

PO Box 6298 Kingston ACT 2604 Phone: 02 6233 0800 Fax: 02 6273 9399 Email: admin@mtaa.com.au

**MEDIA RELEASE: 14 December 2015** 

## MTAA and AMBRA calls on all motor body repairer business members to back call for a Senate Inquiry into the Motor Body Repair Industry.

The Motor Trades Association of Australia (MTAA) and the Australian Motor Body Repairs Association (AMBRA) have launched a petition through the new AMBRA website calling for a Senate Inquiry into the role of Insurers in the Motor Body Repair Industry.

The petition has been actioned following a recent AMBRA meeting where growing nationwide concerns were raised as the industry has reached a critical point around the dominance of insurers and the impacts these companies are having on the industry

AMBRA Chairman, Jeff Williams said that many of the concerns raised related to the impact of the vertical integration of the insurance industry, insurers increasing demands on and a 'take it or leave it' approach to motor body repairers, dictating unreasonable allowances, many without negotiation.

"Those in the industry are aware of the power these large, controlling and influential insurance companies have over policy holders and all parts of the supply chain when it comes to motor vehicle repairs. The arrangements that these businesses have put in place, the imbalance of adequate time for quality repair work and the demand for that work, has allowed insurance companies to set unrealistic repair rates. This encourages many small businesses to complete work that might not be at an acceptable standard in order to compete and remain in business," said Mr Williams.

MTAA CEO Richard Dudley said the CEOs of all State and Territory member associations of the MTAA, took the first steps in actioning a call for a Senate Inquiry into the Motor Body Repair industry during the Senate Economics References Committee Automotive Industry Inquiry hearing in Melbourne in October, and supported in a recommendation of the recently released Senate Committee Inquiry into the Automotive Industry final report.

'The launching of a petition is another action designed to get some focus on an industry that is already reeling from structural adjustment caused by the impacts of insurance company activities, technology change and safety improvements,' he said.

'If it wasn't hard enough for these businesses to adapt in order to survive and provide services to Australian consumers, increasingly they are having to contend with big market players dictating terms and imposing overbearing influence and Motor Body Repairers have had enough,' he said.

Mr Dudley and Mr Williams said they believed their message was being heard by government and Senators and the call for a separate inquiry into the motor body repair industry will be strengthened by this petition.

'This petition will give our members the opportunity to reflect the depth of concern from motor body repair businesses across the nation in order to create a fairer playing field for repairers and the motoring public, because if the current situation continues we will see competition lessened and the public will have less choice 'Mr Williams said.

The petition can be signed at <a href="http://www.ambra.org.au/report-an-issue/petition">http://www.ambra.org.au/report-an-issue/petition</a>. For further information please contact Monica Glasgow on 02 6233 0877 or at <a href="monica.glasgow@mtaa.com.au">monica.glasgow@mtaa.com.au</a>