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Vehicle Standards Compliance Amendment
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**Submission on Land Transport Rule
Vehicle Standards Compliance Amendment (No. 2) 2013 Rule 35001/11**

Submission from New Zealand Federation of Motoring Clubs 31/05/2013

The NZ Federation of Motoring Clubs represents approximately 130 member clubs catering for motor caravans and heritage and collectors vehicles including cars, trucks, military vehicles, tractors and motorcycles covering all years of manufacture. Our member clubs represent more than 60,000 individuals. Thank you for the opportunity to provide this submission on the proposed rule change.

Questions for comment

Page 18 What should the frequency requirements for the in service inspections for older vehicles such as veteran or vintage cars be?

Discussion

1. Based on member feedback and the results of our research, the Federation strongly believes that annual WoF inspections for vehicles over 40 years of age makes good economic sense and would be more equitable given that they comprise such a small portion of the fleet, and travel very limited distances annually.
2. Despite industry support for a reduced WoF frequency for over 40 year old vehicles, the comment is made that “there would be limited economic benefits” for changing to 12 monthly WoFs. We strongly submit this under estimates the inequitable and significant financial impact the present regime has on the owners and collectors of older vehicles for no appreciable improvement in safety factors.
3. Many vintage and veteran vehicles are owned and maintained by older, often retired people on fixed incomes, to whom the “limited economic benefit” would be very real and substantial. Indeed many enthusiasts own more than one over 40 year old vehicle. The total WoF cost has to be measured in terms of time and distance covered to obtain one, as well as the direct charges. For working people, the need to be present for a warrant inspection on an older car of specifications unfamiliar to many testers can cause work time issues.
- Safety.
4. We have evidence from our membership that many heritage vehicle owners are now choosing to reduce costs by only obtaining a WoF and licencing their vehicles during the

warmer months of the year, and then leaving them parked up over the winter. It is not only the fee, but also the cost and inconvenience of often taking time from paid employment to obtain a WoF, and deal with the questions from a tester quite often unfamiliar with the mechanical features and construction of an older vehicle. For wage earners or retired people on fixed incomes, many of whom own one or more vehicles, and even more so for those who own vehicles requiring a CoF, not submitting them to six monthly inspections makes economic sense.

5. The Federation believes that there would be significant economic and safety gains derived from facilitating more frequent and year round use of older vehicles by making them road legal for the full 12 months. Such year round use of heritage vehicles would ensure more regular maintenance, keep brakes and oil seals in better working condition, and avoid flat spots developing on tyres, all of which would improve safety factors, as well as increase licencing fee revenue and reduce administration costs.

Pre-1919 Veteran Vehicles

6. The Federation is of the view that pre-1919 vehicles are few in number and almost exclusively owned by people who have the mechanical skills to operate and maintain them. The youngest of these vehicles would be 93 years old this year. They are unique vehicles of a simple construction and the mechanicals are readily visible. They are capable of only limited speeds and travel relatively short distances each year. We do not consider safety would be significantly compromised by exempting this class of vehicle from light vehicle inspection requirements.

The Federation submits that:

“Annual inspections for vehicles more than 40 years old from the time of first registration anywhere would be the appropriate frequency for service inspections.”

“Vehicles manufactured before 1 January 1919 should be exempt from annual inspections.”

Question Page 18 “do the current definitions accurately depict vehicles commonly referred to as veteran and vintage vehicles?”

The Federation Submits that:

“That for the purposes of transport legislation, **“Veteran motor vehicles”** defined as motor vehicles manufactured before January 1 1919, is correct and in line with International standards.

“That the current legal definition of **‘Vintage vehicles’** is inconsistent with generally accepted definitions and should be amended to bring it into line with an internationally recognised reference date of 30 years old and, to avoid other confusions, change the name from vintage to **‘Heritage Vehicles’**”

Note Vintage Vehicles are defined internationally as motor vehicles manufactured after 1 January 1919 and before 31 December 1931

7. Our reasoning for seeking this change to 30 years is that the percentage of the fleet aged between 30 and 40 years is less than 1% and most vehicles of this age are no longer covering significant annual distances. Most common cars 30 or more years old are worth less than a set of new tyres, and so it is more economic to buy a younger replacement car

than repair or bring a deteriorating pre or mid 1980s era car up to compliance standards. The reality has become that, with few exceptions, only car buffs bother to continue to drive and maintain such vehicles, and distances travelled are generally small because imported cars of the 1990s era are cheap and travel far better than pre or mid 80s vehicles.

8. Because they are usually kept in good condition and do low annual mileages older vehicles are under represented in crash statistics. In the period 2005-2011 in only 22 of the crashes involving vehicles with defects were any of vehicles older than 40 years, none of the crashes were fatal and only three resulted in serious injury. Of all the crashes in which vehicles were found to be defective only 139 (4.5%) involved vehicles aged 30 years and older (1984 on), 7 (3.8%) of which were fatal (almost all being 1984-model year vehicles), and only 29 (4.8%) resulted in serious injury.

9. Our contention that older vehicles are generally maintained in better mechanical condition is supported by WoF Statistics which show failure rates for cars aged between 11 years and 25 years old are all above 30%, ranging up to 36%, but drop to 28% for those older than 25 years. In fact the failure rate for light vehicles aged over 25 years is only slightly more than for those aged under 10 years for which it is proposed to change the WoF frequency to annual, and this suggests it would be economically sensible and equitable for those over 30 years to be treated similarly.

Question Page 19 Implementation of new inspection frequencies.

The Federation supports the proposed rule change and phase in timing as being equitable.

