



## NSW Farmers' Consumer Examples – Right to Repair Agricultural Machinery

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### Summary of key issues raised by members

- Manufacturers overprice spares and labour
- Access to equipment manuals
- Delays in obtaining genuine parts for repairs – can mean weeks or months of downtime waiting for parts
- Availability of spare parts that manufacturers no longer provide
- Difficulty accessing parts
- High cost of genuine parts
- Few parts dealers – difficult to access repairs and more costly
- Dealership monopoly and regional restrictions
- Dealer repair inaccessible in most cases – charge too much just in travel, plus cost of repair and service parts and labour
- Cost - if dealer travels to the property, exorbitant kilometre travel charges apply. Sometimes fine print in the warranty will include conditions to pay travel charges fixed by the dealership at times.
- Delays too long to wait for repairs – sometimes dealer services are not available at all. If the machine is taken to the dealer it can be kept there pending for weeks
- Local mechanic unable to repair machinery as they do not have access to diagnostic software tools – have to go through machinery dealer whose mechanics are further away (65km, 108km, 150km, up to 250km away, instead of the local mechanic 12km away for example). This also increases cost due to increased travel, and adds to time delay and harvest delay.
- Inexperienced mechanics been charged out at expensive rates taking longer and not fixing actual problems so have to come back again (dealers unable to keep experienced mechanics)
- Inconsistent warranty agreements – sometimes no warranty included with lower cost machinery

### Additional member observations

- Parts manufactured to oem specifications should be seen as equivalent to oem
- Warranties should extend to take into account use and hours of a machine
- It would be fantastic if machinery could be repaired by a second party. An example of this working well is the little known fact that you do not have to return vehicle to original dealer. We have a well-respected mechanic who services our vehicle. Would be great to have parts in stock as the wait can mean months of downtime for us.
- Many parts come from overseas - would be a good opportunity for Australian manufacturers
- If there was a right to repair it would eliminate some anticompetitive behaviour
- Warranty is always hard work and lots of follow-ups. Depends on the people running big dealerships. Some are better than others. If we could have more competition of different makes of machinery and can repair them by the local mechanic it would be better all-round price and cost.
- These issues are one of those things that all farmers have to deal with, “it doesn’t matter what colour the machines are” and would like to see increased access to parts for independent repairers, including enabling them to buy the programs to run scan tools.
- Concerned this will become an increasing issue as machinery becomes more advanced. Also concerned that the lack of competition means that dealers aren’t looking after their staff properly –e.g. one of the more experienced mechanics recently left to do his own work as he was still an apprentice.



### 1. Northern Rivers (Grafton)

What are the barriers to repair that you have faced? Manufacturers continue to vastly over price spares and labour. Parts manufactured to oem spec should be equivalent to oem. Further warranties should and extend to take into account use and hours of a machine

What was the financial and/or time impost as a result? Massive if using oem labour and parts

### 2. Southern NSW (Corowa)

What are the barriers to repair that you have faced? only dealers have access to computer IT of the machinery

What was the financial and/or time impost as a result? small problems cannot be rectified by local trades person

### 3. Greater Sydney

What are the barriers to repair that you have faced? My experience relates to farm machinery that is no longer under warranty. I have been told, that a part (a damaged out-front mower deck) cannot be repaired and will cost many thousands of dollars to replace.

What was the financial and/or time impost as a result? Time taken to seek out another opinion from a farm machinery business that did not specialise in this brand of machine. Delays in obtaining genuine parts for other repairs needed. High cost of genuine parts. The other farm machinery business told me the mower deck could be successfully repaired, by being welded, at a fraction of the cost of a replacement deck.

### 4. North Coast (Woodburn)

What are the barriers to repair that you have faced? Dealer repair inaccessible in most cases. Dealer charge too much only to reach the location of machine + Repair and service parts and labour. Under warranty in small letters or hidden in paragraphs will put conditions to pay travel charges fixed by the dealership at times.

What was the financial and/or time impost as a result? Too long wait. Sometimes deal services are not available at all. If available, they charge exorbitant kilometre travel charges only reach the property. If machine is taken to dealer will keep 5he job pending for weeks.

### 5. Northern NSW (Garah)

What are the barriers to repair that you have faced? Local mechanic unable to repair machinery as he does not have access to diagnostic software tools for John Deere or Claas machinery. Have to go through machinery dealer and during busy periods such as planting and harvest, there are delays waiting for machinery dealer's own mechanics. Local mechanic is 12km away whereas Machinery dealers mechanics are either 65km or 108km away.



What was the financial and/or time impost as a result? Delays in harvesting due to header broken down. Generally a one or two day wait for machinery dealer's mechanic. Financially, repair bills from the machinery dealer are double those of local mechanic. (Travel costs being a major element.) Sometimes mechanics for the dealer are coming from other branches up to 250Km away.

