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SUBMISSION ON: ACC Levies Consultation 2016

The NZ Federation of Motoring Clubs represents approximately 130 member clubs catering for heritage, collector and recreational vehicles including cars, trucks, military vehicles, tractors, motor caravans, and motorcycles covering all years of manufacture. Our member clubs represent more than 76,000 individuals.

The proposed further reductions in motor vehicle levies are welcomed and commended. But in line with previous submissions we still support collecting a larger portion of ACC motor vehicle accident funding through the petrol tax levy as it is a fairer means of ensuring the cost to users is proportionate to their accident risk. Rather than reduce the petrol levy we submit it should remain at 6.9 cents a litre and the annual licencing fees appropriately adjusted. This is consistent with the guiding principles of the ACC that contributions made by levy payers should be commensurate with their fair share of the costs incurred. We also recommend a distance-based levy on diesel vehicles, as this will reduce the disproportionate cost imposed on our members who own military vehicles, motor homes, and other hobby and recreational vehicles which are a low accident risk as they cover minimal mileages each year.

Enthusiast-owned collector vehicles of any age generally travel lower annual mileages, are well maintained, and driven carefully by their owners. While we appreciate this is already well recognised in the discount provided for vintage vehicles over 40 years old, we submit that despite the proposed reductions, the risk rating regime has increased the unfairness imposed on owners of vehicles aged 30 to 40 years which, in the main, no longer cover high mileages each year.

The percentage of the fleet aged between 30 and 40 years is less than 2%. With few exceptions, only car buffs continue to drive and maintain vehicles more than 30 years old, and the distances travelled annually are generally small. Yet under the risk rating systems they fall in Band One and are charged the highest rego fees. A survey of our members showed 90 per cent drove their collector vehicles less than 3000kms per year. And a high proportion of the 30-40 years fleet are covered by classic vehicle insurance which restricts the owners to no more than 5000kms a year. Older vehicles are relatively under represented in road crash statistics. Under the present system the owners of multiple vehicles are effectively subsidising other owners who may travel greater distances but make a lesser contribution to the funds pool.

The FOMC also supports the intention to ensure that the classes ACC assigns to vehicles align as closely as possible with the NZ Transport Agency's Motor Vehicle Register. Doing so will simplify the listing of vehicle levy classes, avoid potential double-ups, and eliminate the need for a catch-all category of "vehicles not elsewhere specified". We also submit that "self-propelled caravans" should not be singled out as "vehicles not elsewhere classified".

Yours faithfully

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Representing the responsible special interest and heritage motoring enthusiast