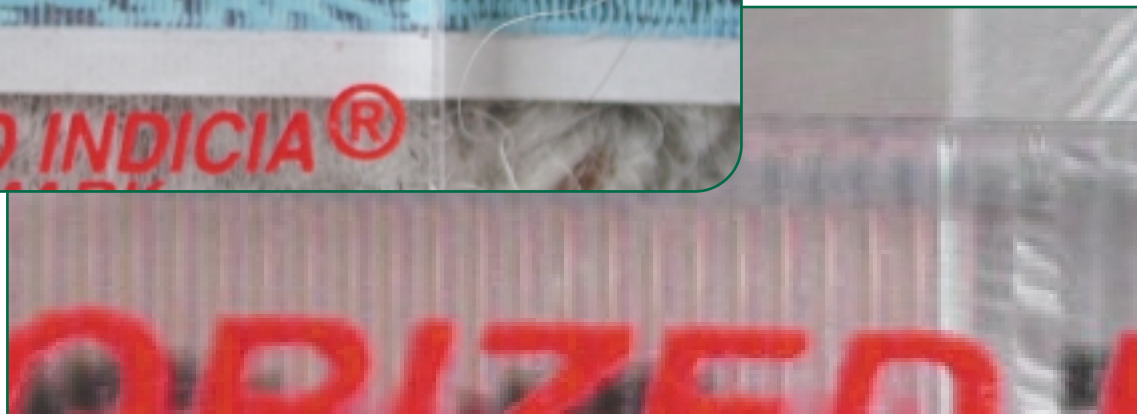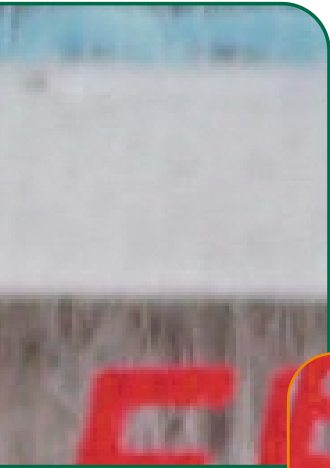National Motor Vehicle
Theft Reduction Council
driving down vehicle theft

Annual Report
2001

vision

To contribute to Australia's economic and social well being by achieving one of the lowest levels of motor vehicle theft of any country in the industrialised world over the next ten years.

mission

To bring about a sustainable reduction in the national level of motor vehicle theft by facilitating cooperation between industry, government and community stakeholders to implement the relevant recommendations of the National Motor Vehicle Theft Task Force Report of September, 1997.

**National Motor Vehicle
Theft Reduction Council**
driving down vehicle theft

31 October 2001

Crime Prevention Ministerial Forum

The Hon K Trevor Griffin LLM MLC (Chair)
The Hon Tony McGrady MP
The Hon Andrè Haermeyer MP
The Hon Peter Patmore MHA
The Hon Michelle Roberts MLA
Mr Brendan Smyth MLA
The Hon Syd Stirling MLA
The Hon Paul Whelan LLB MP
Senator The Hon Chris Ellison
The Hon Phil Goff

Insurance Council of Australia President

Mr Raymond Jones

In accordance with the Rules of Association of the National Motor Vehicle Theft Reduction Council Inc., I have pleasure in submitting the Council's Annual Report for the year ended 30 June 2001.

Yours sincerely

David M Morgan
Chairman

council members

Mr David M Morgan
Independent Chairman

Ms Sue Millbank
Crime Prevention
Ministerial Forum

Mr Ray Rawlings
Austroads

Mr Peter Sturrock
Federal Chamber of
Automotive Industries

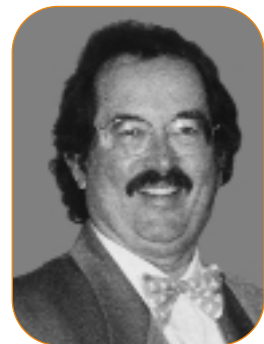**Mr Allan Tattersall**
Insurance Council
of Australia

Mr Robert McDonald
Australian Automobile
Association

Mr Dick Adams
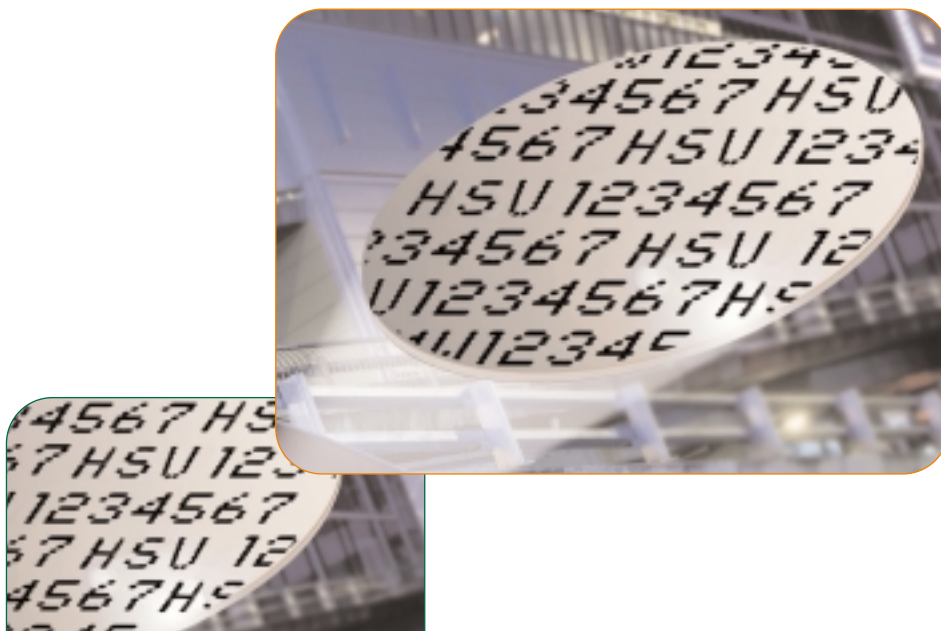Australasian Police
Ministers Council

Dr Dianne Heriot
Commonwealth Agencies

Mr Tony Selmes
Motor Trades Association
of Australia

contents

chairman's report

Since accepting the role as Council's second Chairman, I have often been asked "why haven't we seen reductions in the national level of vehicle theft since the Council's inception in 1999?"

The question is understandable and certainly the Council takes no comfort from the current upward trend in theft. However, we need to remind ourselves that the Council's reform agenda means massive changes for the way many of our stakeholders conduct their business. This is complicated by the fact that in most cases the benefits of those changes will accrue to the broader community rather than the enterprises required to invest in implementing them.

That this process is difficult should not surprise anyone. The reason the Council exists is to bring about change where, in some cases, ten or twenty years of previous efforts have failed.

One can only be impressed by the manner in which stakeholders have embraced the Council's reform agenda. The enthusiasm for reform was again evident in the Council's strategic planning and other consultations over the past year and the high spirit of cooperation between the Council, government and their agencies, industry and other bodies has been a hallmark of the process so far.

Much of the last year has been invested in identifying pragmatic options for implementing major changes. We have seen the deliberations on key policy changes, such as the management of written-off vehicles, concluded and major breakthroughs in the areas of vehicle design and identification. However, with a little over two years remaining of the Council's original term, it is now absolutely critical that these reforms proceed quickly to on-the-ground implementation so that their much anticipated benefits become a reality rather than just speculation.

The Council's complex "matrix" of reforms will continue to throw up challenges and require a high degree of commitment and expertise by all those involved. The Council looks forward to the challenge and to continuing to work with you to ensure that we deliver effective solutions to Australia's unacceptable level of vehicle theft.

Finally, I would like to record my thanks to my fellow Councillors for their expert guidance, and recognise the continuing dedication and high standards demonstrated by our Executive Director and his staff in managing such an important program of reform.

David M Morgan
Chairman

executive director's report

The 2000/1 period has seen extensive refinements to Council's Comprehensive Auto-theft Research System (CARS). As a consequence, CARS has delivered the Council and its stakeholders the most accurate and comprehensive vehicle theft statistics ever produced in Australia.

Almost 139,000 vehicles were stolen in Australia during the 2000/1 period, an increase of approximately 6 per cent in real terms over the previous year. On a positive note, five jurisdictions recorded a decline in theft during the last quarter of 2000/1.

Although the theft of vehicles by juveniles for short term use continues to account for 3 out of every 4 thefts, insurers and the motor trades are expressing deepening concerns about the level of professional theft. The theft of vehicles for profit is increasing at a greater rate than opportunistic theft, and in economic terms is responsible for more than 50 per cent of insurers' total claims costs. Based on a sample of over 42,000 insurance claims provided to CARS, the average theft claim for the year was $8,100. The total cost of vehicle theft is estimated to be $1 billion per year in direct costs.

As the Chairman's Report noted, 2000/1 heralded significant progress in vehicle theft reform by the NMVTRC and its stakeholders.

