

From: [N. Newton](#)
To: [Legal Affairs and Community Safety Committee](#)
Subject: Lemon Laws - An inquiry into consumer protections and remedies for buyers of new motor vehicles.
Date: Monday, 21 September 2015 11:35:49 AM
Attachments: [INQUIRY CONSUMER AFFAIRS INTO MOTOR VEHICLES.pdf](#)

Dear Research Director,
I wish to make a submission attached as a pdf. file "INQUIRY CONSUMER AFFAIRS INTO MOTOR VEHICLES" and request my contact details are removed before submissions are published.

Thank you for your time.

Regards Noel Newton

An inquiry into consumer protections and remedies for buyers of new motor vehicles.

21th September 2015
The Research Director
Legal Affairs and Community Safety Committee
Parliament House
George Street BRISBANE QLD 4000
Submission by email: lacsc@parliament.qld.gov.au

N.Newton



Dear Research Director,

Thank you for the opportunity to respond to the Legal Affairs and Community Safety Committee regarding 'Lemon' Laws - An inquiry into consumer protections and remedies for buyers of new motor vehicles.

I wish to relate briefly my experiences & recommendations of purchasing a 'lemon' and attempting a refund or replacement without recourse to courts or tribunals.

EXPERIENCES, 133 DAYS GETTING A REPLACEMENT VEHICLE.

The Defect -- Major / Minor Failure --Reasonable Time For Repair And Replacement;

In July 2014 whilst driving home after purchasing a new 2014 Mitsubishi Pajero VRX Diesel Automatic, \$63,990.00 (Manufacturers Recommended Retail Price), I noticed a defect, a vibration, occurring when speed exceeded approximately 80kph. This defect was noticeable in 3rd, 4th & 5th gears. The Bluetooth connection also failed intermittently.

The vehicle was test driven before purchase and the supplier / dealer sales consultant demonstrated the "Bluetooth" function. The test drive did not include road speeds over 80kph and the Bluetooth function worked on the consultants' mobile phone.

The vehicle came with a new car warranty and the standard Consumer Guarantees complying with the Australian Consumer Law.

Day 1, 4th repair attempt;

By April 2015, I had returned the vehicle for repair for the 3rd time. On picking up the vehicle the dealers' service consultant advised the problems remained and needed more workshop time. They requested to have the car for 2-3 weeks. I returned the car for the 4th time asking to be kept informed of progress.

Day 5, 5th repair attempt;

When no progress was reported I asked and was told the vibration source was not found or fixed. The defect remained. I requested a replacement vehicle or a refund from the dealer in accordance with the warranty as I thought it was a "Lemon." If I'd known about the defect I would never have bought the car. The car was not acceptable.

DAY 6, asking for a replacement;

The dealer said the manufacturer was overseeing repair work and to contact the manufacturer for a replacement car. On contacting the manufacturers' customer relations team leader I was told there was a format & process to get a replacement or refund and requested to submit a "Letter of Demand" for management's consideration.

Further discussions of remedies with the dealer or manufacturers' customer relations team leaders became difficult and some times impossible. The dealer did write to the manufacturer requesting assistance to resolve my request.

I was advised; to follow processes as per the manufacturers instructions --- Japanese Technical Assistance Team are involved --- they are not in a position to present a case to management --- should this case go legal they would be more than happy to discuss this with my representative --- they believed they were fulfilling all obligations under Australian Consumer Law --- the manufacturer would advise me of results of their investigation when they had attempted (5th time) to repair the car.

The process of investigation was one of elimination by exchanging refurbished parts from another Pajero to find the source of the defect. No repair notices were received and no estimated repair times were advised. They continued to work on the vehicle not admitting a "major failure". Discussing terms or consumer rights was fruitless.

I understood all major drive components, including injectors, were exchanged. It is unknown if these parts replaced the originals. This process by the manufacturer repeated the first 5 days work by dealer and included investigating the "after market accessories" AMA. I notified the dealer the AMA were installed on the 16th July after the defect was first noticed and could not have caused the defect.

An inquiry into consumer protections and remedies for buyers of new motor vehicles.

24 days Lodged complaint to Qld. Fair Trading;

Regarding the AMA, the manufacturer advised Queensland Fair Trading when asked reasons for delays, "The majority of delay had been as a result of after market accessories and there was an initial process of elimination to ensure these were not causing the concern at hand." The AMA consisted of window tinting, spot lights, bull bar, tow bar & spare battery, all static items unlikely to cause a vibration.

Seeking information about my concerns and Consumer Rights, I contacted motoring industry & legal representatives, sent 51 emails & lodged complaints to the Australian Competition and Consumer Commission (ACCC) & Queensland Fair Trading (QFT).

The ACCC advised I had an entitlement for a replacement & to follow up with Office of Fair Trading. QFT advised investigations did not provide sufficient evidence to substantiate a breach of legislation. However their Service Delivery Officer did pursue my concerns which had a positive impact enabling a settlement "out of court". (Reasonable time and repair times were debatable. A Lemon Law would have helped.)

Information from legal sources, (Legal Aid, R.A.C.Q., Solicitors & other motoring contacts) concluded it would be expensive to pursue my complaint through the courts, may delay the replacement process & there was evidence of breaches of legislation.

A decision was made to wait for the manufacturers' response as there was no equity with bargaining power and they still had my car. Terms like "Reasonable Time" encourage and provide an excuse for delays.

63 days, last checks carried out replacement approved;

In June 2015 the manufacturer emailed; "We have been informed this morning that the last checks requested have now been carried out by the dealership in conjunction with our Technical Assistance Department. Therefore, we have approached management with our recommendation which includes all related information and they have agreed to replace your vehicle with a like vehicle. The documentation does need to be signed off by various levels of management and may take a couple of weeks. Additionally, we will need to source the replacement vehicle. xxxxxxxxxxxxxx will replace your 2014 Model Year VR-X Pajero A/T Diesel with a 2015 Model Year GLS Pajero A/T Diesel and all after market accessories that have been fitted to your current vehicle will be transferred to the new replacement vehicle."

The replacement vehicle manufacturers' recommended retail value (mrrv) was \$62,790 my original vehicle value was \$63990 mrrv. The VR-X model was no longer available.

133 days, took possession of replacement;

In August, 70 days after approving the replacement, I took possession of the vehicle. The Bluetooth problem remained unresolved in the new vehicle as my mobile phone was not compatible with the Mitsubishi system.

Concluding Views; 133 days too long;

A reasonable time, 5 days, was spent investigating by competent mechanics concluding there was a defect, the source was probably in the drive components and repairs involved required exchanging major drive components. A Major Failure.

As legislation does not have mandatory "reasonable time" or number of repair attempts the "refund" or "replacement" process was extended until QFT intervened.

The process costs, including repair times, legal and regulatory support would exceed the cost of the vehicle.

The fate of the faulty 2014 Model Year VR-X Pajero A/T Diesel is unknown.

RECOMMENDATIONS;

1. "Lemon Laws" or amendments to existing Consumer Law should include mandatory time and repair limits, for example 14 days or 4 repair attempts.
2. A community "Lemon" Register be established monitoring the outcomes of problem vehicles. (Where do they go?)
3. Educating Industry and Consumers to become more aware of the intent of the Consumer Law.

I thank you for your time in considering this matter.



Regards
Noel Newton.

21/09/15