



Victim Impact:

Motor vehicle sales by unlicensed, illegal vendors.

The Motor Vehicle Sales Authority of B.C. (VSA) is an independent regulatory agency delegated by government to administer the Motor Dealer Act and related regulations, as well as the Business Practices and Consumer Protection Act and other statutes concerning the retail sale of motor vehicles, with a mandate to serve both consumers and industry. Motor vehicle dealers and all salespeople must be licensed and standards of practice are clearly defined. Except in the case of a private citizen selling his or her own vehicle, it is illegal for any unlicensed vendor to act as a salesperson, agent or broker in any retail motor vehicle sales transaction.

Unlicensed motor dealers - referred to in the industry as “curbers” - do considerable harm:

- **They offend both government and industry which have worked together for years to establish a fair regulatory environment, ethical boundaries and codes of conduct to serve the interests of consumers, salespeople and dealers.**
- **While dealers and salespeople pay licence fees and invest in professional development programs (both mandatory and voluntary), and engage in a wide variety of activities to upgrade the image of the industry, support charities and B.C. business in general, the unlicensed dealers and unlicensed salespeople merely extract funds from consumers under questionable circumstances and give nothing back to their community or industry. They unfairly compete in the market place with registered motor dealers who do comply with the various pieces of legislation regarding the proper sale of motor vehicles to consumers.**
- **They cheat consumers by leaving them completely without recourse under motor dealer or consumer protection legislation, or the benefits offered by the Motor Dealer Customer Compensation Fund, a fund financed by licensed dealers to assist consumers who might be victimized as a result of a dealer's business failure or certain other non-performance situations.**
- **It is a black market business rife with misrepresentation of vehicle histories, odometer rollbacks and dishonest practices such as falsifying sales documents to minimize sales taxes payable, corrupting consumers into illegal activity and therefore ensuring their conspiratorial co-operation if later problems develop.**

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- Investigating unlicensed dealers comprises 10 percent of the annual investigations conducted by the VSA, diverting financial and human resources of the Authority.
- Curbers are notoriously hard to investigate as they generally and deliberately do not put their names on any paperwork. Obtaining restitution for consumers is very difficult and all too often unsuccessful.

The law

In B.C., “[a] person must not sell, offer for sale, expose or display for sale or deliver over to a purchaser for use a motor vehicle, trailer or equipment for them that is not in accordance with this Act [Motor Vehicle Act] and the regulations.” Selling a vehicle that does not meet the minimum safety requirements in the Motor Vehicle Act and its regulations is contrary to section 222 of the Motor Vehicle Act. Section 21(2)(e) of the Motor Dealer Act Regulation requires a registered motor dealer to declare that a used motor vehicle meets the requirements of the Motor Vehicle Act.

- Registered motor dealers can be held accountable if they do not meet this requirement as they are licensed and identifiable. The majority of motor dealers inspect cars before they sell them to consumers. Curbers generally hide themselves and cannot be held to account if they sell unsafe vehicles. They also generally do not have the facilities to inspect cars and do not do so prior to sale. This potentially places consumers, and all British Columbians occupying the highways, at general risk.

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