Highlights have included:

- reaching agency level endorsement of the Best Practice Principles for the Management of Written-off Vehicles developed by the Council and stakeholders;

- the identification of interim solutions to ensure Tasmania's early participation in the national exchange of written-off vehicle information;

- the identification of options to improve the access of vehicle status information to consumers and the motor trades;

- the identification of options to produce "secure", counterfeit-protected and tamper-resistant compliance labels as an affordable alternative to conventional compliance plates;

- the adoption of a state-of-the-art vehicle and component identification technology on selected vehicles by BMW Australia, Ford Australia, Holden Special Vehicles, Mitsubishi/Ralliart and Porsche Australia;

- the introduction of Australian Design Rule 25/02 requiring all new passenger vehicles to be fitted with an engine immobiliser as standard equipment;

- the extension of the Council's Immobilise Now! voluntary engine immobiliser program to all States and Territories (except Western Australia);

- deepening the Council's involvement in the identification and promotion of effective strategies for diverting young high-rate vehicle theft offenders from car crime; and

- the continued development of the Comprehensive Auto-theft Research System, including the internet based self-enquiry tool, Analyser.

executive director's report

This progress will provide the basis for turning around Australia's unacceptably high rate of vehicle theft in the future, but it has also highlighted some of the substantial barriers, which our stakeholders need to overcome to bring about necessary changes to business and organisational practices.

The coming year will see a major milestone achieved as the national information grid becomes a reality, with all jurisdictions (except Tasmania, in relation to primary registration data) expected to be exchanging registration and written-off vehicle information by April 2002. However it is absolutely critical that agreed checking protocols are fully integrated with business practices if the anticipated benefits are to be realised.

We also need to maintain the momentum that has been achieved in improving vehicle identification to see these significant breakthroughs extended across the new vehicle fleet. Together, these initiatives will provide police and vehicle inspectors with the tools to undertake far more cost-effective and rigorous investigations.

The prevailing high numbers of unsecured vehicles in the existing fleet and the slow rate of replacement means that addressing opportunistic theft will remain a significant challenge for the foreseeable future. The continuing reductions in theft in Western Australia, where more than 70 per cent of the vehicle fleet is now fitted with an engine immobiliser, presents a more compelling case for a national mandatory program than ever before. The Council's new Strategic Plan released in August 2001, flags this as a major issue in the year ahead.

The Council is mindful that vehicle theft is not necessarily the highest priority in a long list of competing issues for our stakeholders or the community at large. However, we can only succeed by the sustained commitment of all of our key stakeholders to the timely implementation of the key reforms each is responsible for.

The task is not likely to get any easier in the year ahead, but we take heart from the progress of the last twelve months and remain committed to working with you to help drive down Australia's unacceptable level of vehicle theft.

Ray Carroll
Executive Director

Council's Secretariat
(left to right): Siobhan Sheridan,
Geoff Hughes, Ray Carroll,
Zilpher Thompson
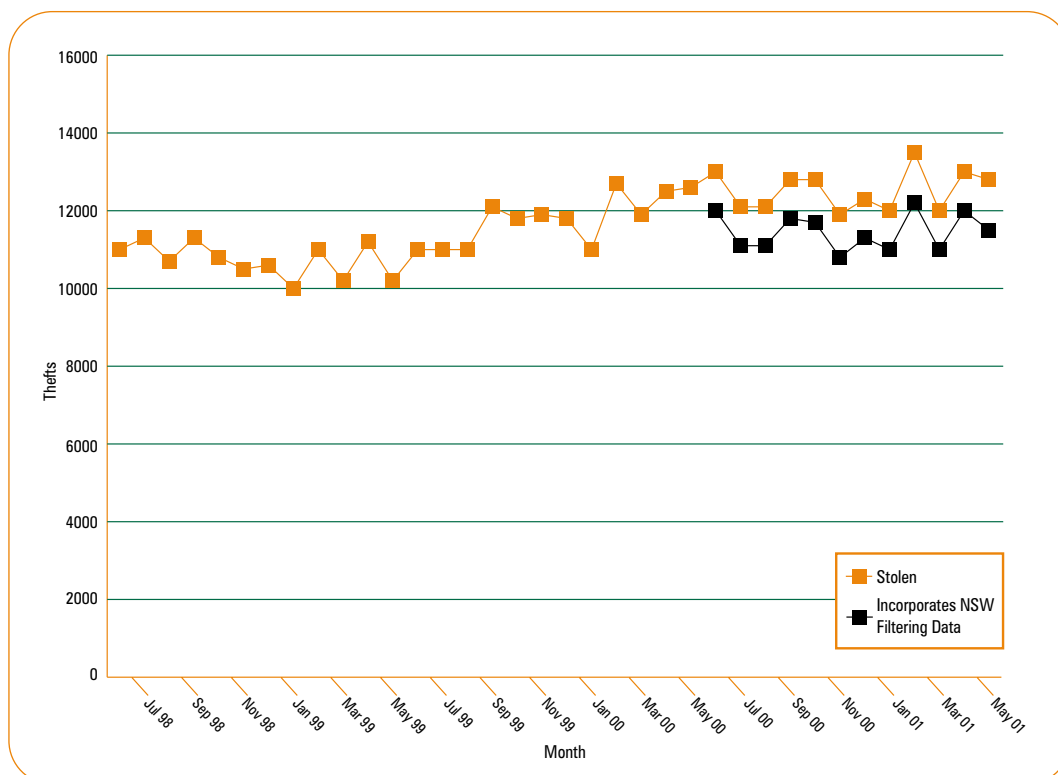
motor vehicle theft in Australia

Overview

The 2000/1 period has seen extensive refinements to Council's Comprehensive Auto-theft Research System (CARS). The provision of more detailed unit data from Western Australia and Victoria, coupled with refined data from New South Wales, which filtered out a range of incidents previously reported as thefts but were subsequently found not to be, has enabled the Council to compile the most accurate and complete national vehicle theft statistics ever seen in Australia.

While improvements to the data set provides the basis for increasingly meaningful statistical analyses, it is necessary to exercise caution when interpreting the 2000/1 figures. At face value the data appears to report a substantial decrease in the number of thefts, however this is due to the availability of filtered NSW data for the 2000/1 period only, while comparable data from previous periods remains unfiltered. There is still no cause for complacency in addressing what is still an unacceptably high level of vehicle theft in Australia.

Motor vehicle theft remains a significant social and economic problem. Almost 139,000 vehicles were stolen in Australia during 2000/1, representing an estimated increase of around 6 per cent over the previous year. While this indicates a slow down from the 9 per cent increase recorded between 1998/1999 and 1999/2000, it does not yet represent the desired overall decline. Positively however, during the final quarter of 2000/1, five jurisdictions recorded a reduction in theft numbers.

**Australia, Number of Motor Vehicle Thefts, July 1998 - June 2001**

motor vehicle theft in Australia

Three jurisdictions, Western Australia (down 10%), Australian Capital Territory (down 25%) and South Australia (down 1%) recorded a decline in theft numbers in 2000/1. Increases were recorded in Tasmania (up 19%), Queensland (up 2%), Northern Territory (up 10%) and Victoria (up 14%). While New South Wales appeared to record a decrease of around 10 per cent, this was due to revised data for the period and it is estimated that the state actually experienced an increase of around 8 per cent.

Australia recorded almost 11 thefts per 1000 registered vehicles in 2000/1. Even based on revised figures, New South Wales recorded the highest number of thefts per registrations, and was marginally higher than the Australian Capital Territory, which reported the highest figure in 1999/2000. Western Australia continues to experience a declining trend in all common measurements of vehicle theft, with the state's theft numbers down by 41 per cent since March 1998.

Number of Vehicle Thefts
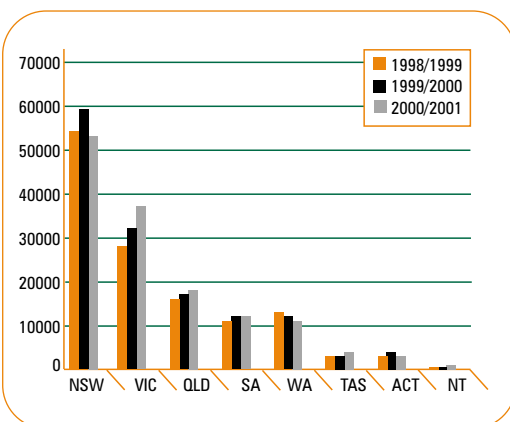
Thefts per 1000 Registered Vehicles
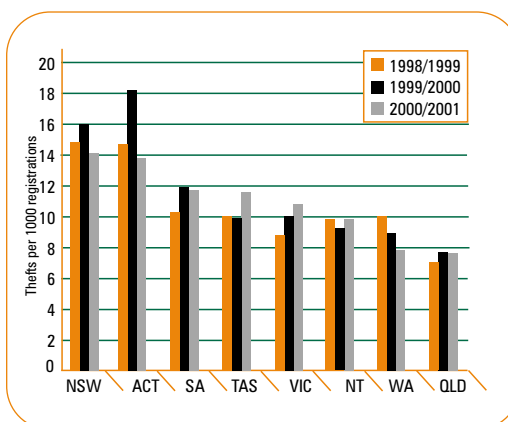
Nationally, 7 vehicle thefts were recorded per 1000 population in 2000/1. As was the case in the previous reporting period, the Australian Capital Territory recorded the highest victimisation rate per head of population and Queensland the lowest.

