

Better car deals

A buyer's guide



Our partners



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PART 1:
Getting started



When you start looking for a car, motorbike or scooter, the range of makes and models can be overwhelming.

Compare prices. The Federal Government's Green Vehicle Guide website greenvehicleguide.gov.au provides detailed information about a car's fuel economy and environmental performance. The Transport Accident Commission (TAC)'s How Safe Is Your Car website howsafeisyourcar.com.au provides information about the safety rating of new and used cars on the Australian market.

If you plan to fit a child restraint to your car, you may wish to contact the Royal Automobile Club of Victoria (RACV) for information about suitable cars. It is also worth taking prams and associated accessories when you're shopping for a car to see if these can be stowed adequately and easily. Call 03 9790 2190 or visit racv.com.au for details.



More resources to help you choose the right car are listed at the back of this guide.

What you really pay

Licensed motor car traders (also referred to as LMCTs, or licensed traders) must display:

- a single (total) price, usually referred to as the 'drive away' price, somewhere on the car (usually the windscreen). The drive away price includes ALL fees and charges. If the trader chooses to show a particular component of the price in advertisements, they must still provide you with a single price.
- a 'cash price', which excludes fees and charges. The cash price will be displayed on a car window display form.

Compulsory and standard charges

The advertised total price may include the following fees and charges:

- Registration fees (for new cars) are paid when the car is first registered and annually from this date (visit vicroads.vic.gov.au for current rates).
- Transport Accident Commission (TAC) charges (for new and used cars) are paid annually as part of the registration process. Fees vary.

- Number plate fee for cars sold as unregistered vehicles.
- Government motor vehicle duty – rates vary and are currently:
 - new cars valued up to \$60,316 – \$6 for every \$200
 - new cars valued above \$60,316 – \$10 for every \$200
 - used cars – \$8 for every \$200.
 Contact the State Revenue Office (Victoria) or visit sro.vic.gov.au for changes to stamp duty rates and to calculate motor vehicle duty.
- Dealer delivery charge – this additional fee for new cars may be charged to cover costs the trader incurs in preparing and delivering the car.
- Registration transfer fee – for buyers of used cars to transfer registration to the new registered person.
- Luxury Car Tax – 33 per cent imposed on the GST-inclusive value of luxury cars over the relevant threshold. Contact the Australian Taxation Office (ATO) for details.

Operating costs

The RACV website racv.com.au lets you compare the estimated operating costs of different cars. You can also read car reviews and 'road test' performance reviews.



Getting finance

Many licensed traders can help you arrange finance, but you may find a better deal if you shop around and check rates and fees offered by banks, credit unions and other finance providers.

You should also make sure you are able to pay off a loan. If you are unsure, contact a financial adviser. The Australian Securities & Investments Commission (ASIC)'s MoneySmart website moneysmart.gov.au has a personal loan calculator that can help you work out whether you will be able to service the loan amount.

If you are relying on finance to purchase the car, it is important to make the contract for sale conditional upon finance approval from your preferred financial provider.

Before you agree to a loan

Read the finance agreement and make sure you understand it. Before you sign, make sure you are aware of:

- all fees and interest rates
- monthly repayment rates and due dates
- the total amount you will have paid at the end of the loan period
- all insurance requirements.

Do not over commit yourself financially. Budget according to your means and only borrow what you can afford to pay.

What if you are struggling to meet your loan repayments?

Contact MoneyHelp on 1800 007 007 for free, confidential and independent financial information. A MoneyHelp financial counsellor can help you draft letters, fill in forms or liaise with your credit provider.

The MoneyHelp website moneyhelp.org.au also has information and tools to help you manage debt, including template letters and other practical resources.

Consider taking out consumer credit insurance or loan protection insurance, which can cover you if you are unable to make your loan repayments because of sickness or unemployment. Do your research to make sure this insurance is suitable for you, and budget for it when making your loan calculations.

In some cases, such as job loss or unforeseen illness, you may ask your credit provider for a hardship variation. This can involve postponing your repayments for a period, seeking a reduction in the repayment amount, or extending the life of the loan. Visit ASIC's MoneySmart website moneysmart.gov.au for more information.

What if you fail to repay the loan?

If you put up property as security when taking out a loan, it will become the lender's property if you are unable to repay the loan. If the car itself is the security, it may be repossessed. It may also be sold for less than you owe. If this happens, you may end up paying the lender the difference.

What if the car is involved in a crash and gets written off?

