



# Vehicle Licensing Reform

- > Annual vehicle licensing
  - > Warrant of fitness/certificate of fitness
  - > Transport services licensing
- 

## Vehicle Licensing Reform Fact Sheet

### General

- Vehicle Licensing Reform is looking at:
  - the warrant of fitness (WoF) and certificate of fitness (CoF) system
  - the Annual Vehicle Licensing (commonly known as registration) system
  - the Transport Services Licensing system.
- More than 14 million vehicle certification and licensing transactions are generated every year by annual vehicle licensing, warrants of fitness and certificates of fitness, and transport services licensing.
- There are 4.2 million vehicles currently recorded in the motor vehicle register with 3.2 million vehicles on the road.
- 2.8 million vehicles are cars or passenger vans and the rest are a mix of trucks, buses, motorcycles and other vehicles.
- Based on the vehicles on the vehicle register:
  - Around 10 per cent are without a current warrant of fitness or certificate of fitness.
  - Around 9 per cent are unlicensed.
  - Around 5 per cent are both without a current warrant of fitness or certificate of fitness and unlicensed.



# Vehicle Licensing Reform

- > Annual vehicle licensing
  - > Warrant of fitness/certificate of fitness
  - > Transport services licensing
- 

## WoF/CoF

- the warrant of fitness system began life in 1937.
- WoF and CoF inspections are designed to reduce road crashes that result from vehicle defects by making sure vehicles meet minimum safety standards.
- For most private vehicles, inspections are yearly up to six years old and then six-monthly.
- There are 5.5 million warrants of fitness and 365,000 certificates of fitness vehicle inspections every year.
- Around \$245 million a year is paid in WoF fees and around \$40 million in CoF fees to inspection providers.
- Around 3.5 percent of all fatal and injury crashes have vehicle faults as a contributing factor. Approximately 0.4 percent of all fatal and injury crashes have vehicle factors cited as the sole cause of the crash.
- Around 2.5 percent of crashed vehicles have WoF-inspected faults as a contributing factor.

## Annual Vehicle Licensing

- Vehicle registration has been in existence since the early 1900s.
- Annual Vehicle Licensing is mostly for revenue collection. Close to \$830 million is collected each year. Of this:
  - \$682 million goes to ACC.
  - \$150 million goes to the National Land Transport Fund to help to pay for a range of transport projects and services.
  - \$5.1 million goes to funding vehicle safety standards development.
- About 5.7 million transactions are generated every year for 4.2 million vehicles.



# Vehicle Licensing Reform

- > Annual vehicle licensing
  - > Warrant of fitness/certificate of fitness
  - > Transport services licensing
- 

- Typically, the owner of a petrol-powered private car will pay \$287.75 for a 12 month licence. A diesel-powered private car will pay \$417.61 (cost as of 1 May 2012).
- Only around 40 percent of vehicles are relicensed on time. After one month this figure jumps to 80 percent.
- Around 235,000 infringement notices for late AVL payment are issued each year.
- At any one time during the year there are around 260,000 cars unlicensed.

## Transport services licensing

- Transport services licensing system originated in the 1930s.
- The main purpose of the TSL system is to support road safety. Operators of some road transport services and some vehicles have to hold a transport service licence if operating:
  - goods services
  - passenger services
  - vehicle recovery (tow) services
  - vehicle rental services
- There are around 37,000 active licences, the holders of which operate around 150,000 vehicles. There are around 2000 applications each year for transport service licences.
- The NZ Transport Agency collects around \$10 million a year from transport services licence holders and applicants.