That’s it, the Carbon Tax is gone, and thankfully retrospective pricing dramas will be minimal as the legislation was passed soon after the promised July 1 repeal date.

But there will be a lingering legacy to deal with and continued uncertainty about the interplay of how refrigerants will be regulated in the upcoming Ozone Act review, proposals to globally phase-down HFCs under the Montreal Protocol and the spectre of a new emissions trading scheme that will almost inevitably one day replace the Carbon Tax.

The good news is that only bulk importers of refrigerants will have to do extra paperwork to prove to the ACCC they are passing on Carbon Tax repeal cost savings – but everybody else is still obliged to pass on the savings to avoid the ACCC’s wrath, albeit without the paperwork burden.

What happened in the corridors of power

The process of pushing the Carbon Tax repeal legislation through Parliament has been well documented in the mainstream media, so there is no need to repeat it all here.

But crucial to this industry was the part played by the Palmer United Party (PUP).

For the Government to gain PUP support for the Carbon Tax repeal, it had to agree to amendments designed to ensure cost savings from the repeal would flow through to consumers – and although the ACCC had already received its brief, who could reasonably argue with the spirit of the amendment?

The trouble was, under these amendments any company buying or selling synthetic greenhouse gases – i.e. most mainstream refrigerants – would have drowned in an ocean of paperwork as they proved what their input costs were and how these reflected the prices of goods sold.

All this paperwork would not only have engulfed the industry but probably the ACCC as well, creating a costly administrative burden for everyone.

Once details of the PUP amendment got out, lobbyists, industry, government advisers and politicians thrashed out their concerns – and thankfully the crossbenchers took it all on board.

Refrigerants Australia executive director Greg Picker told Hot Air of what took place while the Senate was considering the Carbon Tax repeal.

‘It would have been a nightmarish proposition in terms of the paperwork required and the number of companies that were covered,’ he said.

‘So there was quite a lot of work in the weeks the Senate was considering this, just trying to make sure that people understood the significance of the decisions they were making … it could have been the whole supply chain and that’s what we were facing when the amendment started.’

Australian Industry Group chief executive Innes Wilcox said the proposed amendments ‘would have inadvertently required thousands of businesses to produce carbon tax repeal substantiation statements, at considerable cost in staff time and money, under threat of heavy sanctions’.

‘That would have hit everyone from caravan parks and shopping centres to car dealers and whitegoods suppliers.’

As Greg Picker put it, ‘the outcome proved we can get listened to – at least a little bit’.

Pricing and the ACCC

Because the repeal legislation was passed just a couple of weeks after July 1, there will be little need for the ACCC to check whether companies are passing on retrospective savings as per the VASA eNews report in June (see tinyurl.com/ACCC-R1).

Soon after the repeal legislation passed, the ACCC announced its approach to making sure bulk importers of refrigerants pass on cost savings and reiterated the responsibility of all businesses to ensure carbon tax cost savings are passed on.

‘All businesses should engage with their electricity, gas and SGG suppliers to ensure that all carbon tax cost savings are passed through; and businesses should be transparent about their own pricing,’ says the ACCC statement.

‘The ACCC will be closely monitoring false or misleading representations in relation to the carbon tax repeal, and in its ongoing monitoring role, the ACCC will also monitor entities other than electricity retailers and producers, gas retailers and bulk SGG importers to assess the general effect of the carbon tax repeal on prices charged by these entities.’

For this financial year, bulk refrigerant importers ‘must adjust their prices for the supply of the regulated goods to pass through all costs savings directly or indirectly attributable to the carbon tax repeal to customers’.

The ACCC warns that these companies, defined as suppliers of regulated goods, are engaging in illegal price exploitation if they ‘do not pass through all carbon tax costs savings’, and that it will ‘take further action where a supplier has potentially failed to do so’.

Take note of the important word ‘potentially’ as it puts the onus on businesses to not only do the right thing but actively look like they are doing the right thing while they’re at it. No doubt the ACCC will be looking to make examples of ‘potential’ wrongdoers.

During the weeks following the Carbon Tax repeal, the ACCC is sending ‘Carbon Tax Removal Substantiation Notices’ to electricity retailers and producers, natural gas retailers and producers and bulk refrigerant importers, giving them 21 days to respond.

These companies also have to provide the ACCC with a ‘Carbon Tax Removal Substantiation Statement’ with an estimated dollar cost saving that is directly or indirectly attributable to the Carbon Tax repeal and will be passed on to customers during this financial year.

The statement must also be published on the company’s website until at least the end of this financial year, 30th June 2015.

‘In determining whether a supplier has passed through all costs savings that are directly and indirectly attributable to the carbon tax repeal, the ACCC will consider the corporation’s non-carbon tax related costs and any other relevant matter that may reasonably influence the price,’ says the ACCC statement.

Fines of up to $1.1 million will be imposed on companies deemed to be engaged in price exploitation and penalties equivalent to 250 per cent of any cost savings not passed on will be imposed on those contravening their Carbon Tax price reduction obligation.

Du Pont Australia business manager for fluoroproducts John McCormack told Hot Air the ACCC is asking for a quarterly report and explained that it is not as simple as passing on savings across the board.

‘Some product that we brought in never had the Carbon Tax on it because we had inventories, but for products where we did have the Carbon Tax on it and the Carbon Tax has been repealed and removed we’ll just be going back and (adjusting) our prices,’ he said.

‘We’re not going into what is and isn’t in the Carbon Tax and what the
product is, it’s not an area we believe we have to get into – the ACCC are asking for a report on a quarterly basis with prices and we’ll give them that.’

Mr McCormack believes most affected products will return to pre-Carbon Tax prices, with some even a little lower due to the expiry of patents meaning they are now available at commodity prices.

‘For the majority of our products the next sales will be Carbon Tax free, at previous levels. On some of the others where we have done contracts it will be six months (before the Carbon Tax comes off),’ he said.

Greg Picker said the situation means importers have to provide the Government with information about their prices and costs in a way that ‘doesn’t happen to the rest of the market’.

Dr Picker’s advice to our industry is to not mention the Carbon Tax when anybody asks about your pricing and if directly asked if a price change is related to the Carbon Tax, simply state that these are your current prices without making any reference to the Carbon Tax.

The Carbon Tax legacy

Mr McCormack said the Carbon Tax led some operators to re-use contaminated refrigerant that would otherwise have been recovered for safe destruction by Refrigerant Reclaim Australia.

As VASA vice president Brett Meads reported in the last issue of Hot Air, contaminated refrigerant is a growing problem, making it essential to use a refrigerant identifier. He has been finding a lot of air in the air conditioning systems of vehicles coming through his workshop.

Mr McCormack agrees, saying systems are being charged using refrigerant ‘contaminated with air, with all sorts of other junk’.

‘It’s been going on everywhere – people taking stuff out of one system and putting it in the next. Yes they’re putting it through a filter and a dryer but certainly not taking it back to OEM spec as the law says they are supposed to.’

Of course these systems running contaminated refrigerant will also be operating below peak efficiency, running up power bills, putting strain on engines and contributing to increased CO2 emissions. Then when they inevitably fail, there is a greater chance of environmentally harmful gases escaping to atmosphere.

‘It’s a long-term problem not a short-term problem,’ said Mr McCormack. ‘When the prices come down and everyone goes back to doing business it’s going to be 18 months or two years before the equipment that was serviced with bad refrigerant starts breaking down.’

Then there are the number of systems that have been filled with hydrocarbon refrigerants as the shear cost of Carbon Tax loaded HFCs prompted some in the industry to switch.

