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REDUCED FEES MAY RESULT FROM FOMC MEETING WITH MINISTER

While extending the new annual WoF regime to cover heritage vehicles has been rejected by the Government in the meantime, a revision of the legal definition of vintage vehicles which would significantly reduce rego/ACC fees for many motoring enthusiasts is still being considered.

Following up on the outcome of the WoF/Vehicle Licensing Reform consultation and several other issues, FOMC President Malcolm Lumsden, Vice President Fred Fellows, and Secretary Roy Hughes met with Associate Minister of Transport Michael Woodhouse late last year.

The FOMC detailed concerns that the cost and inconvenience of obtaining six monthly warrants is prompting many collectors to place registration of their vehicles on hold for at least part of each year, when regular year round use and maintenance would keep them in better and safer operating condition.

While not disputing our statistics which show the rate of WoF rejections, involvement in crashes, and annual mileages covered are lower for heritage vehicles than more modern models, the Associate Transport Minister said more investigation would be needed first to ensure there would be no unintended consequences before making any further changes.

During the public consultation process, a number of submitters, including the Motor Trade Association (MTA), Bikers Rights' Organisation NZ (BRONZ), and the Low Volume Vehicle Technical Association (LVVTA) supported the FOMC view that heritage vehicles are generally well maintained and do low mileages, so therefore require no more than annual inspections.

However, Mr Woodhouse says the Government ultimately decided that to change the WoF frequency for heritage vehicles would constitute a significant change in current policy for very little gain in economic or safety benefits. Further work would be needed to ensure that changes would not unintentionally create loopholes and complications in the system. This work may include investigating whether older vehicles are prone to accelerated deterioration and the effectiveness of rust inhibitors.



Associate Transport Minister Michael Woodhouse (second from left) met with FOMC Secretary Roy Hughes (left), President Malcolm Lumsden and Vice-President Fred Fellows

“At this point, no further work on these issues is planned,” he said. “For these vehicles, the economic benefits generated by specific arrangements or any increased safety risks would be small, and making such arrangements would increase implementation costs.”

However, as a result of our discussions, the Associate Transport Minister has instructed his officials to investigate reducing the legal age of vintage vehicles as defined in transport legislation from the current over 40 years down to 30 years. This could have the effect of lowering licensing fees for an extended range of collector vehicles which would more than offset the costs of six monthly warrants.

In our transport legislation, ‘Veteran Motor Vehicles’ are correctly defined as motor vehicles manufactured before January 1919.

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But the current New Zealand legislated category of 'Vintage Vehicles', being those 40 years or older, is inconsistent with the generally accepted definition of 'Vintage' being only those motor vehicles manufactured after 1 January 1919 and before 31 December 1931.

The change the Minister has agreed to investigate would bring New Zealand into line with the internationally recognised reference date of 30 years old and, and to avoid other confusions, we have suggested the classification should be changed from 'Vintage' to 'Heritage Vehicles'.

The percentage of the fleet aged between 30 and 40 years is less than 1 per cent and most vehicles of this age are no longer covering significant annual distances. With few exceptions only car buffs continue to drive and maintain such vehicles, and distances travelled annually are generally small.

With the ACC proposing to introduce a sliding scale of fees based on risk ratings linked to vehicle age, we suggested to the Associate Minister that introducing a 'Heritage Vehicle' classification beginning at 30 years will reflect their true contribution to accident and injury statistics and mitigate the excessive financial impost on heritage vehicle which could otherwise occur.

The impact of recently increased Road User Charges being imposed on some motor homes and heavy heritage vehicles was also raised with the Associate Transport Minister on behalf of our Motor Caravan Association members and military vehicle owners. Once again his response was that the Government would not consider any further revisions because the revamp in the Road User Charges regime has massively reduced implementation costs. Mr Woodhouse sees an extra \$250 per 1000kms as not a lot more to pay and still cheaper than relying on petrol power.

Concerns around the communication of changes to the Seatbelts Rule and the carriage of children in heritage heavy vehicles was the final topic raised by the FOMC executive with the Minister (see separate story).

During the FOMC's meeting, Mr Woodhouse also expressed concern that the child restraint law revisions may have placed unintended limitations on the use of pre-1955 vehicles and heavy heritage vehicles. He ordered his officials to ensure the changes in exemptions will not cancel out activities like fire engine rides for children at community events.



