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NGOs slam new standard terms for car repairs

By *Najiah*

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[Azreen Hani](#) ^[1]

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PETALING JAYA: Stop victimising consumers.

This was the collective opinion of consumer groups to the latest announcement by Federation of Automobile Workshop Owners Association of Malaysia (FAWOAM) and PIAM Approved Repairers Scheme (PARS).

For Federation of Malaysian Consumers Association (Fomca) secretary-general Muhammad Sha'ani Abdullah, motoring insurance companies must have the claim process in order so that no party could take advantage of weaknesses in the current procedures.

"By putting a complete standard system based on Bank Negara's guidelines, any workshop would need to follow the and procedures," Sha'ani said.

Yesterday, FAWOAM and PARS published new standard terms — supposedly to resolve issues such as repair charges and non-adhering to Collision Repair Industry Guide to Retail Charges 2009 by insurance companies.

In cases where repair estimates are disputed by insurers, car owners will have to pay upfront.

Muhammad Sha'ani urged workshops to work as part of the system, to avoid parties from manipulating guidelines to their interests.

Muslim Consumers Association of Malaysia (PPIM) secretary-general, Datuk Ma'amor Osman, called on the authorities to monitor the vehicle repair industry to check fraudulent estimates by a 'third party' or adjuster for cases involving motor insurance companies and workshops.

"It is unacceptable and unfair for genuine consumers to pay repair costs upfront when they should be covered by insurance."

Nonetheless, Ma'amor agreed there were cases where insurance companies were also victimised by adjusters due to third party involvement. There were also adjusters who skyrocketed and sometimes "rigged" claims by accident victims.

"This announcement is only the tip of an iceberg. A study of insurance companies and workshops should be done immediately," he added.

Consumers Association of Subang and Shah Alam (CASSA) president, Jacob George, was not surprised by the FAWOAM announcement but at the same time he found it ironic workshops and insurers disagreed over the matter.

"These parties are protecting their interests and over the years we could see it was the consumers who bore the burden."

In the announcement yesterday, FAWOAM defended the industry's basic rights and livelihood.

Federation of Automobile Workshop Owners Association of Malaysia (FAWOAM)
insurance claims Local PIAM Approved Repairers Scheme (PARS)

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