

VICTORIAN PRE-BUDGET SUBMISSION

2023-2024



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Consumer Action Law Centre (**Consumer Action**), WEstjustice, Victorian Aboriginal Legal Service (**VALS**), Hume Riverina Community Legal Service, Barwon Community Legal Service and Eastern Community Legal Centre welcome the opportunity to make this submission to the Department of Treasury and Finance ahead of the 2023-24 Victorian Budget.

We have focused this submission on a service for everyday justice, where budget action could make an immediate and discernible difference to the lives of Victorians on low and middle incomes, and those experiencing acute vulnerability: a motor vehicle ombudsman.

A summary of recommendations is available at **Appendix A**.

Information about the contributors to this submission is available at **Appendix B**.

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Victoria needs a motor vehicle ombudsman

Every week, people in Victoria spend thousands of dollars to purchase motor vehicles that break down a short time later. But when the dealership doesn't assist to resolve the issue as required by the Australian Consumer Law (ACL), the impact on the consumer can be shocking: it can deplete their entire savings, can send them into a debt spiral and result in lost work.

Being sold a 'lemon car' not only negatively affects people experiencing vulnerability – it also *contributes* to or exacerbates vulnerability. Having no access to your car can be inconvenient at best, and dangerous at worst. When the lemon car is the sole family car, for shift workers that cannot take public transport or for people who live in regional and rural communities, a loss of a vehicle renders Victorians without work or access to familial and community support. The negative impact of this broken system is accentuated for family violence victims, particularly if the lemon car is part of their safety plan. For those who are stuck repaying the car loan, insurance and registration for a car that doesn't work, the financial drain is devastating.

This cycle has been enabled for decades by a lack of accessible dispute resolution in Victoria for motor vehicle claims. Victorians are missing an accessible, affordable, quick and effective scheme to enforce their consumer guarantees under the ACL. Currently, consumers are required to apply to the Victorian Civil and Administrative Tribunal (VCAT) in their pursuit of justice. Most people who are sold a lemon car never go through the VCAT process because VCAT is costly, time consuming, and inaccessible to the point that it is hardly a solution. Not only is this gap in effective dispute resolution ruinous for consumers, it is also a drain on productivity, economic participation and consumer confidence.

The introduction of a fair, efficient and accessible motor vehicle ombudsman scheme would provide everyday justice to thousands of Victorians who have been and still are bearing the financial and non-financial costs of a broken system.

Never have the failings of 'the system' been more apparent than when dealing with legal issues about 'lemon cars'. VCAT is expensive and difficult to navigate for a car claim and people are struggling to deal with this complex system to get an outcome. Over the past year, we had numerous calls come to our legal advice lines relating to lemon cars.

As a lawyer in the legal team, it's a story I constantly hear: people who have spent so much of their money for a reliable car and then left with a lemon. The clients struggle to deal with the dealership then have the uphill struggle to go through the VCAT process to get an outcome that sometimes takes over a year of their lives. In the meantime, they have no car and cannot afford to get another car while they are trying to resolve their lemon car issue. The situation is often made worse when a person is also paying a car loan, insurance and registration for a car that does not work. Victorian consumers who are sold 'lemon cars' by car dealers need a dispute resolution service to make it a fairer system. – Houwaida, Solicitor, Consumer Action

Below, we outline the key bases for our ask, namely the prohibitive barriers present within the current system of dispute resolution at VCAT, the compounding impact of a lemon car on our First Nations communities and data to substantiate the breadth of this issue.

Limited access to justice

The costs associated with VCAT, the time, and the complexity of the process deter consumers from seeking justice. Many simply cannot afford to get through the doors of VCAT to argue their case of major failure of their vehicle - for which they may be entitled to a refund or replacement under law. This problem was highlighted in the Productivity Commission's recent 'Right to Repair' Draft Report.¹

¹ Draft Report: Right to Repair, Productivity Commission, June 2021 at p7, 99 - 100. Available from: <https://www.pc.gov.au/inquiries/completed/repair/draft>

The cost barriers present at VCAT (including tribunal filing fees and mechanical expert evidence costs) were noted in the Access to Justice Report,² released back in 2016, yet these issues remain. An expert evidence report can cost anywhere between \$800 to \$2500, as a conservative estimate. We have seen quotes by experts for over \$8,000 due to the labour required to transport completely dismantle a vehicle to access and inspect internal components. In our advocacy, we have come across questions of the need for such in-depth mechanical expert evidence. However, in a review of published VCAT decisions over the last five years, we found mechanical expert evidence was provided in 80% of successful or partially successful claims. Of the low-cost expert report/evidence provided (invoice or 1- page reports), VCAT orders of remedies were limited to the items listed in those brief reports/invoices. These were generally limited to obvious minor failures; in all but one published case in five years, these brief, less expensive reports did not go into specific reasons for major vehicle failure.