EDITORIAL - COLLECTING CLASSIC CARS CAN BE CLEVER INVESTING

Anyone wanting to become seriously rich should stay away from shares, gold and property and invest in classic cars if movements in world markets over the past decade can be considered a reliable guide.

According to Coutts, a British private bank that counts the Queen as a client, between 2005 and the middle of 2013 the increase in the values of classic cars on the world market far exceeded the global stock market, and they were also the best performing of all alternative investments, returning an average of 257 per cent in the seven-and-a-half-year period.

The bank's "Objects of Desire" index covering 15 asset classes, including stamps and coins, paintings, rare musical instruments, and "trophy" property, gained 82 per cent since the beginning of 2005, compared with a 53 per cent rise in the global all-countries stock market index. But classic cars outperformed all other collectables.

And according to the Luxury Investment Index compiled by the global real estate consultancy Knight Frank, during the past decade the average value of collectable classic vehicles has risen by 430 per cent, far outstripping other asset classes such as fine wine, rare coins, stamps and property.



Created by Tom Andrews, Hamilton's Classics Museum is typical of the kind of personal investment which provides a major economic benefit for the whole community

Of course this does not mean that fifteen year old Toyota Corolla abandoned in the backyard is now worth four times what was paid for it. The investment indexes largely only apply to higher end heritage vehicles. And as New Zealand has not yet suffered the property crash which resulted in the transfer of investment value to the classic car market in other countries, the rises in prices here have been less pronounced so far.

But New Zealand does have far more than its fair share of classic collectables and, on a per-head-of-population

basis, it is probably only second to Cuba in keeping the best and most beautiful automotive products of yesteryear in pristine and functional condition.

Comprehensive research by our sister organisation the Federation of British Historic Vehicle Clubs, found heritage vehicle enthusiasts generate around \$10 billion a year in commercial activity in the United Kingdom, almost \$2 billion of which comes from overseas.

While the FOMC is still planning a similar comprehensive assessment, a preliminary survey has found clusters of firms from Whangarei to Wanaka employing thousands of people, and generating considerable economic activity in regional cities and towns such as Hamilton, Rotorua, Taupo, the Hutt Valley, Geraldine and Oamaru.

Some of those firms have an international reputation for the excellence of their craftsmanship and there is a steady and continuous flow of valuable vehicles being sent to New Zealand for high value restorations.

So what may appear to the undiscerning to be just a hobby reliant on the continuing care and use of uneconomic cars, actually has multi-million dollar positive economic and social benefits for the whole economy. It generates more export dollars than the yacht/boat building industry, yet has not sought any taxpayer subsidisation of its activities.

Around the country, with very little if any central government help, thousands of private enthusiasts have voluntarily invested their time and money in preserving our transport heritage and creating museums and other recreational facilities which not only boost local economic activity but also attract significant numbers of international tourists to New Zealand.

In the year ahead the FOMC will be measuring just how big is this contribution the heritage vehicle movement makes to the economic wellbeing of New Zealand in order to persuade the Government not to continue hindering the growth in this benefit with needless regulations and restrictions.

Roy Hughes, FOMC Secretary



NEW SEATBELT RULE CLARIFIED

With the new extension to child restraint requirements that came into force last November some member clubs were concerned that no clear information was being provided on how the new rules would be applied to previously exempted heavy vehicles.

Initial publicity from the NZ Transport Agency implied that all goods service vehicles over 2000kg were prohibited from carrying children if they did not have the appropriate restraints. This seemed to be at odds with the standard exemption for all pre-1955 vehicles.

The FOMC raised our concerns with the NZTA (and Associate Transport Minister), and subsequently the NZTA advised that the exemption for pre-1955 heritage vehicles remains and if the vehicle in question was a goods service vehicle over 2000kgs, it will have previously been exempt from child restraint requirements.

The exemption, namely "is driving a goods service vehicle having an unladen weight exceeding 2000kg in which no seats are available", was originally in place as these vehicles were often not fitted with seatbelts.

Modern goods service vehicles are generally fitted with seatbelts and are able to comply with child restraints requirements. However, in the case of a fire truck, which is not a goods service vehicle, it would not have been included in this former exemption.

The removal of this exemption has no effect on the continuing exemption from child restraint requirements for *any* motor vehicle registered before 1 January 1955. It follows that a fire truck (or any vehicle) does not have to comply with child restraint requirements if it was registered before 1 January 1955 as was the case before the changes. But a goods service vehicle registered from 1955 onwards cannot carry unrestrained children.