Additional questions Overview Page 13

You have sought feedback and comment on the following questions:

Q• What impact would the proposals have, and on whom?

10. The Federation comments that the already proposed changes will reduce costs for post 2000 vehicle owners, but there is no similar or equitable gain in the proposal for our membership who own vehicles aged over 30 years old. There will be an impact on compliance providers, but we support the proposal to manage that change in a staged way. The economic benefit to the motoring community justifies this change, but it is regrettable that it has been limited in scope to post 2000 vehicles.

Q• Would any groups or individuals, in particular, be disadvantaged by the proposals, and how?

11. Despite industry support for a changed WoF period for over 40 year old vehicles, the comment is made that “there would be limited economic benefits” for changing to 12 monthly WoFs. The Federation strongly contests this point of view on equity grounds and seeks a 12 month WoF for Vintage class vehicles.

12. In preparing our previous response to the Government's discussion document on Vehicle Licensing Reform, the Federation asked member clubs to circulate a web-based survey to their members. The survey results confirmed vehicle collectors are incurring considerable costs to comply with the current vehicle inspection and licensing regime to achieve almost negligible road safety benefits.

13. The largest percentage, 49%, drive their collector vehicles less than 1000kms per year, with most of the remainder, 41% travelling between 1000/3000kms. So the vast majority

of heritage and special interest vehicles are covering very limited mileages between WoFs, and much less than the average of 12,000kms per year for ordinary vehicles.

14. As many own and use more than one heritage or special interest vehicle, more than half are paying between \$90 and \$360 in WoF fees each year. But just over 85 per cent reported none of their vehicles had failed an inspection in the last 12 months for brake, tyre or lighting related faults. So six monthly WoF checks means most vehicle collectors are being subjected to costly and unnecessary inspections which fail to find safety faults or raise any questions about the fitness of their cars to be on the road.

15. The majority of the respondents to the FOMC survey were in favour of 12 month WoFs for vehicles 30 years old and over. Less than 10% supported retaining the current six monthly inspection regime, while 18% favoured exempting heritage vehicles from WoF inspections altogether as is now the law for pre-1960 vehicles in the United Kingdom.

16. Of the respondents to our survey 37% had just one heritage/SIV vehicle, with 22% owning two, 15% owning three, 10% owning four and nearly 17% owning five or more either currently licensed or on hold. So as the majority of respondents own more than one heritage or special interest vehicle reducing WoF requirements and other costs will have multiple benefits for the majority of heritage/SIV owners, whose interaction with the compliance system is disproportionately excessive.

17. More than half the respondents, 54%, estimated they take 30-60 minutes to obtain each WoF, including waiting and travel time, with 28% taking more than an hour. So as well as reducing the actual transaction costs there will be meaningful time savings for heritage/SIV owners if WoF frequency is reduced, further reducing compliance costs.

18. In indicating their preferred change to the present WoF regime 37.6% of respondents supported reducing the WoF frequency for all vehicles to once a year, 23% supported the status quo, but with an annual inspection for vehicles aged over 30, and 31.5% supported the mileage-based option (a WoF test every 12,000km or 3 years, whichever comes first). Less than 10% supported a six-monthly WoF for all vehicles over 12 years, while 18% supported exempting heritage vehicles from the WoF altogether (similar to the UK where pre-1960 vehicles are now exempt). From the survey results it can be concluded that the majority of respondents, 60.7% supported an annual WoF for heritage/SIV vehicles

19. The majority of respondents also believed the current test is too stringent for heritage vehicles, and reflected 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.

20. We acknowledge that compliance providers will lose some income streams but as heritage vehicles make up such a small portion of the total fleet extending annual WoF inspections to 30 years and older vehicles will have minimal impact. We would hope that good operators would become more innovative in new customer services including encouraging owners to get regular on the spot safety checks on tyres and lights etc. However our research suggests there may even be some economic gains for compliance providers in reducing WoF frequency for the heritage fleet as dealing with the older vehicles is clearly taking longer than more modern cars and involving inspection staff in time consuming disputes and discussions with disgruntled owners.

Q• Would any groups or individuals, in particular, benefit from the proposals, and how?

Only the owners of post 2000 cars will benefit through reduced compliance costs.

Q• Are there any implementation or compliance issues that would need to be considered?

On page 15 there is a table that refers to the changes in frequency.

21. We seek clarity in relation to qualifying for CoF extensions. The question we ask is who is going to make these discretionary decisions as to the length of time between CoFs. It would be inappropriate for testers to make such decisions as any extension of time between CoFs would detract from their income stream and essentially be a conflict of interest.

22. We would appreciate consideration being given to well maintained low mileage **heritage trucks** [that in future may qualify for a proposed unladen weight RUC class] also qualifying for a 12 month CoF. This would have a huge cost benefit for the owners as many of these vehicles do only a few hundred kilometres between CoFs. As with cars, many are being laid up for periods which can compromise maintenance issues. The significant cost increases for CoFs and RUC have seen a numbers of vehicles simply parked up. A 12 month CoF would allow regular runs to keep these vehicles in good mechanical condition and enhance their safety status.

The Federation Submits that over 40 year old Heritage Trucks that are operated unladen as display vehicles or on club activities be granted a 12 month Inspection period.

.Note this would fit in with the proposal for the proposed unladen RUC classes.

To summarise the main points we submit all veteran vehicles should be exempt from any inspections, and that those light vehicles currently defined in the legislation as vintage should be subject to only annual WoF inspections, and that the definition should be extended to include vehicles 30 years older, and that this class should be renamed heritage vehicles. Thank you for considering our submission.

Regards

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