

Submission 53 – RVS Legislation Consultation

From Golee Raws Pty Ltd
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To whom it may concern regarding the proposed legislation changes for the importation of used cars into Australia.

It saddens me to see that the proposed changes will kill our already very small cottage industry.

My small business will close. It will not be financially viable to continue under the proposed changes as they are.

Our current numbers of used car imports are tiny - less than 0.5% of cars sold in Australia. In the last ten years the numbers of used imports have halved while new car sales have doubled. We are hardly a threat to the big Multinational importers and distributors that monopolize the Australian car Industry.

There is no manufacturing industry now to protect. Only fat Global new car brands that pay tax offshore rather than in Australia.

Our industry is not a threat to the Global Multinational Distributers of New Cars in Australia, but will offer a choice to consumers and other benefits that I will outline below:

It makes me feel sick to see that very few of our industry recommendations have been taken seriously by this Liberal Government (supposedly FOR small business) - and hardly any important recommendations from our small business owners have been adopted by this Government in the proposed legislation.

This is despite our recommendations being in alignment with Independent Reports commissioned and paid for by the this Government. All these three reports are being ignored to pander to big business interests with money and monopoly power. These interests serve themselves with vast multinational profits but give no benefit to Australian consumers who pay massively higher prices for cars here than in other countries (eg Japan and USA).

All three of these Independent Reports including the Productivity Commission Review recommended increasing the number of used import cars into Australia. If the Government heads its own paid for expert advice:
This will:

- Provide competition to Multinational new car importers who have a monopoly in Australia
- Offer more choice to Australian consumers

- Offer cleaner cars (hybrids not sold in Australia)
- Offer newer and safer used cars
- Generate a younger fleet
- Offer cheaper and better alternatives in the marketplace
- Stimulate competition in the marketplace to drive down the cost of our fleet and improve our global competitiveness.

(Currently our transport capital costs are massively higher than in other countries - close to double the retail price of vehicles is paid in other countries such as Japan and the USA).

If our recommendations are adopted we will still only have a small cottage industry that is not a threat to big businesses with money and political power - at best we will always represent less than 1% of vehicle sales in Australia.

However, if our recommendations are legislated - we will at least have a viable business with all the positive flow on effects of small business in our community. Many Australian taxpayers will gain employment. The economy will be stimulated. Taxes will be paid in Australia.

Specifically the changes we recommend that have been ignored are as follows:

1) Regarding the proposed rules under Section 117 : If a car is not currently sold in Australia and it meets the SEVS (Specialist / Enthusiast Vehicle Scheme criteria) - we should be able to import a used version of it. These are specialist unique cars and will never come in large volumes - but will offer better choices to Australian drivers.

2) Regarding Section 124 of the proposed rules: Variants of models should be allowed in to Australia as used imports. Revised definitions will disallow this and will savagely curtail any possibilities of having a viable business. For example a base model Subaru Forester sold new in Australia has wonderful and exciting variants such as the STi Version on offer in Japan that Australians will never benefit from. Variants like this are offered with more features, they are safer, they offer more performance or are safer or cleaner and they are exciting for consumers. Variant unique features such as 4WD, turbo engine, hybrid engine, electric engine, drive assist, park assist, safety options and more will be missed out on by Australian drivers.

3) Proposed Application fees for assessment of new variants to the SEVS list are seriously expensive at \$680 - \$800 with no guarantee of acceptance. If accepted all other parties can benefit. This must be done for each model variant and re-submitted every two years. These SEVS eligibility assessments are currently free. I suggest \$50 is fair and its a waste of time to have to resubmit every two years. Eligibility should be for all variants eligible under one application.

The current legislation will decimate many small businesses that are already under stress and crush our industry.

If the Liberals are Fair Dinkum about supporting small business, improving the used car fleet in Australia and improving Australia's international competitiveness in business and our

economy - please adopt our sensible and meager recommendations that will allow our small businesses to prosper and employ more Australians.

By implementing as is in the current form the Government is smashing an established group of small business entrepreneurs and pandering to big business interests and conducting what I call legalized corruption.