Submission to NZTA on the Proposed Changes to Light Vehicle Inspections

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This submission is from:

Motor Trade Association (MTA)

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Kind regards,

James McDowall

Head of Advocacy

1. About MTA and who we represent

MTA represents New Zealand's automotive industry. Our members include repairers (general and collision), vehicle inspectors, new and used vehicle importers and dealers, fuel retailers, and vehicle recovery and recyclers across more than 4000 businesses. The broader automotive industry employs over 65,000 people and produces $6.8 billion (1.9%) of GDP.

It is estimated that MTA members carry out around 80% of vehicle inspections in New Zealand, as well as maintaining and repairing the fleet.

2. Executive summary

The Government is proposing major changes to New Zealand's Warrant of Fitness (WoF) system. The proposal would extend the first WoF for new vehicles from three years to four years; introduce biennial (two-yearly) WoFs for vehicles aged four to ten years; retain annual WoFs for vehicles over ten years; and remove six-monthly WoFs for vehicles first registered before 1 January 2000. The proposals also introduce basic checks of Advanced Driver Assistance Systems (ADAS), alongside enforcement and education measures.

MTA supports easing cost-of-living pressure where it can be achieved without creating undue safety risk – and we take this to be the government's primary focus in this consultation. However, we do not support the proposal as currently designed. In our view, it shifts too much risk onto the public by delaying the detection of common safety-related defects, while relying on enforcement and behaviour-change measures that are not yet proven, resourced, budgeted, or operationally defined.

The proposal is also likely to have second-order effects that undermine the cost-of-living narrative: higher average repair bills (faults discovered later with compounding damage), higher inspection prices (as business overheads have to be recovered from fewer WoF inspections), and potential insurance premium pressure where risk materialises.

In the 4–10-year age band proposed to be extended to biennial WoF intervals, around 20%–31% of vehicles present at inspection with safety-related issues. For vehicles aged 8–10 years, this is around one in three.

In the current regime of inspecting vehicles after three years of actual road use – in which an additional year of WoF validity is proposed – approximately 14% present with safety-related issues.

We recognise an annual WoF is a direct and identifiable cost to motorists. But the modest inspection saving is likely to be swallowed up by the real-world cost of faults being caught later, after they have had longer to worsen. In practice, the proposal risks turning small, early repairs into bigger, more expensive ones. This risk may be compounded as many motorists treat WoF timing as a de facto reminder to service their vehicle (fewer WoFs will mean fewer maintenance touchpoints).

We are concerned about non-compliance (driving without a WoF; around 13–16% of vehicles on the road) and the effect these proposals could have on this issue. Just over 500,000 vehicles do not have a WoF according to NZTA. Higher repair costs could worsen non-compliance over time as defects become too expensive to repair.

MTA supports the proposed change to Certificate of Fitness (CoF A) frequency for light rental vehicles under five years old (moving from six-monthly to annual), noting rental fleets are typically maintained to a high standard with additional pre-hire checks. We also do not oppose removing

six-monthly WoFs for vehicles first registered before 1 January 2000 (to keep the system simpler and because they only make up approximately 7% of the fleet), provided the wider settings remain safety-focused and implementation includes credible compliance measures.

MTA proposes a pragmatic middle ground:

1. Keep the first WoF at three years (do not extend to four years).
2. Test biennial WoFs for a narrower bracket: three to seven years (two biennial WoFs), then revert to annual WoFs from age seven onward; and/or explicitly cap the number of two-year WoFs at two to prevent "gaming" the timing (getting a third two-year WoF at 6 years 11 months, for example).
3. Support basic ADAS checks "if fitted" but be clear that ADAS is not a substitute for core roadworthiness checks (tyres, brakes, steering, suspension) and should not be used to justify materially longer intervals for those checks.

3. MTA's position

3.1 Less frequent inspections mean defects go undetected for longer

The WoF system exists to ensure vehicles meet minimum roadworthiness standards – at a point in time – and to catch safety-critical deterioration before it becomes dangerous. Defects in tyres, brakes, steering, and suspension typically worsen with time and kilometres travelled. Annual inspections provide a regular "safety reset", particularly for motorists who do not have the capability, equipment, or knowledge to reliably self-check mechanical condition.

Moving to a longer inspection interval increases the window of risk – the period in which a vehicle can operate with emerging or developing safety defects without independent detection.

