

Thursday 28th June 2007

CAR BUYERS BEWARE OF NSW FLOOD-DAMAGED VEHICLES

Minister for Consumer Affairs, Jennifer Rankine, is urging anyone who is in the market for a second-hand vehicle to be wary of buying those imported from New South Wales.

This is due to serious quality concerns with some of the cars.

“A massive auction is scheduled to be held in New South Wales with many flood affected cars for sale. The potential is there for these vehicles to make their way into the South Australian market.

Although some vehicles may be sold in a roadworthy condition, I hold grave concerns about the general deterioration and quality of the cars over time,” Ms Rankine said.

Up to 2000 cars will be on offer at the event to be held on the **28-29 June 2007**. Promotional material claims that the auction is being held under instruction **“from Major Insurance Companies”** and there are **“hundreds of models, many still driveable”** and **“over 90% are repairable write offs”**.

My concern is that South Australians could end up buying these flood-affected cars without realising their history. Before deciding to buy a second hand car, a quick check of the Vehicle Securities Register (VSR) at Transport SA will determine if the car is listed as a written-off vehicle.

“Prospective buyers need to exercise extreme caution in buying unregistered cars or vehicles with New South Wales registration or documentation. They should check with the previous owner of the vehicle and have a thorough inspection before signing on the dotted line,” Ms Rankine said.

“Licensed second-hand vehicle dealers should only be selling roadworthy vehicles in SA. Nevertheless, this will not overcome potential issues of accelerated deterioration of the car due to body rust, corrosion of electrical components and damaged upholstery,” Ms Rankine said.

“A flood-damaged vehicle classed as an economic write-off by an insurer, may be repaired and pass a roadworthiness test. However, the car could be subject to rapid deterioration and ongoing problems due to the corrosive effect of floodwater on its parts.

An independent mechanical inspection is also recommended as it may reveal potential problems with rust or electrical components,” Ms Rankine said.

Before buying a second-hand car, people are being urged to:

- Check previous owner details (these must be available on the schedule on the window if being sold by a licensed dealer or at an auction)
- Check details of the car on the Vehicle Securities Registry at Transport SA (Ph 131084).
- Get an independent mechanical inspection, as a roadworthy vehicle can still show signs of deterioration or other problems.

These checks are recommended whether purchasing privately or from a dealer.

For further information about buying a second hand vehicle consumers can contact OCBA on 8204 9777 or visit www.ocba.sa.gov.au. For a free copy of OCBA's advisory brochure "Autocheck" telephone 8204 9516. To check the Vehicle Securities register consumers can telephone 131 084.