# **CONSULTATION PAPER**

## PROPOSED REGISTRATION SCHEME FOR THE VEHICLE MAINTENANCE TRADE

Government is considering to introduce a registration scheme for local vehicle maintenance trade. This paper presents a brief history and a broad framework of the proposed scheme. The scheme will adopt a progressive and balanced approach with a view to minimizing any possible impacts on the trade and the employment situation. Your views are sought on this initiative. Please take some time to read through this document and your feedback is appreciated as it will ensure the success of this important initiative.

# WHY IS THERE A NEED FOR A REGISTRATION SCHEME?

While mechanical defects of vehicles have not been the major contributory factor of road accidents<sup>1</sup>, proper maintenance of vehicles is certainly an effective means to prevent accidents and is conducive to the enhancement of road safety. Sub-standard maintenance services also creates nuisance to vehicle owners and can cause air pollution, with corresponding negative impacts on the health of the public. For these reasons, we consider it necessary to enhance the standard of the vehicle maintenance trade.

In early 2000, the Administration set up a *Working Group on Vehicle Maintenance Services* to explore ways to improve the service standard of the local vehicle maintenance trade. The Working Group concluded that, among other things, the Administration should study the practicality of setting up an appropriate mechanism to regulate the vehicle maintenance trade. The Administration subsequently commissioned a Regulatory Impact Assessment (RIA) in April 2002 to review the merits and need for a regulatory scheme, having regard to the impact on service standards and the acceptance and readiness of the trade. The results of this RIA showed that some form of regulation should be of benefit to society and the trade if a progressive and balanced approach is adopted to minimise financial impacts to the trade. It was therefore proposed to start off with a voluntary registration scheme for vehicle mechanics. This would neither affect the existing employment situation nor bring about substantial cost to the trade. The shorter lead time required would facilitate early implementation of the scheme<sup>2</sup>. The scheme also allows for flexibility for adjustments to the scheme.

ERM-Hong Kong has been appointed by the Administration to study an implementation framework for a proposed registration scheme for individual vehicle mechanics. Practitioners who meet certain qualification and experience requirements will be able to register.

The name of registered vehicle mechanics will be published and registered vehicle mechanics will be awarded a certificate for retention and display. This will help vehicle owners identify registered vehicle mechanics easily and enhance the professional image of the trade. There will

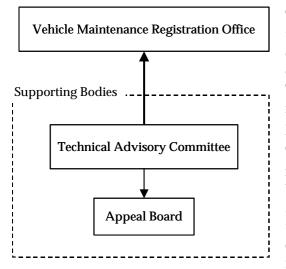
<sup>&</sup>lt;sup>1</sup> Among all road accidents in the past 10 years, 3.4% of them involved vehicles with mechanical defects.

<sup>&</sup>lt;sup>2</sup> Lead time of a minimum of 3 years would be required for a mandatory scheme due to the need of legislative process.

also be promotional activities to publicise the scheme to car owners and encourage them to appoint registered vehicle mechanics.

# ADMINISTRATION OF THE SCHEME

The following diagram illustrates how the scheme would be administered.



The Vehicle Maintenance Registration Office (VMRO) would be set up within government/semi-government organization to provide day-to-day management and operation of the scheme, to provide administrative support at the Technical Advisory Committee meetings, to process registration applications, to issue certificates and handle public enquires, etc.

The **Technical Advisory Committee** (**TAC**) would include representatives from relevant government bureaux/departments, professional institutions, trade associations and training institutes and centres. The TAC would be established to maintain liaison with the trade and ensure that the VMRO has appropriate access to and guidance from key stakeholders of the scheme.

The **Appeal Board** would be formed as and when necessary by drawing members from the TAC. In the case that a concerned mechanic wishes to appeal against the decision made on him/her by the VMRO, an appeal mechanism could be in place to reconsider the case to safeguard fairness.

