

Dear Sir/Madam,

We wish to submit our comments to the ESC's Draft Report – Periodic Review of Accident Towing and Storage Fees 2013.

The first issue we would like to comment on is STORAGE FEES.

In support of increasing the daily storage fee we would like for you to take into consideration the following:

Our annual outlay in order to provide a storage facility is made up of the following:

Rent	\$31000.00
Utilities	\$1500.00
24 Hour Security back to base monitoring	\$936.00
Insurance	\$206.00
Cleaning/removal of parts/debris	\$2800.00
Water Rates	\$1200.00
*Staffing	\$48000.00
<b>TOTAL:</b>	<b>\$85642.00</b>

This equates to just over \$234.00 per day. We can safely facilitate storage of 10 vehicles @ \$15.10 per day which equates to \$151.00. This leaves a considerable shortfall.

\* It must be considered that there is an administration cost associated with this storage facility. This includes the moving of damaged vehicles stored, often requiring two men or more, phone calls to owners and insurance companies, letters and correspondence to owners of abandoned/uncollected vehicles, seeking information on owners of vehicles who have not made contact with our office regarding their vehicle, and providing a 24 hour on call service to attend and open up the premises to allow vehicle owners to obtain essential personal items from their vehicles (house keys, remote controls, medication, personal needs items). There is also often need to clean up oil and fluid spills to maintain a safe environment. It is difficult to determine the number of hours spent in administration however we believe it would be fair to say it would be in excess of 2 hours per day. This multiplied by an average hourly rate for the employees who attend to these duties would equate to \$200.00 per day. This is annually \$48,000.00.( ie. 5 days a week, 48 working weeks a year).

It also must be considered that although a storage fee applies daily, storage for vehicles ultimately abandoned by their owners may never be recovered and have to be written off as a bad debt, which is often the case. This also presents issues in logistics as these "long stayers" cannot be disposed of for many months. The suggestion of a correlation between private car parking rates and storage of accident damaged vehicles is substantiated in that unclaimed vehicles continue to take up storage space that could be allocated to "paying customers" resulting in a loss to the tow depot operator, as we can't choose our customers and are obligated to provide this storage arrangement.

The second issue we would like to comment on is SALVAGE:

We are in support of the towing operator being able to determine the fair and reasonable salvage fee, based on difficulty, situation and detention time.

The tow truck driver who is to perform the salvage, is the only person who knows what each individual salvage situation requires. We agree that images of the operation should be taken and kept on file to substantiate the need and the subsequent charge for the salvage. Whilst attending to a salvage situation, the towing operator may be commercially disadvantaged in that the truck is still engaged at that scene and therefore until cleared, won't be considered available for another allocation.

The third issue is the use of a tilt tray truck being permitted to tow two vehicles from the one accident scene, provided of course that they are in receipt of two allocation numbers for that scene. This facilitates the prompt clearance of the roadway. An accident scene at a busy intersection during peak time, for example, may involve trams and a traffic jam, making it difficult for a second truck to arrive at the scene without a considerable delay. If one truck is permitted to tow two vehicles from the scene, this facilitates the clearing of the accident scene more expeditiously. Police members attending an accident scene are generally relieved when one tilt tray is able to remove two damaged vehicles promptly.

We thank you for the opportunity to present our views on these matters and are grateful for your consideration of same.

Sincerely,

**Nicola Glas**  
Customer Care Manager

**For and on behalf of**  
**Lou Pansino**

**Director**



**Depot 745**  
*Melville Body Works Pty Ltd*  
*106 Melville Rd.*  
*West Brunswick, Victoria 3055*  
*Ph: (03) 9386-6918*  
*Fax: (03) 9386-1295*  
*Email: [nicola@melvillebodyworks.com.au](mailto:nicola@melvillebodyworks.com.au)*  
*Web: <http://www.melvillebodyworks.com.au/>*  
*Facebook: [facebook.com/melvillebodyworks](https://www.facebook.com/melvillebodyworks)*