

**The AMP AUSTRALIA**  
**Loan Arranger**  
 BUDGET ARRANGEMENTS  
 FUTURE PLANNING  
 ALL INSURANCE  
 537-1211 799-4532

THE  
**EXAMINER**  
*Your Local Paper*  
 Dandenong Berwick Cranbourne Springvale

**Capt'n Snooze**  
 FREE SHEET SET  
 WITH EVERY BED  
 PURCHASED  
 111 LONSDALE ST. DANDENONG  
 793 3599

PHONE: (03) 706 7111 FAX (03) 706 7322

30 Walker Street, Dandenong 3175

Tuesday, October 15, 1991 Vol. 4, No40 Price 30c

**FAMILY GOLF DAY**  **THIS SATURDAY**  
 \$10,000 in prizes ENTER NOW. RING 701 5555 SEE PAGE 21 FOR DETAILS \$10,000 IN PRIZES

# INSURANCE RIP-OFF HITS MOTORISTS

MOTORISTS have been hit by an insurance company rort in the car repair business.

A Dandenong body repairer has been fending off complaints from irate customers after his repair shop was directed by an insurance company to use sub-standard, non-genuine parts in the repair of vehicles. Documents leaked to The Examiner from inside the industry show repairers have been forced to quote insurance company work at rates less than half they would normally charge.

**Complaints**

The repairer told The Examiner he was caught between customers' complaints over poor quality workmanship and insurance companies using "stand-over tactics" to cut the cost of body work. "The time we have lost in trying to fit parts that don't fit has been horrendous. I wouldn't dare use these cheap parts on a Mercedes. We have been directed by the insurance companies to fit headlights that don't focus properly. I don't know if they comply with the Australian Standards. It makes it hard for us to get it right," the repairer said. The controversy centres over the use of car parts imported from Asian countries such as Taiwan. The parts are

for only \$180. After persistent problems getting the bonnet to fit the company was allowed three hours extra labour to jerry the part into place, raising the cost to more than that of the genuine bonnet.

A Dandenong independent insurance assessor circulated a questionnaire to all body shops in the area asking them to comment on their experi-

ences with non-genuine spare parts.

**Not aware**

In an interview with The Examiner, the assessor said the customer was often not aware of what was going on in the body shop. "The use of these poor quality, ill-fitting parts should be banned. The insurance companies are not allowing enough money for the

proper repair. They are only being allowed to claim \$20 to \$22 per hour. If the job were done properly the cost would be \$49 to \$52 per hour. The insurance companies are fudging the hours worked and the only profit the body shops are making is on spare parts," the assessor said.

A representative of the insurance industry admitted companies were turning up the

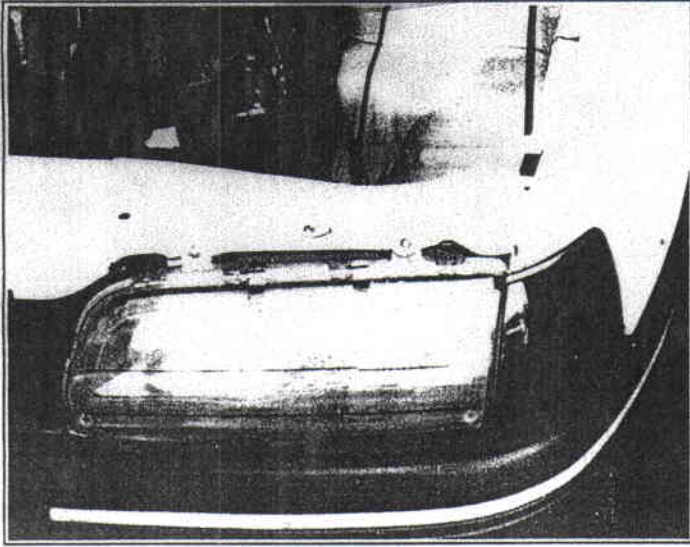
pressure on repairers to use the cheaper parts. Robert Belleville, general manager of operations for AAMI, told The Examiner the insurance companies were perceived as the bogeymen.

"This is a highly emotive issue. AAMI for one has worked with the Taiwanese for years to improve the quality. These components constitute only five per cent of the total parts usage and only in cosmetic areas such as doors. There is no safety issue," Mr Belleville said. Irate body repairers recently staged a march on Victorian Automobile Chamber of Commerce headquarters in St Kilda Road to protest the Chamber's lack of effective action over the issue.

**Cautioned**

Executive director Bob Davison cautioned assessors and others in the industry against making "inappropriate remarks" on the issue. "This is a hot issue. Some of the parts are sub-standard and could reduce the value of the vehicle. The insurance companies ought to be criticised, and it is not unreasonable for the repair industry to complain," Mr Davison said. But he said the issue was far from simple and the repair itself may be to blame for problems with the fit and finish. Bob Davison said the VACC was trying to present a balanced point of view on a difficult matter.

The insurance assessor trying to mediate between customer, the repairers and the insurance companies said the body repair industry was desperately in need of regulation, with no licensing, no ethics and ambiguous standards.



A headlight looks genuine but won't even focus the beam properly. Is your car being repaired with factory made or cheap imported parts?

**DANDY SALUTES FOOTY STAR**  
 SEE PAGE 3

**Inside**

- Crime Round Up ..... 8
- Letters to the Editor ..... 16
- Letters to the Editor ..... 16
- Around the Town ..... 17
- Real Estate ..... 25-43
- Behind the Wheel ... 46 & 47

**FIXED TERM**  
**3 MONTHS**  
**10.5% P.A.**

- \$500 - \$4,999 9.75% P.A.
- \$5,000 - \$9,999 10.25% P.A.
- \$10,000 - \$100,000 10.50% P.A.

**14 DAY NOTICE ACCOUNT**  
 10% P.A.

- \$5,000 - \$9,999 9.5% P.A.
- \$10,000 - \$100,000 10% P.A.

The Right Direction in Finance  
**COMPASS BUILDING SOCIETY**

Dandenong Branches: 304 Lonsdale Street 794-7923  
 Palm Plaza 794-9729  
 328 Thomas Street 794-9889  
 Esplanade Hill Shopping Centre 700-6464  
 Berwick 57 High Street 707-3723  
 Werribee Gardens Shopping Centre 546-6207

**A DOLLAR SAVED IS A DOLLAR EARNED**

In a time of fast change and great uncertainty it is more important than ever to seek professional investment advice to avoid mistakes you could regret for the rest of your life

YOU MUST GET PROFESSIONAL ADVICE FOR YOUR SPECIFIC NEEDS

**FPI LIMITED** 794 9700 Ken Bradley & Jan Scott  
 LICENSED DEALER IN SECURITIES (INC. IN VIC.) Dealer's Representatives  
 THE FINANCIAL PLANNING & INVESTMENT PROFESSIONALS