

**Submission to the  
Productivity Commission Inquiry  
Australia's Automotive Manufacturing Industry**

ANCAP provides consumers with independent and transparent advice and information on the level of occupant protection provided by vehicles in serious crashes and in more recent years on the fitting of advanced safety assist technology, which can help avoid crashes.

While this Inquiry is not directly related to ANCAP's core business, there are certain related issues that should be brought to the Inquiry's attention.

In 2012, 1300 people were killed and another 30,000+ seriously injured on Australian roads. The Federal Government's estimate of the annual cost to Australia is \$27 Billion<sup>1</sup>. The human costs of this national tragedy are even more devastating.

In recent years there has been an increase in the number of new vehicles fitted with advanced safety assist technology ('SAT'). For example; electronic stability control<sup>2</sup>, has been a requirement for an ANCAP 5 star safety rating since 2008 and more recently a national requirement for all new cars.

SAT is now being developed and introduced at an increasingly rapid pace. Autonomous emergency braking (AEB), lane departure warning, fatigue detection, adaptive headlights, adaptive cruise control, blind spot monitoring and the like are now standard features in many new cars in Europe, the UK and the USA. Unfortunately, this is not generally the case for new cars in Australia. Take up of these SAT is often several years behind the take up overseas, or perhaps not at all.

Right now, the most important technology to fast track into new cars sold in the Australian market is AEB. Research overseas shows reductions in crash rates for cars fitted with AEB to be as high as 27%.<sup>3</sup>

At this moment, none of the Australian made cars from Toyota, GMH or Ford have AEB, yet their parent companies all have AEB in models available overseas – only a small fraction of those overseas models make it to the Australian market with AEB still fitted. Regrettably, there is still some de-specification of cars coming to Australia. AEB is fitted as a standard feature in some cars overseas, but those same cars sold in Australia will not have AEB as standard but as an optional extra on the most expensive model, or perhaps not available at all.

For many years road infrastructure has been accorded top road safety expenditure priority for Australian governments, with comparatively little support for the investment in safer cars and

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<sup>1</sup> <http://www.infrastructure.gov.au/roads/safety/>

<sup>2</sup> <http://www.ancap.com.au/safety/features>

<sup>3</sup> <http://euroncap.com/results/aeb.aspx>

related technologies. While there is still a need to develop safe infrastructure, with the advent and accelerated introduction of SAT, any government vehicle industry support could be effectively directed at safer cars with more SAT fitted as standard. – this is particularly true for the Australian built car. Early introduction will see early reductions in crash rates with reductions in costs across the economy.

On a more advanced front, autonomous cars are most likely to be on Australian roads by 2020. Nissan, Toyota, Honda, Volvo, GM, Ford and many others already have their autonomous cars in an advanced state of development.

The Japanese Prime Minister, Shinzo Abe, recently stated that autonomous cars would be an important economic policy (as opposed to transport policy) for the Japanese market. Nissan has announced that it will have market-ready autonomous cars available in 2020<sup>4</sup>.

The French President, Francois Hollande, recently published a road map for rebuilding French car manufacturer through autonomous technology and driver-less cars<sup>5</sup>.

The National Highway Safety Traffic Administration (USA) has also recognized the importance of SAT and has recently published a statement<sup>6</sup> setting out its planned commitment to the introduction of AEB, seatbelt interlocks and alcohol interlocks. These three SAT have been selected for their capacity to offer the greatest benefits to road safety.

These statements are a testimony to the commitment of governments to the rapid introduction of life-saving technology. This commitment should also be made by the Australian Government and by Australian car manufacturers.

ANCAP recommends that the issue of car safety be considered during the Inquiry. Modest investments in car safety and the rapid take up of SAT will put enormous downward pressure on, and is the cheapest, easiest and fastest way to achieve substantial reductions in, road trauma.

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<sup>4</sup> <http://www.reuters.com/article/2013/08/27/us-autos-nissan-autonomous-idUSBRE97Q0VI20130827>

<sup>5</sup> <http://europe.autonews.com/article/20130913/ANE/130919909/hollande-turns-to-self-driving-cars-robots-to-revive-french-industry#axzz2ld8X0WbS>

<sup>6</sup> <http://www.nhtsa.gov/About+NHTSA/Press+Releases/NHTSA+Announces+'Significant'+and+'Seamless'+Initiative>