

Submission
No 3

**INQUIRY INTO THE EXERCISE OF THE FUNCTIONS OF
THE MOTOR ACCIDENTS AUTHORITY AND MOTOR
ACCIDENTS COUNCIL - TENTH REVIEW**

Organisation: Bus and Coach Association NSW
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Date received: 27/04/2010

RECEIVED

27 APR 2010

LAW & JUSTICE

21 April 2010

The Standing Committee on Law & Justice
Parliament House
Macquarie Street
SYDNEY NSW 2000

Attention: Mr Jonathon Clarke

Dear Mr Clarke,

Invitation to participate in the Tenth review of the exercise of the functions of the MAA and the MAC

Thank you for the opportunity to participate in the review process of the Motor accidents Authority (MAA) and the Motor Accidents Council (MAC).

BusNSW represents the private bus and coach industry in NSW. These 800 plus operators of public passenger transport are a vital link in the overall transport system in NSW. These 800 bus and coach have a collective fleet of approximately 6,500 vehicles and employ in excess of 12,000 drivers.

Over the years we have participated in previous reviews of the MAA and the MAC and the main area of concern of the bus and coach industry is still the high cost of CTP "Greenslip" Insurance Premiums and the MAA's approach of analysing accident data.

BusNSW seeks changes to premium classifications that distinguishes between the different bus and coach operating environments, not simply setting premiums on the claims history of a collective of "post codes", and vehicle passenger capacities. This method can discriminate against sections of operators who have excellent claims records. Buses and Coaches are used under a number of operating environments, such as:

- Routes Services
- School services under government contracts
- Tourist Service, Long Distance and Charter services
- Community Transport
- Private use
- U Drive

The first three groups of operators require NSWTI accreditation to operate as a public passenger service, and the accreditation system requires operators and drivers to comply with OH&S, Safety Management Systems, and Vehicle Preventative Maintenance Programs which provides for a better safety record than the other groups.

The Roads and Traffic Authority also recognised that the operating environments of the groups also need clear delineation and in July 2008 introduced a change in the number plate system that clearly identified vehicles operating environment.

As from July 2008 the RTA changed the configuration of number plates as follows:

- **1234 ST** - State Transit buses in Sydney/Newcastle
- **M/O 1234** - Metropolitan Newcastle and Wollongong Privately operated Regular Passenger and School Services
- **1234MO** - Regional and Rural Regular Passenger and School Services
- **TV1234** - Tourist, Long Distance and Charter Services

The Association considers that with the clear delineation of the various operating environments, and usage it is now the time to also change the premium setting arrangements by introducing CTP classes for each of the groups based on their respective exposures to potential claims.

The other area that needs addressing is to move away from the two categories, and also introduce a more appropriate grouping that reflects the range of vehicles used in the bus and coach industry.

In addition to recognising the vehicle usage by number plate, BusNSW recommends that the respective categories be:

Class 6a	Under 14 passengers
Class 6b	Between 14 and 24 passengers
Class 6c	Over 25 passengers

The data to support claims histories in the different categories is at the early stages, but going forward BusNSW recommends that the above changes should be given genuine consideration.

I am available to assist you further in the review should the Standing Committee on Law and Justice consider it necessary.

To be able to clearly establish where claims are emanating from, thus improving data, with the co-operation between the CTP Insurance companies is in the interest of all parties.

Please contact Vic Bowden at BusNSW should you require further information on this matter.

Yours faithfully



Darryl Mellish
Executive Director