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MOTOR TRADERS' ASSOCIATION OF NSW

Proposed introduction of Light Electric Vehicle mechanic and Heavy Electric Vehicle mechanic repair classes in NSW

Consultation Paper

NSW Department of Customer Service

DESCRIPTION OF

Via email: motordealersandrepairersact@customerservice.nsw.gov.au

The Motor Traders' Association (MTA NSW) would like to thank the Department for the opportunity to respond to the consultation paper *Proposed introduction of Light Electric Vehicle mechanic and Heavy Electric Vehicle mechanic repair class in NSW.*

While MTA NSW is supportive of this consultation as a first step in integrating electric vehicles into the licensing regime there is much work to be done by the Department to ensure that the entire workforce is ready for the transition of the fleet.

Our submission not only sets out answers to specific questions set out by the Department but will also highlight issues that the industry has identified as requiring the attention of the Department and makes recommendations to address the identified issues.

MTA NSW would welcome the opportunity to discuss our recommendations in more detail with the Department.

Who we are.

Founded in 1910 the Motor Traders' Association of New South Wales (MTA NSW) is an employer's association and a Registered Training Organisation (RTO) dedicated to representing business owners and business principles – large and small, metropolitan, and regional – in the automotive industry in New South Wales (NSW).

MTA NSW is the largest representative organisation for the automotive industry in NSW, with over 3000 members across the state.

MTA NSW provides a range of services to our members including employee relations assistance, industrial relations advice, advocacy, and training.

MTA NSW's training division has for over twenty-five years provided classroom and onsite training across a multitude of skills relevant to the automotive industry.

MTA NSW is now the largest independent trainer in automotive in NSW with over 2000 students and employing 45 trainers.

Our aim is to help the motor industry and we achieve this by assisting our members in the daily running of their businesses. We also work to ensure the public's confidence in dealing with MTA NSW members through our Code of Ethics, a landmark statement that sets out the standard behavior MTA NSW members must follow in their dealings with the public.

Our 28 divisions represent the lifecycle of the automotive industry and include the following:

- Automotive dealers
- Automotive electricians
- Heavy vehicle repairers
- Light vehicle repairers
- Body repair
- Motorcycle
- Tractor and agricultural equipment

Motor Traders' Care (MTC), a subsidiary of MTA NSW, provides specialist consultancy to automotive businesses to improve their knowledge and understanding of workplace health and safety.

Introduction

The NSW state government has set ambitious targets to transform the state fleet to electric vehicles with 50% of new car sales by 2030-31 as part of its electric vehicle strategy. While this transition can provide many opportunities for the industry it can also pose large challenges for the industry.

For the transition of the fleet to roll out smoothly and ensure the safety of automotive workers and the driving public, the entire automotive industry – from tow truck drivers, panel beaters, spray painters and qualified mechanics through to support staff will need to be trained in how to safely assess any live issue with an electric vehicle. Electric vehicle batteries, be they in automobiles, agricultural vehicles, or motorcycles, are inherently dangerous if mishandled or misunderstood.

The twin goal of government and industry should be to assist businesses and technicians navigate the move to EVs with as little disruption as possible.

MTA NSW has been, and will continue to be, a supporter of the licensing regime in NSW. We believe that the regime provides the motoring public with the surety that the automotive workforce in NSW is suitably qualified to undertake specific repair work. The NSW licensing scheme also adjuncts with the industry Code of Conduct established by the Motor Traders' Association in NSW which ensures that MTA members abide by specific criteria when dealing with the public.

To ensure that any licensing regime functions correctly requires input and consultation with the industry involved. Industry provides the government with on-the-ground information on the market and the response of the public. Early consultation with industry is, therefore, critical for Government's to make informed and clear decisions.

While MTA NSW thanks the Department for issuing this consultation we have several concerns that we wish to raise with the Department.

Clarity of the consultation.

The consultation does not clearly outline the rationale for why the Department wishes to implement new repair classes into the Regulations.

Given that the Regulations are due for a complete review during 2023 during which – it is envisaged by MTA NSW – that all repair classes and their qualifications will be reviewed it is unclear in the consultation document why the motor mechanic classes are being dealt with in isolation especially as the entire supply chain will need training on electric vehicles.

The view of MTA NSW is that it would be far more prudent to look at the entirety of the repair classes listed in the Regulations as part of the review of the Regulations rather than examining repair classes in isolation.

Exclusion of motorcycles within the scope of the consultation.

Further to the point above it is unclear why the Department has decided to exclude motorcycles from the consultation process.

Electric motorcycle sales are increasing in NSW and, like other classes, will only continue to increase in their sales.

