



## Legislative Proposals Focus on Unlicensed Selling

The amendments to the *Motor Dealer Act*, introduced today by Minister of Public Safety and Solicitor General Mike Morris, include important changes many in the industry have requested. If passed, these changes will include:

### New consumer protection authority

- Giving the VSA the ability to issue compliance orders, assess administrative penalties and accept undertakings for unlicensed activity, such as curbing and improper online sales.
- Creating the licensing categories of *wholesaler*, *broker-agent* and *broker-agent representative* to remove the gaps in consumer protection created by the licensing of only motor dealers and salespeople.

### Enhancing existing powers

- Allowing the use of electronic communications and paper hearings, in addition to oral hearings, in the processing of some complaints. This will reduce costs while increasing the speed and accessibility of the adjudication of complaints.
- Adding compliance orders and undertakings to the cancellation and suspension of licences as options for breaches of the *Motor Dealer Act*. This will provide a more flexible, proportionate and responsive approach to compliance.
- Adding the *right of reconsideration* for compliance orders and administrative penalties issued under the Act as a way to add fairness.
- Adding a strict prohibition against allowing an unlicensed person to sell vehicles.
- Transferring oversight of the Motor Dealer Customer Compensation Fund from Government to the VSA.
- Enhancing fairness and transparency by clarifying provisions for the publication of licensing and enforcement decisions.

Jay Chambers, President of the VSA, noted, "Simply put, these proposed changes increase the scope of current authority to previously unlicensed areas while enhancing other powers to add fairness, accessibility and efficiency."