For many Victorians, particularly those who have temporarily lost their means of travelling to work, this significant evidence cost is out of reach and makes it almost impossible for them to seek justice through the tribunal system.

In contrast, a specialist motor vehicle ombudsman could provide in-house expert mechanical evidence at cost.

Until this time, consumers are the ones bearing the costs, negatively impacting lives and livelihoods across Victoria.

The time it takes to resolve matters in VCAT has always been a problem but has become substantially worse in recent years due to COVID. Matters are now taking around two years to be finalised – for example, we have represented clients who were yet to have a final hearing scheduled, 18 months after their lemon car matter had been partly heard in the first instance.

In addition to the time and the costs of attending VCAT, the complexity of arguing your matter before the tribunal presents a significant deterrent to pursuit of justice. As shown in Louis' story, community legal service support is an important measure to assist people in navigating the complexity of VCAT processes and required legal arguments; however, this is only available for those who qualify and when capacity of the community legal centre is available.

CASE STUDY: Louis' story

Louis lives in rural Victoria. In 2019, he purchased a used motor for a newly purchased second-hand ute. He then installed some custom parts to the motor at his own cost. Soon after, the motor stopped working. He took it back to the trader which replaced the motor, but this took a few weeks. When driving with the replacement motor, it also didn't work properly. Furthermore, Louis said he did not receive back the custom parts he had installed, despite requesting that they be installed in the new motor.

Louis applied to VCAT in mid-2020 for losses of a bit over \$2000. He relied on community bus and friends and family to get around.

Louis is unfamiliar with computers and doesn't know how to email, calling himself close to illiterate. Throughout the VCAT process, he needed to send and receive all documents by post or registered post. Louis also required assistance to understand correspondence from the tribunal.

We assisted Louis with his VCAT application in the lead up to his hearing in mid-2021, which was successful at the hearing. However, this hearing order was later revoked because of an issue with receipt of documents by the trader at the address provided by VCAT. About nine months later, in early 2022, there was a re-hearing.

A further hearing was scheduled for spring 2022, more than two years after Louis' initial application. This resulted in a settlement of \$750.00 to cover the custom parts he had lost, which has since been paid by the trader.

Case study provided by Consumer Action

² Access to Justice Review: Report and Recommendations, Department of Justice & Regulation (August 2016) p 263 & 287.

CASE STUDY: Xavier's story

Xavier (name changed) is an Aboriginal man in his late twenties who lives in regional Victoria. In 2019, Xavier purchased a second-hand car from a dealer for almost \$14k.

The car dealer also sold Xavier an extended warranty and assisted him to apply for a loan to finance the purchase of the car and warranty. Xavier was not aware the warranty had an additional cost. The total amount required to be paid under the loan is more than \$28k.

At the time of purchase, the car's odometer reading was over 100,000km but Xavier was advised by the car dealer that they would service the car before he collected it.

After around 3 months and approximately 11,500km, Xavier noticed that the car was making a "rattling noise" and appeared to be losing power. Xavier arranged for the car to be inspected by his local authorised dealer as soon as possible. On the way, the car lost power completely, requiring him to physically push it for the last 10 or so metres. Xavier was told the car required a complete engine replacement. The maximum claim amount under the warranty would have been insufficient to cover the cost of a replacement engine.

Consumer Action wrote to the car dealer and lender on behalf of Xavier, notifying the parties that Xavier was rejecting the car.

The car dealer did not respond. After Consumer Action followed up with the car dealer multiple times, it eventually stated, more than 3 months later, that Xavier was not entitled to reject the car and suggested no other remedy.

In mid-2020, Consumer Action filed a complaint against the car dealer in VCAT. After lengthy delays, a compulsory conference was held in the second half of 2021, but the matter did not resolve. It was listed for a hearing in early 2022, approximately 20 months since the matter was filed at VCAT.