You will still need to pay the balance owing on your loan. Gap or shortfall insurance, offered by some financial services providers, can cover the difference between the insurance payout and the balance owing on the loan.

'Rent-to-buy' schemes

In a typical rent-to-buy arrangement, you make regular payments (instalments) and have the option of purchasing the car you are renting at the end of the rental period. Depending on your contract, you will only own the car after you:

- finish making all payments
- pay an agreed sum, or
- pay fair market value for the car.

Rent-to-buy deals may seem attractive (especially to those with a poor credit rating or on a low income), but complaints to Consumer Affairs Victoria indicate the cars are not always mechanically sound and the total costs may be excessive.

Familiarise yourself with the contract terms and conditions to avoid problems. Find out:

- who will be responsible for paying the car's registration and any mechanical repair or maintenance costs during the rental period
- in what circumstances (if any) title will be transferred
- if the car registration will be transferred to your name when you purchase the car
- whether you can terminate the contract and, if so, on what conditions
- the costs payable at the conclusion of the instalment payments.

Most importantly, calculate the total price you will pay under the contract – you may not be getting value for money. If you are considering rent-to-buy, consult a financial counsellor or get legal advice before signing the contract.

Insurance

Insurance protects you against costs and liabilities if the car is stolen, vandalised or damaged in a crash. When budgeting, consider taking out at least third party car property insurance.

It may be cheaper to arrange your own insurance than taking it out through the trader. Contact insurance companies to compare premiums and policy coverage.

Make sure the car is insured before you take delivery of it.

For more information about types of insurance, visit consumer.vic.gov.au



PART 2:
Buying a new car



When you're buying a new car, read the contract carefully and understand it before signing it.

Take the car you are considering buying for a test drive, and test drive a number of cars to make comparisons. Information about particular car models and test drive results are available on the RACV website racv.com.au. Safety information is available on the How Safe Is Your Car website howsafeisyourcar.com.au.

Before leaving the car yard on a test drive, check your legal liability if you are involved in a crash.

Date of manufacture

The age of a car is taken from its date of manufacture. This date is stamped on a car's 'build plate', which is attached to the car when it's assembled. Knowing a car's age is important, as it affects its resale value.

Trade-ins

Understand the total cost of swapping your car for the one you are buying. A high trade-in offer for your old car might appear attractive, but the new car price may have increased to cover the difference. Also, make sure you keep your old car until the new one is delivered.

The contract

The agreement for sale is a legally binding contract. Read and understand it before you sign.

Never sign a blank contract, or one with any unfilled spaces; and insist that all costs are clearly itemised in the document. Do not sign the contract if a delivery date or deadline is not specified; if you do, you may have to wait a considerable amount of time for the car. If the dealer cannot specify a delivery date, the contract should include a date after which you no longer wish to proceed with the purchase.

The contract should specify the car's colour and any other particulars or optional extras. If you want to buy a car manufactured in a particular year, specify it in your contract.

Ask the trader to delete any clauses in the contract that could have negative consequences for you. For example, listing the delivery date as 'ASAP' (as soon as possible) could mean delivery of the car is delayed, so try to get a date specified in the contract.

Should you get finance before signing?

You are not required to arrange finance before signing the contract. However, make sure that your contract states that the sale is dependent upon you obtaining finance from a specified company. The following wording could be helpful: "this contract is subject to and conditional upon the purchaser being satisfied with finance from [insert the name of your credit provider] by [date]".

Alternatively, you can apply for finance and wait for approval before signing. This allows you to shop around knowing exactly how much money you have to spend.

Cooling off

Cooling-off periods apply to new and used cars (and motorbikes) bought from a licensed motor car trader (LMCT).

When you buy from a licensed trader, you have three clear business days (excluding weekends and public holidays) after you sign the contract to change your mind. This is your cooling-off period.

The trader must give you 'Form 4, Cooling-off Rights and Waiving Your Cooling-off Rights', before you sign a sale agreement. This sets out your rights and explains a waiver.

If you change your mind on a new car sale and terminate the sale agreement within the three clear day cooling-off period, the LMCT may keep \$400, or 2 per cent of the purchase price (whichever is greater). If you change your mind about a sale that takes place off-site – for example, if the trader brings the vehicle to your home or place of work – the trader may keep \$100 or 1 per cent of the purchase price (whichever is greater).

You must advise the trader in writing if you wish to cool off.

A waiver enables you to forgo your right to the three-day cooling-off period. You should only sign the waiver if the car is available for immediate delivery and you wish to collect it immediately – for example, from floor stock of current models.

