



National Motor Vehicle
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driving down vehicle theft

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theft torque

National workshop sets path for reform of repairable write-offs (RWOs)



Speakers at the RWO workshop (from left to right): Trevor Maughan, Department of Planning and Infrastructure WA, Richard Pratt, I-CAR, Ray Carroll, NMVTRC, Terry Campbell, NSW Police, Mark Lever, IAG.

More than 80 representatives of insurers, law enforcement agencies, registration authorities, vehicle manufacturers, auto parts recyclers and other motor trades, and offices of fair trading from across Australia met in Sydney late last month to review the current controls for managing written-off vehicle identities.

The workshop was hosted with the co-operation of Austroads – the national association of road authorities – in response to concerns that current RWO processes are being manipulated by criminals to launder vehicles constructed with stolen parts.

Prior to the NMVTRC's formation in 1999 Australia's response to managing written-off vehicle (WOV) identities was limited and inconsistent. The lack of a national approach meant that criminals could easily circumvent the procedures of individual jurisdictions by simply moving vehicles between them. The current

regime implemented nationally between May 2002 and September 2004 had an immediate effect on stolen/not recovered (SNR) rates as the traditional method of choice of vehicle re-birthers – the substitution of a stolen vehicle's identifiers with those from an equivalent model statutory write-off (SWO) – was blocked. However, by late 2006 SNR rates began to rise and police – primarily in New South Wales and Western Australia – began to identify substantial numbers of RWO's being rebuilt with stolen parts. Subsequent police investigations have also confirmed that the production of high quality fraudulent receipts (and the payment of secret commissions to acquire 'genuine' receipts) to give the parts used in repairing RWOs a veneer of authenticity is rife.

The NMVTRC first flagged its concerns about the trend in its annual strategic planning workshops with senior stakeholders in 2007 and in 2008 it commissioned an expert independent economic analysis of a range of options for reform.

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National workshop sets path for reform of repairable write-offs (RWOs) continued

The resulting Preliminary Report on the Review of the Management of Written-off Vehicles (the Preliminary Report) was released for comment in October 2008. As was to be expected, responses to the Preliminary Report represented a diverse range of stakeholder perspectives.

On reviewing the responses the NMVTRC determined that in the face of such polarised views, pursuit of the higher order options would be non-productive. It instead settled on pursuing a wider examination of related issues, including the damage criteria for determining SWO status.

The NMVTRC's vision for an effective WOV system is one that:

- to the extent possible, limits opportunities for criminal manipulation of RWO related industry and government policy and practices;
- assures the safety of any RWO that is granted re-registration; and
- minimises unintended or disproportionate consequences or impact on legitimate business or consumer transactions.

The workshop heard key presentations on the current system from an NMVTRC, police, insurance, transport agency and motor repairers' perspective. The key points from those presentations were that:

- the scale of the problem is clearly such that it cannot be combated by enforcement action alone;
- with changes in vehicle design, construction and repair techniques the criteria for determining when a vehicle is not fit for repair needs urgent review to ensure that vehicles which should not be repaired on safety grounds are classified appropriately;
- the system needs to place greater emphasis on assuring that repaired RWOs comply with the vehicle manufacturer's specified method of repair for the type of damage sustained and that the vehicle is safe for road use; and
- the production of high quality fraudulent receipts (or the payment of secret commissions to acquire 'genuine' receipts) is rife and poses a major challenge to verifying the provenance of parts used in RWO repairs.

Workshop participants were then asked to review the high-level design of the current regime in the light of the presentations to reach consensus on where the emphasis should be placed in re-designing the system to better meet the NMVTRC's vision.

Significantly, the workshop was able to:

- reach a general consensus across industry and government sectors that change is required;
- identify the key areas of the current regime that require review;
- capture the key points of difference in stakeholder positions that require active consideration in any reform process; and
- secure a commitment from all sectors to support and participate in the review process.

