



Submission: Review of Australia's Automotive Manufacturing Industry

The RAWS Association is an industry group with members operating Registered Automotive Workshops for compliance of Used Imported Vehicles throughout Australia, under the current Specialist and Enthusiast Vehicle Scheme. This submission was prepared by the Association Board.

The Registered Automotive Workshop Scheme (RAWS) makes available to the consumer specialist and enthusiast vehicles that would not otherwise be available. Manufacturers and suppliers have great influence over both choice and pricing of the vehicles available to us as consumers. Examples of the disparity in pricing between new vehicles supplied to the US market and the same vehicles supplied to the Australian market are contained in the following table:

Make	Model	US Price (AUD)	Aust. Price (AUD)
Toyota	RAV4 AWD	26,869	31,990
Mazda	6	22,770	37,041
Mercedes	S600	178,629	433,201
Porsche	911	91,575	228,000

The concessional schemes available under the MVSA give Australian consumers more choice, and model example has demonstrated that when increased choice and availability is provided there is a downward effect on model prices.

In light of the recent changes to the automotive manufacturing industry in Australia, it is felt that there is considerable opportunity to broaden the range of used vehicles permitted to be imported, provided that an effective certification and ADR compliance scheme is maintained.

RAWS Association would therefore like to recommend the following:

- Unrestricted Importation of Used Vehicles up to 10 years of age.
- Restricted Importation of Specialist and Enthusiast Vehicles over 10 years of age to cater for vehicle enthusiasts, and specialist vehicles such as wheel chair accessible.

There would be significant benefits to altering restrictions to enable any used vehicle up to a maximum age of 10 years from build. This would hasten the reduction in age of the vehicle fleet, reducing emissions and improving safety. There would still be the requirement to demonstrate compliance, however limiting the age and consideration of country of origin would mean that emissions and occupant safety would be maintained. ADR compliance should be on a demonstration of compliance and mutual acceptance basis and relieved if the imported vehicle comes from either USA, Europe/Britain or Japan and build compliance can be validated to JIS, ECE FMVSS etc.

A Used Vehicle Importation Scheme should be mandated through the regulatory and audit process, as well as self-regulated through industry code of ethics, quality management programs and a certification process which requires independent certifiers.



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In consideration of the existing mandated and functioning Registered Automotive Workshops, it would be prudent to abolish the current SEVs restrictions for vehicles up to 10 years of age and increase the existing number cap of 100 vehicles per calendar year per vehicle category on an incremental basis over several years. This would allow the market place time to adapt, and the used imported vehicle industry time to transition to an unrestricted and market driven volume.

In summary, following are the RAWS Association's responses to Information Request 3.2 from the Productivity Commission's Position Paper – Australian Automotive Manufacturing Industry.

INFORMATION REQUEST 3.2

The Commission is seeking further information on the benefits and costs of removing restrictions on the large-scale importation of second-hand vehicles. In particular:

- **What would be the potential benefits of removing these restrictions?**
 - More Consumer Choice.
 - More Affordable Vehicle Choice for Consumers.
 - A Younger, Safer and Cleaner Automotive Fleet.
 - Reduced regulatory burden on Government.
- **What are the potential costs of removing these restrictions and who bears these costs?**
 - The potential cost of removing restrictions is unknown though it is expected there are savings to be made by reducing the regulatory burden currently borne by the Department of Infrastructure and Regional Services as well as Registered Automotive Workshops.
 - Administration of a Certification Scheme would be funded by Department of Transport and Regional Development, Vehicle Safety Standards, on a user pays system such as RAWS, or an Appointed Industry Association.
 - Used Imported Vehicle Certification Scheme with Private Enterprise Participants, and Self-regulated through Independent Certifiers.
- **How could compliance with Australian safety and environmental standards be most efficiently ensured?**
 - ADR Compliance Certification Scheme, based on Mutual Acceptable and Harmonization of Vehicle Standards and Country of Origin.
 - Roadworthiness Examinations prior to First Registration.
 - All Used Imports to be handled through Registered Workshops.
- **If the benefits are expected to exceed the costs, how should restrictions be removed and over what timeframe?**
 - Abolish SEVs restrictions for vehicles under 10 years of age.
 - Incremental increases in volume caps through Registered Workshops over period of several years.



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We would like to thank you for the opportunity to make this submission and look forward to further consultation as the Productivity Commission continues its review of the Australian Automotive Manufacturing Industry.

Yours Sincerely,

The RAWS Association Board

Michael Longdon	Chairperson
Fay Miller	Company Secretary
Simon Fell	Board Member
Christian Elliott	Board Member
Nuwan Piyatissa	Board Member