



MOTOR TRADERS'
ASSOCIATION OF NSW

Proposed changes to repair classes and qualifications.

Remake of the Motor Vehicle Dealers and Repairers Regulation 2014





Introduction

The Motor Traders' Association of New South Wales (MTA NSW) thanks NSW Fair Trading for the opportunity to provide a submission to the public consultation on the Proposed Changes to repair classes and qualifications – Remake of the Motor Vehicle Dealers and Repairers Regulation 2014.

MTA NSW has been a supporter of this legislation and its underpinning regulations as both a structure to ensure consumer protection as well as a regulatory framework to provide scopes of work and qualifications for repairers in NSW since the first Act was introduced back in 1980.

NSW Fair Trading notes in the discussion paper that the changes to the regulations are brought about by new technologies and the need to have regulations that are flexible and adaptable for a rapidly changing automotive landscape. While it is true that the automotive industry in NSW is now experiencing a fundamental shift and the introduction of new repair classes must deal with that fundamental shift, the need for other proposed changes needs to be questioned.

Modern regulatory frameworks need to balance industry needs and the protection of the community. As the discussion paper notes the regulations have been designed to "...ensure that repair work is only carried out by those who are appropriately qualified [and]...gives consumers confidence in the quality of repair services being provided."

Flexible and effective regulations should provide a level of competence to undertake basic requirements within the tradesperson skill set. The role of government in establishing any licensing infrastructure is to provide the guardrails for that level of competence rather than looking to establish a framework that overextends the competency of the tradesperson.

Additionally, there is a risk of over-regulating an industry, especially when regulation is limited to only a few jurisdictions, as this can limit the mobility of labour and investment.

It is critical that regulatory frameworks match industry standards to ensure that the industry has the level of competence it needs to operate freely, allow for worker mobility, and foster a positive business environment.

The balance for government is to frame regulations that allow for mobility whilst also ensuring consumers have protection and confidence in the sector.

This adds pressure on government departments to be as adaptive and as agile as industry for without such adaptability regulations and legislation become outdated quickly leaving the public and the industry exposed to the rapid changes that NSW Fair Trading note in its discussion paper.

Given the current state of the industry there is an urgent requirement that the NSW government moves quickly to ensure that repair classes are approved so that businesses can have certainty and that the industry can begin training for new repair classes.



Executive Summary

The rise of electric vehicles and the rapid adoption of technologies coupled with the continuing skills shortage now weigh heavily on an industry that has not fundamentally changed in over a century.

Electric vehicle sales continue to steadily increase, and with the increasing number of electric vehicles on New South Wales roads, there is now an imperative to ensure the reliability and proficiency of the workforce tasked with the maintenance, servicing and repair of these vehicles.

Consumers need to have confidence that, should they determine to purchase an electric vehicle, they have access to a workforce that is competent in servicing, maintaining and repairing their vehicles.

There is no doubt that the automotive industry in NSW continues to suffer from long-term skills shortages. Filling the skills gap requires a regulatory framework that allows for growing apprenticeships and encouraging more workers to enter the workforce both via migration from other states and from overseas.

Addressing the state's skills shortage is crucial if the industry is to meet future challenges. This requires ensuring that the local pipeline of apprentices is long and that the automotive industry is seen as an attractive career choice. It is also about designing a regulatory system that is attractive for skilled migrants who will assist in not only filling gaps but providing best practice into the sector. However, attracting skilled workers into the state should not dilute the qualification framework which underpins the professionalism of the automotive workforce.

Reviews such as this are an opportunity to review existing classes of repair to make sure that they are still fit for purpose, and that the qualifications that underpin them are relevant. However, removing or fundamentally reforming repair classes should be based on current workforce practices and demonstration of market or safety failures.

The review of the regulations is timely given the changes to technologies and changing work practices and provides both government and industry the opportunity to work collaboratively and not in silos to develop a system that is relevant, adaptive and fit for the future.



Who we are.

The Motor Traders' Association of New South Wales (MTA NSW) has proudly served as the voice of automotive business owners and principals in New South Wales since its inception in 1910. 3

Representing a diverse array of 28 divisions spanning the entire automotive lifecycle, from new and used car dealership sales to mechanics, auto electricians, body repairers, and more, MTA NSW boasts a membership of 3,000 businesses. These businesses, predominantly small enterprises, collectively employ over 30,000 workers throughout the state.

