

# Regulatory Impact Statement

## EXECUTIVE SUMMARY

Several problems have been identified that contribute to the high crash risk of motorcyclists. With motorcycling increasing in popularity the following package of proposals recommends amendments to the Graduated Driver Licensing System (GDLS) for motorcyclists and other safety initiatives to reduce road crashes among this high risk road user group:

- Improve the safety of novice riders by restricting learner and restricted motorcycle licence holders to motorcycles which do not exceed a power-to-weight ratio of 150 kilowatts per tonne. This is required because technological developments have meant the current 250cc restriction allows motorcycles which are very powerful. In addition to the power-to-weight limit an upper bound of 660cc is proposed to ensure that the approved motorcycles are not too physically large for novice riders;
- Encourage the uptake of rider training by amending the GDLS for motorcyclists so an approved motorcycle-specific training course completed in the learner licence phase reduces the time spent on a restricted motorcycle licence by six months;
- Introduce a motorcycle-specific competency based assessment option as an alternative to the restricted and full licence tests for those riders that undertake an approved motorcycle-specific training course in the learner licence phase;
- Encourage progression through the GDLS by introducing a maximum three year validity period for all learner motorcycle licences;
- Remove the 70km/h speed limit restriction which currently applies to learner motorcycle licence holders. This restriction is largely ignored. When the speed restriction is adhered to it creates a large difference in the speed of vehicles travelling on the open road, which is a known road safety problem. Road safety research indicates this speed difference issue outweighs any benefit of lower open road speed limits for novice motorcycle riders;
- Increase compliance with the motorcycle helmet requirement by introducing 25 demerit points and reducing the level of fine from \$150 to \$50 for helmet incorrect and non-wearing offences;
- Improve the visibility of motorcycle and moped riders by introducing a requirement for all motorcycle and moped riders to have daytime running lights or their headlights on at all times when riding on the road; and
- Reduce the level of risk for novice motorcyclists over the age of 25 by increasing the minimum time period these motorcyclists spend on a restricted licence from six to twelve months.

## ADEQUACY STATEMENT

This regulatory impact statement has been reviewed by the Ministry of Transport and is consistent with the adequacy criteria set out in the Ministry of Economic Development's Regulatory Impact Analysis Guidelines.

## **STATUS QUO AND PROBLEM**

Motorcyclists are overrepresented in road crashes. Motorcycles make up approximately 2.7 percent of the fleet, yet motorcyclists and pillion passengers made up almost 10 percent of all road fatalities in 2007. Since 2001 motorcycle casualties have increased by almost 80 percent. While some growth in casualties might have been expected as a result of the 28 percent increase in licensed motorcycles over the same period, it is very concerning that the casualty increase is so large. Furthermore the cost of fuel has risen, and is likely to remain high, so motorcycle ownership and use is likely to increase further

A number of specific problems have been identified in relation to motorcycle safety:

- the 250cc restriction for learner and restricted motorcycle licence holders no longer accurately reflects the power capabilities of modern motorcycles;
- there are few incentives for novice riders to undertake motorcycle-specific training prior to obtaining their full motorcycle licence;
- the current testing regime does not have enough motorcyclist-specific material;
- novice riders frequently remain on a learner motorcycle licence indefinitely;
- the 70km/h speed limit restriction is perceived as unsafe for learner motorcycle licence holders and is widely ignored;
- non and incorrect helmet wearing;
- visibility is a contributing factor in a significant proportion of multi-vehicle motorcycle crashes; and
- riders aged over 40 are increasing as a proportion of total motorcycle deaths and injuries.

The Land Transport Act 1998 places an obligation on the government to, among other things, promote safe road user behaviour and vehicle safety and to provide for a system of rules governing road users' behaviour, the licensing of drivers, and the technical aspects of land transport.

The status quo was rejected due to the increasing level of road trauma involving motorcyclists and because best practice specifies that in order to achieve substantial improvements in the safety of motorcycling, the rider training and licensing systems may need to be quite different than those for cars. There are also other specific motorcycle safety issues emerging outside of the licensing and training systems that require a policy response.

