsibility for the enforcement of the Road Transport (General) Act?

Ms BAILEY: Under the Heavy Vehicle National Law, we are the delegate of the National Heavy Vehicle Regulator.

The Hon. DANIEL MOOKHEY: That is right. But you do the work.

Ms BAILEY: But under the New South Wales legislation, we are the enforcement body.

The Hon. DANIEL MOOKHEY: In Mr Carlon's opening statement he made the point that New South Wales does the most enforcement of all jurisdictions in Australia, because everyone else free rides off us, which I agree with—well, that is my point, he did not say that. Is it the case that the bulk of enforcement in Australia has fallen to the New South Wales government for decades now?

Ms BAILEY: We would certainly agree that we have the most robust and extensive enforcement program in Australia.

The Hon. DANIEL MOOKHEY: I am not asking you to agree with me about whether other States free ride. It is fine. We heard in the opening statement that 163 special operations were conducted under—what time frame?

Ms BAILEY: Last year—2017.

The Hon. DANIEL MOOKHEY: What is a special operation?

Ms BAILEY: Those special operations could be joint. There were 32 that involved police and others where we might do a fleet operation. If a heavy vehicle operator was the primary in a heavy vehicle crash, we might call in the entire fleet and inspect those—that is a special operation.

The Hon. DANIEL MOOKHEY: That is what we are talking about. How do you select your targets?

Ms BAILEY: Again, this is all risk based. Some of those are in response to, as I mentioned, a specific incident. Others are based on our intelligence that we gather through our inspection program whereby we are identifying on a daily basis through our screening process and the inspections we undertake which are the high-risk operators based on defects, et cetera, and their history, and then we target those as well for special operations.

The Hon. DANIEL MOOKHEY: Were the 163 special operations conducted in 2017 at the level of the fleet operator?

Ms BAILEY: No. They might be a broad operation—like we are doing an operation on truck and dogs, for example—so not a single operator. They could be targeting a sector, in other words.

The Hon. DANIEL MOOKHEY: How many operations in 2017 targeted a consignor?

Ms BAILEY: You are talking about a chain-of-responsibility investigation involving a consignor? I do have some information on chain of responsibility here. I can tell you since 2007 there have been 13 improvement notices to consignees. To consignors, again, they are one of the parties in the chain, so we do target and have ongoing investigations and prosecutions.

The Hon. DANIEL MOOKHEY: There have been 13 since 2007 at the level of an improvement notice?

Ms BAILEY: That is to a consignee.

The Hon. DANIEL MOOKHEY: Consignee or consignor?

Ms BAILEY: I am sorry, I do not have that information. I will have to take that on notice.

The Hon. DANIEL MOOKHEY: I go back to my question, which was how many special operations were conducted at the level of a consignor—and I will now widen that to a consignee—in 2017?

Ms BAILEY: I do not have the detail of the breakdown of the special operations.

The Hon. DANIEL MOOKHEY: When was the last time RMS undertook a special operation at the level of a consignor or consignee in respect of your enforcement compliance?

Ms BAILEY: As I said, our operations are broad. Some of them have been going on for some time, such as Operation Wave since 2016. Some are like Shield, which is only two weeks ago.

The Hon. DANIEL MOOKHEY: How many prosecutions were issued against a consignor or consignee in 2015, 2016 or 2017?

Ms BAILEY: I can tell you since 2012 out of 63 chain-of-responsibility prosecutions five have been against consignors. We have had 54 against operators, two loaders, one scheduler and one driver.

The Hon. DANIEL MOOKHEY: Can you repeat that? This is from 2012?

Ms BAILEY: Since 2012.

The Hon. DANIEL MOOKHEY: Consignors, five?

Ms BAILEY: Yes. Operators, 54; loaders, two; scheduler, one; and a driver, one.

The Hon. DANIEL MOOKHEY: When industry says that RMS enforcement is heavily biased on one aspect of this chain of responsibility but not the other, should we infer from the figures you just gave that they are correct?

Ms BAILEY: I do not think it is reasonable to infer that. I think it is a matter of the nature of the investigations that we undertake and we do so with vigour across all members of the chain.

