

**EMBARGO: 5pm SATURDAY 1 APRIL**

## **Anti-steering bill threatens jail for helping customers**

Insurance company staff would face up to 12 months jail for recommending a smash repairer to their customers if an “anti-steering” bill before State Parliament is passed, the Insurance Council of Australia said today.

ICA Deputy Chief Executive, Dallas Booth, said the bill, introduced by Independent MP, Richard Torbay, would in effect mean imprisonment for providing a service that most customers expect from their motor vehicle insurer.

“This bill will dismantle preferred repairer schemes, leaving the insurers’ customers to fend for themselves when it comes to finding a competent repairer. It prevents insurers from providing the service most people expect from their insurer when they are unfortunate enough to have an accident – organising a repairer and getting a quality job done and their car back on the road as soon as possible.

“The bill also curtails insurers’ ability to influence the type of parts used and allows a car to be ‘captured’ by a repairer, because it prevents an insurer moving the car to another repairer if it believes the costs are inflated.”

All insurers in NSW are so concerned about the bill that they asked the Insurance Council to take out full-page advertisements in today’s (Sunday’s) newspapers, calling the bill “anti-motorist” and urging MPs to “support motorists and oppose anti-steering laws.”

The advertisement says:

- Premiums are likely to rise
- Repair quality will be at risk
- Insurers will not be able to assist motorists find a suitable repairer.

Mr Booth said insurers have built up preferred repairer networks because they want to be confident the repairers they use have the right equipment, and the right skills to deliver quality repairs at a reasonable price.

The Consumers Association is also concerned, and wrote to the Premier, Mr lemma on 21 March saying: “The proposed Bill is not in the consumer interest; if it became law it would act in the interest of sectors of the motor repair industry, allowing them to maintain poor practices and excessive costs, which are ultimately borne by consumers.”

The letter can be found at :

<http://www.choice.com.au/viewArticle.aspx?id=105186&catId=100499&tid=100008&p=1>

Media inquiries: Rod Frail      0413 98 98 97