## **OBJECTIVES**

The key objective of the package of proposed measures is to reduce the crash risk for motorcyclists. It is expected the proposals will enhance safety culture and the integrity of the driver licensing system.

## **ALTERNATIVE OPTIONS**

Other options were considered and rejected early on in the policy process. These were:

Mandatory rider training

Despite the intuitive appeal of rider training, at this stage there is not enough evidence of the overall safety benefits from introducing a compulsory, cost-effective, and formal pre-licence training scheme for all novice motorcycle riders. It is therefore difficult to justify mandatory pre-licence training courses. In addition, this could provide a cost disincentive to individuals to enter the GDLS, and therefore an incentive to ride motorcycles unlicensed.

### Moped rider licensing

The level of risk for motorcycle riders/pillions is significantly greater than that of mopeds riders/pillions when examining injuries per 10,000 licensed vehicles. Requiring all moped users to obtain a motorcycle licence would be costly from a compliance point of view and cannot currently be justified from a safety perspective. There would also be issues with a number of tourist operators who have based their businesses around the current system.

### Introduction of mandatory 'R' plates for motorcyclists

This proposal would require restricted riders to display an 'R' plate, as learner riders do with the 'L' plate. This would indicate to other road users that these drivers are novice riders, and indicate to the New Zealand Police that a particular rider was required to adhere to certain restrictions/conditions.

Because learner riders face a greater crash risk than restricted riders, who have attained a level of competence by graduating from one stage of the GDLS to the next, it is not felt this additional requirement would be very effective. Furthermore, if failure to display the 'R' plate is a breach of the licence conditions (as it is for learner licences) the multiple fines from a single incident could be too severe and disproportionate to the offence.

### Introducing on-road testing every ten years to retain a motorcycle licence

Although this could assist in addressing the problem of motorcycle licence holders not progressing through the GDLS, the compliance costs of introducing such a proposal are very high. It should also be noted that none of our road safety partners have an on-going testing system in place.

In terms of addressing the returning rider issue, incentives for these riders such as insurance discounts for undertaking motorcycle specific training, are likely to be more successful in reducing the crash risk of this group.

### Encourage motorcyclists to surrender their motorcycle licences if no longer required

This proposal has been suggested as a way of reducing the number of poorly skilled returning riders. There is not a strong enough safety case to introduce such a scheme, through incentives or penalties, to encourage motorcyclists to give up their motorcycle licences if they have chosen to no longer ride. This is partly because recently returned and continuing riders cannot be distinguished in the crash data. However, new riders of all ages are shown to have higher crash involvement rates than other riders of the same age.

Best practice suggests promotion of refresher courses for licence holders returning to riding may be of more benefit to improve skills and reinforce to potential returning riders that their

skills may need updating. Motorcycle retailers have a role to play here as they are often the ones who come in contact with returning riders purchasing new bikes.

## **PREFERRED OPTION**

Officials recommend the proposals below for motorcycle (class 6) licence holders:

1. *Improve the safety of novice riders by restricting learner and restricted motorcycle licence holders to motorcycles which do not exceed a power-to-weight ratio of 150 kilowatts per tonne. This is required because technological developments have meant the current 250cc restriction allows motorcycles which are very powerful. In addition to the power-to-weight limit an upper bound of 660cc is proposed to ensure that the approved motorcycles are not too physically large for novice riders.*

Power-to-weight determines the acceleration capabilities of a motorcycle and combined with a maximum engine capacity will reduce novice riders access to high-powered motorcycles that are allowable under the 250cc restriction. Introducing this restriction will give novice riders access to a greater range of motorcycles appropriate for their level of experience, including more that have safety features like Automatic Braking Systems (ABS), and provides a more progressive step to larger bikes than the 250cc restriction. Evidence from overseas jurisdictions shows a power-to-weight restriction encourages novice riders to stay on a less powerful bike for longer than a 250cc restriction after their restriction period ends. This is positive from a safety perspective as studies have shown that familiarity with a motorcycle reduces crash risk.