Consumer Action was able to arrange and pay for an independent mechanical expert evidence report through our disbursement fund, which cost just under \$2,000.

The hearing finally resulted in a settlement between Xavier and the dealer, which resulted in the car being repaired nearly two years after filing as well as compensation for Xavier.

Xavier had been unable to drive the car for well over two years. In that time, he continued to incur costs associated with the car, such as interest, fees and charges under the loan and registration. Xavier also had to rely on his sister and others for his transport needs in his regional town.

After settlement, Consumer Action had this file costed. The total costs to the community legal centre of representing Xavier in relation to the lemon car itself totalled approximately \$33,000, including GST and the mechanical expert evidence report.

Consumer Action is also assisting Xavier with a separate application to the Australian Financial Complaints Authority in relation to the extended warranty he was initially sold with the lemon car, which had been incorporated into the loan costs.

Case study provided by Consumer Action

The cost of this community legal service support is not small – as described in Xavier's story, a costing of a 2022 case that was successful at VCAT, showed that the cost of representing a client against a car dealer was more than \$30,000. The successful result, after nearly two years of negotiations, was an engine replacement valued at approximately \$7,000.

Our centres have heard from many people who, after finding out the exorbitant costs and time associated with filing a matter with VCAT, have decided to simply live with the loss of tens of thousands of dollars and ongoing stress to themselves and their families, of a faulty car.

CASE STUDY: Sarah's car

Sarah is a proud Aboriginal woman from a small regional town in Victoria. She is a single parent, lives in community housing, and her sole source of income is Centrelink benefits. She saved up over a long period of time in order to buy a car. She wanted a reliable car and because of this, decided to purchase a car from a car dealership as she thought she could trust that the car she would buy from a dealership would work well.

She went ahead with the purchase of a car for about \$9,000. However, within only a couple of weeks of purchase, she noticed significant issues with the car. She took the car to a local mechanic who advised her not to drive the car until the issues were fixed. She contacted the car dealership on numerous occasions and asked them to either fix the issues or provide her with a refund. They refused to do either and not being able to afford the cost of repairs herself, felt she was left with no option but to file with VCAT.

It has been about a year since she filed her claim, and due to the long wait times, her matter is yet to be heard. In that time, she hasn't had a car. She also needs to obtain an expert report but cannot afford to pay for one. Because of this, she is concerned she won't have enough evidence to win her case.

Case study provided by Victorian Aboriginal Legal Service (VALS)

Regional Victorian First Nations communities

A working car is particularly essential in regional First Nations communities with less access to public transport or other means of private transportation such as rideshares. In the 2021 and 2022 Financial Years, the Victorian Aboriginal Legal Service (VALS) has assisted seven First Nations clients who have been sold lemon cars by car dealers.

We had a 'bring you bills' day in Shepperton in December this year. So many people in community came up to me to talk about what to do about their lemon cars. The extent of the problem in the area really shocked me.

– Jacqui, First Nations Engagement Lead, Consumer Action

As part of our lemon cars project, funded by the Legal Services Board,³ Consumer Action will be undertaking ongoing engagement work in First Nations communities around Victoria to further understand the breadth of this issue on First Nations peoples and the intersection of other economic disadvantage this creates. We will continue to highlight the significant impact of lemon cars on the lives of first nations peoples in our advocacy work.

The data

The lemon car problem is significant. Over September and October 2022, 14.5 % of calls to our consumer legal advice line⁴ were about cars (17.9% when including car loans).

Additionally, almost 25 – 30% of calls about consumer guarantee breaches to Consumer Action's legal advice lines relate to car matters (for example, 30.2% from January – November 2020). This is significantly more than any other type of consumer good or service we receive calls about.

The Productivity Commission recently estimated that motor vehicle sales are the top consumer guarantee complaint received across state and territory regulators.⁵

³ <https://lsbc.vic.gov.au/grants-and-funding/grants/2022-grants-funded>.

⁴ Where product/service type data was recorded.

⁵ Productivity Commission, *Inquiry into the Right to Repair 'Draft Report'* (2021) 94, available at: <https://www.pc.gov.au/inquiries/current/repair/draft>.