VASA members have seen plenty of systems breaking down expensively as a result of using hydrocarbons they were never designed for and it’s only a matter of time before many more system fail.

In the last issue of Hot Air we saw a truck running hydrocarbon refrigerant that needed four new compressors in just 12 months, so let’s not forget the carbon footprint of manufacturing replacement parts that would have otherwise been unnecessary!

The worrying legacy of the Carbon Tax is the question of how many people who formed bad habits like reusing contaminated refrigerant, trying to get away with light charges or switching to hydrocarbons will find it hard to go back to proper working procedures once the prices come down.

Those fatter profit margins might be too tempting for some and it will bring the reputation of our whole industry down.

Lingering uncertainty

The Palmer United Party proposed that Australia established an emissions trading scheme post-Carbon Tax, with a carbon price of zero to begin with.

It was not considered as part of the repeal process and will probably be discussed in a separate bill.

Greg Picker told Hot Air the Government has not said it supported the PUP’s proposal, nor to his knowledge has anybody else, so it could be a long way off.

Nevertheless, Refrigerants Australia has written to the PUP on the matter and pointed out the negative consequences of including refrigerants in a future ETS.

‘We’ve asked for a meeting,’ said Dr Picker. ‘It seems to us as a good opportunity to talk about carbon trading … whether it is not an appropriate approach to manage emissions of HFCs in refrigerant.’

Although Dr Picker thinks an ETS could be a long way off, Mr McCormack is not so sure and predicts further uncertainty.

‘When the last election was won, everyone was saying this was a two- or three-term government but since the budget there is now an outside chance for Labor to get back in at the next election and they are threatening to bring in an ETS,’ he said.

‘That in itself puts (the industry) in more concern.’

Mr McCormack agreed the upcoming Ozone Review will keep the boat rock too.

He suggested that if the current government adopts a phase-down of SGGS based on GWP in line with the proposed Montreal Protocol process, any future Labor government would be unlikely to scrap that in favour of an ETS that includes SGGs.

It would be like future-proofing Australia for when the Montreal Protocol proposal is agreed and comes into force internationally, making it pointless to include refrigerants in the ETS as well.

Here’s hoping the process is not too chaotic and that our industry in Australia can transition sensibly into a low-GWP future without going through pain of the kind we have seen with the Carbon Tax.

Did the Carbon Tax reduce emissions?

Despite the headline-grabbing meagre 0.1 per cent reduction in CO2 emissions bandied about at the tail-end of last year, there is growing evidence that perhaps the Carbon Tax was beginning to work and could have achieved a decent reversal of Australia’s greenhouse gas output were it given the chance to gain momentum.

One of the factors reducing the ability of the Carbon Tax to encourage investment in sustainable technology and practices was uncertainty over its future due to the Coalition’s long-standing campaign against carbon pricing.

Would you want to pump money into something if the returns were likely to be wiped out by a change in government?

Data released in June by the National Greenhouse Gas Inventory (NGGI) showed emissions fell 0.8 per cent in calendar year 2013 – the biggest drop for 24 years – compared with NGGI figures for the first 12 months of the Carbon Tax revealing that insignificant 0.1 per cent emissions reduction.

These figures suggest the effect of the levy gaining momentum, but while more low-carbon electricity production such as hydro, wind and solar was encouraged by the Carbon Tax, a major contributor to the drop was a slump in overall electricity demand caused by economic factors like the closures of aluminium smelters and a manufacturing slowdown.
Some might argue that these economic factors resulted from the Carbon Tax making Australian business less competitive.

However a report by the Australian National University published on July 17 – the same day as the repeal passed Senate – concluded that Australia’s electricity sector cut CO2 emissions by up to 17 million tonnes as a result of the Carbon Tax.

The study used official market data to analyse the effect of Carbon Tax on electricity supply and demand in Australia between July 1 2012 and June 30 2014, finding that overall emissions from electricity generation fell 8.2 per cent compared with the two-year period before the Carbon Tax came into effect.

While the Carbon Tax was in force, output from emissions-intensive brown and black coal power stations reduced and a total of 4GW worth of emissions-intensive power stations were taken offline.

During the two Carbon Tax years, solar electricity generation increased by more than 190 per cent and hydroelectric generation received a boost too. However some hydroelectric operators had saved up water by generating less power in the lead-up to the Carbon Tax, using the stored water to generate electricity that earned higher market prices once the Carbon Tax kicked in.

‘If markets had had the expectation that the carbon price was to remain in place, larger emissions reductions than estimated here would have eventuated,’ said the report.

‘Had there been ongoing bipartisan support for the carbon pricing mechanism (or its proposed predecessor in 2009), it is possible that substantial structural changes in electricity supply and within key industrial electricity consumers would already be underway.’

The ANU report does not go into emissions of synthetic greenhouse gases such as refrigerants.

Apart from encouraging people to cut corners by reusing contaminated refrigerant or switching to dangerous hydrocarbons, the Carbon Tax penalised this industry while providing no workable incentives to reduce the impact caused by refrigerants because we are locked into high-GWP products like R134a.

If anything, those causing system damage by using contaminated gases or hydrocarbons were increasing the amount of R134a being released – an own goal for the environment!

It just skewed the refrigerant market and bumped up operating costs for everybody who was trying to do the right thing and left the gates wide open for the unscrupulous to make a quick buck at the environment’s expense, not to mention our industry’s reputation.

If and when Australia gets Carbon Tax part two or some other emissions trading scheme, we can only hope there is a more sensible approach to synthetic greenhouse gases.

But DuPont’s John McCormack isn’t holding his breath. ‘They didn't listen to anybody last time and I wouldn’t want to rely on the fact that they'd listen again,’ he said.

The future

Greg Picker described the past five years as ‘particularly challenging’ and the past two or three years as ‘exceptionally difficult’ for our industry.

Refrigerants Australia is thankful that the industry will finally have a great degree of certainty as to where we are going with the price of carbon, he said.

‘The carbon price distorted the market, so it’s useful that we will have a period where we won’t just have to focus on this.’

There is no doubt we will be dealing with the fall-out of the Carbon Tax for months, if not years, to come what with the uncertainty over when price drops will eventually make it through the supply chain and the clean-up of bad practices encouraged by the sudden surge in refrigerant prices.

Not knowing what turn our industry will take next is also a factor as the Ozone Acts and Australian Automotive Air Conditioning Code of Practice come under review and we wait to see what shape the global HFC phase-down takes under the Montreal Protocol proposals.

Then there is the distinct possibility that Australia will at some point get an ETS to replace the Carbon Tax and the threat that carries of taking us back to square one with a huge hike in refrigerant prices.

All we can say is that VASA members are well placed to ride this roller-coaster and get off with only a few ruffled hairs. We’re working hard to ensure the best outcomes for this industry, we will keep you informed of what’s happening and we’ve done it all before with the switch from R12 to R134a.

There will be lots to learn and plenty of challenges – let’s try to enjoy the ride!
The President wants a word

WELCOME to the August Hot Air. As I am writing today, I am on board a flight to Queensland, to attend the 2014 VASA Annual General Meeting and regional training event.

While seated on a plane, it is probably not the ideal time to choose to reflect on the recent air tragedy of MH17, but nevertheless that’s where my thoughts have wandered, and I am thankful I am at least able to reflect. The passengers and crew of MH17 have no such luxury.

Our hearts go out to those aboard that disastrous catastrophe, and their families and friends left behind in the wake of this abhorrent act.

Sadly our emotions were quickly turned to anger and frustration as we receive reports of looting and desecration of the crash site and the denial of access for the investigators and authorities to retrieve those lost in the tragedy and their belongings, so they may be returned to their homelands and their loved ones.