Thefts per 1000 Population

motor
vehicle theft
in Australia

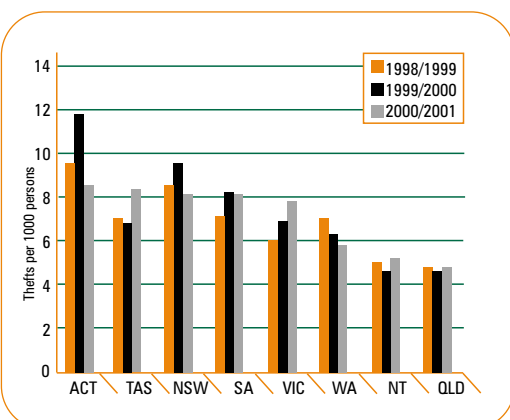Almost 111,000 of the vehicles stolen during the 2000/1 period were subsequently recovered, representing a recovery rate of 80 per cent and leaving 28,000 vehicles not recovered. A suggested decline in the recovery rate of about 3 per cent over the previous period is deceptive with this change resulting once again from refined data procedures. Based on the previous collection methodology a decline of less than 1 per cent is evident suggesting that the 'real' proportion of recovered vehicles has remained unchanged.

Highest recovery rates, traditionally associated with high levels of opportunistic theft, were reported in Tasmania (89%) and South Australia (88%). New South Wales, while showing a declining rate is once again influenced by filtered data. Unfiltered data suggests that the actual proportion of recovered vehicles has remained stable in New South Wales since 1999/2000.

Worth noting is the decline in recovery rates in Queensland and Western Australia. In Queensland, more vehicles were stolen and less were recovered, resulting in over 500 more vehicles remaining outstanding and suggesting a heightened level of professional theft activity. In Western Australia, as the rate of secured vehicles increases under the state's mandatory immobilisation scheme, fewer vehicles were both stolen and recovered. An additional 300 vehicles were not recovered during 2000/1, revealing the existence of professional theft activity as the level of opportunistic theft recedes.

Recovery Rates
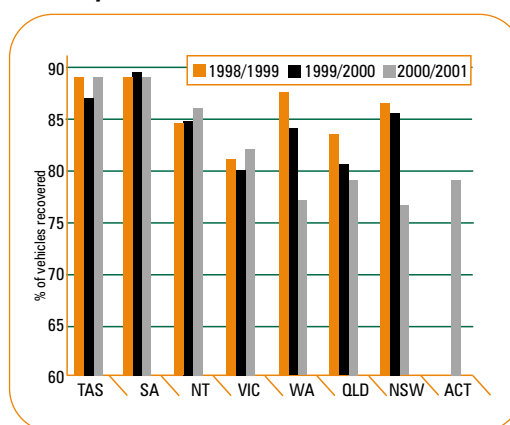
(Source: CARS. Note that ACT data not available for previous periods)

The cost of motor vehicle theft continues to impact on the whole of the community including the criminal justice system, the insurance and motor vehicle industries, and individual victims of theft. With an average insurance claim cost of $8100 for theft claims finalised in 2000/1, the cost of car theft is estimated at be at around one billion dollars annually.

motor vehicle theft in Australia

Vehicle Theft Characteristics

While the introduction of Council's Immobilise Now! campaign coincided with an immediate reduction in the quarterly theft numbers of some jurisdictions, these gains were not sustained and as in previous years, opportunistic theft of older vehicles continued to account for the overwhelming majority of Australia's reported thefts. Consistent with 1999/2000, Friday and Saturday nights were once again the most popular times for theft and cars parked on the street were most at risk. Of the 80 per cent of stolen vehicles that were subsequently recovered, 43 per cent were recovered within one day of theft and over 80 per cent within one week.

The Council estimates that there are still over 7 million vehicles on Australian roads that lack effective security. Although vehicles manufactured in the 1980s or earlier represented only 37 per cent of total registrations, they accounted for 71 per cent of thefts. Vehicles manufactured between 1984 and 1986 accounted for over one-fifth of total thefts reported in 2000/1.

Nationally in 2000/1, one vehicle was stolen for every 92 vehicles that were registered. One in every 35 registered 1982 model vehicles was stolen, highlighting the comparative risk of theft for older vehicles. For vehicles manufactured in 1992, the risk fell to one theft for every 162 registrations and for those manufactured in 1999 the risk fell further to one vehicle for every 202.

The Hyundai Excel X3 (manufactured from 1992 onwards) was the most stolen later model vehicle in Australia in 2000/1, recording almost twice as many thefts as the second most stolen late model vehicle, the Holden Commodore VT. Other popular theft targets amongst later model vehicles included Holden Commodore VS, VR and VP series, Ford Falcon EF and EL series, and Toyota Hilux. With the exception of the Hyundai Excel X3, all of these top theft targets were recovered at lower than average rates, indicating their popularity amongst professional thieves.

Late model vehicles (1992 onwards) fitted with an Australian Design Rule equivalent immobiliser as standard equipment comprised 32 per cent of Australia's late model vehicle fleet in 2000/1. Only one of these vehicles was stolen for every 304 that were registered, while late model vehicles with no immobiliser were stolen at a rate of one vehicle for every 193 registered. Interestingly, preliminary findings of a Council study into the theft of immobilised vehicles revealed that over half of the vehicles were stolen because the thief gained access to the vehicle's original key and transponder. In South Australia alone for the final quarter of the 2000/1 period, 7 of the 9 stolen Holden Commodore VX vehicles were taken using this method.

reducing professional theft

Reducing professional theft by:

- Improving the effectiveness of national information exchange.

- Improving the identification of motor vehicles and their parts.

- Enhancing police and insurance investigation.

- Initiating appropriate legislative responses.

Written-off Vehicle Registers

The consistent recording and management of written-off vehicle identification numbers between jurisdictions is integral to preventing the practice of vehicle re-birthing. Building on its work with transport agencies and over seventy industry groups in the previous year, the Council has secured the support of transport agency chief executives to a set of Best Practice Principles for implementation nationally.

Despite considerable administrative delays in Austroads submission of the agreed principles to state and territory Transport Ministers for ratification, most jurisdictions expect to have enabling (or amending) legislation before their Spring parliamentary sessions. All states, with the exception of Tasmania, are now expected to have complying written-off vehicle registers in place by April 2002. To address a range of technical and resource difficulties faced by Tasmania in supplying data to the national information grid, the Council assisted Tasmania's Department of Infrastructure, Energy and Resources to develop interim arrangements that will enable it to supply written-off vehicle information to mainland states in line with this timeframe.

National Exchange of Vehicle and Driver Information System (NEVDIS)

While progress on written-off vehicle registers has been a very positive step, the major theft prevention outcomes of this initiative will not be achieved until all states and territories are connected to NEVDIS, the central element of the "national grid" of information exchange. In the meantime, vehicle thieves continue to circumvent existing measures by sourcing vehicle identifiers from non-connected states.

Substantial delays have been experienced in the connection of some jurisdictions to NEVDIS and it is a considerable concern to the Council that only one additional jurisdiction (the Northern Territory) has connected to NEVDIS in the past year. It is conservatively estimated that more than $7 million of vehicles are re-birthed every month in the absence of an effective national information grid. Technology and resource constraints have remained the biggest barrier for non-connected jurisdictions and while the responsible agencies, with the exception of Tasmania, have re-confirmed their commitment to connect by February 2002, it will be most disappointing if that timetable suffers further slippage.

Improving Consumer Access to Vehicle Status Information

Providing consumers with access to information about a vehicle's registration history is a potentially powerful tool to reduce the risk of them unwittingly purchasing a re-identified stolen vehicle. Professional thieves rely on being able to disguise a stolen vehicle's identity by altering or swapping its key identifiers and this process would be made much more difficult if potential purchasers were able to easily determine the status of those identifiers.

reducing professional theft

A Council study to identify the feasibility of improving consumer access to a range of vehicle status information found overwhelming stakeholder support for the concept and recommended that:

- NEVDIS was the best system to store and exchange vehicle status information; and
- the Register of Encumbered Vehicles System (REVS) network provided the logical 'shop front' for public access to the information.

While at the end of the 2000/1 period some key agencies were yet to finalise their response to the report, there appears to be broad in-principle support for the proposal. Although further enhancements to NEVDIS are effectively frozen until mid 2003 to enable the re-tendering process for the on-going management of the system to be completed, it is expected that considerable work could proceed in 2001/2 to develop the high level business rules required to deliver the service.

