

Frequently Asked Questions

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What is 'Right to Repair'?

It's the ability of consumers to have their products repaired at a competitive price using a repairer of their choice.

Why is that an issue in Australia?

There's concern that consumers or third parties are prevented from being able to repair products due to a lack of access to necessary tools, parts or diagnostic information.

What does that have to do with agriculture?

Major machinery importers and the Australian manufacturers of agricultural machinery have been included in recent reviews relating to Right to Repair.

What's agricultural or farm machinery?

Agricultural machinery refers to a broad range of machines that farmers can use to grow or harvest food and fibre, including tractors, balers, tillage and harvest equipment. Most dealers franchised or authorised by original equipment manufacturers operate in rural, regional and remote areas and are the lifeblood of their communities. Our industry also supports companies engaged in servicing the farm machinery sector such as wheel and tyre suppliers. Farm machinery and tractors are not cars, and should not be treated as such.

Can farmers repair their own tractors and harvesters?

Members of the Tractor and Machinery Association of Australia (TMA) support farmers' ability to maintain and repair their machinery. We recognise that farmers depend on agricultural machinery for safe and consistent operation, to support income generation and cannot afford for them to be out of operation for a great length of time. Manufacturers and authorised dealers support farmers' ability to identify and repair issues they may encounter with their equipment, through the provision of:

- Manuals (Operator, Parts, Service)
- Product Guides
- Product Service Demonstrations, Training, Seminars, or Clinics
- Fleet Management Information
- Diagnostic information and support
- Other publications with information on service, parts, operation, and safety

Who should repair agricultural machinery?

Agricultural machinery is often technologically complex and requires a high level of expertise to repair and service which can only be ensured by high quality professional training.

These machines perform a range of tasks, and need to do this safely, productively and in a way that minimises environmental impact. Repairing this equipment requires years of training, and the industry has worked with TAFE to develop a nationally recognised accreditation and ongoing training standards required to repair these machines appropriately.

Are manufacturers purposely restricting access to tools, software or parts?

No. Manufacturers and authorised dealers support farmers' ability to identify and repair issues they may encounter with their equipment. However, anyone repairing agricultural machinery must have the required level of technical training and expertise, to ensure everyone's safety. We believe the safest and most cost-effective way for quality repairs and service to be carried out is through authorised dealers who have invested significant resources in training their staff and are regularly audited and monitored for compliance with professional standards.

As the agricultural machinery industry is small and the participants in each market well known to the customers, service and repair work is priced very competitively. The cost is usually comparable between independents and authorised dealers.

Is there much competition in the Australian agricultural machinery market?

The agricultural machinery market is highly competitive in Australia, with a range of brands to choose from in a relatively small population of consumers in comparison to that of the United States and Europe. To keep this level of competition in the market, authorised dealers and repairers must remain competitive but also viable. As the products are imported, it must also remain worthwhile for the manufacturers to continue to distribute to Australia.

Who has been investigating this issue?

The ACCC completed a study of agricultural machinery markets in Australia, releasing its report on 4 May 2021. The Productivity Commission has been conducting a 'Right to Repair' inquiry, releasing its draft report on 11 June 2021.

What could be the impact on the agricultural machinery sector if the recommendations from the ACCC and Productivity Commission are implemented?

First and foremost, we are concerned that safety may be compromised. Agricultural machinery are complex machines. The right to repair does not mean a right to modify. Some players in the market have been known to tamper with the manufacturer's settings on farm machinery for improper purposes, for example "chipping" involves modifying a piece of equipment to increase engine horsepower. This type of activity can have implications for the safe operation of the machinery, or can result in it no longer being compliant with emissions standards.

Dealerships and farmers, largely based in rural and regional Australia, will be impacted. Dealerships are a crucial part of their local economies, as employers, providers of traineeships and education, supporters of community initiatives. Dealerships make huge investments in facilities, inventory, employees, tooling and training. The ACCC and Productivity Commission recommendations will have a cost impact on dealerships and farmers, which will have a flow-on effect in rural and regional communities.

What sort of cost impacts?

Agricultural machinery is increasingly computerised and complex. This is primarily due to advances in the equipment and technology that was sought by customers and the agriculture industry, aimed at greater efficiency, productivity and overall value to the customer. However, with increased product complexity comes an increase in maintenance requirements and increased complexity in carrying out those requirements. Proper maintenance and repair is critical to the performance and safety of that equipment, and requires considerable training and experience.

If the recommendations are implemented in their current form, we are concerned repairs will be made by people who don't have the required training and may result in machines not being fixed correctly the first time. That can in turn lead to increased downtime and other breakdowns, which create knock on effects that can be expensive to remedy.

Is the industry trying to stymie competition?

TMA members are supportive of industry changes that improve the customer experience without adding additional cost or putting safety, performance or environmental standards at risk.

TMA members support farmers' ability to maintain and repair their machinery. All TMA members provide customers with information relating to consumer rights, product reparability and warranties at the point of sale. It's also important to note that the service rates charged by dealerships are set independently by those dealers. TMA members do not have any input into the setting of service rates by authorised dealers.

Does the industry support any changes?

TMA members, farmers and customers all have a shared interest in ensuring agricultural machinery functions at its optimal level in a way that is safe and meets industry environmental standards. We want to work with the ACCC and Productivity Commission to investigate if there are practical and workable solutions to the concerns that were raised in the inquiries.

Where can I go for more information?

If you have any questions or need more information, please contact your local dealer or the TMA via www.tma.asn.au