The Hon. DANIEL MOOKHEY: The Committee today has heard evidence from multiple academics, all of whom say that the parties at the top of the chain have a huge say over the safety conditions that the lower parts of the chain operate under and that there is a mismatch between the cultural practices that are at the bottom of the industry and those at the top. We have the lead organisation of consignors and consignees coming before the Committee and saying that they do not have visibility about what is going on below them. Why is it the case that RMS enforcement strategy—

Ms BAILEY: I did not say that—excuse me—I said I am happy to provide that information if I could on notice. We are more than happy to get the breakdown that you are seeking.

The Hon. DANIEL MOOKHEY: Thank you, I do appreciate that. Why is it the case that RMS enforcement is still so heavily concentrated at a fleet level and below, when we have evidence from a multiple of people that the actual control function being exercised is being exercised by the consignors at the top of the chain? Why is it that they have not been subjected to the serious level of scrutiny that you have described other parties in the chain have been?

Ms BAILEY: I think the reality is we inspect the heavy vehicle. We are inspecting, and—

The Hon. DANIEL MOOKHEY: But the law gives you the power to go up the chain.

Ms BAILEY: Exactly. But we do not randomly walk into any operator in any location. It is triggered by a result we see.

The Hon. DANIEL MOOKHEY: None of that has led you to want to go to a company like—

Ms BAILEY: I am saying, so naturally the data we have is more about vehicles and the fleet operators. Then we certainly go up the chain to find out where in fact that direction is coming from. I will say certainly the changes that we see coming through in the legislation that is earmarked this year, with executive officers having a primary duty, I think will be a positive move in this regard. I think that there is more awareness, there are more investigations that we undertake, and there is more support in the judiciary as well for these types of prosecutions and an understanding that, yes, sometimes there are directors and managers of an organisation that are directing a driver to work unreasonably to deliver, et cetera.

The CHAIR: Mr Mookhey, this will be your final question.

The Hon. DANIEL MOOKHEY: If it is my final question I will make it a good one, Mr Chair. We have heard today evidence and discussion about the compliance behaviours of companies such as WestConnex, and who they are using to undertake the transport of movement of spoil from the WestConnex project. In addition to that, the same issue would arise with respect to Sydney Metro, both of which are creating huge demands on the transportation of spoil. We have had groups such as the Australian Trucking Association [ATA] go public, saying that the conditions they saw when they undertook operations with the police were outrageous and it is a surprise to them that there has been any accreditation. That these people are able to do the work, is essentially the thrust of the criticism the ATA mounted, both in the media and this morning.

How many enforcement actions or special operations has RMS undertaken in respect of the WestConnex or Sydney Metro projects? Have you had any intelligence which would lead you to think that those two projects should be subject to your scrutiny? Insofar as Mr Carlon made a reference earlier to the use of perhaps government procurement as a lever to up the standards of compliance in the supply chain, should those not be the first two projects in which it is rolled out?

Ms BAILEY: There are a number of questions in there.

The Hon. DANIEL MOOKHEY: It was my last one.

Ms BAILEY: In terms of Operation Catapult, which we commenced in February 2017 in conjunction with police, that was targeting truck and dog operators following an accident on the M7 in February 2017 where a WestConnex contractor truck and dog was involved. In terms of the number of operations, I believe we have had four—either four or five. Correct me if I am wrong. Mr Corboy might be able to confirm that.

Mr CORBOY: I think we are up to nine.

The Hon. DANIEL MOOKHEY: Nine investigations into WestConnex?

Mr CORBOY: No, nine WestConnex.

Ms BAILEY: Operation Catapult?

Mr CORBOY: Operation Catapult.

The Hon. DANIEL MOOKHEY: What does that mean?

Ms BAILEY: On separate days, nine separate operations. When we started there was a 55 per cent non-compliance rate.

The Hon. DANIEL MOOKHEY: A 55 per cent non-compliance rate on the WestConnex?

Ms BAILEY: In terms of the roadworthiness inspections that we undertake. I am not specifically referring to the additional—

The Hon. DANIEL MOOKHEY: It was roadworthiness inspections?

Ms BAILEY: Yes, the additional work that police do in that regard. That has improved to 45 per cent. However, we acknowledge there certainly remains significant room for improvement. That is in regard to Operation Catapult that we have seen, and that has been a target special one over and above Operation Wave that we have been running since March 2016 also broadly—

The Hon. DANIEL MOOKHEY: Before you started your investigation more than half of the truck and dog operations that are a part of WestConnex were not roadworthy?

Ms BAILEY: No, no. Let me say that obviously the breaches are from minor to major and major grounded. Again, I have not got the statistics in front of me about the number of major grounded, but I can provide those. Major and major grounded are the ones I use for serious safety concern.

