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Media Release

Overhaul recommended for the smash repair industry

The Select Committee on the Motor Vehicle Repair Industry has recommended an overhaul of the smash repair industry.

“During its inquiry, the Committee received striking evidence suggesting that a significant number of vehicles are subject to poor quality repair and are being returned to NSW roads, potentially increasing safety risks to road users”, said Committee Chair, Mr John Barilaro MP.

“The Committee has addressed these concerns and believes that its recommendations strongly increase the accountability of motor vehicle loss assessors and repairers, insurers, and, crucially, better balance the power relationship between insurers and repairers.”

“The Committee was struck by the lack of transparency within the industry, and it recommends increased transparency for consumers, both in terms of the repair process and insurer practices.” The Committee also recommends increased enforceability and effectiveness of the Motor Vehicle Insurance and Repair Industry Code of Conduct.

“We must not forget that the smash repair industry is a major player in the NSW economy, employing over 140, 000 people”, said Mr Barilaro.

“Approximately 90 per cent of the industry’s work is supplied by motor vehicle insurers, and over 60 per cent of the market is controlled by the two largest insurance companies.”

The Committee received evidence from across the industry, including insurers, small business repairers, consumers, peak bodies and government agencies. “Our recommendations will provide the government with a clear framework to implement thorough and effective change, keeping in mind small businesses working in the industry and consumers”, said Mr Barilaro.

Further information about the inquiry can be obtained by visiting the Committee’s website at <http://www.parliament.nsw.gov.au/motorvehiclerepairindustry>, or by contacting the Chair, Mr John Barilaro MP on 0407 658 843.