

November 20, 2013

## NSW Parliamentary inquiry into the motor vehicle repair industry

The Insurance Council of Australia (ICA) welcomes the announcement by the NSW Minister for Fair Trading, the Hon Anthony Roberts MP, of a parliamentary committee inquiry into motor vehicle repairer and insurer relationships.

The ICA and its members appreciate the opportunity to share their experiences in assisting their customers following a motor vehicle collision, and will bring forward important information to address the specific terms of reference for this inquiry.

The ICA, which represents general insurers that provide motor insurance for Australians, notes the motor insurance market is highly competitive.

This inquiry will provide an important opportunity for Members of Parliament and the wider community to better understand:

- The economic forces at work that are having a significant impact on the structure and dynamics of the motor vehicle repair industry in Australia
- The technical developments with motor vehicle design and materials that are impacting the skills and equipment requirements for motor vehicle repairers
- The benefits of the industry's national Motor Vehicle Insurance and Repair Industry Code of Conduct, which supports the relationship between insurers and motor vehicle repairers
- The commitment of the insurance industry to safe motor vehicle repairs, including the mandatory requirement for ICA members under the General Insurance Code of Practice to accept responsibility for the quality of workmanship and materials where the insurer has selected and directly authorised a repairer
- The role of the Australian Consumer Law in providing consumers with clear rights and protections if faced with poor quality and unsafe repairs
- The different options of insurers for motor vehicle repairs, leading to significant choice for consumers. ICA members offer a wide range of repair choices via particular insurance policies.

The ICA acknowledges an ongoing shortage of qualified repairers, and an increasing consumer demand for high-quality repairs in the shortest possible time. It encourages the Select Committee to carefully examine these important matters.

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