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CASE
STUDY

THE ROYAL AUTOMOBILE CLUB OF WESTERN AUSTRALIA



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Case Study Research Report | CERU



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INTRODUCTION

The Automobile Club of Western Australia (ACWA) was established in 1905 and consciously sought to emulate the British example of the Automobile Club of Great Britain and Ireland, which in 1907 became the Royal Automobile Club, or RAC.

ACWA became an incorporated association in 1916 and was honoured by King George V in 1922 with the royal prefix in its name. From this time the Club began to use the abbreviation RAC as its 'brand' and maintain strong affiliations with its British counterpart.



In 1925 the RAC joined with its interstate counterparts to form the Commonwealth Association of Automobile Organisations (CAAO), later re-named the Australian Automobile Association (AAA), to lobby federal authorities on national issues affecting motorists such as petrol taxes.

LONG CONTINUITIES

There are several continuous themes running through the RAC's history. It has lobbied governments, State and Commonwealth, for better legislative and regulatory measures to manage road traffic and road safety since its role in developing Western Australia's first Traffic Act in 1919. It has played a significant role in the development of the tourism industry in Western Australia since the 1920s when it began promoting motor touring through the provision of road maps showing road conditions, accommodation, service stations and other useful information.

It also began lobbying the State for the creation of national parks along main roads and highways that tourists could visit and lobbied local councils over local road conditions along potential tourist drives, partly through arguing for the local economic benefits of increasing tourist traffic. These moves were motivated by demands from members for assistance with finding their way along unfamiliar country roads in their newly acquired cars.

Arising from similar motives, the RAC between 1908 and 1975 provided most of the directional and warning signs on public roads, especially in country areas, to help tourists and long-distance drivers and as a road safety program. In 1940 it began implementing new sign designs reflecting the first national Road Signs Standard, before having to remove all the signs in 1942 during the Japanese invasion scare. This was a serious setback to road sign posting that did really resume until 1956.

The RAC sought to extend during the 1920s and 1930s its role in providing support for motorists through the development of a system of roadside assistance patrols, initially in the metropolitan area, complemented by a system of contract service stations across the State. These services, modelled to some extent on British examples, came about with the dramatic increase in vehicle ownership after World War One and a corresponding lack of widespread knowledge about car maintenance and mechanical problem solving. These are issues typical of the mass introduction of a new technology.



New members increased and they became increasingly vociferous about needing such support. Motor garage mechanics were often unaware of how to deal with increasingly complex mechanical problems, and there was no system of training or certification for mechanics. It was in this period that the RAC's reputation as a trusted source of knowledge and practical assistance became established.

The RAC was critical in the later 20th century to having a regulatory environment established for the wearing of seat belts, establishing, and managing speed limits and speed zones, and the reduction in drink driving, as well as (perhaps even more effectively) operating programs to change driver behaviours in ways that made safer driving acceptable and eventually desirable. The RAC's trusted and influential standing in the community gave it a high degree of authority to persuade members and the public to change ingrained habits, and challenge numerous myths and driving folklore, to bring about safer driving practices and reduce crashes, fatalities, and injuries.

The Club has invested heavily in particular goals that had more specific beginnings and endings, of which its persistent lobbying for the creation of a trafficable trans-Nullarbor route that eventually resulted in the creation, and then finally the sealing, of the Eyre Highway, is an outstanding example. As a campaign, this stretched from at least 1923 to 1976. Other changes, while similarly enduring, have had less-easily defined beginnings and endings.



RACWA Motorcycle (source: Tim Mazzarol)

MANAGING CHANGE

Across most of its existence the Club has also had to deal with changing technologies in vehicle design and operation, road design and construction, and in the conduct of its own operations. The development of, for instance, its website which first came online in 1996 was accompanied by instructions in the RAC journal on how to connect to the World Wide Web and paved the way for subsequent developments such as online payment systems. Online payment and booking systems

allowed the RAC from the early 2000s to reduce its number of branches and offices as more and more members moved their businesses online. Mobile car service and repair vans that came to member's homes also allowed the number of workshops to be reduced.

