



THE NEWSLETTER
OF THE NZ
FEDERATION OF
MOTORING CLUBS

WHEEL TORQUE

ISSUE 24 | SEPT-OCT 2016

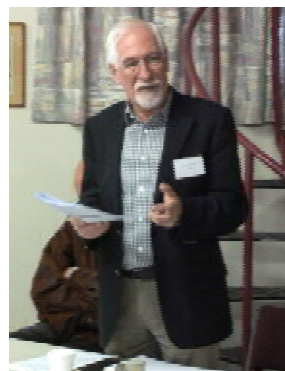
Lower qualifying age for heritage vehicles remains an issue

With the most recent rollback of ACC levies in July the Government fees to keep our heritage vehicles on the road all year round have become a fraction of what we previously paid.

The lesser savings now achieved by registering a classic for only part of the year is hardly worth the hassle anymore. But under the vehicle risk rating system the cost of registering 1976 to 1986 cars in Band 1 is still around \$60 a year more than the \$25.54 levy for late model cars in Band 4. The 2016/17 ACC levies also reduced the charge for petrol-engined vintage and veteran vehicles from \$37 to just \$17.

So it is collectors of our younger heritage vehicles who are still paying more for less motoring, especially as their cars remain subject to six monthly WoF inspections.

While the possible savings may have changed, new FOMC president Harry Duynhoven advised our recent national conference in Wellington that seeking a reduction in the vintage classification to 30 years will be an active issue in the year ahead, along with annual WoF inspections for all classic vehicles.



*New FOMC President
Harry Duynhoven*

With official classification of vintage vehicles still at 40 years plus here in New Zealand we are way out of step with the rest of the world. Across Europe and Australia

it is thirty years and in the USA 25 years, or even less in some states. And the Australians are proposing to reduce the age of their heritage vehicles to 25 years or less, so the time is well overdue for New Zealand to catch up.

Commenting on his last annual report, outgoing President Malcolm Lumsden noted that in Australia heritage heavy vehicles enjoy far more sympathetic treatment than in New Zealand. He said it is grossly unfair that New Zealand collectors and restorers of heritage heavy transport are still required to meet all the compliance costs imposed on fully commercial vehicles.



*Some of the delegates at the 2016 annual conference
and AGM, hosted at the VCC clubrooms in Petone*

“There are a huge number of heritage vehicles classified as heavy vehicles languishing in dark sheds because of overbearing compliance issues and unnecessary costs here,

when in Australia, and England, these vehicles are able to fit into the system and be utilized,” he said. “Many of these vehicles weigh under 3.5 tonnes but are required to comply with manufacturers gross laden weight and the more costly fees imposed. Our Australian cousins are very happy with their exemptions for limited heavy vehicle use.”

Also on the agenda for the year ahead is the rewrite of the Incorporated Societies Act which is currently being prepared for submission to Parliament by the Ministry of Business Innovation and Employment and the Department of Internal Affairs.



NZ STILL A HAPPY HOMELAND

FOR AGING FLEETS

If the stats are correct Kiwiland is where older cars come to live a longer life, but nobody can say why.

Compared to other countries such as Japan, the USA, Australia, and the European Union member states, the average age of the New Zealand vehicle fleet is significantly higher and still increasing. But the Ministry of Transport's Principal Advisor on Technology and Transport Systems, Iain McGlinchy told the FOMC annual conference that nobody has yet produced a credible theory to explain it.

Entitled "The New Zealand fleet: fact and fiction" his presentation was a fascinating overview of the changing patterns in the New Zealand light vehicle fleet including fuel use, fleet travel, emissions and safety. The data he presented can be accessed through the AGM tab on the FOMC's website at www.fomc.org.nz



Iain McGlinchy from the MoT

Interestingly his figures indicate that reducing the age of the New Zealand fleet would not have the claimed benefits of improved fuel efficiency. He suspects petrol usage is actually increasing because the replacements chosen for older vehicles tend to be heavier with larger and more powerful engines.

"So actively intervening to create a younger fleet to reduce CO2 emissions would probably not work," he said. In fact there is no link between the level of harmful emissions and fuel economy as the technology which reduces pollution is downstream of the engine and does not alter the amount of fuel that is burnt.

So for those who prefer the older vehicles the best place to find them is the central South Island, especially around Waimate!

INSURANCE ROUND-UP

by John Barley, Barley Insurances Ltd

"If our club has a name, a website, and/or a bank account doesn't that make it a legal entity?"

The short answer is "No." The reality is that the club is just a group of individuals combining their efforts to create an event or series of events or even a community, but the group has no separate legal status.

"Does not being a legal entity matter?"

Like most things in life, when things are going 'swimmingly' the answer, for a car club, is probably not. However, as in all human endeavours, failures, problems and disputes can suddenly arise and the lack of any legal structure can make resolving such issues greatly more costly and painful. Breach regulations, damage someone else's property, become involved in a health and safety issue, even as a non PCBU, and, as the FOMC stated in its last *Wheel Torque*; "there is still a wider community and legal responsibility to ensure good stewardship". Consequently all are required to ensure awareness of others safety needs including having proper documentation and process within the club.

