



Australian Government
**Department of Industry,
Innovation and Science**

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Automotive Transformation Scheme

**Customer Guideline 9 – Ministerial Permission to
Continue Registration in the National Interest**

October 2015

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List of shortened terms

Term	Description
ACP	A person registered as an Automotive Component Producer under the Scheme
AMTP	A person registered as an Automotive Machine Tool or Tooling Producer under the Scheme
ASP	A person registered as an Automotive Service Provider under the Scheme
ATS	The Automotive Transformation Scheme
MVP	A person registered as a Motor Vehicle Producer under the Scheme
non-MVP	A person registered as an Automotive Component Producer, Automotive Machine Tool or Automotive Tooling Producer, or Automotive Service Provider under the Scheme
P&E	Plant and equipment
R&D	Research and development
the Act	The Automotive Transformation Scheme Act 2009
the Order	<i>The Automotive Transformation Scheme Order 2010</i>
the Regulations	<i>The Automotive Transformation Scheme Regulations 2010</i>
the Scheme	The Automotive Transformation Scheme

Glossary

Term	Description
ATS stage	ATS Stage 1 means the period beginning on 1 January 2011 and ending on 31 December 2015, and the first three months of 2016. ATS Stage 2 means the period beginning on 1 January 2016 and ending on 31 December 2020, and the first three months of 2021.

Term	Description
ATS year	<p>A year identified below for which eligible investments or eligible production may be claimed by an ATS participant:</p> <p>1 January 2011 – 31 December 2011</p> <p>1 January 2012 – 31 December 2012</p> <p>1 January 2013 – 31 December 2013</p> <p>1 January 2014 – 31 December 2014</p> <p>1 January 2015 – 31 December 2015</p> <p>1 January 2016 – 31 December 2016</p> <p>1 January 2017 – 31 December 2017</p> <p>1 January 2018 – 31 December 2018</p> <p>1 January 2019 – 31 December 2019</p> <p>1 January 2020 – 31 December 2020</p>
modulation rate	<p>The modulation rate for a quarter for MVPs is used to modulate an amount, in relation to an MVP, to ensure that the funding for the relevant ATS year and relevant ATS stage is not exceeded, and is worked out in accordance with division 3.2 of the Automotive Transformation Scheme Order 2010.</p> <p>The modulation rate for a quarter for ACPs, AMTPs and ASPs is used to modulate an amount, in relation to a non-MVP, to ensure that the funding for the relevant ATS year and ATS stage is not exceeded, and is worked out in accordance with division 3.4 of the <i>Automotive Transformation Scheme Order 2010</i>.</p>
Principal Entity	<p>For a single applicant, this term has the same meaning as ‘applicant’.</p> <p>For a group of related bodies corporate applying for permission to seek registration as an ATS participant as if the group were a single person, the principal applicant is that member of the group which will receive the assistance on behalf of the group and is to act as the nominated contact person under paragraph 2.9(2)(e) of the <i>Automotive Transformation Scheme Regulations 2010</i>.</p>
third quarter	<p>The three month period commencing on 1 July of an ATS year.</p>

1. Introduction

The object of the Automotive Transformation Scheme (the Scheme) is to encourage competitive investment and innovation in the Australian automotive industry and place it on an economically sustainable footing. The object is to be achieved in a way that improves environmental outcomes and promotes the development of workforce skills.

The objective of these guidelines is to assist applicants who intend, under regulation 2.25 of the *Automotive Transformation Scheme Regulations 2010* (the Regulations), to seek the Minister's permission to continue registration as an ATS participant on the basis that the registration would be in the national interest.

Where an ATS participant customer does not meet the normal eligibility criteria, regulation 2.25 of the *Automotive Transformation Scheme Regulations 2010* allows the Minister to give permission to continue registration as an ATS participant on the basis that the registration would be in the national interest. An ATS participant cannot, however, continue registration under this regulation if it was originally registered following the Minister's permission under regulation 2.8 of the *Automotive Transformation Scheme Regulations 2010*.

