



**AUSTRALIAN AUTOMOTIVE
AFTERMARKET ASSOCIATION**

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Department of Treasury
Langton Crescent
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Attention: Market Conduct Division

MOTOR VEHICLE SERVICE AND REPAIR INFORMATION SHARING SCHEME DRAFT SCHEME RULES

By email: repairinfo@treasury.gov.au

Introduction

We welcome the release of the exposure draft rules and the explanatory memorandum to support the Motor Vehicle Service and Repair Information Sharing Scheme. The drafting and release of this documentation is well timed and the pace of developing these Rules has been encouraging and will lead to an effective market response to ensure that the industry is sufficiently prepared for 1 July 2022.

We also support the manner in which Treasury officials have developed these rules - there has been an open and consultative approach and ample opportunity to provide technical and policy input.

As you are aware the Australian Automotive Aftermarket Association has supported and commended the Government for this critical legislative reform, designed to promote competition in the Australian automotive service and repair sector and believe this it will provide choice for Australian consumers and deliver the benefits of innovation and productivity that occur in an open and competitive market.

As noted above AAAA has been consulted during the drafting of these rules and we were thus aware of the direction and early stage wording for safety and security systems. As a result, we have minor comments to make, and our submission will be relatively succinct.

1. Defining 'Connected Systems'

We are acutely aware of the difficulties of clearly articulating a definition of which information is related to the high voltage system, hybrid system or electric propulsion system, and/or "to a system connected to one of those systems".

Normally, we would be concerned about such a wide definition that is potentially open to a degree of interpretation that could be exploited by the car companies. However, our concern about the degree to which this is likely to occur is mitigated by the following:

YOUR INDUSTRY VOICE

- i) The pre-condition for independent repairers is sound and we are of the view that the recommended study unit in terms of content, length of time to complete, and cost is appropriate. In our view, it is likely that should this unit of study be widely patronised by our industry, there are skill and industry reputation benefits that are likely to occur. This unit is required in order to satisfy the data provider that the technician is able to utilise Scheme Information in a safe manner. In our view this mechanism is also likely to have the unintended, but welcome consequence of upskilling industry and preparing technicians for the increase in EV service and repair.
- ii) There is a dispute resolution mechanism in the Act and we would assume that in the early life of this new Law, individual disputes and complaints are likely to establish precedence and support a clearer ongoing interpretation of the Law. As the new Law is tested by specific issues, the technical delineation of what is, and what is not, safety information will progressively become clearer.

Recommendation

We are of the view that the Explanatory Memorandum for the Scheme Rules is an opportunity to remind the industry, and specifically the data providers, that there are mechanisms that will be employed if the Safety provisions are used to unreasonably withhold data. If unnecessary barriers are imposed these must be addressed through the dispute resolution system and/or further changes to the Scheme Rules in the event of a systematic attempt to frustrate the Scheme.

2. Safety

We support the principle of restricting safety and security information to individuals who meet prescribed criteria to use the information for the purposes of the scheme.

However, we did throughout the consultation process, note that Safety was specifically defined as protecting the safety of technicians. As a result, we are concerned about the inclusion of the words "... *to protect the safety of the vehicle*".

As you are aware this is a wide and ambiguous term that could certainly lead to the data providers withholding data and replacement parts that they would describe as relevant to the safe operation or performance of the vehicle. Indeed, this is currently common practice in the Australian market and we regularly receive complaints from our qualified technicians that the 'safety of the vehicle' is a catch-all excuse to not sell parts or provide information. Our clear understanding is that this was not the intent of the Safety provisions. The Safety provisions were designed to protect the safety of technicians.

On that particular point, we also welcome the reference to the significant and comprehensive OH&S regimes that are already in place in states and territories - and we agree that the Scheme should take account of these mechanisms that are currently protecting and supporting the welfare and safety of over 100,000 technicians every working day.

Recommendation

"... to protect the safety of the vehicle" could be replaced with "... safety of individuals performing work on the vehicle, the public and those using that information".

We note from a recent stakeholder consultation that there are remaining concerns regarding the definition of an automotive workshop - we agree with the definition of related business as it is drafted in the Rules and the Explanatory Memorandum. In our view the provisions of the Australian Consumer Law, continue to protect the consumer and require that businesses do not behave in a false and misleading manner in our market. Security information on a vehicle is VIN

specific providing clear traceability and continued references to outlaw gangs seeking to use the information for illegal purposes is extraneous, unfounded and certainly not supported by any evidence in overseas data sharing regimes with similar legislative frameworks.

In closing I would like to add that AAAA has full confidence in the safety and security rules as they have been drafted, we are of the view that they are practical and pragmatic and are a good foundation to support the implementation of the Motor Vehicle Service and Repair Information Sharing Scheme. We would also like to formally issue our thanks and appreciation for the consultative and professional manner in which these Rules have been developed.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Stuart Charity', written in a cursive style.

Stuart Charity

CEO

Australian Automotive Aftermarket Association (AAAA)