



28 June 2016

Att: Automated Vehicle Team
National Transport Commission
Level 15/628 Bourke Street
Melbourne VIC 3000
Australia

Dear Automated Vehicle Team

Re: Discussion paper - Regulatory options for automated vehicles

1. Introduction

1.1 The Motor Trades Association of Queensland (MTA Queensland or the Association)) responds to the invitation for submissions to the May 2016 discussion paper *Regulatory options for automated vehicles* (the paper). The Association's comments are submitted on behalf of its constituent divisions and are confined to issues which relate to the interests and fall within the competence of the Queensland automotive value chain.

2 Background

2.1 The MTA Queensland is the peak organisation in the State representing the specific interests of businesses in the retail, repair and service sector of Queensland's automotive industry located in the State. There are some 13,000 automotive value chain businesses employing in excess of 90,000 persons generating in excess of \$14.5 billion annually. It is an industrial association of employers incorporated pursuant to the *Industrial Relations Act* of Queensland. The Association represents and promotes issues of relevance to the automotive industries to all levels of Government and within Queensland's economic structure.

2.2. The Association is the leading automotive training provider in Queensland offering nationally recognised training, covering technical, retail and the aftermarket phases of the motor trades industry through the MTA Institute (MTAI) - a registered training organisation. It is the largest automotive apprentice trainer in Queensland employing in excess of 35 trainers geographically dispersed from Cairns to the Gold Coast and Toowoomba and Emerald. The MTAI last financial year accredited courses to in excess of 1,600 apprentices and trainees.

2.3 The MTA Queensland does not intend this submission to be exhaustive and address such issues as a definition of 'the driver' as this does not come within the professional competence of its Membership.

MTA Queensland

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3 Context

3.1 In a nation where commercial and personal road transport dominates logistics, the change to automated vehicles inevitably will involve a transition to hybrid and plug-in electric motor vehicles. The change from fossil fuels as the main energy source for transportation and the progressive displacement of the internal combustion engine means that Australia's society and the economy will undergo fundamental changes. There will be unintended consequences and the protocols and regulatory frameworks to manage this transition in an orderly manner will need flexibility and competence to meet the demands of this significant transport revolution.

4 Submission

4.1 The MTA Queensland is of the view that the overarching purpose of regulating the design and use of motor vehicles in Australia should achieve two policy goals. The most important is public safety with a secondary goal of increased productivity and enhanced economic efficiency. The regulatory framework should have the competence to ensure the safety of both motor vehicle users and personal and community property. The impact of regulatory regimes on economic efficiency and the cost of commercial and personal road transportation must be minimised.

4.2 For the purposes of this submission the MTA Queensland categorises automated vehicles into groupings:

Category (a) partially automated vehicles that require a human driver to maintain effective control of a vehicle (your paper 'partially automated').

Category (b) automated vehicles that do not require a human driver to control the vehicle including a vehicle that does not require a human driver although such a driver maybe present (your paper conditionally and highly automated).

4.3 In Australia the road transport regulatory framework is a dichotomy between a national regulatory regime administered by the Commonwealth and individual States and Territories operating some state and local motoring regulations. MTA Queensland submits that any automated vehicle policy framework should comprise three broad tranches of regulations and these should be harmonised across all jurisdictions. These broad policy tranches are summarised below.

Regulatory Tranche 1 - Commonwealth

4.4 The Commonwealth is responsible for developing the regulatory regimes, specifications and standards for the importation of motor vehicles. With the dismantling of Australia's automotive manufacturing industry all automated vehicles will be imported. Therefore the Commonwealth should develop a set of protocols that establishes the standards and technical specifications for the entry of automated vehicles for use in Australia's customs territory. These import compliance protocols will separately need to address the requirements of the category (a) and category (b) types.

