Imported Motor Vehicle Industry Association

# VIA Submission on the NZTA Consultation on WOF Inspections

## 1. Introduction

The Imported Motor Vehicle Industry Association Inc (VIA) welcomes the opportunity to comment on NZTA's consultation on Warrant of Fitness (WoF) inspection settings.

VIA represents businesses across the full used vehicle import supply chain, including shipping agents, importers, compliance centres, and dealers. Our members are responsible for a large share of light vehicles entering the fleet, predominantly used imports from Japan. At typical import ages of eight to twelve years, the WoF regime is a critical factor in how those vehicles are managed throughout the rest of their life in New Zealand.

While VIA is not a WoF provider, our industry is affected by how the in-service inspection system interacts with entry certification, emissions policy, road-user charging and end-of-life vehicle management. Our comments therefore focus on principles and system design rather than the test procedures mechanism.

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## 2. General position

We support a modern, efficient WoF regime that:

- Maintains or improves road safety outcomes.
- Supports emissions and end-of-life policy objectives.
- Uses inspection touchpoints to educate vehicle owners.

We are cautious about proposals to extend WoF intervals (for example, from annual to two-yearly) unless:

- There is strong, published evidence that safety and other outcomes will be at least maintained.
- The change is considered within the wider regulatory and behavioural context, not in isolation.

We are not seeking to defend the current regime for its own sake. Our concern is that purely cost-cutting or "international alignment" arguments, if applied without a New Zealand lens, risk undermining other policy goals.

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## 3. Start from first principles – what is WoF for?

In our view, the WoF review should start by clearly answering: **what is the WoF system trying to achieve, and how does it fit with other policy tools?**

We suggest that the WoF regime serves (or could serve) at least four functions:

1. **In-service safety check** – ensuring key safety-critical systems (brakes, steering, tyres, lighting, structure) are in acceptable condition.
2. **Behavioural nudge for maintenance** – for a significant minority of owners, WoF is the only time a qualified person looks at the vehicle.
3. **Delivery channel for other policy objectives** – an opportunity to:
    - Reinforce emissions expectations (e.g. smoking vehicles, tampered emissions systems).
    - Provide information on end-of-life options (scrappage, recycling).
    - Potentially support other programmes (e.g. safety systems checks, E-RUC or odometer integrity in future).
4. **System integrity** – a point where the registry and the physical vehicle intersect, helping maintain data quality (VIN/plate, odometer, etc.).

We encourage NZTA to ensure the consultation and final decisions are explicit about which of these functions are in scope, and how proposed frequency changes will impact them.

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## 4. New Zealand's unique context – ACC and maintenance incentives

International comparisons of inspection intervals are often used to argue for longer gaps between inspections. That is only meaningful if **behavioural and legal contexts are similar**.

We note the Associate Minister of Transport has pointed to overseas practice (including Europe's two-yearly checks, and some Australian and Canadian jurisdictions relying on change-of-ownership or defect-triggered inspections) as part of the case for longer intervals. Those comparisons need to be treated carefully: they sit within different legal, insurance, enforcement and maintenance cultures, and they do not operate under New Zealand's national no-fault ACC settings.

New Zealand's context is unusual:

- We have a **no-fault ACC system** and very limited tort exposure for ordinary motorists.
- In many other jurisdictions, the risk of being sued – or facing insurance consequences – if a poorly maintained vehicle contributes to a crash provides a strong, ongoing incentive to keep vehicles serviced.
- In New Zealand, that pressure is much weaker. Many owners rely on the regulatory inspection requirement to tell them when their car needs to be checked.

For that reason, regulatory inspection frequency carries more weight here than in more litigious countries. Extending WoF intervals without compensating measures may unintentionally signal to some motorists that **less maintenance is acceptable**.

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## 5. Behavioural reality – WoF/CoF as de facto maintenance

The consultation should explicitly acknowledge a behavioural reality that industry sees every day:

- A large portion of the fleet is serviced regularly and responsibly.
- However, a non-trivial minority of private owners and some fleet operators treat **WoF/CoF as their maintenance schedule** – "we'll fix whatever the inspection picks up."

This behavioural dynamic has been highlighted publicly by others: the Automobile Association has warned that some people wait until the inspection to be told what needs doing, and the Motor Trade Association has warned that longer gaps can allow faults to compound, increasing both safety risk and eventual repair costs.

