

FACT SHEET

Australian Consumer Law (Tasmania) Bill 2010

The *Motor Vehicle Traders Bill 2011* will regulate the motor vehicle industry in Tasmania and replaces the *Fair Trading (Code of Practice for Motor Vehicle Traders) Regulations 1996* which have now been the subject of review for a number of years. The legislation:

- (a) extends the statutory warranty provisions contained in the Fair Trading (Code of Practice for Motor Vehicle Traders) Regulations 1996; and
- (b) introduces a new licensing process for motor vehicle traders which:
 - requires applicants to prove they are a fit and proper person to operate as a motor vehicle trader;
 - requires that in applying for a licence a trader agrees to abide by the requirements of the legislation;
 - prescribes circumstances in which a licence can be revoked, including a failure to comply with any provision of the legislation;
 - applies to new and used motor vehicle traders.
- (c) prescribes the minimum information that must be provided to a consumer prior to purchasing a motor vehicle. The disclosure requirements will be premised on the principle that unless otherwise disclosed a consumer can safely assume that the vehicle and anything fitted to it is fully functional; and
- (d) provides for consumers who suffer loss or damage arising from the conduct of a motor vehicle trader or any of their employees in contravention of a provision of the Act.

The Motor Vehicle Traders Bill has been developed in consultation with the Tasmanian Automobile Chamber of Commerce and will operate in concert with the new Australian Consumer Law to provide significant safeguards to consumers purchasing new and used motor vehicles in Tasmania.

The Australian Consumer Law (ACL), comprising Schedule 2 of the *Competition and Consumer Act 2010* of the Commonwealth, commenced as a law of Tasmania on 1 January 2011. The ACL delivers enhanced consumer protections for Tasmanian consumers. The ACL includes new national law guaranteeing consumer rights when buying goods and services, including motor vehicles.