

VEHICLE LICENSING REFORMSUBMISSION

SUBMISSION FROM TRAFINZ TO THE MINISTRY OF TRANSPORT

31 OCTOBER 2012

Background

Thank you for the opportunity to make a submission on the proposed vehicle licensing reform.

TRAFINZ (The Traffic Institute of New Zealand Inc) represents a wide grouping of NZ local authorities, covering the majority of the New Zealand population. Its membership includes regional councils, the major metropolitan cities and smaller provincial authorities as well as private sector and non-local government members.

TRAFINZ' Executive is comprised of elected councillors and officers, drawn from a cross section of the membership, together with senior personnel representing its key government partners and supported by a number of senior technical staff from transport consultancies that volunteer their services pro bono.

The Institute's primary focus is on sustainable transportation planning, traffic management and road safety. It provides specialist advice to member authorities on traffic and safety issues by drawing from the depth of expertise available through its members. It also acts as a conduit for local authorities to respond to the NZ Government on new transport policies and legislation.

Submission

From a safety perspective we would question the need for some of the reform outlined in the vehicle licensing reform discussion document. The document states that 'the types of vehicle safety defects that are detected during a WoF inspection are cited as contributing factors to about 6% of fatal crashes and 2.5% of all fatal and injury crashes. However, in around only 0.5% of all injury and fatal crashes are such defects cited as the 'sole' cause of the crash.'

While no amount of human trauma caused by a road related crash is considered acceptable, the low number of crashes directly influenced by vehicle standards may suggest that the current regime is successful in its current form. It could be argued that any change could increase this number and we request this is considered fully when evaluating any new options against the current regime.

It is difficult to provide constructive feedback on the options outlined in discussion document without understanding the full scope of the measures that may be implemented to encourage safer vehicles in lieu of regulated inspections. There is some reference made to increased enforcement activities and information and advice programmes but little more is known at this stage as to what form these programmes will take or how they will be funded.

The discussion document has a strong focus on saving time and money. However, when reviewing the options it appears that all will result in cost transference, rather than cost savings. Whichever option is chosen there will be associated costs and resources needed to reduce the additional cost of crashes.

Warrant of Fitness (WoF)

Vehicle safety is a key contributing factor in determining crash severity. Vehicles with good safety design features will better protect occupants in the event of a crash than those without. Modern vehicles with inbuilt safety technology such as full length curtain airbags, and stability control systems are far preferable from a safety point of view to the older imports with none of these features as standard, which make up a considerable proportion of the existing fleet. Maintenance of vehicles is a critical requirement to ensure their ongoing safety.

We have considered the four options for reforming the WoF regime:

Option 1: yearly inspections for all vehicles up to 12 years old, six monthly inspections thereafter, with measures to encourage safe vehicles

Option 2: first inspection at three years, annual thereafter, improved test, with measures to encourage safer vehicles

Option 3: inspections based on distance travelled, with measures to encourage safer vehicles

Option 4: inspections on change of ownership, with measures to encourage safer vehicles

We note that against each of the options outlined there is a potential risk stated which estimates the increased cost in crashes. For each of the options there is an increase in the cost of crashes ranging from \$3 million to \$90 million. We would like it noted that this cost refers to serious injuries and lives lost. The safe system philosophy is that no serious human trauma resulting from a road crash should be considered acceptable. For that reason, from a safety perspective, none of these options are acceptable.

If the current regime is reformed, we would suggest a combination of options one and two would be most appropriate, for example, no inspection to three years, annual inspection to 10 years (at the latest), and six-monthly inspections thereafter. This proposed option focuses on ensuring the safety of older vehicles. This is important because New Zealand has one of the oldest vehicle fleets in the developed world, with the average age being over 13 years. The effect of this is that many older vehicles are not up to the safety standards of their modern counterparts, and may be less forgiving in the event of a crash.

Whilst we agree it is important that any changes are efficient in that they save people time and money, the priority in this reform must be whether the regime change will have a positive impact on road safety.

