

EXPLANATORY STATEMENT

Select Legislative Instrument 2005 No. 78

Issued by the Authority of the Minister for Local Government, Territories and Roads

Motor Vehicle Standards Act 1989

Motor Vehicle Standards Amendment Regulations 2005 (No. 1)

The *Motor Vehicle Standards Act 1989* (the Act) provides for uniform national motor vehicle standards for new vehicles when they begin to be used in transport in Australia and regulates the first supply to the market of used imported vehicles.

Section 42 of the Act provides that the Governor-General may make regulations, not inconsistent with the Act, prescribing matters required or permitted by the Act to be prescribed, or necessary or convenient to be prescribed for carrying out or giving effect to the Act.

Paragraph 20(1)(b) of the Act provides for the import of certain non-standard vehicles in prescribed circumstances, and section 21 of the Act provides that the regulations may make provision for a Register of Specialist and Enthusiast Vehicles.

The purpose of the Regulations is to amend the *Motor Vehicle Standards Regulations 1989* (the Principal Regulations) to:

- change the arrangements for the importation of vehicles of a certain age without identification plates;
- change the regulations so that vehicles manufactured after 31 December 1988 meeting the Specialist and Enthusiast Scheme criteria can be processed through the Registered Automotive Workshop Scheme; and
- make minor technical amendments.

Importation arrangements for vehicles of a certain age without identification plates

Regulation 17 of the Principal Regulations currently requires the Minister to approve an application to import a non-standard road vehicle or a vehicle that does not have an identification plate if the vehicle is 15 or more years old. This regulation was added in 1992 to provide for the importation of older vehicles on the basis that they were generally imported for restoration and club use. However, there has been considerable growth in the number of these vehicles being supplied to the market in Australia and the Government is concerned that the vehicles do not meet current emissions performance and safety requirements and hence erode consumer confidence in Australia's comprehensive vehicle standards.

The amended regulation substitutes regulation 17. The provision removes the 15 year standard and requires Ministerial approval for the import of all such vehicles where they are manufactured before 1 January 1989.

Specialist and Enthusiast Vehicle Scheme/Registered Automotive Workshop Scheme

The Specialist and Enthusiast Vehicle Scheme (SEVS) is a process for determining the eligibility of vehicle models for entry on the SEVS Register. Vehicle models which are not available from full volume manufacturers are assessed against criteria that define 'specialist' and 'enthusiast' for entry on the Register.

The Registered Automotive Workshop Scheme (RAWS) is an arrangement for approving workshops to import, modify and plate used imported vehicles. The workshops are restricted to importing only those vehicle models that are entered on the SEVS Register.

The Principal Regulations provide that vehicles 15 or more years old cannot be entered on the SEVS Register. Therefore, vehicles 15 or more years old cannot currently be imported and certified under RAWS as the workshops are limited to only importing vehicles entered on the Register. The Regulations make amendments so that 1989 and later model vehicles can be entered on the SEVS Register and certified under RAWS. This has the effect that vehicles manufactured before 1 January 1989 can be imported with Ministerial approval, and later vehicles can be imported through RAWS, providing a greater level of assurance of compliance of these vehicles with the safety and emissions standards.

For those vehicles manufactured after 31 December 1988 and not covered by the transitional arrangements (see below), importers will need to have their vehicles certified (as complying with the Australian Design Rules) under the RAWS.

Transitional Arrangements

The Regulations also include a transitional arrangement allowing importers, who have made a financial commitment on a vehicle prior to the date of the Minister's announcement of the proposed changes on 7 February 2005, to import those vehicles under the current arrangements provided the application is received before 1 January 2006. The transitional arrangements are restricted to vehicles manufactured prior to 1 January 1991.

Technical Amendments

The Regulations also make corrections and remove provisions that no longer have effect.

Details of the Regulations are set out in the [Attachment](#).

The Act specifies no conditions that must be met before the power to make the proposed Regulations may be exercised.

The Regulations are a legislative instrument for the purpose of the *Legislative Instruments Act 2003*.

The Regulations commenced on the day after they were registered on the Federal Register of Legislative Instruments.

Details of the *Motor Vehicle Standards Amendment Regulations 2005 (No. 1)*

Regulation 1 – Name of Regulations

This regulation provides that the title of the Regulations is the *Motor Vehicle Standards Amendment Regulations 2005 (No. 1)*.

Regulation 2 – Commencement

This regulation provides that the Regulations commence on the day after they are registered on the Federal Register of Legislative Instruments.

Regulation 3 – Amendment of the *Motor Vehicle Standards Regulations 1989*

This regulation provides that the *Motor Vehicle Standards Regulations 1989* (the Principal Regulations) are amended as set out in Schedule 1.

Regulation 4 – Transitional arrangements

This regulation provides transitional arrangements for those importers who have paid an amount before 7 February 2005 on a vehicle intended for importation where the vehicle was not imported before the commencement of these amendments and the vehicle was manufactured before 1 January 1991. The application to import would have to be received by the Department before 1 January 2006.

Schedule 1 - Amendments

Item [1] Subregulation 4(3)

The words ‘a compliance plate’ have been omitted and replaced with ‘an identification plate’ to correct an inconsistency in the Principal Regulations.

Item [2] Subregulation 7A

New regulation 7A has been inserted to provide for a definition of ‘manufacture’ for the purpose of Division 4.1. This provides that ‘manufacture’ does not include modify.

Item [3] Paragraph 13 (a)

This amendment changes the way a date is expressed to ensure consistency with date usage in the other amendments to the Regulations. This does not change any requirements contained in the current regulations.

Item [4] Paragraph 15 (1) (b)

This amendment allows Registered Automotive Workshops to import used vehicles manufactured after 31 December 1988.

Item [5] Paragraph 16 (c)

This amendment allows Registered Automotive Workshops to import used two-wheeled and three-wheeled vehicles manufactured after 31 December 1988.

Item [6] Regulation 17 – Approval to import vehicles of a certain age without identification plates

The regulation has been substituted to implement changes to the arrangements for the importation of certain older vehicles. The amended regulation reads:

Regulation 17 – Approval to import vehicles of a certain age without identification plates

The Minister must approve an application to import a non-standard road vehicle or a vehicle that does not have an identification plate if the vehicle was manufactured before 1 January 1989.

This limits the total number of older unregulated vehicles entering Australia. Vehicles manufactured after 31 December 1988 are able to be imported and processed through the regulated Registered Automotive Workshop Scheme.

Item [7] Regulation 21

Paragraph 16(2)(a) of the Act no longer exists. This amendment removes reference to paragraph 16(2)(a) from the Principal Regulations.

Item [8] Subregulation 24(7)

The amended subregulation allows vehicles manufactured after 31 December 1988 to be entered on the SEVS Register.

Item [9] Paragraphs 26(c) and (d)

These amendments allow the Minister to amend the SEVS Register to include vehicles manufactured after 31 December 1988.

Item [10] Regulation 27

Under the previous regulation the Minister must have removed a road vehicle from the SEVS Register if it was of a make and model that is 15 years old or older. This regulation has been omitted as it is no longer necessary. The amended Regulations allow vehicles manufactured after 31 December 1989 to be entered on the SEVS Register (see item [8] above).