

Submission to  
New Zealand Transport Agency

From



On

**Land Transport Rule – Light-vehicle Brakes  
Amendment [2019]  
Rule [32014]**

**26 April 2019**

**Insurance Council of New Zealand**

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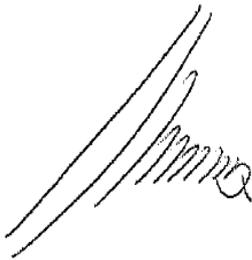
## **Land Transport Rule – Light-vehicle Brakes Amendment [2019]**

1. The Insurance Council (ICNZ), representing 32 general insurers is pleased to be given this opportunity to provide comment on the Land Transport Rule – Light-vehicle Brakes Amendment [2019]
2. ICNZ has consulted with its motor insurance provider members on the proposals set out in the Yellow Draft Rule 32014
3. ICNZ supports the proposal to require motorcycles over 125cc or an electrically powered equivalent to be fitted with ABS if imported into New Zealand as a new model new motorcycle or a from 1 November 2019 or as imported into New Zealand as an existing model new motorcycle or a used motorcycle from 1 November 2021.
4. ICNZ agrees that will be increased safety outcomes the proposal to require motorcycles over 50cc but not exceeding 125cc to be fitted with a Combined Braking System (CBS) if imported into New Zealand as a new model new motorcycle or a from 1 November 2019 or as imported as an existing model new motorcycle or a used motorcycle from 1 November 2021.
5. ICNZ supports the proposed compliance dates of 1 November 2019 & 1 November 2021 as sensible as we do not want to risk New Zealand becoming a dumping ground for motorcycles that do not have ABS or CBS fitted. It is understood that other markets around the world are moving or have moved already to require ABS to be fitted to new motorcycles.
6. The amendment rule requiring motorcycles to be fitted with ABS and CBS will should reduce the incidences of motor cycle riders locking front wheels and losing stability or riders experiencing larger emergency braking stopping distances that result in the risk of the rider falling off the motorcycle and or colliding with an object and being injured.
7. ICNZ see no issues with the cost benefit analysis. The extra cost to purchase a motor cycle with ABS or CBS is minimal in relation to the new purchase price of a motorcycle.
8. ICNZ members whom specialise in motor cycle insurance confirm that a significant number of motor cycle claims result in the motor cycle being uneconomic to repair and the motor cycle is then written off. The motor cycle claim write-off rate is a much higher than it is for motor vehicle claims, which results in motor cycle premiums being much higher than in proportion to motor vehicles. The fitment of ABS and CBS to motor cycles should help to reduce claims costs for insurers and this may see insurance premiums reduce were these active safety devices are fitted and claims costs start reducing.
9. ICNZ does not have any issue with the proposals to allow within the amendment rules exemptions for collector motor cycles, specialist motorcycles and immigrants motor cycles.

10. ICNZ does not have any issue with the proposal to remove the requirement for twin wheeled motor tricycles to have a park brake fitted as outlined in proposal 6.
11. ICNZ views Land Transport Rule – Light-vehicle Brakes Amendment [2019] as a sensible low-cost initiative that will reduce motorcycle accidents and resulting injuries and save lives.

Should you have any questions regarding this submission, please do not hesitate to contact John Lucas: (04) 495 8005 or [john@icnz.org.nz](mailto:john@icnz.org.nz).

Yours sincerely,

A handwritten signature in black ink, appearing to read 'John Lucas', written in a cursive style.

John Lucas  
Insurance Manager