



Commercial Vehicle Industry Association of Australia

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2014 Review of the Motor Vehicle Standards Act

The CVIAA membership is comprised of individual State bodies and organisations:-

-  Commercial Vehicle Industry Association of Queensland (CVIAQ)
-  Commercial Vehicle Industry divisions of the Victorian Automotive Chamber of Commerce (VACC), incl TAS
-  Motor Trades Association (MTA) of NSW (incl ACT), SA and WA.
-  Collectively, CVIAA has 600+ Member Companies including:
 - Truck, Trailer & Specialised Vehicle Manufacturers, Importers and Distributors
 - Vehicle Component, Equipment, Technology and Accessory Manufacturers, Importers and Distributors
 - Truck & Trailer Dealerships
 - Truck & Trailer Repairers & Modifiers

(Associate members also include transport operators, training providers, insurance and finance companies, consulting engineers and media)

Areas of work include technical and regulatory proposals affecting vehicle and component construction, modification and operation, and the review and development of national training packages related to the commercial vehicle industry.

The CVIAA maintains representation with a number of agencies including:-

-  National Heavy Vehicle Regulator (NHVR)
-  Commonwealth Department of Infrastructure, Regional Development (DIRD)
-  National Transport Commission (NTC)
-  Standards Australia

The CVIAA also provides input and responses to proposed vehicle regulations and reviews and proposals for Australian Design Rules, Australian Vehicle Standards Regulation and Australian Standards.

CVIAA members are affected directly and immediately by changes in the Motor Vehicle Standards Act. The Heavy Vehicle Industry in Australia views with concern any change to the MVSA that involves the import of used heavy vehicle into Australia

The heavy vehicle manufacturers are an active part of Australia's manufacturing sector and make a diverse range of quality products in all states across Australia. Their activities have a huge flow on effect on component suppliers, material suppliers and the sales, service and repair industry as well as the product end user.

As such CVIAA is opposed to any change to the Act that results in an increase in imported used heavy vehicles. CVIAA call for greater scrutiny on applications to import used special purpose vehicles, as many vehicles imported currently could be manufactured in this country.

Yours faithfully

John Samson
Technical Officer CVIAA

The CVIAA response to the questionnaire follows:

Recommendations

Recommendation 5.4

No Comment

Recommendation 5.5

The CVIAA supports harmonization with UN Regulations and agrees that adoption will in many cases bring efficiencies to the industry. It must however be noted that not all UN Regulations are fully compatible with the vehicle standards found in the existing fleet. Where individual vehicles are involved this is not generally a problem. When vehicles are operated in combination the results of a mismatch can be both critical and dangerous.

We should always leave an option where UN Regulations can be varied to suit Australian conditions and fleet standards. The Australian operating environment is very different to most Euro Nations and in many regional areas is quite harsh and demands respect. Past experience shows that Australian designed combination and multi combination vehicles have evolved to meet the demanding requirements of these conditions and are not always totally compatible with UN Standards.

Questions

Question 5-1

The problems are accurately described in the review document. The CVIAA would like to see analysis of the age of the light and heavy commercial vehicle fleet. The latest generation of commercial vehicles are orders of magnitude ahead of older vehicles in environmental and safety performance. A program to establish the benefits of modernising the commercial fleet would be welcomed as it would establish the potential benefits to the environment and health in Australia.

Question 7-1

The risk based approach is a sound method of ensuring vehicle standard compliance with the minimum cost and disruption. The CVIAA would recommend a rigorous approach with all but new compliant vehicles that meet a recognised design standard.

Question 7-2

The CVIAA supports the implementation of regulation that expedites the approval process for manufacturers and importers of new compliant vehicles. This change can save time and expense for this large section of the market. Caution however must be used when dealing with vehicles that are higher on the risk curve. We do not support taking no action.

Question 7-3

The Australian Government must maintain its involvement in vehicle standards while compatibility with the existing fleet is a requirement. Combination vehicles can experience compatibility issues even though all vehicles in the combination meet an accepted standard. Without the use of the ADR's these issues will occur and have the potential to increase as technology in heavy vehicles matures. The world fleet is adopting electronic controls at a very fast rate. This technology is being developed in many countries and will create the potential for greater compatibility problems.

CVIAA also has concerns that without Australian Government intervention in vehicle standards there would be an increase in problems with imported used vehicles.

Question 7-4

The Australian Vehicle Standards Rules are not seen as a replacement for our Design Rules. The AVSR's were specifically written to provide a standardised platform for State Vehicle Standards Regulation. They are not detailed enough or sufficiently robust to replace the ADR's.

Question 7-5

The non-regulatory approach will not achieve the desired objectives and would see the market flooded with imported vehicles that do not meet the high standards of today's new vehicles for safety and environmental care. Our consumers have adequate choice under the current system.