The Hon. DANIEL MOOKHEY: What is the percentage?

Ms BAILEY: Again, I would be talking off the top of my head here just to say exactly how many. I am more than happy to provide out of the operations that we have undertaken the number of major, major-grounded defects out of the total number of defects that we have identified from those.

The Hon. DANIEL MOOKHEY: Did you read figures on Sydney Metro? That was the other part of my question.

Ms BAILEY: No, I am sorry I do not have Sydney Metro, but we can certainly provide those as well.

The Hon. THOMAS GEORGE: I was very pleased to hear you say that going forward you will have a collaborative approach. The Committee listened to some major stakeholders today and noted differences of opinions. You will have to lead all the stakeholders to take this matter forward. Are you concerned about the different views of stakeholders?

Mr CARLON: No, I do not have any particular concerns. We are operating in a national heavy vehicle regulatory environment as well and so it is very important that whatever we do is done in that context of engaging people at a national level—the role that the NSW Police Force, our Freight Port Plan has in terms of managing the future demands on the network, with the increased number of population, and vehicles that are going to be needing to use the network. There are some tremendous safety leaders in the heavy vehicle industry. We have worked very closely in the past with Toll and clearly Ron Finemore, who is on our Road Safety Advisory Council, as well is a great conduit into the industry and very helpful in assisting us in bringing people to the table.

I agree that there are a lot of different perspectives out there and that our role, particularly from the Centre for Road Safety but also broadly in government, is to provide the evidence and facilitate outcomes that will encourage and motivate people to adopt the safest technologies, behaviours and systems within their operations to reduce the risks. Clearly people are taking risks—whatever the motivation might be. There are also operators and safety champions within the industry that will be able to assist us in leading that change.

The Hon. THOMAS GEORGE: In relation to telematics, for instance, there are many different ideas, and I did not get the impression that the academics agreed on them. I am concerned that there seems to be a big gap for the industry to get behind some of these proposals.

Mr CARLON: I say about telematics and other technologies, either in vehicle or for driver use, that it is really important that we actually have collaborative and proactive trials with the industry of those technologies and build up a really sound evidence base both with the academic community and also from a regulatory, productivity and safety perspective. I would say the Seeing Machines trial that was announced last week that a number of industry leaders and the National Heavy Vehicle Regulator are engaged in, and bringing the evidence from what has been happening in the private sector, having robust trials of that technology, ensuring that the evidence is clear so that we can invest in it, and government can support it is the way forward in this area. There are some very promising technologies which are being used commercially because they are good for business and good for safety. We just need to make sure that we are keeping abreast and working with those leaders to make sure that we trial them, we get the evidence base, and then we can make decisions about the degree to which we can support, promote or use those, as some have suggested, for compliance.

The Hon. THOMAS GEORGE: What is continually raised with different members throughout the State is truck stops on the highways.

Mr CARLON: I might kick off and then Melinda Bailey can comment as well. There is a current review of the parking rest strategy across New South Wales currently underway within Roads and Maritime Services, both for light and heavy vehicles, in order to assess the needs across New South Wales and in consultation again with the industry to come up with a strategy for ensuring that we have got the right system in place for managing fatigue.

Ms BAILEY: Currently, we have in excess of 260 rest areas in New South Wales and they range from pull-over areas to fully commercialised service centres, often operated by the private sector. Roads and Maritime Services is certainly reviewing its current rest area strategy, as Bernard Carlon mentioned. We envisage having a revised draft strategy for consideration by mid-2018. The important thing to note is that the review is being undertaken with reference to the guidelines of the NTC for heavy vehicle rest areas. We are consulting with the heavy vehicle industry through that process, again using the Road Freight Industry Council and its membership as well as a key consultation group, as Bernard outlined also previously. Some of the new areas that are certainly being delivered include: on the upgrade of the Pacific Highway there are new rest areas at Mount Ousley in the Illawarra and at Murlo near Albury. We are also planning further along the Newell Highway and the Golden Highway which, of course, are key heavy vehicle and freight corridors.

The Hon. THOMAS GEORGE: The biggest complaint I have received from people in the truck industry is that other people use them and that is creating a problem for them.

Ms BAILEY: And that is an ongoing issue. Only last week we discussed that with the Road Freight Industry Council members. Obviously, the very clear intent is that a rest area certainly is intended for exactly that: for rest, particularly in the heavy vehicle sector, for managing the fatigue requirement of the mandated rest period that is required under the law.

