

**MOTOR TRADES
ASSOCIATION
OF AUSTRALIA**

MTAA Limited

Submission to the ACCC's quad bike safety
investigation and proposed regulatory reform

December 2017

Executive Summary

- MTAA advocates that quad bike and quad bike safety equipment retailers / dealers (retailers) are not responsible or accountable for the misuse of quad bikes (e.g. operating at unsafe speeds) and effectiveness of quad bike safety equipment to protect occupants. Nor are they responsible or accountable for ensuring that users operate quad bikes and quad bike safety equipment within manufacturers' performance specifications and design parameters or within safe environments.
- MTAA seeks assurance that retailers will not be subject to prosecution or other litigation in the event of user injury or death; either through the proper use or misuse of quad bikes and quad bike safety equipment.
- MTAA campaigns for a national quad bike regulatory standard that is based on the US standard and is adopted into Commonwealth Law and if required; supported by State Legislation.
- MTAA advocates that any changes to quad bike design for safety reasons (i.e. the fitment of Operator Protections Devices (OPD) or Roll Over Protections Systems (ROPS)) be based on credible and irrefutable evidence determined by industry engineering and safety experts and that this evidence is transparent to industry stakeholders.
- MTAA is concerned that any substantial quad bike design changes imposed on manufacturers could potentially result in manufacturers exiting the Australian market. This is likely to result in increased numbers of uncertified and potentially unsafe and parallel imported quad bikes being sold through non-accredited dealer networks and other non-regulated markets (i.e. on-line sales and auction houses). It is also likely to result in users not being provided with the appropriate safety information and / or training to operate quad bikes safely.
- MTAA does not support any increased costs to retailers because of introduced or additional quad bike and quad bike safety equipment regulatory standards as these will be passed on to consumers. MTAA is concerned that increased costs may potentially limit demand for quad bikes due to increased requirements to fit safety items where typically the accidents are derived from misuse, speed, overloading or a combination of these, not the failure of design features.
- MTAA advocates that any design changes due to introduced safety standards be completed at the point of manufacture and by the manufacturer. If not, and after-market OPDs are allowed fitment (whether ADR approved or not), the retailer / fitter who fits these products as per manufacturer's instruction is not liable for their effectiveness or not.

- MTAA considers that information provided to users at the point of sales and currently available to quad bike users through a variety of mediums is reasonable and sufficient. MTAA requests that if additional information is required to be provided due to introduced quad bike regulatory standards, any associated costs should not be imposed on retailers but on manufacturers, Governments, consumers and / or users.
- MTAA supports nationally consistent quad bike regulatory standards including training and licensing requirements only if credible evidence confirms it will reduce injuries and not decrease consumer demand.
- MTAA supports Government prevention of parallel importing and sale of quad bikes through distribution channels not aligned with franchised and accredited dealer networks (i.e. on-line sales and auction houses). The MTAA supports Government enforcement action preventing those attempting to do otherwise.
- MTAA advocates that quad bikes and side by side vehicles (SSV) differ in design specification, performance characteristics, applications and function and should be subject to separate Government regulatory standards.
- MTAA supports the onus on business users, those supervising the use of quad bikes and quad bike safety equipment, or operators to operate quad bikes and quad bike safety equipment safely. MTAA supports retaining the current regulatory regime as outlined in the model *Work Health and Safety Act 2011* (WHS Act). This Act imposes a primary duty of care on Persons Conducting a Business or Undertaking (PCBU) or, as in some states' legislation; the person supervising the use of quad bikes or quad bike safety equipment to manage the risk of those using the quad bikes so far as reasonably practicable; including the provision of information, training, instruction and quad bike servicing and maintenance.