# **REGISTRATION CLASSIFICATION**

As illustrated in *Figure 1*, it is proposed that at least initially vehicle repairs and servicing activities be categorized into:

- **Mechanical Services** activities are defined as those covering the repairs and servicing of all chassis systems and components including vehicle engines, transmissions, brakes, steering, air conditioning system, lubrication and tyre works.
- **Electrical Services** activities are defined as those covering the repairs and servicing of all the electrical circuits and electronic systems as well as air conditioning system within a vehicle.
- Body Repair Services activities are defined as those covering body repairing and painting.

Additional classifications could be added at a later stage if necessary.

# MECHANICAL SERVICES – SUB CATEGORIES

Considering the differences in techniques and businesses for repairing positive-ignition and compression-ignition engines and in light of the existing regulatory classifications under the *Road* 

*Traffic Ordinance*, the proposal is to have the following further classifications under Mechanical Services activities. A vehicle mechanic would be allowed to apply for more than one class as long as he/she has the relevant qualifications and skill requirements for a particular class.

- Class 1: vehicles with positive-ignition engines and of GVW ≤5.5 tonnes, including cars, light and medium vans, special purpose vehicles, LPG taxis and light buses using positive-ignition engines, etc but excluding fuel system of LPG vehicles.
- **Class 2:** vehicles with compression-ignition engines and of GVW <5.5 tonnes, including cars, taxis, light buses, light goods vehicles, light and medium vans, special purpose vehicles, etc.
- **Class 3:** vehicles with compression-ignition engines and of 5.5 tonnes<GVW<u><</u>16 tonnes, including medium goods vehicles with two axles, medium coaches/buses, special purpose vehicles, trailers, etc.
- **Class 4:** vehicles with compression-ignition engines and of GVW>16 tonnes, including medium goods vehicles with more than two axles, heavy goods vehicles, special purpose vehicles, buses, trailers, etc.
- **Class 5:** motorcycles (to be implemented at a later stage pending development of relevant training courses and trade tests).

# **REGISTRATION REQUIREMENTS FOR MECHANICS**

Either

- Relevant craft certificates or above <sup>Note 1</sup> offered by a local training institute or equivalent, plus 5 years minimum relevant working experience (including experience accumulated during apprenticeship); **OR**
- Passed trade test organised by the Automobile Training Board, plus 5 years minimum relevant working experience (including experience accumulated during apprenticeship); **OR**
- Minimum 10 years' relevant working experience, subject to the production of business records or verification letters of employers.
- Note 1: **Mechanical Services**. Craft certificate or above in mechanical or motor vehicle or automotive engineering or motor vehicle mechanics offered by a local training institute or such equivalent as the VMRO may approve.

**Electrical Services.** Craft certificate or above in electrical engineering or motor vehicle electrician offered by a local training institute or such equivalent as the VMRO may approve.

**Body Repair Services.** Craft certificate or above in vehicle body repair or painting offered by a local training institute or such equivalent as the VMRO may approve.

# **RENEWAL REQUIREMENTS**

Each registration and renewal will be valid for 3 years. The proposed renewal requirement is 2 years relevant in-service record for relevant classes within the previous 3 years registration period.

In addition to improve the levels of professional competency across the industry, the Administration is considering including a requirement for Continuous Professional Development (CPD) as part of renewal requirements. This would require participants to attend courses or lectures relevant to their trade that had been approved by the VMRO. For example, the short courses and evening classes organised and provided by the Vocational Training Council at the Automobile Industry Training Centre and the Hong Kong Institute of Vocational Education (Department of Automotive Engineering).

# FEES

The proposed registration scheme will be run on a cost-recovery basis. Based on a review of the possible resource implications associated with administering the scheme, the following fee structure is proposed. The proposal is on par with other registration schemes of similar nature.

• Application/renewal HK\$500 to HK\$900.

Applicant can register for more than one class at one time without additional fee provided that he/she has the necessary qualifications and experience.