A WoF is a moment-in-time inspection. Under longer validity periods, inspectors may be forced to sign off vehicles with components that are legal on the day (for example tyres at or near minimum tread depth, brake pads near end of life) even though they are highly unlikely to remain safe or compliant for a full two-year period. This erodes the value of the WoF "signal" and increases the likelihood of conflict between inspectors and customers.

3.2 The RIS provides insufficient confidence to justify the proposals

MTA is concerned that the Regulatory Impact Statement (RIS) is **overly confident** about safety outcomes combined with ambitious consumer savings, while acknowledging **low confidence** in key assumptions and limitations in modelling.

We are concerned about near-exclusive reliance on crash attribution data, which likely understates the role of vehicle condition. Driver impairment and behaviour are typically treated as primary causes, and mechanical condition is therefore less consistently examined or recorded as a contributing factor. This makes crash attribution data a weak foundation for decisions that materially reduce inspection touchpoints.

3.3 Enforcement and compliance settings are not yet a credible "offset"

The proposal places weight on education, higher penalties, and expanded enforcement. However, without a detailed operational plan showing how enforcement will be resourced, trained, and

delivered at the scale required, these measures are not yet a credible offset for materially longer inspection intervals.

Swapping WoF costs for infringement fees is not a public saving. Especially where a large proportion of fines are likely to be issued to those least able to pay, creating debt and administrative burden without improving roadworthiness.

3.4 System impacts and implementation risks

Testing volumes and workforce stability: abrupt changes to inspection frequency can create large swings in demand (biennial "peaks and troughs"), making it harder for inspection businesses to maintain staffing and invest in equipment. A staged implementation with clear review points is needed to avoid destabilising the inspection network.

Market consolidation and pricing: fewer inspections per vehicle can reduce revenue for smaller inspection providers and may precipitate industry consolidation. Reduced competition could lead to higher inspection prices and poorer access, especially in smaller regions. Where additional services are provided by these businesses, such as driver licensing, this could have a significant impact on rural communities especially.

Inspection price pressure: inspection providers face fixed costs (premises, calibrated equipment, compliance and audit). If inspection volumes fall materially, inspection prices and possibly other charge out rates are likely to rise to recover fixed costs. The headline consumer "savings" from fewer inspections may therefore be overstated.

4. MTA's recommendations

Recommendation 1: Keep the first WoF at three years

Vehicles in the 3–4-year band already show a 14% rate of safety-related issues upon presentation for these first post-on-road checks. Removing the three-year inspection means newer vehicles – including high-mileage vehicles – will go four years before an independent check of tyres, brakes, steering, and suspension.

Recommendation 2: Narrow the biennial bracket to three to seven years, then transition to annual WoFs

The proposed biennial bracket of four to ten years is too broad. Risk increases as vehicles age, particularly through the eight to ten-year period. A narrower three to seven-year bracket still delivers some compliance and cost-of-living benefits, while avoiding a two-year gap for higher-risk older vehicles.

To avoid unintended "gaming" of timing, the Government should consider explicitly limiting vehicles to a maximum of two consecutive two-year WoFs before reverting to annual inspections, irrespective of when those two-year WoFs are taken.

This 3–2–2–1 approach provides a practical compromise: first WoF lasts three years; two biennial WoFs (at approximately three and five years); annual checks resume from approximately seven years onward.

Recommendation 3: Implement ADAS checks as proposed but be transparent about limitations

MTA supports practical steps to confirm whether ADAS fault lights are illuminated, or fault codes are present. However, basic ADAS checks should not be used to justify materially longer intervals between core roadworthiness checks. ADAS is complementary and arguably fosters complacency among drivers, yet it does not replace correctly functioning tyres, brakes, steering and suspension as the primary crash-prevention systems.

If ADAS checking is expanded over time (for example, calibration verification), this will require additional expertise and capability. That has cost implications for inspection providers and motorists, and the Government should be transparent about those trade-offs.