MTAA responses to questions presented in the Quad Bike Safety Issues Paper

- 1. Can you provide additional data or information on costings of injuries and fatalities caused by quad bikes?**
 - No. MTAA supports the ACCC obtaining information from multiple and credible sources (including Coroners inquests and academic and industry research) and undertaking its own empirical independent investigation and analysis to better understand quad bike safety, factors influencing quad bike deaths and the appropriate use of a product that can potentially risk death.
 - 2. Would design changes to quad bikes be likely to reduce the number of injuries and fatalities caused by quad bikes in Australia?**
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- Evidence is inconclusive. MTAA supports quad bike design changes from within or outside manufacturers' research and development to reduce the number and severity of user injuries *only if* changes are based on credible and refutable empirical evidence undertaken by engineering and safety experts and with consideration of different users' groups and operational environments.
 - MTAA respectfully suggests that like other simple straddle type transportation devices (i.e. motorcycles and bicycles), the inherent basic design of quad bikes has limited opportunity for design changes.
 - MTAA is of the view that manufacturers have specialised knowledge of incorporating safety and functionality into quad bike designs which is learned from many years of experience and research and development. MTAA is mindful that without an Australian quad bike design and manufacturing industry, Government should collaborate with overseas manufacturers and when considering any regulatory changes impacting quad bike design.
 - MTAA is mindful that safety systems (including design changes) cannot mitigate all user risk; particularly if quad bikes are operated unsafely (i.e. with excessive speed), without users wearing appropriate safety equipment (i.e. helmets and protective clothing), beyond manufacturers' design parameters and performance specifications, and / or in high risk environments (i.e. in wet weather, on uneven surfaces, when vehicle grip is compromised and within race situations)¹. Consequently, MTAA supports a holistic approach to quad bike safety that includes information provision, the wearing of appropriate safety equipment, the provision of Government rebates for safety equipment purchase and a potential licensing regime (if determined by ACCC as appropriate).
 - The MTAA suggests that if research concludes that OPDs successfully reduce the number and severity of quad bike accidents, Government liaise with quad bike manufacturers on the viability and appropriateness of their introduction, when considering multiple quad bike applications. MTAA also recommends Government liaise with safety authorities in international markets so that Australian regulatory approaches align with trusted international best practice and those in the major quad bike markets.
- 3. If you answered 'yes' to question 2, what design changes do you consider would have this effect? Which design features, if any, should a safety standard mandate or prohibit? The ACCC is interested in understanding design changes that are likely to reduce:**
- a) injuries and fatalities caused as a result of quad bike rollover**
- MTAA supports continuing examination of safety systems such as OPDs, particularly as some research suggests that OPDs may have some effectiveness in reducing injuries resulting from quad bikes rolling over². MTAA also supports continuing examination of other quad bike safety systems such as soft guards,

¹ ACCC, November 2017: Quad Bike Safety Issues Paper. Accessed 17 November 2017: https://consultation.accc.gov.au/product-safety/quad-bike-safety-investigation/supporting_documents/ACCC%20Quad%20Bike%20Safety%20Issues%20Paper.pdf

² Safework NSW, May 2017: Quad bike and OPD Workplace Safety Survey Report: Results and Conclusions

yielding handlebars and soft tires (to name just some). Furthermore, MTAA calls for research to determine the effectiveness of safety systems for different quad bike market segments, users, applications and operational environments.

- Although current research suggests that OPDs may have some effectiveness in reducing the severity of quad bike injuries, they are often based on evidence samples that are not statistically significant and commonly use anecdotal evidence³. Therefore, MTAA is concerned that current data regarding the safety benefits of roll over protection systems (ROPS) is inconclusive⁴. For example, ROPS and OPDs may not provide measurable safety benefits and may introduce additional rider risk, for example, raising the vehicle's centre of gravity, increasing vehicle weight, or preventing the riders from escaping the vehicle in unsafe circumstances⁵. In addition, proposed roll over safety systems may be compromised by quad bike accessories such as load racks and bull bars and may be only appropriate for specific uses or operating environments.

b) injuries and fatalities caused to children

- MTAA does not support the ban of quad bikes for use by children in a recreational context.
- MTAA advocates that children should only use quad bikes and quad bikes designed by manufacturers specifically for children. For example, they have speed and power limitations as required by Sean's Law⁶.
- Regardless of quad bike design, MTAA recommends that other measures such as adult supervision, user training and protective clothing are required and that these are recommended in current point-of-sale and after-sale information material.
- MTAA invites ACCC to conduct research into the level of adult supervision and expertise required and how this could be delivered to those supervising children using quad bikes (i.e. whether accredited supervisor training is required).
- MTAA urges ACCC to identify and consider multiple information sources to make credible and statistically significant conclusions and recommendations for quad bike regulatory standards for children, noting that quad bikes are essential for some children living in agriculture areas and provide recreational and social benefits for users.