## 6. Far West (White Cliffs)

What are the barriers to repair that you have faced? We live 300 kms from nearest town for service - however all well-known service brands are at least 850 - 1000 kms away. It is near impossible to have large machinery serviced or repaired, unless we pay the manufacturer to travel to us. Costs can be prohibitive, especially when it is a 600 km round trip. It would be fantastic if it could be repaired by second party. An example of this working well is the little known fact that you do not have to return vehicle to original dealer. We have a well-respected mechanic who services our vehicle. Would be great to have parts in stock as the wait can mean months of downtime for us.

What was the financial and/or time impost as a result? Financially the repair blew out by 50% on top off budgeted repair amount.

## 7. North West (Premer)

What are the barriers to repair that you have faced? Availability of spare parts that the manufactures no longer provide. Access to equipment manuals. I realise that many parts come from overseas - would be a good opportunity for Australian manufacturers

What was the financial and/or time impost as a result? Not always in the financial position to replace machinery - and the equipment that needs parts sits around as cannot sell or trade in if not in working condition

## 8. Hunter (Port Stephens) (oyster member)

What are the barriers to repair that you have faced? The last service for the outboard motor that has to be done by the authorised dealer to maintain warranty took months to organise and multiple phone calls.

What was the financial and/or time impost as a result? I was lucky that I was present during the service as I was able to watch the full service process. But this also meant that I knew how long it took ( 1•25 hrs ) which when it came to paying the bill, I was able to dispute the labour charge of 3•5 hrs which is as described to me just a standard hourly rate fee for a full service. The dealer did not argue with me just changed the billed hours to 1•5 hrs taking \$200.00 off the bill. There is an impost on my time in having to be present at the service in waiting for it to be done so I can relaunch the punt on the available tide and also in having to be present at the dealership to dispute the charges hours.

## 9. Northern NSW (Moree)

What are the barriers to repair that you have faced? There are very few parts dealers in the market. It is not very competitive. That is, for example, we use John Deere machines but apart from going to our local Vanderfield dealer or else travelling to the next dealer, there is no other access to parts or services. It can be very difficult and costly to get repairs because of this. If there is a right to repair it would eliminate some anticompetitive behaviour.



What was the financial and/or time impost as a result?

Financial and time burdens are inflated because of this. Due to the market lacking competition through anti-competitive behaviour, we as the consumers struggle to get the best service. There are some mechanics that capitalise on this and will leave a large player such as Vanderfield and become a field mechanic on their own. However, there are not many of these and they don't have the access to parts and will therefore still use the dealers for some parts (which have high prices).

#### 10. Riverina

What are the barriers to repair that you have faced?

The barriers I find is the dealers not been able to keep experienced mechanics so a lot of the time they spend all the time on phone

What was the financial and/or time impost as a result?

Inexperienced mechanics been charged out at expensive rates taking longer and not fixing actual problems so have to come back again. I'm happy to pay good rates if they know what they are doing

#### 11. Central West

What are the barriers to repair that you have faced?

In my Massey tractor7465 the writing on the dashboard started to disappear. The required part would probably have cost about\$100.

What was the financial and/or time impost as a result?

We had to purchase a whole sealed unit which was just short of \$3,000. The part only took a few days to arrive. I was able to put it in.

#### 12. Central Western Plains (Coonamble)

What are the barriers to repair that you have faced?

Tractors and headers - We cannot access software to read faults to repair. Local mechanics find it expensive to access soft wear to read to be able to repair. The simple jobs we cannot do if we cannot access repair manuals.

Warranty is always hard work and many follow-ups. Depends on the people running big dealerships, some are better than others are. If we could have more competition of different makes of machinery and can repair them by the local mechanic, it would be better all-round price and cost.

What was the financial and/or time impost as a result?

the business( dealerships ) that could access the software are over 150 km away so we the farmer had to pay travel costs to have the bigger dealership service equipment and added cost of \$150 plus travel each time. Also not letting a local mechanic (and family) live in our district because they cannot work efficiently on our machinery without software.

#### 13. Riverina (Gerogery)

What are the barriers to repair that you have faced?

Difficulty obtaining parts, waste of valuable time.

What was the financial and/or time impost as a result?

More inconvenience than actual cost.



#### **14. Central West/North West Slopes (farmer and ex mechanic)**

Recently experienced an issue with machinery that was just out of warranty (rodent damage to wiring). The initial wait for the repairs was around 3 days however the issue was not completely resolved and farmer is still waiting from them to come back (around 4 weeks later). This is organised by the local distributor. When the mechanic inspected the machinery they were inexperienced and didn't properly understand the system. They also didn't bring all of the necessary tools including basic consumables which the farmer was able to provide, but was also charged for as a standard item. With the basic repairs completed the farmer was able to complete sowing but without air conditioning and with continued issues with the shifting not changing properly. If this were to occur during harvest in the hotter months, it would not have been able to proceed.

