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SUBMISSION ON

REFORM OF VEHICLE LICENSING AND VEHICLE INSPECTIONS.

The NZ Federation of Motoring Clubs (FOMC) represents approximately 130 member clubs catering for motor caravans, and heritage and collectors vehicles including cars, trucks, military vehicles and motorcycles from veteran to vintage to modern special interest vehicles. Our member clubs represent a total of more than 60,000 individual members, the majority of whom own more than one club vehicle.

Executive Summary

WOF

FOMC supports a 12 month WOF period for all vehicles more than 30 years of age and no periodic inspections for veteran and vintage vehicles (pre-1932). The Federation does not support more invasive checks for vehicles over 30 years for the reason that they do very limited annual mileages, and because of the technical difficulties involved in submitting older vehicles to modern testing techniques.

WOF Trailers / caravans

The FOMC believes light trailers and caravans with a gross laden weight not exceeding 3,500kgs should be subject to only 12 month inspections regardless of their date of manufacture as most travel very low mileages.

COF

The FOMC preference for COF frequency is option 2, variable frequency with 12 monthly as default. There should however be a default for high mileage vehicles – ie a 50,000km default regardless of time. Vehicles over 30/40 years should automatically default to 12 months if not used commercially and/or de-rated.

Provision should be made for de-rating heritage vehicles that are not in commercial use with the provision that a vehicle with a de-rated weight of less than 3,500 kgs be allowed WOF compliance.

The FOMC asks that the policy that all vehicles be tested to the standard that was in vogue when the vehicle was new should be reconfirmed. Problems repeatedly arise because some authorised vehicle inspectors (AVIs) have a limited understanding of the vehicle engineering and tolerances in practice at the time of the manufacture of earlier generations of motor vehicles, and so apply unachievable modern standards, sometimes to the detriment of road safety, and also to the unnecessary cost of vehicle owners.

WOF COMPLIANCE INCENTIVES

In order to reduce the 9% of cars on the road without WOFs we support introducing roadside checks and incentive schemes such as waiving fines if a WOF is obtained promptly, and a demerit points system for drivers caught operating unsafe vehicles.

Representing the responsible special interest and heritage motoring enthusiast

TSL

The FOMC would support dispensing with the TSL for all commercial transport services except tow trucks, commercial bus operators and taxis. As a secondary position, we seek removing the requirement for a TSL for heavy vehicles that are not in commercial service and not being operated for hire or reward.

VEHICLE LICENSING

Trailers, boat trailers, and caravans should be exempt from annual licensing given the small distances they travel on average. Vehicle licensing fees should be charged as part of RUC for all diesel vehicles, in accordance with the user pays principle.

OVERVIEW

Back in 1995 when the current licensing regime was implemented it was planned to introduce 12 month WOFs for all vehicles with re-licensing taking place at the same time as safety inspections. Seminars were held around the country to explain this to the motor trade, and subsequently the 12 month WOF proposal was abandoned.

According to the minutes of those consultation meetings the main argument against extending the WOF period was because vehicles could deteriorate excessively over a 12 month period. But FOMC members present at those meetings advise that the true concern of the MTA was the expected loss of income. While we understand the importance of seeking the views of the industry, we submit these may be influenced by their vested interests more than their valid assessments of the safety factors.

As this submission is on behalf of our members, we surveyed clubs and had an excellent response. The largest percentage (49%) of respondents to our survey travel less than 1,000kms per year in their club vehicle with most of the remainder (41%) travelling between 1,000/3,000kms, which are much lower mileages than the average covered by ordinary cars (12,000kms per year according to MOT stats).

Just over 85% of respondents reported that none of their vehicles failed a WOF in the last 12 months for brake, tyre, or lighting related faults. Although this result may also include modern vehicles, it still indicates that heritage/SIV owners are being subjected to frequent WOF inspections that are not justified because only a minority have serious defects that might compromise safety. This supports reducing the WOF frequency, and the scope of the test for heritage vehicles.

A majority of respondents (56.1%) believe the current WOF test should be simplified for heritage/SIV vehicles, while a third support the status quo. A minority (3.2%) favour introducing a tougher test, such as mandatory roller brake machines. 46% of respondents support allowing testing stations to make minor repairs to avoid rechecks, and 34.4% support excluding minor items from the need for a recheck.