# MERITS FOR REGISTRATION

Participation in the scheme will bring a number of benefits.

Registered vehicle mechanic means that he/she possesses the adequate training and experience to provide service under the registered class(es). This will uplift the professional image of the trade and induce greater confidence in the public in the services provided by the registered vehicle mechanics. It can be expected that vehicle owners would prefer to have their vehicles serviced by registered vehicle mechanics.

Registration to the voluntary scheme can serve as good evidence of the competence and experience of the mechanic to facilitate his/her admission to the future mandatory scheme.

# **OBLIGATION OF REGISTERED VEHICLE MECHANICS**

Registered vehicle mechanics will be expected to provide the best service to the customers and follow a code of conduct.

In order to ensure the standard of the registered vehicle mechanics, it is proposed that the performance of registered vehicle mechanics should be monitored and the non-performer should be subject to certain appropriate course of action such as reprimand, suspension of registration or revocation of registration, etc. depending on the severity of malpractice.

# VEHICLE MAINTENANCE WORKSHOPS

In addition to the registration scheme for vehicle mechanics, it is proposed to introduce a Code of Practice for vehicle maintenance workshops to promote self-regulation and provides guidance on best practices. The need for a registered scheme for vehicle maintenance workshops will be reviewed in the longer term for vehicle maintenance workshops to enhance their equipment and facilities to meet the necessary technical and safety requirements.

#### YOUR SUPPORT AND FEEDBACK

Your support and feedback is of great importance to the successful development and implementation of the scheme. Your views and comments on the scheme will ensure that your needs and concerns will be considered and that the scheme can be successfully implemented forthwith.

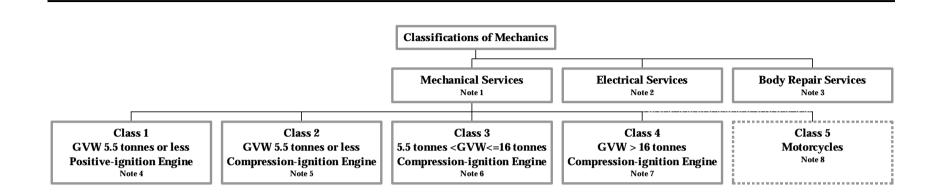
If you have any views and/or comments, please send by 30 November 2004 via

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#### Notes:

- 1. Mechanical services cover services which are safety related and include chassis systems, engines, transmissions, brakes, steering, lubrication and tyre works. It is suggested that maintenance of air conditioning system may also be covered.
- 2. Electrical services cover services which are safety related and included all electrical circuits and electronics within a vehicle. It is suggested that maintenance of air conditioning system may also be covered.
- 3. Body repair services cover services which are less-safety related and include two sub-categories for body repairing and painting. Mechanics could register for one or both categories.
- 4. Class 1 mechanics cover the maintenance of vehicles with positive-ignition engines and of GVW≤5.5 tonnes (including cars, light and medium vans, special purpose vehicles, LPG taxis and light buses using positive-ignition engines, etc), but excluding fuel system of LPG vehicles.
- 5. Class 2 mechanics cover the maintenance of vehicles with compression-ignition engines and of GVW<5.5 tonnes (including taxis, light buses, light goods vehicles, special purpose vehicles, light and medium vans, cars, etc).
- 6. Class 3 mechanics cover the maintenance of vehicles with compression-ignition engines and of 5.5 tonnes < GVW $\le$ 16 tonnes (including medium goods vehicles with two axles, medium coaches/buses, special purpose vehicles, trailers, etc).
- 7. Class 4 mechanics cover the maintenance of vehicles with compression-ignition engines and of GVW>16 tonnes (including medium goods vehicles with more than two axles, heavy goods vehicles, special purpose vehicles, buses, trailers, etc).
- 8. Class 5 mechanics for motorcycle repair may be considered for implementation at a later stage pending development of relevant training courses and trade tests.