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Changing of the Guard

I have been in this industry for more years than I care to remember and I hope to be here for a bit longer yet! In mid-2009 I was elected to the role of President of the Truck Industry Council (TIC), the peak industry body representing truck manufacturers and distributors in Australia and I have been penning this column for much of that time. But as they say, all good things must come to an end. I made the decision a couple of months ago to stand down as the president of TIC. TIC Members have voted and PACCAR's Andrew Hadjidakou will take over as the new TIC President. Of course I will remain an active participant of TIC moving forward.

I thought that I would take a look back over those past nine years as TIC President in this, my final column for Prime Mover magazine. Back in 2009 Australia was in the depths of the Global Financial Crisis (GFC) fallout, truck sales that year totalled 28,654 units down a massive twenty five percent on the market peak of 2007 when 38,131 trucks were sold. But worse sales were to come with the market bottoming out two years later in 2011 at 27,858 vehicles. It has been a long road to recovery for the industry with sales last year of 36,825 still falling short of the 2007 peak, some 11 years on. On a positive note we should see the record books being rewritten this year with many predicting that the market will break the 40,000 heavy vehicle sales barrier for the first time ever.

The lack of new truck sales coupled with the ever growing freight task has seen the Australian truck fleet age over the past nine years, blow out from just over 14 years to almost 15 years, for trucks above 4.5t GVM. This trend concerns me and should concern regulators and government alike, though it appears they care little. Australia has one of the oldest truck fleets in the world and is approximately twice the age of fleets found in European countries. An old and further aging truck fleet, is simply not as safe, not as environmentally friendly and not as productive as newer fleets that we see in Europe, Japan, etc. While a one year increase in the national average age of our truck fleet does not seem significant, consider this, it would take over a decade of year-on-year record new truck sales to reduce the truck park age to 2009 levels. Those sales levels are unlikely.

The pace of government regulation aimed at improving heavy vehicle safety and environmental outcomes in Australia remains slow when compared to many other developed countries. On a positive note, over the past nine years we have seen regulations introduced for ADR80/03 (Euro V and equivalents) in 2011, Front Under-run Protection Systems (ADR84/00) in 2012, ADR 35/04 heavy vehicle ABS, 2015, though at the time of mandating TIC members were ensuring that almost 98 percent of trucks sold had ABS anyway and most recently ADR35/06 Electronic Stability Control, slated for introduction in 2022.

It pleases me to see many TIC members implementing new safety and emission technologies in this market soon after they have been introduced in global markets and well before our government develops regulation. This early voluntary adoption will see these advanced features filter through our fleet, well before regulations are introduced. Many TIC members have Euro VI, or equivalent models for sale, with the benefits of not only cleaner exhaust emissions and advanced safety systems, but improved fuel economy, a direct benefit for an operator's bottom-line.

It is the issue of ADR80/04 (Euro VI and equivalents) that I will close on and one that highlights the government's apathy, even contempt for all Australians. The equivalent emission standard was introduced in the USA in 2010, in Europe in 2013 and Japan in 2016, however the latest government suggested timeline for Australian introduction of these cleaner emission standards is from 2027. Our politicians should hang their heads in shame if that is the best they can offer. We have come a long way in the past nine years, however our industry is scheduled for even greater change in the next nine. I am supremely confident that TIC members will meet those challenges, I am less sure that government and regulators are prepared for those changes.

I wish Andrew all the best in his new role and I will sign-off here for the last time.

Phil Taylor
(outgoing) President, Truck Industry Council

Truck Industry Council Limited

ABN 37 097 387 954

GPO Box 5350, Kingston ACT 2603

T: (02) 6273 3222 E: admin@truck-industry-council.org W: www.truck-industry-council.org