The Club has, since the 1980s, sought to reduce the impacts of motoring on the environment, especially of vehicle emissions and their effects on human health, and more recently actively encouraged the development of alternative forms of mobility from cycling and public transport to hydrogen cell and electric powered vehicles. This role in seeking to reduce vehicle pollution arose from surveys of members that commenced in the 1970s in which environmental protection was consistently highly ranked. The surveys also indicated a high level of concern over petrol prices, and the RAC as a member-based organisation had to develop a coherent policy approach between these two often conflicting concerns.



RACWA Early Electric Vehicle Demonstrator 1970s (source: RACWA)

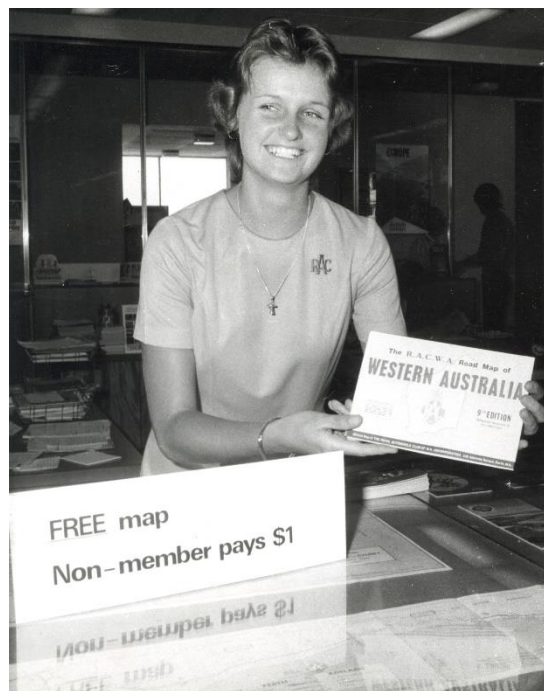
Research and lobbying in support of alternative fuels that could be both less-polluting and cheaper lead the RAC to support from the early 1980s LPG conversions of motor vehicles, the increasing use of diesel fuels, recycling oils and the development of electric battery powered vehicles. Attempts to reduce reliance on imported fuels, which arose with the Middle East oil crises of the period, further encouraged the RAC to promote alternatives.

The RAC partnered with the then-State Energy Commission to develop prototype electric vehicles in Perth and engage with several local inventors and engineering firms. The debates within the RAC and State agencies in the 1980s around electric power and alternative fuels reflected, similar debates from the early twentieth century when electric vehicles were confidently predicted to rapidly become the dominant form of self-propelled vehicles. However, the development of cheap petroleum fuels during and after World War One stalled the development of electric powered vehicles around the world for decades.

Member's environmental concerns in the 1980s/1990s also coincided with the introduction of comfortable sedan-style four-wheel drive off-road vehicles. The RAC reported on numerous road tests of the new vehicles and the opportunities they offered members for remote travel. A similar paradox arose, in which the freedom to go off-road introduced many people to unspoilt landscapes in the arid interior, coastal sand dunes and the forests but also introduced environmental problems such as track erosion, the spread of weeds and dieback, and littering. The RAC lobbied the State government to seek some balance between opening vehicle access to wild places but preventing such places being destroyed, of which the Control of Vehicles (Off Road Areas) Act of 1979 is an early example.

OPERATING A BUSINESS

The development of motor vehicle insurance was a new area in the early twentieth century until the risks associated with driving became better understood and underwriters could adequately evaluate risks. Third party motor vehicle insurance was particularly expensive. Compulsory schemes were being introduced in some other states during the 1930s, and the RAC found an influential ally in the Royal Perth Hospital, which had to carry the increasing costs for attending to often badly injured and uninsured motor vehicle accident victims. The RAC persistently lobbied for the establishment of an effective third-party insurance system scheme, which was finally achieved in 1944.



