

# Your consumer rights

# Car repairs

How the Consumer Guarantees Act  
can protect you.





## How to use this booklet

**This booklet helps you to solve issues with a mechanic or garage.** It includes information on all parts of the process from your rights, to how to make a complaint.

### Learn about your specific issue

- Use our flow chart to find the scenario that best fits your issue.  
– **page 4**
- Turn to the page given in the flow chart to find out more.

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# Find an answer to your post-repair problem

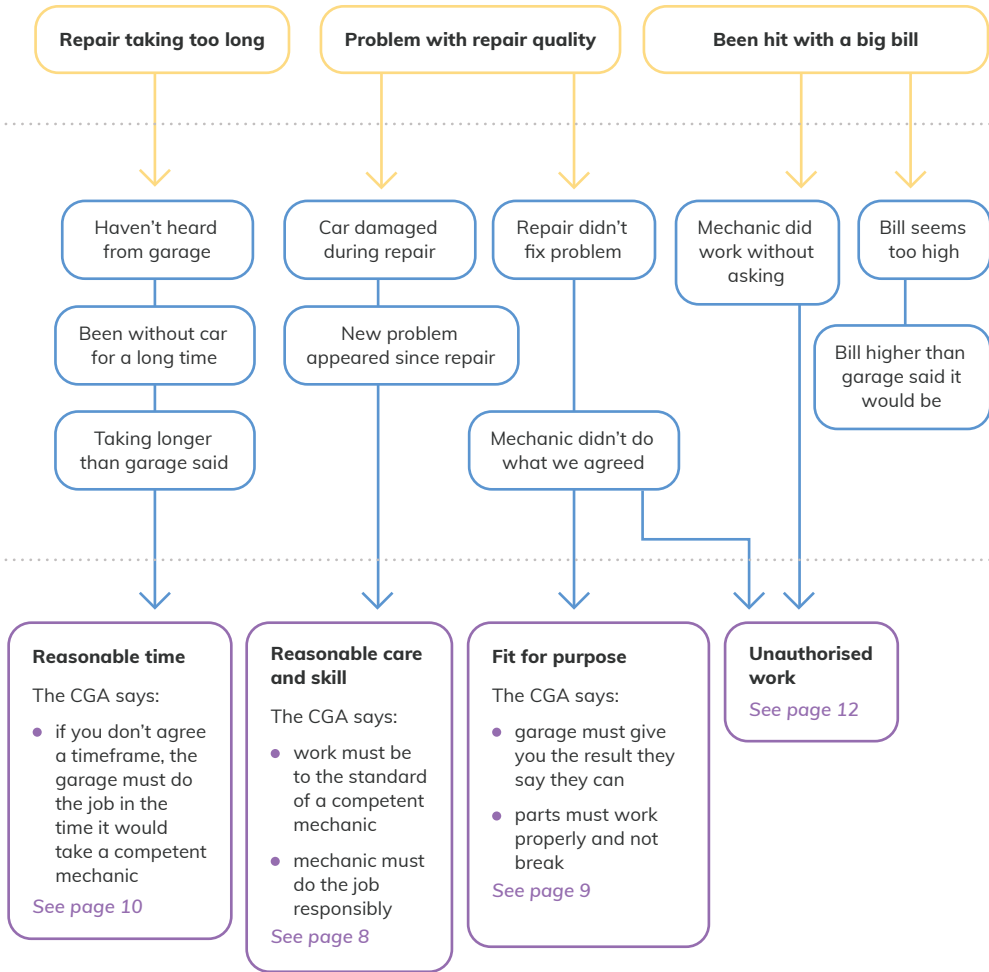
**Note: Consumer laws only apply to repairs done by a professional mechanic.**

Start with the statements at the top of the chart. Pick one that best matches your issue. Follow the arrows to find an answer to your question. Then go back to check if other statements also apply to you.