Electric motorcycle batteries can be hazardous to repairers even if the voltage in the battery is lower than that of an electric vehicle.

It is recognized internationally that voltages from 50 volts upwards can cause serious harm to an individual.

Several motorcycle brands in Australia use batteries of above 100v including Harley Davidson.

If the Department's priority in rolling out this consultation is for the safety of automotive workers, then the Department needs to include motorcycles within the scope of the consultation.

Excluded repair classes.

Within the scope of this consultation critical classes of repair have been omitted, including auto electricians, panel beaters and underbody work.

Under the current consultation these repair classes are not within the scope and as such will be delayed in meeting the criteria for obtaining an upgraded license to conduct repair work under the Act and Regulations.

Auto electricians are a crucial repair class for electric vehicles which is why they are included within the Certificate III in Automotive Electric Vehicle Technology.

Under the current regulatory framework an auto electrician who has completed a Certificate III in Automotive Electrical Technology as per S 36 (1)(a) of the Regulations and is licensed to conduct repair work will now be required to undertake either the bulk of, or all of, the new Certificate III in Automotive Electric Vehicle Technology, as the requirements of the new Certificate III mean that an auto electrician will have to complete core competencies which are not included in their original Certificate III.

The Department will need to determine a simpler pathway for auto electricians to improve to so that they can undertake repair work on electric vehicles.

Limitations of the current structure of the Certificate III (AUR32721)

As noted in the consultation document the Department's stated position is to accept only ASQA qualifications for the purposes of issuing licenses to operate within a repair class as per the regulations, however AUR32721 may not be fit for purpose in relation to the requirements of issuing licenses.

The structure of the Certificate III excludes sections of the automotive workforce outside of light and heavy vehicle mechanics and auto electricians. This dilutes the ability of the workforce to be trained as they are not within the Certificate III scope.

Given the necessity for the entire workforce supply chain to be trained in, at a minimum, depowering and reinitialising electric vehicles excluding other sections of the workforce from gaining a recognised qualification is short-sighted.

Safety and awareness training.

Beyond the remit of the consultation the Department must consider the other participants in the lifecycle of repair work in NSW.

As the Department is aware electric vehicles carry high voltage batteries which typically operate between 400 and 800V DC, and while motor mechanics and auto electricians have

the necessary training to understand the potential risks these batteries carry other workers in the automotive repair supply chain do not.

Having an awareness of danger signals within an electric vehicle is crucial for the safety of anyone who may have direct contact with an EV that may carry a fault, from tow truck drivers, smash repairers to support staff who check in vehicles for assessment.

While full training is not required across the full spectrum of the supply chain it is critical that all actors within the automotive sector have safety and awareness training.

Funding

NSW has one of the largest automotive workforces in Australia, with over 45 000 licensed technicians working and operating in automotive repair. (This does not include other automotive workers not regulated by the Department)

Most license holders in NSW are working in small and medium enterprises either as owners or workers. Upskilling of the workforce will come at a considerable cost for small businesses, depending on the level of reskilling required.

MTA NSW estimates the cost of completing two skill sets in depowering and reinitialising an electric vehicle – a minimum requirement for safety and awareness – to be \$900 per person. For many automotive small businesses this cost will be inhibitive. Assistance from Government will be necessary if the ambition to have a fully realised and trained workforce is to be realised.

Recommendations

- That the Department, as a matter of priority, consult with industry on conducting a full review of the Motor Dealers and Repairers Regulation 2014.
- > That the Department incorporate motorcycles into the current consultation
- The Department examine how to incorporate auto electricians and other repair classes into the licensing regime to repair electric vehicles
- That the Department liaise with ASQA and advocates for Certificate III (AUR32721) be expanded in its scope to allow technicians from other areas of the automotive workforce to be trained.
- That the Department mandate that all workers in automotive in NSW undertake the Safety and Awareness Course for electric vehicles and work with industry to develop an appropriate statement of attainment or similar certificate that demonstrates that the worker has completed the Safety and Awareness Course.
- That the Department commit funding for the training course Safety and Awareness – for all workers in automotive

The Motor Traders' Association of NSW would welcome the opportunity to discuss these issues and recommendations with the Department at the Department's earliest convenience.

Yours sincerely

Collin Jennings Head of Government Relations and Advocacy

Answers to submission questions

1. Does the proposed scope of the new repair classes cover the elements of repair work required by an EV? Should there be changes to the scope?

No. The scope of work does not cover all areas for repair work for electric vehicles, specifically it does not include the work of auto electricians, nor does it cover work carried out by body repairers.

