

HEAD OFFICE

4 Carnavon Street
Private Mail Bag
GPO, Suva
Phone - General Office: 3300792, 3310183
Chief Executive Officer: 3305864
Fax: 3300115 | Email: complaints@consumersfiji.org

LAUTOKA/West

Suite 4 Popular Building
Vidilo Street
PO Box 5396, Lautoka
Phone: 6664987 | Fax: 6652846
Email: consumerlwk@connect.com.fj

LABASA/North

Level 1, Lot 41 Raza Properties Ltd
Nasekula Road
PO Box 64, Labasa
Phone: 8812559 | Fax: 8812559
Email: colbs@connect.com.fj

3 January 2015

Feature Article

Vehicle Towing Services – Part I

Have you ever had your vehicle towed away?

Well, those who had a first-hand experience of getting their vehicle towed would agree that it is simply frustrating, right from the moment you find your vehicle missing from where you parked to the process of redeeming the vehicle from the vehicle impounders.

Towing fees/charges leave a hole in the pockets of the vehicle owners especially when you don't budget for such expenses.

At the outset, it is important to know why vehicles get towed away.

The simple answer to this is your vehicle is likely to be towed if **you** have parked your vehicle in a **restricted area within a municipality** or after a road accident.

Parking the vehicle in the right place (place not restricted by the municipal councils) is a crucial road rule to follow as parking in restricted areas lead to traffic congestion which can cause major traffic problems for many road users.

This is one of the reasons why drivers who park their vehicles in restricted areas have their vehicles towed away.

Once the vehicle is towed away, its storage and safe-keeping by the towing company remain a worrying matter for many motor vehicle owners as some of them have spent their life savings to own a vehicle. Thus, any damage caused to the vehicle during the towing exercise could mean an added cost for the vehicle owner.

However, for some time now, without any proper regulations in place, consumers have been subjected to high vehicle impounding costs bundled with the manner in which the vehicle was towed.

The Consumer Council of Fiji has in the past dealt with cases where consumers were given a run around for their vehicle after it was towed away.

In one of the cases brought to the Council, a consumer had his vehicle towed away in the Suva city and on release of the vehicle he was asked to pay \$490. Unhappy with such a high charge,

the consumer sought assistance from the Council. To his dismay, he was advised that the charges for towing companies are not regulated and they were at a liberty to charge whatever fee they desired.

Unfortunately, the country's towing market is not competitive given that the number of players in the industry is few. It has been established that relevant authorities having unilateral powers engage the services of their "preferred" towing operator for the purpose of towing of vehicles which are illegally parked or are to be removed from accident sites.

As a result, some towing operators hold substantial market power. They tend to abuse their market power in terms of **charging exorbitant rates and the way in which towing services are conducted**. The issue of *fair rates* charged by those engaged in the towing business has affected a number of consumers over time.

To deal with these predicaments, Fiji Commerce Commission has formulated self-regulating guidelines **on towing (SRG-Towing)**. **These guidelines** set the rules for all the parties such as the towing service providers, municipal councils and the consumers by stating the rights and responsibilities of each, under the Commerce Commission Decree 2010 and other relevant laws of the land.

The guidelines have been developed to provide an opportunity for a competitive and fair operation of the towing services. Also allowing the towing companies to minimise and eliminate the existing irregularities, abuse of substantial market power and unfair trade practices.