

All Divisions Update

Dear Member

Significant activity has occurred over the Christmas and New Year period in the Division's space. This bulletin is designed to provide VACC members with an update on critical matters being pursued by VACC on your behalf.

It also provides each member with an opportunity to tell us 'what issues are keeping them awake' which VACC can consider to inform future policy and advocate on behalf of our automotive repair members.

Recent Industry Policy Issues

Mechanical Repair and Servicing – Misuse of Market Power

VACC made a submission to the Australian Government's review of misuse of market power. In this submission, VACC provided a range of options to strengthen the misuse of market power intended to protect our members. This included improved access to manufactures technical information for the service and repair of vehicles and the installation of parts. [Read the full submission by taking this link.](#)

2016 Victorian State Budget

VACC made a number of recommendations in a submission to the Victorian Government to protect our local economy and businesses. These included: payroll tax relief for small business, apprenticeship training measures aimed at stimulating automotive skills growth and workforce succession, a flexible vehicle registration scheme, and e-Roadworthy including odometer reading capture. [Read the full submission by taking this link.](#)

Australian Small Business and Family Enterprise Ombudsman

VACC worked tirelessly with other associations to legislate for the establishment of an Australian Small Business and Family Enterprise Ombudsman. VACC applaud the recruitment of ACCI CEO, [Kate Carnell](#), to the ombudsman role. VACC has already met with Kate on matters specific to automotive repairs and the industry more generally. Discussion will be on going and continuous. The Ombudsman will act as a Commonwealth-wide advocate on behalf of small business and family enterprises; assist small businesses in relation to dispute resolution; and contribute to developing laws and regulations in relation to small businesses.

Unfair Contract Terms Legislation

The establishment of the Small Business Ombudsman at the national level is further supported by the [Unfair Contract Terms legislation](#) which will come into effect in November 2016. The law will apply to a standard form contract entered into or renewed on or after 12 November 2016, where:

- It is for the supply of goods or services or the sale or grant of an interest in land.
- At least one of the parties is a small business (employs less than 20 people, including casual employees employed on a regular and systematic basis).
- The [upfront price payable](#) under the contract is no more than \$300,000 or \$1 million if the contract is for more than 12 months.

If a contract is varied on or after 12 November 2016, the law will apply to the varied terms. A standard form contract is one that has been prepared by one party to the contract, and where the other party has little or no opportunity to negotiate the terms; that is, it is offered on a 'take it or leave it' basis. VACC Divisions will keep you informed of these developments as the year progresses.

Apprentice Number Decline

VACC saw the writing on the wall in respect to a declining apprenticeships and the quality of skills training. This has been confirmed from statistics released by National Centre for Vocational Education Research (NCVER). NCVER found the number of Australians beginning an apprenticeship has slumped by almost 20 per cent over the past year, with commencements in traditional trades recording a worrying fall. Just 36,000 people began apprenticeships in the September quarter 2015, down 19.3 per cent on the same period the previous year. The number of people completing an apprenticeship fell by 6 per cent. Commencements fell by 6.1 per cent in Victoria. This trend is consistent with the trend in automotive. VACC is alarmed at the severe decline and finally this national data is making an impact on the government. This issue requires urgent national attention.

Business Box for VACC Automotive Repairers

Via the Automotive Repair Division (ARD) and Automotive Electrical Division's (AED) Executive Committee, VACC is in the process of producing a set of online self-assessment business tools which have been trailed recently. These tools enable members to self-assess the health of their operation in which their self-rating can be compared to the general average of other repairers who also use the business tool. Data can be entered easily online and most assessments completed in a few minutes. Members will then receive a simple diagnostic dashboard to help them consider what changes (if any) they may need to make to build a better business.

[Take this link if you want to complete the Automotive Repair Financial Pulse-Check](#). The diagnostic self-assessment enables members to fully consider their own service charges, hourly rates, parts mark-up, and wages and rent factors that impact on the financial health of a business.

Take these links for more business tools. Have your membership number ready to login:

[Mechanic Hourly Rate Calculator](#)

[Body Repair Hourly Rate Calculator](#)

Tell Us What Keeps You Awake at Night

[Use this email link to tell us what you think](#). You may want to share your thoughts on, say, the 'future of the car' and advanced vehicle technology. We'd like to know your thoughts on the impact of new vehicle technology (including electric cars) on service, repair, removal and refit. You may want to send us a message on apprenticeship issues, TAFE training, future skills training, or any other general business issue which concerns you.

Kind regards

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