As a not-for-profit industry association, our mission remains steadfast, to support the motoring industry and its stakeholders through a range of vital services. These include expert guidance on industrial and employment relations matters, encompassing advice on awards, wages, workplace laws, and initiatives such as modern slavery prevention and equal opportunity practices. Additionally, we prioritise workplace safety, providing resources and assistance to minimise worker injuries and mitigate Workers' Compensation claims.

Central to our ethos is the MTA NSW Code of Ethics, a guiding framework that underscores the ethical conduct expected of all our members in their interactions with the public.

Our commitment to industry advancement extends to our subsidiary, Motor Trades Care (MTC). MTC is dedicated to enhancing workplace safety standards within the automotive sector, offering risk assessment services and educational programs aimed at reducing workplace injuries and promoting effective return-to-work practices.

Since 1996, MTA NSW has operated a not-for-profit Registered Training Organisation (RTO), delivering flexible training programs tailored to apprentices-trainees and currency of existing workers across NSW. Our close collaboration with industry stakeholders enables us to design training curriculum that directly addresses industry needs and foster skill development among the next generation of automotive professionals. MTA NSW is currently training 2500 apprentices who are enrolled in 22 different automotive qualifications.

In 2023 we expanded our training portfolio with the acquisition of My Trade Start, a Registered Training Organisation that operates a physical training facility in Western Sydney. This strategic move enables us to offer hands-on face-to-face training to over 400 apprentices annually, complementing our on-site one-on-one delivery model. By reaching apprentices in regional and rural areas where access to traditional TAFE institutions may be limited, we ensure that aspiring automotive professionals receive quality education and support, regardless of their geographical location or learning preferences.

With a team of 51 fully qualified trainers and a commitment to personalised, on-site training, MTA NSW remains dedicated to nurturing talent, promoting safety, and driving excellence within the automotive industry across New South Wales.



Consultation questions.

1. Do you support the two proposed pathways to become qualified as an EV? If not, why?

Under the proposals put forward by NSW Fair Trading there are two pathways to become qualified in NSW to repair electric vehicles.

The first proposal is undertaking a Certificate III in Automotive Electric Vehicle Technology (AUR32721) leading to awarding of a tradespersons' certificate under new proposed repair class. This relates to new entrants into the industry.

MTA NSW supports this first proposition. This Certificate III allows for the commencement of apprenticeships in electric vehicles. Additionally, the Certificate III follows the current regulatory framework of awarding a MVTC after the completion of a qualification.

MTA NSW does not support the second proposal.

This proposal offers a "Bridging Pathway" for current license holders to receive a license in electric vehicle repair.

The second proposed pathway is for existing tradespersons who complete two skill sets in Electric Vehicle Technology (AUSS00064 and AUS00063) which would lead to the awarding of a tradespersons' certificate in the newly proposed repair class.

MTA NSW believes that the inclusion of AURSS00063 oversteps the benchmark for the purposes of applying a license, namely that the awarding of a license is to set a minimum benchmark of competence for a license holder to undertake work.

Current license holders who have skills and knowledge in the respective repair classes – light vehicle mechanic etc. – have achieved competence in the basics of motor repair, requiring the two proposed skill sets would effectively turn those license holders into master technicians. Most of the work that would be undertaken by license holders would be servicing and maintaining batteries and other minor components in the electric vehicle.

Additionally, the time to complete both AURSS00064 and AURSS00063 would be excessive for most license holders and too expensive to undertake. This would function as a disincentive for license holders in NSW, the majority of whom work in small businesses with limited balance sheet profits and provide an inhibitor to the upskilling of the workforce.

Furthermore, the addition of AURSS00063 would mean NSW would be the only jurisdiction that would require a qualified mechanic to undertake this skill set. This would hinder internal migration of skilled workers from other states who are not undertaking this skill set to upskill for electric vehicle repair.

MTA NSW also disagrees with this proposal as it does not recognize hybrid vehicles.