4.5 In respect of category (a) vehicles where a driver is mandated to control a vehicle because it is only partially automated, the MTA Queensland submits that a 'light touch' regulation is required. Essentially the present vehicle regulatory regime based on international and United Nations regulatory specifications would have the competence to protect the safety of motorists and communities.

4.6 For these vehicles (category (a)), international and manufacturer's compliance certifications verified by competent Australian authorities should be sufficient to satisfy the compliance requirements of any protocol. Local testing would not appear to effectively add to overall safety and may unnecessarily burden the overall compliance costs without delivering an additional benefit.

4.7 In respect of category (b), vehicles in this category should be required to have a minimum specification for installation of an effective control and collision avoidance systems as an integral part of the motor vehicle's technical and equipment specifications. The MTA Queensland is of the view that there is a justification for local testing and compliance certification of automated controls and collision avoidance systems that replace the human driver to ensure they operate under Australian conditions.

Regulatory Tranche 2 - State and Territories

4.8 The States and Territories are responsible for the protocols that register and license motor vehicle use on the nation's roads. In respect of category (a) vehicles, there does not appear to be any compelling reason to change arrangements that are apply currently to motor vehicles. These may be imposed directly on partially automated vehicles in accordance with a light regulatory touch recommended above.

4.9 In relation to category (b) vehicles, due to the critical nature that control and collision avoidance systems play as a de facto or de jure driver, the MTA Queensland is of the view that after the initial warranty period of a new car expires, all conditional or highly automated vehicles should be subjected to regular road worthiness tests. This regime should test specifically that these systems are properly and fully functional. Vehicles of this type, to be operating on the road must require a current certificate attesting to control and collision avoidance systems compliance. The regulatory regime should be harmonised across all jurisdictions.

4.10 Technical advances will make the certification of control and collision avoidance systems to be undertaken cost efficiently. The new generation of vehicles will have these systems connected to satellite links so that they can be interrogated and certified remotely. This means that verification can be done remotely by the manufacturer, the importer, delegated dealers and independent mechanical repairers certified to undertake such approval and compliance and in these circumstances would be cost effective.

Regulatory Tranche 3 - Socio-economic and Community

4.11 The advent of automated vehicles has socio-economic and community consequences. These include that the effective life of a motor vehicle driver could be extended because conditional or highly automated vehicles could supplement diminishing driving skills in aged drivers. Driving fatigue could be better managed for both commercial and private transportation.

4.12 In addition it is reasonable to assume automation in vehicles will be associated with a transition to hybrid electric and plug-in electric automated vehicles. These vehicles will require a new generation of skilled technicians. Future training programs eligible for government support should reflect these changes to Australia's automotive vehicle mix. In particular, recognised Registered Training Organisations should have their contracts adjusted to support this change to ensure the apprentices and automotive professionals have the competence to support this coming technological revolution.

4.13 There is an economic and fiscal dimension to the proliferation of plug-in electrical vehicles. The vehicles as a general rule are lighter in weight than conventional internal combustion vehicles. Therefore on the basis of social equity, they should be given a concession in registration and road user fees because of their lesser wear and tear on roads and the environmental benefits due to the absence of emissions. Vehicles with control and collision avoidance systems should be eligible for concessional insurance premiums and adjusted compulsory third party insurance.

4.14 It is the view of the MTA Queensland that the regulatory framework for automated cars should have the competence to attend to technical environmental issues. The protocols should provide for the compulsory recycling of lithium ion batteries in hybrid and plug-in electric vehicles. This may require a recycling deposit to be part of the purchase price of these vehicles or that manufacturers or importers lodge a deposit equivalent to the cost of recycling these batteries at the time these are imported for use in Australia. Such deposits would ultimately finance the cost of recycling and such costs should be eligible to be incorporated into the retail price of a new vehicle that has a battery installed.

5 Conclusion

5.1 We would be please to provide further comment on any matters in our submission that may require further clarification or amplification.

Thank you for your consideration.

Yours sincerely



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Kellie Dewar
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