



Australian Government



Australian  
**Small Business and  
Family Enterprise**  
Ombudsman

12 March 2019

Mandatory Motor Vehicles Scheme  
Consumer and Corporations Policy Division  
The Treasury  
Langton Crescent  
Parkes ACT 2600

By email: [repairinfo@treasury.gov.au](mailto:repairinfo@treasury.gov.au)

Dear Sir/Madam

### **Mandatory scheme for the sharing of motor vehicle service and repair information**

We support the principles outlined in the paper for a mandatory code of conduct. Further, that such a code is to set minimum standards for access to service and repair information. With such a code in operation we do not see the value of an Advisory Committee with an objective to discuss developments in the sector. Without powers to effect change, such a committee appears to be an unnecessary layer of red tape.

The Australian Competition and Consumer Commission (ACCC) examined past commitments made by manufacturers and found that the same barriers still remain to service and repair businesses getting access to technical information. As stated by the ACCC in August 2017, 'This lack of competition hurts new car buyers who have fewer options to get the best deal for repairs and servicing, and restricts independent repairers from competing on a level playing field'.

We make the following points to assist the consultation process:

- The consultation process has been extensive, over a significant period of time, and must now get to a point of resolution.
- A mandated code is required to address the reliance on the existing 'good faith' provisions. This has retained the power imbalance as it relies on the manufacturers to provide, and keep current, technical information.
- The objective of a mandatory code must prescribe an appropriate dispute resolution process, such as mediation, rather than leave as 'facilitating adequate dispute resolution'.
- Any dispute resolution process in a code needs to be backed up by an enforcement regime that includes meaningful penalties. The need for penalties is clear given the ineffectiveness to date of the 2014 Heads of Agreement to share information.

Thank you for the opportunity to comment. If you would like to discuss this matter further, please contact Jill Lawrence on 02 6121 5312 or at [jill.lawrence@asbfeo.gov.au](mailto:jill.lawrence@asbfeo.gov.au).

Yours sincerely

**Kate Carnell AO**

Australian Small Business and Family Enterprise Ombudsman

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