It is somewhat of a relief to hear this morning that access to the vast crash site has now been granted to the authorities from the Netherlands and Australia to carry out their daunting but very important and necessary task.

I am sure all our thoughts are with them to complete their mission as swiftly as possible.

Back in Australia, we are going through a busy time of change within our industry. As covered on the first three pages of this issue, the ‘Carbon Price’ introduced in July 2012 has successfully been repealed and we are now rid of the dreaded ‘Carbon Tax’.

I think we would all agree that this has been a decision that could not have come soon enough, as it was an unjust burden on our industry, without advantage for anyone, least of all for the environment.

Our industry has demonstrated over the last 25 years, that we are capable of working and cooperating with government to regulate and manage the emissions of ozone depleting substances and synthetic greenhouse gases in a safe and environmentally responsible manner, without being slammed with a punitive tax that yielded no demonstrable benefit but instead introduced a number of negative consequences.

VASA will continue to work within this space by providing our input into the current review of the Gas Management Act, and we are committed to our responsibility of sustainable environmental management of the refrigerant products we now use and may potentially use into the future in a safe manner.

The current Act has served to provide the regulation and direction for the management of our refrigerants very well, but much has changed in our industry since the last review and it is timely to rethink the Act.

In light of the Carbon Tax repeal, I would urge you all to ensure you identify and implement any changes you may need to make within your business, if any, in relation to the repeal.

VASA has just released a draft review of the Automotive Air Conditioning Code of Practice, and you should have received a copy by now in your inbox. If not, get in touch with the VASA head office to request a copy.

This draft review document is just that, a draft, it is neither right nor wrong – just a recommendation. It should be thoroughly read and scrutinised, and commentary given in regard to what you agree and disagree with. We want to hear your thoughts and opinions, and of course your suggested amendments.

The resultant Code of Practice document will be an industry document and therefore, you as a member of the industry will be its final author. Your feedback will go a long way towards determining the quality of the document.

I will finalise my message as I ready myself to be further educated and motivated at the HVAC training event tomorrow at the Supercool Asia Pacific Super Test Centre and VASA head office in Ormeau.

This is the third VASA regional training event so far, the second for Peter Stubley and Brett Meads as the presenters. Peter and Brett know their stuff and love to share the wealth of their experience.

I am certainly looking forward to it and I have no doubt everyone will find the investment of their time worthwhile, leave with some great take-aways, expand their network and therefore their net worth.

I urge everyone to support the training events as they occur in your region and I hope to catch up with you at one of the events soon.

Ian Stangroome, VASA President

MACS insight: Happy 40th!

(1974 – 2014)

This (Southern Hemisphere) winter marks the 40th anniversary of the publication of a document that has not only transformed the mobile air conditioning industry, but has also had a major impact on the overall climate discussion.

Its publication was at the forefront of the green revolution, before it was cool to be green. The authors surely could not have predicted the magnitude of their work, and just how much of an affect it would have, but in the long run, it has changed the course of history.

Scientists have been warning for decades of the potential we humans have to modify nature’s balance. As it specifically relates to the mobile air conditioning world, this began with a simple research paper describing a theory of how CFCs can destroy stratospheric ozone. It was first published June 28, 1974 in Nature, a scientific journal.

Entitled ‘Stratospheric sink for chlorofluoromethanes: chlorine atom-catalysed destruction of ozone’ it was written by Mario J. Molina & Frank Sherwood Rowland of the University of California, Irvine. While it’s not a terribly interesting read (it’s just like reading a research paper from one of your college chemistry classes), it is profound for its time in what it says.

Basically it is the primer for what MACS teaches in its Section 609 Certification training classes; that when CFCs are released into the atmosphere, they slowly make their way to the upper levels of the stratosphere, where they are broken down by ultraviolet sunlight. The freed chlorine atoms then latch onto and destroy ozone molecules by breaking off one of their oxygen atoms.

The authors surely could not have predicted the magnitude of their work

Here’s what the chemical equations look like:

1. Dichlorodifluoromethane (R-12), when exposed to ultraviolet radiation:  
\[ \text{CF}_2\text{Cl}_2 \rightarrow \text{CF}_2\text{Cl} + \text{Cl} \]

2. Chlorine then combines with ozone:
\[ \text{Cl} + \text{O}_3 \rightarrow \text{ClO} + \text{O}_2 \]

Author’s Note: Here’s a link to the original Nature document: [http://go6.gl/gboMze](http://go6.gl/gboMze)
NEW ZEALAND member Dave Harwood owns and runs CoolCar Air Conditioning Centre North Shore. He started the business in 1996 after a long career in the automotive trade, specialising in air conditioning after advanced training in Australia during the 1980s.

Dave and his team keep up-to-date with ongoing training, run the workshop as environmentally responsibly as possible and are equipped with the latest diagnostic tools and equipment. Over the years, the workshop has established many long-term customer relationships and become the preferred service provider for most of the vehicle franchises on the North Shore.

About Dave
What encouraged you to begin working in the motor trade?
I followed in the footsteps of my father, who was a motor mechanic to start off with and I did by apprenticeship with the New Zealand Army.

What do you enjoy most about your job?
I enjoy the daily challenges it presents to us. Our workshop is right up in the top end of things with a lot of the new car work so it can be very challenging. Both myself and the guys that work for me enjoy that sort of thing – being challenged rather than the run-of-the-mill work. We get a lot of late-model European stuff here. (Dave said Autodata, a great relationship with his franchised dealer customers, and having his own scan tools and scope help overcome the unfamiliarity and complexity of modern machinery.)

What are your core skills?
We are dedicated air conditioning shop so air conditioning and related electronics, deep-down fault finding rather than surface stuff. We don’t just bolt parts on, we find out what’s wrong and repair it.

What are your hobbies and interests?
I’m restoring an old 1969 Triumph 2000 at the moment (Dave said he enjoys access to many ‘brilliant’ fishing spots nearby).

Where do you want to be in 10 years?
Dave plans to retire in five years so he reflected on the past 10 years instead.

It’s been brilliant, I’ve been in the same business for the past 10 years, found it challenging and enjoyable, I own the shop and have good guys working with me which has made my job very easy. If I’m away I have confidence in my staff that they will run the shop the same way as I do.

About the Industry
How do you feel the motor vehicle air conditioning industry is faring at the moment?
Very well and it is very challenging too. It’s a good industry to be in so long as you are at the top end of it. If you’re going in just passing up systems forget it, you’re not going to do any good out of it but at the top end where you’re doing the diagnostics it’s a good industry to be in and you can make money out of it.

Do you think it will get better or worse?
It’s going to get more challenging but for the way we work it’s going to be better for us because it’s going to get rid of the cowboys who won’t put the money into training. The guys who put money into training and keeping up-to-date with things will do really well.

What is your view on the use of the new HFO-1234YF refrigerant?
You’ve just got to train and buy the equipment you need to work with it. As soon as Grant Hand put on training over at VASA legend and director Mark Mitchell’s workshop we were over there like a shot. It’s not going to be a great deal different to what we’ve used to, you’ve just got to have the workshop procedures in place to cover it. I’m working with the New Zealand Motor Trade Association on their technology committee, which covers the whole country. Working with these people, with anything that comes over from VASA and so on we don’t try and reinvent the wheel – we listen to and chew over what’s being spoken to us.

Do you attend any industry seminars?
In my business, quite a big percentage of turnover goes back into training. Either I or my staff do Grant Hand training every time he comes over and I usually meet Grant socially when he’s here. There’s not a year gone by when either myself or my guys haven’t been on training courses – you have to do it.