My issue:

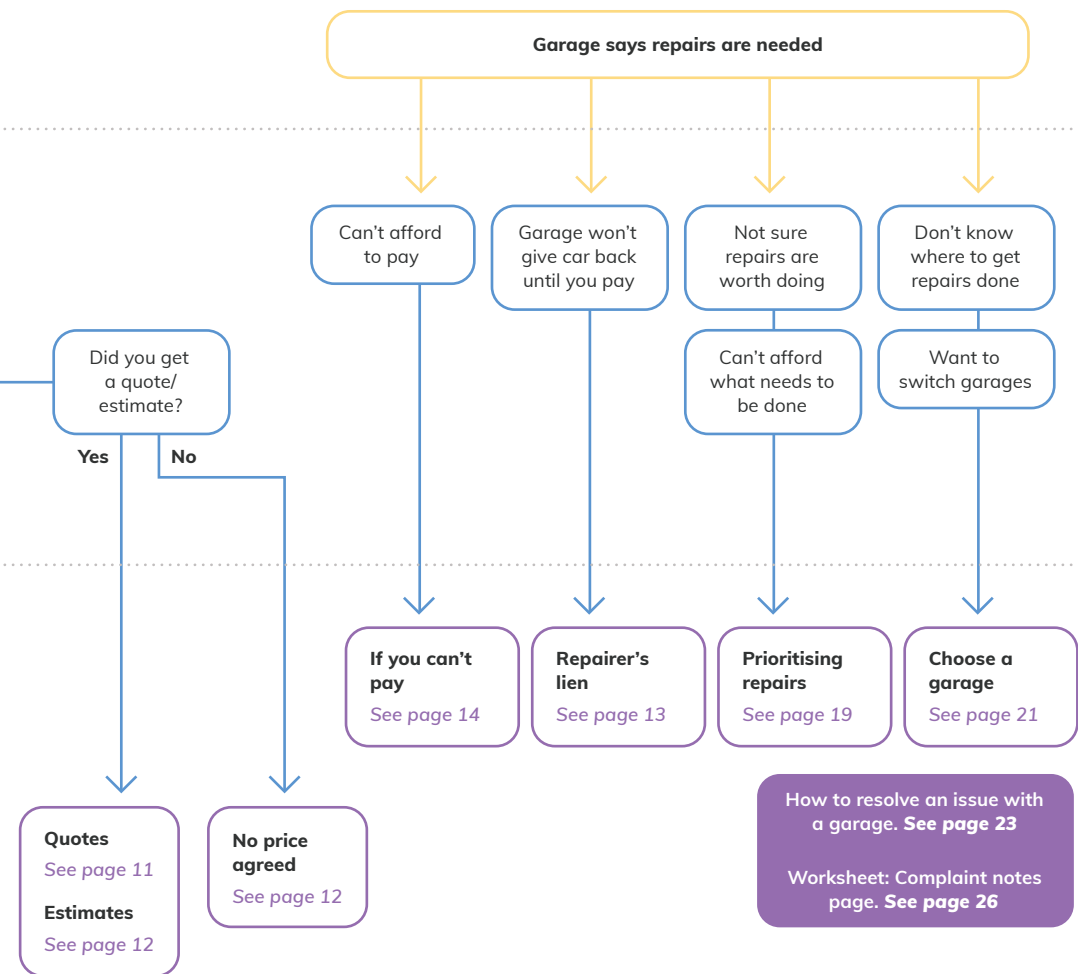
Your issue in detail – find one or more that apply:

Your rights under the Consumer Guarantees Act (CGA):



# My problem isn't on the chart

- Repairs for cars bought on finance – **page 18**
- Insurance – **page 16**
- Warrant of Fitness – **page 17**
- Courtesy cars – **page 15**
- Consequential loss – **page 15**



# Consumer laws for services and products

## Consumer Guarantees Act (CGA)

The CGA's guarantees for services apply when a professional mechanic repairs your car.

### They must:

- do what you asked
- in a reasonable time
- for a reasonable price
- with reasonable care and skill.

If the garage can't do what you want, they must tell you before they start the job.

The CGA's guarantees for products apply to any parts or materials used to do the repair. Examples include brake pads, wipers and headlights.

Materials and parts must be fit for purpose — that is, do what they are made to do.

If the garage is responsible for any problems, they must put it right. It's the law.