The waiver applies only if you take immediate delivery of the car after signing the form.

For more about contracts, visit consumer.vic.gov.au

Warranties

All new cars come with a manufacturer's warranty. Study the warranty carefully, because details such as the length of the warranty period can vary between vehicle retailers and manufacturers. The warranty covers any faults or defects. Identify any faults and have them corrected at the first mechanical service, which should happen soon after delivery.

If repairs are required during the warranty period, take the car back to your authorised dealer. Scheduled services may be done by qualified, independent mechanics without affecting the warranty, provided the work is performed in accordance with the conditions of the warranty (manufacturer's specifications) and appropriate quality parts and lubricants are used. Check the terms of your warranty before scheduling a service.

Dealers may offer extended warranties at the point of sale or at the end of a manufacturer's warranty, usually at an additional cost. Extended warranties may restrict your choice of mechanic and parts used, and tie you into a service schedule with a specific dealer or group of dealerships.

For more about warranties, visit consumer.vic.gov.au



Consumer guarantees

As a buyer, you have additional rights under national 'consumer guarantees' contained in the Australian Consumer Law (ACL). They apply independently of whether there is a warranty or extended warranty from the manufacturer or dealer and cannot be excluded by contract.

Consumer guarantees automatically apply to new and used cars purchased from a dealer or manufacturer on or after 1 January 2011.

Under the consumer guarantees, a supplier or manufacturer guarantees that a car must:

- be of acceptable quality – this means it will be safe, durable and free from defects unless the defect is made known to the buyer
- be acceptable in appearance and finish, and do the job the car is usually used for
- match any description given to the buyer
- match the sample or demonstration model shown to the buyer.

The dealer or person selling the vehicle also guarantees that:

- you will have a clear title to the car (that is, the dealer has the right to sell the car), unless you were told otherwise before the sale
- you will have a right to undisturbed possession (that is, no-one else has a legal right to take the car away or prevent its use)
- there are no undisclosed securities over the car (for example, it has not been used as security for a loan)
- the car is fit for any purpose that the dealer told you it would be (for example, towing a boat).

A manufacturer must also guarantee that they will honour any express warranty they give you.

For more information about consumer guarantees, visit consumer.vic.gov.au



Cars purchased before 1 January 2011 from a dealer or manufacturer are covered by statutory implied terms and conditions contained in the *Australian Consumer Law and Fair Trading Act 2012*.

Pre-delivery check

New car dealers should examine the car before you collect it and demonstrate its features to you at the time of delivery. However, it might also be worth inspecting the car yourself. Check:

- the bodywork for dents and chips in the paintwork
- the date the car was built
- the interior trim for cuts and scratches
- that there is a spare tyre, tool kit and jack
- the lights and indicators are working properly
- any accessories or extras you ordered
- that the features specified in the contract are included.

You may also wish to take the car for a test drive with the sales representative to check for mechanical faults. If you identify any, consider your rights under consumer guarantees contained in the ACL.

PART 3:
Buying a used car



Used cars and motorbikes are generally less expensive than new ones, but they are generally older models and may have more mechanical issues.

Test drive any used car you are considering and get a mechanical inspection.

See the '[Used car buyer's checklist](#)' on page 22.

Service history

Ask to see the vehicle's service history. A car that has been serviced regularly by a qualified mechanic, according to the manufacturer's specifications, is less likely to have mechanical problems. It may also give you clues about future servicing requirements.

Mechanical inspection

Before you buy a used car, consider having it inspected by:

- the RACV's independent vehicle inspection service
- a Victorian Automobile Chamber of Commerce (VACC) member, or
- an independent qualified mechanic.

If a licensed trader or private seller does not agree to this, you should consider not buying the car. If it is not possible to arrange an inspection when buying from a licensed trader, ensure your contract states: "the sale is conditional on the purchaser's satisfaction with an independent inspection report".

When you buy from a private seller, you have less legal protection than buying from a licensed trader. For instance, the car will not come with a statutory warranty. This means it is important to have the car mechanically inspected before you agree to buy it or make a deposit.

Check the vehicle's status

Search on the Personal Property Securities Register website ppsr.gov.au to make sure the car:

- is not stolen
- does not have money owing on it
- is not on the written-off vehicles register (WOVR).

A person selling a car to you (whether a licensed trader or private seller) must advise you in writing whether the car is entered on the WOVR in Victoria, or an interstate equivalent.

A car recorded as a repairable write-off can be registered, subject to additional inspection requirements. A car recorded as a statutory write-off cannot be registered and returned to the road.