Mr CARLON: It is really important in terms of fatigue, what we have seen is a significant increase in the past five years of all vehicle fatigue-related crashes. About a third of heavy vehicle crashes involve the heavy vehicle driver being fatigued, and two-thirds where the light vehicle driver was fatigued. We need to be thinking across the whole of the system for managing fatigue and, in particular, rest areas strategies across the State for both light and heavy vehicles.

The CHAIR: Mr George was saying that there is an opportunity for technology to actually report back, whether that be external to the vehicle or internal to the vehicle, on the abuse of rest areas which are assigned to heavy vehicles.

The Hon. SCOTT FARLOW: This inquiry started out a little differently and its terms of reference were expanded after the holiday road toll and the unfortunate spike in the figures. We would all agree that the aim should be zero and that is part of your policy towards zero and your campaign. I note in your submission that, while we have seen this being the third consecutive year the road toll has increased, it is also the fifth lowest on record. Is that correct?

Mr CARLON: Yes.

The Hon. SCOTT FARLOW: Of course something has started to go wrong. What factors have you seen or that you believe are to blame for the road toll and what we have seen as of late?

Mr CARLON: Clearly, we have had a really significant growth in population and in numbers of vehicles registered in New South Wales. So there is that part of the underlying pressures. But the reality as well is that there are some behavioural as well as vehicle changes in our fleet that have happened over the past five to 10 years, particularly in the past five years as well. We see a larger proportion of our fleet are actually now in the dual cab, utility and delivery van, so the light truck segment has increased significantly. If you crash in one of those vehicles the safety features of those vehicles are not as high a standard of the safety features in our passenger vehicles. So part of the underlying increase is a shift in the fleet.

Another is the continued, particularly in regional New South Wales, increase in speed-related fatalities on high-speed roads where the quality of the roads do not match the quality of the roads in metropolitan areas. So there is that increase in population and economic growth and activity, and clearly there is a correlation with the speed environment in which those accidents are happening and an increase in speed-related crashes. I mentioned fatigue earlier. There is a significant increase and underlying upward pressure.

The Hon. DANIEL MOOKHEY: Do you know why?

Mr CARLON: From people driving more tired.

The Hon. SCOTT FARLOW: Are we talking about heavy vehicle users or generally?

Mr CARLON: This is in general terms, but we cannot exclude the general vehicle shifts, increases and upward pressures because, as I said, a significant proportion of the crashes are as a result of the light vehicle being the key vehicle that made first movement that precipitated the crash. So, in addressing those issues and reducing the likelihood of a light vehicle crossing the middle of a road on a high-speed country road and crashing into a heavy vehicle, clearly we have to attack all areas and all vehicle types. The other issue that we have seen continued in the regions is the prevalence of alcohol-related fatalities. Almost 90 per cent of fatal crashes involving drink-driving happen on regional roads.

The Hon. DANIEL MOOKHEY: Does that involve heavy vehicles?

Mr CARLON: It is not necessarily heavy vehicles but, again, it is about the involvement of the light vehicle where the person is affected by alcohol in a crash with a heavy vehicle. We have seen a significant increase in an underlying upward pressure on our road toll from illicit drugs since 2011, when the controller in about 11 per cent of fatal crashes had consumed one of the three illicit drugs for which we test on the roadside. By 2016, that had increased to 22 per cent. Crashes involve a lot of factors, but all of them have led to upward pressure on the road toll. That is why the new road safety plan is all about attacking those upward pressures and trying to introduce mitigations that will turn that around and reduce those impacts.

The Hon. SCOTT FARLOW: You discussed the causation issues, which have been a theme today in terms of a higher incidence of heavy vehicles involved in crashes but not necessarily being the first mover in that regard. The Committee heard earlier today that fatigue potentially plays a role in the response time of heavy vehicle users. Do you have any data on that?

Mr CARLON: Again, one-third of fatigue-related crashes involve heavy vehicle drivers. That is obviously a cause for concern when we have a very rigorous fatigue management system in place for heavy vehicles. Unlike for light vehicle drivers, we have a regulatory and compliance system in place for heavy vehicle drivers. It is disappointing to see one-third of the crashes involving heavy vehicle drivers when we have such a robust compliance regime. They are affected by fatigue and cause the death of others or they run off the road and kill themselves. That is an area of concern.