Secure Vehicle Identification Labels

In 1999, the Australian Transport Safety Bureau altered Australian vehicle manufacturing requirements to clear the way for counterfeit-protected adhesive identification labels. It was envisaged that such labels would provide a secure alternative to the current aluminium identification plates that can be easily substituted, altered or copied.

During 2000/1, the Council convened a joint working group with the Federal Chamber of Automotive Industries Vehicle Engineering Committee to jointly assess the compatibility of candidate label products with vehicle manufacturing requirements and infrastructure costs. A report was commissioned to review possible options for the development of secure compliance labels.

The report, "Secure Compliance Labels Assessment of Options", provides a comprehensive guide to the available options for delivering secure compliance labels and outlined potential specifications for label materials and secure technology. The report concluded that secure adhesive labels could be introduced at a reasonable cost.

The public comment period on the report's recommendations will close in November 2001. If the recommendations receive broad support, the Council will move quickly to develop performance-based technical specifications for secure labels and actively promote their adoption by vehicle manufacturers.

Enhancing Investigation Skills

The Council's predecessor, the National Motor Vehicle Theft Task Force, recommended that a national vehicle theft investigation course for police and insurance investigators be developed and funded by the Council to:

- help perpetuate the transfer of expertise and informal intelligence exchange; and
- skill in-house insurance investigators in the detection of fraudulent motor vehicle related claims.

The Council has investigated several options for the development and delivery of an investigators course including a degree based university course and a technical based TAFE course. It has become apparent over this process that a skills-based, flexible service delivery curriculum is appropriate for application in a range of jurisdictions and settings. The basis of such a model currently exists and it is expected that the Council will seek stakeholder input before offering the model to individual jurisdictions for implementation.

reducing professional theft

Vehicle and Component Identification

Understanding the dynamics of the illicit parts market is central to determining the level of investment in component identification technologies that can be justified as a mandatory requirement on industry. The Australian Institute of Criminology (AIC) was commissioned to report on the stolen vehicle parts trade in order to provide a basis for determining the trade's economic dimensions and assess the potential costs and benefits of component identification systems. Due to the difficulties associated with obtaining qualitative data, the study was unable to provide sufficient depth of analysis to enable the Council to argue a case for a mandatory component identification system at this time.

The Council has therefore chosen to work with commercial suppliers and progressive elements of the vehicle industry to facilitate the voluntary introduction of a state of the art vehicle marking system. Evaluation of this system will provide the "real world" experience necessary to inform the case for introduction of a mandatory system.

The Council is achieving this objective through implementing a series of steps:

- Identifying the most effective technology. - There is general consensus that VIN based microdot technology is the most promising of all potential marking systems.

- Creating market driven competition for improved vehicle identification. - Good progress has been made in this regard with five manufacturers (BMW Australia, Holden Special Vehicles, Porsche Australia, Ford Australia and Mitsubishi/Ralliart) now applying the Datadot Technology version of microdot marking to all or a selected range of their new vehicles.

- Creating the necessary awareness and support infrastructure to ensure the system is utilised by transport agencies and police services to maximise its deterrent value.

- Securing the integrity and security of the system via voluntary compliance with distribution protocols.

- Facilitating the progressive expansion of the system throughout the motor industry by conducting comprehensive evaluations of the deterrent and detection outcomes and publicising these widely.

- Using the experience of voluntary marking to inform recommendations to Government on the feasibility of developing an Australian Design Rule for compulsory vehicle and component marking.
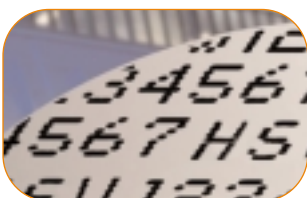
PROTECTED BY DATADOT TECHNOLOGY

reducing opportunistic theft

Reducing opportunistic theft by:

- Applying effective security devices to new and existing vehicles.

- Promoting effective security practices to motor vehicle related industry groups and the general community.

- Identifying and addressing those factors which lead young people into offending lifestyles.

Australian Design Rule for Engine Immobilisers

Australian Design Rule (ADR) 25/02 for engine immobilisers was introduced in January 2001, making it mandatory for manufacturers to fit all new passenger vehicles with an engine immobiliser from July 2001. The ADR 25/02 is based on the ECE 97 standard for Original Equipment Manufacture immobilisers for light passenger vehicles.

CAR-SAFE Immobilise Now!

The CAR-SAFE program has now been launched in all Australian jurisdictions except Western Australia where a mandatory scheme applies. The program aims to raise public awareness of the vulnerability of older vehicles to theft and the effectiveness of engine immobilisers as a means of protection, and aims to increase the number of after-market immobilisers fitted to the existing vehicle fleet.

During 2000/1 the Council completed its network of suppliers and installers to service the voluntary immobiliser program and there are now almost 600 registered CAR-SAFE installers across the country. The percentage of the national vehicle fleet protected by an engine immobiliser increased by 5 per cent to 36 per cent in the year and it is estimated that over 25,000 immobilisers were installed under the CAR-SAFE program. Advertising will be maintained in regular flights of activity over the coming year to keep the Immobilise Now! message in front of motorists.

Market research has confirmed that the public continues to expect reduced insurance premiums in reward for securing their vehicles.

Young People and Motor Vehicle Theft

In 2000/1, the Council affirmed its commitment to the development of vehicle theft related juvenile crime prevention programs, undertaking a review of South Australia's recidivist offender program, Street Legal. The review indicated that Street Legal's methodology was an appropriate basis on which to develop a best practice program model.

It is envisaged that a best practice program model, to be documented as part of Council's 2001/2 work program, will be made available to the Council's strategic youth sector partners for replication in theft hotspots throughout the country. In addition, the Council will examine options for integrating theft prevention messages into youth oriented education or communications programs.
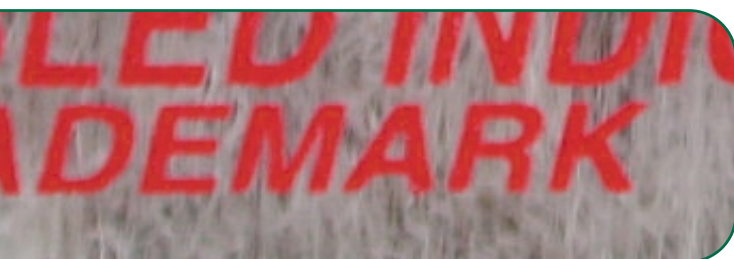
cooperation and effective implementation

Ensuring cooperation and effective implementation by:

- Effective operation of a Council that represents key stakeholder groups supported by professional administration services.

- A sharp focus on measurable outcomes.

- Provision of high level monitoring and evaluation processes.

- Provision of a comprehensive communication and marketing strategy.

Effective Communication Strategy

The continued development of an effective communication strategy that builds on the strong relationships established with key stakeholders was a priority for 2000/1. The Council's communication strategy includes:

- Theft Torque, a quarterly newsletter to keep stakeholders informed of current vehicle theft issues and progress on key reforms;

- publication of quarterly theft trends and statistics via the Theft Watch newsletter and direct stakeholder access to Council's CARS statistical database;

- wide distribution of Council funded research reports, and information bulletins on the status of individual projects and initiatives in vehicle theft prevention;

- consumer research on community attitudes to vehicle security;

- the CAR-SAFE website, including a risk assessment program for motorists and downloads of Council reports and publications;

- a range of strategic partnerships to promote after-market security devices and safe vehicle practices;

- media relations; and

- dissemination of over one million public education brochures.

Vehicle Owner Survey of Attitudes to Vehicle Security

To build on the Council's understanding of how it might refine its key messages to the motoring public, a second national survey of community attitudes to vehicle security was undertaken in late 2000.

The survey found that:

- the majority of the community recognise vehicle theft is a significant problem (86%);

- the attitude of "it can't happen to me" still prevails amongst motorists;

- immobilisers are regarded as the most effective of security measures however motorists continue to show a general mistrust of security devices, fueled by an overestimation of the incidence of professional theft and the belief that a thief will be able to steal their car if they want it;

- the reported presence of an immobiliser increased by 5 per cent over the 1999 survey to a total of 36 per cent; and

- many respondents were surprised to learn that Australia had one of the highest rates of car theft in the world.

Victorian and Tasmanian respondents were also asked a series of additional questions about the Immobilise Now! program.

One in ten Victorian respondents were aware of the program, compared with 14 per cent of Tasmanians. Of those aware of the program, one in ten were encouraged to install an engine immobiliser while a quarter are actively thinking of doing so.

(The survey also indicates that recent apathy of Tasmanians towards vehicle security is turning around. In 1999 Tasmania recorded Australia's lowest level of concern about vehicle theft with 64 per cent of respondents indicating that they were very or moderately concerned about having their car stolen -

cooperation and effective implementation

9 points below the national average of 72 per cent. In 2000, concern in Tasmania has climbed to 73 per cent.)

The key messages these respondents took from the program were that the devices offered under the program were available at a special price and that older vehicles are at particular risk.

Respondents who were not aware of the program clearly continue to see price as the major factor in influencing their decision to fit an immobiliser, with 80 per cent indicating that they would only be prepared to pay up to $200.

