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For Immediate Release

New Road Vehicle Standards Act to Better Protect Consumers and Provide More Choice

The Turnbull Government will introduce the Road Vehicle Standards Bill into Parliament before the end of the year, with a view to it taking effect by 2019.

This follows a review of the existing Motor Vehicle Standards Act conducted from 2013 to 2015, the announcement of the changes proposed in response to the review in February 2016, and extensive industry consultation since that time.

The new Bill introduces reforms to modernise and strengthen the laws governing road vehicles when first supplied to the Australian market; clarify vehicle recall arrangements; accelerate harmonisation of vehicles with international standards; and provide more choice through streamlining and consolidating the regulatory pathways through which non-standard vehicles are imported.

The new Act will better protect the community when it comes to vehicle recalls, by mirroring the safety recalls provisions in the Australian Consumer Law. This means vehicle recalls provisions will apply to all road vehicles sold in Australia, whether private or commercial.

Following consultation with police agencies, the Government will move to require a secure vehicle identification marking on new vehicles. This requirement will provide a significant deterrent to motor vehicle theft and re-birthing.

After further detailed work on implementation arrangements, the Turnbull Government has decided not to proceed with one element of changes proposed earlier, which would have allowed personal importation of new motor vehicles from the United Kingdom and Japan.

That work has highlighted the cost and complexity of providing appropriate consumer awareness and protection arrangements, including investigation of each vehicle before it was imported to Australia; ensuring consumers were aware that the manufacturer's warranty may not apply in Australia; and establishing systems to deal with a manufacturer's safety recall.

It would also have been necessary to ensure that subsequent purchasers of a vehicle, which had been personally imported into Australia as a new vehicle, were aware of this fact - and the consequences of this, such as the manufacturer's warranty not applying.

Weighing these issues up against the modest benefits of the personal import arrangements – including price reductions estimated to be less than 2 per cent across the market – the Government has concluded that the benefits do not justify the cost and complexity of this particular change.

The reforms will provide increased consumer choice including by streamlining and improving the existing pathways for importing specialist and enthusiast vehicles.

This includes expanding the range of vehicles eligible for consideration as a specialist and enthusiast vehicle, with vehicles now to be required to meet only one of six eligibility criteria instead of meeting two out of four eligibility criteria as was previously required.

Over recent months, the Government has consulted extensively concerning these improved pathways. Following these consultations the Government has determined that the six eligibility criteria will be:

Performance – a new graduated threshold formula measured from 110 kilowatts per Tonne (kW/T) in 1992, increasing by 1 kW/T each year after.

Environmental Performance – an objective vehicle technology based on an alternate power source to internal combustion or a micro-car subcategory for low power (low emissions) vehicles.

Mobility - originally manufactured or fitted from the factory with substantive specialist mobility features to assist people with disabilities.

Rarity - total worldwide production of the vehicle 'Make' is less than 3000 units per year; or total worldwide production of the vehicle 'Model' is less than 1000 units per year; or total worldwide production of the vehicle 'Variant' is less than 100 vehicles per year. Left-hand drive vehicles imported under the rarity criterion will not require conversion to right-hand drive but will need state or territory agreement for use on their roads.

Left-hand drive - originally manufactured as a left-hand drive vehicle and not available as an originally manufactured right hand drive vehicle in another world market. These vehicles will require conversion to right hand drive for safety reasons.

Campervans and Motorhomes - originally manufactured as a campervan or motorhome.

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