



Morgan Owners Club of Australia
P.O. Box 568
Cherrybrook, NSW 2126
October 1, 2011

The Honorable Anthony Albanese MP
Minister for Infrastructure and Transport
PO Box 6022, Parliament House
Canberra, ACT 2600

Dear Minister Albanese:

Legislative Change –Specialist and Enthusiasts Vehicle (SEVS)

I write to apprise you of and ask for your support to rectify a situation I believe is an unintended consequences of the Rudd Government's announcement that ***"in future all cars in Australia must be equipped with mandatory traction control systems"***.

This change applies to newly homologated vehicles with effect from November 2011 and for existing models, from November 2013.

Background:

The automobile industry is heavily regulated globally and it will probably produce in excess of 70 million cars this year.

In Europe, special regulatory dispensation has been given to low volume manufacturers, exempting them from the very costly regulations that 'full-volume' manufacturers are forced to abide by.

In Australia, we have a unique set of regulations for vehicles known as 'Australian Design Rules' (ADRs). Over the last decade or so, there has been a consistent move to harmonise Australian Design Rules with the latest European regulations.

In recognition of the low volume specialist manufacturers, these vehicles have a special category under ADR requirements, known as Specialist and Enthusiasts Vehicle (SEVS) rules.

SEVS vehicles are limited to 100 or 25 units per annum, thereby making them statistically irrelevant in the overall market of about 1 million vehicles sold in Australia annually. Their sales do however support a specialist group of manufacturers and importers and cater for the needs of motor vehicle enthusiasts.

In this letter I specifically refer to impacts of this announcement and its implementation on the continuation of the SEVS category that, under the current changes, will cease to exist.

Why am I drawing this to your attention?

Like many Australians I share a passion for vintage and special motor vehicles and a member of the Morgan Owners' Club of Australia. The Morgan 4/4 is now the longest continuous running production line in the world, with an antecedence of over 75 years. I am sure you have many friends and associates with similar interests? The motor enthusiast is not restricted to any particular group of Australians but stretches across all socio economic levels.

It is my understanding that as a consequence of the Rudd announcement it will not be possible to import into Australia new, vintage or classic Morgan motorcars that do not have traction control systems fitted. The change will impact a range of other vehicles and related activities. For example:

Low volume manufacturers such as the locally built Elfin brand and imported marques such as Morgan and Caterham will no longer be able to sell cars in Australia. The fitting of traction control is either impractical, not possible due to the design/age of the car, too expensive for the manufacturer to incorporate or would destroy the original "as built heritage" of the vehicle.

Local 're-manufacturers' who under the RAWs rules bring in cars such as the Ford GT, Ford Mustang and Chevrolet Camaro, converting them locally to comply with the ADRs will no longer be able to do so.

The net effect is that some of the current companies operating under the SEVS and RAWs rules will be forced to close their doors, as it is not economically feasible to develop traction control systems for these cars.

The solution?

I understand in Europe the legislators have made special provision for the small manufacturers to be able to survive by creating a European Community Small Series Type Approval (ECSSTA) category.

This recognises that the low volume manufacturers bring interesting products to the market, which might not otherwise see the light of day. It thereby provides the engineers with more innovative challenges, not being constrained by all the regulations for the mass manufacturers and also provides greater choice to the consumer. In this category you could also include companies likely to be or who are engaged in hybrid and innovative car design.

I would like to ask that you lend your support for the ECSSTA standard be written into the Australian traction control regulations as an acceptable alternative standard for low volume vehicles, thereby exempting the small manufacturers from having to develop the costly traction control systems.

This request should be seen in context that the Australian public are allowed to buy motorcycles and bicycles, both forms of transport considerably more

dangerous to operate than the low volume car equipped with seatbelts, but not equipped with traction control.

Recommendation

A one paragraph acceptance of the ECSSTA rules for cars to be sold in Australia be included in regulations with respect to implementation of the compulsory traction systems policy. This will support the current philosophy of harmonising Australian Design Rules with European Community rules, allow low volume vehicles to be sold in Australia post 2013, thereby maintaining employment in this specialist section of the automotive industry and allowing Australians from all walks of life with a passion for these vehicles to continue to enjoy their hobby.

It would be greatly appreciated if you could give this submission your favorable consideration and support by addressing the issues raised with the Minister responsible for the Department of Infrastructure and Transport.

Yours sincerely

Vern Dale-Johnson
President
Morgan Owners Club of Australia

cc Hon. William Shorten, Assistant Treasurer
Mr. R.J. Oakeshott, M.P.
Mr. A.H. Windsor, M.P.
Mr. A.D. Wilkie, M.P.
Mr. Mike Mrdak, Secretary, Department of Infrastructure and
Transportation