

Economics Legislation Committee
ANSWERS TO QUESTIONS ON NOTICE
Industry Portfolio
Budget Estimates Hearing 2014-15
2-3 June 2014

AGENCY/DEPARTMENT: DEPARTMENT OF INDUSTRY

TOPIC: Grey Imports

REFERENCE: Written Question – Senator Carr

QUESTION No.: BI-183

On Sat 7 June Minister Briggs was quoted as saying about road fatalities that "...vast improvements in vehicle safety across Australia in the last decade has made a significant contribution to achieving" a reduction in road fatalities over the past decade (<http://www.drive.com.au/motor-news/elderly-drivers-and-cyclists-more-at-risk-on-the-road-report-20140606-zs02r.html>). An article published in the Herald Sun on Friday 6 June (Scrap over car imports, Cars Guide p.9) highlighted there are significant safety, environmental and consumer issues that need to be considered for allowing more grey imports. In relation to the above information:

- a. Can the Department confirm if they are considering allowing greater access for grey imports?
- b. Has the Department identified a market failure in the Australian new car market to justify this position?
- c. Has the Department done any research to demonstrate that cars (new and used) are more expensive in Australia compared to other markets around the world? What has that research shown and which markets?
- d. Can the Department confirm what research has been undertaken or commissioned by the government or the department to demonstrate that such a change will have a positive benefit to Australia and Australian consumers?
- e. Can the Department confirm that there will be no negative impacts on road safety, the environment or that consumers will not be subjected to unacceptable risk of purchasing grey imports should the Government proceed with this proposition.
- f. Has the Department undertaken an assessment of the economic, social, environmental, safety and security impact in New Zealand concerning the relaxation of import restrictions on second-hand imported motor vehicles in that country? What did that assessment find?
- g. Has the Department done any research to model the impact of lower environmental standards from second-hand automotive imports on Australia's emissions levels?
- h. Has the Department done any research to model the impact of lower safety standards from second-hand automotive imports?

ANSWER

- a-h. The importation of used passenger motor vehicles is the portfolio responsibility of the Minister for Infrastructure and Regional Development. The Department works with the Department of Infrastructure and Regional Development in providing advice to the Minister and Government.