*If you recently bought a car from a dealer and it is faulty, the dealer may be responsible for organising and paying for repairs.*

**For information about how the CGA applies to common repair problems, see:**

- Quality of work issues, (see page 8)
- Higher than expected costs, (see page 11)
- Taking too long, (see page 10)

## When the CGA may not apply

**You may not have a right to remedy if you:**

- agreed a price beforehand
- didn't say what you wanted
- insisted on work/parts the garage advised against
- did something to cause the issue
- didn't give the mechanic accurate information
- take a long time to complain about the repair
- have an issue unrelated to the repair.

### Example: Didn't specify work to be done

Efi's car isn't running properly. He asks the garage to fix it. As he wasn't specific, Efi must pay for all the work done to make the car run well. To avoid this, he needed to ask what needs fixing and decide between urgent and non-urgent repairs.

## Fair Trading Act (FTA)

Under the FTA, a garage cannot mislead or deceive you. They must provide accurate information about what they are able to offer and what it will cost. This includes:

- what adverts say
- what the mechanic or other staff tell you.

They are still accountable even if they didn't mean to mislead you.

### Example: False information

Ari gets his wiper blades replaced. The mechanic says they're new. After poor visibility on a rainy day, Ari finds the blades are worn. The mechanic fitted second-hand wipers by mistake. They gave Ari false information and so breached the FTA.

# Problems with quality of work

## Reasonable care and skill

Work must be up to the standard of a competent mechanic with average skills and experience. The mechanic must also take good care while doing the job.

**Reasonable skill** = knowing how to do the job properly.

**Reasonable care** = doing the job carefully.

### Example: Unreasonable skills

An unsupervised apprentice works on Tan's car. The apprentice pours cold water in the hot radiator, causing the head gasket to crack. A skilled mechanic would know not to do this. The garage replaces the damaged gasket for free.

### Example: Not taking reasonable care

Days after getting a WOF, Jen skids and almost hits a tree. In a hurry, the mechanic gave the WOF without checking her tyres. The mechanic did not take reasonable care. Jen asks the garage to refund the cost of the WOF.



## Fit for purpose

This applies to both work done, and any parts used in repairs.

### For work done

The garage must give you the result they say they can, e.g. fix your brakes, do your WOF.

You must tell them everything you know about a problem, e.g. when it happens, if you've done anything to try to fix it.

When it is not clear what is wrong with your car, the garage can charge you for a reasonable time taken to find out what the problem is.

### For parts

These must be of acceptable quality and do what they're intended to do, e.g. work properly and not break.

It's reasonable to expect less from lower-price options. For example, cheaper tyres may need replacing sooner than pricier ones. But cheaper options must also work as they should.

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#### Example: Faulty part

Ben's garage replaces a headlight bulb. Three weeks later it blows. Ben tells his garage the bulb was not fit for purpose. The garage replaces it for free.



# Problems with time taken

## Reasonable time

If you haven't agreed a timeframe, the garage must finish the job in a reasonable time. Reasonable time is judged on the time it would take a competent mechanic to complete the job.

The garage may need your car for longer than the number of hours on your estimate or quote if the repair needs to be done in stages.

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### Example: Allow for inspection time

Hemi's car is stalling. The garage says the cause could be a few things. They quote two hours' labour to find out what's wrong. They phone Hemi once they know what's causing the issue, and agree on a price for the job.



# Problems with cost

## If you got a quote

Once you accept a quote, the garage can't charge you more than the agreed price unless:

- you agree to extra work
- the scope of the job changes, e.g. they find further problems.

If your bill is for more than you were quoted, talk to the garage. Point out the final bill is higher than the quote. It's your right to refuse to

pay the extra amount — unless you asked them to do something extra or different after the quote was confirmed.

If the garage insists on the higher price, get help from a Citizens Advice Bureau or Community Law Centre. They can help you:

- complain to the garage's trade association if they belong to one
- place a claim with the Disputes Tribunal — an informal process.

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### Example: Pay what's quoted

A garage bills Rae \$240 more than quoted. They tell her a new clutch cost more than they thought. Rae doesn't want to pay the difference. She says the garage should have checked the price before quoting the job. It is her right because quotes are binding.



