

**Submission  
No 26**

## **MOTOR VEHICLE REPAIR INDUSTRY**

**Organisation:** [REDACTED]

**Name:** [REDACTED]

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**From:** [REDACTED]  
**Sent:** Thursday, 13 February 2014 3:33 PM  
**To:** [REDACTED]  
**Cc:** [REDACTED]  
**Subject:** FW: Quality and Safety in the Motor Vehicle Repair Industry

Mr John Barilaro MP

Quality and Safety are the utmost priority for the motor vehicle repair industry to sustain an environment where the consumer consistently receives a "fair deal".

The motor vehicle repair industry has trended towards a cost driven society. The Industry unanimously agree that competitiveness is business but cannot justify quality and safety coming a distant second with insurers driving average repair costs down to below break-even. There is due diligence to the consumer as to where the balance lies.

The market place is working competitively and the justification of each and every insurer actively employing teams of loss assessors guarantees transparency of all motor vehicle claims.

The movement of major insurers handling motor vehicle repairs in-house is a gross conflict of interest as cost becomes the biggest benefactor to each and every motor vehicle claim processed. We are seeing an upward trend in claims inadequately repaired (to a budget) through insurance owned bodyshops and their budget preferred programs. Rectification of poorly repaired insurance claims seem to be a regular occurrence in the industry to date.

With insurers actively steering consumers as they lodge claims to their budget driven processes, underhanded tactics have been common practice within. Putting insecurity into the minds of the consumer becomes a challenging process to compete with.

Australia.

We live in a democratic society.

An open, democratic society offers many benefits to its citizens. It gives us freedom to make choices about our lives, to develop our potential as human beings and to live free from fear, harassment and discrimination. It gives us protection under the law and the right to elect legislators of our choice and to remove them if they do not perform to their satisfaction. It guarantees freedom of speech and assembly. It ensures an independent judiciary. Through the principle of the rule of law it guarantees universality of the scope of the law and equally before the law for all citizens.

There is a responsibility to the consumer to be made aware of their right of choice and also awareness of underlying steering that is being implemented by major insurers.

Also relevant to this case is the Manufacturer Preferred Repairer Programs. Insurers do not take these into account.

If manufacturers have implemented accreditation programs and invested heavily in infrastructure and training. Insurers should look at this as a beneficial way of moving forward into the technological future of motor vehicles claims.

Utilising specialist bodyshops and achieving high volume quality repairs at a competitive rate takes the unknown and all the repair rectifications we are seeing in today's market out of the equation.

Multiple manufacturer badged bodyshops specialising in certain brands is by far the most efficient and cost effective way of maintaining a high quality repair at a competitive rate. There are to date many manufacturers currently selling motor vehicles in the Australian market. As everyone is aware motor vehicle technology is advancing at a very rapid rate and knowledge in this field is paramount. Being associated with manufacturers gives you 100% confidence in having the technical ability and training to bring these vehicles back to pre-accident condition without voiding the manufacturer's warranty or jeopardising consumer safety.

Trained technicians in the latest technologies, proficient with dedicated manufacturers and brands equates to

**EFFICIENCY**

**LESS WASTAGE**

**MAINTENANCE OF A COMPETITIVE RATE**

And the profound effect on each and every bodyshops **ECOLOGICAL FOOTPRINT** left. (Which we have experienced firsthand).

Mutual solid relationships made with manufacturers are imperative for this to be achieved. To move forward and maintain a healthy and sustainable industry.... specialisation is the way of the future.

I look forward to the examination and findings by the select committee into the motor vehicle repair industry and the rights of the consumer.

Kind Regards

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