



AUSTRALIAN
AUTOMOTIVE
DEALER
ASSOCIATION

**RESPONSE TO THE EXPOSURE DRAFT
MOTOR VEHICLE SERVICE AND REPAIR
INFORMATION SHARING SCHEME**

—

SCHEME RULES

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FOREWORD

The AADA is pleased to be able to provide a response to Treasury on the Exposure Draft of the Motor Vehicle Service and Repair Information Sharing Scheme Rules.

The Australian Automotive Dealer Association (AADA) is the peak industry advocacy body exclusively representing franchised new car Dealers. The AADA is the only Dealer advocacy body which represents Dealers in every state and territory of Australia.

There are around 1,500 new car Dealers in Australia that operate more than 3,000 Dealerships. The new vehicle retailing sector employs more than 55,000 people including almost 4,500 apprentices. It contributes over 14 million in community donations nationally, has total turnover / sales of more than \$55 billion and generates more than \$2 billion in tax revenue.

All franchised Dealers in Australia operate workshops which are built and equipped to OEM specified standards and staffed by factory trained technicians. The significant investment Dealers make in fixed operations and the contractual obligations they operate under, grants them restricted access to the repair and service information that they require for the repairs and service work they perform.

The AADA supports the information sharing scheme which provides access to service and repair information to independent repairers but notes that they do not operate under the same contractual obligations or have the same level of accountability as a franchise Dealer. For many regular service and repair functions, this is not an issue, however there is opportunity for significant consumer harm if security information is shared with repairers who do not have legitimate reasons for accessing it and who are unable to prove their eligibility as per the agreed rules. Equally, it is critical to the safety of repairing technicians that they are appropriately trained and equipped to be able to perform

repairs on alternative energy / fuel systems which generally carry far more hidden risks than traditional ICE powered vehicles.

We note the discussion in the Exposure Draft Explanatory Materials regarding licensing regimes that exist in some states and territories which could be used as a means of proving scheme eligibility for technicians. Unfortunately, there is no harmonisation of licensing requirements across jurisdictions and the licensing requirements vary widely. Any requirements which focus on licensing of a business rather than a technician or have renewal periods which may not align with the scheme requirements should be considered unsuitable. We believe that this variability largely renders state and territory licensing arrangements unusable for determining technician eligibility and would recommend against the scheme doing so.

It is also important to inform technicians who have obtained safety and security information through the scheme, that information they are sourcing is restricted, confined to their use only and not for re-distribution. Anyone found to be in breach of these conditions should be subject to prosecution. The ability of the scheme to protect safety and security interests is dependent on safety and security information being restricted to only those who have purchased the information and who are eligible to receive it. Improper use of sensitive information will undermine the integrity of the entire scheme.



James Voortman
Chief Executive Officer



COMMENTS ON THE SCHEME RULES CONTAINED IN THE EXPOSURE DRAFT

PRESCRIBED SAFETY INFORMATION

For the protection of repairers, those who work around them and the facilities they work in, the AADA fully supports the requirement to restrict safety information. We note these restrictions do not apply to traditional ICE powered vehicles. Many systems in a standard vehicle pose safety risks to technicians and we recognise that qualified technicians are well trained on the safety risks associated with conventional systems such as high voltage ignition and suspension systems. Despite this, we consider that airbag systems fitted to vehicles represent a significant hidden danger which if not diagnosed and handled correctly can cause serious harm, or worse. We recommend that consideration be given to airbag information being prescribed under the scheme rules and only provided to technicians deemed eligible.

SECURITY INFORMATION

We agree with the restrictions around the provision of security information described in the draft scheme rules, including the requirement for repairers seeking information to complete a National Police Check (NPC), valid for a maximum of two years. We note that for repairers who have previously provided evidence of their NPC to a data provider, the requirement for subsequent information requests only requires a declaration that they have not been convicted of an offence in the intervening period. This reduces the administrative burden on both parties, however, may not identify technicians who are currently under investigation for an offence but have not been convicted. We believe that the declaration should also include a statement that there is no ongoing investigation relating to the offences under the scheme. Any technician who is the subject of an investigation should be precluded from obtaining security information until they are cleared.

CONCLUSION

We thank you for the opportunity to provide feedback on the draft rules and would welcome the opportunity to discuss this in more detail if called upon.

If you have any questions, please contact me on:

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