### If you got an estimate

An estimate is a best guess based on the mechanic's skill and experience. An estimate can be verbal or in writing. There's no legal difference. The actual price you are charged can be more or less. The estimated price can include or exclude GST, but the garage must have made it clear beforehand.

#### Example: Ask around on price

Li's bill is more than expected. She didn't get a quote, but had a cost in mind. Li asks her garage to tell her what they did. She also phones two other garages to ask how much for the same job. Li then decides what she thinks is reasonable, and agrees on a price with her garage.



### No price agreed

If no price is agreed, you need only pay a **reasonable price** for the work done. This is the price a similar business would charge for the repair.

If your bill seems unfairly high, ask why.

#### Ask for a breakdown of:

- what the mechanic did
- how long it took
- the cost of parts/freight (if this applies).

Get a second opinion on cost from another garage.

Offer to pay the garage what you think is reasonable. If you can't agree, the Disputes Tribunal can decide what's fair. Ask for assistance from Citizens Advice Bureau or Community Law Centre.

### Unauthorised work

A mechanic must not do extra work on your car without checking with you first. If they don't check, you do not have to pay for the extra work done.

## Garage refuses to release your car

A garage has the legal right to hold onto your car until you pay for work done. This is called a **repairer's lien**.

Whether you got an estimate or quote affects how the law applies.

### **If you got a quote**

The garage can keep your car if you don't pay the price you were quoted.

The garage cannot keep your car if you pay the quoted price, but the garage says the work cost more.

If the garage keeps your car in this situation, you may be able to claim compensation.

### **If you didn't agree a price beforehand**

The garage can keep your car until you pay the final bill.

They may hand over the car if you pay what you think is reasonable.

You may need to go to the Disputes Tribunal to decide on the difference. Citizens Advice Bureau can help.

### If you can't pay

The garage may let you pay the bill in instalments. If the bill is reasonable, the garage has the right to keep your car until you pay in full.

If after two months you have not paid or come to a repayment agreement with the garage, the garage maybe able to sell the car at auction. There are rules around how they do this. Ask Citizens Advice Bureau or Community Law Centre for more information.



*If you have money worries, it helps to talk to a free financial mentor. Call the MoneyTalks helpline 0800 345 123.*

### How to solve your problem

Before speaking to the garage, it's a good idea to prepare. Use the worksheets in this booklet:

- How to resolve an issue worksheet, (see page 22)
- Complaint notes worksheet, (see pages 24-25).

### It helps to have supporting documents:

- a copy of the quote/estimate
- the bill
- details of what happened
- copies of any messages between you and the mechanic/garage, e.g. emails, texts.

Take copies and hang on to the originals.

Get support from Citizens Advice Bureau at any point.

# Courtesy cars

Garages don't have to give you a replacement vehicle while they do repairs. But some do as part of their customer service.

Car insurance may cover courtesy car hire. To qualify, your car usually needs to be repaired at a garage your insurer approves.

## Consequential loss

You may be able to claim compensation for extra costs if the garage:

- takes an unreasonably long time to fix your car
- didn't fix your car properly
- damaged your car.

Find more on reasonable time ([see page 10](#)).

## Examples of extra costs include:

- towing charges
- meals/an overnight stay if stranded far from home.

There's a limit to what you can claim. You must also keep costs to a minimum and keep receipts.

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### Example: Claiming extra costs

Tai's car is dented when being repaired. While it is fixed, Tai takes a taxi to work. He claims his fares from the garage.



# Insurance



*Make sure you take out the insurance you need — ask your insurer about different options. Check any add-ons apply to your situation.*

Driving without insurance is risky.

**Third party insurance** is least expensive. It protects you if you damage somebody else's property or car.

**Third party, fire and theft** gives extra cover if your car is stolen or catches fire.

**Comprehensive** is needed if you bought your car on finance. Keep your policy up to date so your loan contract remains valid. It covers:

- damage to your car
- damage you cause to someone else's car or property
- other accident-related costs, e.g. towing, car hire.

Remember to renew your policy so your loan contract stays valid.