Question 7.6

The CVIAA proposes that the term "supply to the market" be redefined in the Act as follows:

supply to the market, in relation to a road vehicle, means: the first wholesale supply for use in transport in Australia.

use means:

- (a) in relation to a road motor vehicle—drive; or
- (b) in relation to a road trailer—have attached to, or towed by, a road motor vehicle that is being driven.

Question 7.7

No comment at this time

Question 7.8

The audit process should be risk based with ranking given to manufacturers and importers on the basis of performance at previous audits. This will ensure that low risk areas are rewarded while the high risks are monitored more closely.

Question 7.9

No comment at this time

Question 7.10

The CVIAA is opposed to the privatisation of service delivery in the vehicle standards area.

Question 7.11

The appointment of a single body to oversee recalls rather than the multiple methods currently used would assist with ensuring action is taken effectively.

Question 7.12

A single point for administration of recalls will provide the ability to ensure that recalls are completed resulting in a safer fleet.

Question 7.13

No Comment

Question 7.14

CVIAA is unable to quantify these savings without further input from our members but consider that they would be significant.

Question 7.15

No Comment

Question 7.16

This could be seen as an extension of the existing system where we use Sub Assembly Registration Numbers for modular compliance. CVIAA will only comment in relation to its application with heavy vehicles where we can see a positive benefit for manufacturers. The system depends on the integrity of the information provided by the manufacturer. We see few problems in this area for production line vehicles and believe that the benefits could be substantial from the adoption of this concept.

Question 7.17

CVIAA does not support the reduction of barriers to vehicle imports. In the heavy vehicle sector the Australian truck and trailer manufacturers are healthy and viable segments of the industry. Any reduction in import barriers can only result in a negative effect on these manufacturers and the safety of the fleet.

Question 7.18

Any increase in second hand vehicle imports and personal imports will have an impact on a number of areas in Australia. The first to be affected will be the industry as advised in 7.17. The environment must be considered in any evaluation of the effect of an increase in second hand vehicle use as the latest generation of vehicles are much cleaner in operation than the vehicles that will be imported. Any increase in the age of the Australian vehicle fleet is not a good outcome.

The owners of imported vehicles both second hand and personal imports will have difficulty in locating parts and service for their vehicles and will suffer a very low resale value in most cases.

The level of occupant and pedestrian safety provided by the current range of new vehicles in Australia is the highest it has ever been. Why would we wish to compromise this achievement by making vehicles of a lower safety standard available on the market?

Question 7.19

The country of origin may not provide accurate information without a detailed vehicle specification sheet. The vehicle may not have been built for that country.

Question 7.20

In the heavy vehicle sector the reward system could apply by offering incentives to operators that comply with the latest vehicle standards. This could encourage fleet operators to turn over trucks earlier in their life cycle.

As the large fleet owners are the on-highway vehicles, they have the largest fuel load and stand to benefit from the higher efficiency of the new technology vehicles. This also has a spin off benefit for the environment.

Question 7.21

Consumer law will not provide sufficient (or any) protection for a personally imported new vehicle. As it is an import the supplier will be overseas and thus not subject to Australian Consumer Laws. If we allow open access to personal imports of new vehicles the owners will have to rely on the good will of the supplier with warranty issues and hope that they are notified of any recalls. The manufacturer will not necessarily be aware that the vehicle is now in Australia and will be under no real obligation to follow up on recall information. This is not a satisfactory situation.

Question 7.22

No Comment

Question 7.23

It would be unable to do so with any certainty of complete coverage. It is unlikely that Australian distributors of that brand would feel an obligation in the matter or indeed even be aware of it.

Question 7.24

No Comment

Question 7.25

This option is not supported by CVIAA.

Question 7.26

The option for removal of importation barriers is not supported by CVIAA.

Question 7.27

The option for removal of importation barriers is not supported by CVIAA.

Question 7.28

No Comment

Question 8.1

Compliance costs for heavy vehicles vary widely between manufacturers. This makes an accurate estimate very difficult. The cost for a production model trailer is much lower than the costs incurred for compliance of a one off vehicle. This is unavoidable but should be kept in mind when looking at the effect of compliance costs to industry. The compliance costs for some heavy vehicles can be around \$1000.00 with much higher costs for one off vehicles and non-standard vehicles. Costs for compliance for a Second Stage of Manufacture project can run to many thousands of dollars.

Question 8.2

Industry would always like to see costs reduced. We need to keep our Australian based heavy vehicle manufacturing sector viable and we also need to ensure it remains competitive with the rest of the world. Another factor is to retain the high standard of safety and vehicle reliability while maintaining responsible environmental performance at the same time. As the Department is aware the margins in heavy vehicle manufacture are very slim.

Question 9.1

Any changes will have to be examined when we know what they are to judge the time frame required for implementation. Heavy vehicle manufacturers frequently have work planned out and ordered up to 3 years in advance. When we see the draft proposal we will be able to provide more accurate information.