

The background of the image is the Australian national flag, featuring a blue field with a white seven-pointed star in the upper right canton, a white Union Jack in the fly, and five white seven-pointed stars in the lower half representing the Southern Cross. The text is overlaid on this background.

**G'DAY**  
**From**  
**AUSTRALIA**

**March Taylor...  
He will be missed**



# Australia

- **20 million + population**
- **12 million car parc**
- **2 Major Insurers, IAG and Suncorp/Promina Group \*\*\***
- **4200 approx shops and declining**

# Industry Update 2007

**WRM**  
**(Web –based Repair  
Management)**

# WRM-Care & Repair Centres



13<sup>th</sup> July 2005



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# 13<sup>th</sup> July 2005



# Second Rally



# Second Rally



# MTA Meeting, Town Hall

## “We are not doing the work”



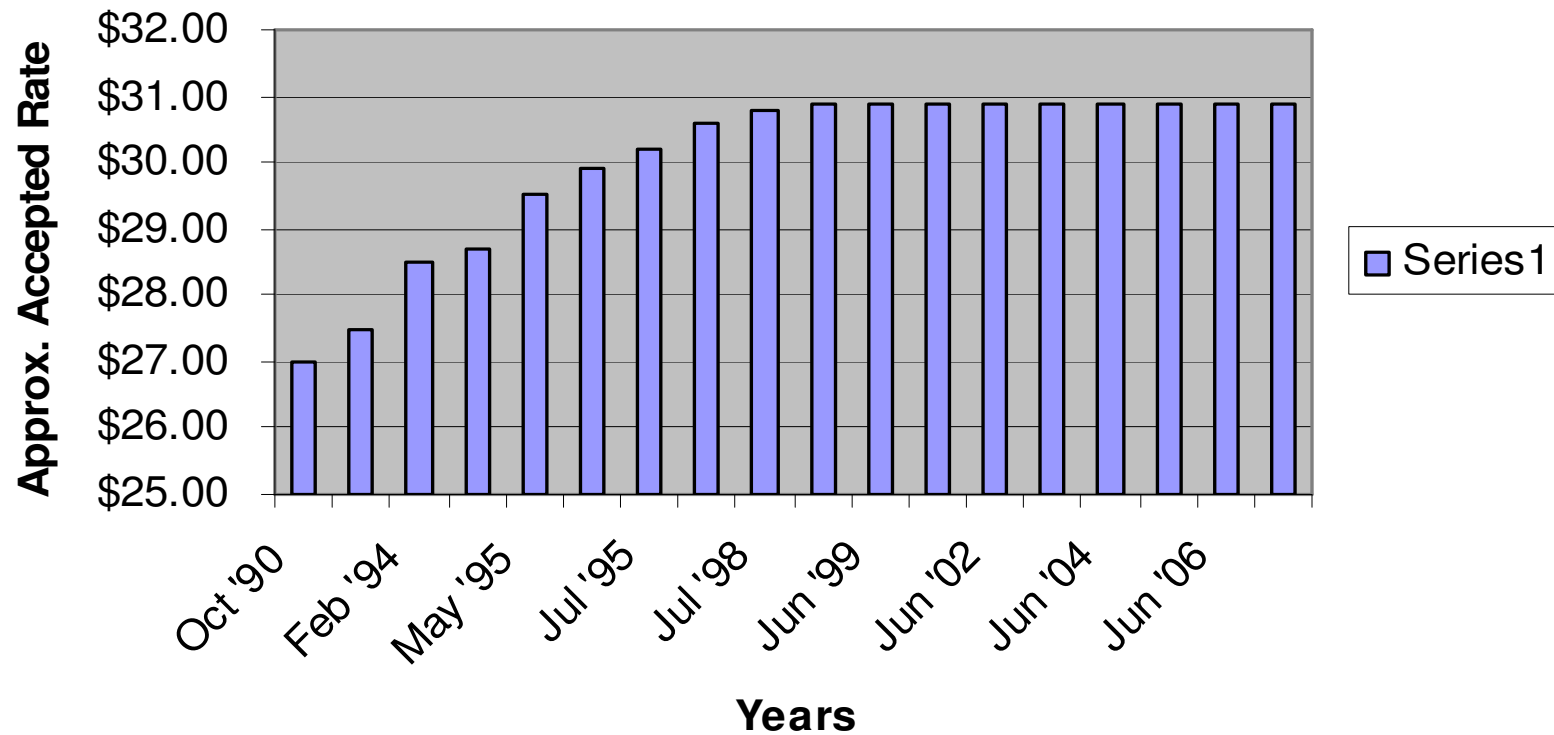
Where to from  
there?