RACWA Free Road Map distribution to members 1970s (source RACWA)

Safety has been at the heart of many RAC services to its members, from having compulsory car tail (red) and head (white) lights included in the 1919 Traffic Act to the installation of railway level crossing flashing electric lights in 1939 to numerous car safety devices such as seat belts

and air bags. A notable achievement was the RAC's involvement with its interstate counterparts in forming the Australasian New Car Assessment Program (ANCAP) in 1992 to provide standardised comparative ratings of the safety of new vehicles. The aim was to assist member-buyers make informed decisions, and from 2007 the RAC actively encouraged buyers to only purchase cars with an ANCAP rating of 4 or more stars. In 2015 RAC Insurance announced it would only insure vehicles with a 4 or more stars rating.

The RAC has established and operates several for-profit businesses. The most notable of these is RAC Insurance, which commenced in 1947 initially to provide car insurance for members at reasonable premiums. In response to member's demands, the Club had earlier experimental ventures in the car insurance field from 1925, and in 1944 its Motor Insurance Agency became an approved insurer under the new third-party insurance regulations.

The formation of RAC Insurance Pty Ltd proved a sustainable model for a voluntary not-for-profit incorporated association to own and operate profitable businesses at arms-length to support the needs of its members. Some of the more successful enterprises have included expansion of insurance into home, boat and life insurance, financial services, travel (intrastate, continental, and overseas) and more recently holiday parks.

Other businesses, having served a particular purpose, have eventually been discontinued or sold, such as RAC Glass which provided emergency repairs for broken windows. The key point about these businesses is the motivation for their establishment has been to meet an expressed demand for a service from members, which was being unmet by the private market, and to generate income for the Club to maintain and expand its educational and social activities among members. As an incorporated association, surplus income cannot be distributed among members but must be reinvested back into the Club to meet its objectives and provide member services.

THE RAC AND IDENTITY

Although there is a similar RAC-like body in each State and Territory across Australia, there are sufficient differences in their corporate structures, activities, histories, and in their respective communities to demonstrate that they are not simply analogues of each other. The RAC has been a significant community and corporate actor in Western Australia for over a century and has strong associations with Western Australian identity. It has had a significant role in the development of local and regional identities within the State.

In 1916 the Club oversaw the development by local councils of distinctive codes for use on locally-registered motor vehicle number plates, many of which remain in use today. It has periodically produced lists of the codes and their corresponding local shires and regional cities that have been used by generations of children and travellers to identify the origin of passing vehicles, especially on long road trips.

In a similar vein, the RAC was instrumental in successfully lobbying the State government, despite opposition from the Main Roads Department, to introduce a system of route numbering for highways and main roads in 1966 and re-introduced in 1986. The RAC also had a leading role in

educating motorists on the use of decimal currency in 1966 and even more so the transition from imperial to metric measurements during the early 1970s, notably in the metrication of speed limit signs, car speedometers, petrol bowsers and specialist measures such as tyre pressures.

RESPONDING TO COVID

During 2020-2021, the RAC was dealing with the challenges of the COVID-19 Pandemic. RAC president Jacqueline Ronchi stressed that the Club's responsibilities to members and staff remained clear, and the Club was continuing to advocate for important matters and support essential services. She recalled the Club's long history of public service in difficult times such as the Great War while reflecting on the way the current uncertainties were bringing out new strengths.

The RAC provided a priority breakdown service for all medical practitioners, fire fighters and police officers and other essential workers, developed a COVID-19 Hardship package to support members financially impacted by the pandemic, conducting insurance transactions online, and all Roadside Assistance Patrols and Auto Services Centres followed hygiene advice, using social distancing, wearing protective gloves, and using appropriate sanitisation products.

THE MOBILITY AGENDA AND THE FUTURE

In 2019 retiring CEO Terry Agnew noted change was disrupting everything and identified the 'big four' mobility trends as electric, connected, automated, and shared, all of which would affect as well as benefit the RAC. Mobility was the key word, and the mobility agenda encompassed safety, accessibility, and sustainability.

At a higher level, the RAC's Vision 2030 emphasises the need to "reconnect with our values, our history and our heritage, because they are unique to us and to Western Australia". That history and heritage is studded with innovative approaches. The centrality of the members and the broader community are also emphasised in Vision 2030, as is the role of the RAC as a "voice for community change".