Respondents also:

- suggested that a meaningful discount on insurance premiums, with 20 per cent the figure most preferred, would provide a powerful incentive to fit an immobiliser; and

- rated vehicle security below vehicle safety and fuel economy, but ahead of resale value and emission controls, in the most important factors to consider when buying a new car.

Comprehensive Auto-theft Research System (CARS)

One of the Council's key goals is to develop effective mechanisms to facilitate cooperation between industry, government and community groups to reduce vehicle theft. The ability to evaluate the effectiveness of theft reduction strategies and monitor changes in theft trends is critical to this process.

The Council's CARS system integrates more than 150 pieces of non-personal data on reported vehicle theft incidents from vehicle insurers, police and registration authorities nationally. The system reached optimal capacity during 2000/1, adding more detailed data from Victoria, Western Australia and New South Wales. The contribution of Polk Autospec and VFACTs data to the system also began during the year, resolving many previous data quality issues which had precluded CARS ability to identify vehicles through basic make, model and series descriptors. Unfortunately, efforts to obtain data from Australia's major motorcycle insurers have been unsuccessful to date.

CARS is now providing the most comprehensive, accessible and up to date vehicle theft data yet available in Australia. The system provides the basis for the Council's quarterly statistical newsletter, Theft Watch, and at the end of 2000/1 a new Internet based enquiry tool was being trialed to provide on-line access for Council stakeholders. The focus for CARS in the coming year will be to further increase its relevance and accessibility to stakeholders.
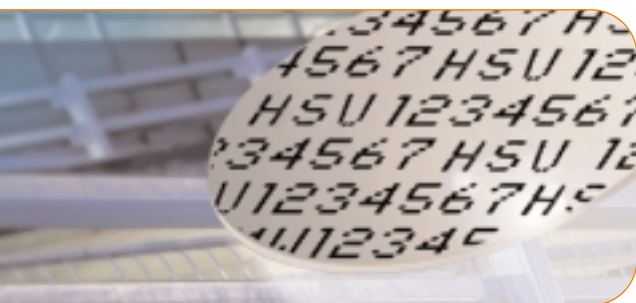
cooperation and effective implementation

Conference - *Reducing Car Theft: How Low Can We Go?*

In late 2000, the Council co-hosted the Reducing Car Theft: How Long Can We Go? Conference with the Australian Institute of Criminology. The conference aimed to explore strategic approaches and innovative solutions to achieving significant reductions in Australia's rate of vehicle theft.

The Conference brought together the insurance industry, the motor trades, government representatives, criminal justice agencies and academics. Topics covered included:

- The nature and extent of car theft in Australia and overseas;
- Opportunistic and professional car theft;
- Re-birthing and the illegal spare parts trade;
- Public perceptions and the cost of car theft;
- Young people and stealing cars;
- Prevention and technology;
- Insurance industry practices;
- The role of the motor industry;
- Criminal justice - legislation and sanctions; and
- What can be done at the local level.
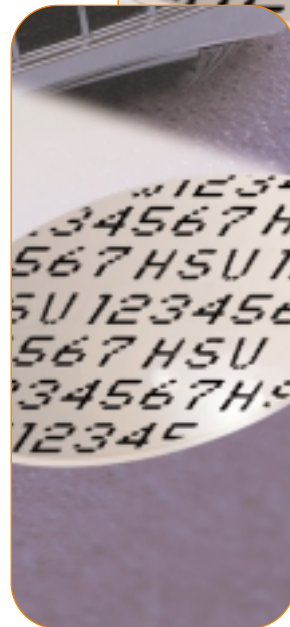
performance indicators

Comparisons with motor vehicle theft in comparable developed nations.

(Baseline: Interpol, UK Home Office & AIC data)

**Vehicle Theft per 1000 Population in Selected Nations**

	1997	1998	1999
United Kingdom	7.8	7.5	7.0
Australia	7.0	7.0	6.9
France	5.5	5.5	6.7
Italy	5.3	5.4	5.2
Canada	5.9	5.5	5.2
USA	5.0	4.7	4.2
Belgium	3.8	3.8	3.5
Germany	1.7	1.4	1.7
Japan	0.3	0.3	0.3

International data provides only a very general comparison of worldwide motor vehicle theft trends due to time lags in compiling data and the varying methodologies for recording and collating theft reports across jurisdictions. The United Kingdom and Australia, while still retaining their number one and two rankings for vehicle theft per 1000 population, have both recorded a decline since 1998.

Reductions in the rate of vehicle theft per number of vehicles registered and per 1000 population for period ending 30 June.

(Baseline: CARS data)

Australia, Thefts per 1000 Population
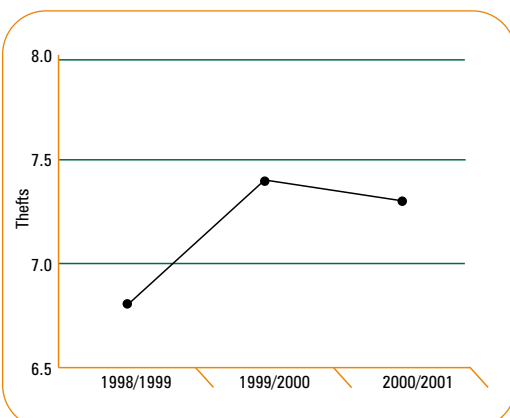
While the number of thefts per 1000 population appears to have declined to 7.2 since the previous period, this reduction is attributable to continual refinement in the quality of CARS data. It is likely that, based on previous data procedures, the rate has actually increased marginally by approximately 0.4 thefts per 1000 population.

Australia, Thefts per 1000 Registered Vehicles
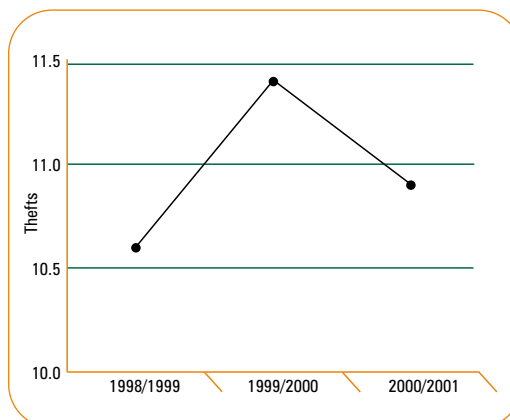
As with thefts per head of population, the rate of theft per 1000 registered vehicles is likely to have increased, based on previous data procedures. While 11 thefts per 1000 registrations were reported for the period, this figure is potentially higher at around 12.

Reductions or changes in the incidence and nature of opportunistic and professional theft.

(Baseline: CARS data)

Australia, Recoveries and Non-Recoveries
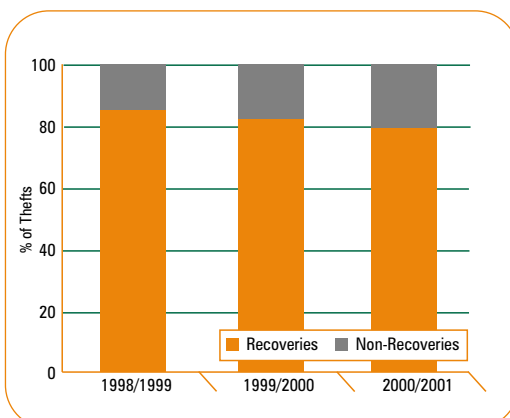
performance indicators

Vehicle theft recovery figures provide an indication of the proportion of incidents attributable to opportunistic theft, compared to that of professional theft. Opportunistic theft is defined as theft of a vehicle for short term use, temporarily depriving the owner of their vehicle. Hence the commonly accepted practice of measuring opportunistic theft is by the number recovered and conversely, professional theft by those not recovered.

Recent access to additional data has allowed the most accurate measure yet of not only overall vehicle theft numbers, but also of rates, providing a clearer picture of contrasting levels of professional and opportunistic theft. More refined data has enabled the exclusion of theft attempts and non-motorised vehicles, previously reported as actual thefts and recoveries. Hence, the recovery rate of 80 per cent for the 2000/1 period, representing almost 111,000 vehicles, is the most accurate reflection of the true nature of theft in Australia to date.

Based on both updated and previous reporting methods, the proportion of opportunistic theft has declined marginally compared to professional theft.

The cost of motor vehicle theft, including the costs bore by the insurance industry.

(Baseline: CARS data)

Analysis of almost 43,000 insurance claims finalised for the 2000/1 period indicates that the average claim costs to insurers for motor vehicle theft is $8,100. Insurance claim costs represent the expenses borne by insurers in finalising a claim, including the cost of investigations and payouts to policy holders, less costs recouped through the salvage of recovered vehicles. Based on current theft numbers, vehicle theft has potentially cost the community over $1billion dollars for the period.

Community perceptions of motor vehicle theft relative to other crimes.

