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Message from the AED Executive Committee Chair - Paul Beck



Dear member

It has been another year of ups and downs due to the pandemic, particularly for Victorian businesses who have endured yet another lockdown to stop the spread of the disease. I just wanted to reassure you that your representatives on AED Executive Committee are doing all we can to protect our industry from any unnecessary disruptions and prolonged shocks during these difficult times. VACC is constantly advocating locally and federally further assistance for its members.

We recognise that some of you have been significantly impacted due to recent lockdowns, and while initially there was little financial support from government, last week's Covid Hardship Fund announcement provides eligible businesses much needed relief.

A reminder, if you are struggling mentally or financial, it's important to reach out and seek professional advice and support.

I would like to thank the VACC team, CEO Geoff Gwilym and the AED Industry Policy Advisor for their assistance and support during these trying times. Their advocacy work with State and Federal leaders has been second to none. An awesome job guys!

In the meantime, the Committee has been meeting frequently to discuss various industry issues and projects. This email provides you with an update on those matters. Should you have any suggestions, comments, or concerns then please let us know at the email address below or speak to a member of the committee or the VACC Industry Policy Advisor.

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Road Safety (Vehicle) Regulations 2021 – VACC response to the RIS

VACC has made a formal submission in response to the proposed changes and questions raised within the Regulatory Impact Statement (RIS) published by the Department of Transport (DOT). In summary, the main issues raised within the RIS focused on the Written-off Vehicle Register, including vehicle age and condition for roadworthiness checks. The submission is available on the VACC website or here to access.

Motor Vehicle Service and Repair Information Sharing Scheme

In a major win for the automotive service and repair industry, the Morrison Government passed legislation on 17 June 2021 to establish a mandatory scheme for car manufacturers to share motor vehicle service and repair information with independent repairers at a fair market price. This brings an end to more than 12 years of VACC advocacy for reforms on this issue. VACC, MTAA and other industry stakeholders continue to work with the Department of Treasury to develop the scheme rules. The legislation comes into effect on 1 July 2022.

For more information click here and here.

Right to Repair

The Productivity Commission is examining the potential benefits and costs associated with 'right to repair' legislation in Australia, including regulatory and non-regulatory frameworks and their impact on consumers' ability to repair products including vehicles that develop faults or require maintenance

The term right to repair describes a consumer's ability to repair faulty goods, or access repair services, at a competitive price. This can relate to a range of product faults, including those for which the consumer is responsible. It may include a repair by a manufacturer, a third- party, or a self-repair option through available replacement parts and repair information. [1]

You will find VACC's submission to the Productivity Commission Draft report on right to repair here.

[1] https://www.pc.gov.au/inquiries/current/repair/draft/repair-draft-overview.pdf

North-East Link Project

The development of the North-East link project has resulted in the government having to acquire land. This has impacted automotive traders and VACC members along Manningham Road, Bulleen Road, Greenaway Street, and Kim Close. VACC is working with members and seeking adequate support from government for those affected. Issues range from a lack of relocation support and suitable venues, a lack of compensation for downturn in business and closure, rent assistance and communication. VACC has joined the Government's Business Liaison Group to represent the automotive businesses in and around the project area.

Any member impacted should contact VACC for further assistance.

Skills Shortage

This issue continues to wreak havoc on our industry. Results from a 2020/21 automotive industry national survey found the 52 per cent of automotive businesses are experiencing a shortage of skilled labour. This is up by 7 per cent from the previous survey conducted in 2016/17. Regional areas fared the worst with the average time taken to fill a skill vacancy is estimated at approximately nine months, compared to an average of 6.5 moths for metropolitan based businesses.

VACC modelling shows there is an estimated deficit of 17,509 skilled positions in light vehicle mechanics and 2,711 in heavy vehicle mechanics. There are some positive signs in recent times with more females embarking on a career in automotive. Between 2018 and 2019 female apprentices and trainees grew at a much faster rate (18.7 per cent) compared to males (4.8 per cent).

Some key reasons for automotive skill shortages reported by businesses include:

- Not enough people entering automotive trades (71.8 per cent)
- Competition from other industries (67.8 per cent)
- Attraction of labour toward other industries (62.2 per cent)
- Poor quality of available candidates (61.3 per cent)
- Candidates lack the required skills to do the job (59.2 per cent)
- · Low wages.

For more information on skilled labour shortages read the <u>Directions in Australia's Automotive Industry</u> Report

Australian Qualifications Framework (AQF)

Industry feedback has been submitted to PWC skills for Australia automotive projects including the establishment of a new skilled pathway for electric vehicle technicians <u>AUR32721 Certificate III in Automotive Electric Vehicle Technology</u> and subsequent battery and electric vehicle service, repair and diagnose skill sets for those who want to upskill.

Our suggestions included:

- General elective unit AURETR149 apply knowledge of ADAS technology to vehicle pre-repair scans should be either a core unit or included in AURETH102 Service and maintain battery electric vehicles. ADAS technology is becoming increasingly prevalent in modern day vehicles.
- An automotive artificial intelligence unit be developed and offered as an elective. This unit should cover the fundamentals, basic knowledge of Al including its purpose and why it is used on different applications, operation, and deep learning practices, identifying characteristics, fault prevention and correction.
- With the imminent implementation of the Motor Vehicle Service and Repair Information Sharing legislation, a unit covering pass through technology be created and included in AURETH102.