Registered cars on the WOVR have been through an inspection process to verify their identity and repair them to standard.

You can confirm a car's registration status by searching the Victorian Vehicles Register on the VicRoads website, using the car's registration number, vehicle identification number (VIN) or chassis number. Go to vicroads.vic.gov.au and click on 'Check vehicle registration'.



Buying from a licensed trader

It sometimes costs more to buy a car or motorbike from a licensed trader than a private seller, but you have greater legal protection. Benefits of using a licensed trader include a:

- three-day cooling-off period
- three-month/5,000 kilometre statutory warranty if the car is up to 10 years old and has travelled less than 160,000 kilometres.

A licensed trader must also disclose to you in writing whether a vehicle is on the written-off vehicles register (WOVR).

Licensed traders must display a licensed motor car trader (LMCT) number. If you have any doubts about whether a trader is licensed, check the public register of motor car traders at consumer.vic.gov.au/motorcartraders or call 1300 135 452.

You can also visit the VACC website vacc.com.au to find a new or used car trader who is a member.



For more information about your cooling-off rights, see '[Cooling off](#)' on page 12.



Notice of particulars

This important notice should be displayed on the car's rear side window. It will tell you:

- if the car is covered by a statutory warranty
- the car's build date
- the car's engine number or the serial number on its registration label
- the car's model designation (any words, letters or numbers specified by the manufacturer to identify a particular model series)
- the year the car was first registered
- the cash price (excluding statutory charges)
- the name and address of the previous owner, if the last owner was a trader
- that the name and address of the previous owner (other than a trader) is available upon request (so you can contact them to ask about the car's condition)
- the odometer reading (you can verify this by phoning the car's previous owner)
- your cooling-off rights
- whether the car is a repairable write-off and on the WOVOR in Victoria or an interstate equivalent
- your rights under the ACL, if the car comes with a statutory warranty.

When you buy a car, you must sign the notice of particulars and the trader must provide you with a copy.

The contract

The 'agreement for sale' is a legally binding contract; do not sign it until you are absolutely ready to do so. You may have to pay a deposit when you sign the contract.

If you cancel the contract for a used car during the cooling-off period, the trader is entitled to keep some of your deposit (\$100 or 1 per cent of the purchase price, whichever is greater).

The trader should refund your deposit in full if:

- the contract is conditional upon the mechanical state of the car, and an inspection by a qualified mechanic shows this is not satisfactory
- the contract is conditional on getting finance to your satisfaction, and finance is not approved
- the contract is conditional on gaining approval from another person, and approval is not given
- any other contract conditions are not fulfilled
- the contract contains unfair terms – see consumer.vic.gov.au for information about these.

Useful wording for your contract

Consider including the following in your agreement for sale:

"This sale is subject to and conditional upon the purchaser being satisfied with finance from [insert the name of your credit provider] and being satisfied with an independent mechanical test report by [insert name of tester]".

Cooling off

Cooling-off periods apply to new and used cars (and motorbikes) bought from licensed traders.

When you buy a used car from a licensed trader, you have three clear business days (excluding weekends and public holidays) after you sign a contract to change your mind. This is your cooling-off period.

The trader must give you 'Form 4, Cooling-off Rights and Waiving Your Cooling-off Rights', before you sign a sale agreement. This sets out your rights and explains a waiver.

If you change your mind about buying a used car and terminate the sale agreement within the cooling-off period, the licensed trader may keep \$100 or 1 per cent of the purchase price (whichever is greater). You must advise the trader in writing if you wish to cool off.

A waiver enables you to forgo your right to the three-day cooling-off period. You should only sign the waiver if the car is available for immediate delivery and you wish to collect it that day.

The waiver applies only if you take immediate delivery of the car after signing the form.

Statutory warranty

A licensed trader must include a statutory warranty in the contract for sale if the car is not more than 10 years old and has travelled less than 160,000 kilometres. The car's age is determined by the build date stamped on its build plate (see '[Date of manufacture](#)' on page 8). A statutory warranty lasts for three months or 5000 kilometres, whichever occurs first. It does not apply to commercial vehicles, motorbikes and cars sold at a public auction.

A statutory warranty does not cover:

- any item listed on a defect notice with a reasonable estimate of how much it will cost to repair
- tyres
- batteries
- radios, cassette players, CD and MP3 players, MP4 players, DVD players and video display panels
- telephones and in-car telephone kits
- global positioning systems and navigation systems
- power outlets, including cigarette lighter sockets
- keyless entry systems and remote key pads that are not standard to the car
- car aerials
- non-standard body hardware
- non-standard rear window de-misters
- clocks
- light globes, sealed beam lights and non-standard fog lights
- tools (other than jacks and wheel braces)
- wear and tear or damage caused by misuse or negligence.