(Baseline: 1999 & 2000 Quadrant / Nexus Survey)

Concern over car theft, having increased in 1999, experienced a decrease in 2000. This is consistent with the declining concern expressed over all categories of crime except vandalism. Interestingly the International Crime Victims Survey 2000 (Dutch Ministry of Justice) which interviewed householders in 17 industrialised nations including Australia, reported conflicting results with respondents indicating a high level of concern over vehicle theft in proportion to violent crime.

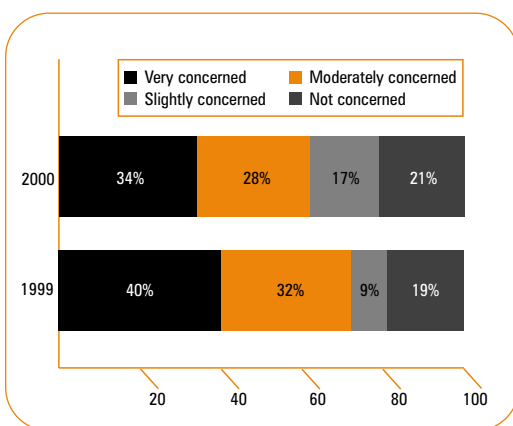**Community Perception of Vehicle Theft Relative to Other Crime**
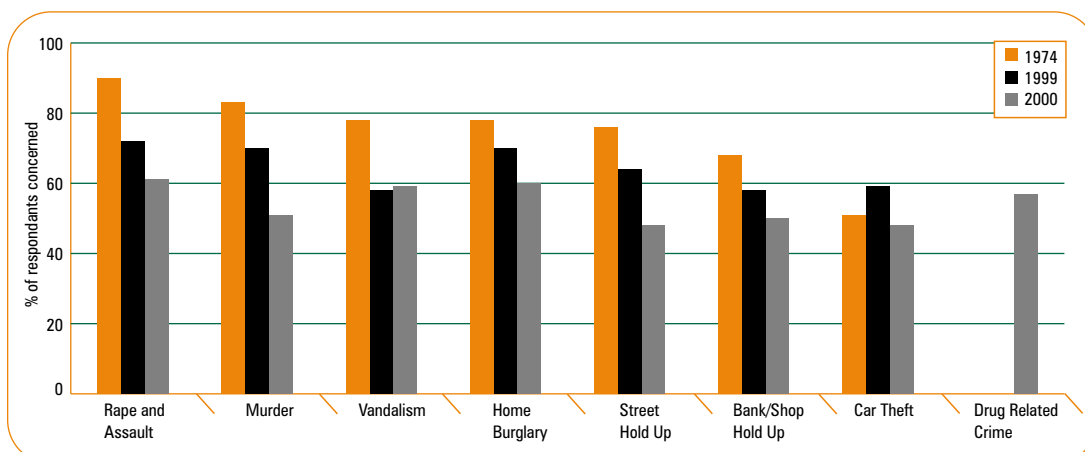
performance indicators

An improved level of awareness of vehicle security practices and vehicle theft issues by the community.

(Baseline: 1999 & 2000 Quadrant / Nexus Survey)

Level of Concern About Vehicle Theft

The percentage of the community that expressed concern about vehicle theft has remained relatively stable in the last twelve months. However the strength of concern reported has declined. Survey respondents in the ACT were most concerned and respondents in both the ACT and Tasmanian reported increased levels of concern over the previous period. While the perception that 'it won't happen to me' still prevails, respondents citing this reason for a lack of concern declined from almost 70 per cent in 1999 to 45 per cent in 2000. In addition, those expressing a lack of concern were 7 per cent less likely to state the low value of their vehicle as the reason for this.

The level of concern over vehicle theft is consistent with continuing misconceptions amongst the general community about the nature of vehicle theft. The perceived incidence of professional theft remains high, with 41 per cent of respondents nationally believing it to be the main cause of theft, representing a 6 per cent increase over the 1999 period. Similarly, there was a marginal increase in the percentage of respondents who believed that recent model and luxury vehicles were the main targets of car thieves.

The level of drivers who use anti-theft devices increased from 58 per cent in 1999 to 66 per cent in 2000. Amongst the main anti-theft devices available, an immobiliser was the most commonly cited device used at 36 per cent, and as in 1999, with the exception of vehicle tracking systems immobilisers were considered the most effective anti-theft device. Interestingly, while technology based devices (car alarms, tracking systems and immobilisers) were rated as 'very effective' by a declining percentage of respondents, those that perceived steering locks as 'very effective' increased. Those that rated locking the vehicle as 'very effective' remained unchanged from 1999.

Stakeholders' perceptions of the Council's program coordination and consultation performance.

(Baseline: Rating of the Council's publications as good, very good or excellent by 80 per cent of respondents)
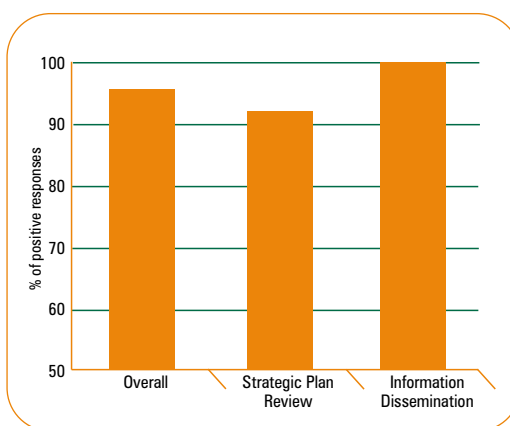
performance indicators

Per cent of positive stakeholders ratings of NMVTRC program coordination and consultation.

Over 95 per cent of Council's stakeholders rated the Council's overall program coordination and consultation in 2000/1 as being between good, very good or excellent. The following levels of satisfaction were reported by stakeholders:

	Good	Very Good	Excellent
Overall Consultation	19%	50%	27%
Consultation with stakeholders in the review of its strategic plan	23%	58%	12%
Dissemination of vehicle theft reduction information on the vehicle theft reform process	19%	54%	27%

Quality of Council publications

(Baseline: Rating of the Council's publications as good, very good or excellent by 80 per cent of respondents)

All respondents to Council's stakeholder survey rated the quality of Council's publications as good, very good or better. Stakeholders indicated that Council's publications provided "relevant", "timely" and "high quality" information that was "easily digested". Some stakeholders suggested that Council's publications should be more widely available. The following specific ratings were recorded:

	Good	Very Good	Excellent
Met needs and expectations	42%	46%	12%
Met publications' objectives	42%	46%	12%
Overall rating of the publications	31%	50%	19%

Council's influence on the implementation of vehicle theft reforms (major positive impact, minor positive impact, no impact, negative impact).

(Baseline: Rating by more than 80 per cent of stakeholders as a major positive impact)

Stakeholders were asked to rate the influence of Council on the implementation of reforms relevant to their industry sector, including:

- development of nationally consistent Written-off Vehicle Registers;

- development of a theft investigators training course;

- the Immobilise Now! campaign;

- improving consumer access to vehicle status information;

- development of self-voiding compliance labels; and

- development of new component and vehicle identification technologies.

Negative impact 4%
Major Positive Impact 39%
Minor Positive Impact 57%
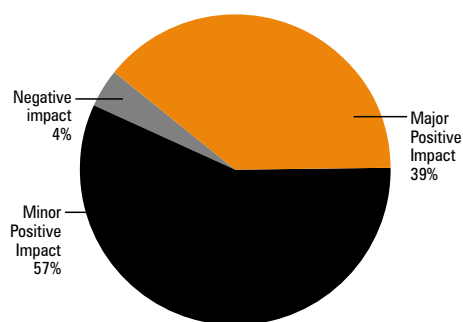
performance indicators

All stakeholders believed that Council had made an impact on the implementation of theft reduction reforms during 2000/1, with all but one stakeholder perceiving this impact to be positive. Despite this, the Council received a below target rating in regard to their impact on reforms with only 39 per cent of stakeholders perceiving the Council to have had a 'major positive impact'.

Many stakeholders singled out the success of Immobilise Now! in generating public interest and others noted that the Council "provided the momentum necessary" to develop Written-off Vehicle Registers. Some stakeholders recognised that many reforms were aimed at sustainable, long term results and were therefore "hard to measure" in the short term.

Analysis of references to the Council in the media

(Baseline: 80 per cent of media coverage rated as positive)

Media coverage of the Council and particularly the CAR-SAFE Immobilise Now! campaign gathered pace throughout the later part of the reporting period, resulting in car theft being projected as one of Australia's most pressing community and crime issues. Throughout 2000/1 the work of the Council has featured in more than 360 individual news and editorial reports throughout metropolitan, suburban and regional areas, compared to fewer than 100 for the previous period.

Coverage has been overwhelmingly positive with virtually all reports expressing concern and critical comment about the state of car theft in Australia and with coverage referring to the Immobilise Now! campaign and the supporting initiatives of stakeholders. The Council has consistently been portrayed as an organisation trying to correct the car theft situation in Australia and as an authoritative source of comment on theft trends and countermeasures.