Greater emphasis should be given to broadening out the scope of work to ensure full coverage of the industry is considered.

2. What has the demand been like for current offerings?

N/A

3. What would be the impact of bridging (only requiring part of the Certificate III for existing tradesperson certificate holders in internal combustion engine vehicle repair work to also work on EVs)? Should bridging courses be considered?

MTA NSW recommends that bridging courses should be a priority given the size of the automotive workforce in NSW.

As electric vehicles come to market it is critical to have the current workforce upskilled to meet that demand. There are currently over 35 000 licensed motor mechanics in NSW all of whom have met the requirements of the Motor Dealer and Repairers Act and Regulations in relation to having the required qualifications to obtain their Motor Vehicle Tradespersons Certificate (MVTC). Requiring this number of technicians to undertake a full Certificate III in Automotive Electric Vehicle Technology is unnecessary and inefficient. In addition, the time taken to obtain full qualifications of a Certificate III would expose the industry participants and the broader community to unacceptable safety risks in the handling of Electric Vehicles. A suitable bridging course would minimise some of these safety concerns.

4. If so, what elements of the Certificate III should be required for the upskilling of motor mechanics and other classes of repair which may require service and maintenance aspects of the course?

MTA NSW agrees with the Department's recommendation that for those who hold a MVTC in the Motor Mechanic repair class that the two skill sets:

(a) AURSS00064 Battery Electric Vehicle Inspection and Servicing Skill Set(b) AURSS00037 . Hybrid Electric Vehicle Inspection and Servicing Skill Set

would be sufficient components for a bridging course.

These two skill sets will ensure that those technicians who have completed a Certificate III in Light Vehicle Mechanical Technology or a Certificate III in Heavy Commercial Vehicle Mechanical Technology would be required to complete the following:

• AURETH011 Depower and reinitialise hybrid electric vehicles

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- AURETH101 Depower and reinitialise battery electric vehicles
- AURETH102 Inspect and maintain battery electric vehicles
- AURETH103 Diagnose and repair high voltage rechargeable energy storage systems in battery electric vehicles
- AURETH107 Diagnose and repair system instrumentation in safety interlocks in battery electric vehicles
- AURETH010 Diagnose and repair high voltage rechargeable energy storage systems in hybrid electric vehicles
- AURETH012 Service and maintain electrical components in hybrid electric vehicles.

These units will ensure that qualified technicians are sufficiently trained to undertake work on electric vehicles and should be sufficient to meet the requirements of the Department for the purposes of licensing.

5. What elements of the Certificate III should be required for other classes of repair work (e.g. vehicle painter, panel beater etc)?

MTA NSW recommends that all workers in the automotive industry in NSW undertake:

- AURETH011 Depower and reinitialise hybrid electric vehicles
- AURETH101 Depower and reinitialise battery electric vehicles

MTA NSW recommends that the above become mandatory for all participants within the industry given that for many sectors of the industry – tow truck drivers, panel beaters and body repairers – will have more immediate contact with electric vehicles than those licensed as Motor Mechanics in NSW.

Further MTA NSW recommends that the Department ensures that funding is available for these skills sets rather than a user pays model.

MTA NSW believes that funding should be made available to assist businesses in upskilling their entire workforce. Nearly 95% of MTA NSW members are small and medium businesses and the incurred costs to small businesses will become an inhibiter to upskilling the workforce.

MTA NSW estimates the cost completing the above skill sets to be one day on site training at an estimated cost of \$900 per person.

6. Are there any classes that do not required upskilling?

MTA NSW recommends that all repair classes have an understanding of electric vehicles for safety reasons. The degree of upskilling will vary depending upon the class of licence for each industry participant.

7. How many RTOs are currently running the course? If you represent a RTO, would you consider offering the course should the Regulation prescribe it?

Currently there are only two providers of AUR32721 in NSW, being:

- Lead College
- Motor Traders' Association NSW

8. How long would it take for RTOs to get the Certificate III ready for new students to commence training? Does this differ between light and heavy EV mechanic specialisation?

Establishing an effective, safe on-site training course requires substantive capital.

MTA NSW has invested heavily in phase one of our electric vehicle training packages.

To date MTA NSW has invested approximately A\$1million in course materials, infrastructure and vehicles.

Further investments will be required to upgrade training facilities and materials to enhance heavy vehicle training.

9. How long should the transitional arrangements be in place?

MTA NSW recommends that the transition period should be twenty-four (24) months.

MTA NSW believes that any period beyond this will only slow the uptake of course requirements and put the industry further behind the market demand.

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