Are you a member of an automotive body other than VASA?
In addition to the MTA technology committee mentioned earlier I am also on the Auckland area executive, which is the biggest branch of the MTA in New Zealand.

Are there things you would like the industry to do as a whole that they not already doing?
The industry in Australia is a little bit different to here in New Zealand, we still have a bit of catching up to do but my feeling is that you don’t reinvent the wheel. Australia’s already gone through the school of hard knocks, all we’ve got to do is look at what’s gone wrong in Australia and make sure it doesn’t go wrong here. Keep a focus on what we’re doing and not be drawn off onto the sidelines.

About your VASA membership
How long have you been a member?
Since it started in New Zealand, which I think was about 1996.

Why did you join VASA?
In the old days it was the training but nowadays it is the conferences, the fellowship, the friends I’ve made through it and that sort of thing.

How do you use VASA?
There’s the technical database and like-minded people you can ring up and discuss problems. Nobody knows everything but it’s like the saying ‘united you stand, divided you fall’, it works out really good for everybody.

Do you think VASA has a strong voice in the industry?
In Australia definitely, in New Zealand probably not as strong. The MTA is stronger. We (Australia and NZ) have got the same issues. We’re going to be changing gas over the next few years, we’ve got cowboys using flammable refrigerants and that’s why I said ‘don’t reinvent the wheel’. You’ve only got to look at the number of Kiwi guys at the VASA conferences to see how strong the membership is here.

What more could VASA do for its members?
Just training really, we need more on the electronic side over in New Zealand and probably a little bit stronger representation in New Zealand than we have at the moment. Catherine Tocker (NZ VASA director) does her best but there’s a limit to what she can do. We probably need one director in the North Island and one in the South Island.

About Holly
VASA member Holly DeLucchi, from Lake Munnorah in NSW, was named Auto Electrical Apprentice of the Year in the Hornsby Rotary Club’s annual Pride of Workmanship awards.

During the award ceremony held at Asquith Bowling Club in April, Holly was described as ‘an excellent, highly self-motivated student who succeeded in her studies as an automotive electrician,’ and ‘definitely a candidate for student of the year.’

A shining example for young females considering entering the traditionally male-dominated trades, Holly has also completed her Cert II in automotive air conditioning.

If the name and face seem familiar, it is because Holly was the subject of Hot Air’s member profile feature in February this year.

Holly is a fourth year apprentice at Woy Woy Auto Electrics, where proprietor George Smith said she is highly intelligent, with the ability to succeed in whatever career she should choose.

Introduced to VASA by director Peter Stubley, who was one of her teachers at Hornsby TAFE, Holly is following her father (a panel beater) and grandfather (a motor mechanic) into the automotive trade.

Her ambition is to establish her own mobile auto repair business, aimed at female motorists.

VASA congratulates Holly and wishes her the best of luck in her career.
ABC investigation raises smash repair concerns

AN ABC investigation into the smash repair industry reached the unsurprising conclusion that a number of repairs authorised by insurance companies were found to be inadequate and in some instances dangerous and unlawful.

The report aired a couple of weeks before a New South Wales Parliamentary inquiry into the relationship between insurance companies and the smash repair industry.

ABC's investigation focussed on NSW and while it did not go as far as reporting on repairs to vehicle air conditioning systems, anecdotal evidence from VASA members and their customers points to corner-cutting in this area too.

We have heard stories of work either done by the smash repair shops themselves – without an ARCricket license - or farmed out to unlicensed operators, often involving a charge of highly flammable hydrocarbon refrigerant.

It is easy to understand why it happens. Repairers are under pressure to win the insurance work that forms the bread and butter of their business, and to do so they have to price these jobs at a rate the insurers are happy with - and is of course likely to keep them coming back for more with fixed-term contracts.

Unfortunately, there can be a huge disparity between the price insurers are happy to pay and the true cost of performing repairs to a high standard beyond the cosmetic gloss of straight panels, shiny paint and clean carpets.

One example in the ABC report involved an Audi that broke down after being collected from the insurer's recommended repairer, prompting the owner to seek a second opinion after he lost faith with his insurer and its nominated workshop.

The second workshop, Auto Parlour Repairs, said the car was so poorly repaired that it was dangerous and should be written off due to bent, missing and otherwise compromised structural components.

Auto Parlour's opinion was that the Audi had been repaired on the cheap. In fact the business that carried out the original repairs quoted $17,129 to insurer AAMI while Auto Parlour said the cost of doing the job properly was more than $61,000.

Suncorp Group corporate affairs manager Reuben Aitchison told ABC his company's repairers are required to 'adhere to the code of conduct and to adhere to manufacturer specifications when they are carrying out repairs'.

The stories we hear of vehicles with air-conditioning systems full of hydrocarbons following smash repairs point to a clear disregard for the manufacturer specifications Mr Aitchison mentioned - otherwise R134a would have been used.

NSW Parliamentary Secretary for Transport and Roads Ray Williams told the ABC of 'some quite alarming figures in relation to the poor quality of repairs in a certain percentage of vehicles.'

The NSW Motor Traders' Association (MTA) has been compiling a list of cases based on reports received from motorists and has produced a document listing fifteen insurers - including all the major brands - with complaints from poor paintwork to dangerous defects like loose or compromised structural components.

'There are a number of cars that have been repaired that badly that if they were involved in an accident ... they would cause serious and maybe fatal outcomes for not only the occupants of the car but for other people on the road,' said MTA chief executive Greg Patten.

Since the ABC report aired, Chris Bartlett of CB Smash Repairs in Bega NSW contacted the broadcaster to explain how doing business with insurers is even harder outside metropolitan areas.

His gripes included the lower availability of recycled parts and the insistence of insurance companies to use them when repairing older vehicles.

They're paying you a reasonable rate, they're claiming ... but then they're cutting the amount of hours you have to do the job in half.

'We've got to spend hours of our time internet chasing, phone call chasing, ringing wreckers to find all these parts to fix cars because they don't want to spend the extra $100 buying a new one,' said Mr Bartlett, who stopped doing insurance work eight years ago.

'They're paying you a reasonable rate, they're claiming ... but then they're cutting the amount of hours you have to do the job in half.'

About six weeks before the ABC report aired, Mercedes-Benz weighed into the smash repair debate, hitting out at insurers insisting on cost-cutting practices such as using non-genuine parts.

In an attempt to reduce fuel consumption by reversing the trend of bloated vehicle weights, many modern cars use a mixture of materials in body construction, with up to eight different metals in some Mercedes-Benz models such as high-strength steels, aluminium and magnesium alloys.

This isn't restricted to high-end brands. Australia's home-grown VF Commodore has a several aluminium body panels and the latest Volkswagen Golf weighs about the same as the 1997 model despite being larger, safer and carrying more comfort and convenience technologies.

Mercedes-Benz Australia Pacific senior public relations manager David McCarthy accused insurers of 'fitting parts to cars that are counterfeit, that are deficient and they are compromising the integrity of the safety.'

'All they are interested in is repairing a car to look good ... they are not repairing the car for the next accident and, quite frankly, they have blood on their hands.'

A point Mercedes-Benz and the insurance industry agree on is the fact that independent repairers do not have access to diagnostic equipment that enables them to complete a job on a complex modern vehicle to factory standards, such as checking the status of seatbelt pre-tensioners or resetting diagnostic systems.

In March, Suncorp national industry relations manager Rob Bartlett told the Cars of Tomorrow conference in Melbourne that his company has 'seen significant attempts by some in the industry to actually prevent independent repairers from accessing equipment and technical information.'