³ Safework NSW, May 2017: Quad bike and OPD Workplace Safety Survey Report: Results and Conclusions

⁴ FCAI, June 2016: SafeWork NSW Quad Bike Strategy Falls Short. Accessed 17 November 2017: <https://www.fcai.com.au/news/index/index/article/448>

⁵ Wordley, Dr Scott, November 2012: Quad Bike Crush Protection Devices (CPS). Monash University. Accessed 17 November 2017: https://sydney.edu.au/medicine/aghealth/uploaded/fs_docs/iscrr_final_2013_112202210_1_iscrr.pdf

⁶ Michael R. Flaherty, Toby Raybould, Cassandra M. Kelleher, Raghu Seethala, Jarone Lee, Haytham M.A. Kaafarani, Peter T. Masiakos 'Age Legislation and Off-Road Vehicle Injuries in Children' *Pediatrics*, Oct 2017, 140 (4) e20171164; DOI: 10.1542/peds.2017-1164. Available: pediatrics.aappublications.org/content/pediatrics/140/4/e20171164.full.pdf.

- MTAA also highlights that quad bike risk for children is not unlike other form of legal recreational and functional transport including motorbikes and horse riding.

c) Injuries and fatalities caused to riders being carried on quad bikes not designed to carry passengers.

- MTAA's position is that pillion passengers should not be carried on quad bikes that are not designed to do so. MTAA supports the use of quad bikes within manufacturers' design specifications and operational parameters only.
- MTAA recommends that all quad bikes designed for use by children not be designed for carrying passengers.

4) If your view is that design features should be mandated or prohibited to increase quad bike safety, could the regulation be designed to encourage innovation rather than prescribing particular products or technical solutions (for example by ensuring fitting points or attachment mechanisms to allow the development of improved CPDs or ROPSs or by prescribing performance-based outcomes rather than technical designs)?

- MTAA supports encouraging safety innovation but maintains that quad bike design and quad bike safety equipment be fitted at the point of manufacture by the manufacturer to ensure the integrity of the vehicle and its design.
- MTAA advocates that any retailed aftermarket safety equipment must be approved for sale (i.e. through a government or industry approved certification process) to ensure the integrity of the vehicle and its safety is not compromised. As many quad bike safety products are available from aftermarket suppliers, MTAA suggests the way these products are fitted to quads and the impact on the quad bikes stability should be subject to testing and regulation.
- MTAA advocates that retailers who fit certified safety equipment according to manufacturers' instructions should not be accountable or responsible for its failure during use or misuse by the user.
- MTAA supports Government regulation of quad bike design standards so they align with those of the US standard and incorporate its quad bike design specification and performance attributes (i.e. engine size and speed), composition, contents, method of manufacture or processing, design construction, and finishing and packaging (including labelling requirements and information provision). This may require these standards being adopted into Commonwealth Law (i.e. Sections 102 and 104 of Australian Consumer Law (ACL).and if required; supported by State Legislation.
- MTAA advocates that if quad bikes and quad bike safety equipment are included in a Government regulatory / certification regime, the onus will be on manufacturers to supply certified quad bikes and quad bike safety equipment to retailers. MTAA also proposes that Australian retailers are permitted to only sell certified quad bikes and quad bike safety equipment.

5) If any or all of these design changes were implemented in Australia, are you able to estimate the additional cost that would be imposed on Australian suppliers?

- Any costs arising from any deviation from trusted international quad bike standards (i.e. the US standard) must be borne by the manufacturers and / or passed directly to consumers.

6) To what extent does the US Standard satisfactorily address design features that ensure quad bikes are safe for use?

