



Better Business Reforms Consultation Regulatory Policy,
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THE AUSTRALIAN ASSOCIATION OF PROGRESSIVE REPAIRERS (AAPR)

The Australian Association of Progressive Repairers (AAPR) is a not for profit automotive trade association which specifically represents the majority stakeholders of networked body repair businesses across Australia. AAPR estimates (CIC) that our members carry out over 400,000 smash repairs per year.

SUBMISSION

Better Business Reforms-Options Paper-November 2018

AAPR appreciates this opportunity to provide our submission on doing "Better Business" with the NSW Auto Repair Industry. It is our view that the reforms will provide great benefit to the automotive industry in dealing with hard to understand and even harder to implement regulation for, what many consider to be, simple business transactions.

The *Uncollected Goods Act 1995* (The Act) and these amendments will provide much need simplicity to the NSW Auto Repair Industry to address unpaid repair bills, abandoned and uncollected vehicles.

Streamlining the uncollected goods regime

1. Do you think that any regulations need to be made under the new uncollected goods requirements?

AAPR endorses reforms that streamlines and improves time periods to address uncollected goods issues.

We would support a time period that is in line with the record keeping requirements under the Act which will provide the Auto Repair Industry that these disputes can be settled in a timely manner.

2. Do you think that the start date provides sufficient time to ensure affected groups have time to prepare for the change in requirements for the disposal of uncollected goods?

AAPR proposes that 1 July 2019 would better suit Industry needs whilst still providing affected groups more than enough time to prepare for this change. Uncollected goods affect businesses far more than those that leave them behind.

3. Do you think that the Government needs to take any other action about changes to the Uncollected Goods Act? If so, what should that action be?

Associations are at the forefront of advising Industry of changes to policy and will continue to be so. Other actions available to inform the Auto Repair Industry are;

- Providing information brochures and fact sheets to our leading Industry magazines
- Fair-Trading information nights.
- Fair-Trading website.

How much money are traders are allowed to charge customers on disposal of the goods?

Section 10 of the *Uncollected Goods Act 1995* outlines the relevant charges that repairers are entitled to charge when uncollected goods are disposed as provided under the Act. AAPR advises the main issue is when there are “no formal agreements” on what Repairers are able to fairly charge and recover. Therefore, AAPR proposes that Fair Trading provides examples to demonstrate reasonableness. This could be done by way of showing costs associated with the uncollected goods.

Proposed Associated Costs Example for Disposal of Goods

- Agreed Repair Costs with customer for work done on the goods;
- Actual costs incurred by selling or disposing of the goods;
- Storage fees if stored off-site
 - Proposed using the storage allowances in the Tow truck Act as a Guide
- Storage fees if stored on Repairers premises.
 - Proposed using the storage allowances in the Tow truck Act as a Guide
 - if stored by repairer – daily rate of \$23 per 24-hour period from start of repairs as defined in the storage fees in the Tow Truck Act.
 - Up to a maximum of \$50 per 24 Hour period starting from the date of the 28-day notice to collect vehicle to the end of the 28-day notice.
 - Storage fee reverts back to standard daily rate for seven days to allow for disposal of uncollected goods.

What to do with proceeds of sale

AAPR proposes that there be a flow chart of the process for the disposal of uncollected goods. The flow chart should include a basic table of what allowable deductions are and the procedure to pay any balance back to Revenue NSW.

4. Are there any other issues with starting the uncollected goods reforms on 1 October 2019?

- Are there reasons the changes should start sooner or later?

AAPR recommends that changes are implemented as soon as possible but also recognises the need to inform industry of these changes. AAPR recommends that 1 July 2019 would be the best time for implementation. We also advise that for far too long this has detrimentally affected “Traders” far more than consumers.

In Closing

AAPR appreciates this opportunity and looks forward to the implementation of these Better Business Reforms as soon as possible.

Kind Regards

Greg Preston
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Australian Association of Progressive Repairers (AAPR)

w: www.aapr.org.au