



Speech By  
**Hon. Jarrod Bleijie**


**MEMBER FOR KAWANA**

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Record of Proceedings, 20 November 2013

## **MOTOR DEALERS AND CHATTEL AUCTIONEERS BILL**

### **Introduction**

 **Hon. JP BLEIJIE** (Kawana—LNP) (Attorney-General and Minister for Justice) (7.53 pm): I present a bill for an act to provide comprehensively for the regulation of the activities, licensing and conduct of motor dealers and chattel auctioneers and their employees, to protect consumers against particular undesirable practices, and to make minor and consequential amendments of this act, the Criminal Organisation Act 2009, the Duties Act 2001, the Forestry Act 1959, the Police Powers and Responsibilities Act 2000, the Queensland Civil and Administrative Tribunal Act 2009, the Second-hand Dealers and Pawnbrokers Act 2003 and the Transport Operations (Road Use Management) Act 1995. I table the bill and the explanatory notes. I nominate the Legal Affairs and Community Safety Committee to consider the bill.

*Tabled paper:* Motor Dealers and Chattel Auctioneers Bill 2013 [\[4102\]](#).

*Tabled paper:* Motor Dealers and Chattel Auctioneers Bill 2013, explanatory notes [\[4103\]](#).

Motor dealers and chattel auctioneers in Queensland are currently regulated under the Property Agents and Motor Dealers Act 2000, along with a range of other separate and diverse industries. By ‘motor dealers’ I am referring to individuals and businesses that buy and sell used motor vehicles. ‘Chattel auctioneers’ are individuals and businesses that provide auctioneering services for auctions of goods, motor vehicles and livestock.

The bill is one of four bills designed to repeal the Property Agents and Motor Dealers Act 2000 and replace it with three industry-specific acts, supported by a financial administration act containing common trust account obligations and claim fund provisions applying across the industry-specific acts. Like the other bills, this bill contributes to the government’s ongoing commitment to reduce regulation and red tape for Queensland business.

It is vital that both the motor-dealing and chattel-auctioneering sectors continue to be regulated to ensure that levels of consumer protection and professional standards in these sectors remain high. To achieve that, it is necessary that both motor dealers and chattel auctioneers meet appropriate training, suitability and conduct requirements given the potential impact on consumers and other businesses of unsuitable or unqualified operators in these sectors. Indeed, legitimate businesses in these sectors support continued licensing and regulation of their activities.

For these reasons, the bill maintains the primary policy objective of the Property Agents and Motor Dealers Act 2000 to regulate the motor-dealing and chattel-auctioneering industries in Queensland—that is, to provide a system for licensing and regulating persons as motor dealers and chattel auctioneers and for registering and regulating persons as motor salespersons that achieves an appropriate balance between the need to regulate for the protection of consumers and the need to promote freedom of enterprise in the marketplace.

However, the Queensland government also recognises the need to reduce some of the unnecessary regulatory burden placed on businesses and individuals working in these industries. The bill will simplify critical areas of the legislation to achieve a reduction in the costs to motor-dealing and chattel-auctioneering businesses which are imposed by some of the existing requirements of PAMDA. These red-tape reductions have largely been developed through close consultation with the regulated industries.

The split of the Property Agents and Motor Dealers Act 2000 also results in a split of licensing of specific auctioneering functions in that an auctioneer licence under the Property Occupations Bill 2013 will authorise sale of real property by auction, while a chattel auctioneer licence under this bill will authorise sale of goods, motor vehicles and livestock by auction. This may result in some businesses or individuals holding two licences to provide a complete range of auctioneering services. However, care has been taken to keep the requirements for auctioneers under the two bills comparable, and allowances for fee waivers for multiple licences will be made to minimise any impact in terms of costs of obtaining or maintaining multiple licences.

The red-tape-reduction initiatives provided by the bill are sensible but substantial measures designed to reduce certain prescriptive, costly or time-consuming elements of the present legislative framework. A key example is the simplification of statutory warranty requirements that will see statutory warranties provided for a single class of vehicle up to 10 years old that has travelled fewer than 160,000 kilometres. Removing short-term statutory warranty requirements for older, typically low-value vehicles will make legitimate sales of these vehicles more viable. It will also reduce the prevalence of illegal dealings in these vehicles, ensuring that beneficial consumer protections such as cooling-off periods and guarantees of title apply when they are sold legitimately.

Another key example for chattel auctioneers is removing the client referee requirements for paying out the proceeds of livestock sales by auctions. It is appropriate that existing safeguards around stock identification and criminal law prohibitions relevant to livestock ownership issues are in place. However, it is not appropriate to burden chattel auctioneers with the requirement to act as referees for the clients they are selling for specifically when dealing in livestock.

The bill reduces the number of approved forms required for used motor vehicle transactions, for both motor dealers and chattel auctioneers. This will eliminate aspects of red tape and unnecessary duplication of information provided as part of a transaction without threatening safeguards such as the requirement to guarantee title to purchasers. For example, there will no longer be a requirement to provide an approved form recording particulars of a vehicle and stating that the responsible licensee guarantees title. These particulars are already required to be provided as part of another approved form; the seller is required in any case to guarantee title under the terms of the bill; and the client is to be made aware of that guarantee of title under a simple addition to the contract of sale.

The Queensland government is determined to stop criminal organisations from operating in the state. Links have been identified between criminal organisations and a number of business sectors, including the used-motor-dealing sector. The bill will prevent identified participants of criminal organisations from obtaining or holding a motor dealer licence or motor salesperson registration certificate. These provisions will support the government's strong action on criminal organisations by preventing participants in criminal organisations from infiltrating used-motor-dealing businesses or otherwise legitimising their activities through these businesses.

Consistent with the other two industry-specific bills, the bill also makes a number of changes to the licensing requirements including, for example, removing the requirement for directors of licensed corporations to hold a licence. I commend the bill to the House.

### **First Reading**

**Hon. JP BLEIJIE** (Kawana—LNP) (Attorney-General and Minister for Justice) (7.59 pm): I move—

That the bill be now read a first time.

Question put—That the bill be now read a first time.

Motion agreed to.

Bill read a first time.

### **Referral to the Legal Affairs and Community Safety Committee**

**Mr DEPUTY SPEAKER** (Dr Robinson): Order! In accordance with standing order 131, the bill is now referred to the Legal Affairs and Community Safety Committee.