Recommendation 4: Implementation, mitigations and staged rollout

If the Government proceeds with longer inspection intervals than MTA recommends, it should, at a minimum:

- Introduce a staged implementation (phased by vehicle age bands) with a formal review point before full rollout, to manage annual inspection volume swings and system impacts.
- Publish a credible operational compliance plan, including enforcement resourcing, training, and priority areas, before changes take effect.
- Run clear, consistent public education – in conjunction with industry bodies – on vehicle maintenance and owners' responsibilities, before the changes take effect.
- Clarify what "pass" means when the next inspection is further away. Longer validity periods increase the practical risk that borderline defects become unsafe before the next WoF is due. That creates pressure on inspectors to take a more conservative view on items that are technically near the threshold (for example tyres close to minimum tread, brakes approaching wear limits, or components showing early wear). Without updated guidance (changes to the VIRM) and clear consumer messaging, this is likely to increase conflict at the point of inspection and inconsistent outcomes between inspection sites.
- Commit to a review of the VIRM, including the possibility of more invasive checks of key safety items such as brakes and suspension, requiring the removal of wheels for thorough inspection.

Recommendation 5 (long-term): Explore mileage-informed inspection settings as capability improves

Over the longer term, as New Zealand improves odometer capture and distance-based charging capability (including the planned move to broader electronic RUC settings), the Government should explore mileage-based inspection settings as a more risk-aligned approach than simple age-based intervals. This is not a primary recommendation in our feedback but should be recognised as a future pathway once system prerequisites exist. However, it should be considered whether these changes would be better delayed altogether to align with the proposed implementation of universal RUC.

5. The data and its implications

5.1 Key quantified findings

- In the proposed 4–10-year biennial bracket, around 20%–31% of vehicles already present with safety-related issues each year (tyres, brakes, steering/suspension). For vehicles aged 8–10 years this is around one in three.
- Practical effect of the proposed settings: because a two-year WoF could be issued shortly before a vehicle turns 10, the effective two-year regime can extend to close to age 12. Risk should therefore be considered across the 8–12-year window, not only 8–10.
- When brand-new/first-time inspections are excluded (which have very high pass rates and can skew headline failure rates), the first-presentation WoF failure rate in the remaining fleet is currently around 43% (internal analysis).
- Pass-with-comments is a meaningful category: in the AUXO digital inspection ecosystem (186,000 inspections since January 2024), 21,780 inspections recorded a “pass with comments” advising near-term attention. In cohort of vehicles aged 4–10 years, around 31% resulted in “pass with comments” (internal/AUXO analysis).

5.2 “Pass with comments” warning notes: what the comments are actually about

Using the warning-note dataset referenced in this submission (31,610 warning-line items across 21,780 unique checksheets), the largest shares of warning notes relate to tyres, brakes, and steering/suspension – i.e. the core roadworthiness systems that prevent crashes. This provides denominator/context for the word cloud and bigram figures below.

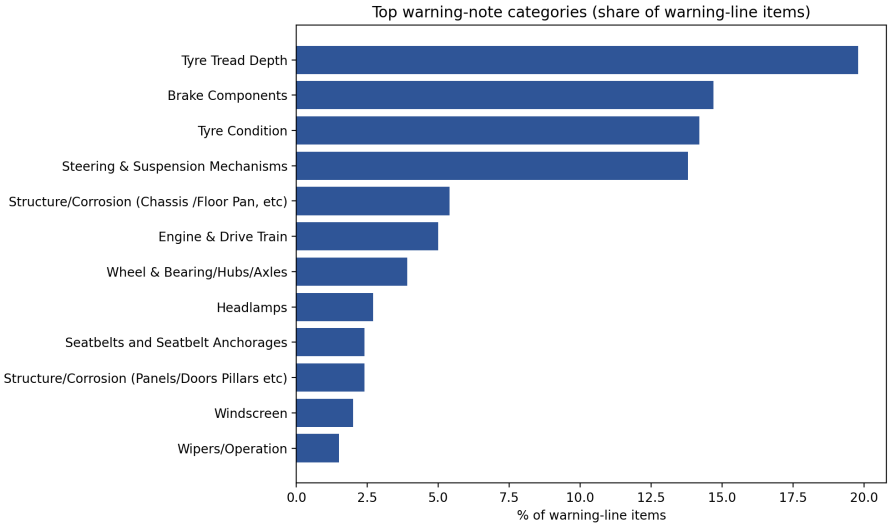

Figure: Top warning-note categories as a share of all warning-line items in the dataset.