If annual WoFs become two-yearly for large parts of the fleet:

- Those vehicles may go **twice as long between any professional checks**.
- Basic issues (tyres, brakes, steering, fluid leaks, structural rust) may be left unattended for longer.
- This interacts particularly badly with older vehicles, where age-related issues can accelerate.

We are not saying this should automatically block change, but we are saying this needs to be confronted openly in the analysis and modelling.

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## 6. Need for an evidence-based decision

VIA strongly supports NZTA's stated intent to base decisions on robust evidence. For a WoF frequency change, that should include:

- Longitudinal data on:
  - WoF fail rates by defect type, age, and fuel type.
  - Correlation (if any) between WoF fail items and crash causation.
- Modelling of:
  - Expected changes in crash risk under different interval scenarios.
  - Distributional impacts (e.g. are higher-risk outcomes concentrated among lower-income or older-vehicle owners?).
- Consideration of:
  - How the very thorough **entry-certification process for used imports** interacts with in-service inspection needs at subsequent ages.

We request that NZTA publish the key data and modelling underpinning any decision so industry and the public can understand and test the reasoning.

### 6A. What recent WoF inspection data tells us

The consultation material appears to treat four- to 10-year-old light vehicles as a relatively low-risk group. The NZTA WoF inspections dataset (2010–2024)[1] suggests otherwise:

- In 2024, around 22% of WoFs for four-year-old NZ-new vehicles resulted in a fail (38,497 fails from 175,529 inspections).
- In 2024, across all vehicles aged 4–10 years (NZ-new and used import combined), around 25% of WoFs resulted in a fail (450,303 fails from 1,785,851 inspections).
- For vehicles aged 4–10 years, WoF faults are mainly tyres and brakes (tyres about 22% and brakes about 14%): the very items you do not want quietly degrading for two years at a time.

These are not 'near-new' failure rates. They indicate a large volume of safety-relevant defects emerging within the current 12-month cycle. Doubling the interval would, by design, increase the time defects remain undetected and unfixed for owners who treat WoF as their primary maintenance trigger.

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## 7. Interaction with entry inspection and used imports

Used imported vehicles are subject to one of the most rigorous entry-inspection regimes in the world. At the point of import, structural, safety and (increasingly) emissions-related issues are checked to a high standard.

*Where used imports actually sit in the age profile*

First, a bit of context about what actually arrives at the border. For used imports:

- The **typical (modal) age at entry is about 11 years**.
- Around **80% of used imports arriving in any year are 12 years old or younger**.

In other words, the used import trade is not about 20-year-old wrecks. It is mostly supplying **8–12-year-old vehicles** into New Zealand – cars that still have many years of useful life left.

The key question becomes: How do those **8–12-year-old used imports** perform at WoF compared with **8–12-year-old NZ-new vehicles**?

*What the WoF data shows: used imports vs NZ-new at the same age*

Using WoF inspection data[2] from **2020–2024** for vehicles aged **4–15 years**, we can compare NZ-new and used imports **age by age**. The brief story is:

[1] Data obtained from NZTA via OIA request in December 2025. Analysis performed by AI and checked by a human.
[2] *Ibid*.

- For **8–11-year-old vehicles**, used imports are typically **5–10 percentage points less likely** to fail a WoF than NZ-new vehicles of the same age.
- At **12 years**, used imports are still slightly better, but the gap narrows.

By the time we get to:

- **13 years:** used imports and NZ-new are **almost identical** in failure rate.
- **14–15 years:** used imports are **very slightly worse**, by about **1 percentage point**.

So, at **entry and in the first years in New Zealand**, used imports at WoF time perform **as well or better** than NZ-new at the same age. **Beyond 12–13 years**, outcomes are driven less by where the vehicle started life and more by **age, kilometres travelled, and how owners have maintained the car**.

For this reason:

- VIA is comfortable if WoF policy recognises the **high standard of entry inspection**, but we do not support assuming that this can substitute for appropriate in-service monitoring over the rest of the vehicle's life.
- Any move to lengthen WoF intervals should be tested specifically against the risk profile of older vehicles, not just late-model cars.

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## 8. System-wide consistency and opportunities

The WoF review sits alongside other policy conversations:

- Proposed changes in **safety requirements** (e.g. ESC/ADAS in heavies and light commercials).
- Work on **emissions**, including in-service gross emitters.
- Longer-term thinking on **end-of-life vehicles** and recycling.