# Code of Conduct, 2006

- *The 'funny time, funny money' system of quotation has severe drawbacks compared with an efficient and transparent system of pricing and costing and should be abandoned.*
- *If times and hourly rates are used in any of the cost elements specified in quotes, they should reflect realistic times and rates applicable to the particular job and particular repairer.*

**Real-Time  
Real-Money  
(NTAR)  
Starting Oct 07  
Rates:  
\$60-\$94 per hour  
Vs  
\$30.90 now**

# What has happened in the past?





# **What is Real Time Real Money?**

- **The real time taken to do a TASK**
- **The Profit is in the “RATE” you charge**
- **MTA NSW has been leading the charge!**

# **Real Time – R & R of – Bolt On & Welded Items**

**Remove and Replace times are developed by measuring exact time and allowing a productivity allowance.**

**The time is measured from the application of the first piece of equipment through to the completion of the operation.**

**A productivity allowance addresses finding tools, set up ,cleaning and miscellaneous time.**

# Welding Methods

- **Non structural spot welds are calculated at 1 minute 58 seconds including set-up allowance**
- **Structural spot welds are calculated at 2 minutes 29 seconds including set-up allowance.**
- **Butt welds are calculated at 2 minutes 29 seconds including set-up allowance per 2.5cm.**

# **Repair -Consumables**

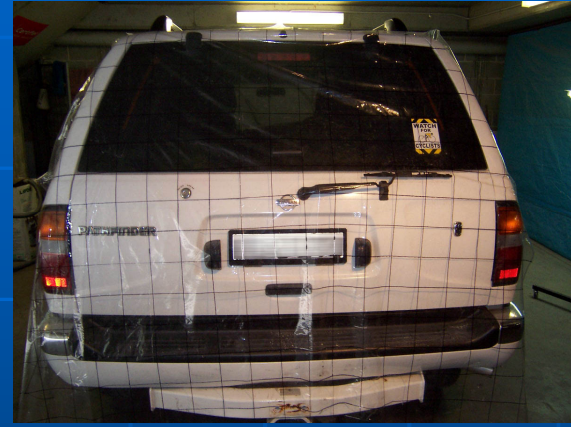
**Repair operations utilise a number of consumables including filler, drill bits, grinding discs , blades etc in the repair process.**

**A line item which addresses the cost of these items has been added to the repair labour.**

# Paint Calculators

- **To identify paint times the internationally recognized method of using “decimeters” has been adopted.**
- **Decimeters are also used to calculate material allowances then converted to a \$ value multiplied by the hours in the quote**
- **Then Manufacturers Methods were used to calculate the time and materials**

# Decimeter Calculations



# **Real Time – Paint Set Up Allowance**

**The actual cost per decimetre disregards items such as spray gun set up time, colour matching, spray gun disassembly and cleaning.**

**These items have been included in a calculation called paint setup which is shown as a separate line item at a cost of the labour rate [20min or .33].**

**A separate paint set up time is required as painting can vary from a single panel to a respray.**

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# **Real Time – Paint Consumables**

**Paint consumables include items such as masking paper, overspray protective sheeting, masking tape , painters overalls, dish washing liquid and all consumables used in the painting process.**

**This allowance has also been calculated as a cost per decimetre .  
The cost will be shown on repairer's quotations (in one line) as a \$ amount.**

# Liquids Calculations

**Formulas were developed**

- **Repair & Paint**
- **Replace and Paint**
- **Paint only**

**5 paint groups; Solid 2 Stage and 3 Stage; 5 major paint suppliers**

# NTAR

## New Times and Rates

Rent <\$60    Rent \$61-\$120    Rent \$120+

per m2

<b>Labor Cost – Low Range</b> (<\$50k/tradesperson)	<b>\$60</b>	<b>\$64</b>	<b>\$68</b>
<b>Labor Cost – Mid Range</b> (\$51-\$64k/tradesperson)	<b>\$75</b>	<b>\$79</b>	<b>\$83</b>
<b>Labor Cost – High Range</b> (+ \$65k/tradesperson)	<b>\$86</b>	<b>\$90</b>	<b>\$94</b>

**\*Rent/m2 is based on market rent for your area**

**\*Based on average annual gross wage per tradesperson**

# How is it going?

**It only started on 22<sup>nd</sup> October so we do not have any real information as yet.**

**IAG (NRMA) are the only insurer to take this on board at this point with other insurers watching carefully**