5.3 What this means for longer WoF periods: safety, cost, and compliance

A two-year inspection interval increases the “risk window” in which borderline but safety-critical items (for example tyres nearing minimum tread, brake components approaching wear limits, or developing steering/suspension play) can deteriorate into outright failures before the next independent inspection. It also means vehicles operate for longer in marginal condition.

This has predictable second-order effects: (i) higher average repair bills as faults are discovered later (e.g. pads progressing to rotor damage), (ii) a higher probability that some repairs become uneconomic, and (iii) increased risk of delayed repair and non-compliance for households under financial pressure. Those impacts create enforcement and administrative costs that would erode or even reverse claimed cost-of-living savings.

5.4 EVs and possible modern fleet assumptions

We note that electrification does not remove the need to monitor core roadworthiness systems. Even where EVs require less powertrain maintenance, on the flip side, tyres, brakes, steering, and suspension remain wear items. EVs were less than 2% of the light fleet in 2024 and fleet change takes decades more to play out; any assumption that an "electrifying fleet" materially reduces inspection need in the near term should therefore be treated with caution. A UK analysis, in their recent consultation on the same subject, noted EVs have a higher than average first presentation WoF (MOT) failure rate for these reasons.

MTA can provide supporting extracts and methodological notes for the internal analyses above on request (including age-band definitions, inclusion criteria, and how "safety-related issues" were counted).

Evidence shows that a statistically significant proportion of vehicles – including in the mid-life bands targeted for reduced inspection frequency – already present with concerning safety-related issues under current settings.

Pass/fail results alone can understate risk. Many vehicles pass with recorded "comments" advising owners of safety-critical items that are borderline and likely to require attention soon (for example tyres near minimum tread, uneven wear, brake pads getting low, or early steering/suspension play).

We note with caution that many MTA members commented to us that the WoF is seen by an alarming number of motorists as 'proof' their vehicle is safe – not realising it is based on a moment-in-time assessment that may be invalid within the space of weeks.

Pass-with-comments themes (inspection warning notes)

Analysis of "Reason Notes" from pass-with-warning records shows that the dominant themes are tyres (tread depth/condition), brakes (pads/rotors), steering and suspension wear (bushes/play/shocks), and corrosion/rust. Under a two-year WoF, these borderline but safety-critical issues are more likely to deteriorate into unsafe or non-compliant condition before the next inspection, increasing both safety risk and downstream repair cost.

- Dataset snapshot: 31,610 warning-line items across 21,780 unique checksheets
- Date range: 4 Jan 2024 to 10 Dec 2025
- Most common warning categories relate to tyres, brakes, steering/suspension, and corrosion.

Figure: Word cloud of the most common terms in "Reason Notes" (pass-with-warning records).

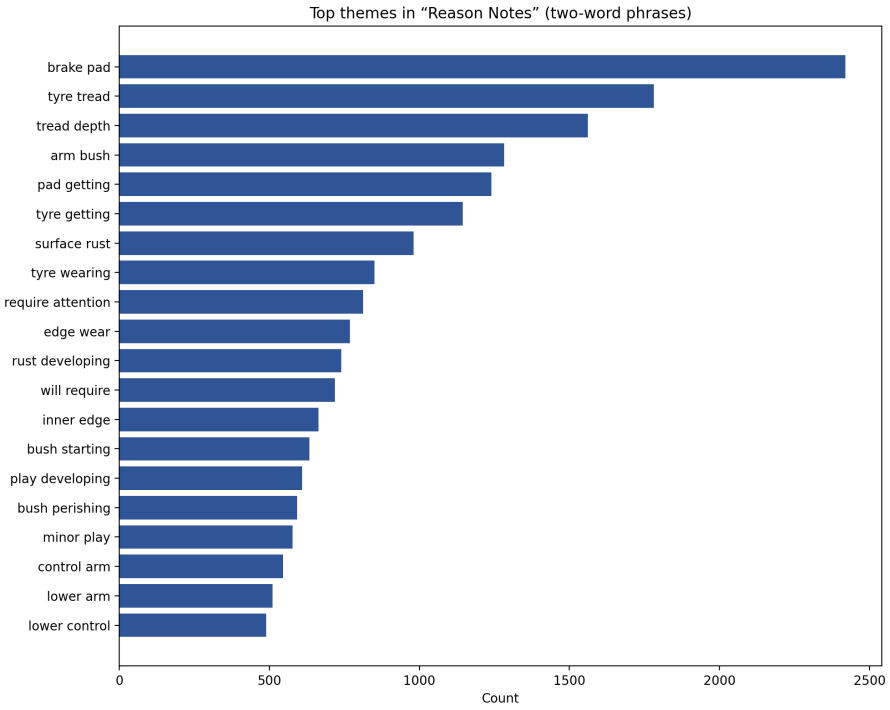

Figure: Top two-word phrases (bigrams) found in "Reason Notes", indicating recurring safety-relevant themes.