Many proposals have come forward from industry stating that it believes the technologies being used to monitor drivers' fatigue are much more accurate than the current regime we have around hours of driving. Again, we need to do the research and verify whether more flexibility in the system using those sorts of technologies might deliver better results. That is one of the proposals that a few people have mentioned to the Committee, and certainly one that we are investigating as part of the development of the road strategy for heavy vehicles.

The Hon. SCOTT FARLOW: Do other jurisdictions use that more flexible model?

Mr CARLON: Not currently.

Ms BAILEY: Western Australia and the Northern Territory do.

The Hon. SCOTT FARLOW: I refer to the use of telematics in vehicles. The Committee has heard many competing views about whether the use of telematics should be mandated. How effective have you found telematics in heavy vehicles in reducing fatal road incidents?

Mr CARLON: There is a body of evidence around telematics for both heavy and light vehicles that shows positive signs for the potential reduction of fatal and serious injury crashes. The promise of telematics is real; there is plenty of evidence and research worldwide about that. As part of our strategy to work with industry leaders we need to involve people who are using telematics for safety and productivity reasons. We must ensure there are incentives, and there are potentially six. In the first instance, incentives should be offered to engage with the industry to take on telematics. The trials taking place in different jurisdictions and trials we are proposing in New South Wales are the first step in establishing a robust system. We will need to negotiate with industry about the degree and how best to implement any compliance regime around their use. As I said, that needs to be done in collaboration with industry.

The Hon. SCOTT FARLOW: There has been a continuing debate about electronic work diaries and whether to make them mandatory. Have you made any assessment of electronic work diaries and their effectiveness?

Mr CARLON: New South Wales conducted a trial of electronic work diaries in about 2012 and provided a report demonstrating that there were both safety and productivity benefits. It was taken on as a national project to work with the industry around their implementation. I understand that the National Heavy Vehicle Regulator is working on an electronic work diary strategy.

Ms BAILEY: In the current proposed form, they largely replicate the paper-based work diary. We expect that over time that will improve and that ultimately there will be better outcomes. From my perspective in the regulatory space, only a few weeks ago we found evidence of a driver having four different work diaries in a vehicle, three of which had previously been reported as lost. I think that will be overcome by the electronic work diary. However, there must be unique driver identification. We would almost need a thumbprint to prove that the driver throughout the journey was the driver of the vehicle, and that would be linked to their individual electronic work diary. As I said, that will take some time to evolve. However, we are heading very much in the right direction in this regard.

The Hon. SCOTT FARLOW: There has been some discussion about driver distraction, and mobile phones are one issue. A witness earlier today mentioned that vehicle dash panel devices now have more electronics that are probably as significant as mobile phones in terms of distraction, whether it is changing the radio station or the adjusting the air conditioner setting on a tablet on the dashboard. Has the Centre for Road Safety examined how these electronics contribute to crashes?

Mr CARLON: The Australian Design Rules include the layout of the dashboard and require an eye-line capability to observe the road environment. That is a key factor in the design specifications for those functions in a car. They are integrated into the system. Whether they are driver assist or entertainment systems, a

lot of work goes into ensuring that they meet those requirements. As technology changes, we must be on guard about drive assist technologies that make it safer or more efficient to control a vehicle versus distractions.

I think that that is an active issue that is continuously being reviewed—at the level of the Australian Design Rules, in terms of the Federal Government and what is coming into the country but also in the aftermarket design of technologies. We do not want a counterproductive outcome where people are distracted by additional devices. That is why we need to keep the regulatory framework refreshed and up to date. There is currently a project nationally, under the National Road Rules, to look at the advances to technology and what needs to be changed or kept up to date. Certainly, there is a road rule now associated with mobile phones and their use for texting and other social media. A decade ago that was not considered.

The Hon. SCOTT FARLOW: No-one thought about how Snapchatting affects your—

Mr CARLON: That is right. We need to continuously update the framework for avoidance of that sort of distraction.

Ms ELENi PETINOS: I will return to a point that Mr Farlow was addressing with respect to early warning devices. How do you respond to stakeholder concerns that EWDs are inflexible, not supported by complementary improvements to rest areas and other industry needs, and likely to be used as an enforcement tool rather than safety aids?

