

**Submission
No 44**

MOTOR VEHICLE REPAIR INDUSTRY

Organisation: Institute of Automotive Mechanical Engineers

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**Select Committee on
The Motor Vehicle Repair Industry
Institute of Automotive Mechanical Engineers
(IAME) Submission**

14th February 2014



13th February 2014

To The Committee Manager;

The IAME has been involved in the Australian Automotive Industry for almost eighty (80) years. We have in excess of 20,000 members nationally. A number of our divisions deal with the Automotive Body Repair Industry. We have almost 1,000 members specialising in this area.

The IAME RTO No. 90409 has AUR40512 – Certificate IV in Vehicle Loss Assessing, on our Scope of Registration and has been proactive in promoting this qualification as the national benchmark for vehicle loss assessors within the Automotive body repair and insurance industries. This is evident by the take up of many of the major insurance companies proactively adopting the AUR40512 – Certificate IV in Vehicle Loss Assessing as the minimum qualification that should be held by all of their vehicle loss assessors within their respective companies. The Insurance Australia Group (IAG) is a prime example of a company that has total commitment to embedding this qualification, as the standard that all of their vehicle loss assessors must obtain. IAG have a commitment to continuous improvement processes and this is evident by the amount of professional development that it funds and supports all of its staff in.

The acceptance of this initiative by many of the insurance companies indicates a commitment to an on-going professional development ethos amongst their staff, that can be linked to quality outcomes and the most up to date knowledge and skills. This combination of industry commitment and employee investment, not only provides the Automotive body repair industry with highly skilled and committed vehicle loss assessors. It ensures that personnel working at the “coal-face” retain a high level of industry currency and an adherence to Automotive Industry best-practice.

It is with the above in mind, that the IAME would recommend that the AUR40512 – Certificate IV in Vehicle Loss Assessing or its superseding qualification, become the endorsed benchmark qualification for any type of Automotive vehicle loss assessing accreditation or licencing schemes. This would assure national consistency and the setting of vehicle loss assessing standards to a minimum of Australian Qualifications Framework Level IV. In doing this, it could provide a unique synergy into improving the relationship with Automotive vehicle body industry estimators.

The adaptation of the AUR40512 – Certificate IV in Vehicle Loss Assessing, being the parent qualification for all Automotive vehicle loss assessors and a similar qualification being adapted to the unique knowledge and skills required of body repair estimators, would no doubt, set a significant connection between vehicle loss assessors and body repair estimators working to the same standard. (Which in many instances today, does not occur, due to a significant gap in skills, knowledge and process between vehicle loss assessor and body repair estimator).

This could eliminate unnecessary time-wasting in the preparation, negotiation and implementation of vehicle repair quotations and repairs, largely due to personnel working from a differing standards perspective. That is, if all personnel have the correct qualifications, and are working from the same AUR12 (or its superseding) National Training Package, then all will be working from a benchmarked National Competency Standard linked to set and agreed Performance Elements and Criteria.

This could also lead to a significant reduction in lost costs by insurance companies and body shops in dispute resolution, rework and customer dissatisfaction. If these costs were reduced, savings may be able to be passed on to the consumer. This would improve market competitiveness, and should in turn, lead to better quality outcomes for consumers.

It is with the above in mind that the IAME would like to put forward the following recommendations:

1. That the AUR40512 – Certificate IV in Vehicle Loss Assessing (or its superseding qualification), become the endorsed benchmark qualification for any type of Automotive vehicle loss assessing accreditation or licencing schemes.
2. That a new National qualification adapted from AUR40512 – Certificate IV in Vehicle Loss Assessing (or its superseding qualification), be explored in creating an Automotive vehicle body repair estimators qualification.
3. That all personnel involved in the preparation, negotiation or implementation of vehicle loss assessing or body repair estimating, possess a qualification at Australian Qualifications Framework Level IV.

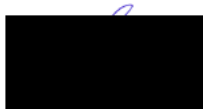
If these recommendations were adopted, it would be important to build into them, a degree of robustness and durability. This would be achieved by incorporating embedded currency measures. This would encompass a continuing commitment by the vehicle loss assessor or estimator to commit to on-going professional development in their area of expertise. Obviously this would be negotiated with and supported by their employer. One example of this could be a scheme similar to that of the members of the Institute of Accident Assessors (IAA) which links professional development activities to a points-based currency system. This allows them to be recognised in a quantitative way, for qualitative outcomes.

On-going professional development is essential to stay abreast of the ever changing technological and compliance procedures and processes in today's Automotive Industry. To not do so, would mean a loss of current and up-to-date information essential to carry out duties to the required standard of the day. To neglect this vital process, would see some of the incumbents reverting back to standards and practices of a by-gone era. Something that would lead to the lowering of standards, inefficient work practices and costly delays. An arena that we should not allow to be ventured back into.

It is with the above in mind, that if these new qualifications were mandated and adopted, it could revolutionise the current dilemma faced between insurance companies, vehicle loss assessors, body repair business' and body repair estimators. Currently the amount of wasted time through miscommunication, inadequate knowledge and the lack of following best practices, is largely unaccountable, but yet highly significant. However, it is clear that whatever the cost, it is eventually borne by the consumer. If all personnel within the vehicle loss assessing and the vehicle body repair estimating arena, were all adequately and equally skilled in due process within the body repair industry. That is, being aware of such things as; high-strength steels, new composite materials, the latest in vehicular electronics, etc and compliant with the latest government, legislative, manufacturer and industry regulations and guidelines. The time taken to conduct estimates and quotations could be substantially reduced.

We cannot emphasise enough how this is a WIN/WIN situation for all parties within the process. It goes without saying, that this would almost certainly lead to greater competitiveness within the industry and a flow on effect of lower premiums, quality outcomes and a reduction in consumer disputes would be just some of the benefits from this initiative. This in turn can only mean great outcomes for the Automotive industry and the consumers of their products and services.

Yours faithfully,



PETER BLANSHARD,
Chief Executive Officer