

## MOTOR VEHICLE REPAIR INDUSTRY

Organisation: [REDACTED]  
Name: [REDACTED]  
Position: [REDACTED]  
Date Received: 14/02/2014

Partially Confidential

14<sup>th</sup> February 2014

Director, Committees  
Legislative Assembly  
Parliament House  
Macquarie Street  
SYDNEY NSW 2000

The Committee Manager  
Select Committee on the motor vehicle repair industry

RE: Inquiry into the Motor Vehicle Repair Industry

Dear Committee Members,

Thank you for the opportunity to make a difference to the Motor Vehicle Repair Industry and to encourage a positive outcome.

First, I would like to draw your attention to the facts:

- Insurers abuse their power and pressure customers to use the Insurers' own preferred Workshops
- Insurers are not transparent. It is a conflict of interest when they recommend their own workshops and use their own assessors. The assessor has a biased opinion.
- Insurers mislead consumers of their rights by saying they don't have a choice of repairers.
- Insurers lie by stating that the customers' chosen repairer
  - is not recognised,
  - may not be authorised
  - and the vehicle will take longer to assess
  - and the repair work can't be guaranteed.
- Insurers bribe customers to use the Insurers' preferred repairer by offering free car wash and cab voucher.

All this can be substantiated by current and past customers that would be happy to report personally to the committee if required.

In my opinion to allow the Insurance Companies to control the Smash Repair Industry strongly jeopardises:

- the safety of vehicles and in turn the community,
- the quality of repairs by cutting costs or doing the quick fix,
- the independent operator, like myself and the people we employ,
- Competition. Why, with so many more cars on the road, are independent Smash Repairers being squeezed out and forced to close their doors.
- the integrity of the Industry
- and the protection of the consumer and repairer.

Once the Insurers have full control over the customer by being the Insurer and repairer they cease to be answerable for their behaviour.

If the industry structure doesn't change, the Insurance companies will create a monopoly in the industry giving them greater control over consumers, repairers and governments just like the banks. Don't let history repeat itself as there is no going back.

My recommendations would be the following:

- The committee members should be actively involved with each stage of the repair process to see first-hand the frustrations of all parties,

- All policies should give choice of repairer
- Repairers should receive a status of their work and the service they provide in the industry and rating should be noted on a public register,
- When customers take out insurance they should be made aware of the register,
- Customers should be given the option to register their repair experience to an independent body, and
- An Independent body could mediate conflict of work recommended to be carried out on vehicles. This would mean all parties ie. consumer, repairer, assessor and insurer would be fairly represented.
- Assessments should be done by an independent assessor

If these recommendations are actioned the industry would then be seen as honest, transparent, fair and representative of all parties, create competition between repairers and last but not least raise the standard of repairs and safety which we are all responsible.

Please take the opportunity to stop the decline within the industry and create an industry we can all be proud to belong.

Yours Sincerely,

[REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED]