

BOATING INDUSTRY ASSOCIATION
OF WESTERN AUSTRALIA
APPROVED MARINE MECHANICS PROGRAM

# CODE OF CONDUCT

Adopted on 13 of May, 2014

# BIAWA AMMP Code of Conduct

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# The BIAWA AMMP Code of Conduct is the foundation of members' high level of public credibility.

### **PREAMBLE**

It is in the interests of the general public, government, The BIAWA, and Marine Mechanics to promote the efficient operation of, and consumer confidence in, a professional and competitive marine repair industry in Western Australia. The economic activity created by a competitive repair industry market will create and maintain skilled employment, efficient customer service and a viable and cost effective boat and engine repair industry.

The BIAWA and Marine Mechanics acknowledge that for the purposes of promoting an efficient and competitive industry:

- (a) In recognition of Mechanics right to freely structure their business arrangements, this Code provides for minimum, industry-wide, standards in matters such as:
- Transparency, disclosure and fairness in relation to quotation processes, times and rates, Repairer choice and use of parts;
- Responsibility for quality and safety, and warranties;
- Minimum terms of payment; and
- An independent external dispute resolution mechanism.

(b)In recognition of our industry's right to freely structure their business arrangements, there has been no attempt to specify, on an industry-wide basis, matters such as:

- minimum hourly rates or prices;
- 'standard' hours for repair jobs;
- types of parts to be used;
- compulsory choice of Repairer; and
- particular conditions of guarantees.

### 1.PRINCIPLES OR THE CODE

This Code is intended to promote high standards of honesty, integrity and good faith in conducting business in the provision of mechanical and repair services. The Code will specify standards of fair-trading, process and transparency in the relationship between The BIAWA, Repairers and their customers.

The Code is intended to:

- (a) ensure that the public receives the best possible attention and service from AMM's at all times;
- (b). ensure that the public interest shall predominate in all competitive trading between AMM"s;
- (c). maintain and enhance the reputation, standing and good name of The BIAWA and its members generally; and
- (d) publicise the provisions of the Code and make known to consumers and others the ethics and practices expected of BIA AMM's in the conduct of their businesses and in their dealings with others.

Repairers agree they have a responsibility to ensure repairs are authorised and carried out in a professional manner and to ensure that the safety, structural integrity, presentation and utility of the vessel are maintained. In doing so:

- 1.1 Repairers will carry out repairs that:
- (a) are in accordance with:
  - (i) the documented manufacturers technical specifications; or
  - (ii) any lawful mandatory specifications and/or standards; or
- (b) use methods that are consistent with warranty conditions; or
- (c) in the absence of (a) and (b) are in accordance with accepted industry standards and practice, while having regard to the age and condition of the vessel and engine/motor.

### 2. SCOPE

This is a voluntary Code and applies to Repairers that are signatories to the Code. Signatories, agree to be bound by the Code in their business dealings. Signatories to the Code agree that they will promote the Code and encourage non-signatory Repairers to become signatories to the Code. This Code does not give rise to any legal relationship between The BIAWA and Repairers, other than the obligation to participate in the dispute resolution processes as set out in this Code. The provisions of this Code are subject to all applicable Australian Government, and state laws and all rights and obligations arising under common law.

### 3. OBLIGATIONS OF THE CODE

### 3.1 GENERAL

A BIAWA AMM will:

- a. accept the Code entirely;
- b. ensure the compliance with the Code by all employees;
- c. act in a manner which does not conflict with the best interests for the public and conduct business and perform duties in accordance with strict professional courtesy and integrity;
- d. comply with state and federal laws, regulations and codes of practice applicable to their business or duties:
- e. Conduct business and perform duties in free competition with fellow businesses and refrain from criticizing the actions or damaging the reputation of competitors who are BIAWA AMM's, whether directly or by implication; and

f. not engage in any activity which would adversely affect the reputation, standing or good name of The BIAWA.

### 3.2 WORKPLACE SAFETY

A BIAWA AMM will:

- (a) maintain premises which are safe for all employees and non-employees:
- (b) select and maintain safe plant and equipment; and
- (c) maintain safe work systems for employees.

### 3.3 INDUSTRY TRAINING

A BIAWA AMM will:

- (a) undertake a responsibility in training skilled trades persons required by the marine industry where it is reasonable to do so; and
- (b) if capable of employing and indenturing/contracting apprentices or trainees, accept responsibility for training such apprentices or trainees.

### 3.4 ADVERTISING

Advertisements published or displayed by BIAWA AMM's will not:

- (a) contain any references to guarantees or warranties which take away or diminish the rights of a consumer, nor should they be worded as to be understood by the consumer as doing so;
- (b) misrepresent any product or service offered to consumers; or
- (c) contravene federal or state law.

A BIAWA AMM's will ensure that all claims and descriptions made in advertisements are genuine.

### 3.5 ENVIRONMENTAL

A BIAWA AMM will implement and maintain adequate trade waste management systems and will adhere to all environmental and anti-pollution statutes and incorporate processes and practices that allows them to dispose of their wastes in an environmentally sensitive manner.

### 3.6 QUOTING, REPAIRS & WARRANTIES

### A BIAWA AMM's will:

- (a) Test or perform an inspection of the appropriate system before any service is performed
- (b)Provide to the customer, a written estimate of the cost of the required repair; an outline of the work required and parts needed.
  - The written estimate MUST identify service or parts replacement as "Required" or "Suggested".
  - "Required" items are due to System Failure where service or parts replacement are necessary because the part in question is no longer providing the function for which it is intended
  - "Suggested" service or parts replacement are for *Improved System Performance* or *Preventive Maintenance* because the part is close to the end of its useful life or addresses a customer's need, convenience or request. If a customer's vessel has one of these conditions, the procedure may be to only suggest service.

No work will be performed without the customer's prior approval.

Should additional repair work be found necessary during the course of the repair which would cause the estimate to be exceeded, the repairer will contact the customer to explain the additional work required and to seek authorization for the additional costs to be incurred before proceeding.

- (b) Notify the consumer if a quotation or estimate does not include prices for spare parts or any other materials used;
- (c) Notify the consumer in advance of any dismantling charges necessary to arrive at a quotation;
- (d) Provide the consumer with an estimated repair or service time and inform the consumer if this estimated time cannot be met;
- (e) Carry out the repair in accordance with accepted trade practices, at a reasonable and agreed hourly rate.

- (f) Notify the consumer of any defects not covered by the work to be performed and which may become apparent while the work is being carried out.
- (g) On completion of the repair, have available for inspection for the customer, all parts replaced, unless a warranty is involved or unless the parts have to be submitted to a supplier because replacement parts are being supplied on an exchange basis. In this case the customer will be invited to view the parts before return.
- (h) Replaced parts will be identified as new, re-manufactured, rebuilt or used. AMM participants will inform the customer and indicate on the estimate and invoice whether a part is new, re-manufactured, rebuilt or used.
- (i) Guarantee the quality and workmanship of the service or repair (under normal operating conditions). If, for any reason, they cannot give this guarantee at all or in part for any particular repair or service, they will advise the customer prior to commencing the work. If the reason for not being able to give the guarantee is not apparent prior to commencing the work, the approved repairer will notify the customer immediately the reason becomes apparent.

The reason for not being able to give the guarantee in whole or in part will be noted on the tax invoice. The AMM shall only be required to provide a guarantee for parts to the extent that the manufacturer, distributor, supplier or importer of the parts is so liable under an express warranty or under the law, other than to the extent that the quality of the repair arising from the use of the parts or paint arises from faulty workmanship.

The Approved Mechanic, maintains the right to refuse to accept a particular repair job, especially if it is of a complex nature or has an engine for which they do not hold a franchise. However, once repair work has been started, the Approved Mechanic will ensure that the repair is carried through speedily and to a satisfactory conclusion.

### 3.7 INVOICING

When issuing an invoice A BIAWA AMM will:

- (a) notify consumers of their preferred method of payment before work is accepted and commenced.
- (b)give full details of the work carried out and charges for labour, spare parts, materials, parts disposal, environmental levies and subcontractors used;

### 4. DISPUTES & DISPUTE RESOLUTION

The Approved Mechanic agrees to resolve quickly any disputes that arise between themselves and the customer. If, however, after negotiation, attempts to settle a dispute have failed, the customer may notify the BIA and ask the BIA to act as an arbitrator, provided this is done within 90 days of the occurrence.

When the BIAWA is requested to act as an arbitrator, The Approved Mechanic agrees to co-operate with the BIA in its investigation and agree to abide by the BIA decision.

Upon notification of a dispute, the BIAWA will fully investigate the issue, and the supporting evidence provided by the Mechanic and will within two business days make a determination.

As part of this process, the BIAWA will consider the relevant information, may inspect the engine or vessel and will discuss the dispute with the Mechanic.

The BIAWA and Mechanics agree that disputes relating to alleged non-compliance with the Code and to disputes of a contractual nature, should be resolved promptly, transparently and fairly.

If no resolution can be reached as an outcome of the Internal Dispute Resolution process, either party can elevate the process to an External Dispute Resolution Process. To commence this action under the Code, the applicant must lodge a notice of dispute with the BIAWA and the respondent, providing the following information:

- (i) the nature of the dispute;
- (ii) what outcome the applicant wants; and
- (iii) what action the applicant thinks will settle the dispute.

On commencement of an External Dispute Resolution, a Conciliation Conference will be organised with an external conciliator through Consumer protection on behalf of the applicant and the respondent.

This clause does not affect the right of a party to take legal action in relation to a dispute.

### **Code Administration Committee**

- (a) The Code will be administered by a Dispute Resolution Committee (DRC);
- (b) The DRC will consist of signatories to the Code being:
- (i) two appointees of the Board of the BIAWA; and (ii) an appointees from the Department of Commerce;

The appointees to the DRC must not disclose any confidential information acquired in the course of their appointment unless required by law to do so.

The provisions of this code are in addition to all rights and remedies available through the law.

# 5.1 TERMINATION OF AGREEMENT – Breach by Repairer

- (a) This clause applies if:
  - (i) a Repairer breaches an Code of Conduct agreement; and
  - (ii) the BIAWA proposes to terminate the BIA Approved Mechanic agreement
- (b) The BIAWA must:
  - (i) give to the Repairer reasonable notice that the BIAWA proposes to terminate the agreement because of the breach;
- (ii) tell the Repairer what the BIAWA requires to be done to remedy the breach; and
  - (iii) allow the Repairer a reasonable time (no more than 30 days) to remedy the breach.
- (c) If the breach is remedied, the BIAWA cannot terminate the agreement because of that breach, unless the Repairer has in the previous three years been in breach and has been advised in writing that any further serious breach will result in the termination of the agreement.

### 5.2 TERMINATION OF AGREEMENT -Performance Criteria

The BIAWA may only terminate The Approved Mechanic agreement based on a repairer failing to meet performance criteria or standards, if:

(a) the performance criteria or standards and the consequences of failure to meet such performance criteria or standards were disclosed to the Repairer prior to entering into the agreement;

- (b) the Repairer fails to meet those performance criteria or standards;
- (c) the breach by the Repairer was subject to written notice by the BIAWA to the Repairer advising of the detail of the breach and the BIAWA provided the Repairer with a reasonable period of time in which to meet the performance criteria or standards; and
- (d) the BIAWA has treated the Repairer fairly in relation to the application and enforcement of performance criteria and standards.

## 5.3 TERMINATION OF AGREEMENT–Special Circumstances

The BIAWA does not have to comply with sub-clauses 5.1 or 5.2 if a Repairer:

- (a) no longer holds a license that the Repairer must hold to carry on its repair business;
- (b) becomes a bankrupt, insolvent or under external administration;
- (c) is convicted of a serious criminal offence;
- (d) is fraudulent in connection with the operation of the repair business or engages in serious misconduct; or
- (e) agrees to terminate the BIAWA Approved Mechanic Agreement.

# Pledge of Integrity— Enhancing professionalism in the marine services industry

### BIAWA AMM's WILL:

- act honestly and fairly in all dealings with the public and conduct business with strict professional courtesy and integrity;
- comply with state and federal laws, regulations and codes of practice applicable to their business or duties:
- offer a firm quotation for repairs including parts, labour and sub-contracting, or where this is not possible make it clear to the consumer that only an estimate, not binding on either party, is being furnished;
- notify the consumer in advance of any dismantling charges necessary to arrive at a quotation;
- notify the consumer and seek permission to continue work if during the progress of any work it appears that the estimated charges will be exceeded;
- provide on invoices full details of work carried out and charges for labour, spare parts, materials, parts disposal, environmental levies and subcontractors used;
- guarantee repairs and service performed against failure due to defective parts supplied by the repairer or the faulty workmanship for a period of time (subject to the consumer's rights at law);
- not misrepresent any product or service in any form of advertisement published or displayed and ensure that all claims and descriptions made in any such form of advertising are genuine.

# **Contact Information**

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