- MTAA believes that the US standard *does* address quad bike design features to help promote the safe use of quad bikes in Australia. The MTAA proposes using the US standard as a base for the design and construction, security, and provision of information at the point-of-sale and for the labelling of quad bikes. Additional safety designs and requirements (including information provision, user licensing and OPD fitment) can be considered by Government if credibly proven to provide safety benefits in multiple operational contexts and does not reduce consumer demand or force manufacturers to exit the Australian market.
- MTAA recommends that Australian authorities refer to the United States Consumer Product Safety Commission's mandatory consumer product safety standard for ATVs: ANSI/SVIA-1-2010 American National Standard for Four-Wheel All-Terrain Vehicles Equipment Configuration and Performance Requirements. This safety standard was developed by the Specialty Vehicle Institute of America and includes specific approved requirements for pitch stability, operation (such as controls, braking performance and mechanical suspension) and limited speed capabilities for all youth-sized ATVs. MTAA recommends drawing on this extensive research (in addition to other credible research) as a basis for an Australian quad bike regulatory standard but also calls for consideration of unique features of the Australian market i.e. significant quad bike use for agricultural purposes.

Do you consider that Australia should adopt a mandatory safety standard similar to the US Standard?

- Yes. MTAA supports the Australian Government adopting a mandatory safety standard similar to the US Standard, particularly as 95% of quad bikes sold in Australia comply with US standards⁷. As outlined above, MTAA proposes using the US standard as a base for the design and construction, security, and provision of information at the point of sale and for the labelling of quad bikes. Additional proven safety design and safety requirements (including information provision and user licensing) can be considered by the ACCC if credibly proven to provide safety benefits in multiple operational contexts and if not prohibitively expensive as to reduce consumer demand or force manufacturers to exit the Australian market.

⁷ ACCC, November 2017: Quad Bike Safety Issues Paper. Accessed 17 November 2017: https://consultation.accc.gov.au/product-safety/quad-bike-safety-investigation/supporting_documents/ACCC%20Quad%20Bike%20Safety%20Issues%20Paper.pdf

To what extent would this option impose additional costs on Australian suppliers or create barriers to trade?

- MTAA considers that adopting the US standards will result in minimal market disruption and have a relatively insignificant impact on retailers as compared to alternative regulatory regimes.
- MTAA advises that manufacturers develop quad bikes with consideration of the large US market and may be reluctant to make expensive design changes for the Australian market.
- MTAA is concerned that quad bike manufacturers could exit the Australian market if the Australian Government requires them to make substantial and uneconomical quad bike design changes, particularly as the Australian market makes up only 3% of global quad bike sales⁸. This would have disastrous economic impacts for the Australian agriculture, motorcycle, farming and industrial equipment, and tourism industries. It would also negatively impact the social and leisure benefits associated with the recreational use of quad bikes. MTAA believes that this scenario would result in increased numbers of potentially unsafe and uncertified parallel and illegally imported quad bikes.

7) Are consumers currently getting adequate information at the purchase point about quad bike use and limitations or safety information and equipment?

- Yes. MTAA advocates that quad bike users are already provided sufficient and reasonably practicable amounts and variety of information relating to quad bike operation and safety at the point-of-sale (i.e. equipment manuals, manufacturer provided training and safety literature, and DVDs). Users are also provided with information regarding the safe operation of quad bikes through alternative sources including State and Commonwealth Government websites.
- MTAA acknowledges that retailers have responsibility to provide quad bike safety information at the point of purchase. MTAA campaigns that this material must be provided by the manufacturers to the retailer for distribution and / or be supplied to the retailer by Government. MTAA advocates that retailers are not accountable for the consumer's ability to operate the quad bike after being provided with information.
- MTAA will support a Government funded and operated licensing or a rider training regime to remove any perceived or real accountability of retailers regarding rider ability.
- MTAA seeks assurances that any costs associated rider training, or licensing not be imposed on retailers.
- MTAA respectfully acknowledges that regardless of the reasonably practicable amount of manufacturers advice (i.e. labelling), product warnings at the point of sale and web-based information on rider training, users are responsible for the safe use of quad bikes.

