



12 September 2007

### FRONTAL IMPACT AMENDMENT – POST-CONSULTATION POLICY PAPER

I am writing to you, and all those who made a submission on the yellow draft of *Land Transport Rule: Frontal Impact Amendment [2007]*, to provide information in the enclosed Policy Paper about proposed changes to the draft Rule. These changes are being made to ensure that the Rule amendments will result in a system for managing the categories of vehicle concerned that is more workable, and straightforward to understand and to administer.

It is proposed that the requirements relating to motor sport vehicles, 'baggage vehicles' (also referred to as 'immigrants' vehicles) and passenger vehicles of more than 2.5 tonnes gross vehicle mass would remain the same as in the yellow draft. However, it is proposed to change the draft Rule to:

- reinstate the provision for people to apply for an exemption from having to meet an approved standard for frontal impact;
- remove the proposal for a panel to compile a register of vehicles to be recognised as unique collectable vehicles (UCVs);
- include an annual maximum quota for UCVs entering New Zealand;
- include a definition of a UCV;
- place ownership conditions on an applicant who wishes to import a UCV.

I am sending you this letter and Policy Paper so that you will be aware of Land Transport New Zealand's and the Ministry of Transport's current proposals before the Rule is finalised for government scrutiny and signing by the Minister for Transport Safety. If you have any comments or queries, please send these to, or contact, Anne Logan, Vehicles Section, Land Transport New Zealand, PO Box 2840, Wellington (email: Anne.Logan@landtransport.govt.nz; 'phone (04) 931 8747) by **21 September 2007**.

Yours sincerely

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## **Frontal Impact Amendment – Policy Paper**

### **Introduction**

This policy paper sets out the changes that are proposed for the draft of *Land Transport Rule: Frontal Impact Amendment [2007]* following the public consultation (yellow) draft, which was released in December 2006. The paper describes the proposed changes to be made to the draft Rule for government scrutiny and the reasons for doing so.

### **Requirements for motor sport vehicles, passenger vehicles exceeding 2.5 tonnes gross vehicle mass (GVM), and baggage vehicles**

The requirements proposed in the yellow draft for these categories of vehicle would remain unchanged. Submissions on the yellow draft broadly supported the proposals for baggage vehicles, with disagreement mainly being in the area of time restrictions. However, the intention is to allow immigrants or returning New Zealanders to bring in a vehicle as part of their household effects, rather than to allow frequently-travelling New Zealanders to bring back a new car periodically, and the time restrictions are designed for this. In the period July 2006 to July 2007, there were 11 requests for exemptions for baggage vehicles. Although the number can be expected to increase as a result of the proposed Rule, the numbers of people wishing to bring in baggage vehicles are likely to remain low, although this will be monitored.

### **Exemptions**

We are proposing to amend the Rule to reinstate the provision for a vehicle owner to apply for an exemption from complying with an approved standard for frontal impact protection.

However, they would not be able to apply for an exemption from meeting the requirements set out in the draft Rule for motor sport vehicles, baggage vehicles, passenger vehicles with a GVM exceeding 2.5 tonnes and unique collectable vehicles (UCVs). It is considered that it would be counter-productive to set prescriptive requirements and conditions for these categories of vehicle, and then allow exemptions from those requirements.

### **Unique collectable vehicles**

Twenty-three respondents to the yellow draft were in favour of a UCV system and none opposed it. The main areas of concern were related to the selection of the panel, its approach and operation, and the definition of 'unique'. The proposed new provisions for UCVs, set out below, address these concerns. It is intended that vehicles already in the country, and not yet registered, would be managed under the UCV system, if they meet all the requirements.

### ***Removal of proposal for panel***

The provision allowing the Director of Land Transport to appoint a panel of recognised vehicle experts to compile a register of vehicles to be recognised as being UCVs has been removed. There are several reasons for this, including the logistics and cost of a panel. Many

organisations and bodies asked to be included on this panel and, even if it were restricted to a small group (six to eight people), it would be unlikely to easily obtain a consensus on the inclusion of any vehicle in the register, and it would be expensive to operate the regime.

Given the risk of a panel's decisions being regarded as subjective, and Land Transport New Zealand's experience in facing legal action over exemptions, it is believed that a more robust system would result by adding some objective measures directly into the Rule to increase the level of certainty for importers.

### ***Definition of a UCV***

A proposed definition of a UCV for New Zealand is to be included in the redrafted Rule.

The proposed definition will encapsulate that a UCV must meet at least three of the four following criteria:

- the vehicle is identifiable as being 'collectable' in independent motoring magazines or articles or specific websites;
- the vehicle was manufactured in annual volumes not exceeding 20,000 units of that make and model;
- the vehicle has a two-door coupe or convertible body style;
- the vehicle was designed for performance, including track use.

### ***Ownership conditions***

Ownership conditions would be placed on the applicant to ensure that a UCV was in the possession of an enthusiast, rather than being brought in for commercial gain.

1. The applicant must have another vehicle registered in their name that is for primary use.
2. The applicant must sign a declaration that:
  - a. they are a New Zealand citizen or resident;
  - b. their application is for a vehicle that they will own and use personally;
  - c. they will not sell or lease the vehicle for a four-year period from registration;
  - d. the vehicle will not be operated in a transport service for a five-year period from first registration;
  - e. the applicant has not applied for, and been granted a permit for, any other vehicle of this category in the last two years.

### ***Application of quota***

It is proposed to have a quota to govern the number of UCVs entering New Zealand each year. The maximum number of vehicles that would be allowed to be entry-certified in any calendar year would be 50. An individual wishing to bring in a vehicle should apply for a confirmation letter (confirming that the vehicle was within quota) from the Driver and Vehicle Certification Unit of Land Transport NZ before purchasing a vehicle and shipping it to New Zealand. The application would have to include documentation to demonstrate that the vehicle meets at least three of the four criteria set out above. If a vehicle were to be shipped before it had been confirmed as being part of that year's quota, this would be at the owner's risk, and the vehicle would not be eligible for preferential treatment.

The introduction of the proposed quota is aimed at minimising the risk of allowing for vehicles that do not meet frontal impact requirements. It should be noted that the Director of Land Transport is legally required to consider the overall safety of the fleet when

considering exemptions, rather than the safety of an individual. It is consistent, therefore, to review the inclusion of these non-frontal impact compliant vehicles in the New Zealand fleet on a fleet-wide basis.

Despite the relatively low risk of an individual being in a crash as a result of non-compliance with a vehicle standards Rule, the cumulative effects of non-compliance with transport legislation result in about 400 deaths a year on New Zealand's roads, and it is essential that any increase in this number, as a result of the measures in the Frontal Impact Rule, be prevented. A quota system will cap the number of vehicles coming in and ensure the increase in risk is negligible.

### **Summary**

In the light of the changes detailed above, it is proposed to amend the Rule to the effect that a vehicle of Class MA that is a unique collectable vehicle need not comply with frontal impact standards, provided that the owner meets the ownership requirements [in the Rule] and that the importation of this vehicle is within the annual quota of 50.

Land Transport New Zealand

Ministry of Transport

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