If the Minister is satisfied, subject to the person meeting all the registration requirements other than the normal eligibility requirements set out in subregulation 2.25(3) of the *Automotive Transformation Scheme Regulations 2010* and described in section 1 of this guideline, that it would be in the national interest for the person to continue registration, the Minister may, by notice in writing, give that permission. Such permission may be sought from ATS participants who are unable to meet the following conditions:

Registration Category	Conditions and Legislative Reference
MVP	Subregulation 2.21(1) of the <i>Automotive Transformation Scheme Regulations 2010</i> which requires an MVP to produce in Australia, in each ATS year following the ATS year in which the MVP's registration takes effect, at least 30 000 motor vehicles or at least 30 000 engines.
ACP	Subregulation 2.22(1) of the <i>Automotive Transformation Scheme Regulations 2010</i> which requires: <ul style="list-style-type: none">• an ACP to produce in Australia at least one kind of automotive component for use as original equipment in at least 30,000 motor vehicles or in at least 30,000 engines and that the production value of the component be at least \$500,000; or• the production value of the automotive components produced in Australia by the ACP as original equipment is at least \$500,000 and comprises at least 50 per cent of the production value of all automotive components produced by the ACP.

Registration Category	Conditions and Legislative Reference
AMTP	Subregulation 2.23(1) of the <i>Automotive Transformation Scheme Regulations 2010</i> which requires that: <ul style="list-style-type: none"> • the production value of the automotive machine tools and automotive tooling produced by the AMTP in Australia is at least \$500,000; and • at least 50 per cent of that production value must have been for automotive machine tools and automotive tooling used to produce original equipment.
ASP	Subregulation 2.24(1) of the <i>Automotive Transformation Scheme Regulations 2010</i> which requires that: <ul style="list-style-type: none"> • the production value of the automotive services provided by that ASP in Australia must be at least \$500,000; and • at least 50 per cent of that production value must have been for services related to the production of motor vehicles or original equipment.

If the Minister grants a person permission to continue registration, subregulation 2.25(6) of the *Automotive Transformation Scheme Regulations 2010* requires the Minister to set out the conditions to which the permission, and any subsequent registration, is subject. For the avoidance of doubt, conditions determined by the Minister under subregulation 2.25(6) of the *Automotive Transformation Scheme Regulations 2010* are additional to any other requirements of the Regulations.

Many references are made to the Regulations in this guideline. It is strongly recommended that applicants download a copy of the [Regulations](#) to obtain a full understanding of the requirements for registration and participation in the Scheme. All these documents are available from the [ATS page](#) at business.gov.au

Applicants must also be aware of the *Automotive Transformation Scheme Act 2009* ([the Act](#)) and the *Automotive Transformation Scheme Order 2010* ([the Order](#)).

2. How to submit the request

A request to seek the Minister's permission to continue registration as an ATS participant on the basis that the registration would be in the national interest can be sent by email to ats@industry.gov.au or by post to:

Automotive Section
 AusIndustry
 GPO Box 85
 Melbourne VIC 3001

A hard copy may also be left at any [AusIndustry office](#) (see *Appendix 1*) during business hours.

3. Privacy and confidentiality

The confidentiality of information provided to AusIndustry, a division of the Department of Industry, Innovation and Science (the Department), by applicants for the Scheme is protected by the relevant provisions and penalties of the *Automotive Transformation Scheme Act 2009*, the *Automotive Transformation Scheme Regulations 2010*, the *Public Service Act 1999*, the *Public Service Regulations 1999*, the *Privacy Act 1988*, the *Crimes Act 1914*, the *Criminal Code* and general law.

Subregulation 6.5(1) of the *Automotive Transformation Scheme Regulations 2010* allows the Minister to publish the following information about an ATS participant or a person who was an ATS participant:

- (a) that the person is, or was, an ATS participant and the period of the person's participation in the Scheme;
- (b) the amount of assistance paid to the person in an ATS year.