In other jurisdictions the upskilling of the current workforce is undertaken by applying AURSS00064 with AURSS00037 which focusses on hybrid vehicles. AURSS00037 only applies three units of



competency, one of which is AURETH011. Combined AURSS00064 and AURSS00037 focus on a total of six seven (7) units of competency, reducing both time and cost for the license holder.

A comparison of the various skill sets, and their requirements are below.

AURSS00064 – Battery Electric Vehicle Inspection and Servicing Skill Set	AURSS00063 – Battery Electric Vehicle Diagnose and Repair Skill Set	AURSS00037 – Hybrid Electric Vehicle Inspection and Servicing Skill Set
AURETH107 – Diagnose and repair system instrumentation and safety interlocks in battery electric vehicles.	AURETH106 – Diagnose and repair auxiliary motoes and associated components in battery electric vehicles.	AURETH012- Service and maintain electrical components in hybrid vehicles
AURETH102 – Inspect and maintain battery electric vehicles.	AURETH105 – Diagnose and repair high voltage traction motors in battery electric vehicles.	AURETH011 – Depower and reinitialize hybrid electric vehicle.
AURETH103 – Diagnose and repair high voltage rechargeable energy storage systems in battery electric vehicles.	AURETH108 – Diagnose and repair HVAC and rechargeable energy storage cooling systems in battery electric vehicles.	AURETH110 – Diagnose and repair high voltage rechargeable energy storage systems in hybrid electric vehicles.
AURETH101 – Depower and reinitialize battery electric vehicles.	AURETH125 – Test, charge and replace batteries and jump-start vehicles.	
	AURETH104 – Diagnose and repair traction motor speed control systems in battery electric vehicles.	
	AURETH101 – Depower and reinitialize battery electric vehicles.	
	AURETH109 – Diagnose and repair DC to DC converters in battery electric vehicles.	

MTA NSW recommends that AURSS00063 be removed from the transitional pathway and that AURSS00037 be inserted.



2. Are there any additional considerations or suggestions you would like to provide regarding the scope of work and pathways for the proposed EV motor mechanic repair classes?

MTA NSW agrees with the scope of work as proposed for the repair class.

MTA NSW does not agree with the current structure of the EV Bridging Pathway and strongly recommends that the bridging pathway be amended through the removal of AUSRR00063 due to the extraneous time and cost to business that this skill set will impose.

MTA NSW does recommend that AURSS00037 replace the AURSS00063 skill set. The hybrid skill set better reflects the needs of the industry and the current nature of the current market.

3. Do you support the Department's proposal to restrict tradespersons in the specified repair classes from working on EVs, unless they have completed the AURETH101 Depower and Reinitialise Battery Electric Vehicle unit? If not, why?

MTA NSW supports the recommendation in the review.

MTA NSW believes that the NSW motoring workforce must have safety training when handling or repairing an electric or hybrid vehicle.

MTA NSW does recommend, as per our response to question one (1) that AURETH011 (Depower and reinitialise hybrid electric vehicle.) also be included.

It is crucial that safety training for electric vehicles is conducted as *hands on training* under the instruction of qualified trainers in a learning environment. MTA NSW does not believe that training of AURETH101 or AURETH011 can be conducted in a hybrid or virtual manner.

Automotive workers will be exposed to more electric vehicles as the number of vehicles grow and for this reason it is crucial that workers have access to safety training.

Given the size of the NSW workforce ensuring that this training is rolled out in a timely and efficient manner **MTA NSW strongly recommends that the NSW Government provide sufficient funding for industry RTOs** to engage in safety training.

4. Are there any specified repair classes that require additional qualifications beyond the AURETH101 Depower and Reinitialise Battery Electric Vehicle unit to conduct repairs safely on EVs? If so, which repair classes do you think might benefit from additional qualifications and what qualifications would you recommend?

The current review does not include training for the following classes:

- Mobile plant
- Agricultural
- Motorcycles

Mobile plants are a critical part of the automotive mining industry, and industry that is moving quickly to electrical, requiring those who work on mobile plant have access to AURETH101 safety training.



Similar to mobile plants, the agricultural sector is moving to electrical and like mobile plant those who repair agricultural will also require safety training.

Electric motorcycles are already a part of the automotive sector and as such MTANSW recommends that motorcycles be included.