While affecting people who purchase both new and used cars, this is no small problem. In relation to second-hand vehicles, the average listed price in September 2022 in Australia was \$40,958, with the average delisted price (indicating sale price) of \$36,365.⁶

The solution – a motor vehicle ombudsman

According to a 2018 poll, Victorians almost unanimously (92.3%) agreed it should be easy to get a refund or repair from a car dealer if they are sold a defective car.⁷ We need a specialist no- or low-cost alternative dispute resolution scheme for motor vehicles that is accessible, affordable, and timely.

In Australia, the industry-based ombudsman model is well-established and highly effective. An independent scheme, funded by industry, could also be adapted to motor vehicles and would be similar to other successful industry ombudsman schemes such as the Energy and Water Ombudsman Victoria (EWOV), the Telecommunications Industry Ombudsman (TIO) and the Australian Financial Complaints Authority (AFCA).

Ombudsman schemes are underpinned by Government benchmarks relating to accessibility; independence; fairness; accountability; efficiency and effectiveness.⁸ Industry ombudsman schemes operate transparently and consider not just the letter of the law, but also principles of fairness when resolving disputes. Ombudsman schemes also

have an important focus on systemic issues, which means systemic non-compliance by traders can be effectively escalated to regulators to rectify issues 'at their core' and reduce further harm to consumers. Similar to EWOV, an ombudsman scheme for motor vehicles would offer fair, accessible, affordable and timely resolution to disputes that cannot be resolved between Victorians and traders directly.

The scheme must also be culturally safe and accessible for First Nations and culturally and linguistically diverse communities.

CASE STUDY: Scarlett's story

Scarlett lives in a rural township and solely relies on the Disability Support Pension. Scarlett relies on a scooter for mobility.

In 2015, Scarlett purchased a new 4WD vehicle for about \$60,000. She had disclosed to the salesperson she needed a vehicle to be modified with a scooter hoist. This modification was covered by one-off NDIS funding.

Just 64,000 km later and less than 10 months out of the three-year manufacturer's warranty period, the car broke down. It had been regularly serviced and had already had a few repairs while it was still in warranty.

Scarlett had the vehicle towed and enquired about repairs but was asked to pay thousands for repairs that weren't guaranteed to fix the issue. She couldn't afford this so was effectively housebound without being able to transport her mobility scooter.

With our assistance, Scarlett applied to the Victorian Civil and Administrative Tribunal (VCAT) for a 'major failure' of her consumer guarantees. Consumer Action covered the approximate \$3,000 cost for evidence from an expert mechanic (and towing to the assessment).

Scarlett's priority was having a working vehicle so she could be mobile again. We were able to negotiate a settlement for Scarlett around the time of the VCAT hearing. Without community legal support, Scarlett may have been stuck at home with a broken-down expensive car that was four years old.

Case study provided by Consumer Action

⁶ Cox Automotive Australia Retail & Data Solutions, "Market Insights September 2022" (Report) https://www.coxautoretail.com.au/app/uploads/2022/10/Cox-Automotive-Market-Insights_September-2022_2.pdf

⁷ ²² ReachTel conducted a survey of 1,124 residents across the state of Victoria (29 January 2018)

⁸ Benchmarks for Industry-Based Customer Dispute Resolution, Australian Government, The Treasury, Benchmarks for Industry Customer Dispute Resolution (February 2015), available at: <https://treasury.gov.au/publication/benchmarks-for-industry-based-customer-disputeresolution/>.

It is critical that independent, expert mechanical evidence reports are provided free-of-charge as part of this scheme.

Efficiency

The introduction of a motor vehicle ombudsman would also alleviate pressure on VCAT. On the most recently available general numbers, VCAT Civil Claims List timeliness report shows that 80% of cases are resolved within 39 weeks (273 days), 23 weeks (161 days) being the median.⁹ In our experience, motor vehicle claims are currently taking up to two years to resolve.

The average number of days to resolve complaints at EWOV is 46 days, with 98.6% of complaints resolved within 180 days.¹⁰ Similarly, the AFCA currently finalises 62% of complaints within an average of 60 days. The average time to finalise a complaint is 72 days. Ninety-one per cent of AFCA's complaints are resolved within 180 days.¹¹ The comparison to VCAT, where lengthy delays reduce actual access to justice, is stark.