(Source: Royce Communications)
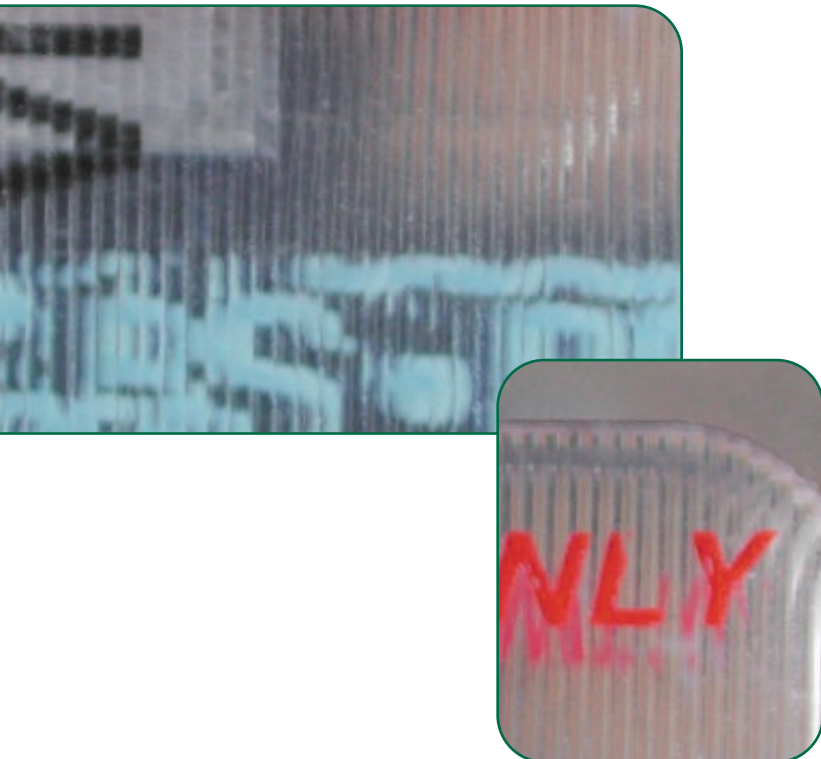
financial report

National Motor Vehicle Theft Reduction Council Inc.

Financial Report for the year ended 30 June 2001

Contents

financial report

Income and Expenditure Statement for the year ended 30 June 2001

	Note	2001 $	2000 $
Operating surplus (deficit) before income tax	2, 3	(145,471)	318,024
Income tax attributable to operating surplus		-	-
Operating surplus (deficit) after income tax		(145,471)	318,024
Accumulated surplus at the beginning of the financial year		1,261,127	943,103
Total available for distribution		1,115,656	1,261,127
Accumulated surplus at the end of the financial year		1,115,656	1,261,127

Balance Sheet as at 30 June 2001

	Note	2001	2000
CURRENT ASSETS			
Cash		1,122,169	1,254,796
Other	5	5,142	4,389
TOTAL CURRENT ASSETS		1,127,311	1,259,185
NON-CURRENT ASSETS			
Fixed assets	4	34,505	44,235
TOTAL NON-CURRENT ASSETS		34,505	44,235
TOTAL ASSETS		1,161,816	1,303,420
CURRENT LIABILITIES			
Borrowings	6	6,837	5,345
Provisions	7	20,292	11,724
TOTAL CURRENT LIABILITIES		27,129	17,069
NON-CURRENT LIABILITIES			
Borrowings	6	19,032	25,224
TOTAL NON-CURRENT LIABILITIES		19,032	25,224
TOTAL LIABILITIES		46,161	42,293
NET ASSETS		1,115,655	1,261,127
MEMBERS' FUNDS			
Accumulated surplus		1,115,655	1,261,127
TOTAL MEMBERS' FUNDS		1,115,655	1,261,127

notes to the accounts

Notes to the accounts for the year ended 30 June 2001

Note 1: Statement of Significant Accounting Policies

This financial report is a special purpose financial report prepared in order to satisfy the financial reporting requirements of the Associations Incorporation Act of Victoria. The committee has determined that the Association is not a reporting entity.

The financial report has been prepared in accordance with the requirements of the Associations Incorporation Act of Victoria and the following Australian Accounting Standards:

AAS 1:   Profit and Loss Accounts

AAS 4:   Depreciation of Non-Current Assets

AAS 5:   Materiality

AAS 6:   Accounting Policies

AAS 8:   Events Occurring After Reporting Date

AAS 30: Accounting for Employee Entitlements

No other Australian Accounting Standards, Urgent Issues Group Consensus Views or other authoritative pronouncements of the Australian Accounting Standards Board have been applied.

The report is also been prepared on an accruals basis and is based on historic costs and do not take into account changing money values or, except where specifically stated, current valuations of non-current assets.

The following specific accounting policies, which are consistent with the previous period unless otherwise stated, have been adopted in the preparation of this report:

(a) Fixed Assets

Freehold land and buildings are carried at cost or at independent or directors' valuation.

The depreciable amount of all fixed assets are depreciated over the useful lives of the assets to the association commencing from the time the asset was held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

The carrying amount of fixed assets is reviewed annually by directors to ensure it is not in excess of the recoverable amount of those assets.

The recoverable amount is assessed on the basis of the expected net cash flows which will be received from the assets' employment and subsequent disposal. The expected net cash flows have not been discounted to their present values in determining recoverable amounts.

(b) Employee Entitlements

Provision is made for the Association's liability for employee entitlements arising from services rendered by employees to balance date. Employee entitlements expected to be settled within one year together with entitlements arising from wages and salaries, annual leave and sick leave which will be settled after one year, have been measured at their nominal amount. Other employee entitlements payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those entitlements.

Contributions are made by the Association to an employee superannuation fund and are charged as expenses when incurred.

(c) Revenue

Interest revenue is recognised as received.

Other revenue is recognised when the right to receive the revenue has been established.

notes to the accounts

	Note	2001 $	2000 $
Note 2: Operating Surplus			
Operating surplus before abnormal items and income tax has been determined after			
(a) Charging as expenses:			
Movements in provisions			
Depreciation of:			
- Motor vehicles		5,859	7,560
- Office Equipment		4,948	6,009
Other:			
- employee entitlements		8,568	7,799
Net expense resulting from movement in provisions		19,375	21,368
Remuneration of the auditors for:			
- audit services		1,800	1,600
(b) Crediting as income:			
Interest revenue		55,331	36,019
(c) Revenue			
Operating activities			
- interest		55,331	36,019
- other revenue		2,296,693	1,744,075
		2,352,024	1,780,094

notes to the accounts

	Note	2001 $	2000 $
Note 3: Revenue			
Operating activities			
- interest		55,331	36,019
- other revenue		2,296,693	1,744,075
		2,352,024	1,780,094
Note 4: Fixed Assets			
Plant and Equipment			
(a) Motor vehicles			
At cost		35,604	35,604
Less accumulated depreciation		(15,422)	(9,563)
		20,182	26,041
(b) Office equipment			
At cost		14,124	13,048
Less accumulated depreciation		(6,941)	(3,778)
		7,183	9,270
(c) Furniture, fixtures and fittings			
At cost		11,732	11,732
Less accumulated depreciation		(4,593)	(2,808)
		7,139	8,924
Total plant and equipment		34,505	44,235
Note 5: Other Assets			
Current			
Prepayments		4,542	3,387
Other current assets		600	1,002
		5,142	4,389

notes to the accounts

	Note	2001 $	2000 $
Note 6: Borrowings			
Current			
Secured liabilities			
Hire purchase liability		6,193	5,345
Unsecured liabilities			
Sundry Creditors		644	0
		6,837	5,345
Non-Current			
Secured liabilities			
Hire purchase liability		19,032	25,224
		19,032	25,224
Note 7: Provisions			
Current			
Employee entitlements		20,292	11,724

statement and certificate

Statement by Members of the Committee

The committee has determined that the association is not a reporting entity.

The committee has determined that this special purpose financial report should be prepared in accordance with the accounting policies outlined in Note 1 to the financial statements.

In the opinion of the committee the financial report as set out on pages 1 to 6:

1. Presents fairly the financial position of **National Motor Vehicle Theft Reduction Council Inc.** as at 30 June 2001 and it's performance for the financial year ended on that date.

2. At the date of this statement, there are reasonable grounds to believe that **National Motor Vehicle Theft Reduction Council Inc.** will be able to pay its debts as and when they fall due.

This statement is made in accordance with a resolution of the committee and is signed for and on behalf of the Committee by:

Raymond C Carroll
Dated this 14th day of August 2001

Certificate by Member of the Committee

I, Raymond C Carroll certify that:

(a) I am a member of the committee of **National Motor Vehicle Theft Reduction Council Inc.**

(b) I attended the annual general meeting of the association held on 14 August 2001.

(c) I am authorised by the attached resolution of the committee to sign this certificate.

(d) This annual statement was submitted to the members of the association at its annual general meeting.

Dated this 14th day of August 2001.