MTA NSW strongly recommends that NSW Fair Trading implement the licensing of automotive assessors and inspectors.

MTA NSW believes motor vehicle loss assessors (assessors) should be reintroduced into the licensing framework in NSW. This addition is necessary as the Motor Vehicle Insurance and Repair (MVIRI) Code of Conduct provides no mechanism for protection against unqualified and unskilled assessors from determining the nature and extent of repair work undertaken on Motor Vehicles.

The Statutory Review (2020) of the Motor Dealers and Repairers Act noted in the analysis the concerns of industry that the Motor Vehicle Insurance and Repair (MVIR) Code of Conduct had some fundamental flaws in relation to adherence, specifically in regard to assessors not being "...appropriately experienced or qualified."

As the Statutory Review rightly noted under Division 6 of the Fair Trading Act 1987 any contraventions of the Code of Conduct can be addressed under this Division, the review also rightly noted that those contraventions have to follow a dispute resolution process. The current dispute resolution process is not availed by either Insurers or Repairs as no timeline for completion of the process is outlined and it is impracticable for the industry to spend months undertaking this process whilst a consumer awaits the completion of repairs to their vehicle. IN effect no matter will be referred to the Secretary under Division 6 and hence no accountability applies.

NSW Fair Trading has noted the findings of the Statutory Review in relation to this matter, however, as Fair Trading is aware the recommendation at the time of the review was that, it was considered premature to make a considered decision. This finding is now four (4) years old.

The Statutory Review noted in its analysis that "As the MVIR Code has only been mandated in NSW since 1 May 2017...it is considered premature to implement other regulatory approaches, such as licensing."

The Fair Trading Act 1987 under Division 4 Section 53(1) states that a code will exist in the Regulations, however the Regulations do not have the Code embedded, meaning that the provisions within the Code are industry standards and not enforceable under the Act or the Regulations.

Since the Statutory Review there still remains concern in the industry as to the qualifications and experience of assessors.

Industry is concerned that without full transparency of the qualifications of assessors that assessors may not be of the Code's qualification standard of a Certificate IV.

As there exists no regulatory requirement for assessors to meet the qualification requirements of an ASQA Certificate IV in NSW there is a risk that insurers can manipulate the system and use assessors in overseas jurisdictions to assess vehicles in NSW. This poses a significant risk to



consumers as there is no standard being enforced for assessment of damage. MTANSW is aware that assessors in South Africa and other overseas jurisdictions are currently being utilised by the Insurance Industry.

To ensure the integrity of repair it is critical that assessors are licensed in NSW and that their qualifications are ASQA approved as per Fair Trading requirements.

MTA NSW does recognise that designing a renewed licensing system for assessors will take some considerable time and require deep consultation with industry participants and hence this recommendation should not in any way hinder the renewal of current repair classes which are urgently needed.

MTA NSW recommends that Fair Trading commence discussions with industry to design a new assessor license class.

- 5. Do you support exempting automotive glaziers and tyre fitters from the requirement to complete the AURETH 101 Depower and Reinitialise Battery Electric Vehicle in order to work on electric vehicles (EVs)? If not, why?**

MTA NSW agrees with this recommendation.

- 6. Do you support the introduction of the light and heavy ICE motor mechanic repair classes to replace the existing motor mechanic repair class? If not, why?**

MTA NSW disagrees with this proposal *in its current form*.

MTA NSW agrees with the intent within the discussion paper for the separation of light and heavy vehicles. There is a fundamental difference in repairing light vehicles and heavy vehicles, over 4.5 tonnes.

MTA NSW agrees that there are safety concerns both for the repairer and the consumer if heavy vehicle work is undertaken by unqualified repairers.

However, under the proposed model a current license holder who wishes to work on another vehicle class would have to undertake another Certificate III in that repair class. This is a lengthy and expensive process.

From an industry perspective, this change would cause extensive disruption to businesses, especially in regional and rural areas where workshops conduct repairs on both light and heavy vehicles with minimal staff.

The implementation of this recommendation would significantly disrupt business models and impose on customers.

