



AUSTRALIAN
AUTOMOTIVE
DEALER
ASSOCIATION

RESPONSE TO REVIEW OF THE ELECTRICAL SAFETY ACT 2002 & ELECTRICAL SAFETY OFFICE DISCUSSION PAPER

JUNE 2023



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FOREWORD

The AADA welcomes the opportunity to make a submission in response to Electrical Safety Office Discussion Paper and the Review of the Electrical Safety Act 2002 (QLD) undertaken by Mr Dick Williams.

AADA does not support recommendations 2 & 8 of the Williams Review Report or Option 2 of the ESO discussion paper which if progressed would restrict certain work on EVs in Queensland to licensed electricians. We believe if adopted these proposals will have adverse consequences for consumers, vehicle technicians and automotive businesses in Queensland.

The AADA is the peak automotive industry body which represents Australia's franchised new car Dealers. In Queensland there are 680 Dealers employing almost 13,000 people. Dealers are spread far and wide providing essential supply, maintenance, servicing, and repair of vehicles to the community. The network of Dealers is particularly important during the transition to low emission vehicles (LEVs) and electric vehicles (EVs) which has commenced and is supported by the National Electric Vehicle Strategy (NEVS). Dealers are fully engaged in the transition and understand the importance of training staff to work safely with EVs.

The AADA supports a national approach to the regulation of EVs and submits that overregulation of this industry could have unintended consequences of delaying the transition to low and zero-emission vehicles. The introduction of regulation to limit repair and service work on EVs to licensed electrical workers would hurt

consumers by making it more costly and time prohibitive to have EVs serviced and repaired. This could not only hinder adoption of EVs by the community but also present safety risks for consumers.

The AADA urges that consultation should commence immediately with industry so that unintended consequences can be avoided.

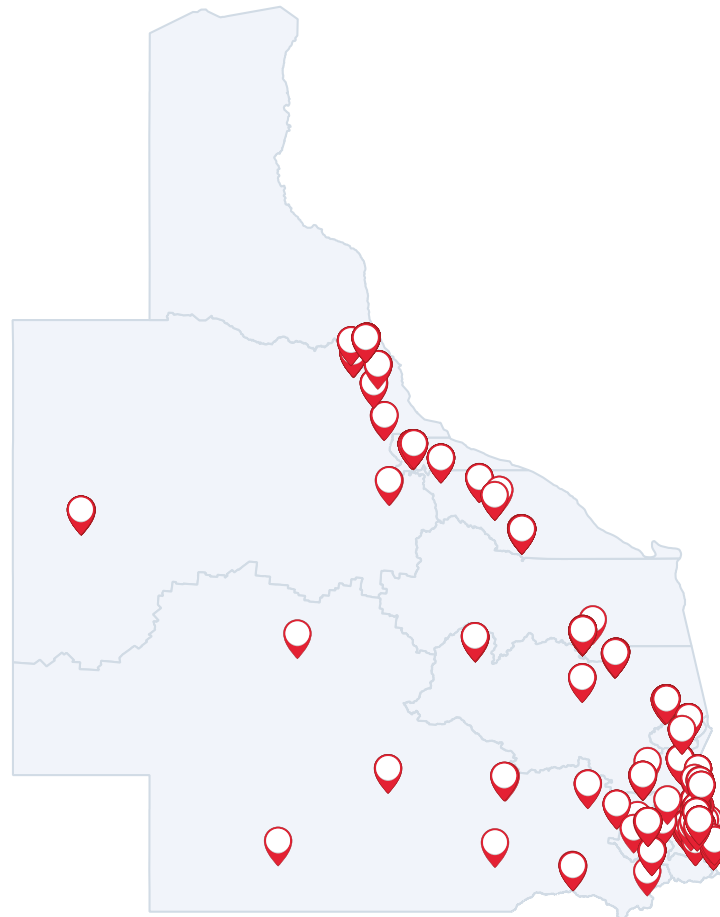
This submission addresses electric vehicle matters raised in both the Electrical Safety Act 2002 Review Report (Williams Report) and the Electrical Safety Office Discussion Paper.