2. *Encourage the uptake of rider training by amending the GDLS for motorcyclists so an approved motorcycle-specific training course completed in the learner licence phase reduces the time spent on a restricted motorcycle licence by six months.*

Having an approved motorcycle-specific course in the learner phase would mean that key motorcycle skills (for example, hazard perception) would be taught when riders are most at risk. This course would be developed by Land Transport NZ and based on the recent popular Competency Based Training pilot programme with successful completion enabling application for a full licence after twelve months on a restricted licence for under 25 year olds and after six months for those over 25. The course would be user pays. Land Transport NZ would be responsible for the design of the courses, determining appropriate criteria and standards based on motorcycle training best practice, as well as giving final course approval.

3. *Introduce a motorcycle-specific competency based assessment option as an alternative to the restricted and full licence tests for those riders that undertake an approved motorcycle-specific training course in the learner licence phase.*

The motorcycle-specific competency based assessment option would more effectively test motorcyclists for the skills required to ride on the road. The learner licence test would remain in its current form for all motorcyclists. It would be the responsibility of Land Transport NZ to develop the new assessment option.

4. *Encourage progression through the GDLS by introducing a maximum three year validity period for all learner motorcycle licences.*

Evidence from overseas jurisdictions shows having this condition in place encourages riders to progress through the licensing system. It is proposed all current and future learner licence holders be given three years to progress to a restricted motorcycle licence. Current motorcycle learner licence holders will receive a three year learner licence when they next apply to renew that licence. If a learner motorcycle licence holder does not sit their restricted licence test within this time they would forfeit their learner licence and would need to re-sit and pass the basic motorcycling handling skills and learner licence tests to legally ride a motorcycle.

5. *Remove the 70km/h speed limit restriction which currently applies to learner motorcycle licence holders. This restriction is largely ignored. When this speed restriction is adhered to it creates a large difference in the speed of vehicles travelling on the open road, which is a known road safety problem. Road safety research indicates this speed difference issue outweighs any benefit of lower open road speed limits for novice motorcycle riders..*

Removing the speed limit will allow learner motorcyclists to gain experience in open road driving and practice for their restricted practical motorcycle test which has an open road component. Best practice in speed management is for vehicles in high speed zones to be travelling at similar speeds.

6. *Increase compliance with the motorcycle helmet requirement by introducing 25 demerit points and reducing the level of fine from \$150 to \$50 for helmet incorrect and non-wearing offences.*

Reducing the level of fine from \$150 to \$50 and introducing 25 demerits is based on a road safety crash risk framework developed as part of a review of the traffic penalty regime. With current high wearing rates, most people will be unaffected by the introduction of demerit points on motorcycle helmet non-wearing offences. These new penalties recognise that the probability of this offence occurring is low, but when a crash occurs the risk of death or serious injury is very high.

7. *Improve the visibility of motorcycle and moped riders by introducing a requirement for all motorcycle and moped riders to have daytime running lights or their headlights on at all times when riding on the road.*

Daytime running lights are fitted to the front of a motorcycle to make it easier to be seen by other road users. They have a low light output and are not bright enough to illuminate the road ahead. These are normally designed so that they turn on automatically with the engine ignition, and turn off when the dipped or main beam headlamps are switched on. The vast majority of new motorcycle and moped imports entering New Zealand have these lights fitted as standard.

A case control study on motorcycle rider visibility carried out in New Zealand and published in 2004, found three quarters of motorcycle riders had their headlight turned on during the day and that this was associated with a 27 percent lower crash risk. Under this proposal the few motorcycles and mopeds without headlight daytime running lights would be required to ride with their lights on during daylight hours. Consideration will be given to exempting motorcycles or mopeds over forty years old from this requirement as some older electrical

charging systems (generators) do not have the capacity to reliably produce the power necessary to operate headlamps continuously.

Social cost analysis (based on the period 2002-2006) indicates removing daylight injuries when the motorcyclist was not at fault and the driver did not see the motorcycle would save \$39.5 million per year, but even very modest crash reductions would be cost effective.