A licensed trader must repair any faults covered by the statutory warranty during the warranty period in order to ensure the car is in a reasonable condition for its age.

Any faults known at the time of sale and not covered by the statutory warranty must be listed on a defect notice. This notice must also include an estimate of the cost to repair the listed faults. You will be responsible for the cost of repairing the defects listed. If the notice contains a vague list of defects and does not explain specific problems, do not buy the car.

Statutory warranties apply under the *Motor Car Traders Act 1986*. You also have rights for all new and used car purchases under other consumer laws: the *Fair Trading Act 1999* applies to sales before 2011 and the ACL for sales since. For more information, see '[Consumer guarantees](#)' on page 9.

Repairs under statutory warranty

If your car requires repairs while under statutory warranty, contact the trader from whom you bought it. They will either advise you to return the car to them for repairs, or authorise another repairer to carry them out. If you do not contact the trader before carrying out repairs, you may void your statutory warranty and have to bear the costs. Second-hand parts may be used as long as they are of appropriate quality. The time it takes to repair your car is added to your warranty period.

If you cannot drive your car due to a warranty defect, the trader must pay any towing costs. However, the trader or mechanic does not have to supply a replacement car while your car is repaired.

If you cannot contact the trader to authorise repairs, or the trader refuses to fix a problem, contact Consumer Affairs Victoria on 1300 55 81 81.



Buying from a private seller

It may be cheaper to buy a car from a private seller than from a licensed trader, but you have less protection under the law.

For example:

- there is no cooling-off period
- the car is not covered by a statutory warranty.

If you are buying from a private seller, it is a good idea to check the car does not have any money owing on it. You can do this by searching on the Personal Property Securities Register website [ppsr.gov.au](https://www.ppsr.gov.au).

Check vehicle status online

Search the Victorian Vehicles Register on the VicRoads website [vicroads.vic.gov.au](https://www.vicroads.vic.gov.au) to confirm the registration status of a car, by entering its registration number, vehicle identification number (VIN) or chassis number.

You can also check a car's registration, security interest or if it has been stolen, at the Personal Property Securities Register website [ppsr.gov.au](https://www.ppsr.gov.au).

Private sellers in Victoria are required to advise you in writing whether the car is on the written-off vehicles register (WOVR) in Victoria or an interstate equivalent.

Transfer of registration

Once you have bought the car, it must be transferred into your name. For this to happen, both you and the seller must sign a 'transfer of registration form'. You must send the form and a roadworthy certificate (not more than 30 days old) to VicRoads within 14 days of purchase.

It is important to remember that the name on the registration certificate is not necessarily the name of the owner of the car.

It is a good idea to call VicRoads (13 11 71) six weeks after you have bought the car, to check that the transfer has happened.



Roadworthy certificate

If the car is registered, the seller must provide you with a current roadworthy certificate. This is a general safety check conducted by a licensed vehicle tester and is valid for 30 days from the date of issue. Never agree to obtain a roadworthy certificate yourself, as the car may have hidden problems that could be costly to repair.

Unregistered cars

If a car is unregistered or the registration has been cancelled, it can be sold without a roadworthy certificate. If you buy a car in these circumstances, you will be responsible for arranging and paying for a new roadworthy certificate, registration and registration plates. You may also have to apply for an Unregistered Vehicle Permit from VicRoads to drive the car. This permit will be issued only under strict conditions; typically, it will only allow the car to be driven to your home or to a licensed vehicle tester during set times of the day.

Buying online

When searching online, be wary of buying a car you have not seen.

If you decide to buy a car advertised online by a private seller:

- check its registration status on the Victorian Vehicles Register at the VicRoads website [vicroads.vic.gov.au](https://www.vicroads.vic.gov.au)
- ensure the registration plate, car identification and engine number match this information
- physically inspect the car and take it for a test drive before you buy it.

If you are dealing with a licensed trader online, follow the advice in '[Buying from a licensed trader](#)' on page 11.

If you buy goods online (including cars) from interstate or overseas, Victorian consumer protection laws offer limited protection. For more about buying online, visit [consumer.vic.gov.au](https://www.consumer.vic.gov.au)



Buying at an auction

Buying a car at auction is often cheaper than purchasing one privately or from a licensed trader. However, it carries more risks and is best suited to people who know about cars.

