

Submission 10 – MVSA Review 2014

To whom it may concern,

In regards to the 2014 review of the Motor Vehicle Standards Act 1989 in particular to reducing the barriers to personal importation of new vehicles and the importation of quality second hand vehicles:

We have long discussed this particular issue and the large discrepancy in prices between the Australian market and any overseas market for better quality or so called luxury cars.

Through research over an extended time period, spanning some years, it is obvious that the costs of these vehicles in Australia is actually double or more what the cost is for the same vehicle elsewhere. These cars come out of the same factory, with the same environmental and safety standards and same manufacturing quality, so why is it that Australians that want to enjoy a better, safer and cleaner driving experience are penalised so heavily?

Sadly the reason seems to be that the 'Australia Tax' so widely spoken about seems to be running rampant within the automotive industry. The fact is that dealers have a monopoly over the importation and availability of higher specification cars are able to charge the public a ridiculous premium simply because there is no choice for the consumer.

Many of the press releases regarding this deregulation of importing good quality cars have been initiated by the dealers themselves, no doubt running scared because the days of huge profit margins from gouging their customers seem to be slipping away from them. Their arguments are flawed; the public, if allowed to import cars from international sources, will not be bringing in (in that majority) old, unsafe and environmentally irresponsible vehicles. They will instead be importing high end, safer and more environmentally responsible cars made affordable to them because they do not have to pay dealers premiums.

The vehicle industry as it is today will still benefit from their ability to mass import making the cost of importing each vehicle much less than that of the average person who will, most likely, import a single vehicle at full cost. They will still have the advantage of bulk purchasing directly from the manufacturer, an advantage that is not likely to be afforded to a single buyer. They will still be able to register cars in the same way as they have previously done and private importers will still have to have their cars declared safe for Australian roads prior to registration. Cars that are imported will still need regular servicing and spare parts; these are functions that many dealers offer and can still make regular income on.

The largest alteration to the vehicle market in Australia, if this deregulation occurs will be that of honesty. Dealers being forced to deal honestly with their customers and pricing their vehicles at a reasonable, affordable cost that will still make them a profit.

The opportunity for average Australians to afford a better quality, safer, lower emission vehicle can only be advantageous for every Australian and our environment.

I have no objections to this paper or my name being made publicly available. I have made my details available below if there is any reason that you would wish to contact me.

Thank you for your time and the opportunity to submit my thoughts on this subject.

Regards

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