Raymond C Carroll
(Committee Member)

appendix

	New South Wales	Victoria	Tasmania	Western Australia
Thefts	53,135 (-10%*)	37,376 (+14%)	3,895 (+19%)	10,829 (-10%)
Recovery Rate	77%	82%	89%	79%
Thefts per 1,000 Persons	8.2	7.8	8.3	5.7
Thefts per 1,000 Registrations	14.1	10.8	11.3	7.7
Effective WOVR	✓			
Connected to NEVDIS	✓	✓		✓
Immobiliser Program	Voluntary	Voluntary	Voluntary	Compulsory
Local Theft Reduction Committee	✓			✓
Community Education Program	✓	✓	✓	
Juvenile Intervention Program	✓	✓		
Other Issues	*The decline in theft numbers is a result of additional filtering data being available for the current period. It is estimated that NSW actually experienced an increase in thefts.			
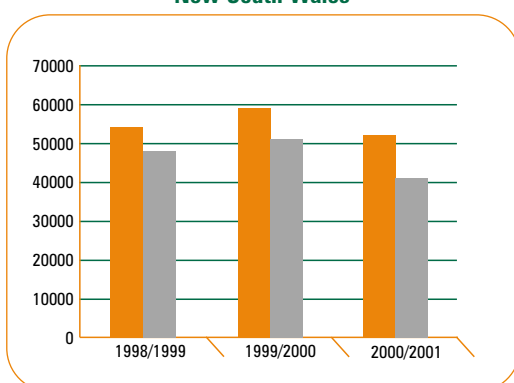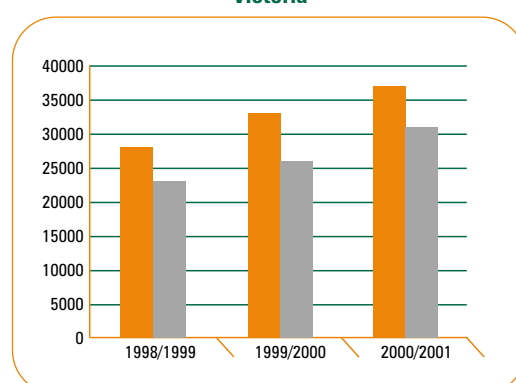
Legend:
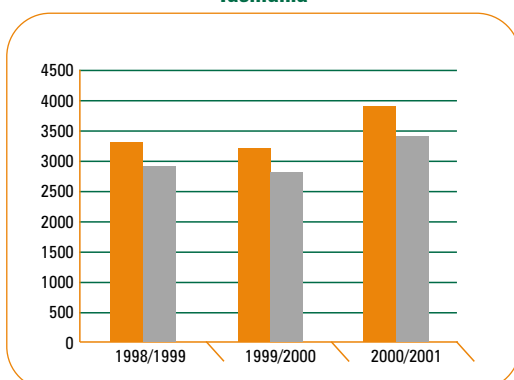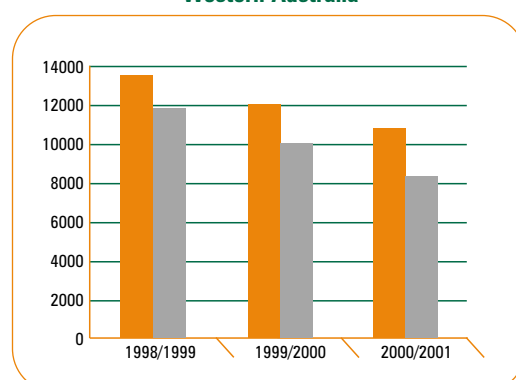- Thefts (orange)
- Recovered (grey)

New South Wales

Victoria

Tasmania

Western Australia

	Queensland	South Australia	Northern Territory	Australian Capital Territory
Thefts	17,749 (+2%)	12,438 (-1%)	1,012 (+10%)	2,710 (-25%)
Recovery Rate	78%	88%	86%	79%
Thefts per 1,000 Persons	4.9	8.2	5.2	7.4
Thefts per 1,000 Registrations	7.3	11.5	9.7	13.6
Effective WOVR		✓		
Connected to NEVDIS			✓	
Immobiliser Program	Voluntary	Voluntary	Voluntary	Voluntary
Local Theft Reduction Committee	✓	✓	✓	✓
Community Education Program	✓	✓	✓	✓
Juvenile Intervention Program		✓		
Other Issues				

Queensland

South Australia

Northern Territory

Australian Capital Territory

Legend: ■ Thefts ■ Recovered

publications

Publications produced by the Council in 2000/1

Reports

- Review of Street Legal

- State and Territory Written-Off Vehicle Registers: Development Status and National Best Practice Principles

- Feasibility of Improving Consumer Access to Reports on Vehicle Status

- Options for Managing Information on Written-off Vehicles in Tasmania

- A Survey of Attitudes of Vehicle Buyers & Owners to Vehicle Security

Publications

- Theft Watch, quarterly theft trend analysis

- Theft Torque, quarterly issues newsletter

- Theft Torque, vehicle identification special editions

- 2001/2 Strategic Plan

Consumer Information

- Save Yourself from Buying a Stolen Vehicle, information brochure

- Know the Facts Protect Yourself, information brochure

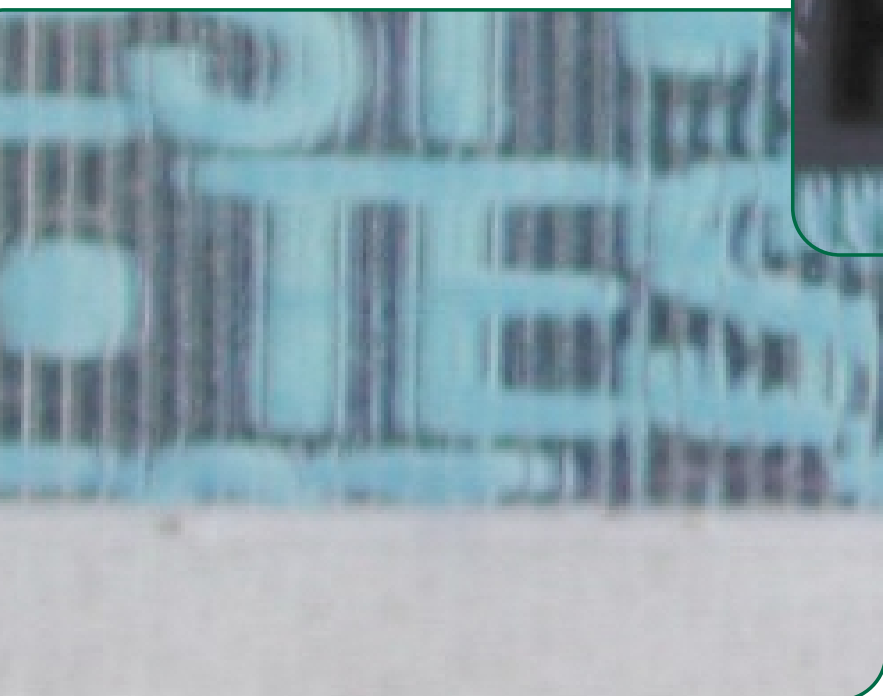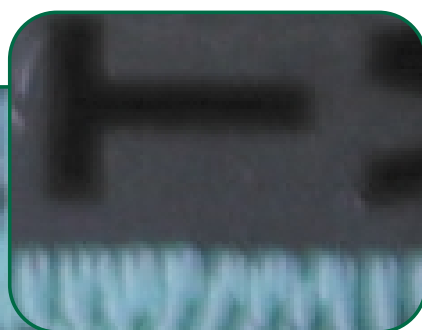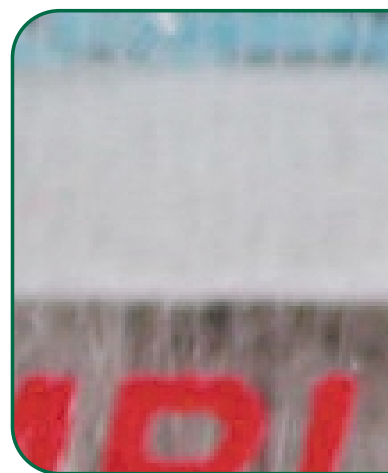- Immobilise Your Car Before a Thief Does, information brochure

council meetings

Number of Council meetings attended by Council Members (maximum 4 meetings)

Mr David Morgan Independent Chairperson (appointed March 2001)	1
Mr Allan Tattersall Insurance Council of Australia Ltd	4
Ms Sue Millbank Crime Prevention Ministerial Forum	4
Mr Robert McDonald Australian Automobile Association	4
Mr Ray Rawlings Austroads	4
Dr Dianne Heriot Commonwealth Agencies	3
Mr Peter Sturrock Federal Chamber of Automotive Industries	2
Mr Dick Adams Australasian Police Ministers Council	4
Mr Tony Selmes Motor Trades Association of Australia	4

![CAR·SAFE - Driving down vehicle theft]