



THE NEWSLETTER
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FEDERATION OF
MOTORING CLUBS

WHEEL TORQUE

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WoF and rego review announced

The Government has commenced a detailed review of the Warrant of Fitness and commercial Certificate of Fitness regimes, and the operator and vehicle licensing ('rego') systems.

Announcing the review, Minister of Transport Gerry Brownlee said the reform had the potential to save millions of dollars in unnecessary costs and time for households and businesses.

"We need to make sure the warrant of fitness and certificate of fitness and transport services licensing systems are still cost effective and fit for purpose. For example, the 5.5 million warrant of fitness inspections a year cost car owners

around \$250 million in inspection fees, so we need to ensure the rationale for all the aspects of those systems are clear and justified."

"However, safety will remain a key priority in considering any changes," Mr Brownlee said.

More than 14 million vehicle certification and licensing transactions take place each year, which puts significant administrative and compliance burdens on households, businesses and government agencies that process these transactions, the Minister said.

"It is sensible to look at how the government could take advantage of technological developments to make licensing easier and offer better value for money solutions."

Table 1: Inspection frequency in other countries (years)

	1st test	2nd	Interval	Comments
Japan	3	5	2	
Singapore	3	5	2	Every year after 10 years old
Finland	3	5	1	
Germany	3	5	2	
Ireland	4	6	2	
The Netherlands	3	4	1	Up to 30 years old then every 2 years up to 50 years, and no test for vehicles >50
United Kingdom	3	4	1	
Sweden	1	2	1	
Australia	-	-	1 NSW, NT only	NSW vehicles >5 years, NT all vehicles >3; other States either none or when being registered or transferred
New Zealand	1	2	1/2, 1	Annual for vehicles <6 years old; 6 months for vehicles >6

New Zealand's vehicle inspection system is one of the most frequent in the OECD (see table). The review will look at whether the current regime is delivering the best balance between compliance costs and safety benefits, and if possible, whether costs and inconvenience for vehicle owners can be reduced while maintaining or improving safety.

Options may include reviewing the frequency of the WoF and possibly the scope of the test.

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Source: NZTA, AA



The review will include a rigorous examination of costs and benefits of any proposed change.

The WoF review was originally signalled over a year ago after the NZ Transport Agency did some preliminary work, and later briefed FOMC member clubs at our 2011 AGM. The Ministry of Transport, who will be undertaking the review in partnership with the NZTA, will update clubs at the 2012 AGM in May in Wellington.

The review is expected to be completed by the end of the year; public consultations are expected in May or June. The FOMC is already considering our position, but clubs may want to consider what changes they would like to see (and why) and let us know – email your views to secretary@fomc.co.nz

- More information: www.transport.govt.nz/ourwork/Land/Pages/VehicleLicensingReform.aspx

2012 AGM

The Federation's 17th Annual General Meeting is being held in **Wellington** on Sunday **27 May**, from 10:30am. This is the first time the AGM has been held in Wellington, so we encourage all member clubs in the greater Wellington region, Manawatu, Wairarapa and southern Hawkes Bay to attend and learn more about the work of the FOMC on your behalf. The FOMC is *your* Federation, so if you want to have input, the AGM is your chance. Clubs are entitled to send as many observers as they like – cost is \$15 per person.

The venue is the Vintage Car Club rooms in Halford Place, at the bottom of Jackson Street, Petone. More information has been posted to member clubs along with subscription renewal notices, or you can download registration and sub forms from www.fomc.org.nz/events

As usual the AGM format features guest speakers in the morning and the formal club business after lunch. This year's guest speakers include the **Ministry of Transport** outlining proposals to review the WoF regime and vehicle licensing system. This affects all vehicle owners, but is of particular interest to owners of enthusiast vehicles who travel moderate mileages between WoFs.

ACC will also be present to explain the insurance scheme and discuss motor vehicle levies, and why they differ between petrol and diesel vehicles and vehicle type. Again this is of interest to all motorists but especially enthusiasts who own multiple vehicles but can only use one at a time yet are paying multiple ACC levies through the licence fee. If you can't spare the entire day, feel free to just attend the session that interests you most.

- For more information, contact secretary@fomc.co.nz

EDITORIAL

Heritage vehicle owners will be interested in plans to review our WoF, CoF and vehicle licensing regime. The WoF review in particular promises to be the most significant regulatory change affecting vehicle owners in many years, with the possibility that NZ could move to an annual inspection for all vehicles, and not just those under 6 years of age.

It's no secret that NZ's twice-yearly safety inspection is the most frequent in the world. Many countries have an annual inspection, often less frequent for newer cars. In Australia, they have no inspections at all (except NSW and Northern Territories), other than when selling a vehicle.

It's been interesting as we begin to debate reducing the WoF frequency, to follow the recent debate in the UK where it was proposed to move the safety inspection (MoT in their lingo) from annually to bi-annually, and dispense with it altogether for pre-1960 vehicles (see page 4).

