

BULLETIN

VACC Industry Divisions



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Takata Recall: ACCC Guidance Affected Written-Off Vehicles

Members would be aware that supplying a vehicle with an Affected Takata Airbag Inflator (**ATAI**) is prohibited in certain circumstances under the Takata compulsory recall.

For example, if a Vehicle is under active recall, it cannot be supplied in trade or commerce until the ATAI is replaced. Similarly, there are prescribed obligations to consumers regarding supply of vehicles under future recall criteria.

The treatment of affected written-off vehicles under the Takata Recall

VACC members have had issue with the way that salvage vehicles and written-off vehicles should be treated.

The ACCC recognises that the prohibition on supply gives rise to a number of issues in relation to written-off vehicles. It also acknowledges that there are practical difficulties in complying with the requirement to safely replace ATAI's prior to supply of written-off vehicles due to the damaged condition of the vehicle.

The ACCC advise that they cannot provide exemptions from the law, but they do have discretion about matters that they investigate or how they resolve concerns.

Actions taken by VACC

Members who attended the ACCC presentation on the compulsory recall at the VACC House on 22 June 2018 were advised that ACCC would issue guidance on its compliance and enforcement approach regarding written-off vehicles. That guidance is now available.

The ACCC response

You can view ACCC guidance on how to treat repairable and statutory written-off vehicles by taking this [link](#). VACC Recommends that all traders pay specific attention to 'Part A' of this guidance.

Members are also reminded that contravention of the recall notice can also have implications under Australian Consumer Law provisions.

VACC thanks the ACCC for its pragmatic approach on the Takata Airbag Recall.

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