The farmer paid approximately \$1000 for the repairs to his machinery, most of which was to cover travel of the authorised repairer to his property. The cost of travel was to be shared, however it appeared that both farmers were charged the full amount.

The farmer also owns a tractor that is under ten years old that he experienced issues with. This tractor needed a new seat but despite it being quite new it took almost two years to find one and it still was not the correct seat for the model. New Holland assisted for a while but kept sourcing the wrong types of seats.

The farmer noted that these issues are one of those things that all farmers have to deal with, "it doesn't matter what colour the machines are" and would like to see increased access to parts for independent repairers, including enabling them to buy the programs to run scan tools.

The farmer noted that over time the number of local mechanics have dwindled to one but that this is largely a result of the exponential technological improvements to tractors and agricultural machinery that has increased their lifespan. In the 70s they lasted for approximately 5 000 hours, in the 80s/90s around 10 000 hours and now about 20-25 000 hours. This has also changed what is required in a mechanic; the traditional mechanic is still required for labour, but specialised people are also needed to understand the technology.

The farmer also noted that it can be very difficult to access parts, partly due to the fact that they are manufactured overseas. COVID-19 has exacerbated this issue, and many farmers experienced issues accessing parts during harvest last year. The fact that there are so many different models now in operation also adds to this issue, as so many different types of parts need to be available.

#### **15. Central West (Dubbo)**

Has an ex dealer mechanic who can complete some repairs but cannot update the machinery. Recently had to replace a motor and had to get John Deere to come out to the property at a cost of \$600 plus the delay in the repairer arriving. Concerned that this will become an increasing issue as machinery becomes more and more advanced. Also concerned that the lack of competition means that dealers aren't looking after their staff properly –e.g. one of the more experienced mechanics recently left to do his own work as he was still an apprentice.

#### **16. Northern Tablelands (Walcha)**

Few things to note when looking at effects of repair requirements for our Ag machinery that currently affect our business. Timeliness of parts delivery especially for Toyota, John Deere

Providers not stocking large amounts of common parts and having long wait times for those parts to arrive is very common across all entities. They are just not willing to carry cost of this, which affects all our operations. Third Party repairers not having access to computers to be able to dial into problem codes

Major machinery dealers threatening not to work on machines not purchased through them has been in conversation locally for some time.

#### **17. Northern Tablelands (Uralla)**

My family purchased a Case tractor in 2013, just a 60hp one but perfect size for doing all the jobs on the farm. Right from the start, we had problems with the cost of mechanics for service, very expensive to come 100km or



so which some would call a local call. On their first visit it became necessary for a second visit because the service parts were incorrect; the reason the model had changed slightly and so had the service parts.

Second issue was for front wheel bearings failing. OK that was warranty. Then we broke the rear windscreen, three goes to get it right, 600km of travel. Then we broke a door window and again the wrong replacement, although they paid the freight. Lastly our biggest cost was to replace the main bearings in the rear wheels because the nuts had come loose. No warranty because of 2700 hours even though the retention washers had clearly not ever been fitted properly. This time it took three weeks to get the parts. To save money we trucked the tractor to the dealer and back.

The overall problem appears to be that this machine had a motor built in Korea, an American/European transmission and it was put together in India. Consequently the parts list was inaccurate and service data was too. For instance it took three days to find out what tension to put on the rear axle nuts.

This sounds a trivial case but I think it is an example why the manufacturers dealers are in fact the “fall guys” as the Yanks say; heaven help the farmers after that. Then there were the COVID delays, it was a wonder we got anywhere.

### **18. Central West (Dubbo)**

The farmer has not personally encountered issues relating to new machinery and software diagnostics as she has chosen to continue using older machinery that can be repaired more easily whilst it is still a viable option.

However, farmer shared common challenges faced when repairing machinery including difficulty finding an available mechanic, difficulty for dealers to retain mechanics once trained due to more lucrative offers at mines or working independently, and issues including time delays when trying to source parts.

Accessing parts is a significant issue for farmers due to the difficulty in finding the part (as farmers often try to get the part from the manufacturer themselves, and dealers often provide parts exclusively to their clients), and consequent delays involved once the part is sourced, often needing to be shipped from across Australia or commonly from overseas. Once the part has arrived, the machinery then needs to be repaired, adding to the delay. The farmer noted that if you could buy parts that you know will be needed throughout the season and keep them on farm it would be cheaper and there would be much less delay involved.

The farmer also raised concerns about recent changes to wiring insulation materials to a soy-based covering. This material has been used in vehicles and machinery in recent years and is attractive to rodents, with affected vehicles including instructions from the company on how to avoid rodents attacking the car. Farmer thought there may be implications from use of this material in terms of warranty – how would affected wiring be replaced?