'The only outcome is that some of the people who buy your cars are being left to the efforts of smash repairers who, for one reason or another, struggle to get the job done right,' he said.

Workshop equipment available to Mercedes-Benz authorised repairers is regularly updated with the latest data that helps the workshop achieve work of a certain standard - and for this reason the German luxury brand claims independent repairers can not compete or guarantee their work preserves the original factory quality.

The good news on that front is that the Australian Automotive Aftermarket Association's Choice of Repairer campaign will soon reach fruition, with the imminent arrival of an industry Code of Practice that forms an agreement to share information, equipment and tools between car manufacturers and independent repairers.
THE Federal Bureau of Investigation and other authorities are alerting consumers across the United States to the dangers of unapproved flammable hydrocarbon refrigerants containing propane.

Those who believe they have purchased or used such products are being asked to fill in a questionnaire on the FBI website and those who have used them and suspect a leak are being told to ‘call the fire department immediately’.

The seriousness and deep concern with which the US authorities are treating the proliferation of these refrigerants stands as a strong message as to the risks they pose and will hopefully tip the balance in countries like Australia towards bringing them under control.

Along with the FBI, the US Environmental Protection Agency and Department of Transportation are investigating flammable refrigerants sold as ‘Super-Freeze 22a, Super-Freeze 12a, Super-Freeze 134a, Enviro-Safe 22a, and R134a.’

The US EPA recently proposed the approval of certain hydrocarbon refrigerants (see Page 8) and has sensibly imposed strict conditions on their use, such as small charge weights in brand new equipment specifically designed for hydrocarbons, with clear warning labels and colour-coded components.

However the FBI alert says the flammable refrigerants under investigation have ‘been marketed as a drop-in replacement, second generation, non-ozone depleting hydrocarbon refrigerant’.

‘The target consumers were home owners and do-it-yourselfers. The product could be purchased online and over the telephone by anyone; a refrigeration license was not required to make the purchase.’

People who have used these refrigerants, referred to by the FBI as victims, are advised to ‘call a licensed heating and air conditioning professional, and do not attempt to service the system yourself’.

‘If you suspect a leak, call your local fire department immediately. The flammable refrigerants are not believed to contain the ‘rotten eggs’ smell typically associated with liquefied petroleum gas or propane.’

A simultaneous alert from the EPA ‘warns against use of refrigerant substitutes that pose fire and explosion risk’.

‘Home air conditioning systems are not designed to handle propane or other similar flammable refrigerants. The use of these substances poses a potential fire or explosion hazard for homeowners and service technicians,’ it says.

In addition to the brands cited by the FBI, the EPA lists products sold under the names R-290, 22a, 22-A, R-22a, HC-22a, and CARE 40 as suspect.

‘EPA is aware of incidents that have occurred both overseas and in the US. where individuals have been injured as a result of the use of propane and other unapproved refrigerants in air conditioning systems,’ says the alert.

‘Homeowners and technicians are strongly recommended to limit use of propane or other hydrocarbons to only those appliances specifically designed for these substances and that are properly marked to alert technicians that the equipment contains a flammable substance.’

**INDUSTRY has the opportunity to advise the Federal Government on upcoming vocational education and training (VET) reforms as skills and training take centre stage in the economic agenda.**

The VET reforms aim to address concerns about the system’s responsiveness to industry and employer needs, distorted incentives, system complexity, inconsistent quality and unnecessary regulatory burden and red tape.

In a speech at the National Skills Summit in Canberra on June 25, Industry Minister Ian Macfarlane said the Government is ‘looking across the whole sector to ensure Australian businesses have access to the skilled workers they need to boost productivity’.

‘The era of training for training’s sake is over,’ he declared.

The era of training for training’s sake is over

‘Around 3 million Australians undertake accredited training courses each year. We want students enrolling in VET courses to know that their training is equipping them with the skills to get a job or excel in their career.’

An advisory committee of industry representatives is being established to ensure the efficiency and effectiveness of Australia’s new training system, which Minister Macfarlane said ‘must be sophisticated, flexible and reflect what industry needs’.

‘By making targeted and strategic reforms in this sector we will lay the platform for enhanced productivity, jobs growth and greater prosperity for industry and the Australian economy,’ he said.

‘Previous attempts at reforming the training sector have been piecemeal and haven’t succeeded in putting industry at the front and centre.’

An independent review of training regulator, the Australian Skills Quality Authority (ASQA), has been launched with the objective of cutting red tape and reducing business costs for training providers.

‘Stakeholders have made clear that the “one-size-fits all” regulation isn’t working,’ said the Minister.

‘The Government wants ASQA to focus more on poor-quality providers, leaving the majority of training organisations to get on with their training.

‘For the foreseeable future ASQA’s fees will not rise and I will be reviewing the regulator’s operating funding to ensure it can support the reform agenda.’


**Government loans for apprentices**

**APPRENTICES working toward Certificate III or IV level qualifications on the National Skills Needs List can now apply for Trade Support Loans of up to $20,000 over their four years of training.**

Among the eligible trades are air conditioning and refrigeration mechanics, auto electricians, motor and motorcycle mechanics, panel beaters and vehicle body builders, painters and trimmers.

Depending on their needs, eligible apprentices can access up to $8,000 in their first year, $6,000 in the second, $4,000 in the third and $2,000 in the fourth year.

In line with the HELP loans available to tertiary students, Trade Support Loans interest free (but indexed annually in line with the Consumer Price Index) and repayable once the apprentice starts earning a sustainable income.

Industry Minister Ian Macfarlane said the Government wants to encourage young Australians to undertake apprenticeships but more importantly, complete their training.

‘All too often apprentices don’t finish their training because they can’t afford the costs,’ he explained.

‘Trade Support Loans will help apprentices with the cost of living during their training and provide them with the support they need while acquiring the skills to move into jobs.’

The staggered payment amounts were devised in response to feedback indicating that apprentices face the highest costs during their first year of training.
THE US Environmental Protection Agency (EPA) has proposed the approval of four hydrocarbon refrigerants under the Significant New Alternatives Policy (SNAP) programme.

In the proposal none of these refrigerants are destined for mobile or vehicle applications and none of them are allowed for use as retrofits.

To address the flammability risks of hydrocarbon refrigerants, the only approved applications under this proposal are certain types of new stationary equipment specifically designed for hydrocarbon refrigerants, restricted to specific use conditions and with relatively small charge limits.

The proposed equipment types must also include safety measures such as coloured pipes and hoses, warning labels and compliance with relevant Underwriters Laboratories standards.

Hydrocarbon refrigerants involved include ethane (R170), isobutane (R600a), propane (R290), and R441A (a blend of ethane, isobutane, propane and butane).

The EPA is also planning to lift the ban on venting hydrocarbon refrigerants to air as they are not considered harmful to the environment.

Under the proposal, R170 is listed for very low temperature refrigeration equipment and in non-mechanical heat transfer, R600a for standalone commercial refrigerators, freezers and vending machines, and R290 for household refrigerators, freezers and fridge-freezers plus vending machines and in-room air conditioning units.

The blend R441A is proposed for use in the same applications as R600a and R290.

Proposed maximum refrigerant charges for R441A and R600a are 150g, while the maximum charge per circuit for R290 is 57g.

R32 – a mildly flammable HFC with a Global Warming Potential (GWP) of 650 also included in the proposal.

The EPA says this proposed action is in support of President Obama’s Climate Action Plan and would expand the list of SNAP-approved substitutes to include more low GWP alternatives to replace both ozone-depleting substances and high-GWP HFCs.

‘Last June, President Obama introduced a broad set of initial steps designed to slow the effects of climate change, including reducing potent greenhouse gases,’ said EPA administrator Gina McCarthy.