Ms BAILEY: The EWD compliance policy states that breaches of 15 minutes or less will not result in a formal breach per se unless the authorised officer considers it a significant safety breach or that there is some pattern of behaviour. The view that the EWD is going to be more onerous than the paper-based work diary is not supported by the evidence that I have. The policy says that the EWD shall maintain a 28-day period of work. That is no different to its current paper-based form.

I know there have been some comments by many in the industry that increased flexibility is being sought. That is very valid but I find the statistics on critical and severe breaches last year interesting. There are two periods considered under the law in the work diary area—less than seven days and the 28 days if the period is seven days or more. In the case of that seven days, a critical risk is greater than 90 minutes. That is not a 15-minute breach; it is an hour and a half—yet last year we had 809 of 4,103 work diary breaches. That is one in five—20 per cent—that were really in that greater-than-90-minute breach category.

Ms ELENi PETINOS: We have spoken to other witnesses about the age of the heavy vehicle fleet. How significant a contribution to adverse road safety outcomes is the age of the fleet?

Mr CARLON: Certainly we would say that the age of the fleet—particularly in the second-hand market—is a significant factor in terms of the safety features of the vehicles. This has a little bit to do with the way the Australian design rule standards that are set compared to the European—the United Nations Economic Commission for Europe [UNECE]—standards. Clearly, they mandate safety features well ahead of Australia—in some cases up to a decade before Australia mandates safety features on a vehicle. That is a significant issue.

When we look at the heavy vehicle fleets of the best performing countries in the world we see that they have a significantly lower average age. That is the case in places like Sweden, Denmark and the United Kingdom, Ireland and the Netherlands. Those are all areas that are outperforming us or performing extremely well in terms of their road safety outcomes. Their heavy vehicle fleets have a significantly lower age.

Ms ELENi PETINOS: With that in mind are any incentives being used to encourage retrofitting or withdrawal of these vehicles from the industry if necessary?

Mr CARLON: We have been discussing two areas. One is what incentives we can provide nationally, because there are levers like accelerated depreciation and other incentives. The other is what I mentioned earlier—the requirements for contracting to major civil contract work in Government projects. Certainly with respect to the Sydney Metro project we have been working very closely with it around increasing the safety specifications, but not just the specification of vehicles to be contracted for working on the metro but also the driver training aspects, the speeds and the selection of routes and times of day that those vehicles might operate, particularly when they are operating in the CBD of Sydney.

So there are plans that are being developed to try and have a safe systems approach to reducing the potential risks. We are incentivising people on those projects to have the safest vehicles and having discussions at the national level about what sort of incentives can be provided to make sure that we are hastening the flow-through of those standards from the UN and the vehicle uptake of safety systems within our contracting arrangements.

Ms ELENi PETINOS: Given that 70 per cent of fleet operators have fewer than five trucks, what needs to be done to motivate those small- and medium-sized operators to adopt better heavy vehicle safety technology?

Mr CARLON: Again, having discussed this with the leaders of the industry, I would say that many of those operators are contracted to the larger organisations. So I am talking about ensuring we work with that supply chain to put in place systems that motivate the adoption of those and, at the national level, advocating that those small business operators are not disadvantaged—or are incentivised—to put better, safer systems into their vehicles. Also, the turnover of the fleet at the top end is going to have an impact in the second-hand market. We have seen in passenger vehicles, through the Australasian New Car Assessment Program [ANCAP] five-star rating, a significant increase in the five-star rated and safer vehicles flowing through the fleet over time. Those are the sorts of things that we need to be discussing with the industry and also at the national level.

Ms ELENi PETINOS: We are back here today because the holiday road toll, which no-one in this room thinks is acceptable. We do not believe that that is the way the State should be moving. It would be remiss of me not to ask about Operation Rolling Thunder, which has been criticised by some stakeholders as unnecessarily dramatic, intrusive and stressful for heavy vehicle drivers and other road users. Do you have any comments on this operation and the results?

Mr CORBOY: I can answer that. Over the last 12 months, in meetings with my colleagues in other states, we had discussed the newest treatments for road tolls over the Christmas period but also in relation to heavy vehicles. So we have a number of enforcement options up our sleeves—not only for heavy vehicles but for a whole range of other things. We run those on quite a usual basis. In relation to Rolling Thunder, we had three incidents in two days that cost the lives of five people. As with all these things—and as Mr Carlon has pointed out—the top end of the industry has newer trucks and a whole range of other things, but there are significant differences between those high-end fleets, primary producers and also the truck and dog industry around the metropolitan area, which has different rules.