There were 7, 498 claims under the Australian Consumer Law and Fair-Trading Act 2012 (Vic) made at VCAT in the 2020-21 financial year.¹² While this general civil applicant number is fewer than those received by EWOV (16,038 in 2021-22),¹³ we are aware that a significant proportion of people sold lemon cars do not lodge in VCAT once they find out the cost, time and complexity involved.

As with VCAT, urgent matters involving family violence or extreme hardship should be prioritised.

Benefits to Victorians

Economic recovery

A specialist motor vehicle dispute resolution scheme would help:

- support Victorians to attend work, study or volunteering, and access health and government services;
- improve confidence and trust in the licensed motor vehicle trade sector;
- reduce the time and money spent by consumers and car dealers in disputes through VCAT; and
- empower consumers to enforce their consumer guarantees.

Phase 1- Investment

As a first part of a commitment to a motor vehicle ombudsman, we recommend the Government allocate appropriate funding to sufficiently research and design a motor vehicle ombudsman scheme, including costings, demand modelling and the resourcing of a co-design process.

Phase 2 - Industry funding of operation

The motor vehicle trader sector aligns easily to a cost-recovery or industry model of dispute resolution, such as an ombudsman scheme, as all traders are required to be licensed and appear on the motor car traders register.

As a condition of licensing, traders would be required to contribute to the dispute resolution service through an annual membership fee. This progressive membership fee (charged based on the size of the trader and/or

⁹ VCAT Annual Report 2020-21, Published, p 49 <https://www.vcat.vic.gov.au/about-vcat/annual-reports-and-strategic-directions#accessibility-action-plan>.

¹⁰ Energy and Water Ombudsman Victoria Annual Report 2022, Published October 2022, p 10 <https://www.ewov.com.au/uploads/main/Reports/Annual-reports/EWOV-2022-Annual-Report.pdf>

¹¹ Australian Financial Complaints Authority Annual Review 2021-22, Published October 2022, <https://www.afca.org.au/annual-review-closed-cases>.

¹² VCAT Annual Report 2020-21, Published, p 71 <https://www.vcat.vic.gov.au/about-vcat/annual-reports-and-strategic-directions#accessibility-action-plan>.

¹³ Energy and Water Ombudsman Victoria Annual Report 2022, Published October 2022, p 2 <https://www.ewov.com.au/uploads/main/Reports/Annual-reports/EWOV-2022-Annual-Report.pdf>

proportion of total complaints received the previous year) would cover most wages and administrative costs, as it does for other ombudsman schemes.¹⁴

Further to this, industry traders would be charged a case fee for the handling of each complaint, with a structure relative to the complexity of case on resolution, also in line with other ombudsman schemes.

In 2019-20, 2,007 traders were on the register.¹⁵ Further seed funding from Government, which could potentially be transitioned from the Motor Car Traders Guarantee Fund, would assist to cover establishment costs, investigation of systemic issues and compliance.¹⁶ The Motor Car Traders Guarantee Fund can only provide redress in very limited circumstances, so its operation could transfer to a much broader and more effective Ombudsman service.

The Ombudsman fee model, which relies on industry participants paying membership fees plus fees for complaint handling, creates incentives to industry to resolve disputes quickly and efficiently. According to the Productivity Commission, in the context of the broader civil justice system, ombudsman models resolve a large volume of complaints at a low cost. Taking into account systemic work which can reduce the potential for complaints to arise, the Productivity Commission has stated that “ombudsman represent even better value for money.”¹⁷

Budget bid	What the funding delivers	Benefits and value
<p>RECOMMENDATION 1.</p> <p>Allocation of funding for an affordable, accessible and efficient motor vehicle ombudsman scheme that includes free access to independent expert evidence reports.</p> <p>RECOMMENDATION 2.</p> <p>Phase 1 should be resourcing to sufficiently research the scheme, including costings, demand modelling and the resourcing of a co-design process.</p>	<ul style="list-style-type: none"> Improved access to justice, particularly for people experiencing vulnerability Reduces capacity constraints on VCAT and frees it up to hear other matters Meets critical unmet need improved motor vehicle disputes resolution Faster outcomes for consumers and small businesses involved in motor vehicle disputes Improved conduct in line with the ACL across all traders due to financial incentives in complaint fee structure. Transparent, systemic issues investigations and report, to efficiently and effectively lift 	<p>A package to establish a motor vehicle ombudsman scheme would aid in Victoria’s economic recovery by allowing people who require access to a motor vehicle to meaningfully participate in our economy (i.e. commute to work or school, access shopping centres, travel to appointments etc.) Currently, some matters are sitting in VCAT for up to two years, leaving people without a motor vehicle or a means to get around.</p> <p>It will result in cost savings for VCAT¹⁸ and help establish a more responsive and accessible avenue to justice for people sold faulty motor vehicles.</p> <p>The ombudsman scheme would improve consumer confidence when purchasing motor vehicles from car dealers because of the incentives for traders to meet expectations under the ACL (both</p>