## Disclosure

### Tell your insurer:

- who will drive the car
- about any accidents or traffic convictions
- if the car is modified (including before you bought it), e.g. lowered, turbo added.
- be honest or a claim could be denied.

### Reasons claims can be denied:

- not sharing information your insurer asks for
- intentional damage
- breaking driving licence rules
- unroadworthy car
- wear and tear.



*Contact your insurer if anything changes, e.g. you get a speeding ticket, new driver.*



# Warrant of fitness (WOF)

A WOF is a general safety check. It's unlikely to flag all potential issues, e.g. a worn clutch.

A valid WOF is needed to renew your vehicle licence (rego). Keep an eye on when both expire. If your rego or WOF is out of date, you may have to pay big fine.

## Between WOFs

WOF inspections do not replace the need for regular maintenance. To keep your car roadworthy, have it serviced regularly.

### Check things like:

- tyres
- windscreen and wipers
- mirrors
- indicators and headlights
- rust.

Your insurer could refuse a claim if the car is unsafe, even if your WOF is current.

# Repairs for cars bought on finance

Keep making loan payments, even if you cannot use the car while it's being repaired.

## **Check if the car's issue is covered by consumer laws.**

- For genuine faults, your car dealer may have to pay for repairs.
- For wear and tear, you pay for repairs.
- For accidental damage, you pay for repairs — or your insurer, if your claim is accepted.

Sometimes repair bills can make it hard to afford loan payments. Tell your lender as soon as possible. They may agree to change your payments. If you just stop paying, your lender can charge extra fees and interest — and your debt will grow.

## **Car written off**

A “write-off” is a car so badly damaged your insurer will not pay for repairs. The cost of fixing it is more than the car is worth.

Instead your insurer may give you a cash payout (called a total loss payment) based on the car's market or agreed value — depending on your policy.

If you bought the car on finance, keep making payments until the insurer officially writes off your car. Any total loss payment will be paid to your lender first. You may have to pay your lender any difference between the payout and the amount borrowed.



*It helps to talk to a free financial mentor. They can work out what you can afford and talk to lenders for you. Call the MoneyTalks helpline 0800 345 123.*

# Prioritise repairs

If your mechanic says your car needs repairs, ask:

- which are most urgent
- what will happen if you don't do them
- how long repairs will take
- the cost
- if you can drive your car in the meantime
- if your car is worth repairing.

## Second-hand and after market parts

These can save money. Ask your mechanic about quality and how long a part is likely to last.

**Second-hand parts** have come from another person's car.

**After market parts** are copies of car manufacturer parts. They are new, but less expensive. Some can be as good or even better quality than the original. Others are poorer quality. An experienced mechanic should know which have a good reputation.

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### Example: Repairs cost more than cars value

Peta's service shows a worn clutch and a few other problems. The mechanic says repairs will cost more than the car is worth. She suggests Peta plans for a new car.



### Avoid bigger problems

Ignoring a problem can mean it is much more expensive to repair. For example, replacing brake pads is a minor job. Leaving it causes disc rotor damage, which is much more expensive to fix.

Take your car to a mechanic if:

- a warning light appears on your dashboard
- you think something might be wrong.

### Get a service

Doing it regularly, e.g. every six months, helps identify problems early. It can make your car last longer and stop small jobs from being more serious.

After a service, your garage should flag:

- urgent fixes, e.g. a safety issue
- what needs fixing soon
- what to keep an eye on.

Having a service means you can budget for, or at least be aware, what may need repairing.

If you change garages, give your service and warrant papers to the new mechanic.

# Choose a garage

## Mechanics should:

- check before doing work
- explain what needs to be done and why
- say how urgent work is
- give options, e.g. used versus new parts
- explain pros and cons of each.

## Check:

- their hourly rate
- who will work on your car
- if any apprentices be supervised.

Give the garage your car's WOF and service papers, if you have them. Knowing your car's history makes it easier to spot problems.

Motor trade associations, e.g. MTA, VSF, can help sort out problems with their members.



**Ask the garage to quote for any work, in writing, before doing the job. Tell them they must not do extra work without checking first.**

# How to resolve your issue with a garage

When you know which consumer laws apply — and remedies you may be entitled to — you are ready to resolve your issue. You may not need to do both steps. Support and advice is available along the way.