From VIA's perspective, WoF is the **natural physical touchpoint** for many of these policies. Before narrowing in on frequency alone, NZTA and the Ministry should ask:

- Should we consider a first principles review of the periodic inspection regime?
- Are we designing WoF in a way that **supports** rather than fragments these policy goals?
- Are there low-cost opportunities to leverage the WoF visit for:
    - Emissions education (e.g. what to do if your car is smoky).
    - End-of-life guidance (e.g. information on scrappage options where repair is uneconomic).
    - Data quality improvements (e.g. odometer validation where appropriate).

We would welcome a subsequent piece of work that looks at WoF as a platform for policy achievement, not just a test interval.

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## 9. On consulting the inspection sector

We acknowledge that:

- The inspection sector has deep technical expertise on defect patterns and test design.
- However, frequency changes also directly affect their business volumes.

We are not suggesting that their input be discounted, but we do encourage NZTA to:

- Place primary weight on **independent data and modelling** for interval decisions.
- Use the inspection sector's input mainly for the **practical design** of tests, quality systems, and training.

VIA's position here is relatively neutral: our members' commercial interests are not tied to WoF volumes, but they are tied to a safe, affordable, and renew-able fleet.

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## 10. Specific comments on frequency options

Without commenting on every option in the consultation paper, our preliminary views on WoF frequency settings for light vehicles are:

- A blanket shift to two-yearly WoFs for vehicles aged 4–10 years is not supported by the available inspection evidence: in 2024, around one in four WoFs for 4–10-year vehicles resulted in a fail.
    - We do not support shifting the first WoF for NZ-new vehicles from three to four years unless it is paired with a distance-based trigger, because wear is driven by kilometres as much as time.
    - We agree with the Automobile Association that distance travelled is a better proxy for wear and tear than age alone, and that any reduced-frequency model should be built around kilometres travelled (with the odometer providing a practical trigger).
- We note the Motor Trade Association's concern that longer gaps can allow defects to compound, increasing both safety risk and eventual repair costs (particularly for tyres and brakes), and that some motorists will defer maintenance until their next WoF inspection.
    - If NZTA wishes to reduce compliance burden, we recommend a hybrid approach for the 4–10-year cohort: retain annual WoFs for higher-kilometre and higher-exposure vehicles (commercial use, rideshare/taxi, and high annual mileage), while allowing longer intervals only for demonstrably low-kilometre vehicles.
    - Any relaxation should be phased and subject to formal post-implementation review with published safety metrics (defect profiles, crash correlation, and distributional impacts), and accompanied by clear public messaging that maintenance obligations do not pause between WoFs.
        - We remain open to engaging further on thresholds and phase-in options once the underlying analysis is available.

## 11. Conclusion

VIA supports modernising the WoF regime and is not opposed in principle to changes in inspection frequency. However:

- Decisions should recognise New Zealand's distinctive legal and behavioural context.
- WoF must be seen as part of a wider system that covers safety, emissions, and end-of-life policy.
- Any relaxation should be grounded in transparent evidence and accompanied by measures to mitigate predictable behavioural risks.

We would welcome the opportunity to discuss these points with NZTA and the Ministry of Transport, and to contribute data and insights from the used-import and compliance sectors.

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### About VIA

The Imported Motor Vehicle Industry Association Incorporated ("VIA") is the business association that represents the interests of the wider trade involved in importing, preparing, wholesaling, and retailing used vehicles imported from Japan, UK, and other jurisdictions. Our members include importers, wholesalers, Japanese auction companies and exporters, shipping companies, inspection agencies, KSDPs[3], ports companies, compliance shops and service providers to the trade, as well as retailers.
We provide technical advice to the imported motor vehicle industry, and liaise closely with the relevant government departments, including Waka Kotahi (NZTA), Ministry of Transport, New Zealand Customs Service, Ministry for Primary Industries (MPI), Ministry of Consumer Affairs, Commerce Commission, EECA, MfE etc.

### Contact

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## Official Information Act 1982

VIA has no objection to the release of any part of this statement of support under the Official Information Act 1982.

## Privacy Act 1993

VIA has no objection to being identified as the submitter.

[3] KSDP - key service delivery partner, organisations that are contracted or appointed by the Transport Agency to delivery regulatory products or services and who have sufficient market share and/or are of sufficient size and standing within an industry segment to be able to represent and influence the customer expectation of that industry segment.