Overall the majority of respondents believe the current test is too stringent for heritage vehicles, and very few (3.2%) would support making it tougher. This reflects common concerns amongst the heritage vehicle sector that the current test is not fit for purpose, and demonstrates that there is significant dissatisfaction with the current system in terms of test scope as well as frequency. There would be strong opposition to introducing compulsory roller brake machine tests in place of the option to request a Tapley Meter test, or other more invasive checks for heritage vehicles. A tougher test for such vehicles is not supported by the evidence. Respondents also believe the rules around rechecks could be simplified

to reduce compliance costs. Based on these responses, any change to the WOF system should not only consider frequency of the WOF for heritage vehicles, but also reducing the scope of the test.

The vast majority of the respondents to our survey favoured various changes to reduce the frequency of WOFs for vehicles older than 30 years and only 10 per cent supported retaining the current six monthly check. Note – Vehicles 30 years old and over are accepted for membership by the Vintage Car Club of New Zealand.

OVERSEAS EXPERIENCE

In the United Kingdom M.O.T. inspections have recently been abolished for pre-1960 vehicles. Roads Minister Mike Penning said “we are committed to cutting out red tape which costs motorists money without providing significant overall benefits. Owners of classic cars and motorbikes tend to be enthusiasts who maintain their vehicles well.”

Pre-1960 licensed vehicles in the U.K. make up about 0.6% of the total vehicle fleet in Britain but are involved in just 0.03% of road casualties and accidents. Official New Zealand MOT crash statistics show a similar very low involvement in road accidents.

Other jurisdictions have no regular safety inspections, or inspections only at the time of change of ownership, and there appear to be no reports of concerns about collectors vehicles being used in a poorly maintained condition in these countries.

WOF PREFERENCE

The Federation of Motoring Clubs is proposing that the vehicle inspection frequency for vehicles 30 years of age and over from their year of manufacture should be 12 months (other than those required to have a COF). Older heritage vehicles and low use classics are granted substantial discounts by major insurance companies such as Vero, AA Insurance, and AMI because they are recognised as low risk and well maintained. Vehicles over 40 years are subject to a discount on ACC fees when re-licensing for the same reason.

We also suggest light trailers and caravans with a gross laden weight not exceeding 3,500kgs should be subject to only 12 month inspections regardless of their date of manufacture as most travel very low mileages.

COF PREFERENCE

Our COF preference is option 2, variable frequency with 12 monthly as default.

Owners of restored buses, trucks and military vehicles over 40 years of age no longer carry passengers or loads for hire or reward. Most of these vehicles are only used for public displays and charity fund raising. Owners are finding the cost of COFs prohibitive, as their use does not generate any income to help compensate for the cost. This is leading to some of these vehicles being taken off the road. The FOMC seeks a de-rating for these vehicles from COFs to WOFs on the understanding that they do not carry goods or paying passengers. We would like to see this applied to all the above vehicles if possible or at least those where the weight does not exceed 3,500kgs unladen.

We accept that it would still be possible for owners to carry a load at any time and have been advised in the past that this is why the above proposal cannot be approved. But we submit that if those transgressing are caught over weight i.e. carrying any load at all, the potential fines are substantial.

Member clubs have suggested there is widespread inappropriate implementation of WOF requirements and standards on historic vehicles because the regulations lack flexibility and AVIs do not always understand the requirements for these vehicles. The FOMC asks that all vehicles be tested to the standard that was in vogue when the vehicle was new, with the few sensible retrospective additional checks that already exist such as – tyre tread depth, seat belts, vin numbers when required, and body and chassis rust etc.

We believe any increase in the rigour of the current testing regime would have deleterious effects. For example many heritage vehicles require special model specific hub pullers to remove the brake drums. As well, most modern mechanics have limited knowledge of the tolerances and earlier construction methods in the motor industry and are therefore unqualified to work on many heritage vehicles. Placing such vehicles on suspension shaking machines may also exceed some older vehicles' tolerances and cause significant damage which could have catastrophic effects on their roadworthiness.