‘This proposal is a great example of how businesses and EPA can foster innovation by working together to identify refrigerants that better protect our environment.’

R134a will be banned from use in new passenger cars and light trucks sold in the United States from 2020 under proposals by the Environmental Protection Agency.

That doesn’t mean the EPA is proposing a ban on the refrigerant for servicing existing systems designed for R134a – the authority says this could ‘strand the installed base of equipment or force retrofits to other refrigerants’.

Under the proposal it will be unacceptable for low global warming potential (GWP) refrigerants like HFO-1234yf to be retrofitted into a system not designed for them and retrofitting R134a into systems designed for HFO-1234yf (to overcome the price difference) will also be prohibited.

The EPA’s Significant New Alternatives Policy (SNAP) specifies unique fittings for R134a and HFO-1234yf, making it a violation of conditions to use an adapter or modify fittings for the purpose of using a refrigerant not specified for use with a given system.

In fact SNAP prohibits the topping up of systems designed for a specific refrigerant with a substitute product and it is unlawful to replace refrigerant without fully recovering the old gas first.

If the proposal – that also deals with other HFC refrigerants – is approved, R134a will also be deemed unacceptable in new and retrofit retail food refrigeration and vending machines from the beginning of 2016 and in foam blowing from 2017. However continued use of R134a would be permitted for ‘specific types of technical and medical aerosols’, and of course servicing existing equipment that was designed to use it or retrofitted to use it (for example to convert from ozone-depleting R12) before the cut-off date.

EPA administrator Gina McCarthy said the proposal ‘builds on the innovative work businesses across the country have already made to reduce and replace some of the most harmful chemicals with safer, more climate-friendly alternatives that are available and on the market today’.

‘This action will not only result in significant reductions of harmful greenhouse gases, but it will also encourage businesses to continue bringing safer alternatives to market.’

The European Union is leading the world in the phase-down of high-GWP refrigerants and since June 2008 the MAC Directive has made it impossible to gain type approval for a new vehicle using refrigerants with a GWP higher than 150 if the system leaks more than 40 grams per year (single evaporator systems) or 60 grams per year (dual evaporator systems).

From the start of 2011 the MAC Directive made the use of refrigerants with a GWP lower than 150 a condition of type approval for new vehicles and from January 2017 all new vehicles registered, sold and entered into service in the EU must use low-GWP refrigerants.

Mercedes-Benz parent company Daimler has contravened the MAC directive by refusing to adopt the new industry standard HFO-1234yf refrigerant on safety grounds, causing a short-lived ban on certain Mercedes models in France and the European Commission issuing legal proceedings against Germany for not enforcing the MAC Directive on Daimler.

### Air-convict:

**Thief faces jail for venting R22 from stolen A/C**

**Martin Eldridge**

IMPRISONMENT looks likely for a man in the US state of Ohio, who pleaded guilty to violating the United States’ Clean Air Act by knowingly venting regulated R22 refrigerant to air as he stole air-conditioning units for their scrap copper and parts value.

As part of a plea deal, Martin Eldridge agreed to 31 months behind bars plus 12 months under court supervision once released, with 200 hours of community service performed during this time.

According to court documents, Eldridge and his accomplices stole at least 49 air conditioners last year, in the process cutting tubing and causing the release of ozone-depleting R22 into the air.

A US district judge is yet to determine if the court will accept Eldridge’s plea deal and set a date for sentencing.

Eldridge has been in custody since October on state charges and pleaded guilty in April to one count of theft, one count of failure to appear and two counts of aggravated possession of drugs.

The cost to replace and repair the stolen air-conditioning units was $US200,000, according to a bill of information charging Eldridge, whose plea agreement recommends that he serves the federal sentence for venting R22 and his state sentence on the theft charges concurrently.

‘The defendant’s continual theft of air conditioner parts was illegal and a clear violation of the Clean Air Act,’ said Randall Ashe, the special agent in charge of the US Environmental Protection Agency’s criminal enforcement program in Ohio.

‘The release of ozone-depleting substances can cause serious harm to public health, including skin cancer, cataracts, and suppression of the immune system.’

US attorney Carter Stewart said this is the first federal case of its kind in the Southern District of Ohio.
Economic risks linked to climate change:  
CEDA

THE Committee for Economic Development of Australia (CEDA) has warned that Australia must come up with an ‘appropriate response to climate change’ or risk economic problems caused by big cleanup bills from natural disasters and a lack of investment capital for major projects.

According to CEDA chief executive, Professor the Hon. Stephen Martin, a crisis could be averted through the Federal Government’s ‘direct action’ policy that will replace the Carbon Tax – if it is appropriately funded and targeted.

However, he said direct action alone it is unlikely to be enough to keep Australia in step with important trading partners like China and the US, both of which are pursuing emissions reduction plans.

‘We appear to be one of the only countries trying to wind back its legislative approach to greenhouse gas emissions,’ said Professor Martin. ‘Perhaps it’s time for a policy rethink on an emissions trading scheme.’

Launching CEDA’s report The Economics of Climate Change in June, Professor Martin described climate change as both an environmental and economic issue.

‘The first area that leaves our economy exposed if we don’t take action, relates to the consequences of increasing extreme weather events and the economic and social impact that these events have on Australia’s production capacity, he said.

In addition to the impact of recent extreme weather events like Cyclone Yasi, Black Saturday and the Queensland floods on those directly affected, their effects have been felt by taxpayers across Australia through schemes like drought relief funds and the Queensland flood recovery levy.

Professor Martin cited Roma in Queensland, which has endured significant flooding in recent years, as an example of where action could have made a significant difference.

‘If a levee to protect the town had been built in 2005, it would have cost $20 million. However, since 2008 $100 million has been paid out in insurance claims and since 2005 a repair bill of over $500 million has been incurred by the public and private sectors,’ he said.

‘Statistics show that the number of catastrophic weather events is increasing and the economic losses associated with these events are also trending up which is why we need a national approach to address these risks.’

Professor Martin suggested the introduction of a national risk register that includes strategies to manage risks of adverse climate events both in the public and private sector – before they happen.

In terms of the effect of climate change on Australia’s access to capital for funding major projects, Professor Martin pointed to the emerging global trend of applying climate-related risk assessments when considering investment and financing decisions.

‘This trend is likely to have consequences for nationally significant industries in Australia, such as the resources sector, and associated asset values,’ he said.

‘Australia is reliant on foreign capital to fund major projects and new developments in international climate change policy are likely to impact international capital flow and investment decision making.’

It looks as though Professor Martin’s desired ‘rethink on an emissions trading scheme’ could come to fruition as part of a deal with the Palmer United Party during the Carbon Tax repeal process or under a future Labor government.

Hopefully any future emissions trading scheme in Australia will include fairer approach to refrigerants than the Carbon Tax.

Japan launched its CO2 monitoring GOSAT satellite in 2009 and scientists have been taking advantage of its observations in preparations for the American OCO-2.

CO2 levels in the atmosphere have reached 400 parts per million, the highest level in at least 800,000 years, with the burning of fossil fuels and other human activities adding around 40 billion tonnes each year.

Scientists have concluded that this increase in CO2, particularly from fossil fuel burning and deforestation, has thrown the planet’s natural carbon cycle off balance, increasing global surface temperatures and changing the climate by trapping heat from the sun.

Measurements from OCO-2 will be combined with data from ground stations, aircraft and other satellites to build a picture of the processes regulating atmospheric CO2 and its role the climate and carbon cycle.

‘Climate change is the challenge of our generation,’ said NASA administrator Charles Bolden.

