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### **Insurance and vehicle repair review a wake-up call for motorists**

A wake-up call for motorists and industry, recommendations to an independent review call for a greater consumer focus and a major overhaul of the voluntary Motor Vehicle Insurance and Repair Industry Code of Conduct governing the motor vehicle insurance and repair industries.

Former Australian Competition & Consumer Commission Deputy Chairman Dr Michael Schaper delivered his independent review of the Code, designed to strengthen and enhance transparent and co-operative relationships between smash repairers and insurance companies.

As part of the findings, he recommends consumers should be central to any disagreement and shorter dispute resolution timeframes between insurers and repairers.

“Until now, it has been a waiting game for motorists while insurers leverage their power imbalance over the repair industry and frustrate negotiations over important issues such as manufacturer repair methods,” said Motor Trades Association of Australia (MTAA) CEO Geoff Gwilym.

“If left unaddressed, the average motorist may be left with substandard repairs which compromise the resale value or, worse, the safety of their vehicle.

“Dr Schaper’s review set about to improve the Code across the insurance and vehicle repair sectors and that’s why MTAA supports all 15 recommendations in full.”

Each year, Australians lodge over 1.5 million smash repairs, forming the largest group of consumer retail claims in the Australian insurance industry.

Since 2006, the relationship between smash repairers and insurers has been regulated under the voluntary Code.

Among other recommendations to improve the Code include introducing sanctions for breaches and appointing an independent chair and deputy chair to the Code Administration Committee (CAC).

“Insurers and repairers should be compelled to resolve disputes quickly and fairly,” said Mr Gwilym.

“The insurance and vehicle repair industries cannot exist without the motoring public, so we are committed to implementing all the recommendations and making the claims process as simple and pain-free as possible for motorists.

“On behalf of MTAA, I thank Dr Schaper for delivering a thorough and balanced report.”

# Media release

## MTAA



In December 2022, CAC – comprising equal representatives from MTAA and the Insurance Council of Australia (ICA) – announced Dr Schaper had been appointed to independently review the Code.

“MTAA representatives on CAC – Stephen Jenkins, Kaes Cillessen and Kathy Zdravevski – are well versed and prepared to work collaboratively with ICA representatives on CAC to see all recommendations are implemented,” said Mr Gwilym.

The report’s 15 recommendations are in response to the review’s terms of reference, which focused on:

1. The effectiveness of dispute resolution processes under the MVIRI Code
2. Awareness and accessibility of the Code
3. Compliance with the Code
4. Governance of the Code and CAC
5. Other issues pertinent to the effective governance and operation of the Code.

Read Dr Schaper’s report on the [Motor Vehicle Insurance and Repair Industry Code of Conduct website](#) or the [MTAA website](#) or [ICA website](#).