

Australia sues Volkswagen for millions over emissions cheating

SYDNEY: Australia's consumer watchdog has launched court action against Volkswagen over a massive emissions cheating scandal, saying the German car giant had engaged in "extraordinary conduct" as it sought millions of dollars in fines.



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The troubled automaker, which owns brands ranging from luxury Audi to lower-end Skoda, is battling its biggest-ever crisis after admitting a year ago to a massive emissions cheating scandal affecting 11 million diesel engines.

The Australian Competition and Consumer Commission (ACCC) said Volkswagen and its Australian subsidiary "engaged in conduct liable to mislead the public in relation to diesel vehicle emission claims" between 2011 and 2015. A spokeswoman for the government regulator said it was seeking fines on emission claims. The ACCC alleged multiple breaches of Australian consumer law, with each one attracting a fine of up to Aus\$1.1 million (US\$830,000) if the case succeeds in court.

"The ACCC alleges that Volkswagen engaged in multiple breaches of the Australian consumer law by concealing software in their vehicles to cheat emissions testing and misleading consumers about the vehicle's compliance with standards and emission levels during on-road conditions," ACCC Chairman Rod Sims added in a statement.

In legal proceedings lodged in the Federal Court on Thursday, it was alleged that more than 57,000 vehicles sold in Australia over the five-year period did not operate as Volkswagen advertised.

"These allegations involve extraordinary conduct of a serious and deliberate nature by a global corporation and its Australian subsidiary misleading consumers and the Australian public."

Volkswagen Australia has been contacted for a response.

The car giant last week reached an undisclosed settlement to compensate US dealers over losses from the diesel-cheating scandal, which has been dubbed "dieselgate". Volkswagen said in October last year that more than 91,000 of its vehicles in Australia were fitted with emissions-cheating technology.

Source: AFP

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