⁸ ACCC, November 2017: Quad Bike Safety Issues Paper. Accessed 17 November 2017: https://consultation.accc.gov.au/product-safety/quad-bike-safety-investigation/supporting_documents/ACCC%20Quad%20Bike%20Safety%20Issues%20Paper.pdf

- MTAA is concerned that consumers purchasing quad bikes through non-accredited dealer networks are not accessing the required levels of safety information or adhering to any safety related activities or standard.

Should there be additional warnings or instructions displayed at the point of purchase or provided with the sale of quad bikes?

- No. As outlined in the response above, MTAA considers that information currently provided at the point of purchase sufficient and reasonably practicable. MTAA also notes that this information is supplemented by other sources including online Government safety websites.

a) What form should the warnings or instructions take?

- MTAA considers that current warnings and instruction (as discussed above) provided to users is sufficient.
- MTAA is not opposed to other safety measures such as government rebates for safety equipment and the implementation of nationally consistent licensing requirements if based on proven and credible research showing improved safety benefits for users and does not reduce consumer demand or impose costs on retailers.
- MTAA only supports licensing if it can be practically enforced and acknowledges that it may be only suitable for some users and applications (e.g. road users rather than riders operating quad bikes off-road).

b) What costs would be imposed by the requirement for further warnings or instructions?

- If the US standard is adopted in Australia, compliance costs would be minimal as 95% of quad bikes sold through established and accredited dealer networks align with US standards⁹. For those who import quad bikes that are not compliant with the US standard, compliance costs would be high and may discourage the importation of these vehicles, particularly if the ACCC enforce compliance.
- MTAA strongly suggests that the ACCC legislate enforcing the prevention of the parallel importation and sale of non-certified quad bikes and quad bike safety equipment. By doing so, the safety risk for users is reduced due to diminished supply of unsafe and non-compliant quad bikes. Additionally, it would ensure that those purchasing certified quad bikes through accredited retailing networks would get access to required safety and operational instruction, warnings and information.

c) What benefits might the warnings or instructions have in reducing quad bike related deaths and injuries?

- MTAA respectfully suggests that quad bike design features and information provision have limited positive safety benefits if quad bikes are not used responsibly or safely, within their performance and

⁹ ACCC, November 2017: Quad Bike Safety Issues Paper. Accessed 17 November 2017: https://consultation.accc.gov.au/product-safety/quad-bike-safety-investigation/supporting_documents/ACCC%20Quad%20Bike%20Safety%20Issues%20Paper.pdf

design parameters and in safe environments. Consequently, MTAA is of the view that users have ultimate responsibility for the safe operation of quad bikes.

8) In relation to the option of a consumer safety rating system:

a) What testing criteria should be specified?

- MTAA suggests that any testing criteria be undertaken with technical and safety experts and be done in collaboration with quad bike manufacturers. Criteria used should be based on credible and transparent evidence and consider multiple user groups, various operational contexts and different consumer markets.
- MTAA supports any move towards a safety rating system from manufacturers.

b) How should test results be displayed?

- MTAA recommends that test results be made available to potential consumers as a consideration of purchase / hire along with other considerations such as product price, warranty, etc. Test results may be provided in any number of written, audio and online information mediums and / or directly through retailers. MTAA recommends labelling as stipulated in the US standard and include a safety warning notice as defined in sections 129-130 of the ACL.
- Regardless of any rating system used, MTAA stipulates the criteria and results should be transparent and clear to retailers, consumers and users.

d) What costs might be imposed by requiring the testing of vehicles and displaying the test results?

- Whatever costs are imposed by requiring the testing of vehicles and displaying of test results should be borne by manufacturers, Governments and / or users, and not retailers.

e) What benefits might a consumer safety rating system have in reducing quad bike related deaths and injuries?

- MTAA respectfully suggests that a consumer safety quad bike rating system has limited positive safety benefits if quad bikes are not used responsibly or safely, within their performance and design parameters, and in a safe environment. Consequently, as outlined above, MTAA is of the view that users have ultimate responsibility for the safe operation of quad bikes.

9) If your view is that regulation is needed to reduce the number of injuries and fatalities caused by quad bikes in Australia, how should these be implemented?