Page 10 of the discussion document lists the qualities of the future WoF regime. We have considered each of the options against these stated objectives and make the following specific comments:

Objectives of Future WoF Regime	Comments
Result in safe vehicles without unnecessary cost	We do not consider that any of the options will result in safer vehicles. In fact, all options appear to result in the transfer of costs, rather than a reduction in costs.
Be easy to comply with, better targeted to risk and represent value for money	<p>We agree that inspection rigour, frequency, compliance and enforcement effort could be better matched to the risk of vehicles developing faults and vehicle maintenance cycles. We would suggest that inspections could become more rigorous as the vehicle ages.</p> <p>If annual inspections are required to 12 years, there are potential risks for those motorists with very high mileage. We recommend this period is reduced to 10 years at the latest. Minimum tyre tread depths would also need to be reviewed to reflect the increased time between checks.</p> <p>As noted above, we do not believe that any of the options presented will result in better value for money for vehicle owners.</p> <p>Increased enforcement at roadside to target risk will also be an expense – or at the potential expense of other road safety activities.</p>
Promote responsible and safe vehicle maintenance by owners and drivers	<p>We agree that vehicle maintenance could be improved and that vehicle owners do currently often rely on the WoF check to determine faults.</p> <p>The discussion document relies strongly on individuals keeping their own vehicles safe and maintained. It should be recognised that to achieve this, many individuals will need to invest significant effort, acquire new knowledge and undergo extensive culture change.</p> <p>Assuming that education programmes can build this knowledge, in our experience successful culture change takes a lot of time, education and enforcement. Even with this culture change, there will always be a proportion of the population that does not comply. This non-compliance creates safety issues for other road users.</p> <p>Compliant individuals may not be able to identify faults with some aspects of their vehicle and would still need to have them expertly tested e.g. steering and brakes. Roadside testing may not pick up some of these faults either. Therefore, this cost will still need to be met by the vehicle owner.</p>
Give people, especially those buying vehicles, a reliable indicator of basic vehicle safety	None of the options outlined in the discussion document will provide a more reliable indicator of basic vehicle safety than the current regime.
Provide sound data for the motor vehicle register, road user charges, the planned Operator Rating System and road safety.	<p>Data could be improved under the current system without changing the overall regime.</p> <p>Note that privacy issues will need to be taken into account in the sharing of any data.</p>

Certificate of Fitness (CoF)

We have considered the three options for reforming the CoF regime:

Option 1: variable frequency with six-monthly inspections as default and greater flexibility in inspection services

Option 2: variable frequency with 12-monthly inspections as default and greater choice over inspection services

Option 3: alternative accreditation

The safety implications of changing the CoF system must be carefully considered. None of proposed options currently includes an evaluation of the safety risk. As is demonstrated in the figure 'Percentage of Failed CoFs by Faults' on page 9, brake failure rates are a significant issue for COF B inspections and the safety risk with this fault alone must be significant if any new regime was brought in. This is a serious safety issue to which little thought has been given.

Nevertheless, our preferred option for reform would be Option 1, due to the flexibility in certification services. For example, it is preferable in the case of a minor fault being picked up that the vehicle can get back to base to have the repair undertaken as long as safety is not being compromised. We understand that a similar regime is currently in place for the roadside inspections completed by NZTA and CVIU and that this works very well, with operators responding positively to the added responsibility. This option also provides the opportunity to require more frequent monitoring of operators with a poor safety record.

We strongly support the introduction of the Operator Safety Rating System and further investigation into how Option 1 will impact on it. Ensuring that CoF results remain independent will be key to critical to ensuring the long term viability and credibility of the Operator Rating System.

Options 2 and 3 are not considered viable as neither appears to return any safety benefits, appear to result in unnecessary costs and are not financially viable.

Annual Vehicle Licensing

The discussion document lists a number of ideas for improving the annual vehicle licensing system. We do not have any strong opinions on these ideas, however feel that this reform may be somewhat premature and could wait until the outcomes of the ACC review are known.

There is not enough information provided in this document for us to comment on changes to the licensing label.

Transport Services Licensing

There is little information provided on the likely extent of the risks associated with each of the options, nor would the existing or proposed systems adequately manage the associated road safety risks.

We therefore do not support removal of the requirement for individuals and companies to hold a Transport Services License. Our concern is that this could lead to unsuitable people and/or unsound operators joining and operating within the industry.

We would prefer to see the current licensing system retained, and additional regulatory tools introduced to ensure the appropriate management of the various groups within this sector to address the short comings of the current system.

Conclusion

Trafinz appreciates the opportunity to make this submission and are able to provide further clarification if required.

For more information please contact:

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