



The Hon Adem Somyurek MP

Minister for Local Government
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Mandatory Motor Vehicles Scheme
Consumer and Corporations Policy Division
The Treasury
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Dear Sir/Madam

VICTORIAN GOVERNMENT SUBMISSION TO THE TREASURY'S CONSULTATION ON A MANDATORY SCHEME FOR SHARING MOTOR VEHICLE SERVICE AND REPAIR INFORMATION

Thank you for the opportunity to provide views on a proposed mandatory scheme for sharing motor vehicle service and repair information.

It is disappointing that the important and complex issue is unable to benefit from a longer consultation timeframe and the Victorian Government would welcome further opportunities to cooperate and comment on this proposal in order to ensure a successful implementation.

In particular, the Victorian Government would welcome the opportunity to contribute to the development of a mandatory code. Victorian Government agencies, including Small Business Victoria, the Victorian Small Business Commission and Consumer Affairs Victoria, work closely with the business community and consumers in Victoria, and would be able to contribute more detailed information to inform development of a mandatory code.

The Victorian Government supports a fair and competitive environment for the State's 604,379 small businesses and is committed to making it easier for all small businesses to become established and succeed. In Victoria, there are over 10,000 automotive repair and maintenance businesses and 99 per cent of these businesses are small businesses that stand to benefit from a fairer, more competitive market.

The Victorian Government has long been aware of the difficulties that many small repair and servicing businesses face accessing information, and the real impact this has on the competitiveness of these businesses. We understand that as a result this lack of information business and their customers are faced with unnecessary, additional costs and delays in finalising the repairs.

Promoting fair business practices, facilitating access to information, removing unnecessary red tape that saves small businesses time and money, and improving outcomes for consumers, are all important goals of the Andrews Government.

The Victorian Government therefore supports in principle the Commonwealth Government developing a mandatory, national scheme to require vehicle manufacturers to make

available to independent repair and services businesses the same information that they supply to their dealer network. Such information should be freely available or provided at a non-prohibitive cost to independent businesses.

Such a scheme is likely to promote a fairer, more competitive market for servicing and repairs, reducing costs and inconvenience for consumers. Further, a strong, effective national approach should avoid or minimise cross-jurisdictional issues that may occur.

The Victorian Government recommends that any scheme should be applied as broadly as possible, to all vehicles – not just new vehicles – and to as many vehicle types as possible, including two or three wheeled vehicles, farm vehicles, construction or heavy vehicles, motorhomes and buses. A broad approach would particularly benefit regional consumers, providing confidence that they will be able to access services in regional areas.

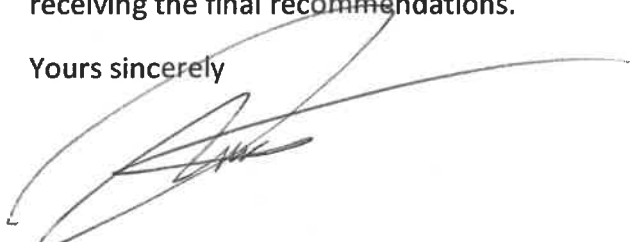
However, it is also important that any accreditation scheme avoids creating unnecessary regulatory burden and that it takes into account existing accreditation schemes for repairers. Further, the Commonwealth should monitor the effect of the scheme on the price of both servicing and other automotive goods and services to ensure that there are no unintended consequences of the scheme.

The Victorian Government recommends that existing dispute resolution frameworks should be used in jurisdictions where they exist. In Victoria, business-to-business dispute resolution is available through the Victorian Small Business Commission.

Should you require further information, please contact Ms Barbara Cullen, Director, Small Business Victoria, at the Department of Jobs, Precincts and Regions by email on barbara.cullen@ecodev.vic.gov.au or by telephone on (03) 9651 9880.

Thank you again for the opportunity to provide views to this consultation. I look forward to receiving the final recommendations.

Yours sincerely



Hon Adem Somyurek MP
Minister for Small Business

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