



Speech by

**Michael Caltabiano**

**MEMBER FOR CHATSWORTH**

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## **PROPERTY AGENTS AND MOTOR DEALERS AND OTHER ACTS AMENDMENT BILL**

**Mr CALTABIANO** (Chatsworth—Lib) (11.33 am): It gives me great pleasure to speak for a short time on the Property Agents and Motor Dealers and Other Acts Amendment Bill 2005 and in particular to focus on the motor traders aspect of it and the association that represents the motor traders across Queensland. In doing so, it is appropriate that I recognise Mr Tony Selmes, a long-time member and representative of the Motor Trades Association of Queensland, the MTAQ, who is stepping down this year after many years of service to the industry. I wish Tony and his family all the very best for the future. I am sure he will not be a stranger to advocacy in some role in this place in the near future.

There are many good people in the Motor Trades Association providing great service to Queenslanders and many people who have had a long and distinguished career in providing great service to Queenslanders over many years. The industry is one of those that allows small business operators and family operators to establish themselves, gain a reputation and then maintain that reputation for many generations, as we have witnessed across Queensland with dealerships being handed down from father to son or father to daughter. Byrne Ford, Zupps, Bill Gollan Car Sales, Llewellyn Motors and Honeycombes are a few.

This bill has a primary objective of amending the act to make a number of minor and technical amendments to a range of acts under the Department of Tourism, Fair Trading and Wine Industry Development. This bill intends to make amendments to address inappropriate practices such as the underquoting or overquoting of property prices by real estate agents, to address the requirement of motor dealers to operate from approved premises, to increase the penalties for unlicensed motor dealings, to ensure that motor dealers do not avoid their statutory obligations by pretending to be private sellers and introduces penalties for excessive or improper commission offences as well as a requirement that such commissions are returned to the client.

I support the bill before the House and in doing so take the opportunity to articulate some of the industry views on this bill and, more importantly, its position and its thinking long term on where this bill and the government need to focus their attention. Under the old act, the basic requirement to obtain a motor vehicle dealer's licence was that one had to be of good character, have at least three years experience in the industry within the last five years, have a properly constituted motor vehicle dealing premises with local council approval, have a display area facing the roadway and pass a written examination.

Under this legislation no experience is required. One just has to pass an external exam. The industry tells me that there are some concerns about people who are obtaining a pass on external exams. It is questionable whether those people receiving licences have, firstly, done the test, or, secondly, are up to scratch. The last issue is people receiving these licences having legal premises. This is an important issue to the industry. It is important that people who sell motor vehicles abide by this.

I must say that, in most cases, motor vehicles are the second largest purchase that any family is likely to make. It is important when dealing with a licensed motor vehicle dealer that they have the necessary skills and experience to be able to assist the public in making these significant financial

commitments. The licence training and the complexity of the motor vehicle dealer's job and the responsibility that comes with that job cover many areas—motor vehicle roadworthiness, registration, transfer, providing clear title, finance, insurance, warranty, cooling-off periods, taxation and GST issues.

Motor vehicle licence holders must have a very clear understanding of all of those issues and be able to run their businesses and provide the public with a degree of certainty about the product that they are buying. Motor vehicle premises are turning out to be a particular issue for the industry at the moment. The industry is of the view that there is a significant abuse of the process. People who are obtaining a licence are not necessarily meeting the requirement to have an approved premises. Prior to the current legislation, motor vehicle licence holders were required to have local government approval for their premises—that is, that the premises were appropriately zoned and used for the explicit purpose of selling motor vehicles.

Those provisions will no longer be in place. An example given to me related to the Gold Coast, where a person with a licence to operate had 14 or 15 cars in the street in which they lived and used advertisements in the local papers to sell those motor vehicles from the street. Clearly this is a major issue that the industry sees needs to be tightened up. The responsibility for having a place to trade needs to be very clear and that the place to trade has local government approval for being used as a motor vehicle retail outlet.

One of the other issues that the industry is very concerned about relates to the explosion in the number of licences issued in recent years and how this is affecting the quality of the service delivered by the industry, particularly with regard to those areas I have listed where people do not have the necessary skills to deal with matters like roadworthiness, registration, titling, financing and warranties. People have gone out and got a licence themselves so that they can attend a wholesale motor vehicle auction and buy a car for themselves, their wife or their friends at wholesale prices. That is not the intention of those people seeking to gain a licence under this legislation and not the way to conduct a business.

In my discussions with the industry their biggest issue of concern is the issue of licensing and the issuing of licences to people who do not use them for the explicit purpose of selling motor vehicles to the public. To get some semblance of order in how these licences are dealt with is a key issue for them. The bona fides of those people who are issued with licences need to be up to scratch and they need to intend to run a business and intend to be part of the industry providing a quality service to the motoring public of Queensland.

I am a big supporter of the motor trades industry in Queensland. As with all industries in Queensland, there are very good people who are involved with motor trades and around the edges there are those who abuse the industry and who defy the regulations, and the full force of the law needs to be brought down upon those people. I would suggest that it is suffice to say that unlicensed dealing impacts very heavily on the community, and confiscation of motor vehicles found in the possession of unlicensed motor dealers is perhaps a penalty that should be given due consideration at some stage in the future to ensure that this sort of behaviour is totally discouraged. I look forward to supporting the bill with the exception of the section that the shadow minister, the member for Currumbin, outlined with regard to the Magic Millions. Again, in closing I wish to send a message to Tony Selmes wishing him all of the best for his future.