If you buy a used car at an auction, you will **not** have a statutory warranty, some of the consumer guarantees, a cooling-off period, roadworthy certificate or registration.

The auction house is responsible for ensuring that no money is owed on the car and is therefore sold with clear title.

If the auction house is a licensed motor car trader (LMCT) and you buy 'off the floor' and not during an auction, you are entitled to the usual benefits offered by licensed traders. See ['Buying from a licensed trader'](#) on page 11.

Inspect the car

Generally the auction house will not let you test drive the car. However, you should inspect it and arrange an independent mechanical inspection.

Be prepared to make a down-payment

Expect to make a down-payment of about 10 per cent, or \$500, at the end of the auction. You usually make this payment by cash or bank cheque.

Your responsibilities

If the car is registered, it is your responsibility to obtain a roadworthy certificate (RWC). You must provide VicRoads with the RWC within 14 days of buying the car in order to complete the transfer of registration.

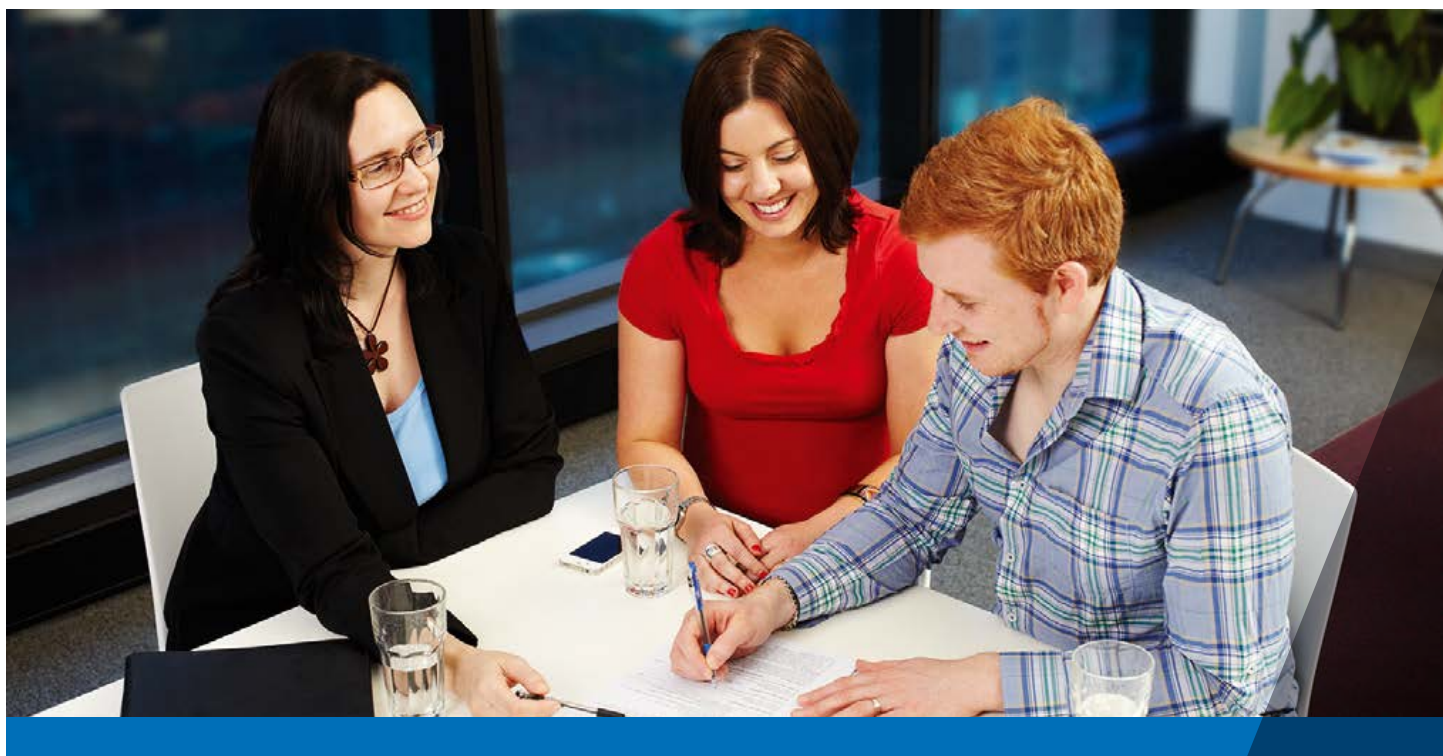
When you buy a car at an auction, the same transfer of registration process applies as buying from a private seller. See ['Transfer of registration'](#) on page 14.

