




Speech By
Glenn Butcher

MEMBER FOR GLADSTONE

Record of Proceedings, 25 February 2016

LEGAL AFFAIRS AND COMMUNITY SAFETY COMMITTEE REPORT

Motion to Take Note

 **Mr BUTCHER** (Gladstone—ALP) (12.21 pm): I rise today to commend the committee report titled *'Lemon' laws: inquiry into consumer protections and remedies for buyers of new motor vehicles* to the House. Queensland currently does not have specific lemon laws—laws that aim to protect new car buyers by spelling out when a car manufacturer or supplier must repair, replace or refund the cost of a consumer's car that is proven to have serious issues.

Some countries do have lemon laws. Each is different but the laws generally set the limits on the number of faults a new car can suffer, the number of unsuccessful repair attempts there can be on the same problem and the number of days a new car can be off the road for these repairs. Where these limits are exceeded, the lemon law requires the manufacturer or supplier to give the consumer a replacement or a refund on the vehicle. I commend the committee for their work in investigating the issue of lemon vehicles and the recommendations to help fix these issues.

I have had a lemon car. I acknowledge the frustration and angst involved with trying to get our family's only vehicle back on the road. We had scrimped and saved for many years to buy our dream car—an SS Commodore—from a local trader in Gladstone. After a few months of owning it, it started blowing smoke and leaking oil. It was with total dismay that the business that sold us the vehicle denied the manufacturing fault and continued to say that it was just a running-in issue. The car's warranty was only months from running out. After many years of suffering and many visits to the workshop and at times verbal disagreements with the dealer, I was of the belief that they were trying to bluff their way along until the warrantee had expired.

I was one of the lucky ones in the end. With my persistence I had my issues resolved under warrantee before the warrantee ran out. Unfortunately, there are many people out there who are not as successful. Many other Queensland vehicle owners have tried but only a few have succeeded, usually after long, expensive battles against car company lawyers in various courts.

Even after getting the issue repaired, I and my young family were without a vehicle for many weeks. The battles that I had at that time to get another car to help my family get around to school and to sporting events, to tell members the truth, was quite embarrassing for them and for me.

As well as significant direct costs to the consumer, like the cost of repairs, there are also indirect costs associated with the car being off the road. The ongoing impact of not having one's vehicle can be detrimental for individuals and families—there are school runs to do and jobs to get to. Attempting to have one's lemon sorted also takes a toll emotionally and mentally.

Improvements to provide better protection could address the definitional issues in the existing Australian Consumer Law by providing more clarity around what constitutes acceptable quality or fit for purpose; defining what a reasonable number of and reasonable time for repairs to be completed; and setting out a reasonable time frame within which a car is considered being new.

The committee's report, which I commend to the House, suggests consideration be given to improving the tribunal and court system for motor vehicle claims, particularly for lemons, including: appointing an independent assessor with decisions supported by technical evidence; establishing a specialist motor vehicle dispute tribunal with an appropriate financial limit; increasing the QCAT limit to \$40,000 in respect of motor vehicle claims; and reversing the burden of proof so that the consumer does not bear the expensive onus of establishing that the dealer or manufacturer has actually breached the law.

While hopefully few Queenslanders have to go through the experience of purchasing a lemon, like I have, those who do deserve the full protection offered to them and a process for redress that does not further compound their anguish or suffering by burdening them with significant costs, time or emotional toll. I commend the report to the House.