¹⁴ For example, EWOV annual membership fees for licenced retailers and distributors are between \$2,000 and \$20,000 depending on customer numbers. <https://memport.ewov.com.au/joining-ewov/>; TIO annual membership fees are charged to cover 70% of the operating budget, based on the proportion of the number of complaints the member had in the previous calendar year, with a minimum annual fee of \$400; see TIO Financial Report 2021 p 22, <https://www.tio.com.au/sites/default/files/2021-11/Financial%20Report%202021.pdf>.

¹⁵ Consumer Affairs Victoria (2020) Annual Report 2019-20

¹⁶ By comparison, the Federal Government provided provide \$4.3 million to the Australian Securities and Investments Commission (ASIC) over four years from 2017-18, including capital of \$0.9 million in 2017-18 to assist with the transition and set up of AFCA: <https://archive.budget.gov.au/2017-18/bp2/bp2.pdf>

¹⁷ <https://www.pc.gov.au/inquiries/completed/access-justice/submissions/submissions-test/submission-counter/sub136-access-justice.pdf>

¹⁸ E.g. the Final Report of the Access to Justice Review states that motor vehicle disputes accounted for 9% of all applications to VCAT’s Civil Claims List in 2014-15; Access to Justice Review: Report and Recommendations, Department of Justice & Regulation (August 2016), available at: <https://engage.vic.gov.au/accesstojustice>.

	performance across the industry.	financial and in relation to systemic issues investigations).
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The purchase of a car is one of the big financial investments in our lives, and for many Victorians it is their most important asset. This warrants the establishment of a specialist motor vehicle ombudsman scheme to resolve lemon car disputes.

CASE STUDY: Lily’s story

Lily (name changed) lives in a regional area. She has experienced significant health conditions and severe financial hardship and periods of homelessness. Lily approached a car dealer in 2014 to buy a car that could travel long distances and tow a caravan in the bush. Lily also needed the car to get to her medical appointments.

The car dealer directed Lily to a vehicle described as ‘new’ with additional features for approximately \$27,800 purchase price. The car dealer assisted Lily to complete a loan application (for which the car dealer was paid a commission by the finance provider) to enable Lily to purchase the vehicle. We consider that the loan was unaffordable for her.

Within about three months of purchase, the vehicle broke down. The car also required multiple other additional repairs throughout the year. The following year, the vehicle broke down at least twice, and again the year after, despite repairs. Eventually, after a further breakdown, Lily arranged for the vehicle to be towed to the car dealer to determine the faults with Lily receiving no replacement, repair or refund. Living without a car was difficult for Lily and exacerbated her health conditions.

Lily filed in VCAT but was unable to attend hearings herself due to her ill health so the matter was withdrawn with a right of reinstatement. She was not represented at this time and did not have access to an expert report.

Lily’s local community legal centre was not able to assist with the VCAT matter as they did not have the funding or expertise for this forum; however, they told us they would likely have been able to assist her in a more accessible alternative dispute resolution scheme such as an Ombudsman service. They referred Lily to Consumer Action.

Consumer Action was able to assist Lily in having the matter re-instated, and represented Lily at VCAT against the car dealer. Consumer Action was able to use disbursement funds to pay for an expert to assess the car,, which was undertaken at the car dealer’s premises, which would have been otherwise unaffordable for Lily.

Despite representation, the process continued to be difficult. For example, VCAT provided different conference details to Lily, Consumer Action as her representative and the car dealer, leading to the parties attending the wrong conference. This and the process added stress for Lily, which was not good for her with her underlying health conditions.

