

SECOND READING SPEECH

Motor Vehicle Traders Amendment Bill 2011

Mr Speaker, I move that the *Motor Vehicle Traders Amendment Bill 2011* be read a second time.

The *Motor Vehicle Traders Act 2011* replaces the *Fair Trading (Code of Practice for Motor Vehicle Traders) Regulations 1996* and will regulate the motor vehicle industry in Tasmania.

The Act prescribes a positive licensing requirement for motor vehicle traders, imposes disclosure, statutory warranty and other obligations on traders, and contains a range of offences. The Act, and regulations under the Act, have not yet commenced.

The Act was recently passed by Parliament, but has not yet commenced.

Currently, in order for motor vehicle traders to avoid paying duty on the transfer of motor vehicle registration, an exemption certificate must be obtained. The State Revenue Office grants exemption certificates for 12 months. Current exemption certificates expire on 31 March 2012.

It is planned that grant of duty exemption will be automatic upon the issuing of a motor vehicle traders licence under the Act.

The Act mandates a probity assessment of all licence applications. It is anticipated that between 160 and 200 applications will be received. Since current duty exemptions expire on 31 March 2012 it will be necessary to issue all licences effective from 1 April 2012.

The Act as currently drafted makes it an offence to trade in motor vehicles without a licence. However there is no statutory authority to assess applications, or issue licences, until the Act commences.

Therefore it is necessary to amend the Act to allow for different provisions to commence on different dates, including some consequential amendments to the *Australian Consumer Law (Tasmania) Act 2010*, the *Consumer Affairs Act 1988* and the *Duties Act 2001*.

The Motor Vehicle Traders Amendment Bill will allow for a staged commencement in order to better facilitate transfer of duty exemption and licensing functions from the Office of State Revenue to Consumer Affairs and Fair Trading.

Mr Speaker, I commend the *Motor Vehicle Traders Amendment Bill 2011* to the House.