James Voortman
Chief Executive Officer



Queensland

680 Dealerships



Economic Contribution



12,991

Dealer Employees



\$1.17 billion

Dealer Wages



\$596.79 million

Tax Contribution



\$3.06 billion

Total Economic Contribution

AADA KEY POINTS

- 1. AADA does not support recommendations 2 & 8 of the Williams Review Report or Option 2 of the ESO discussion paper which if progressed would restrict certain work on EVs in Queensland to licensed electricians.**
- 2. Dealers employ trained auto technicians who are qualified to work on ICE powered, hybrid, and electric vehicles. Automotive technicians are the best qualified people to work on these vehicles.**
- 3. Electricians are not trained or qualified to work on vehicles. Dealers do not employ electricians to work on motor vehicles. The recommendations proposed create significant occupational health and safety risks, with the potential to cause serious injury or death, for electricians who have no experience, knowledge or training in automotive systems.**
- 4. Requiring electricians to work on EVs will lead to increased costs for businesses, increased servicing costs for consumers, longer wait times for service appointments, and as an unintended consequence some EV owners may unwisely and dangerously attempt to do servicing work on electric vehicles themselves.**
- 5. Training for automotive technicians on how to safely work with EVs is available and being implemented by Dealers. Vehicle manufacturers, TAFE Colleges and Registered Training Organisations are providing training. EV training of automotive technicians is also a legislative requirement of the Motor Vehicle Service and Repair Information Sharing Scheme Act 2021.**

- 6. There is no support in the automotive industry for restricting electrical work on electric vehicles to electricians and it is inconsistent with the planning and policy work that is being done to ensure a smooth transition to LEVs via the National Electric Vehicle Strategy.**

- 7. Consultation with the automotive industry was absent from the Electrical Safety Act 2002 Review and Report. The Report recommendations have not been informed by the automotive industry's perspective and this needs to be rectified.**

CONSULTATION WITH DEALERS

AADA is concerned by the failure of the Electrical Safety Act Review process to consult the automotive industry and become familiar with how EVs are currently serviced, maintained, and repaired.

The automotive industry considers that when developing regulatory policy to shape how repair and maintenance work on EVs is undertaken in the future, it is vital that it is done in full consultation with the industry participants who will be regulated.

Dealers in Queensland currently undertake a number of vital functions in the repair, maintenance and servicing of EVs, with endorsement by manufacturers who supply these vehicles into the Australian market. Dealers are well trained and equipped to undertake these functions and any regulation should be undertaken in full consultation with industry.

The automotive industry is transitioning to low and zero-emission vehicles, there is a national EV Strategy and therefore Dealers have invested substantially in new equipment, new training, and new facilities to meet the transition to LEVs now and in the future. New and restrictive occupational licensing of automotive work in Queensland could have significant unintended consequences for consumers.

The AADA would be happy to engage with Queensland Workplace Health and Safety to highlight how our industry can provide the best outcomes for consumers.

RECOMMENDATION 8

Our primary concerns arise out of recommendation 8 of the Review Report which is quoted and canvassed in the ESO Discussion Paper:

Recommendation 8: For electric vehicles (or parts thereof) falling within the definition of “electrical equipment” (see Recommendations 2 and 4), consider requiring:

(a) appropriately licensed electrical workers to carry out the electrical work on the electrical components when the vehicle is serviced and or repaired, to ensure the safety of owners/operators and community; and

(b) appropriately licensed electrical workers carry out the electrical work on the electrical components of the vehicle when an electric vehicle requires on-road break-down work to ensure safety of owners/operators, the community and first responders.

The AADA is opposed to Recommendation 8 and considers that requiring licensed electrical workers to carry out electrical work on the electrical components of EVs is burdensome overregulation of an industry that has been safely and effectively managing the repair and service of EVs for years.