Establishment of an Electric Vehicle Sub-Committee

Interest in electric vehicles is gaining momentum with government and the wider community particularly as new incentives are introduced and vehicle prices are trending downwards.

As outlined in the recently published Industry directions report (available via the VACC portal), the impact on automotive workshop will be significant as there are very few moving parts and serviceable items in EV's beyond tyres and brakes. For those who transition towards EV repairs, significant capital investment is required by workshops such as tooling and training.

The AED Executive Committee is now seeking expressions of interest from industry to form a new sub committee aimed at zero and low emission vehicles and their impact on the repair sector. The committee's remit will be to inform members of recent developments, influence industry policy, vehicle standards, and training.

The committee is also actively seeking to run Hybrid and Electric vehicle (ZELV) training in Victoria based on the units of competencies outlined within AURSS00035 – battery electric vehicle inspection and servicing and AURSS00034 – battery electric vehicle diagnosis and repair skill sets. Local training organisations are currently not delivering this training due to low demand, however we may be able to organise a few sessions if we have enough people interested.

Register your expression of interest here

Or for more information contact John Khoury, ikhoury@vacc.com.au or 03 9829 1153.

EPA Small Business Pilot

The EPA small business program pilot is on track to complete initial business visits by the end of September 2021, however, may be extended due to the recent lockdown. The Pilot Program offers free audits from qualified environmental consultants to the automotive repair and body repair industries.

With the new Victorian Environmental laws having commenced 1 July 2021, it is a good time to share some initial findings from the pilot program conducted with VACC members.

Positive findings from sites visited include:

- Almost all businesses have good housekeeping (i.e. the sites are tidy, free of litter and do not have loose wastes on site)
- Maintenance of equipment was also identified as good or acceptable at almost all sites (85% of sites); and
- 71% of the sites had acceptable or good risk management leadership.

Improvement opportunities for VACC members that are common amongst sites visited:

- Storage of liquids and chemicals: a number of sites were seen to store liquids and/or chemicals
 in areas without adequate controls to prevent spills leaking into stormwater or onto grass areas
 (i.e. inadequate or no bunding). Guidance is available from EPA on liquid storage and handling.
- Assessing and controlling risks and preparing to respond to incidents: Although a number
 of businesses demonstrated a good understanding of some or most of their risks, often they did
 not have these documented so that their staff were able to understand risks and adequately
 control the risks of harm. Additionally, a small number of businesses did not have plans in place
 for what to do if an incident occurred. Guidance recently released by EPA on responding to
 harm caused by pollution can support members in this respect.
- Access and instructions on spill kits: A small number of sites visited did not have spill kits
 available, or the spill kits were not easily accessible to staff (and in some cases staff not instructed
 on their use). This is a 'quick win' which members may be able to implement to ensure they can
 respond to spills and leaks when they occur.

For those of you who already had a visit from GreenCap and received their report, the VACC would like to hear from you if you have any concerns so that they can be raised with EPA at our August committee meeting. Please email John Khoury with your feedback.

AED Private Facebook Group

Another initiative of the Committee, AED members are encouraged to join the newly established Facebook group which provides an opportunity for members to share their knowledge and assist other members on technical matters where required.

Click here to join.

Member Profile

Longtime VACC member, Rodney O'Gorman owner of Kingsbury Auto Electrical calls time on his automotive career, a journey spanning decade's. I caught with Rod recently for a chat while he was clearing out his workshop, where he reflected on his experiences and provided some sound advice for newcomers.



Rod, a third-year apprentice and his father, Colin started the auto electrical business in 1978 and joined VACC a year later. By 1982, he had saved enough to buy the business outright from his dad and decided to join the Bosch authorised network of auto electrical repairers. Rod's business was recognised as the longest Bosch service center in Australia and was the recipient of many awards over the journey.

Rod' strategic plan to grow the business saw him branch out into other services including the Victorian interlock program, at one stage Kingsbury Auto Electrical was the second largest provider in Australia. In more recent times, Rod's passion and enjoyment came from repairing Bosch power tools.

He reflects on the past decade which has seen replacement parts, access to repair information, and specialist tools became increasingly difficult to acquire.



The nature of working on cars and manufacturers and engineers restricting the ability for a technician to undertake a repair and see it through to the end rather than having to send the car back to an authorised dealer for reinitialisation of a component or for a software update. He believes this has had a major impact on the automotive industry while pointing at a pile of near new alternators and starter motors. In the past you could order parts and repair these components whereby now it's basically just a replaceable component, he said.

In contrast, as a Bosch power tool service agent he has access to all the parts, repair information and tools necessary to restore them back to their original condition. Put simply, he says the role of the technician is to fix things and there is nothing more satisfying than that.

Rod's contribution to the broader automotive industry has been invaluable over a long period of time, having advocated for right to repair reforms, training, and industry standards throughout his 24 years on the VACC AED Executive committee and 10 years on the equivalent Bosch repairers committee. His advice for anyone starting a new business in automotive is to surround yourself with as much support as you can, to join a well-known repairer network and be a member of an industry association such as VACC that can support you with your employment, technical and regulatory obligations and can act as one voice.

The VACC wishes Rod all the best in retirement and thanks him for his long association with the Chamber.