



February 2016

A composite image for the cover of the Motor Vehicle Standards Act Reform document. It features a blue background with a white diagonal line. On the left, there is a globe showing Australia, a car, and a car chassis on a production line. The text 'MOTOR VEHICLE STANDARDS ACT REFORM' is written in large, white, bold, sans-serif capital letters on the right side.

MOTOR VEHICLE STANDARDS ACT REFORM

The Australian Government has announced a number of changes to the *Motor Vehicle Standards Act 1989*. These reforms will deliver modernised legislation to increase community safety, provide greater choice and competition in the Australia vehicle market, and remove unnecessary red tape on businesses.

Reforming the Act

The *Motor Vehicle Standards Act 1989* (the Act) controls the safety, environmental and anti-theft performance of all vehicles entering the Australian market for the first time – both new and used.

Since the Act and its regulations were last reviewed over 14 years ago, there have been significant changes in global and domestic automobile markets, improvements in vehicle technologies, and a general shift towards online purchasing.

In 2014 the Australian Government announced a comprehensive review of the Act, which has involved substantial public consultation. Submissions received by the Department of Infrastructure and Regional Development (the Department) during the review process indicate that there is now an opportunity to significantly improve the Act and its administration.

The changes are designed to strengthen and modernise the Act, so that Australia's vehicle fleet continues to offer world-leading standards in community and environmental safety.

The reforms will give more choice to car buyers and save industry over \$70 million a year in lower regulatory compliance costs.



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In addition to continuing the harmonisation of Australia's vehicle standards with international best-practice, the Australian Government is proposing to introduce a number of changes to the Act and associated administrative processes. These include:

- allowing individuals to import new vehicles from selected right hand drive countries with comparable vehicle standards to Australia;
- improving consumer access to imported specialist and enthusiast vehicles;
- simplifying the process for importing vehicles through the Registered Automotive Workshop Scheme while improving the quality of those vehicles;
- simplifying the pathways for importing vehicles granted concessions against the Act;
- streamlining the supply of mainstream (full volume) new vehicles; and
- clarifying suppliers' recall responsibilities for all vehicles.

The Australian Government will also amend the Customs Tariff Act 1995 to remove the \$12,000 special duty on imported used vehicles, from 2018.

Implementation and further consultation

The arrangements outlined below will be refined through further consultation with stakeholders. Legislation will be introduced into Parliament as soon as possible and the reforms, with the exception of personal new imports, will commence 12 months after the passage of legislation, with a transition period to allow businesses to adapt to new arrangements. Personal new imports are expected to be introduced in 2018.

Personal New Imports

From 2018, individuals will be able to import new vehicles directly from countries with comparable vehicle standards to Australia. This will increase the choice of vehicles available to Australian buyers and provide increased competition in the market. In particular, this will address situations in which vehicle manufacturers choose not to make all variants of a make or model (for example manual, diesel, or hybrid variants) available in Australia. Individuals will be limited to importing:

- One vehicle in any 24-month period.
- Vehicles that have travelled 500km or less and are less than 12 months old at the time of application.
- Right hand drive passenger vehicles and motorcycles from countries with comparable standards to those applied to new vehicles in Australia (this would currently initially restrict imports to cars from the UK and Japan, however motorcycles could also be imported from USA and the EU).

Personally imported new vehicles will be required to undergo inspection by an independent third-party inspection service. Some differences in standards will be addressed through modification requirements, such as installation of Child Restraint Anchorages.

Details of personally imported vehicles will be recorded on an online 'Register of Approved Vehicles', which will become an authoritative listing of all motor vehicles approved to enter the Australian market.

Information for individuals seeking to purchase a vehicle overseas, and subsequent buyers in the Australian used vehicle market, will be made available through the Department's website, including a recommendation that buyers purchase insurance and/or warranty coverage for repairs and possible safety recalls.



Register of Specialist and Enthusiast Vehicles

The Register of Specialist and Enthusiast Vehicles (SEV Register) identifies vehicles that are of specialist or enthusiast interest, are not available in the Australian market, and are unable to be supplied without some concessions against the national standards in the Australian Design Rules (ADRs). Vehicles on the SEV Register can be imported through the Registered Automotive Workshop Scheme (RAWS). By ensuring that vehicles on the SEV Register meet certain criteria, motorists are able to access genuine specialist and enthusiast vehicles without undermining the role of the Act in maintaining community safety.