‘With OCO-2 and our existing fleet of satellites, NASA is uniquely qualified to take on the challenge of documenting and understanding these changes, predicting the ramifications, and sharing information about these changes for the benefit of society.’

Scientists expect to begin archiving calibrated mission data in about six months and plan to release their first initial estimates of atmospheric carbon dioxide concentrations in early 2015.

OCO-2 will become the lead satellite in a constellation of five other international Earth monitoring satellites that circle the planet once every 99 minutes, making a wide range of almost simultaneous observations.

Known as the ‘A-Train,’ it will be the first multi-satellite, formation flying ‘super observatory’ to record the health of Earth’s atmosphere and surface as it collects an unprecedented quantity of climate and weather measurements.

Climate change satellite to track Earth’s CO2 cycle

NASA has successfully launched its first spacecraft dedicated to measuring CO2 levels in the Earth’s atmosphere, more than five years after the rocket carrying the original version failed and plunged into the ocean after lift-off.

Less than half of the CO2 released into the atmosphere stays there and adds to the greenhouse effect that causes global warming.

Some is known to be absorbed by oceans and forests but scientists do not know for sure what happens to the rest, so finding out is part of the Orbiting Carbon Observatory-2 (OCO-2) mission that will last at least two years.

OCO-2 project scientist at NASA’s Californian Jet Propulsion Laboratory, Michael Gunson, said that finding out what parts of our planet are removing CO2 from the atmosphere will help build an understanding of whether they will continue doing so into the future.

‘Understanding the processes controlling carbon dioxide in our atmosphere will help us predict how fast it will build up in the future,’ he explained.

‘Data from this mission will help scientists reduce uncertainties in forecasts of how much carbon dioxide will be in the atmosphere and improve the accuracy of global climate change predictions.’

OCO-2 is near-identical to the satellite that crashed in 2009, apart from a few components that have been upgraded due to the originals becoming obsolete.
Quickest ever uptake for 2015 Aussie Auto Aftermarket Expo

MORE than three quarters of available space at next year's Australian Auto Aftermarket Expo in Melbourne has already been booked, 10 months before the event.

According to Australian Automotive Aftermarket Association (AAAA) executive director Stuart Charity, this is the quickest ever uptake of exhibition space and sponsorship packages the biannual event has ever seen.

‘With this tremendous support from the industry, we look forward to a bumper Australian Auto Aftermarket Expo in Melbourne next April,’ he said.

It will be held at the Melbourne Exhibition Centre from 16-18 April 2015, coinciding with the Collision Repair Expo, for which 90 per cent of exhibition space has already been sold.

VASA will be among the hundreds of exhibitors at the five-acre trade-only event, as part of our reciprocal membership agreement with the AAAA, which organises the expo.

‘I suggest that auto aftermarket businesses wanting to exhibit at the 2015 Expo should quickly contact Exhibition Director Tony Francis,’ said Mr Charity.

(Tony can be contacted via: Tony.Francis@informa.com or 03 9654 7773.)

‘Almost all sponsorship packages have been taken, which is a powerful endorsement for this Expo. Aftermarket businesses support this show because it delivers what exhibitors want – thousands and thousands of quality trade visitors,’ said Mr Charity.

‘A committee of senior industry leaders help set the direction for this event and they understand the workshop owners, managers, technicians and apprentices who attend the Expo, because those visitors are also their customers.

‘In addition, we get feedback from actual and potential show visitors through formal research. With all this knowledge of the market, we truly make it an Expo for the industry by the industry.

‘The comprehensive display of vehicle repair and servicing equipment, replacement parts, accessories and workshop tools will be balanced by a seminar program featuring industry experts presenting the latest technologies and trends in workshop and retail management. The 2015 Expo also introduces an expanded Australian Auto Aftermarket Awards program recognising innovation and excellence in our industry.’

Significant update to Autodata Online

AUTODATA Australia’s latest information update, Version 45.2, includes 174 additional models and significant updates to hundreds of current models.

Updates cover current models from Audi, BMW, Citroen, Ford, Holden, Hyundai, Jeep, Kia, Lexus, Mercedes-Benz, Mitsubishi, Opel, Peugeot, Renault, Skoda, Smart, Subaru, Suzuki, Volkswagen and Volvo.

Special attention has been paid to service schedules, technical data, timing belts/chains and wiring diagrams in this update.

Autodata is assisting VASA with an upcoming information product that will be of great value to members.

CoolDrive grows A/C range

COOLDRIVE Distribution has expanded its air conditioning product offering in the months since the 2014 Air Conditioning catalogue was released in April, to fit the most recent and popular applications.

Leading this expansion is CoolDrive’s fast expanding, reasonably priced ‘J’ series compressor range and the introduction of Koyo brand condensers in 50+ applications to complement the already extensive range of Koyo radiators.

Known globally for their quality, performance and fitment accuracy, Koyo condensers have achieved this reputation from their 50 years of engineering and manufacturing experience in Japan.

Koyo’s quality comes from detailed testing conducted in their R&D department and manufacturing in their private family owned ISO9001 certified facilities.

CoolDrive is also now stocking Lokring/Lokclip nationally, providing a simple, low cost alternative to pressed and screwed connections when repairing damaged A/C pipes and hose.

Lokring/Lokclip is available in a starter kit containing the most common repair fittings and all the tooling required to complete the job, while a large range of replacement fittings to suit a wide range of repair scenarios are also available.

The Lokring/Lokclip products can be used to set up both hose-to-hose and hose-to-tube connections for all conceivable repairs solutions.

CoolDrive helps VASA distribute Hot Air via its branch network.
Warranty situation clarified for customers and workshops

MOTORISTS can now enjoy certainty that their vehicle's factory and extended warranties will remain valid if they have maintenance done outside the dealer network – using parts of ‘appropriate quality’ and not just genuine parts.

This naturally has a flow-on benefit to independent repairers, who can now show customers unsure of where they stand an official statement from the Australian Competition and Consumer Commission (ACCC).

For years the Australian Consumer Law (ACL) and Competition and Consumer Act (CCA) have given consumers choice over where to spend their vehicle maintenance dollars but the wording of warranty documentation and servicing logbooks can lead them to think otherwise.

Following a submission from the Australian Automotive Aftermarket Association (AAAA) last November, the ACCC issued a statement in June re-affirming the rights of vehicle owners.

The ACCC statement clarifies that ‘if the manufacturer’s warranty states that the vehicle can only be serviced by an authorised dealer, this is likely to raise concerns under the Competition and Consumer Act’.

It goes on to say independent workshops ‘can sign or stamp the relevant page of the customer’s service logbook — once you have completed the service — without affecting the manufacturer’s warranty’.

AAAA executive director Stuart Charity accused car manufacturers and main dealers of ‘promulgating the myth to car owners that they risk voiding their warranty unless their car is serviced by an authorised dealer using parts supplied by the vehicle maker during the warranty period’.

An exception remains with dealer extended warranties that are sold with or included in the price of vehicles as an incentive. If the requirements of these warranties stipulate that the vehicle must be serviced by the dealer, servicing by an independent repairer will render the agreement void.

‘It is important to draw attention to the difference between manufacturers’ warranties and any warranties sold separately by car dealers,’ said Mr Charity.

‘The ACCC statement is definitive. It clarifies the law for all involved and importantly confirms that an independent repairer can stamp a vehicle log book on completion of the service — regardless of the wording in that log book — without affecting the manufacturer’s warranty.’

