



Australian Government



Australian  
**Small Business and  
Family Enterprise**  
Ombudsman

15 November 2016

Mr Christian Taylor  
A/Assistant Director  
Consumer Markets Analysis  
Australian Competition & Consumer Commission  
GPO Box 3131  
Canberra ACT 2601

Via email: [newcars@accc.gov.au](mailto:newcars@accc.gov.au)

Dear Mr Taylor

## **NEW CAR RETAILING INDUSTRY MARKET STUDY**

Thank you for the opportunity to make a submission on the above topic. Our office has two primary functions – advocating for and assisting small business and family enterprise. In performing the advocacy function, our office takes an interest in reviews of key issues that can affect small business and family enterprises. We welcome the ACCC's market study into the new car retailing industry in Australia and will make a further detailed submission to the ACCC following the meeting proposed in December that we are participating in. There are important issues which affect small business associated with the new car retailing market which have been raised with our office. We make the following initial comments on these issues below.

The primary issue that we are concerned about relates to small businesses working in the post-sales market for repairs and servicing. Their ability to access, use and share repair and service information, tools and data for new cars in order to provide service, repairs and maintenance is at risk given trends in technological and proprietary approaches used by manufacturers and their agents. Attempts to address this have been undertaken through the development of a voluntary code however this does not appear to be working. This is an important issue which needs further consideration to decide how information can be accessed by small businesses in the industry in an affordable and consistent manner – while also protecting the rights of consumers in an ever-changing technological world.

Other issues we are interested to raise include the role of motor vehicle insurers within the industry and their behaviours and preferences with relation to repair of damaged vehicles with certain repairers. We have concerns about the definition of small business used in the paper and would recommend a broader definition similar

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to the one used in our legislation which refers to businesses with fewer than 100 employees as a small business or family enterprise.

If you have any questions, please contact Dr Craig Latham of my office (telephone 02 6263 1506; email [craig.latham@asbfeo.gov.au](mailto:craig.latham@asbfeo.gov.au)).

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Kate Carnell'.

**Kate Carnell AO**

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