

Submission
No 2

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

Organisation: Bus and Coach Association (NSW)
Name: Mr Darryl Mellish
Position: Executive Director
Telephone: 02 8839 9500
Date Received: 3/01/2006

Theme:

Summary:

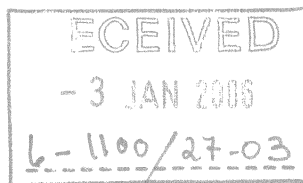


Bus and Coach Industrial Association (N.S.W.)

ABN: 71 965 227 022

19 December 2006

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



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Attention: Mr Michael Phillips

Dear Mr Phillips,

**Invitation to participate in the 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).

The Bus and Coach Association of NSW (BCA) represents the private bus and coach industry in NSW. The privately owned operators of public passenger transport are a vital link in the overall transport system in NSW.

The NSW Bus industry represents approximately 800 bus and coach operators with a collective fleet of approximately 6,500 vehicles and 12,000 drivers.

The main area of concern to the NSW bus and coach industry is the high cost of CTP "Greenslip" Insurance Premiums and the broad brush approach of looking at accident data. The Association has been liaising with the MAA over the past 3 years to achieve a common sense approach to the pricing of "Greenslips". The Association seeks changes that distinguishes between the different bus and coach operating environments and give more precise recognition to those operators who manage their business in such a manner that minimises the number of claims.

The current method of setting premiums on the claims history of a collective of "post codes" can discriminate against sections of operators who have excellent claims records. Buses and Coaches are used under a number of different circumstances such as:

- Route service accreditation
- Tourist/Charter accreditation
- School services under government contracts
- Community Transport (no accreditation)
- Private use - (no accreditation)
- U drive hire vehicles (no accreditation)
- Unaccredited Tourist/Charter operations (no accreditation)



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The industry has a view that the accreditation system for operators and drivers (as currently exists), which mandates compliance with Occupational Health & Safety, Safety Management Systems and Vehicle Preventive Maintenance Programs provides for a better safety record than unaccredited operations.

The Association, with the assistance of Zurich Australian Insurance Limited, undertook a review of CTP claims during the period with a view to establishing the person/s at fault in respect of claims, and also the type of operation the vehicle was being used for at the time of the accident/incident. This was to attempt to define a training regime to target any problem areas.

From this study and our understanding of the Greenslip system there are 2 areas of reform we would propose you consider.

- i) Data collection
- ii) Support for a change to vehicle registration arrangements.

i) Data Collection

We found that the records available could not provide adequate detail and the Association recommends that there should be a specific “Greenslip” claim form (or section of an existing form) for claims involving a bus or coach. For example, this form, in addition to what is currently provided for should allow for the following information;

- Ministry of Transport (MoT) Operator Accreditation Number
- Specific use of the vehicle at the time of accident/incident e.g.;
 - Urban Route Service/School Special
 - Urban Charter Hiring
 - Urban Special Hiring (Rail Replacement)

 - Country Route Service/School Special (Commercial Operator)
 - Country Charter Hiring (Commercial Operator)
 - Country Special Hiring (Rail Replacement)

 - Country School Service (Non-Commercial Operator)
 - Country Charter Hiring (Non-Commercial Operator)

 - Tourist/Charter Service

 - Long Distance Coach Service (Inter Capitol & Intra Capitol Express Services/Countrylink Services)
- If not MoT Accredited. Specific use at time of accident/incident e.g.;
 - Self drive hire vehicle
 - Community Transport Organisation vehicle
 - Courtesy vehicle etc.
- At fault party (bus/coach driver / driver of other vehicle / passenger / vehicle interior/exterior condition / road condition)

- If bus/coach driver at fault, a brief history of previous claims
- Brief history of previous claims of company
- Fleet details

ii) Vehicle Registration

At present “Greenslip” premiums for buses/coaches are allocated two categories. Over 16 passenger buses/coaches (Class 6a) and Under 16 passenger buses/coaches (Class 6b).

The review also recognised that there was a lack of data to recognise:

- Buses and Coaches
- Buses and Coaches operated by MoT Accredited Operators
- Courtesy, Community Transport and U-Drive buses and coaches
- Buses/coaches owned and operated privately (Schools, Nursing Homes, Retirement Villages etc.)

Regardless of ownership or use all claims relating to accidents/incidents appear to be identified as bus accidents and such claims are reflected in Greenslip insurance premiums.

The Association believes that the identification of the bus/coach by ownership and primary usage is best achieved at time of registration/transfer of registration of the vehicle. This would be achieved by the issue of a distinctive registration number plate. The appropriate number plate to be issued would be determined by the intended use of the vehicle. We understand that the Ministry of Transport (MoT) and the Roads and Traffic Authority (RTA) are progressing this proposal.

The proposal for the number plate requirement best suited to assist in the process is:

(a) Regular Passenger Bus Services operated by MoT accredited operators

| Area of Operation | Distinctive Number Plate Prefix |
|--|---------------------------------|
| Metro / Outer Metro / Newcastle / Wollongong | M/ O |
| Country | MO |

(b) Buses/Coaches operated by M o T Accredited Long Distance & Tourist & Charter Service Operators

| Area of Operation | Distinctive Number Plate Prefix |
|-------------------|---------------------------------|
| All Areas | TV |

(c) **Community Transport Buses/Coaches, Courtesy Buses/Coaches & U-Drive Buses/Coaches**

| Area of Operation | Distinctive Number Plate Prefix |
|--------------------------|--|
| All Areas | Alpha/ Numerical (ABC 123) |

(d) **Buses/Coaches Privately Owned & Operated and endorsed "Non-Business Use"**

| Area of Operation | Distinctive Number Plate Prefix |
|--------------------------|--|
| All Areas | Alpha / Numerical (ABC 123) |

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 reduce accidents/claims we need better data and co-operation between agencies, please raise these issues as part of the review.

Surely the underlying objective is to reduce accidents and improve safety and a system that better identifies the risk areas should be fostered.

Yours faithfully



Darryl Mellish
Executive Director