Australia’s Dealer network has provided service and repair services to Australians for decades. Over this time, vehicles in Australia have undergone dramatic change with the introduction of several different drivetrains such as hybrids, LPG, LNG, dual fuel vehicles and recently emerging technologies such as battery

electric and plug-in hybrids. Throughout all this technological change Dealers have continued to safely provide services on these vehicles to the community through continuous training of automotive technicians.

The AADA considers that Recommendation 8 does not consider the depth of training undertaken by automotive technicians, or the care taken by Dealers to ensure they meet the requirements of vehicle manufacturers and responsibilities under occupational health and safety laws. Dealers must ensure that automotive technicians are trained to work on all vehicles safely and do so by engaging trained people and arranging ongoing training.

Automotive technicians are the best placed to continue this vital function through Australia’s transition to low and zero-emission vehicles, in order to continue to provide consumers with the best outcomes.

If Recommendation 8 was endorsed and regulated, consumers will end up waiting longer for repair and maintenance services, pay more for these services, and end up with sub-optimal repair work, due to the very nature of vehicle servicing being interconnected with many other parts of a vehicle operation for which licensed electrical workers are not trained in.

Issues noted in the Discussion Paper include growth in backyard mechanics or untrained EV owners performing work on vehicles. The AADA acknowledges that this could increase the risks, however, this

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risk would not necessarily be mitigated through regulation of EV repair and service work in workshops. More likely, restricting work to suitably trained and qualified automotive technicians and licensed dealer workshops would be a more proactive solution. If auto repair and service work was limited to licensed electricians, this would create a situation where consumers would be paying significantly more in costs and experiencing longer wait times to have work performed on their vehicles. This would undoubtedly lead to individuals opting to attempt to perform their own work to save time and money and thus significantly increase risks.

RESPONSES TO ESO DISCUSSION PAPER QUESTIONS

AADA has elected to answer the ESO discussion paper questions in section 3.3 in relation to electric vehicles and refer to Recommendation 8 of the Review Report. We also elaborate on some issues not directly covered in the discussion paper questions.

3.3.6 Questions seeking feedback

Q1. How are you, your organisation, the workforce or community affected by the problems identified and to what extent?

As detailed above, the AADA represents 680 franchised new car Dealers in Queensland, employing 13,000 people.

The issues raised in the Williams Review of the Electrical Safety Act 2022 (QLD) and recommendations are significant and important to Dealers. Any regulation or licencing of work on Electric vehicles (EVs) would have a significant impact on the current automotive repair and service industry. The proposal for occupational licencing of electrical work on EVs under the Electrical Safety Act 2002 would be an unhelpful restraint on the transition towards EVs under the National Electric Vehicle Strategy and will put electricians undertaking this type of work at risk.

Currently, EVs are sold, maintained, serviced, and repaired in appropriately equipped Dealer workshops by automotive technicians trained in automotive servicing procedures, and with the benefit of product training provided by the vehicle manufacturer.

Automotive technicians have expertise in technologies unique to motor vehicles which include systems such as steering and suspension, transmissions and drive motors and advanced driver assistance systems (ADAS). All these systems can be fitted to an electric vehicle, and all interact with each other across high voltage and low voltage systems. Commercial and domestic electricians have no familiarity with these systems and are not trained on them. They lack the specialty tools and equipment required to maintain and repair such systems and have no understanding of the risks to themselves, to vehicle operators and to other road users when they tamper with them.

The AADA considers that there is no demonstrated need to include EVs in the work covered by the Electrical Safety Act 2002 in Queensland (or elsewhere) indeed there is no such requirement in any Australian State or Territory even where the State has regulated to license workers in the Automotive trades.

If a regulation is to be proposed, we would expect that it would be subject to a regulatory impact assessment by the Queensland Government in line with the practices outlined by Queensland Treasury in the interests of better regulation.

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Q2. Do you agree with the assessment of the problem identified, and are there additional risks presented by electric vehicles that have not been identified? If yes, what are they and can you provide examples of these issues?

AADA does not agree that there is a problem in need of government regulatory intervention and has not received any information from Dealers that suggests there is a skills gap or a safety problem that requires Government intervention in Queensland.