License holders who have been working on vehicles legally for many years would be forced to re-educate in a full Certificate III. Businesses who wish to continue to operate would be forced to send their staff to retrain at a considerable cost which is passed on to customers. Alternatively, this may lead to businesses closing either entire divisions or the business itself.



Therefore, while MTA NSW agrees with the intent of this proposal MTA NSW disagrees with the form of the question posed.

7. Are there any additional considerations for the proposed light and heavy motor mechanic repair classes?

Should NSW Fair Trading implement the above proposal, MTA NSW recommends that Fair Trading work with industry to design a Bridging Pathway for existing workers to transition from light vehicle to heavy vehicle – similar to the Bridging Pathway for electric vehicles.

Repairers can currently upgrade their skills from light to heavy vehicles with additional training. This is done via recognition of prior learning examined by an RTO.

Requiring experienced repairers to undertake a full Certificate III in heavy vehicles to gain a license is a disincentive. The development of a bridging pathway would help businesses and repairers afford training and reduce timeframes for that training.

MTA NSW does recommend that Fair Trading proactively work with industry to look at any future design of these license classes.

8. Do you support the introduction of locksmithing as a repair class, and the Certificate III in Locksmithing as the prescribed qualification? If not. Why?

MTA NSW does not agree with this recommendation as there is no requirement for locksmiths to carry a tradespersons certificate.

Including locksmithing into the repair class would make NSW the only jurisdiction to require a locksmith to have a tradespersons certificate which would hinder internal migration.

9. Does the proposed scope of work accurately reflect the current working environment for automotive locksmith repairers? Are there any aspects that should be added or removed to better reflect work carried out by automotive locksmiths?

As MTA NSW does not support this proposal we have no statement on this question.

10. Do you support the introduction of tyre fitter as a repair class, and the Certificate II in Automotive Tyre Servicing Technology as the prescribed qualification? If not, why?

MTA NSW agrees with preposition within the discussion paper that tyres are now becoming a safety feature on modern vehicles, especially on electric vehicles.

However, feedback from industry is that mandating a repair class tied with a Certificate II qualification would cause severe disruption to industry.

It needs to be understood that the current workforce do not carry full qualifications when working at specialist tyre fitters. Requiring the current workforce to undertake formal qualifications would cause business mass disruption.



MTA NSW notes that the requirement for including tyre fitting as a repair class is a blanket requirement covering both light and heavy vehicles. It should be noted that tyre fitting for heavy vehicles is different than that for light vehicles, hence the proposition as stated in the discussion paper would not be appropriate across the industry.

MTA NSW recommends that Fair Trading defer the implementation of this repair class until further consultation is undertaken with the industry and a more precise repair class can be designed.

11. Does the proposed scope of work accurately reflect the current working environment for tyre fitters? Are there any aspects that should be added or removed to better reflect work carried out by tyre fitters?

MTA NSW recommends that should it be decided that tyre fitters are included in the repair classes that this repair class be restricted to light vehicles up to 4.5 tonnes GVM as the scope of work and knowledge required for heavy vehicles above 4.5 tonnes GVM are different to those of light vehicles.

12. What do you think would be an appropriate transitional period for the new repair classes? Please provide specific transitional periods for:

- Light and heavy EV motor mechanics
- Light and heavy ICE vehicle motor mechanics
- Locksmithing, and
- Tyre fitting.

Please explain the reasoning behind your proposed transitional periods, considering factors such as length of qualification, industry impacts, and readiness of RTOs to deliver the necessary training.

Transitional periods will vary depending on the repair classes.

NSW Fair Trading asks about the readiness of RTOs to deliver training. Considering the size of the NSW automotive workforce as well as the diversity of distances in the state, there needs to be a sharp focus from the government to ensure that funding is provided to RTOs, including not-for-profit independent RTOs to roll out training for industry in an expedited manner.

In relation to apprenticeships, NSW currently has no funding to conduct apprenticeships in electric vehicles as the repair classes have not been approved. MTA NSW notes that other jurisdictions are either delivering apprenticeships in electric vehicles or are close to commencement.

Additionally, the upskilling of the automotive industry to undertake repairs on electric vehicles is currently underway in several states including South Australia, Victoria, the ACT and Queensland.