If the car is unregistered, you will need an Unregistered Vehicle Permit (available from VicRoads) to drive it. You also need to get a RWC to register the car.

Dummy bidding

Dummy bidding at public auction is illegal. A dummy bid is a false bid made or accepted by the auctioneer. This can include bids made by a non-genuine bidder and 'fictitious' bids pulled out of the air by the auctioneer. An owner or their representative cannot bid at an auction.

The auctioneer may make a bid on behalf of the seller (also called the 'vendor') if the auctioneer makes it clear before the auction starts that such a bid may be made. The auctioneer must declare a vendor bid before making it.



PART 4:
Getting your car
serviced or repaired



Regularly maintain your car to protect the investment you have made and to keep it in good condition.

When you leave your car for servicing or repairs, tell your mechanic to contact you before any unscheduled or unexpected work starts.

Service and repairs

Whether your car is new or second-hand, it may have come with an owner's handbook that sets out scheduled services and maintenance work required at each service.

Follow the maintenance schedule to keep your car in good condition and to avoid breakdown or expensive repairs. If it is still under warranty, check warranty conditions regarding choice of repairer and manufacturer specifications.

You may be able to have your car serviced by an independent mechanic (rather than a dealership) without affecting the manufacturer's warranty, as long as repairs and parts used are consistent with manufacturer standards.

When you're booking a service, clearly explain to your mechanic the type of service you require. Different costs are associated with different types of services. If you do not have a handbook and are not sure what your car needs, ask the mechanic to explain what is involved with each type of service and its associated cost.

If you have a problem with a new car that is still under warranty, refer to your warranty and talk to the licensed trader who sold you the car.

Finding and dealing with a mechanic

Make sure staff working for the mechanic you choose are qualified and the business has the necessary equipment to do the job. Look around the premises before handing over your car. A clean and well-organised workshop is a sign of an efficiently run business.

Ask friends and relatives to recommend reputable mechanics. You can check if a mechanic belongs to associations such as the RACV or VACC, whose members must abide by a code of conduct. Visit the VACC website vacc.com.au or the RACV website racv.com.au for your nearest accredited automobile repairer or licensed vehicle tester.



Help the mechanic to find the fault

Clearly explaining what is wrong with the car will help the mechanic. If necessary, go for a test drive with the mechanic so you can point out the problems as they occur.

Diagnosing a car's problems is not always easy; intermittent faults are often difficult to identify. Your mechanic may need to keep your car overnight in order to pinpoint a fault, and may also find other faults before starting repairs. It is important to keep in mind that these problems may not have been included in the original quote.

Get an estimate of cost

Ask for a written estimate before you agree to any work. This should detail the repairs and the cost, including parts and labour. It should also include details of any agreements or promises, and information about warranties on both parts and labour.

Make it clear to the mechanic that you must be called before any repair work you have not authorised starts. Make sure that you are contactable in case you have to authorise extra repairs.

Be wary of mechanics who ask for up-front payment.

Warranties on repairs

If you have a problem with a new car still under warranty, refer to your warranty and speak with the trader who sold you the car.

Remember to ask about the manufacturer's warranty on the parts used and the mechanic's warranty on work done. Make sure any warranty details are noted on your invoice.

Recycled parts

Second-hand parts can be used by mechanics and may help reduce the cost of repairs. However, it is not recommended that second-hand parts be used for safety-related items, such as seatbelts and brakes. Any second-hand or recycled parts should only be purchased from a licensed auto-recycler.

To locate your nearest licensed auto-recycler, visit the VACC website vacc.com.au.



PART 5:
Selling your car



Trading in your car

A trade-in may be the quickest and least stressful way of selling your old car, as you do not need to advertise it or show it to buyers. However, you may not get as much money for your car as you would if you sold it privately.

If you want to trade in your old car, find out the total amount you will pay to leave it and drive away in the purchased vehicle.

Selling your car privately

Get an idea of your car's market value by checking advertised prices of the same model, in similar condition. Then:

- write an advertisement
- choose a print or online publication to place your ad
- provide a roadworthy certificate (RWC) that is less than 30 days old if you are selling a registered car.

You must advise the buyer in writing whether the vehicle is written off and on the written-off vehicles register in Victoria or an interstate equivalent.

You should also ensure the car does not have money owing on it. You can check this by searching on the Personal Property Securities Register website ppsr.gov.au.

