



National Automotive Leasing &  
Salary Packaging Association

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### **PEAK BODY SUPPORTS GOVERNMENT'S HARPER REVIEW RESPONSE – 2<sup>ND</sup> HAND CARS**

NALSPA welcomes the Federal Government's recent response to the Harper Competition Policy Review as it relates to the issue of parallel imports of second-hand cars.

NALSPA is pleased to note the announcement that:

***“Following consultation as part of the review of the Motor Vehicles Standards Act 1989 and having regard to consumer protection and community safety concerns, the Government has decided not to proceed with reducing parallel import restrictions on second-hand cars at this time.”***

Together with other industry organisations, it is NALSPA's view that reducing restrictions on the large-scale importation of second-hand cars could present unnecessary risks to consumers, the general public, and the automotive sector as a whole, and lead to unforeseen costs being incurred for consumers and the wider community as a result.

NALSPA Chairman, Robbie Blau today said:

“The Australian motor vehicle market is already one of the most competitive in the world and, similarly, the range of choice of vehicle for an Australian consumer is one of the widest globally.

“Whilst we note examples of certain used cars in other countries which may, on face value, appear cheaper than in Australia, we question whether consumers in reality are likely to be able to import and maintain identical popular used cars to those already available in the Australian market at a more affordable total cost.

“The Productivity Commission itself acknowledged there was little point in removing barriers to importing comparably priced second-hand vehicles.

“However, our broader concern is that the perception of imported second-hand cars being generally more affordable than domestic vehicles doesn't take into account a variety of unknowns about such vehicles.

“For example, given the inherent high levels of vehicle safety, environmental and consumer protection we are accustomed to in Australia, how is an average Australian consumer meant to accurately verify an imported vehicle's accident and repair history, its claimed mileage or its safety ratings and purported environmental performance, amongst other matters? It also remains to be seen whether cars sold new overseas are “fit for purpose” for Australian conditions.



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“Furthermore, we note the views of Australasia’s leading independent vehicle safety advocate, the Australasian New Car Assessment Program (ANCAP), which states that opening the Australian market to large-scale importation of second hand vehicles will reduce the safety of the Australian car fleet and is entirely inconsistent with national efforts under the National Road Safety Strategy 2011-2020 to reduce road trauma.

“Those are some of the consumer protection and related concerns that NALSPA holds and accordingly we are pleased to see that the Australian Government has taken these into account when reaching its decision,” Mr Blau noted.

- Ends -

**For further information please contact:**

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**About NALSPA**

NALSPA was formed in 2014 to represent the combined interests of Australia’s major vehicle fleet leasing and salary packaging providers.

NALSPA members manage or facilitate the bulk of employer-provided, tool-of-trade and salary-packaged motor vehicles in Australia and the salary packaging arrangements of over 370,000 employees, spread across the corporate, charitable and government sectors. Additionally, NALSPA members administer more than 200,000 motor vehicles.