With NSW not providing adequate training in electric vehicles due to the lack of funding there is an imperative that NSW increase its training capacity to bring the industry up to speed with other jurisdictions once the repair classes have been approved. More funding from the NSW government will assist not-for-profit RTOs to deliver the requisite training.

MTA NSW has listed below recommended transition periods for relevant repair classes. As MTA NSW does not approve of the requirement to license locksmiths, this repair class has been left off the list.



- **Light and heavy electric vehicle mechanics.** For the full qualification (AUR32721) the transition period should be three (3) years in line with the completion of the apprenticeship.
- **Light and heavy ICE mechanics.** Should a heavy vehicle class be implemented then under the proposed model the transition period would need to be greater than five (5) years. MTA NSW recommends that any transition period should not commence from the date of the renewal of a license.
- **Tyre fitting.** MTA NSW recommends that Fair Trading undertake further consultation on the repair class and then determine a transitional period.

13. What do you think would be an appropriate transitional period for motor mechanics and other tradespersons to upskill in order to work on EVs?

MTA NSW believes that twelve (12) months would be sufficient only if funding is available to facilitate training. Additionally, the model that Fair Trading decides upon will decide the transitional period.

Without government funding for upskilling the transition period would be approximately three years.

If Fair Trading decides that AURSS00063 and AURSS00064 are the skill sets to upskill the workforce the transitional period will take longer. If AURSS00064 and AURSS00037 are adopted, then the transition will be shorter.

14. Are the newly proposed qualifications suitable for providing individuals with the necessary skills and knowledge to carry out the scope of work for the Autogas and transmission specialist repair classes? If not, why?

Yes

15. Do you support the exclusion of the Certificate III in Light Vehicle Mechanical Technology as a prescribed qualification for underbody work?

Provided that the legacy period is sufficient then MTA NSW supports this position.

16. Have you experienced skill shortages in the motor vehicle industry and if so, how have these shortages impacted your business or operations? Would you support allowing skilled migrants to perform repair work to overcome these impacts?

The automotive industry remains in the grip of a skills shortage.

Research conducted by Deloitte for the Motor Trades Association of Australia (MTAA) demonstrates the depth of the skills shortage in the automotive industry.

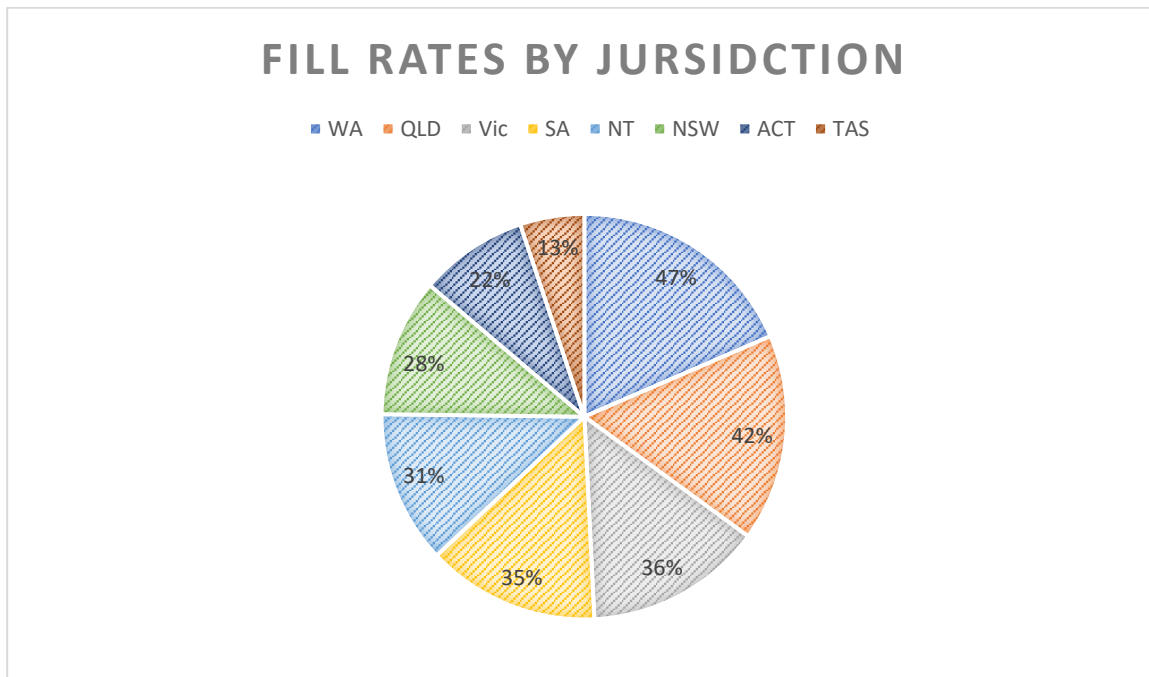
Of 26 occupations spread across the automotive industry, 35% have been assessed by Jobs Skills Australia as being in 'shortage'.