The reforms to the Act include changes to the way decisions are made about whether a vehicle is eligible to be placed on the SEV Register. These changes are designed to ensure that the range of eligible vehicles better reflects specialist and enthusiast demand.

In order to be entered on the SEV Register, all vehicle types will be required to meet one of five criteria:

- **performance** – high-performance vehicles with specifications (e.g. power to weight ratio) significantly superior to mainstream vehicles in Australia;
- **environmental** – vehicles that offer environmental performance (e.g. emissions of carbon dioxide per km) significantly superior to mainstream vehicles in Australia;
- **mobility** – vehicles manufactured with special features to assist people with a disability;
- **rarity** – vehicles of which only small quantities have been produced; or
- **left-hand-drive** – vehicles originally manufactured as left-hand-drive, of which right-hand-drive versions are not available in any other country.

The eligibility thresholds under these criteria will be developed in light of further consultation.

For more information on the changes to the operation of the Register of Specialist and Enthusiast Vehicles, please refer to Info Sheet 2.

Registered Automotive Workshops Scheme

Changes to the Registered Automotive Workshop Scheme (RAWS) will reduce regulatory costs to businesses and deliver improvements in community safety and consumer protection.

The new RAWS will encompass vehicle types currently supplied under the existing RAWS and New Low Volume scheme.

Current limits on the number of vehicles that can be processed by each workshop will be removed. The Department will consult further on appropriate controls.

Other changes to the RAWS include:

- Registered Automotive Workshops (RAWs) will be able to import both new and used vehicles of a type listed on the SEV Register as eligible for importation.
- The registration process for becoming a RAW will be simplified, with the Department requiring only confirmation of workshop particulars and ISO 9000 (Quality Management Systems) accreditation.
- All RAWS vehicles will undergo verification by an independent recognised organisation, on a user-pays basis. This will ensure modifications are carried out appropriately and vehicles are free from structural damage.
- 'Model reports' (see Info Sheet 3) will be introduced to reduce the number of documents RAWs are required to supply and to ensure transparent examination of shared documentation by the Department.



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- Sample vehicle testing requirements and modifications requirements for each vehicle will be reduced.

Concessional Imports

These arrangements allow the importation of vehicles under a range of circumstances that are not covered by other parts of the legislation. The existing 12 importation options will be replaced with four simplified streams:

- **Temporary / non-road use vehicles** – which are not permitted general access for permanent road use (such as vehicles for exhibition or test vehicles not used on public roads).
- **Non-standard vehicles** – which are necessary for specialised operations, or for which there is a reasonable case to allow importation for use on public roads. This will include test and evaluation vehicles for road use, non-compliant plant and equipment (where a standard vehicle cannot perform the function, such as drilling rigs), vehicles owned and used overseas (the current 'Personal Imports' arrangements) and other specialised vehicles such as military equipment and airport fire trucks.
- **Older vehicles** – which are eligible 25 years after date of manufacture, rather than the current pre-1989 cut-off. This pathway will:
 - require that vehicles are modified to meet requirements for older vehicles under the Australian Vehicle Standards Rules; and
 - be limited to passenger cars, light commercial vehicles (less than 3.5 tonnes Gross Vehicle Mass) and motorcycles.
- **Heavy and light trailers** – imported trailers will be required to meet the same standards as locally manufactured trailers.

Type Approved New Vehicles

Type approved new vehicles are motor vehicles and trailers that comply fully with the national standards and are approved for unrestricted supply to the Australian market. Changes to the legislation and administrative processes controlling type approved vehicles will:

- remove the current requirement to fit 'identification plates' to motor vehicles, and replace this with an online 'Register of Approved Vehicles' containing information currently shown on the 'identification plate';
- accelerate harmonisation of Australian vehicle standards and requirements with United Nations regulations, maintaining the Australian Design Rules as the mechanism for implementing these standards in Australia;
- improve business systems to streamline certification, including for vehicles covered by an International Whole of Vehicle Type Approval;
- establish appropriate certification requirements for trailers under 4.5 tonnes (imported or locally built); and
- introduce a 'model report' concept (see Info Sheet 1) to facilitate certification of light and heavy trailers.

Further consultation will be undertaken on how the above objectives can be achieved with a minimum of additional regulation.

Further Information

For more information on the Motor Vehicle Standards Act reforms, please see the [MSVA Reforms page](#) on the Department's website: www.infrastructure.gov.au/vehicles/mv_standards_act.