Interesting, because the classic car community, particularly the Federation of British Historic Vehicle Clubs and the classic car magazines, opposed the move, for fear that owners couldn't be trusted to maintain their vehicles safely outside a mandatory regime, and that preferential treatment for older cars might be a slippery slope to restrictions on use in the future.

Perhaps the latter is a valid concern which needs to be managed carefully, but it seems odd that a regular inspection is somehow deemed proof that a vehicle is safe to be on the road. A WoF in NZ, just as a MoT in the UK, is only valid on the day it is issued. The following day you could legitimately be ticketed for operating an unsafe vehicle if it has developed a fault, irrespective of the status of the WoF sticker. On every other day, therefore, vehicle owners have a responsibility to ensure it is still safe to be driven on the road, which means periodically checking for faults like damaged or worn tyres, broken lights, and addressing issues like noisy brakes or suspension when they arise. The frequency of official inspection, or even the mandate, should make no difference to this fundamental obligation of motor vehicle owners.

True, Kiwis are probably not as good at maintaining their cars as our counterparts in Australia or the UK – but then doing away with the WoF altogether is unlikely to be an option in the review here.

One would have thought that vintage and classic car owners in the UK are better at maintaining their vehicles than mainstream motorists and that this would entitle them to preferential treatment under their safety inspection regime, such as a reduced test frequency. Perhaps that is what heritage vehicle owners in NZ should be seeking. Regardless of the outcome of the review – even if it retains the six-monthly WoF – we should seek additional concessions for heritage vehicles. Perhaps an annual inspection, or bi-annual if the rest of the fleet moves to annual, or a less invasive test.

At the very least, if annual inspections are good enough for a late-model technically-complex car doing 20,000km a year with no interim maintenance by its indifferent owner, then why isn't it good enough for a well-maintained classic vehicle doing 1000km a year?

INSURANCE UPDATE

Rural Fire Risks are a Major Financial Hazard

Frightening financial loss can be inflicted on both clubs and their members if something goes wrong when they leave the legal road to explore the recreational delights of the great outdoors.

If clubs or their members go into forested areas or regional wilderness parks and damage results from even a minor event, such as a hot spark from an exhaust starting a fire, neither individual motor vehicle policies nor home and contents public liability insurance provide effective cover for the losses which can mount into many millions of dollars.

The Forest and Rural Fire Services Act cover under the FOMC Public Liability insurance is only \$250,000 and relates to events such as a barbecue fire spreading to surrounding brush and trees. It does not cover damage caused by motor vehicles. And taking into account that it costs up to \$1,000 an hour to operate a helicopter plus the costs of the Fire Service and the operation of the fire trucks, etc. the liability for financial compensation for a serious fire incident can often exceed the limit of the cover.

Clubs and individuals can also be held liable for compensation for the costs and losses incurred if they just happened to be in the area when a forest fire broke out even if they had nothing do with starting it. If you start a fire or are unfortunate enough to be in the area of where a fire breaks out and you have no insurance cover then you could lose your home and other assets. If a fire occurs while an organised off-road event is being run by a club and it is sued for the compensation, the officers of the club will be exposed to the financial loss even if they were not even at the event.

To protect the officers and members of 4WD, farm machinery, military vehicle and other clubs which go off road into private and state forests or wilderness parks, the FOMC's insurance broker John Barley (www.barley.co.nz) has arranged optional additional cover under the Rural Fire Services Act provisions in our Public Liability Insurance.

To obtain \$1,000,000 of Rural Fire Services Act Cover will cost an additional \$175.00 plus GST over the annual Liability Policy premium, i.e. \$393.75 plus \$175.00 totalling a premium of \$654.06 (incl. GST).

To have \$500,000 under the Rural Fire Services Act the premium would be \$393.75 + \$150, totalling \$625.31 including levies and GST



LEGISLATION UPDATE

A round-up of planned legislative changes that may affect club members:

Changes Road User Charges

Parliament has approved the Road User Charges Bill, which is scheduled to take affect from 1 August 2012. The changes are the biggest overhaul of the RUC system since it was introduced in 1978 (see *Wheel Torque* issue 9).

"There will be less red tape for operators and the government, and the system will be easier to understand and fairer for all those who pay RUC," said Transport Minister Gerry Brownlee.

Provisions in the Bill include:

- *giving every heavy vehicle a permanent RUC weight*
- *removal of the time licence system and supplementary licences*
- *a fairer and simpler structure in relation to offences and penalties, particularly for light vehicles*
- *system improvements to enable greater compliance*

The FOMC submitted on the draft Bill, and four of the committee went to Wellington to present our submission to the Transport and Industrial Relations Select Committee during public hearings. The FOMC also met with some opposition MPs to raise our objections. NZ First was the only party that voted against the Bill.



