#### LEGISLATIVE COUNCIL PANEL ON TRANSPORT

# **Proposed Voluntary Registration Scheme** for the Vehicle Maintenance Trade

#### **PURPOSE**

This paper sets out a broad framework of a registration scheme for the vehicle maintenance trade and seeks Members' views on the scheme.

## **BACKGROUND**

- At present, there are around 1,900 vehicle maintenance workshops and 11,000 vehicle mechanics in Hong Kong. Among these vehicle maintenance workshops, some 80% are small workshops with less than 5 employees. As public franchised bus companies have their own dedicated teams to maintain their bus fleets, vehicle maintenance workshops mainly serve private cars, goods vehicles, non-franchised buses, light buses and taxis. Common services provided in these workshops include mechanical work, electrical work, welding, paint spraying and selling of tyres and automotive parts.
- 3. Vehicle mechanics are broadly divided into 3 categories, viz mechanical services, electrical services and body repair services. According to the manpower surveys conducted by the Hong Kong Productivity Council in 2000 and the Automobile Training Board of the Vocational Training Council<sup>1</sup> in 2002, about 44% of local vehicle mechanics possess a craft certificate or above<sup>2</sup>,

The Vocational Training Council (VTC) was established in 1982 to provide and promote a cost-effective and comprehensive system of vocational education and training to meet the needs of the economy. Under the VTC, different training boards were set up for different industries. These training boards are responsible for recommending to the VTC the development needs of the respective industry and the necessary training facilities. The Automobile Training Board (AUTB) is one of these training boards and it is responsible for the training issues related to the automobile industry.

Currently the University of Hong Kong, the Chinese University of Hong Kong, the Hong Kong University of Science and Technology, City University of Hong Kong and the Hong Kong Polytechnic University offer automobile-related engineering degree courses. The Hong Kong Institute of Vocational Education, which is responsible for providing vocational training under the VTC, and the Automobile Industry Training Centre, which is responsible for providing training courses under the AUTB, offer automobile-related higher diploma, higher certificate, certificate and craft certificate courses. Entry requirement for degree courses is Hong Kong Advanced Level of Examination qualifications. For higher diploma and higher certificate, candidates should possess post-secondary 5 qualifications while post-secondary 3 qualifications are required for certificate and craft certificate courses.

or have passed the trade test<sup>3</sup> organised by the Automobile Training Board. Another 30% of mechanics possess 10 or more years of relevant working experience.

#### THE NEED FOR A REGISTRATION SCHEME

- 4. While mechanical defects of vehicles has not been a major contributory factor of road accidents<sup>4</sup>, proper maintenance of vehicles is certainly an effective means to prevent accidents and is conducive to the enhancement of road safety.
- 5. In addition, sub-standard maintenance services would create nuisance to vehicle owners and bring about air pollution, which would have negative impacts on the health of the public. For these reasons, we consider it necessary to enhance the standard of the vehicle maintenance trade.
- 6. In examining how best to take this idea forward, we believe the following issues are relevant
  - (a) given the current economic conditions, the proposed scheme should not bring about substantial cost or other possible adverse impacts on the business;
  - (b) the proposed scheme should not affect the existing employment situation of the trade;
  - (c) vehicle owners should continue to have adequate options in choosing among large and small workshops;
  - (d) early implementation of the scheme should benefit the community and the trade; and

To recognise the craftsmanship of experienced workers, the AUTB organises trade tests for workers with at least 5 years of relevant working experience. Trade test comprises both written and practical parts. Candidates with craft certificate or above issued by local institutes are exempted from written tests. To obtain a trade test certificate, candidates have to pass both written and practical assessments, either at the same time or at different sittings within 3 years.

<sup>&</sup>lt;sup>4</sup> Among all road accidents in the past 10 years, 3.4% of them involved vehicles with mechanical defects.

- (e) there should be as much flexibility as possible to allow for adjustments to the scheme in the light of the changing needs of the community and the trade.
- 7. The vehicle maintenance trade consists of vehicle maintenance workshops and the mechanics who carry out the actual maintenance work. In view of the above considerations, we are of the view that the most direct and immediate means to improve the quality of the trade would be fostering higher standards among the vehicle mechanics through some form of registration schemes. In fact, similar registration schemes for mechanics have been in place in a number of overseas countries such as the United Kingdom, the United States and Australia<sup>5</sup>. In Hong Kong, registration schemes are also in place for electrical workers, gas installers and construction subcontractors.
- 8. To minimize any possible impact on the trade and the employment situation, we intend to adopt an incremental approach, i.e. to start off with a voluntary registration scheme for vehicle mechanics. This means that registration will not be a mandatory requirement. Instead, we will encourage practitioners with the required qualifications to register voluntarily. We will publish the names of registered mechanics and will also encourage them to display their registration certificate. We believe that such would help provide guidance for vehicle owners in selecting the appropriate service providers.
- 9. As for vehicle maintenance workshops, we consider that a code of practice should be developed to provide guideline on the proper practices to be adopted. The code of practice should cover -
  - (a) code of conduct for vehicle maintenance workshop operators;
  - (b) a general guideline on housekeeping a vehicle maintenance workshop;
  - (c) proper procedures for carrying out mechanical, electrical and body repair services; and
  - (d) recommended equipment and facilities list for vehicle maintenance workshops.

Some are voluntary registration schemes, and some are mandatory schemes.

## INITIAL FRAMEWORK OF THE PROPOSED VOLUNTARY REGISTRATION SCHEME

- 10. We intend to cover vehicle mechanics with relevant professional qualifications and sufficient working experience in the registration scheme. Our initial thinking is that vehicle mechanics with the following qualifications will be qualified for registration
  - (a) those who possess relevant craft certificates or above offered by any local training institutes or equivalent overseas institutes, plus 5 years minimum relevant working experience (including experience accumulated during apprenticeship); or
  - (b) those who have passed the trade test organised by the Automobile Training Board; or
  - (c) those who have no less than 10 years' relevant working experience, subject to the production of business records or verification letters from their employers.
- Registered mechanics will be issued a certificate and a registration card. A registration will be valid for 3 years. Mechanics who wish to apply for renewal of registration will have to produce in-service records in the past 3 years before expiry of the current registration. As stated in paragraph 8 above, we intend to publish the names of registered mechanics on the internet and also encourage them to display their registration certificate. Such would facilitate vehicle owners to identify the registered mechanics easily, and would in turn serve as an incentive to attract more vehicle mechanics to join the registration scheme.
- 12. A Vehicle Maintenance Registration Office will be set up to handle the daily operation of the scheme. The scheme will be run on a cost-recovery basis and the levels of the registration and renewal fees are being worked out. Our current estimate is that the fee level would range from \$500 to 900, which is similar to registration schemes of similar nature e.g. electrical workers and construction subcontractors.

#### WAY FORWARD

Subject to Members' comments on the proposed registration scheme, the Administration will consult the vehicle maintenance trade on the proposed registration scheme and the draft code of practice. The Administration will take into account all comments gathered before finalising the scheme and the code. We will then revert to this Panel and brief Members on the final details of the scheme.

## ADVICE SOUGHT

14. Members are invited to comment on the proposed registration scheme for the vehicle maintenance trade.

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