Dealers are managing the safe working requirements for EVs just as they do with all products, equipment, and potential hazards in the workplace. Assessment of risk in the workplace is well regulated under Occupational Health and Safety Laws and dealerships take great care to train automotive technicians in safe work practices. The automotive products, cars, trucks, motorcycles are subject to rigorous Australian Design Rule (ADR) requirements and testing.

AADA accepts that a gradual changeover of the fleet will bring with it a need to train technicians in new skills. This is something the industry has continued to invest in, essential training for auto technicians is available now and will be provided by Dealers to employees on an ongoing basis. Similar training would also apply to roadside work and collision recovery.

Q3. What practical impact, including the costs and benefits, would the options proposed in the Discussion paper have on you, your organisation, the workforce or the community? Please provide examples where possible.

The AADA does not see any benefits in option 2 for consumers or for the industry, but we do believe there to be several costs.

There will be increased costs for consumers servicing their cars as automotive businesses across the state will be required to employ electricians. There is currently a critical shortage of electricians during a time in which demand for their services is growing. Option 2 will further increase the demand for electricians leading higher wages as supply of skills fails to keep pace with demand. These costs will inevitably be passed onto the customer.

In addition to increased costs, we are also likely to see an increase in the wait times for vehicles needing to be serviced and repaired.

The current shortage of automotive technicians experienced since the onset of the pandemic has already seen wait times blow out. Option 2 will do nothing to shorten these wait times and is more likely to significantly increase the time it takes for a consumer to have their electric vehicle serviced and repaired. This will come as a cost to convenience for the consumer, and it will also have safety implications as unsafe vehicles in need of repair, but awaiting a service or repair appointment, will be driving on Queensland's roads.

Avoiding a long wait time or a higher cost of service may also encourage consumers to undertake work on their EV themselves. It goes without saying that this comes with significant safety risks.

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Poor servicing and repair experiences may also undermine consumer confidence in EVs and delay Queensland's transition to net zero. Furthermore, Option 2 may limit access to EVs for Queenslanders where manufacturers see that unnecessary regulation and poor customer experience cause them to divert supply of EVs to other states and territories. This would significantly hinder the State's transition to low and zero emission vehicles and make it more cost prohibitive to own and maintain these vehicles in Queensland compared to other Australian States and Territories.

There are also safety implications for electricians who have not been trained to work in an automotive workshop or understand auto systems and putting them in a situation where they are required to do so places them at enormous personal risk.

There are, and will be for a long period of time, a substantial number of ICE and hybrid vehicles in service for many years to come. Electricians are not qualified to repair the vehicle systems that require the knowledge gained during automotive technical training.

Auto technicians are all-rounders capable of working on many different vehicles, systems and applying product knowledge, diagnostic skills, mechanical know-how and experience to the maintenance, servicing, and repair functions, and such skills in automotive technology are not taught to electricians. Auto technicians are best placed to ensure that customers are able to service and repair their vehicles in a cost effective, timely and safe manner.

Q4. What is your preferred option and why would it be best for you, your organisation and your stakeholders?

The AADA considers that Option 1 – business as usual, is the only workable solution.

Option 2 (based on Recommendation 8 of the Review Report) is an impractical and unreasonable imposition on the auto industry, which will result in poorer consumer outcomes.

The AADA considers that there should be an education campaign to educate the public that EVs whilst safe to use and drive can present risks. Owners should not attempt under any circumstances any repair, modification, or work on an EV and follow the manufacturer's instructions regarding safety. All repairs and servicing should be carried out by suitability qualified, trained, and informed auto technicians.

AADA also recommends that ESO consult directly with AADA before any decisions are made about the progress of any of the options in the Discussion paper.

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Q5. If a licensing framework was introduced:

a. Should any specific type of vehicle be excluded from the requirement (e.g., motorcycles, cars, buses, trucks)? If so, what are they and why?

AADA does not support licensing or further regulation of work on EVs by restriction to electricians only and considers that business as usual, is the only workable solution.

b. Is a restricted licence (specified training) or full licence (full apprenticeship) suitable? If so, why?