## Step 1: Contact the garage first

### Phone, email or visit the garage

Most issues can be resolved with the garage without having to do anything else. Get in touch with them.

Describe your problem and what you want to happen. Be prepared to answer questions and give the mechanic time to look into your issue.

### Tips

- It's best to talk to a manager or supervisor, if possible.
- Keep calm and stick to the facts.
- Explain the outcome you want.
- Know your rights. For details and examples, ([see page 6](#)).
- Take this booklet to show you understand what you are entitled to.
- Bring the quote/estimate, emails, or other proof, e.g. photos of damage/faults. The garage should have details of the repair, but it's a good idea not to rely on this.
- Take a friend or family member for support.



**Use the Complaint notes worksheet at the end of this booklet to record who you talk to, the date, and what was said.**

## Step 2: Make your complaint official

### Put your complaint in writing

If going to the garage doesn't help resolve your issue, try making your complaint official by writing a letter or email to the manager, owner or customer service team, if the business has one.

Let them know about your issue and what you want done.

### Tips

- Include details of the work you agreed on, e.g. fix brakes, WOF inspection, look into why overheating.
- Give a detailed description of the issue and when you noticed it.
- Mention which consumer law(s) apply to your issue — for help identifying these, ([see pages 4-5](#)).
- Stick to the facts.
- Include your contact details.
- Give a date you want to hear back by.
- Attach copies of your quote/ estimate, invoice, any emails or other proof — the garage should have your repair details, but it is best not to rely on this.



Find example complaint letters at [consumerprotection.govt.nz](https://consumerprotection.govt.nz)

## Get help and advice

### Contact an advisor

At any point when trying to resolve your issue, you can get help and advice from trained experts.

They can explain your rights, show the next steps, and provide support. This might mean helping you resolve the issue directly with the garage, or taking your issue to the Disputes Tribunal.

### Where to find help

#### Citizens Advice Bureau (CAB)

is a free, independent service, run by volunteers. CAB can advise you on your consumer rights in person, by phone on 0800 367 222 or online at [cab.org.nz](https://cab.org.nz)

**Community Law Centre** offers free, one-on-one legal advice to people with limited finances. Find legal information and other resources online at [communitylaw.org.nz](https://communitylaw.org.nz)

## Complaint notes

Use this worksheet to record your issue. Have it with you when you contact the mechanic. Fill in the **Notes and supporting documents** section as you follow the steps.

**Note:** the Consumer Guarantees Act only applies to repairs done by professional mechanics.

### Repair information

Write down details of your repairs — work done, cost, date, name of the mechanic/garage.



**Keep any receipts, quotes or estimates safe and handy. If you don't have these, give as much detail as possible, including what the mechanic told you.**

### What's gone wrong

Write down the issue with the repairs, e.g. quality of work, time taken and cost. State the main facts.

*For example: I asked for new tyres. 3 months later failed WOF due to worn tyres. I drive normally for short distances. Tyres wore out too fast as mechanic fitted used, not new, tyres.*



## Consumer laws

Tick the law that applies to your issue. There may be more than one. (see pages 6-7) to find out which applies.

- ☐ Consumer Guarantees Act - quality of work
- ☐ Consumer Guarantees Act - unreasonable cost
- ☐ Consumer Guarantees Act - unreasonable time taken
- ☐ Fair Trading Act - misleading information

## Requested outcome

Explain what you want the mechanic to do.

For example: New tyres fitted for free. Money to cover cost of the failed WOF inspection.

## Notes and supporting documents

When you contact the mechanic, keep a record of what happened. Take notes if you spoke in person or by phone. Save emails. Take screenshots of texts or online messages. These will be helpful if you need to follow up again, or take the issue further.

| Date and time        | Who              | What they said, actions from here   |
|----------------------|------------------|---|
| 10am,<br>23 Nov 2020 | Name of mechanic | They will check my tyres & their logbook in next 2 days. They will call me back 26 Nov. |
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# Notes

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## Consumer Protection

Ministry of Business, Innovation and Employment

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