Eventually, with representation, the matter with the car dealer was resolved.

Case study provided by Consumer Action

APPENDIX A – SUMMARY OF RECOMMENDATIONS

RECOMMENDATION 1. Allocation of funding for an affordable, accessible and efficient motor vehicle ombudsman scheme that includes free access to independent expert evidence reports.

RECOMMENDATION 2. *Phase 1 should be resourcing to to sufficiently research the scheme, including costings, demand modelling and the resourcing of a co-design process.*

APPENDIX B – SUBMISSION CONTRIBUTORS

Consumer Action

Consumer Action is an independent, not-for profit consumer organisation with deep expertise in consumer and consumer credit laws, policy and direct knowledge of people's experience of modern markets. We work for a just marketplace, where people have power and business plays fair. We make life easier for people experiencing vulnerability and disadvantage in Australia, through financial counselling, legal advice, legal representation, policy work and campaigns. Based in Melbourne, our direct services assist Victorians and our advocacy supports a just marketplace for all Australians.

Victorian Aboriginal Legal Service

The Victorian Aboriginal Legal Service Co-Operative Limited (**VALS**) was established as an Aboriginal Community Controlled Co-operative Society in 1973. VALS is the only dedicated, multidisciplinary legal and support service for Aboriginal and Torres Strait Islander peoples in the State of Victoria. VALS plays a vital role in supporting Aboriginal people in custody and providing referrals, advice/information, duty work and case work assistance across criminal, family, civil and strategic litigation matters.

In March 2019, Consumer Action and VALS embarked on an Integrated Practice Project (the IP Project or the Project) as one way of addressing some of the unmet consumer, credit and debt legal needs of Victorian Aboriginal communities. As part of the Project, VALS and Consumer Action work together to participate in regular community engagement sessions with Victorian Aboriginal communities. Community engagement sessions operate in partnership with local ACCOs and other key service providers. The sessions have served to connect these communities with legal advice services, financial counselling, policy work and legal education relating to consumer, credit and debt issues. They also provide a forum for the cross-promotion of services that can support the civil legal needs of Victorian Aboriginal communities.

Hume Riverina Community Legal Service

We provide free legal assistance to people living in North East Victoria and the Southern Riverina of NSW across 17 local government areas. Our service helps people who are disadvantaged or vulnerable, and would not otherwise be able to get legal assistance, particularly those living in regional and remote areas. We prioritise:

- people experiencing family violence
- children and youth
- Aboriginal and Torres Strait Islander peoples
- people with a disability or mental illness
- the elderly
- low income earners
- people from non-English speaking backgrounds.

Our service provides legal assistance on family law, family violence, separation and divorce, youth law, motor vehicle accidents, credit and debt issues, discrimination, consumer complaints, traffic offences, fines, seniors' issues and other everyday legal problems.

WEstjustice

WEstjustice provides free legal services and financial counselling to people who live, work, or studying in the cities of Wyndham, Maribyrnong and Hobsons Bay, in Melbourne's western suburbs. We have offices in Werribee and Footscray, as well as youth legal branch in Sunshine, and outreach across the west. Our services include: legal information, advice and casework, duty lawyer services, community legal education, community projects, and law reform and advocacy.

Barwon Community Legal Service

Barwon Community Legal Centre is an independent Community Legal Service that is funded by the State and Federal Governments to provide free legal information, advice, and casework to members of the local community. A key part of this work is community education and awareness and contributing to law reform, as well as providing direct legal assistance. Established in 1986 as the Geelong Community Legal Service, this service now supports the legal needs of the Greater Geelong, Bellarine Peninsula, Surf Coast and Colac Otway communities.

Eastern Community Legal Centre

ECLC is a multidisciplinary legal service that works to prevent problems, progress fair outcomes and support the wellbeing and resilience of communities and community members in Melbourne's East. ECLC provides free legal information, advice and assistance in the areas of family violence, family law, criminal law, traffic and infringement matters, as well as general civil matters, and also provides duty lawyer services at Ringwood Magistrates' Court. Additionally, ECLC works with community members and organisations to provide targeted prevention and education projects to improve legal knowledge and access to justice, especially for culturally and linguistically diverse communities. In Burwood, ECLC also provides the Deakin Student Legal Service for Deakin University student seeking assistance with their legal matters.