AADA does not support licensing or further regulation of work on EVs by restriction to electricians only and considers that business as usual, is the only workable solution.

c. Should the licence type be determined based on the type of vehicle? If so, what would you suggest and why?

AADA does not support licensing or further regulation of work on EVs by restriction to electricians only and considers that business as usual, is the only workable solution.

d. What types of work or occupations should be excluded from a licensing requirement? Or alternatively, what types of work or occupations should have specific licensing requirements (e.g., on-road works, general maintenance and check-ups, and/or removal and disposal)?

AADA does not support licensing or further regulation of work on EVs by restriction to electricians only and considers that business as usual, is the only workable solution.

e. Are there any elements under the Act which should not apply? Which sections and why?

AADA does not support licensing or further regulation of work on EVs by restriction to electricians only and considers that business as usual, is the only workable solution.

f. Are there situations in which a disconnect and connect restricted licence for performing work on non-propulsion components of a vehicle would be appropriate?

AADA does not support licensing or further regulation of work on EVs by restriction to electricians only and considers that business as usual, is the only workable solution.

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Q6. Do you have suggestions for other options to address the problems identified? Please provide examples (including costs where appropriate) of your suggested options, including how it would ensure the workforce are electrically safe and conduct electrically safe work for community safety.

The AADA submits that the current system under which repair and service work on EVs is undertaken by auto technicians in licensed workshops is electrically safe. The AADA does not agree that there are problems with the current system and fails to see any evidence presented so far that demonstrates problems exist.

AADA Dealers are franchised by vehicle manufacturers and under such arrangements they are contractually required to purchase special tools and equipment, train staff and operate according to the strict terms of agreements and operational instructions. It is in the best interests of Dealers and their staff to work safely and in line with the manufacturer's instructions on vehicle servicing and repair.

Not mentioned in the Review Report is that the Commonwealth Government has already legislated in such a way that promotes access to automotive service and repair information in the interests of fair competition, consumer benefit, supply of manufacturer service information and safety.

Under the arrangements of the *Commonwealth Motor Vehicle Service and Repair Information Sharing Scheme Act 2021*¹ commencing as of July 2022, the Australian Automotive Repair & Service Authority (AASRA)² had in place arrangements which ensure that access to service, repair and safety information for vehicles including EVs is provided to

automotive businesses and qualified and trained automotive technicians.

The AASRA arrangements specifically cover electric vehicles and require that the applicant seeking repair and service information must have training. The AURETH101 (Depower and Reinitialise battery electric vehicles) course is regarded as the minimum standard. When the legislation was established, the Rules for supply of information included a safety criteria, which is attached at Appendix A.

AADA submits that the rigorous approach in the AASRA rules has and will assist in the safe operation of automotive workshops by supply of appropriate service and repair information to businesses employing automotive technicians who have been trained in the safe depowering and reinitialising of battery electric vehicles.

These AASRA rules have built a foundation of training in EV work safety which is spreading throughout the automotive industry. Automotive repairers are registering with AASRA and therefore must prove that staff have attended EV safety training.

To the extent that any problem in need of further regulation existed, and we say that was not proven, the AASRA system and the Motor Vehicle Service and Repair Information Sharing Scheme Act 2021 is contributing to safety training and the distribution of information about working safely on EVs.

CONCLUSION

The AADA does not agree with recommendations laid out in the Discussion Paper to restrict work on EVs to licensed electrical workers and considers that this recommendation would result in poorer outcomes for consumers in Queensland.

The introduction of a requirement to have work on the electrical components of EVs restricted to licensed electrical workers would increase costs for consumers, increase wait times for having service and repair work performed on EVs and thus increase the risk of individuals performing work on their own vehicles which would result in poor safety outcomes for consumers.

These impacts would hinder the State's transition to net zero emissions and uptake of low and zero-emissions vehicles as consumers would see it as more cumbersome to own an EV. In a time where governments are using incentives to drive consumer behaviour to more environmentally friendly vehicles, the introduction of these types of regulation would be counterproductive to this objective.

