

THE RESPONSE TO THE PRODUCTIVITY COMMISSION DRAFT REPORT

I attended the hearing on the 3 February 2005 at the Mercure Hotel, And was Concerned, but also Understanding of the very small attendance Of the Smash Repairers in the Industry at this hearing, as the Fear of Retribution and Victimisation is high in their minds.

I hope the Commissioners Truly understand the Plight that the Smash Repair Industry is in at this time. This Commission holds the Livelihoods of so many people in its hands, and also the Protection of the Consumer.

I spoke at the hearing due to my love of the Industry. I am fortunate to be in a position of relative safety, from Repercussions of speaking out against the actions of some Insurers, as I sold my business approximately Three Years Ago. I believe I was being put in a position of Lowering the Standards of the Repair or Cheating on the repairs, to remain Profitable. I was happy to leave with a very clear conscience. Over the Twenty One years in my own business there has been very few occasions that I have regretted my actions.

The Two most Important Topics that were Discussed last Thursday were FREEDOM OF CHOICE for the Consumer, and The CODE OF CONDUCT being Mandatory.

In relation to the Consumers Freedom to Choose his Own Repairer, if that is his wish, means that the Repairers obligations are to his Customer, and not to the Insurance Company that supplies him with a Steady Stream of Repair work that can be taken away, at their whim.

This allows the Repairer to Quote what he believes is the Correct Method of Repair in the Owners Interests of Retaining the current Value of his Asset. Not the Cheapest Method of Repair, which happens to be in the Best Interests of the Insurance Company, and the Shareholders of the Insurance Company, that he is a Selected Repairer for.

With this in mind, he is able [with less Fear] to inform the Consumer of any Concernable Changes to the Method of Repair by the Insurance Assessor, without the Feared Threat of Losing the steady Stream of Work supplied to him as a Preferred Repairer or the Threat of Never keeping another one of the Insurers repair jobs in his workshop [or Cash Settlement of His Client]

I could give you a number of personal examples of Incidents, if there had been more time available. If you were so inclined to want to meet with me on a personal basis, I would be more than happy to verbally discuss my many examples, thoughts, concerns & answering of you questions.

In relation to the Code of Conduct being implemented on a Voluntary basis, I believe that it would not work, due to the lack of support by the Insurance Industry of the Code, Until the Commission showed their support toward the Code.

The Insurance Industry are now partly supportive of a Voluntary Code, but wish to Exempt many things from this code ie : Consumer Freedom of Choice, Times & Money, Payment Terms, The Consumer, The Assessor, and that is only to name a few of their concerns. [Surely this shows their non-willing participation in the Implementation of the code].

In relation to Disputes Resolution, I would believe that this could be done in a very timely manner of 24 hours to rectify a dispute on the Method or Fair Cost of repair on a Damaged Vehicle, so as not to Inconvenience the Customer over a long period, in an attempt to get him/her to bend to the wills, due to the lack of mobility.

This could be done with a Panel of " Acceptable to both parties " Independent Assessors, and it would be Self Funding, due to the " At Fault Party " paying the Fee and an Imposed Penalty.

I believe the Code needs to be Mandatory, or it would have no balls and we would be back here in twelve months or two years, with New Commissioners, doing it all over again. With the Knowledge that you have gained of this Industry, Whom better would there be to help in the setting up of the Code on a Mandatory basis as Independent and I hope, un-bias people.

Submitted by

MALCOLM MONAGHAN