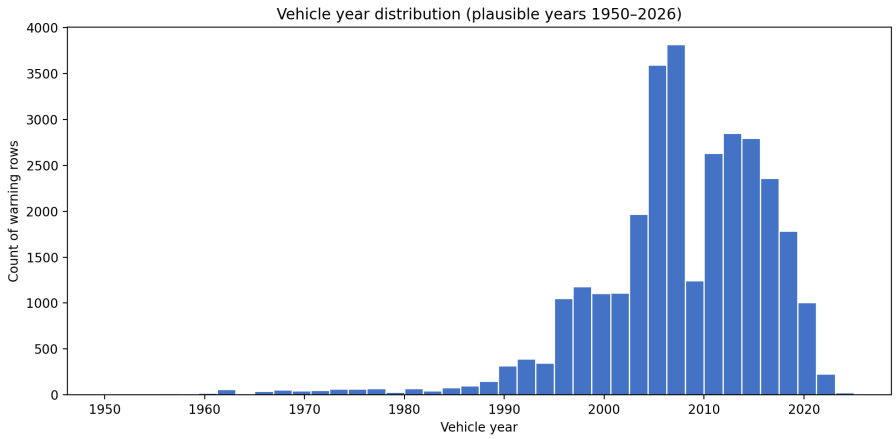

Figure: Vehicle year distribution represented in the warning-note dataset.

NZTA inspection reporting illustrates the scale of safety-critical defects currently being found (for example, in November 2025 inspectors recorded 56,421 tyre-related faults, 46,197 brake faults, and 43,927 steering/suspension faults).

The implication is straightforward: if inspection touchpoints are reduced, many defects will remain on the road longer, increasing risk and often increasing repair cost when finally addressed.

6. The cost-of-living argument is overstated

Extending inspection frequency does not change wear limits. Wear and deterioration continue regardless of inspection interval.

In practice: faults found early tend to be cheaper to fix; faults found later can become more expensive (for example, brake pads left too long can damage rotors); tyres that pass close to minimum tread depth can become unsafe well before the next inspection point under longer intervals; and delayed detection increases the chance drivers discover faults only once they become dangerous or fail unexpectedly.

Headline savings from fewer inspections are not necessarily durable savings for households. They may only defer costs and are likely to raise downstream costs through higher-risk operation. This includes potential insurance premium impacts where risk increases and possible increases in ACC-related costs in aggregate.

Longer intervals can also make repairs less affordable for some households as faults compound. This can increase the number of vehicles that become uneconomic to repair and can worsen non-compliance over time.

We also note that ~78% of the suggested ‘benefit’ in reduced testing is skewed to the 29% of motorists fortunate enough to own a vehicle under 10 years old – many of whom have never considered the existing settings to be onerous. Further, the changes proposed are likely to cause increases in WoF testing cost that are applied to 100% of the motoring population as a consequence.

Like the UK consultation, we concur that the real financial constraint of vehicle repair is not the negligible cost of testing itself, but the budgetary constraint of needing to find funds for repairs –

which the proposed changes would undoubtably exacerbate.

7. International experience and comparability

7.1 United Kingdom: consultation considered extending MOT schedules and rejected the change

In 2023–2024, the UK Government consulted on modernising the MOT regime, including proposals that would have moved the first MOT from 3 years to 4 years and considered less frequent testing thereafter. In January 2024, the UK Government announced it would retain the existing system: the first test remains at 3 years from registration, and every subsequent MOT remains annual.

The Government's published response noted concerns about road safety and questioned whether motorists' fee savings would be outweighed by the costs of defects not identified earlier (including higher repair bills). For comparison to New Zealand, note that the average age of vehcles on UK roads was 9 years and 10 months as at the end of 2024.