Never let a potential purchaser drive your car without first ensuring they are licensed and you are adequately insured. Always accompany them on the test drive.

Transfer of registration



Ensure that you transfer the registration of your car to the new owner to avoid any future fines. Provide the buyer with a RWC that is not more than 30 days old and complete and sign the transfer form.

Selling your car at an auction

You could consider offering your car for sale at a public auction if you do not want to sell it privately or trade it in. An auction house may charge commission for selling your car.

PART 6:
Useful contacts



Royal Automobile Club of Victoria (RACV)

racv.com.au

**Motoring Advice Line
(for RACV members)** 03 8792 4006

550 Princes Highway
Noble Park North VIC 3174

VicRoads

vicroads.vic.gov.au

Phone 13 11 71

113 Exhibition Street
Melbourne Vic 3000

Victorian Automobile Chamber of Commerce (VACC)

vacc.com.au

Phone 03 9829 1111

Level 7, VACC House
464 St Kilda Road
Melbourne VIC 3004

Finance and insurance advice

Financial & Consumer Rights Council (FCRC)

fcrc.org.au

Phone 03 9663 2000

Financial Ombudsman Service Australia

fos.org.au

Phone 1800 367 287

Environment and sustainability

Environment Protection Authority

epa.vic.gov.au

Phone 1300 372 842

The Green Vehicle Guide

greenvehicleguide.gov.au

Other contacts

Australian Taxation Office (ATO)

ato.gov.au

Phone 13 28 65

How Safe Is Your Car

howsafeisyourcar.com.au

MoneySmart by Australian Securities and Investments Commission (ASIC)

moneysmart.gov.au

Phone 1300 300 630

MoneyHelp

moneyhelp.org.au

**Free financial
counselling service** 1800 007 007

Personal Property Securities Register

ppsr.gov.au

Phone 1300 799 523

Transport Accident Commission (TAC)

tac.vic.gov.au

Phone 1300 654 329

PART 7:
Used car buyer's checklist



Take this basic checklist when you shop for a used car. Be aware of what you will need to pay to repair or replace any of these items. If necessary, ensure the costs are written into your contract.

Before the test drive

Electrics

Do the following work properly?

- parking lights
- indicators
- tail lights
- hazard lights
- horn
- instrument lights
- number plate lights
- brake lights
- headlights
- windscreen wipers

Exterior

Check:

- paintwork for ripples/unevenness
- exterior for loose body panels, signs of rust in doors/sills/body/floors and boot

Note: checking cars at night or on rainy days is not recommended.

Tyres

- check the wear of the tyres
- make sure there is at least five millimetres of tread
- check the condition of the spare tyre
- ensure there are tools and a wheel jack

Windows and doors

- do they wind up and down?
- do the doors sag?
- do all the locks work?
- does the car come with two keys/working remotes?

Interior

Check:

- seat springs
- seatbelts
- air-conditioning
- radio
- carpets and upholstery

Service history

Ask the seller for information about the vehicle's service history. It is better if the vehicle has been serviced regularly and a service log kept.

On the test drive

Engine

Check:

- the engine for rattling, knocking or irregular running while driving
- that the water temperature gauge remains within the 'safe' range at all times
- under the car for pools of oil and water when it is parked
- that no warning lights illuminate on the dashboard

Clutch and gearbox

- check the gearbox by doing a hill start – there should be no shuddering
- if the car is a manual, check that it goes into gear easily and smoothly
- if the car is automatic, make sure the gears do not 'slip' when you accelerate, and that it makes no rumbling or whining noises

Steering

Check:

- that the steering doesn't 'pull' or wander on straight roads
- that there is no 'clicking' when the car is turned to full lock

Exhaust

Check:

- for blue exhaust smoke when accelerating – it indicates engine wear
- for fumes and noise in the cabin when driving – there could be holes in the muffler

Suspension

Check:

- for sounds when going over bumps

consumer.vic.gov.au

1300 55 81 81 (local call charge)



Services from Consumer Affairs Victoria are available at Ballarat, Bendigo, Box Hill, Broadmeadows, Dandenong, Geelong, Mildura, Morwell, Wangaratta and Warrnambool. Our mobile service regularly visits rural communities.

March 2017

TIS

Translating and Interpreting Service **131 450**

TTY

Textphone or modem users only, ring the National Relay Service (NRS) on **133 677**, then quote **1300 55 81 81**.

Callers who use Speech to Speech Relay dial **1300 555 727**, then quote **1300 55 81 81**.