8. *Reduce the level of risk for novice motorcyclists over the age of 25 by increasing the minimum time period these motorcyclists spend on a restricted licence from six to twelve months.*

Although this proposal is not solely focussed on riders over the age of 40 it will impact on the motorcyclists in this group who face the greatest level of risk from riding (those who are new to motorcycling or still progressing through the GDLS). The proposal acknowledges that riders older than 25 years have more than 50 percent lower risk than those aged from 15 to 19 years (the minimum time period for under 25 year olds on a restricted licence would remain at 18 months), but that motorcyclists in the over 25 age group still face a significantly higher level of risk than car drivers of the same age. The change gives these riders more time to gain on-road experience under the restricted licence conditions. Successful completion of an approved course in the learner phase would enable application for a full licence after six months on a restricted licence for those over the age of 25.

A number of the other proposed solutions in this paper will impact on motorcyclists over the age of 40, particularly those most at risk who are new to motorcycling or still progressing through the GDLS. As for returning riders aged over 40 with full motorcycle licences, there are a number of non-legislative safety initiatives being examined by the motorcycle cross-agency team to reduce the crash risk of this group. This includes working with the motorcycle industry to promote refresher courses for those returning to riding after a prolonged absence.

#### Costs:

Information technology systems changes will be required to implement the changes proposed in this Cabinet paper. These changes will be made in conjunction with the proposed changes detailed in the other *Road Safety to 2010 strategy* papers. System changes and changes that will affect licensing volumes will be dealt with through a Review of Driver Licensing Fees and Charges.

There will be costs incurred by Land Transport NZ from the implementation of these proposals to educate riders, amend publications and websites, re-train staff, develop new operational guidelines and maintain the Learner Approved Motorcycle Scheme. Funding for the education/information proposals in the paper will, in the first instance, be sought through a re-focusing of existing programmes. If additional funding is required business cases will be developed for the 2008/09 year to coincide with implementation.

## **IMPLEMENTATION AND REVIEW**

These proposals will require changes to the Land Transport (Driver Licensing) Rule 1999, which is due for public consultation in 2008; the introduction of a new requirement in the Land Transport (Road User) Rule 2004, which is in the early stages of being updated; and

an amendment to the Land Transport (Offences and Penalties) Regulations, which will be made along with numerous changes required to the regulations as part of implementation of the Road Safety to 2010 strategy and will coincide with the introduction of amending legislation in 2008.

On introduction of the proposals the Minister of Transport and Minister for Transport Safety will issue a press statement. A detailed communications plan will be developed by Land Transport NZ preceding the implementation of the proposals to ensure the public is aware of the nature of the changes and the reasons for them. Land Transport NZ will revise reference material such as fact sheets and website information accordingly and re-train staff where necessary.

Following the implementation of the proposals, the Ministry of Transport will continue to gather and analyse statistical information related to crashes to ascertain the effect of changes and whether they contribute to achieving the goal of reducing crash risk for motorcyclists.

## **CONSULTATION**

### **Stakeholder Consultation**

In July 2006, the National Road Safety Committee launched a nationwide series of workshops. The workshops and the associated web-based road safety forum were developed to ensure that people at local and community levels had the opportunity to engage in pre-policy discussions. Comments were provided on a variety of matters related to road safety, including motorcycle safety.

The Ministry of Transport consulted key motorcycle stakeholders through the Motorcycle Safety Reference Group. The reference group involves the motorcycling industry, manufacturers, retailers, trainers and motorcycle interest groups. The group broadly supports the proposals

### **Government departments/agencies consultation**

This paper has been developed in consultation with, and endorsed by, all of the National Road Safety Committee member agencies. These are: Ministry of Transport, Land Transport New Zealand, New Zealand Police, the Accident Compensation Corporation, Transit New Zealand, Local Government New Zealand, the Ministries of Health, Education, Justice and the Department of Labour. Also consulted were The Treasury, the Department of Corrections, Youth Affairs, Te Puni Kōkiri, Pacific Island Affairs, and Agriculture and Forestry. The Department of Prime Minister and Cabinet has been informed.