The NMVTRC is currently distilling the detailed output of the workshop into a prioritised draft work program for reform of the current system. Full details will be published on the NMVTRC website later this month together with a detailed summary of the workshop proceedings.

Safety the name of the day in Liverpool

Liverpool City Council and Green Valley Local Area Command in New South Wales once again joined together to host the Liverpool Safety Expo 2009 at The Valley Plaza on 11 June. The Liverpool Safety Expo, which is partly funded through the NMVTRC's *Operation Bounce Back* (OBB) program, is a major promoter of crime prevention and community safety in the Liverpool area.

This year marks the third consecutive year OBB has run in the City of Liverpool and the Expo continues to grow in popularity, this year drawing over 1,000 residents from the Liverpool area. The event continues to be an example of the success of local partnerships, with local businesses, schools and several emergency services in attendance including NSW Police, NSW Fire Brigade, NSW Rural Fire Services, NRMA, St. John Ambulance and the Ambulance Services of NSW.



NSW Police meet and greet Liverpool locals at the Liverpool Safety Expo.

Free car immobilisers supplied by the NMVTRC were distributed on the day as well as Car-Safe resources to raise awareness of vehicle theft and the importance of securing older vehicles.

Liverpool City Council has received very positive community feedback, with local residents expressing their enjoyment of the event and appreciation of the immobiliser give-aways.

StratPlan 2009 – containing vehicle theft in an economic crisis

The NMVTRC's annual strategic planning workshops have wrapped up for another year after being held in each capital city throughout April and May. The workshops were well attended by a broad range of stakeholders taking interest in the NMVTRC's future work program against the backdrop of the nation's economic downturn.

The NMVTRC's success has been dependent upon our ability to draw together a diverse range of industry and agency stakeholders in a collaborative process to encourage stakeholder participation rather than try and force change, with a view to achieving mutually acceptable outcomes. Constraints and changing priorities brought about by the economic climate inevitably impacts upon this ability to engage stakeholders in continuing vehicle theft reform, making the need to focus on developing pragmatic responses even more pertinent.

The workshop was made up of two open forums, designed to encourage and optimise stakeholder discussions around these issues. In the first forum participants looked at the motivations that drive short-term theft and considered the risks posed by the current economic climate to the sustained theft reductions since 2001. These risks most commonly identified included:

- the five million non-immobilised vehicles that will remain on the nation's roads for another 10-15 years;
- increasing levels of key/transponder thefts;
- constraints on police resources in the face of competing priorities;
- youth unemployment and the possible return of the car theft culture or increases in vandalism;
- increased incidents of insurance fraud disguised as vehicle theft;
- increases in other crime levels that require the use of a vehicle; and
- the escalation of minor strips into major strips and/or re-birthing.

There was broad consensus that an effective mix of strategies to combat short-term theft included maintaining a strong focus on on-going motorist education. Key areas were seen as encouraging owners of older vehicles to install immobilisers, emphasising the importance of protecting car keys and a continued focus on at-risk communities in the nation's hottest theft spots. Other strategies included using data provision to encourage effective local investigative responses, and potentially optimising the use of technology such as Automatic Number Plate Recognition systems.

Open forum two tackled profit-motivated theft responses across the varying concerned sectors.

Stakeholders agreed that the potential interventions should focus on increasing the effort and risk involved and reducing the rewards of profit-motivated car crime without imposing undue interruption to business. In terms of the recycling and vehicle repair industry, stakeholders felt that options should be explored around:

- better regulation and compliance – with a focus on managing inventory, environmental controls and repair standards;
- greater intelligence and information sharing between government agencies and trusted industry; and
- encouraging better industry practices through incentive schemes, commercial agreements, voluntary codes and education.

Discussions pertaining to the criminal rebuilding of repairable write-offs (RWOs) and the safety risks posed by those vehicles rebuilt by unlicensed motor car traders and non-main street repairers were largely deferred to the national RWO workshop – see separate article.