We also suggest significant time savings could be achieved by implementing appropriate check lists tailored to each vehicle, to be used as it is presented for inspection. Going through the full check list for all vehicles and establishing what is and is not applicable to older vehicles takes a lot of time and often requires going back to the vehicle and rechecking, and this sometimes takes as long as checking the item if it were fitted. For example a 1912 Model T Ford if it does not have a modified vehicle plate, also does not have a spare wheel, chassis number, ABS, a speedometer, windscreen washers, seat belts, seat anchorages, doors, air bags, head restraints, indicators, fog, cornering, daytime running, stop and other lamps. Towing connections, alternative fuel and fluid levels, belts, and dimensions also don't need checking.

A vehicle specific check sheet could be printed out once the registration plate number is logged in, in the same way as a licence label is printed. Having such a check sheet in addition to saving time would save confusion in check item requirements e.g. how many vehicles have a modified declaration plate?

If the vehicle has a Cardan Shaft parking brake this could be printed out, as a stall test is required. For a Model T there are about 27 items to be checked as opposed to the 60 items on the check sheet. A vehicle specific check list could be developed from information on the previous check sheets for the particular makes of vehicle, and things that could be added to the vehicle at any time such as external projections, a tow bar etc could still be included on all check sheets.

In news reports, the Marketing and Communications Manager of the Motor Trade Association Ian Stronach has supported the view that heritage vehicles are a special case and that six monthly WOF checks are neither necessary nor appropriate.

LICENSING PAYMENTS

Nearly 60% of those who responded to our survey supported introducing early payment discounts or late payment penalties for licensing (registration). Early payment discounts would be best as it would not inadvertently catch out those who put their vehicle on hold or own vehicles not subject to continuous licensing. There is strong support for the various proposals to make rego easier to pay and comply with i.e. support for option 1 – direct debit and option 3 – reminders by email or txt provided customers can still go to the counter and pay by cash, cheque, credit card or EFTPOS and that reminders are posted to those without Email or txt.

The survey results also indicated a significant preference for collecting rego/ACC fees from the licensed driver rather than the vehicle. This reflects the widely held view amongst the heritage sector that the current system is inequitable as owners of multiple vehicles effectively pay multiple ACC fees even though they can only drive/ride one vehicle at a time. Heritage/SIV owners firmly believe they are over-paying rego fees, despite the lower fees for vehicles over 40 years of age (this also suggests that the legal age definition for a vintage car should be lowered accordingly to 30 years). The survey results give a strong message to the authorities that this anomaly needs to be addressed – tinkering with the system as proposed is not enough as far as heritage vehicle owners are concerned, although combining the WOF transaction with the rego did have a reasonable level of support.

Indeed there could be a case for implementing a Road User Charges regime on all vehicles and doing away with registration. ACC fees would then be part of the RUC and would result in a much fairer implementation of the user pays approach. The few older vehicles without Speedos could be exempted as the loss would be small. Harsh penalties for a vehicle found without a working Speedo, including instant impoundment, would resolve compliance issues. The less well off would benefit by being allowed to buy only what distance they needed and could afford. Higher mileage users would pay for greater risk [time on road].

Such an option would suit our members and owners of multiple vehicles as it would really be a pay as you go system! The RUC Labels would need to carry the vehicle rego number and model to avoid transfer and fraud.

Assuming an average WOF fee of \$45 per vehicle a change to annual inspections could result in theoretical savings in excess of \$6 Million per annum just for our members alone. But our survey results indicate no faults are found in more than 85 per cent of vehicles checked. So we submit the skills and expertise, as well as the capital resources of the motor trade industry, could be put to much better economic use keeping our road transport fleet in good operating condition rather than repeatedly checking cars which are already known to be roadworthy and have had no opportunity to deteriorate since their previous inspection.

We submit that putting resources into random roadside inspections and educating drivers how to carry out their own checks would have a much more beneficial road safety effect. For example it would catch some of the potentially unsafe 9% of cars on the road with no WOFs. We also see merit in introducing incentive schemes such as waiving fines if a missing WOF is obtained within a fixed time period, and introducing a demerit points system for drivers caught operating an unsafe vehicle.

Thank you for considering our submission.

Yours sincerely

Andrew McClintock
Submissions Secretary

Appendix
FOMC WOF and Vehicle Licensing Survey Results
MOT Year by Year Vehicle Crash Statistics