I contacted my colleagues in the other eastern States, who were quite willing to come on board with an operation basically to see what was happening across eastern Australia in relation to compliance around the trucking industry generally. My interest was that we needed to actually see what the compliance rate was on a particular day, in and out of New South Wales. We ran that operation over 12 one-day periods. We did not pre-warn anyone it was going to happen. We did it and the results for us were very interesting. I will read some of the comments from some of the industry people.

In relation to the 5,000-odd trucks that were stopped around Australia, there were 2,000 defects, which have been described as minor defects, and there were a number of higher ones. However, that 26 drivers had returned a positive drug test was a concern for us. But in the comments I made at the time, quite publicly, we were not targeting those groups that did the right thing; we were targeting those people, those industries and those trucking organisations and individual operators who were running unroadworthy trucks, running unregistered trucks, running drivers who were fatigued and not complying with the systems. Everything we do is around the systems side of things, so you have got the roads, the truck and the systems behind the truck with the operators, and then you have got the drivers. We had 26 drivers on that day who returned positive drug tests and we had the 2,000 defects in the trucks.

All in all across the three States it gave us a good indication that, yes, the major companies who do the right thing and who continue to do the right thing have nothing to fear from us. However, in relation to those companies that still want to put on drivers who are inexperienced, who still want to operate drivers to drive under the influence of drugs or allow them to do that, or who are influenced by their fatigue, it actually gave us some good indications around that. I was quite pleased with the operation, which not only raised the profile of the enforcement but I think also raised awareness across the eastern seaboard around our tolerance to heavy vehicle crashes.

As mentioned before, our current issues around the road toll all revolve around vehicles crossing to the wrong side of the road or running off the roadway on the same side of the road and either hitting another vehicle coming the other way or rolling over. The causes of that is what we were on about—whether the causes of that were fatigue, alcohol, in some cases poor driving and inattention, in some cases distraction, and in some cases drivers were under the influence of drugs. These vehicles have the propensity to cause multiple fatalities in crashes in country areas. The indications of our Christmas road toll were heavily around regional areas—high-speed crashes involving multiple fatalities.

Mr CARLON: Just on that point, Chair, the interstate vehicle involvement in our fatal crashes, particularly in the articulated trucks, is that more than 40 per cent of our fatal crashes involve a driver who is licensed interstate. Around 23 per cent of all of our casualty crashes involve a driver that has a licence from

interstate. Operations like Rolling Thunder that attempt to address us as a through State are absolutely critical in getting a deterrent effect out there in relation to that fact—that we do have a significant number of interstate licensed drivers involved in our fatal crashes.

The CHAIR: I will conclude by asking a question that has not yet been asked. Can you comment on the relative merits of industry-based accreditation scheme such as TruckSafe and the National Heavy Vehicle Accreditation Scheme? What are the advantages of voluntary versus mandatory accreditation?

Ms BAILEY: I will begin with a comment, if I may. The current schemes we have are voluntary. Obviously, NHVAS is managed by the NHVR. That accredits operators under the following modules: mass management, maintenance management, fatigue management in terms of basic fatigue management as opposed to standard, and advanced fatigue management. There is TruckSafe, which I am sure you are aware of and heard about today, and it is an industry-based system. Members achieve accreditation through independent auditing and are bound by the TruckSafe code of conduct. IAP is not strictly an accreditation system; however, it does provide some access privileges in return for compliance. Again, it is a voluntary system although it can be mandated by the road manager for access to a route.

I would probably comment that when you have got an accreditation system you actually need to oversee that and have a regulatory function, and somebody actually needs to ensure that it is being appropriately administered. With TruckSafe, my only concern from a regulatory perspective is who defines the standards to be met and who actually takes the action. If you are not the regulator, how do you sanction the operators and enforce that compliance as opposed to the NHVAS system, if you like, that has that regulatory oversight that we provide in terms of audits on behalf of the NHVR, as do the other jurisdictions.

The CHAIR: Thank you. I am sure there are many questions that members would like to ask, but unfortunately our time is drawing to an end. We may therefore wish to send you some additional questions in writing, and your reply will then form part of your evidence and be published. Would you be happy to answer any additional questions?

Mr BULLOCK: Yes, of course.

Mr CARLON: Yes.

Ms BAILEY: Absolutely.

The CHAIR: Thank you for appearing today.

(The witnesses withdrew)

(The Committee adjourned at 16:45)