These issues and further details of the NMVTRC's work program for the 2009-12 period will feature in the upcoming Strategic Plan due to be submitted to Police Ministers and the Insurance Council by the end of August.

Humble work vans stolen for Middle East

Rising numbers of Toyota vans stolen and not recovered in Auckland has caused New Zealand Police to uncover an international car-theft ring, shipping the parts of hundreds of stolen Toyota Hiace vans from Auckland to the Middle East. Over the past 18 months more than 550 Toyota vans were stolen in Auckland with only 18 per cent of the vehicles subsequently recovered, prompting police to launch an investigation into the thefts.

The investigation highlights the ease with which stolen parts can infiltrate the market and be distributed globally. According to police, the vans were stolen and sold to car wreckers for

as little as \$200 each. The vehicles were then dismantled into spare parts and packed into freight containers to be allegedly shipped to the United Arab Emirates, Iran, and other ports on the east African coast. The parts are destined to be sold on the 'black market' as spare parts and distributed to other countries. The Toyota Hiace is reportedly the most stolen vehicle in Japan over the past two years because of demand for parts in countries such as Pakistan and Afghanistan, where durability in the desert sands is important.

One man has been charged with the theft of 80 vans since November 2007 and a number of car

wreckers have been charged with receiving stolen goods. While some of the wreckers involved have claimed they were unaware the vans were stolen, according to police they are failing to check credentials or keep records, essentially turning a blind-eye to the provenance of the vehicles.

Locally, figures from last year suggest a higher proportion of popular vans, utes and SUVs stolen and not recovered in New South Wales compared with other states and territories.

Source: New Zealand Herald, Saturday 27 June 2009.

U-turn rolls out 26th graduation

U-turn Tasmania has honoured the 26th group of young people to graduate from this highly successful youth diversionary program. The eight young people aged between 14 and 16 who successfully completed the 10 week course took part in a graduation ceremony on 18 June with U-turn staff, police and family in attendance to celebrate their achievement.

The Hobart site, operated by Mission Australia under contract to Tasmania Police, has maintained its success in providing young offenders with the opportunity to learn new skills and turn their lives around since the establishment of the pilot program in 2003. Over the past six years over 190 young people have graduated from the program, contributing both to the young peoples' sense of achievement and ultimately reducing high-rate recidivist offending and the impact of vehicle theft on the Tasmanian community.

As part of the course, the group restored a car that was generously donated to U-turn by a local resident. The restored vehicle was presented to a young mother at the graduation ceremony who had her vehicle stolen and burnt out last year. The efforts of the young people and merits of the program were acknowledged by the Acting Deputy Police Commissioner, Mr Scott Tilyard.

"Over the past 10 weeks this group of young people learned a range of valuable skills which they will be able to utilise for many years to come.

"They should be extremely proud of their achievements, knowing their efforts have helped improve the quality of life for a mother who was the victim of crime," Mr Tilyard said.

The ceremony also marked the first course graduation under new Project Manager Ms Kathryn Cranny, who took over from Mr Andrew Verdouw earlier this year.

Tasmania is the only U-turn model currently operating in Australia after the Queensland program was unable to secure ongoing funding from the Queensland Government. Pleasingly, the Tasmanian government has committed funding until 2010. The NMVTRC remains of the view that the U-turn model represents the most effective form of diversionary intervention for young car crime offenders, and is continuing to look for opportunities to promote the program's value to the juvenile justice community and others.



The 26th group of young people graduate from U-turn with staff and police in attendance.



Local resident Rebecca Marshall is presented with a car fully restored by the U-turn graduates.

Public to have their say on RWOs

In light of the recent workshop and ongoing examination into improving the current management of repairable write-offs (RWOs), the NMVTRC is proposing to conduct our annual consumer research around community perceptions and attitudes to purchasing RWOs. The survey will take the form of a short questionnaire administered by Nexus Research in August. Around 1,200 people will be surveyed nationally, with the results to build upon the NMVTRC's commitment to developing a holistic response to the issue.