



Insurance Council
of Australia

12 December 2022

Department of Customer Service
motordealersandrepairersact@customerservice.nsw.gov.au.

To whom it may concern,

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

The Insurance Council of Australia (ICA)¹ welcomes the opportunity to provide a submission to the Department of Customer Service (DCS) regarding proposed introduction of electric vehicle (EV) mechanic repair classes.

In line with its commitment to strong climate action, the ICA supports the accelerated electrification of Australia's transport sector and recognises that investment in upskilling existing technicians and training technicians of the future is a critical enabler for this transition.

Having a skilled workforce to service and repair EVs is not only essential for workplace health and safety but will also promote consumer confidence in EVs, knowing that these vehicles can be readily serviced and repaired. Furthermore, as an industry that authorises over 1.5 million vehicle repairs annually, ICA members have an interest in seeing that customers with EVs are able to have their vehicles repaired promptly and safely.

The ICA has previously advocated for governments across Australia to adopt an investment-based approach to addressing this skills gap, including prioritising and funding micro-credentials in electric vehicle repair to assist in upskilling existing mechanics and other technicians, as well as adding electric vehicle repair to state-based training programs for school leavers and subsidising this training.

Feedback on proposed electric vehicle repair class licencing regime

It is ICA's understanding that DCS proposes to amend the *Motor Dealers and Repairers Regulation (2014)* to require specialised licencing requirements for tradespeople servicing or repairing EVs. It is suggested in the discussion paper that completion of Australian Skills Quality Authority (ASQA) approved courses would be a condition of obtaining this licence.

While not opposed in principle to the introduction of specialised licencing requirements for servicing and repairing EVs, ICA and its members believe that further consideration should be given to the

¹The Insurance Council is the representative body of the general insurance industry in Australia and represents approximately 95% of private sector general insurers. As a foundational component of the Australian economy the general insurance industry employs approximately 60,000 people, generates gross written premium of \$59.2 billion per annum and on average pays out \$148.7 million in claims each working day (\$38.8 billion per year).



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following issues before any decisions regarding design of requirements and timeframes for implementation are finalised:

Scope of EV licencing requirements

- Any EV licencing requirements should be evidence-based. There should be a clear rationale for all components of EV training to ensure technicians are only being taught directly relevant courses.
- A holistic focus on training workers across the entire EV supply chain is vital. Upskilling motor mechanics is important but options must also be available for other technicians across the EV supply chain to avoid capacity issues as EV uptake increases. For example consideration should be given to relevant requirements for the following occupational categories who may be required to conduct work on EVs:
 - underbody technicians
 - panel beaters
 - spray painters
 - auto dismantlers
 - fire & rescue
 - Installers of aftermarket equipment (e.g. towbars, bullbars, suspension)
 - tow truck operators
 - waste and recycling facility workers
- Clearer definition of “electric vehicles” is required to distinguish between battery electric vehicles from plug-in hybrids and hydrogen fuel cell vehicles. This will help ensure that technicians have the relevant technical training for the type of vehicles they are likely to work on.

Bridging courses for existing technicians

- Recognition of bridging courses should be a priority. While it is essential for technicians to be appropriately qualified, it is equally important that these courses are not overly onerous or time-consuming. An overly onerous or time-consuming course could deter technicians from taking the training, who may decide to not service EVs rather than undertaking training. This in turn may deter EV uptake amongst consumers.
- Bridging courses should be tailored to the wide-range of technicians involved with EVs at different stages of the supply chain. For example, while it may be necessary for mechanics to undergo a much more comprehensive training on repairing and servicing EVs, it may be sufficient for others to complete short courses (e.g. depowering and re-energising EV batteries) to ensure they can safely do their jobs.
- Technicians who have completed previous training on EV repairs should have this training recognised, rather than having to repeat training as part of new licencing. For example, we understand that training conducted by Original Equipment Manufacturers and some RTOs, while not necessarily ASQA approved, are critical to supplementing existing knowledge and experience of repair and servicing technicians.

Ensuring sufficient training capacity

- Mandating new training without having the training capacity in place could lead to perverse outcomes.
- A transition period until qualification requirements become mandatory should reflect capacity of the market to offer relevant training. Insufficient time for technicians to upskill could have the perverse effect of slowing EV uptake if consumers cannot get their vehicles repaired in a timely way due to a



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lack of licenced technicians. Equally the transition period should not be too long, to ensure consumer confidence in the repairs process and safety of technicians.

- There would be benefit in considering a phased approach that prioritises critical safety tasks in the first instance.
- Wherever possible, consideration should be given to ensuring training requirements are nationally consistent.

Further research and consultation welcome

- Given the rapidly evolving nature of EV technology and supply chain complexities, the ICA would welcome further research to inform the development of licencing requirements. For example, there would be benefit in researching licencing requirements internationally to identify best practice approaches.
- Additionally, there would be benefit in further consultation through appropriate forums (e.g. through the establishment of a technical working group) to inform the development of licencing requirements. This will help ensure they are fit for purpose and do not create unintended impacts on the supply chain which in turn could inhibit the take-up of EVs. For example, extensive consultation with registered training organisations should occur to identify how long it will take them to rollout any new courses and train their staff to provide the training.

We trust that our initial observations are of assistance. If you have any questions or comments in relation to our submission please contact Alix Pearce (apearce@insurancecouncil.com.au) or Sam Xu (sxu@insurancecouncil.com.au).

Yours sincerely,

A handwritten signature in black ink, appearing to be 'Andrew Hall'.

Andrew Hall
Executive Director and CEO