In the instance of vehicles being used in a public place, not on a public road, such as fire trucks at a fair or gala, the Associate Transport Minister advised that the child restraint requirements may not apply, and if they do, the vehicle may be eligible for an exemption.

Exemptions may be granted by the Transport Agency if it is satisfied that the risk to safety will not be significantly increased by the granting of the exemption. If a vehicle was to be operated at low speeds and/or in an area that is clearly separated from the road, this may help determine exemption eligibility.

The exemption form is available from the NZ Transport Agency website. A \$27.20 fee applies to the application for an exemption.

"Prior to the changes a goods service vehicle registered after 1 January 1955 operating in a public place, but not on a public road, was exempt from child restraint requirements," said the Associate Minister. "This prior exemption no longer applies, but the vehicle may still apply for an exemption from the Transport Agency if required. I would, however, encourage the use of child restraints where ever practicable."

FOMC AGM RETURNS TO TAUPO - 18 MAY

For many years annual general meetings of the FOMC were held in the centre of the North Island in the VCC rooms at Taupo.

Effectively half way between Auckland and Wellington, Taupo was seen as within easy driving range for a wide cross section of the majority of member clubs. But it was still a lengthy journey for many of those who took the trouble to attend.

So in 2010 it was decided to hold successive AGMs in Auckland, Wellington and Christchurch in order to provide an opportunity for other members to join in the deliberations.

Interestingly, attendances at the AGMs in the major cities have been about the same as at Taupo but it has allowed the committee to meet and mix with a different group of Federation representatives.

But this year the 19th Annual General Meeting of the NZ Federation of Motoring Clubs will be held at the VCC rooms in Spa Road, Taupo on **Sunday 18 May**.

The AGM programme is still being finalised, but topics will include a presentation on changes to the WoF frequency - and data on why heritage vehicles aged over 30 or 40 years should only be tested annually.

With this newsletter is a notice of the upcoming AGM and invitation to submit nominations for the executive. At this time with a number of interesting challenges to be addressed, the FOMC executive would welcome new representatives of the heritage and recreational motoring movement to contribute to their efforts.

Any member of a member club is eligible for nomination and election.

ACC CHANGES DEFERRED

ACC has deferred until 2015 proposals to introduce variable levies for cars based on their crash risk. The proposals would see cars under the age of 40 grouped into four categories, with the safest, most modern cars saving about \$100 a year in ACC licence levies while the least safe cars will continue to pay the current amount. Vehicles over 40 are excluded from the proposals so their levies would remain unchanged.

In response to the FOMCs submission, which recommended lower levies for vehicles aged 30-40 years, ACC advised that "the proposed safety rating scheme will be further developed by ACC, taking account of the many concerns raised during this consultation process. Your concerns and data around the ratings to be assigned to cars over 30 years old are noted, and these will be included in this development process. There will be a further consultation process before the revised proposal is again considered by government."

• www.fomc.co.nz/current

SPECIALIST CHECKS FOR OLDER ROLLERS

Following on the government decision to continue six monthly WoF inspections for heritage vehicles, the Rolls Royce and Bentley Club has questioned whether there are sufficient vehicle inspectors with adequate experience to assess vehicles more than 40 years old and how do we find where they are.

The Rolls Royce and Bentley owners fear not enough vehicle inspectors fully appreciate how the vast improvements in automotive design and manufacturing techniques have drastically reduced the likelihood of vehicles more than 40 years old conforming to the currently required specifications, even though they more than met the safety standards of the day they were made.

While vehicle inspectors have a degree of discretion in assessing older vehicles, the club says appropriate allowance should be made for the generally low mileages covered by classic and heritage vehicles between inspections and the implicitly higher standards of maintenance carried out by their owners.



It would like to see testing stations with specialist staff familiar and experienced in dealing with older vehicles established in every centre.

From time to time the FOMC receives reports of older vehicles being rejected at testing stations for what could be considered unreasonable reasons. But all decisions made by vehicle testers must follow the rules and guidelines in the Vehicle Inspections Requirements Manual (VIRM).

The VIRM is available online at all testing stations and classic car owners concerned about an inspector's decision have the right to ask to be shown the relevant section which relates to why their vehicle was rejected. If any dispute remains unresolved there is also a complaints procedure.

In order to ascertain whether there is a serious problem with undeserved rejections, the FOMC is asking clubs to advise how many of their members are encountering problems with inspectors who lack sufficient familiarity with older vehicles.