The AADA considers that the Review Report and ESO discussion paper do not identify evidence-based reasons to support a change to mandate inclusion of electric vehicles under the provisions of the Electrical Safety Act 2002. Regulation of work and occupational licensing should

not be contemplated without substantial evidence, testing of the evidence, research, and opportunities for the industry concerned to be consulted and heard on the proposed occupational regulation.

We would be happy to meet with you to discuss our submission and participate in any further consultation. If you require further information or clarification in respect of any matters raised, please do not hesitate to contact me.

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REFERENCES

1 - Motor Vehicle Service and Repair Information Sharing Scheme Act 2021 - <https://www.accc.gov.au/about-us/publications/motor-vehicle-service-and-repair-information-sharing-scheme-guidance-for-data-providers#:~:text=The%20Motor%20Vehicle%20Service%20and,to%20service%20and%20repair%20vehicles>

2 - AASRA - <https://aasra.com.au/>

APPENDIX A

EXPLANATORY STATEMENT Issued by authority of the Assistant Treasurer, Minister for Housing and Minister for Homelessness, Social and Community Housing Competition and Consumer Act 2010 Competition and Consumer (Motor Vehicle Service and Repair Information Sharing Scheme) Rules 2021

Authorised Version Explanatory Statement registered 27/10/2021 to F2021L01464

Safety criteria – qualifications for high voltage and electric propulsion system.

“In relation to safety information, it is important to ensure that an individual has the technical competency to safely work on the kinds of automotive systems which are considerably more dangerous than standard combustion engine systems. Hence, the key criteria for access to safety information is that an individual must have the relevant training to safely undertake their work. For example, the high voltage battery (or system) installed in these vehicles is a key risk that needs to be addressed.

Many other systems in these vehicles are connected to the high voltage battery, so it is critical that repairers know how to depower or isolate it in order to safely work on the vehicle. The Rules prescribe that, for access to safety information related to the high voltage or electric propulsion system(s) (or a system connected to any of those systems) installed in a scheme vehicle, the individual must have successfully completed training that teaches competency in safely depowering, isolating and re-initialising a high voltage battery installed in a scheme vehicle. [Section 7(2)(b) of the Rules]

This training may be provided by an RTO (such as a TAFE), or provided directly by or on behalf of the manufacturer of one of those systems or a scheme vehicle in which one of those systems is installed (such as the BMW Training Academy). This means that the training is interchangeable – that is, if a repairer is trained to work on an electric system in one make/model electric vehicle, those skills are transferable to an electric system in a different make/model electric vehicle. The safety criteria prescribed in the Rules is the minimum level of training needed to safely access these high-risk systems.

Currently, a repairer can undertake a TAFE training course known as AURETH101 Depower and reinitialise battery electric vehicles – or an equivalent course or on-the-job training provided by or on behalf of a manufacturer – which will provide the minimum competency required to safely undertake work on a high-voltage or electric propulsion system. AURETH101 can be undertaken as a standalone course without the need for any pre-requisite qualifications, takes around 10 hours to complete and could be expected to cost \$100-\$150.

Although the various safety systems may vary slightly across different make/model electric vehicles, a data provider is not able to refuse access to safety information on the basis that the repairer has not completed specific training provided by or on behalf of the manufacturer of that vehicle or system. If the repairer can demonstrate competency in ensuring the vehicle high voltage (HV) rechargeable energy storage system (RESS) is isolated before commencing any service or repair work, the repairer will have satisfied the prescribed access criteria. As scheme vehicles continue to develop and training courses are updated, it may be necessary to amend the qualification requirements to ensure repairers are appropriately trained to manage safety information in relation to these systems.

Employers are also expected to continue to comply with existing occupational health and safety (OH&S) laws which reference safety requirements for workplaces. While the exact guidance in relation to these types of systems may vary in each jurisdiction, these generally cover requirements such as ensuring safe premises, personal protective equipment and other safety requirements that must be adhered to when working on electric vehicles or systems.



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