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Letter to the Editor

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Speed up the introduction of Lemon Law for old and new vehicles

Consumers' Association of Penang (CAP) urges the Domestic Trade and Cost of Living Ministry (KPDNKSJ) to look into laws related to the sale and purchase of used and new vehicles. Although KPDNKSJ had announced that they are looking into the laws related to the sale and purchase of used vehicles, CAP had called on the Ministry to extend the Lemon Law to new cars as well.

New cars can be 'lemons' too and a recent case of a car breaking down eight hours after purchase is just one example.

Lemon Law is a remedy for purchasers of consumer products, particularly motorized vehicles, that repeatedly fail to meet the standards of quality and performance. Lemon Law strengthens the Consumer Protection Act (CPA). It should be introduced to provide consumers having 'lemons' (nice to see but sour and tart to taste) an avenue of legal redress.

This law requires defective cars to be repaired or replaced. A consumer may request for a price reduction or get a refund. Currently, countries such as the United States, Singapore, South Korea, China, and the Philippines have implemented the Lemon Law.

The Lemon Law is incorporated into Singapore's Consumer Protection (Fair Trading) Act (CPFTA) 2004. We can also do so with our CPA.

It considers:

- The nature of the problem.
- The number of days that the vehicle is unavailable to the consumer for repair of the same mechanical issue.
- The number of repair attempts made.
- If the repairs cannot be completed within the number of days stated in the Act, the manufacturer is obligated to buy back the defective vehicle.
- The **Lemon Law covers secondhand cars** as well, introducing a Standard Vehicle Assessment Report checklist. This checklist of items ranged from visual, equipment, and road test checks concurrently by both the dealer and the buyer to ensure transparency.
- It covers a wide range of defects from aesthetics to mechanical-related issues.

In most cases, the various defects found in new cars leave car owners with little option except to go for car repairs at authorised car workshops. Owners of lemons costing more than RM50,000 cannot file their claim for exchange or refund at the Tribunal for Consumer Claims Malaysia (TTPM). They have no options but to take the car company to court, incurring an expensive and time-consuming legal process. As it is now, vehicle owners may encounter:

- Workshops that would conduct trial-and-error repairs, repairing one part to find the problem not solved and then proceeding on with another repair. The service centre buys time until the warranty period expires and the car owner is then left to pay for subsequent repairs of the same defects.
- Engineers' false diagnosis and find faults with vehicle owners (like over-running the service interval) to decline claims for major defects.
- There are cases of vehicles lying in workshops for months, up to six months or more, and yet unable to provide a diagnosis, let alone repair the vehicle.
- Car service centres that refuse to admit that a defect cannot be fixed and thus it does not need to be refunded or replaced with another car as required by the CPA.
- A deprivation of the use of his car each time it is in the workshop. Therefore, it is pertinent to ascertain the number of times a new car undergoes repairs before the owner can file a case at the Tribunal.
- Uncertainty about how long the vehicle is going to remain in the service centre.

Selling defective cars is not only short-changing consumers, they are also unsafe on the roads and a danger to other road users.

With the Lemon Law in Singapore, a consumer can:

- Make a claim for a defective product (also known as lemons) purchased within 6 months.
- Expect the seller of the defective product to repair, replace, refund, or reduce the price of the defective product (subject to certain conditions).
- Get the defective product repaired within a reasonable time at the seller's cost.
- Ask for a price reduction while keeping the product or return the product for a refund if the seller fails to repair it.

CAP calls on the Government to introduce the Lemon Law for all vehicles regardless of price and would suggest that it is reasonable that a seriously defective car be repaired in a maximum of a month, and three attempts is reasonable for the service centre to repair the same defect before the Lemon Law applies.

Secondhand vehicles to be sold must first be inspected by Puspakom and the Road Transport Department (JPJ) to ensure that it is in reasonably good running condition before any sale transaction takes place. We have received complaints that secondhand cars started to give mechanical problems soon after the purchase and occasionally, the cars are 'kereta potong' (a car that used cannibalised parts from scrap cars), or that their car mileage meter had been tampered with to show lower readings.

We reiterate that the government should introduce the Lemon Law to ensure that car manufacturers and dealers are held responsible for their defective products and to repair the vehicle satisfactorily as required by the law. The law should also be applied to used vehicles as well as new ones. The number of defective new vehicles that Malaysians are hopelessly holding on with no avenue for legal redress is worrying. Old cars costing less than RM50,000 can at least for now seek legal redress from TTPM.

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