



Code Administration Committee Annual Report (January to December) 2022

The Motor vehicle Insurance and Repair Industry Code of Conduct (Code) has been in operation since 1st September, 2006. The Code is currently voluntary in states and territories within the Commonwealth of Australia, other than in New South Wales and South Australia where it is legislated as mandatory for Industry participants.

The Code Administration Committee (CAC), is made up of three (3) appointees from the Motor Trades Association of Australia (MTAA Ltd) and three (3) appointees from the Insurance Council of Australia (ICA). Pursuant to Clause 13.2 of the Code the CAC is responsible for the administration, monitoring, compliance and promotion of the Code. This Report is prepared in accordance with Clause 13.2 (c) of the Code.

1. Meetings

Representatives of the ICA

- Peter Hartman – Allianz Insurance
- Brett Wallace – Suncorp Insurance; and
- Mr George Manos – Insurance Australia Group

Representatives of MTAA Ltd

- Mr Mark Czvitkovits (Chairman) – MTANSW (resigned 25th May, 2022)
- Ms Kathy Zdraveski (VACC)
- Mr Kaes Cillessen – MTASA
- Mr Stephen Jenkins (Chairman appointed 25th May 2022)

Mr Adrian Leopardi continued as a representative of the Office of the NSW Small Business Commissioner as a non-voting observer for the 2022 reporting period.

The CAC met on the following dates:

3rd February, 2022

5th May, 2022

5th August, 2022

15th November, 2022

Various issues were discussed by the CAC during the reporting period. These included;

- the operation of the website;
- Industry education surrounding operation of Code;
- statutory review of the Code, which is reported in more detail in this report;
- process and procedure surrounding mandating of Code within South Australia; and
- mandating of a Code of Conduct in Tasmania.

2. Review of Motor Vehicle and Repair Industry Code of Conduct

In accordance with Clause 13.2(f) of the Code, the CAC commenced the process of undertaking an external review of the operation of the Code. The CAC prepared a Terms of Reference which following industry consultation with the stakeholders was approved at the CAC meeting held on the 5th May, 2022.

The Chairman (Mr Stephen Jenkins) prepared a “Brief to Undertake review of Motor Vehicle Insurance and Repair Industry Code of Conduct” and the CAC undertook a process of appointing an external expert to undertake the Review. From an initial list there were two (2) experts asked to provide a proposal to undertake the review. Dr Michael Schaper was approved by the CAC to undertake the review.

Dr Schaper was formally a deputy chair of the Australian Competition and Consumer Commission (ACCC) and had extensive experience in the operation and oversight of Industry Codes. Dr Schaper was briefed to engage in a period of industry consultation as part of the review. The industry consultation included Government Representatives from the Small Business Commissioners in each State and Territory. Dr Schaper is to provide his review for consideration by the CAC. It was expected that the finalised review would be available for the Industry during the second quarter of 2023.

3. Dispute Resolution under the Code

Pursuant to the Code the CAC is required to report surrounding “number and type of applications for Mediation under the Code”. There were no Mediations reported to the CAC during the reporting period.

In respect to the notifications of lodgement of internal dispute resolutions (IDR) through the website of the CAC, in total seventy-six (76) IDRs were lodged. These are broken down into the following states:

- Queensland – 24
- South Australia – 21
- New South Wales – 16
- Victoria – 14
- Western Australia – 1

There were no known External Dispute Resolutions reported to the CAC pursuant to Clause 12 of the Code.

4. Summary of Compliance of Industry with Code in 2022

The CAC is required under Clause 13.2 to report on the Insurer and repairer compliance with the Code. Whilst the CAC has no data on which it is able to specify compliance with Industry participants, the CAC is aware that ongoing education is required surrounding how the Code applies to Industry participants and also the mechanisms available under the Code to facilitate co-operation, transparency and compliance with the Principles of the Code.

Further work on this education will be undertaken following the review of the Code by Dr Schaper.

Dated 12th April, 2023

Stephen Jenkins

Chairman

Code Administration Committee.