

Submission 15 – MVSA Review 2014

Mid North Motor Company Pty. Ltd.

A.B.N 94 008 193 753

To whom it may concern,

I am writing to you as a concerned employer, regarding regulatory changes to the Motor Vehicle Standards Act (MVSA), particularly the large scale importation of second-hand vehicles, which have been proposed by the Productivity Commission in its report into Australia's Automotive Manufacturing Industry, which was released on 26 August 2014.

My dealership has been operating in Clare, SA 5453 for over 25 years and we employ 16 people. We are a long-term leading business and supporter of the Clare, SA 5453 community and surrounding region.

Any changes to the MVSA which allow large volume importation of second-hand vehicles will have a significant impact on our business, including the sales of new and traded-in vehicles and the servicing and aftersales service of those vehicles.

Dealerships will sell fewer new cars, impacting business operations and employment, and brands which sell fewer new cars will be less able to support the dealer network. In terms of the impact to employment, there would be a reduction in sales people and a substantial reduction in training positions offered by dealerships, with fewer apprentices being skilled up on leading edge technology.

New car dealerships are significant and respected employers and we have extensive records of community engagement and contributions, including sporting club sponsorships and donations for local events.

As our representative in Parliament, everyone at our dealership encourages you to ensure the Government does not relax the existing regime governing the importation of second-hand motor vehicles into Australia.

Increased importation of second-hand vehicles will have a widespread negative impact on employment in this region. It will directly impact the residual values of everybody's current vehicles, causing increased lease rates and making trade-ins on new cars more expensive. More older vehicles on our roads will lower the overall level of safety of vehicles and be a negative impact on the environment.

If you would like to further discuss this issue, feel free to contact me at any time XXXXXXXXXXXXXXX or by return email.

Yours sincerely,

Don Heath
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