The AAAA identified three common practices it believed were designed to confuse consumers over their legal rights:

• Failure to provide adequate information to consumers on their statutory rights for remedies under the warranty against defects provisions of the ACL.
• Rewording of vehicle log books to state that the service has been carried out by an authorised service department of the vehicle manufacturer using ‘genuine parts and lubricants’.
• The increasing trend of competitors in the car industry mirroring their warranty practices.

‘We want to ensure that Australian car owners retain the right to choose their preferred repairer based on proximity, service, price and relationships.

Another major AAAA activity toward achieving a level playing field is the Choice of Repairer campaign, which will soon culminate in the publication of a Code of Practice that formalises the sharing of vehicle information and tools between manufacturers and independent repairers.

As vehicles become increasingly complex and computerised, it is vital for the industry and consumers alike that independent repairers can keep the ability to work on late model vehicles.

Scientists discover that even decaf coffee makes great biodiesel.

MANY of us rely on coffee as fuel throughout the working day, but we could soon be using it to fuel our vehicles as well.

A new study from Bath University’s Centre for Sustainable Chemical Technologies in Britain has shown that waste coffee grounds are not just good for the garden – they can be used to make biodiesel. It means that bang-bang sound of a barista emptying spent grounds into a knock box can be recreated in the combustion chamber of a diesel-powered vehicle.

In the report published by the ACS Journal of Energy and Fuels, researchers focussed on how biofuel produced from different types of coffee varied, using grounds from coffee produced in 20 regions around the globe across Robusta and Arabica bean varieties as well as decaffeinated blends.

Although decaf coffee might be useless as an energy booster for humans, it turned out that engines can’t tell the difference. In fact compared with other sources of biofuel, which can vary depending on the growing conditions of feedstock used to make them, researchers found far less variation in fuel made from coffee.

Whorrod Research Fellow from the university’s Department of Chemical Engineering, Dr Chris Chuck, explained that waste coffee grounds contain up to 20 per cent oil per unit weight and that around eight million tonnes of coffee are produced globally each year.

‘This oil also has similar properties to current feedstocks used to make biofuels. But, while those are cultivated specifically to produce fuel, spent coffee grounds are waste. Using these, there’s a real potential to produce a truly sustainable second-generation biofuel,’ he said.

According to Rhodri Jenkins, a PhD student in Sustainable Chemical Technologies and first author of the study, a small coffee shop produces on average 10kg of waste grounds each day, which can yield around two litres of biofuel.

‘There is also a large amount of waste produced by the coffee bean roasting industry, with defective beans being thrown away. If scaled up, we think coffee biodiesel has great potential as a sustainable fuel source,’ said Jenkins.

So the quantities are pretty small but if all waste coffee from coffee shops, roasters and domestic usage were used to create fuel, it could be used to reduce the reliance on fossil fuels by the coffee industry’s fleet of delivery vehicles, suggest the researchers.

Oil is extracted from coffee grounds by soaking them in an organic solvent, before being chemically transformed into biodiesel in a process called transesterification. London company Bio-Bean is already producing biofuel and biomass pellets from waste coffee grounds.

The British study is not the first into making fuel from coffee waste – in 2008 researchers from the US state of Nevada published their findings on the subject in the ACS Journal of Agricultural and Food Chemistry. According to the American researchers, the biofuel smells like coffee and solid by-products of the conversion can be converted to ethanol – another biofuel that can be used in petrol engines – or used as compost.

They said converting waste coffee grounds to fuel could add more than 1287 megalitres of biodiesel to the world’s fuel supply and that the process could make an annual profit of $US8 million in the US alone.
RACCA fights to save NSW Refrigeration & A/C License

THE Refrigeration and Air Conditioning Contractors Association (RACCA) is waging a campaign to prevent abolition of the Refrigeration Air Conditioning License in New South Wales.

RACCA’s campaign has gained the support of VASA, the Air Conditioning and Mechanical Contractors’ Association (AMCA) and the Electrical Trades Union (ETU). Industry was not consulted over the proposal, which stems from a recommendation in a report by the Independent Pricing and Regulatory Tribunal (IPART) that the NSW license be abolished because the national ARCtick licensing scheme is sufficient.

Of course anybody in the industry knows the ARCtick licenses are environmental, not occupational, meaning any unqualified person can use low Global Warming Potential (GWP) but riskier refrigerants not covered by ARCtick, such as hydrocarbons, ammonia and CO2, and circumvent the licensing scheme altogether. Unless the scope of the ARCtick licenses expands to include more refrigerants, there is a chance that the eventual phase-out of high GWP refrigerants could leave Australia without a licensing scheme altogether.

The NSW license, which is administered by the Office of Fair Trading and has been in place since the 1990s, requires applicants to be qualified tradespeople holding a Cert III and is well regarded by other Australian states and territories.

Only Victoria and Queensland have licensing schemes that could be considered anything like equivalent to the NSW license.

A move to abolish the Queensland license was consulted with industry, which led to that license remaining in place as the proposal was roundly rejected.

Read the full story at tinyurl.com/RACCA-NSW

Aussies invited to NZ for OEX Grant Hand training

VASA members in Australia are invited to join their counterparts in New Zealand attending the OEX Grant Hand training that will take place from 19-22 September in Auckland and 26-29 September in Christchurch.

The $A150 training rebate on membership renewal fees is available to all VASA members who book onto these courses – Aussie members could even combine it with a holiday to enjoy New Zealand in springtime!

Courses on offer comprise Fundamentals of Automotive Air-conditioning (basic course), Analysis of Automotive Air-conditioning Systems (advanced diagnostic course) and Earthmoving & Agricultural Air-conditioning Systems.

All courses cost $NZ395 + GST and run for eight hours, starting at 8.00am and finishing at 5.00pm, with registration from 7.30am.

For more details and to book please visit: http://tinyurl.com/OEXGrantHandNZ.

Sydney Training Day

VASA director Peter Stubley and vice president Brett Meads delivered an excellent Advanced HVAC Diagnostics course at the Hornsby TAFE in Sydney on 14th June.

Exceptional catering was provided by Peter’s wife Lesley, which was much appreciated.

VASA President Ian Stangroome presented Peter with a certificate of appreciation for providing his time in writing and presenting the training session.

A certificate of appreciation was also presented to Hornsby TAFE for kindly making its impressive venue and facilities available for the event.

As Hot Air went to press, Peter and Brett were presenting again at the Gold Coast regional training event, coinciding with the VASA Annual General Meeting.

We offer free membership for students attending RTO courses until they graduate. VASA workshops adhere to a Code of Service – a set of professional guidelines for business survival. Becoming a member of VASA pays dividends well beyond the small annual fee with benefits like these:

- Recognition as an industry specialist
- Qualified business enquiries driven by VASA’s website
- Access to cutting edge industry training by leading trainers
- Access to the member-only section of VASA’s website containing our exclusive Registered Technician Program on air-conditioning plus MACS Worldwide (USA) technical bulletins
- Support an representation of your business at state and federal government level and industry groups
- Workshop members receive free access to The Automotive Technician (TaT) website with its huge database of repair solutions and access to the TaT assist service
- Regular eNews and Hot Air newsletters, plus a bi-monthly TaT magazine for workshop members

Download your membership form at: www.vasa.org.au/join-vasa
Email: admin@vasa.org.au    Phone: 1300 661 972    Fax: 1300 661 962

By tapping into the best vehicle air-conditioning, electrical and cooling brains across Australia and New Zealand, VASA helps you solve difficult problems and puts you in touch with the real experts through active networking.

Membership is open to service workshops, individual technicians, manufacturers, wholesalers and training organisations.

In case you missed it: Some articles on this page first appeared in the July edition of VASA eNews, a monthly members-only bulletin.