Automotive skills continue to be in persistent shortage with seven automotive occupations being on the national skills priority list since 2021. This long term embedded shortage in the automotive industry has deeper penetration in regional areas of NSW.

Data shows that the largest barrier to overcoming this skills shortage, is a lack of qualified technicians to fill vacancies.



Of 2000 vacancies in 2023, nationally, only 800 were filled (39%). For NSW the fill rate was far worse with only 28% of vacancies filled.



More concerning is the lack of qualified Electric Vehicle Technicians currently in the workforce or ready to enter the workforce. A lack of funding from the NSW Government to fund new apprenticeships for Battery Electric Vehicle Technology will only prolong the shortage of qualified EV technicians.

The Insurance Council of Australia in its recent report noted that the lack of skilled technicians in electric vehicle technology is leading to long delays in repairs and, in some instances, write offs of damaged electric vehicles.

Additionally, the National Jobs and Skills Council has recorded skills shortages across the automotive industry in NSW for the last three (3) years and the NSW Productivity Commission noted in its 2021 white paper that the skills shortage in NSW for motor mechanics, auto electricians and vehicle painters extended beyond the twenty-year range.

Many employers in NSW struggle to hire local workers due to skills shortages and competition from other industries, particularly mining.

Addressing the ongoing skills shortage has been a focus for MTA NSW.

Tackling the skills shortage requires an in-depth collaboration between industry and government to structure a meaningful long-term strategy to attract and retain talent and train the workforce. This strategy needs to start within the school system and continue all the way through to migration systems.



Developing a long-term strategic plan to overcome the state's embedded skills shortage, including:

- High school skills programs
- Strategies to attract overseas workers to automotive occupations in need.
- Programs to encourage regional workforce participation.

Are a part long-term and meaningful actions to address the state's automotive skills shortage.

Skilled migration.

One of the inhibitors for employers in NSW is the current arrangements regarding having the qualifications of skilled migrants assessed.

MTA NSW advocates a more flexible approach, one based on an industry assessment program for overseas visa holders, which can be assessed against ASQA qualifications, in line with Fair Trading's policy of upholding ASQA qualifications as the benchmark.

Industry bodies are best placed to assess overseas skills against ASQA qualifications and identify gaps between the two. This would allow skilled migrants the opportunity to upskill to a license class relevant to their skill set and employment.

Enrolment with a registered RTO to upskill migrant workers would shorten the timeframe for obtaining a license and encourage employers to hire skilled migrants.

There is a real need to have a flexible approach to international skilled migration in NSW to aid in reducing the skills gap while at the same time ensuring the integrity of the system.

17. Under what conditions or circumstances should skilled migrants be allowed to perform repair work in New South Wales?

MTA NSW recommends a flexible system whereby a skilled migrant provides their qualifications for assessment against the ASQA qualification.

The qualifications are assessed and any differences in the skills of the migrant and the qualifications will need to be addressed through a bridging course which must be provided by an RTO.

Provided the migrant is enrolled in a bridging course they should be allowed to undertake supervised work until the course is completed. On completion of the bridging course the migrant can be assessed and an MVTC awarded.

18. What potential implications and safeguards should be considered before allowing skilled migrants to perform repair work in the motor vehicle industry?

Until such time as the skilled migrant has been assessed as competent to conduct the full scope of the repair class they should be restricted to minimal, supervised duties.

19. What would be the impact of removing tradesperson certifications for industry? What risks would the regulator need to consider?