7.2 European Union: direction of travel is towards enhanced and more frequent checks for older vehicles

In April 2025, the European Commission proposed a major update to the EU "roadworthiness package". The proposal includes enhanced inspections for electronic safety systems (including ADAS) and electric vehicles, stronger emissions testing to detect high emitters, improved odometer recording to reduce fraud, and annual inspections for cars and vans over ten years old.

This is also relevant when considering claims that New Zealand can safely extend inspection intervals by referencing "international practice". The EU's passenger car fleet is younger on average – 12.3 years in 2022 versus over 15 years in New Zealand – yet the Commission has proposed moving in the opposite direction for older vehicles.

The Commission's public materials indicate the reforms are expected to reduce fatalities and serious injuries over the long term and reflect a view that ageing fleets and advancing technology increase the need for effective periodic inspection settings.

7.3 Spain (ITV): evidence that longer gaps and "late presentation" correlate with higher rejection rates

Spain's periodic inspection system (ITV) provides practical behavioural evidence relevant to inspection intervals. Analysis reported by AECA-ITV indicates that vehicles presenting with inspections overdue for longer periods are rejected at materially higher rates than vehicles presenting on time or only slightly overdue. This supports the mechanism that deterioration and deferred maintenance accumulate between inspection touchpoints.

While New Zealand is not Spain, the underlying technical reality is similar: tyres, brakes, steering and suspension wear with time and distance. Reducing inspection touchpoints increases the likelihood that defects remain on the road longer before being identified and repaired.

7.4 CITA / international inspection research: deterioration between checks is non-linear and components fail stepwise

CITA (International Motor Vehicle Inspection Committee) and international inspection research (including CITA's AUTOFORE programme) emphasise that vehicles degrade in service and that defect and system failure rates rise as vehicles age and accumulate distance. AUTOFORE notes that many owners do not maintain vehicles adequately, leaving significant numbers of defective vehicles in use, and that road safety and environmental outcomes increasingly depend on the correct functioning of both mechanical and electronically controlled systems. This has a clear policy implication: longer WoF intervals increase the "risk window" during which emerging defects can develop and persist without independent detection, reducing the likelihood that roadworthiness is periodically restored to a minimum standard.

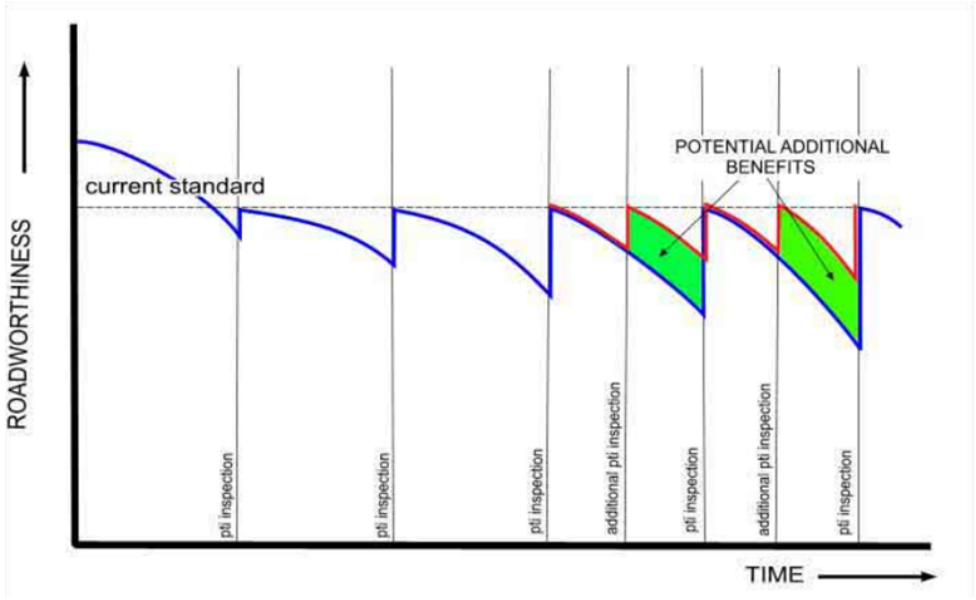

Figure 1: Benefits of increasing PTI inspection frequency (CITA, Autofore 2007)

7.5 Why New Zealand is not directly comparable: older fleet and different safety context

Fleet age: New Zealand's light passenger fleet is older than comparable countries. Ministry of Transport-based analysis indicates the average age of light passenger vehicles was 15 years in 2023, and the NZ light fleet is typically 2–4 years older than peers such as the UK, Australia, Canada and the US.

