



21 February 2025

With Senior Regional Officer for Midwest – Natasha Pirrottina

Dodgy deals done dirt cheap: the dark side of bargain car sales

Dodgy unlicensed car dealers are a blight on the community. They often put consumers and road users at risk by selling cars riddled with problems. Not only can they target Perth metro consumers, but they could also show up in regional towns and communities with their truck load of danger, looking to take advantage of vulnerable people such as low income earners, older Australians and the Aboriginal community.

If someone sells or exchanges four or more vehicles in any 12-month period to or with people that are not car dealers, they're carrying on a motor vehicle dealing business and need to be licensed.

Along with selling cars that are often unroadworthy, these unlicensed motor vehicle dealers don't offer warranties that are required by law on their second-hand vehicles. This means if you have mechanical issues after your purchase from these illegal operators, you won't be protected in the same way you would if you had purchased from a licensed car dealer.

Illegal traders generally do not repair any faults in a car once sold, leaving you out-of-pocket and possibly stuck with a lemon.

Consumer Protection is aware of situations in regional areas where cars sold by dodgy dealers only make it a few hundred kilometres down the road before they breakdown. The unknown cost to repair your vehicle is the risk you take by purchasing from an unlicensed dealer.

Also be wary of cars for sale on a verge or block of vacant land. There are cases of cars being sold in this way by unlicensed motor vehicle dealers.

You can protect yourself by doing a simple check. Before buying a car, check that the seller is licensed by asking to see their Motor Vehicle Dealer's Licence. You can also cross check online via the Online Licence Search – ols.demirs.wa.gov.au.

Another risky vehicle purchase can be a repairable write-off. Back in June last year, it became compulsory for car dealers to tell potential buyers whether a vehicle under 15 years old is a repairable write-off. Previously to this, a car dealer only had to tell you if you asked.

Unfortunately, inspections have revealed some dealers are not complying with repairable write-off rules. Look for the sign in the windscreen that shows whether the car was a write-off or not and continue to ask questions about the history of the vehicle you're looking to buy. And keep in mind, these rules do not apply to private car sales.



No matter whether you're buying privately or through a dealer, you should always inspect the log book, compare the condition of the car with how many kilometres the odometer reads and if possible arrange for an independent qualified mechanic to check over the vehicle.

A \$2 search of the [Personal Properties Securities Register \(PPSR\)](#) will also reveal if a vehicle under 15 years old is a repairable write-off, has been stolen and is free of outstanding debts.

To further protect consumers, there is also Consumer Protection's easy-to-follow [used car buyer's checklist](#). (<https://www.consumerprotection.wa.gov.au/publications/buying-car-buyers-checklist>).

Help protect yourself and others on the road by letting Consumer Protection know about unlicensed car dealers - call 1300 30 40 54 or consumer@demirs.wa.gov.au.