

Submission 22 – MVSA Review 2014

Dear Sir/madam

I am a consumer wishing to express my interest in a measured liberalisation of current import standards.

In the post manufacturing era soon upon us, there is no reason for the big manufacturers to block imports, except to protect their market share, and the profitability of their dealership network.

I wish to point out the examples of the Hong Kong and Singapore markets, where small "parallel" or "grey" importers provide a wider range of models than the official importers are willing or bothered to supply. I have observed these markets for more than a decade, and note that grey importers provide a choice to consumers who seek out lower prices, and greater variety, yet without compromising safety, as the stock is either brand new, or very low mileage. These two markets are quite different from that of New Zealand.

To give another example, the grey importation of large sized Japanese people movers into Hong Kong (eg Toyota Alphard, Nissan Elgrand) proved to be so popular with consumers that the official Toyota distributor had to join the lucrative party by introducing the model into its official range.

This would not have happened if it wasn't for smaller, more adventurous firms finding a new niche, answering an unmet demand.

The grey market supports its own ecosystem of mechanics, workshops, spare parts suppliers, at a lower cost than dealership pricing (to state the obvious)

I presume the federal government has the experience and ability to effectively regulate such an ecosystem, and weed out shonky workshops or compliance agents. I have imported 2 vehicles under the current SEVS scheme and found the complying engineers and workshops to be quite strict in sticking to the rules.

My 2 vehicles have proved highly reliable, despite reasonably high mileage (91000km and 70000km) upon importation into Australia. Sure there are shonky people rebirthing imports, and winding back odometers, but half the second hand car trade as it exists in Australia would probably be just as guilty with current Australian made/officially imported vehicles.

I am hopeful a parallel supply of cost effective yet reliable/safe vehicles can be sourced, particularly from Japan where re-registration inspections are notably tough to pass. It will be to the benefit of many consumers who appreciate value for money, and support a vibrant niche industry, particularly when there are no local sacred cows to protect anymore

many thanks

Yours sincerely

Philip Yeung