



Speech by

CHRISTINE SMITH

MEMBER FOR BURLEIGH

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MOTOR VEHICLES SECURITIES AND ANOTHER ACT AMENDMENT BILL

Mrs SMITH (Burleigh—ALP) (2.50 p.m.): I am pleased to support the Motor Vehicles Securities and Another Act Amendment Bill 2002. This bill's objective is to provide consumer protection in relation to the sale of written-off vehicles by auctioneers and motor dealers. A vehicle is classified as written off when it has been in an accident or suffered some form of water, fire or malicious damage. Written-off vehicles are classified as either a statutory or repairable write-off. A statutory write-off refers to a vehicle which is too badly damaged to be repaired to a standard that is safe for road use and is therefore suitable only for use as parts or scrap. The vehicle's identification number will be recorded as a statutory write-off and the vehicle will not be allowed to be reregistered.

When a stolen vehicle has another vehicle's identification number applied to it, the practice is called the rebirthing of a new vehicle. This means that thieves use the identity of a legitimate written-off vehicle to register and on sell a stolen vehicle. A repairable write-off has been assessed as uneconomical to repair. The VIN will be recorded as a repairable write-off and the vehicle will be reregistered only if it is repaired and passes a written-off vehicle inspection. A safety certificate will be required prior to obtaining a written-off vehicle inspection. The Written-off Vehicle Register will give the public an avenue to check if a vehicle they intend to buy is currently recorded as a write-off. This gives consumers greater protection when purchasing a second-hand vehicle.

The register will gradually reduce the number of VINs available for stolen vehicles. Consumers will be able to access this information by purchasing a written-off vehicle certificate from the Office of Fair Trading through the REVS system. An amendment to the Property Agents and Motor Dealers Act 2000 will require auctioneers to announce immediately before the auction of a written-off vehicle details of its status and what implications this has for reregistration of the vehicle. Further amendments clarify the situation with respect to water damaged motor vehicles. Previously, people buying these vehicles could be buying time bombs. Flood-damaged cars might run well for one or two years, but eventually electrical and computer systems are likely to malfunction and corrosion will appear. Instead of getting a bargain, buyers are stuck with a bomb.

While auction houses charged with the disposing of flood-damaged vehicles would probably inform potential buyers of the vehicle's origin, subsequent sellers, be they private people or car dealers, are under no obligation to pass on this information to prospective purchasers. Currently, under REVS, insurance companies are required to notify the Office of Fair Trading of water-damaged vehicles that are uneconomical to repair. Under the proposed changes, water-damaged vehicles will be classified as written-off vehicles and must be recorded on the Written-off Vehicle Register. These proposed changes offer consumers a level of protection not previously enjoyed, and for that reason I commend the bill to the House.