MTA NSW believes that the current licensing regime is effective as it fulfils the purpose for which it was established, being that the current regime:

- Provides consumers with protection.
- Ensures quality of work
- Allows for enforcement.

The discussion paper notes several areas of potential benefit *if* repair classes were removed, being work, health and safety and Australian Consumer Law.

MTA NSW would like to address these matters in this submission.

Work health and safety.

Work health and safety requirements are those between an employer and an employee and do not in any way reflect a quality or standard of work. No consumer protection exists in this regulatory framework.

Employers are required to provide a safe working environment for their employees; however, this does not mean that the quality of the work undertaken by the employee meets consumer expectations or meets the quality of work that meets safety standards for the consumer.

The current regulatory framework requires that tradespeople within the workplace carry a qualification that matches their work and is separated from the responsibility of the employer in providing a safe workplace.

Australian Consumer Law.

While the ACL provides customers with resources for a standard of work it is, by its nature, structured to be adversarial at the end of the repair work. It is a final recourse.

The current NSW system applies the onus of responsibility at the beginning of the process due to the standard of the qualification of the repairer.

If the repair classes were removed this would put the consumer into an adversarial position in the courts, rather than seeking remedy with the repairer in the first instance. This situation would put the consumer into an expensive out of pocket scenario that may lead to consumers recalling from their – potentially justifiable action – due to the cost involved.

Licensing which by its nature is a preventative regulatory framework, puts the consumer at the centre of the process by ensuring that the repairer is fully qualified, and that the standard of work matches the consumer's expectations and safety requirements.

The consultation paper raises issues regarding OEM and overseas qualifications as barriers which the removal of repair classes may eliminate.

OEM training.



Apprentices in the OEM environment, like with dealerships, are trained under the ASQA system. Apprentices receive their Certificate and are registered with NSW Fair Trading as a qualified tradesperson.

The issue with manufacturers is centred around the additional vehicle training that is received by the tradesperson. Under the current regime additional training is not recognised by Fair Trading.

It should also be noted that some manufacturers operate as an RTO for this purpose of undertaking apprenticeship training.

Overseas qualifications.

MTA NSW has already addressed some of this in the earlier questions regarding skilled migration.

The removal of repair classes from the system could pose potential risks with overseas workers coming to NSW as there is no benchmark to establish that the worker has the correct qualifications to safely work on vehicles or repair the vehicle to consumer standards.

Fair Trading asks in the discussion paper what should the regulator take into consideration in relation to removing repair classes.

The regulator needs to weigh the potential consequences of removing the certification scheme against the safety needs of the consumer. The current system ensures that repairers and repair businesses are enveloped in the regulations. Removing these classes would, as in other jurisdictions such as Queensland and Victoria, lead to unqualified repairers otherwise known as backyard repairers undertaking work which will lead to sub-par repairs and risks the safety of consumers.

The regulator needs to weigh the quality of overseas workers in the industry. Without the framework that exists in NSW there would be no safety net to ensure that workers from overseas have both the qualifications and experience to undertake automotive repair.

The regulator needs to consider that the workforce is up to date with training and qualifications. The ASQA qualification framework ensures that workers are trained in the repair class that they work in. Without the checks and balances of the current system there can be no assurance.

The discussion on removing repair classes within the discussion paper is a new consideration for the industry and one that MTA NSW sees as being one that requires a much deeper consultation and time frame than the one proposed.

The current system has not seen systemic faults or significant market failures, unlike in other jurisdictions that operate without licensing where backyard repairers operate without oversight or penalty.

MTANSW is extremely cognisant of the need to have a mobile workforce and that businesses in Australia and NSW need to move workers where they are needed, however, this should not be at the expense of the current system.



**MOTOR TRADERS'
ASSOCIATION OF NSW**

NSW Fair Trading's mission through the regulations is to ensure that consumers have the best experience and are provided with protections, removing the provisions risks consumer safety.

MTA NSW, as the industry's largest body, would be remiss in its mission not to examine this proposal in some detail, however, given the embedded nature of the licensing regime MTA NSW believes that changing the system now is short sighted and needs far more consultation, provided that any new system is firmly structured with ASQA qualifications as its bedrock would need to be the only starting position for consultation.

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