Subregulation 6.5(2) of the *Automotive Transformation Scheme Regulations 2010* requires the Minister to publish a notice that the Minister has given a person named in the notice permission to:

- (a) apply for registration as an ATS participant or
- (b) continue registration as an ATS participant

on the basis that the registration would be in the national interest.

Detailed confidential information contained in applications and Business Plans may be disclosed for audit purposes to contractors engaged by the Department and to other Commonwealth agencies for audit, reporting and law enforcement purposes. Further, the Department may release confidential information if it obtains the applicant's consent or is required or permitted by law to do so. This could happen, for example, if the Department is required to respond to a resolution of the Parliament, or the order of a court.

4. What information is required

An ATS participant requesting permission to continue registration as an ATS participant on the basis that the registration would be in the national interest must provide to AusIndustry:

- a letter requesting the permission that is signed by a person who is the authorised primary contact for the ATS participant;
- a statement describing why continued registration would be in the national interest that clearly addresses each of the following matters described in subregulation 2.25(4) of the *Automotive Transformation Scheme Regulations 2010*;

- whether the ATS participant would have been able to comply with the normal threshold eligibility requirements but for circumstances beyond the ATS participant's control such as a natural disaster, an industrial accident or an industrial dispute;
- whether the continued registration of the ATS participant would significantly enhance the competitiveness of the Australian automotive industry;
- whether the continued registration of the ATS participant would provide significant benefits either to the Australian automotive industry or to the Australian economy;
- whether the continued registration of the ATS participant would introduce significant innovations in the Australian automotive industry;
- whether the continued registration of the ATS participant would generate significant employment or investment opportunities in the Australian automotive industry;
- whether the continued registration of the ATS participant would have significant strategic, regional or environmental impacts;
- whether the continued registration of the ATS participant would significantly improve environmental outcomes; and
- whether the continued registration of the ATS participant would significantly promote the development of workforce skills.

To assist the Minister in determining whether to give the permission, under subregulation 2.25(5) of the *Automotive Transformation Scheme Regulations 2010*, the person must produce, within a period specified by the Minister:

- any information or documents considered likely to be relevant to the consideration of the application for that permission; and
- an updated business plan of a kind required to be produced to the Secretary under regulation 2.27 of the *Automotive Transformation Scheme Regulations 2010*.

Regulation 2.27 of the *Automotive Transformation Scheme Regulations 2010* requires the business plan to contain:

- details of the strategies that will enable the applicant to carry on sustainable operations in the Australian automotive industry for a five year period starting on 1 January of the next year following the date by which it is to be provided;
- operational plans, details of financial commitment and controls, financial projections and assumptions on which forecasts are based;
- details about how the applicant will meet the object of the Act, particularly economic sustainability, in a way that will improve environmental outcomes and promote the development of workforce skills; and
- any such other particulars as are required by the ATS Third Quarter Business Plan Update form.

Please refer to [Customer Guideline 5: Business Plans](#) for further information on what is required in Business Plans.

5. What conditions must be met?

In addition to the requirements of subregulation 25(6) of the *Automotive Transformation Scheme Regulations 2010*, regulation 2.26 of the *Automotive Transformation Scheme Regulations 2010* requires ATS participants to maintain certain documents for five years.

6. Expiry of continued registration in the national interest

Under subregulation 2.25(8) of the *Automotive Transformation Scheme Regulations 2010*, permission to continue registration as an ATS participant on the basis that the registration would be in the national interest may not be provided for more than two successive years. An ATS participant can still continue its registration if it can meet the normal eligibility requirements set out in paragraphs 2.4(1)(a) or (b); paragraphs 2.5(1)(a) or (b); of the *Automotive Transformation Scheme Regulations 2010*.

Appendix 1 – AusIndustry Locations

For more information, visit business.gov.au or contact us by phone on 13 28 46. More in depth face-to-face assistance is also available from AusIndustry's national network. AusIndustry's office hours are 8.30 am to 5.00 pm, Monday to Friday, public holidays excluded.

Address details for AusIndustry's State and Regional offices can be found on the website on the [contact us](#) page.