- MTAA proposes the adoption of a Commonwealth regulatory standard that if required, is supported by State and Territory legislation. MTAA also suggests that this standard be based on the US standard and

that quad bike and quad bike safety equipment accessories be certified and their operation comply with WHS standards and ACL.

- MTAA seeks reassurance from the ACCC that certified quad bikes and quad bike safety equipment (if fitted as per manufacturers' instructions) will be safe and fit for purpose as outlined in Australian Consumer Law (ACL) and schedule 2 to the *Competition and Consumer Act* (CCA).
- MTAA also seeks assurance from the ACCC that retailers will not be subject to prosecution or other litigation in the event user injury or death (either through the proper use or misuse of certified quad bikes and certified quad bike safety equipment).
- MTAA supports the onus on business users, those supervising the use of quad bikes and quad bike safety equipment, or operators to operate quad bikes and quad bike safety equipment safely. MTAA supports retaining the current regulatory regime as outlined in the model *Work Health and Safety Act 2011* (WHS Act). This Act imposes a primary duty of care on Persons Conducting a Business or Undertaking (PCBU) or, as in some states' legislation; the person supervising the use of the quad bike or quad bike safety equipment to manage the risk of those using the quad bikes so far as reasonably practicable; including the provision of information, training, instruction and quad bike servicing and maintenance.
- MTAA acknowledges the difficulty of enforcing quad bike regulations in different operational environments such as for agricultural use and on private land. Regardless of this, MTAA supports regulations like motorcycle licensing (i.e. training/testing/mandatory helmet use/etc.).

One proposed option is to prohibit or mandate particular design features; another is to increase consumer information, including through a consumer safety rating system; a third option is a combination of both:

a) What are the comparative benefits and costs of these approaches?

- As discussed in previous questions, design changes must be proven successful before being imposed on manufacturers and users / consumers. They must not be prohibitively expensive, reduce consumer demand or reduce accessibility to purchase quads bikes in Australia
 - Any regulated design changes must not deter reputable manufacturers to supply quad bike to Australian accredited retailer networks.
 - MTAA advocates for an effective regulatory regime based on US standards that:
 - promotes consumer confidence;
 - does not negatively impact the quad bike market;
 - assists users to operate quad bikes as designed;
 - has a practical level of enforcement; and
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- promotes the use of certified quad bikes and quad bike safety equipment.
- MTAA suggests that reasonably practicable amounts and quality of information is already provided to quad bike users and potential quad bike consumers. Any additional information or consumer training requirements must not be imposed on dealers who already struggle to maintain acceptable profit margins and remain in the market.

10) If the ACCC recommends a mandatory safety standard for quad bikes:

a) Should the standard apply differently to quad bikes used for different purposes, for example agriculture, sports, recreation, tourism and commercial hire?

- MTAA considers that regulating quad bikes for different purposes or market segments to be complex and potentially impractical. However, MTAA does acknowledge that broad applications such as the use of quad bikes on the road (i.e. agricultural road) verses off-road, by children verses adults, for recreational verses agricultural purposes, and owner rider verses quad bike hire, may provide opportunities for different regulatory standards. MTAA is also concerned that this may impose restrictions on the use of quad bikes for multiple applications and therefore, decrease consumer demand.
- MTAA urges the ACCC to consider the practicality and cost of enforcing different regulatory regimes based on different quad bikes being used for different purposes. This may result in a lack of clarity for quad bike manufacturers, retailers, consumers, users and enforcement agencies.

b) Should the standard apply differently to quad bikes designed for use by children?

- No. MTAA believes that children should only use quad bikes that are designed as age specific and be operated within their design parameters and performance specifications. Design parameters and performance specifications must be developed by manufacturers in collaboration with Government and certified by Government as determined by expert evidence. Certification may stipulate minimum age limits, speed limitations and engine size to name just some.
- MTAA specifies that like all quad bike users, children should be required by law to wear helmets and protective clothing and be provided with adequate instruction and supervision.
- Evidence based Government regulation (including licensing) is required to determine whether additional training or regulation for children and those supervising the use of quad bikes by children is necessary.

c) Should the standard apply to SSVs as well as quad bikes, and if so how should the vehicles be defined?