The values of safety, sustainability and connectivity could be represented in three key projects, the Smart Freeway (safety), electric vehicles (sustainability) and autonomous vehicles (connectivity). The RAC faces similar challenges to the early ACWA in not only charting routes into the future but actively seeking to shape those routes. In 2020 it has a more clearly defined and articulated vision than in 1905, but unexpected events can suddenly alter routes no matter how meticulously planned, such as the Great War in 1914 and the COVID 19 Pandemic in 2020.

The RAC has one outstanding advantage over commercial firms. It was working to advance its mobility agenda, not to raise profits for distribution to shareholders. This advantage led to an environment being created for its Autonomous Vehicle (AV) project in which it was 'safe to fail'. This encouraged risk taking and projected a message that the RAC was secure in its purpose and committed to advancing knowledge through innovation. 'Failure' was not a problem but a means of learning. Agnew was clear that the purpose of the AV project was about "Having a robust

understanding of the technology and what it means for WA [that] will help develop a roadmap for a safe transition to our driverless future.”

The AV project went on to underpin the development of two generations of the Intellibus, and the continuing expansion of AV trials in metropolitan suburbs and country towns, as well as a supportive infrastructure such as the RAC Electric Highway® and the evolving Smart Freeway network. The RAC’s role has been either to directly manufacture or construct some of this technology, or to lobby for and sponsor its development by agencies such as Main Roads WA. In doing so, the RAC was positioning itself as a change-agent and both embodying and leading technological, behavioural, and emotional change within its members, staff, and the broader community.

The centrality of mobility is linked to the centrality of the membership in the RAC. Patrick Walker, Executive General Manager Advocacy and Members, in a wide-ranging interview in November 2020, identified the relationship between the Club and its members as critical to its future. “Our first, and most important, asset is our members” he said. Walker identified the members and the Club as co-creators of member value, fostering and building commitment to the Club through non-commercial activities.

The RAC has over the past decade freed itself from a ‘car club’ mentality through the mobility agenda. This has allowed it to engage in developing new public policy frameworks that, at least initially, are specific to Western Australia. An instance of this approach can be seen in the developing public debates around taxing electric vehicles by State governments, notably in Victoria, South Australia, and New South Wales. Debate is predicated on the basis that EV owners do not contribute to the costs of road maintenance whereas internal combustion engine (ICE) owners do through fuel excise. Through its mobility agenda, the RAC argues for a road user pricing model that is fair and equitable for all vehicle owners.

The rapidity with which motor cars superseded animal-powered transport in Western Australia, especially in the decade of the 1920s, points to a similarly rapid transition from ICEs to EVs, a transition assumed in the mobility agenda to take place between 2020 and 2030. The mobility agenda positions the RAC as an influencer of and participant in developing public policy for this foreseeable and rapid change, rather than limiting it to reactive stances that, in effect, inhibit the transition to electric-powered transport and maintain the real costs of factors such as road trauma and vehicle pollution-induced illnesses experienced by RAC members and the community generally.

Current insights into the RAC’s pathways to the future, pathways that are envisioned and strategized towards being achieved rather than left to chance, recall some earlier periods in the organisation’s history, such as the 1920s-1930s under the leadership of Oscar Zehnder. There are some long continuities, and there are also periods when these continuities have been obscured.

Disruptions and failures are part of the RAC’s story, or rather, the way the RAC has been able to harness the energies they released and capitalise on opportunities and lessons-learned to go forward. The mobility agenda similarly has been able to draw upon the capacities that characterise a venerable organisation – its stability, its endurance, and its identity, all rooted in



close connections between the membership and organisational structures, and a clear and compelling vision and purpose, to chart a map to the future.

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Dr Bruce Baskerville is an APDI Post-Doctoral Research Fellow at the University of Western Australia (UWA) where he is engaged with CERU via the UWA Business School, and the UWA Centre for Western Australian History. A public historian, Bruce grew up on Western Australia's Batavia Coast amid stories of Dutch shipwrecks and convict ruins, and the windswept awe of the Dongara sandplains and Abrolhos Islands. For many years he has researched the ways in which old institutions are adapted and naturalised in new places, from the Crown to building styles, shared histories to commonage systems. This has given him an abiding interest in communal and co-operative models of self-governance and their historical roots.