Toyota Motor Corporation Australia Limited Submission to the mandatory scheme for the sharing of motor vehicle service and repair information consultation paper



Submission by Toyota Australia to the Mandatory scheme for the sharing of motor vehicle service and repair information Consultation paper March 2019

#### Toyota Motor Corporation Australia Limited

Submission to the mandatory scheme for the sharing of motor vehicle service and repair information consultation paper

### Contents

1.	Background	.3
2.	Detailed position	.4
3.	Conclusion	. 5

#### Toyota Motor Corporation Australia Limited Submission to the mandatory scheme for the sharing of motor vehicle service and repair information consultation paper

## **1.** Background

Toyota Motor Corporation Australia Limited (Toyota Australia) is a sales and distribution operation, having previously manufactured vehicles in Australia for 54 years until 3 October 2017.

Toyota Australia has retained a significant local presence in Australia beyond the closure of local vehicle manufacturing operations. This includes import and distribution features, maintenance of a significant research and development division, as well as the establishment of a Centre of Excellence at our Altona manufacturing site. In all, 1,300 employees remain in the new structure.

While the transition of the company presented new challenges, for the 16th consecutive year Toyota finished 2018 as the top selling automotive company in Australia, with HiLux and Corolla taking out the number one and three sales positions, respectively. Toyota Australia is continuously contributing to the development of vehicles that meet the needs of local and international markets both now and into the future. Our research focuses on vehicles powered by a range of alternative fuels and vehicles with the potential for automated driving. Meanwhile, we continue to work towards vehicles that are safe for everyone, and that maintain the standards of durability and reliability that people expect from the Toyota brand.

Toyota Australia places great value on its reputation which is built on 60 years of delivering the most reliable vehicles to our valued Australian customers, which we refer to as our 'guests. This commitment to our guests has been recognised and reciprocated, with Toyota Australia ranked as Australia's second most reputable company, only 0.1 points behind Air New Zealand (#1). When compared with fellow automotive companies, Toyota comes in at number one out of the nine companies included in the survey, followed by Mazda and Honda.

<ul> <li>2018 sales:</li> </ul>
<ul> <li>Toyota sales: 217,061         <ul> <li>Passenger: 63,098</li> <li>SUV: 82,446</li> <li>Light commercial: 71,517</li> <li>Lexus sales: 8,819</li> <li>Passenger: 2,492</li> <li>SUV: 6,327</li> </ul> </li> <li>Toyota Australia dealer network         <ul> <li>Employee numbers: 13,298</li> <li>Metro dealers: 74</li> </ul> </li> </ul>

Toyota Motor Corporation Australia Limited Submission to the mandatory scheme for the sharing of motor vehicle service and repair information consultation paper

## 2. Detailed position

#### Introduction

Toyota Australia could conditionally support a mandatory requirement to provide independent repairers with adequate access to technical information, on commercially fair and reasonable terms, to enable them to service and repair Toyota vehicles. However, any scheme must include limitations on the sharing of information related to Safety, Security & Environmental (SSE) data. Since 2013 Toyota Australia has voluntarily been providing the technical information required for independent repairers to service and repair vehicles in compliance with the FCAI's Voluntary Code of Practice for Access to Service and Repair Information for Motor Vehicles. Toyota's support for a mandatory code is subject to the introduction of corresponding mandatory requirements about the qualifications of aftermarket repairers, the parts they use, and their use of the technical information provided under any scheme.

Toyota's number one priority is to ensure the safety of our customers and the wider public, therefore any mandatory scheme must seriously consider the risks associated with the sharing of such data. Vehicle quality, durability and reliability (QDR) is also of the highest importance to Toyota. Our customers rely on this commitment to QDR when purchasing a Toyota vehicle, and throughout the life of their vehicle. Toyota Australia cannot support a mandatory scheme that could pose a risk to the quality of our vehicles or risk the ongoing durability and reliability that our customers expect throughout the life of their vehicle.

If a mandatory scheme is introduced, then Toyota Australia would support consideration of a model for sharing technical information like the models used in other jurisdictions but adapted to suit the Australian unique market conditions. Such a model would need to incorporate accreditation and authorisation processes to ameliorate the risks associated with sharing security-related technical information. Toyota Australia also requests that any scheme recognises the importance of information protection and refers to intellectual property safeguards and security measures such as accreditation of users.

The elements of a mandatory scheme for the sharing of motor vehicle service and repair information that are laid out in the Treasury's consultation paper are an appropriate first step towards any form of a mandatory scheme. However, in its current form, the proposed code lacks sufficient understanding of the complexity of vehicles and the dangers associated with opening access to sensitive vehicle data to individuals or owners.

#### Scope of the Code

The government and road safety organisations have an ultimate target of zero deaths on Australia roads. Providing access to sensitive information that would allow for vehicle modification that could result in OEM non-compliance with any relevant safety, emission or other applicable Federal, state or territory laws would jeopardise efforts to achieve this target. OEM's certify vehicles on entry to the Australian market to ensure vehicles are compliant with Australian Design Rules (ADR's) and regulations. Every system setting on a Toyota vehicle is specifically set and designed to ensure maximum safety, durability and reliability for consumers. Requirements to share information that would allow modification away from the most basic 'factory setting' would be unacceptable.

#### **Toyota Motor Corporation Australia Limited**

# Submission to the mandatory scheme for the sharing of motor vehicle service and repair information consultation paper

The automotive industry is undergoing transformative change with significant research and development into intelligent transport systems (ITS), autonomous vehicles and electric vehicles. It is imperative that the safety of the driver and the surrounding public is at the centre of any mandatory scheme throughout this transformation. ITS and autonomy will fundamentally change the usership and ownership paradigm, increasing the connectivity between vehicles and a driver's reliance on automated features. In the market today, Toyota vehicles have numerous first stage features of autonomy including assisted breaking and assisted cruise control. It is of the utmost importance that these fundamental safety systems cannot be modified by non-authorised repairers.

Any proposed scheme should in no way be applicable to private imports / grey market / limited imports as these are not imported under a full volume scheme by manufacturers and the origin and history of such vehicles cannot be verified.

## 3. Conclusion

Toyota Australia appreciates the opportunity to engage with Treasury on the issue of mandatory sharing of motor vehicle service and repair information. Toyota's number one priority is to ensure the safety of our customers and the wider public, therefore any mandatory scheme must seriously consider the risks associated with the sharing safety and security data. In the code's current form, it lacks sufficient understanding of the risks associated with opening access to sensitive vehicle data to individuals or owners without appropriate skills and training.