

## HIGH COURT DECISION ON FUEL LABELLING CASE

13 December 2023

To: AADA MEMBERS

Today the High Court handed down its decision to uphold the appeal in *Mitsubishi Motors Australia Ltd & Anor v. Begovic*. The AADA sees this as a common sense decision to ensure certainty for Australian Dealers and manufacturers to continue to supply vehicles to consumers without fear of inadvertently breaching the law.

In 2019, the applicant made a claim in VCAT seeking a refund of the full purchase price of their 2016 Mitsubishi Triton, claiming that the vehicle consumed more fuel than the fuel consumption label indicated.

VCAT found in favour of the consumer and ordered a refund for the purchase price of the vehicle. This decision was appealed to the Supreme Court of Victoria which unanimously dismissed the appeal.

This was then appealed to the High Court of Australia which unanimously held in favour of the appellants on the mandatory conduct ground. *"In circumstances where the appellants were bound, respectively, to apply and to maintain the fuel consumption label on the respondent's vehicle, a label the form and content of which were dictated by ADR 81/02, the appellants did not, by that conduct, breach s 18 of the ACL."*

This is an important decision for franchised new car Dealers as the ACL makes no distinction between retailers or suppliers regarding liability for misleading or deceptive conduct, and as such Dealers may be held liable for actions out of their control.

The AADA has released a statement welcoming this finding which you can view [here](#).

Members can view the judgment summary [here](#).

If you have any questions or need further information, please contact:

**Melissa Dimovski**

DIRECTOR POLICY AND ADVOCACY

Australian Automotive Dealer Association Ltd.

E: [mdimovski@aada.asn.au](mailto:mdimovski@aada.asn.au)

M: +61 436 353 877