

**MOTOR TRADERS'  
ASSOCIATION OF NSW**



# **NSW Fair Trading Complaints Register Guidelines Review**

## **Motor Traders' Association of NSW Submission**

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**25 May 2018**

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**The voice of the motor industry**

The Motor Traders' Association of New South Wales (MTA NSW) thank you for the opportunity to provide feedback on this very important matter on behalf of our Members, in relation to the 'NSW Fair Trading Complaints Register Guidelines (the Guidelines) Review'.

MTA NSW is the peak industry body for the automotive industry in this State.

It is to be recognised and acknowledged that a strong and mutual working relationship has been developed with NSW Fair Trading and the MTA NSW, with a number of issues jointly addressed for the betterment of the industry.

In order to provide an appropriate balance between Regulation and our members' requirements, MTA NSW makes the following recommendations and comments in relation to the proposed Complaints Register Guidelines Review.

The MTA NSW Submission provides responses to the questions as outlined in the 'Complaints Register Guidelines Review - Issues Paper, April 2018'.

### Question

#### 1. How relevant is the information published on the Register?

##### Response

*Whilst the information is relevant, it could also be detrimental to the business as it is too general. Some organisations are multi-faceted and the inclusion of more detailed information we feel could provide consumers with more specific issues relating to the business associated with the complaint, i.e. Motor Dealership – Sales vs Service.*

### Question

#### 2. What sort of improvements to the information on the Register would you suggest?

##### Response

*MTA NSW agrees with the inclusion of additional information as stated in the discussion paper from NSW Fair trading. e.g. including information about the problem complained about. We would welcome the opportunity to discuss this further with NSW Fair Trading.*

### Question

#### 3. Should the Complaints Register only include data about complaints received as opposed to outcomes?

##### Response

*The level of information contained on the Complaints Register should be left as it currently is. To give information about resolution outcomes could instil false hope into consumers' minds e.g. that they will receive a refund etc. with their complaint. Complaints are unique in nature and maybe similar to complaints already received/dealt with. This however should not automatically give an indication of the outcome, each complaint should be dealt with on its own merits.*

### Question

#### 4. Should any further information about the resolution of those complaints be included? Why?

##### Response

*As per answer to Question 3.*

### Question

5. **Should Fair Trading change the minimum number of complaints required before a business appears on the Register? If so, what should the number be? Why?**

### Response

*MTA NSW agree to maintaining the status quo on number of complaints in a calendar month, i.e. 10 complaints. This is providing the internal systems within Fair Trading are maintained.*

### Question

6. **How often should the Register be updated (e.g. monthly, quarterly, six monthly)? Why?**

### Response

*MTA NSW recommends that the updating requirements be maintained on a monthly basis. This will give a better indication to consumers, as soon as possible. Consumers may suffer detriment if the register were updated at longer intervals. i.e. they may have purchased goods or used the services of a trader unknowing of potential issues with the particular trader they are dealing with.*

### Question

7. **How long should each edition of the Register remain published on the NSW Fair Trading website? Is the current 24 months appropriate, or should it be longer or shorter? Why?**

### Response

*MTA NSW would suggest changing the period from 24 months to 12 months. Situations change, and whilst the purpose of the register is to highlight problems associated with a particular organisation, remedial action should be recognised by Fair Trading. This we feel, would not prevent consumers from making informed decisions. We feel a twelve month period is sufficient notification to consumers.*

### Question

8. **How well is the current policy on the grouping of franchised businesses working, including the breakdown by location? What changes would you suggest?**

### Response

*MTA NSW's opinion on this question is that the current reporting mechanisms, including locations, does not require changing. However, consumers would need education on the workings of the Register, to ensure they are not penalising the whole Franchise Chain. i.e. some indicator could be included to inform consumers to "drill down" further into the entry to gain further information.*

### Question

9. **Should the same approach be taken on chains and related companies/corporate groups even if they operate under different brands? Why?**

### Response

*MTA NSW believes the same approach as taken with franchised businesses for chains or related companies would be detrimental to the members of the chain, related companies or corporate groups. The complaint needs to be identified and should only reflect on the "whole" group if it is identified as a systemic problem with that Chain/related companies or corporate group. If the complaint identifies issues with a particular member of a corporate group, this could*

*identify issues only within that member and the other members should not be penalised for the actions of others.*

### Question

**10. How well has the process of notification to businesses about imminent appearance on the Register been working? What changes would you suggest?**

### Response

*The current system in place by Fair Trading (i.e. at least three days' notice in writing), could also include notification by electronic mail (email) as this means of communication is now more utilised than normal mail processes. The notification period of three (3) days is sufficient notice. Traders should have already been aware of issues/complaints raised given the procedures in place by Fair Trading (i.e. internal thresholds of 6 complaints within 6 months triggering a greater degree of engagement with Fair Trading).*

### Question

**11. Is three working days a suitable period of notice? Should it be shorter or longer?**

### Response

*As per answer to question 10.*

### Question

**12. What changes, if any, do you think should be made to the published format of the Register?**

### Response

*MTA NSW suggest no changes to the current published format of the register. However, we would recommend more instructions be included to inform visitors to the website on "how to" better understand the data contained within the Register.*

### Summary

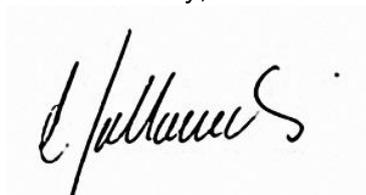
The MTA NSW would welcome the opportunity of discussing this Submission with NSW Fair Trading, should this be necessary.

We once again thank NSW Fair Trading for the opportunity of providing this submission into the Review of the NSW Fair Trading Complaints Register guidelines.

Please do not hesitate to contact me on (02) should you require clarification on the content of this Submission.

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Yours faithfully,



**Stavros Yallouridis**  
Chief Executive Officer  
Motor Traders' Association of NSW