- MTAA strongly opposes a regulatory standard encompassing both quad bikes and SSVs.
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- The MTAA considers that there is sufficient difference in performance characteristics, design, construction and applications to apply one regulatory standard for both.

d) When should the standard commence?

- Any proposed regulatory standard should only commence when empirical evidence is available to support changes and is transparent to all industry stakeholders.
- Industry stakeholders must have the opportunity to evaluate and provide input into any proposed regulatory standard before any changes are implemented.

e) Should the standard include a transitional provision?

- MTAA's advocates that if the US standard is implemented, a transitional period is not required as most quad bikes sold through established and accredited dealer networks are already compliant. However, the industry should be given adequate time (at least 6 months) to prepare for any regulatory change.

f) Should the standard have an expiry date?

- With continuing evolution of quad bike design, performance, accessories and applications, the MTAA advocates that Government continually review quad bike regulatory standards. Any review should include Australian and international quad bike use, regulations, and development and innovation.

g) Should the standard apply to both new and second-hand vehicles, or be limited to new quad bikes sold after the transitional date?

- MTAA's view is that any regulatory standard be applied to new bikes only. Safety implications may be minimal as many older quad bikes will already comply. Retrofitting older quad bikes will be problematic and difficult to enforce safety certification.

11) What is the life cycle of quad bikes in Australia? For example, on average how long do consumers use quad bikes before the vehicle is retired? How long might it take before the current stock of 380,000 quad bikes is replaced by new stock that satisfies requirements of a safety standard, if imposed?

- MTAA acknowledges that the estimating the retirement of quad bikes is difficult to calculate and dependent on usage. Anecdotal evidence suggests that quad bikes used for agricultural rather than recreational are retired more quickly (sometimes within three years). Anecdotal evidence suggests: Dairy farms 3-4 years. Dry farming 6-10 years, Recreational 10 plus years.

12) Please provide any other information you consider may be relevant to the ACCC's consideration of these issues.

- MTAA is also mindful of the emergence of electric powered motorbikes and potentially, quad bikes. The impact of electric (and other) propulsion systems on quad bike design and operation must be considered when developing and reviewing quad bike and quad bike safety equipment regulatory standards.
- MTAA reiterates the need to prevent future importation and sale of non-certified and unsafe parallel imported quad bikes through non-traditional and non-certified retail sources (i.e. on line or via retailers not holding a motor vehicle license).

Appendices

About us

The MTAA represents many of the 69,365 retail motor trades businesses which employ over 379,365 Australians and contributed \$37.1 billion to the Australian economy in 2015/16; which equates to 2.2% of Australia's GDP. MTAA also represents the interests of many of Australia's motorcycle dealerships and farm and industrial machinery suppliers through its incorporated Australian Motorcycle Dealers Association (AMDA) and the Farm and Industrial Machinery Dealers Association (FIMDA). AMDA and FIMDA members provide much of the retailing and servicing of quad bikes and SSVs in Australia and therefore, have in-depth understanding of the impact of any proposed safety regulation for quad bike dealers / retailers and for users.

Rationale of MTAA's, AMDA's and FIMDA's policy position

- The MTAA, AMDA and FIMDA support continued examination and review of quad bike safety to protect users and consumers.
 - The MTAA, AMDA and FIMDA support policies that ensure the ongoing sustainability and profitability of automotive businesses that retail, service and maintain quad bikes and associated safety equipment to standards set by Australian legislation and to manufacturer's specification.
 - MTAA is confident that the ACCC study into quad bike safety will assist the Commonwealth Government develop national quad bike standards that may be incorporated into state and territory jurisdictional legislation and that don't adversely affect the growing quad bike market and automotive businesses that support it.
 - The MTAA is also confident that when examining quad bike safety and developing quad bike regulatory safety standards, the ACCC will consider the economic benefits that quad bikes and SSVs provide for multiple Australian industries including the farming, tourism and automotive industries, and the recreational benefits enjoyed by users.
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