Our submission raised several concerns, in particular that the new RUC system takes a "one size fits all" approach and imposes a new gross laden weight levy on all heavy vehicles. We said this particularly disadvantages unladen heritage vehicles and motorhomes whose operating weights are much less than GLW and so will end up paying more than under the old 'nominated weight' regime. Some motorhome owners face a 100% increase in RUC fees. The new system also introduces three broad weight bands to replace the more flexible 1-tonne increments under the old scheme.

Although the Bill has passed, there are still some details to be worked through. The Ministry of Transport recently consulted on some consequential amendments to the RUC vehicle classes and weight bands in which we strongly raised some objections and recommendations.

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FOMC member the Motor Caravan Association issued a press release criticising aspects of the Bill which we had raised in our submissions, and MCA and FOMC committee member Fred Fellows was later interviewed on Radio NZ. Subsequently, the FOMC was invited to a meeting with the MoT who were well aware of the effects these proposals would have on the owners of a great number of heavy recreational vehicles. They were able to assure us they are working on amendments which should largely address our concerns, before the weight bands and fees are finalised.

- A copy of the FOMC's submission on the Bill, and consequential amendments can be found on our website: www.fomc.co.nz/current

Changes to car licence, rules for trailers

From April 2012, the maximum laden weight limit of a vehicle, or combined vehicle and trailer, that can be driven on a Class 1 (car) licence, increased from 4,500kg to 6,000kg.

At the same time, the Vehicle Lighting Rule was amended to require all new trailers to be fitted with rear stop lamps and indicators. Formerly, rear stop lamps and indicators only needed to be fitted if the size of the trailer or load prevents the stop lamp signal of the towing vehicle, or arm signals of the driver, from being seen from behind the trailer. The rule change does not apply retrospectively to registered trailers currently in use.

GPS DEVICES NO SUBSTITUTE FOR SPEEDOS

More and more people have GPS equipment these days, and some are using GPS to monitor their speed. However, the NZ Transport Agency has confirmed that speedometers that rely on a GPS signal do not meet the WoF requirements.

This is because GPS don't always display the speed at any given moment, such as in tunnels, parking buildings, on inclines or in gorges, or sometimes bad weather. When the signal is lost, the reading displays the speed as zero. This does not meet NZTA's requirement that "the speedometer must be in good working order and operate while the vehicle is moving forward."

The NZTA Rule and WoF guidelines have recently been clarified, adding the word 'continuously' to the definition, and now state: "Speedometer means an instrument in a motor vehicle that continuously indicates to the driver the forward speed of the vehicle in either kilometres per hour or miles per hour. For clarification, this definition does not include the speed provided by a GPS system."

A recent *Consumer* article on GPS noted that "...fluctuations in speed and direction (such as fast acceleration, going up or down hill and turning tight corners) cause GPS units to lose speed accuracy dramatically. Atmospheric and other technical aspects of satellites can also cause errors to GPS accuracy. So don't use your GPS as a fail-safe speedo..."

– reproduced courtesy of the LVVTA

NEWS FROM AROUND THE WORLD

UK considers abolishing safety checks for pre-1960 vehicles

The UK Department for Transport recently consulted on reviewing its annual warrant of fitness regime – known in that country as the MoT – which included proposals to extend the test frequency to bi-annually, and scrapping tests for pre-1960 cars and motorcycles. The proposals would bring classic vehicles into line with pre-1960 heavy goods vehicles, which have been MoT-exempt since 1988.

Other options for consideration were a pre-1945 or a pre-1920 exemption from the MoT. The option of less frequent tests for older vehicles only travelling low mileages was not considered.

In announcing the proposals, the Roads Minister said classic and historic vehicles are often very well maintained by their owners and have a much lower accident and MoT failure rate than newer cars. Many of the features of the modern MoT test are also not suitable for testing classic vehicles built more than fifty years ago.

The Department for Transport consultation paper noted that the estimated 162,000 pre-1960 vehicles in the UK make up less than 0.5% of the 32.7 million vehicles required to have a statutory MoT test, and that two-thirds of these pre-1960 vehicles drive less than 500 miles a year. When submitted for their annual test, pre-1960 vehicles have a failure rate of less than 10%, compared to over 30% for post-1960 vehicles.

Surprisingly, the proposals were not well supported by motoring groups, with the AA UK supporting retention of the annual test, and the Federation of British Historic Vehicle Clubs only supporting a pre-1920 cut-off.

The Department for Transport subsequently announced that there would be no change to the annual MoT frequency following public feedback. A decision on exempting older vehicles has not yet been made.

No more rego labels in South Australia

As of July 2011, registration labels are no longer being issued for light vehicles in South Australia. Registration renewal periods have also reduced to only two options, 3 or 12 months.



The onus is on the driver of a vehicle to make sure it is registered. The State Government has added an option to check vehicle registration via website, phone or a recently launched iPhone app.