By comparison – as noted earlier – UK analysis (RAC Foundation) reports the average car on UK roads at the end of 2024 was 9 years and 10 months – around five years newer than New Zealand's light passenger fleet on average.

Road safety outcomes: New Zealand's road death rate per population remains higher than jurisdictions often used as comparators. The AA reported New Zealand recorded 5.4 road deaths per 100,000 population in 2024, while Great Britain's strategic road network reporting indicates a population fatality rate of 25 deaths per million people in 2023 (≈2.5 per 100,000). This contextual difference strengthens the case for caution when reducing inspection touchpoints in New Zealand.

7.6 Why preventative settings matter in a 'no-fault' system

New Zealand's Accident Compensation Corporation (ACC) provides no-fault personal injury cover – meaning cover generally applies regardless of who was at fault. In return, the Accident Compensation Act places a broad statutory bar on bringing court proceedings for compensatory damages arising from personal injury that is covered by the scheme. This is a core structural feature of our injury system and materially changes the incentive environment compared with jurisdictions where the ability to sue for personal injury damages plays a larger role in shaping public behaviour.

The policy implication is that, because civil liability for personal injury is not the primary behavioural lever, New Zealand relies more heavily on preventive regulatory settings to manage risk before harm occurs – including clear safety rules, meaningful enforcement, and practical "touchpoints" that prompt timely maintenance and repair. In a system like ours, those touchpoints are not just administrative compliance steps; they are one of the few consistent, system-wide mechanisms that independently verifies minimum roadworthiness and helps ensure safety-critical defects are identified and addressed.

This increases the importance of designing inspection settings that are fit for New Zealand's risk profile, rather than assuming that reduced inspection frequency can be offset by other incentives. Where inspection intervals are extended, the system effectively widens the period in which defects can develop without independent detection, and it places more weight on voluntary maintenance behaviour – which may not be uniformly reliable across the fleet. In MTA's view, that makes it especially important that any move to longer validity periods is accompanied by stronger mitigations (for example, clear standards, effective compliance and enforcement, and targeted public education), rather than relying on overseas analogies drawn from different liability and incentive settings.

8. Conclusion

MTA supports cost-of-living relief where it can be delivered without compromising safety. However, the proposal as currently designed materially weakens the safety net that the WoF system provides and relies on offsets that are not yet proven in practice.

MTA proposes a middle-ground: retain the first WoF at three years; introduce biennial WoFs only for a narrower three to seven-year band (two biennial checks and/or a strict cap of 2x two-year WoFs); then return to annual inspections from age seven. We support the proposed CoF A change for light rental vehicles under five years old and do not oppose removal of six-monthly WoFs for pre-2000 vehicles to keep brackets simpler and because this cohort only makes up 7% of the fleet, provided implementation is staged and compliance measures are credible.

These amendments strike a practical balance: they reduce compliance burden while materially reducing the safety, cost, and system risks created by the current proposal.

Appendix: Examples of safety-critical defects commonly identified

Example 1: Tyre visibly close to blow-out

Even where tyre issues are obvious to trained staff, motorists often do not recognise the risk. This example shows a tyre close to blow-out that was clearly visible on a walk-around inspection.

Example 2: Rapid tyre deterioration between existing inspection brackets

A 2011 Subaru Legacy that travelled 9,000 km since its last WoF. The next WoF was due 21 February 2026.

Example 3: Inner-edge tyre wear not visible to driver

A customer reported the vehicle was “feeling funny”. On hoist inspection, both front tyres had significant inner-edge wear that was not obvious from a casual walk-around. The WoF was still valid and the vehicle had travelled around 5,000 km since the last inspection.

Example 4: Home-built trailer on a three-year WoF

An older trailer was re-registered as a ‘new’ home-built trailer and, after passing its first inspection, qualified for a three-year WoF. With four months still remaining, a wheel bearing was found completely destroyed (outer race and cage missing). Fortunately, the wheel did not detach.

Example 5: Brake failure

Customer presented a vehicle with a complaint of “no brakes”. On hoist inspection, the brakes were metal-to-metal and hydraulic callipers had failed. The vehicle was still within its WoF period and had no service history available.

End of submission

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