

# MTATE LEADING AUTOMOTIVE INNOVATION

## MEDIA RELEASE

18 November 2022 FOR IMMEDIATE RELEASE

# MTA Queensland Calls for Tougher Stance on Odometer Fraud

MTA Queensland is calling for significantly higher penalties and increased regulatory action against odometer fraud in light of a recent investigation that uncovered a network of backyard operators tampering with odometers and selling vehicles under false pretenses.

Five individuals located South of Brisbane were arrested and charged with 40 offences under the *Motor Dealers and Chattel Auctioneers Act* this week for making false representations about the distances travelled by up to 700 second-hand vehicles over the last 12 months.

Unfortunately, despite the ongoing efforts of the Office of Fair Trading (OFT), the issue of odometer fraud remains prevalent in Queensland, with many 'backyard operators' continuing to undermine the market and sell vehicles without proper licensing to avoid legal obligations around tax, stamp duty and record keeping.

With instances of odometer tampering continuing to greatly impact the back pockets of Queensland consumers, MTA Queensland has launched an <u>online reporting platform</u> where consumers and businesses can upload evidence of a vehicle they come across that they believe has been tampered with. This information is collated and given to the OFT to aid their investigations.

MTA Queensland CEO Rod Camm said, "We applaud the Office of Fair Trading and Queensland police for uncovering and prosecuting these unscrupulous operators. However, it is clear that the penalties for performing this illegal activity as they currently stand do not go far enough to deter offenders, and we are calling for a significant escalation of the penalties available. At a minimum, penalties must include the seizure of vehicles, surrendering of all

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proceeds of the sale, as well as substantial fines in order to properly deter offenders. These practices are high-level consumer fraud and need to be stamped out immediately.

"Additionally, it is imperative that Government prevent odometer fraud by refusing to transfer the registration for vehicles that report odometer irregularities.

"The actions of these dishonest operators jeopardises the integrity of the automotive industry and the businesses that operate by the book. Our message to consumers is to ensure you are only dealing with an authorised, licensed motor dealer when purchasing a vehicle to ensure you are not being taken for a ride and are receiving all authentic certification."

## \*\*\*ENDS\*\*\*

### For more information:

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### **Background:**

The Motor Trades Association of Queensland (MTA Queensland) is the peak body representing the interests of employers in the retail, repair, and service sectors of Queensland's automotive industry. MTA Queensland has been performing its vital representative role for the automotive industry since 1929. In Queensland there are some 16,000 automotive businesses employing more than 90,000 people, that generate more than \$7.24 billion to the state economy annually. The automotive industry is estimated to contribute \$37 billion to the Australian economy each year. The Association represents and promotes issues of relevance to all levels of government. In 2019 MTA Queensland was announced as an ABA100 winner in The Australian Business Awards and a finalist in the Lord Mayor's Business Awards, for Business Innovation.

The **MTA Institute (RTO 31529)** is the leading automotive training provider in Queensland offering nationally recognised training, covering technical, retail and the aftermarket sectors of the automotive industry. The MTA Institute is the largest independent automotive training provider in Queensland, employing experienced trainers who are geographically dispersed from Cairns to the Gold Coast and Toowoomba to Emerald. In the last year, the MTA Institute delivered accredited courses to more than 2,000 students. The MTA Institute is the first trade RTO in Australia to be approved under the ITECA Industry Certification Program and was the winner of the Small Training Provider of the Year at the 2019 Queensland Training Awards.

**MTAIQ**, Australia's first automotive innovation hub established by MTA Queensland in 2017, is an ecosystem that supports innovation and research for the motor trades.

#### **Motor Trades Association of Queensland**