

# Motor repair

## Business start-up guide

### Motor repair industry overview

Motor repair businesses (commonly called mechanics or repair shops), repair, maintain and service motor vehicles. Smash repairing and electrical repairs are not included in the automotive maintenance and service industry.

Starting or buying a motor repair business involves many essential steps. Legally, you must ensure that you apply for and receive the correct licences.

This guide explains how to start a motor repair business in Queensland. It will help you understand the challenges and opportunities of entering the motor repair industry so you can make good business decisions.

### Getting into the motor repair industry

Before you start a motor repair business in Queensland, you need to understand how the industry works, what things you need to consider in your planning, and the legal requirements you must meet.

#### Finding a competitive edge in Queensland's motor repair industry

Competition in Queensland's motor repair industry is based on service and price. Research your local competitors to ensure you charge customers a competitive price.

The best way to set your business apart is to provide excellent customer service.

#### Key success factors for motor repair operators

To build a successful motor repair business, you need to:

- effectively manage your stock

- open your motor repair business in a convenient location
- have well-developed internal processes
- grow a loyal customer base
- provide better after-sales service
- use the most efficient technology and techniques.

#### Motor repair industry entry barriers

The main barrier to entering the automotive maintenance and service industry is obtaining the permits you may need to operate a motor repair business. You don't need an official licence to be a motor repairer, however most customers prefer to use qualified motor mechanics.

Another barrier to entry is the start-up money needed to set up a motor repair business. For a basic mechanical workshop, costs can be as low as \$10,000. For a fully-equipped specialist repair shop it can cost over \$1 million.

(Source IBISWorld, March 2012)

### Motor repair industry requirements

You may need to meet licensing and registration regulations depending on your motor repair business operations.

#### Safety certificates for second-hand motor vehicles

To examine second-hand motor vehicles in order to issue safety certificates you may need a [Licence as an Approved Examiner](#) from the Department of Transport and Main Roads (TMR). Licence costs vary depending on your business operations and it can take TMR up to 4 weeks to process your application. This licence is issued for life unless revoked through the courts or by the Director-General as an outcome of show cause proceedings.

## Safety and inspection certificates for second-hand vehicles

If your mechanical workshop will be issuing safety certificates or certificates of inspection for second-hand vehicles you may need an [Approval of Premises as an Approved Inspection Station](#) from TMR. Certificate costs vary depending on your business operations and it can take up to 4 weeks to process your application. **Note:** the applicant must employ or be an approved examiner and have suitable premises and equipment. Approval cannot be transferred.

## Modifying and altering vehicles

To modify or alter vehicles you may need a [Certificate of Appointment as an Approved Person](#) from TMR. Certificates are free but it can take up to 4 weeks to process your application. Authorisation is issued for 3 years. Applicants must have an appropriate formal qualification, appropriate equipment to carry out and inspect existing modifications, and have successfully completed the *Approved Persons Training Course*.

## Storing hazardous substances or dangerous goods

To store hazardous substances or dangerous goods (such as fuel and chemicals), you may need an Off-site Plan from the [Department of Community Safety](#). There are no fees but it will take the Department of Community Safety up to 2 months to process your application. The Department of Community Safety collects information on what is being stored to determine what type of off-site plan you will need.

## Storing flammable and combustible liquids

To store flammable and combustible liquids (such as fuel) on your business premises, you may need a Licence to store Flammable and Combustible Liquids from [Workplace Health and Safety](#).

## Operating a crane or hoist

If you lift vehicles or vehicle parts with a crane or hoist in your work, you may need a Certificate to Work in a Prescribed Occupation - Crane or Hoist Operator's Certificate from [Workplace Health and Safety](#). Certificates cost about \$77 per occupation.

## Operating as a gas motor fuel installer

To operate as a gas motor fuel installer you may need a Gas Work Authorisation (Motor Fuel) from the [Department of Natural Resources and Mines \(DNRM\)](#).

Applicants need to complete a test to obtain this licence, which stays in effect for the term specified. Applicants must also have successfully completed the required TAFE course and hold specific trade qualifications. This licence costs \$100.20.

## Providing transportation

If you provide courtesy transportation to customers (e.g. driving them home when they leave their car at your workshop), you may need the following from TMR:

- [Driver Authorisation](#). Authorisation costs vary depending on your business operations and it can take up to 2 weeks to process your application. This certificate is required for any person who drives a vehicle providing a public passenger service in Queensland. You must ensure that any public passenger drivers are capable of safely operating the relevant type of vehicle, are aware of their customer service responsibilities, and conduct themselves appropriately.
- [Operator Accreditation](#). Accreditation costs vary depending on your business operations and it can take up to 2 weeks to process your application. Accreditation is required for any person operating a public passenger service in Queensland.

## Legislation that may apply to your business

- *A New Tax System (Australian Business Number) Act 1999*
- *Copyright Act 1968*
- *Consumer Credit (Queensland) Act 1994*
- *Corporations Act 2001*
- *Dangerous Goods and Safety Management Act 2001*
- *Disposal of Uncollected Goods Act 1967*
- *Environmental Protection Act 1994*
- *Fair Trading Act 1989*
- *Fire and Rescue Authority Act 1990*
- *Gas Supply Act 2003*
- *Integrated Planning Act 1997*
- *Local Government Act 1993*
- *Motor Accident Insurance Act 1994*
- *National Measurement Act 1960*
- *Partnership (Limited Liability) Act 1988*
- *Retail Shop Leases Act 1994*
- *Sale of Goods Act 1896*
- *Superannuation Guarantee (Administration) Act 1992*
- *Taxation Administration Act 1953*

- *Transport Operations (Passenger Transport) Act 1994*
- *Transport Operations (Road Use Management) Act 1995*
- *Vocational Education, Training and Employment Act 2000*
- *Work Health and Safety Act 2011*

To access copies of legislation, visit [www.legislation.qld.gov.au](http://www.legislation.qld.gov.au).

## Useful industry contacts

### **Business Support Unit**

For more information on licences, regulations, market research, business planning and other support services phone 13 25 23 or visit [business.qld.gov.au](http://business.qld.gov.au)

### **Australian Motor Industry Federation**

Phone (02) 6273 4333

Visit [www.amif.com.au](http://www.amif.com.au)