Without legal status any legal action initiated by injured parties or regulators as a result of:

1. *damage to other's property;*
2. *personal injury accident during a club event;*
3. *breach of regulations;*
4. *dispute with outside parties or within the club;*

will be taken directly against any or all individuals in the club as 'partners' in the club. In these circumstances all club members jointly and severally guarantee the club and there is no limit to their personal financial liability. Someone suing the club for money, a regulator wanting to make someone accountable for a failure of process, a member in dispute with the club can pick on anyone in the club and hold them wholly responsible.

Of course those being made to 'carry the can' for the club may want to spread the burden and pursue other members to meet a share of the cost – a very messy and fraught circumstance arises and the club will fall apart.

When all is going well it is easy to ignore the potential for the club getting into the strife described above but impossible to avoid unless pre-emptive planning and action has occurred prior to the strife arising. Organising the club into a separate legal entity is the primary step in doing this and the usual way is to establish an incorporated society. There are many benefits of being an Incorporated Society, including:

1. *The club establishes a proper and fair set of rules for its operation.*
2. *The club's legal entity status reduces the ordinary member's liability in the above circumstances to solely the payment of any personal debt, usually just any outstanding membership fees, owing to the club.*
3. *Club governors cannot altogether escape personal liability but ordinary members cannot be sued for the actions' of the club.*
4. *The legal entity club can purchase insurance protection covering most of the likely circumstances where the club and/or its governors would otherwise suffer the financial costs of defence and settlement of damage to others property, acting over personal injury, breach of regulations, disputes between the club and others.*

• www.barley.co.nz

CLASSIC COLLECTING BETTER DONE IN CLUBS

The FOMC membership renewal received from the Austin Healey Car Club was accompanied by a photo of the executive which shows they all have neatly trimmed white goatee beards, with the exception of the treasurer...who is a woman.

It is a graphic reminder of just how often car clubs bring together people who share similar and compatible tastes in many more ways than just their preference for the particular marque they have chosen to own.

In the world of classic car collectors, the vast majority of one make and heritage vehicle organisations are convivial, laid back and infused with a family friendly atmosphere. Like other things, classic car collecting can be a solitary pursuit, but it is a lot more fun when done together with others.

As social creatures as well as vehicle aficionados, finding a group of like-minded enthusiasts not only provides a compatible environment in which to discuss all things car, but can also provide access to invaluable advice or assistance and the additional opportunity to obtain significant discounts at certain parts suppliers.

Being a member of a classic car club not only protects your sanity and your wallet, it also provides further less tangible benefits. Involving yourself in club activities can both make you more sociable and also enhance your health and potential longevity.

With their collective buying power car clubs are often able to negotiate a range of discounts from parts suppliers and even some big-name insurance companies. Join a club and you will not only gain a shed load of extra information and trivia, but any waning compulsion to look after your own vehicle will become a craving. With fellow enthusiasts gazing over your classic car and appreciating all the work you have already undertaken, you will be incentivized to carry on until you can triumphantly display the finished project.

But even in the best of clubs relationships can turn toxic and it has become apparent to the Government that the existing legislation provides less than adequate means to resolve disputes or injustices when they occur within societies. Currently under consideration is a new set of rules and guidelines designed to assist clubs to sort out their difficulties.

After undertaking a detailed study of the draft Incorporated Societies Bill and consulting member clubs, the FOMC executive concluded that it is a generally comprehensive and constructive prescription for creating an updated and overdue operating framework for New Zealand's incorporated clubs and organisations.

However if the new Act imposes responsibilities on elected society officers which are beyond their skills or ability it could have a serious debilitating impact on the functioning of many clubs. For smaller societies often dependent on untrained volunteers to fill elected roles such as treasurer or secretary, complying with "generally accepted accounting practice" as is currently required by the draft bill may prove to be too onerous.

Where more simplistic approaches to keeping financial records will still meet the needs of the societies concerned the FOMC has recommended that it would be in the overall public interest to allow more flexibility.

Consistent with the present prohibitions on members of incorporated societies deriving a "financial gain" from their participation in club activities, the new Act will impose similar limitations. But the FOMC has welcomed the proposed exceptions to what pecuniary benefits are prohibited as outlined in sub-part 3 of the draft bill.



"It is important that all clubs should not be restricted from subsidising activities and events or supplying members with discounted parts and services, or providing rewards for members making major voluntary contributions to the overall betterment and welfare of their clubs," we said in our submission on behalf of member clubs.

The proposed "Winding Up" provisions (section 24) require the nomination of a specific "not-for-profit entity", or "a class or description of not for profit entities", at the time a club is launched and first constituted. We have suggested this is most likely to prove far too restrictive.

After many years have passed any named such entity may no longer exist. So the FOMC has recommended the present general practice of specifying either "charitable organizations" or any "not-for-profit societies with aims and objectives compatible or similar to those of the winding up club" is still the much more practical option.

We have also questioned the proposed provision that those whose membership subscription are in arrears remain members and liable for all unpaid subscriptions until they formally resign in writing. While many clubs do request resignations in writing, we suspect less than one in a hundred members actually fulfil this obligation.

Most people simply cease to pay subscriptions and drift away, so the rules of many clubs provide that their resignations are deemed to have become effective from the due date or end of that year. It would cause insurance and other problems for clubs if they were required to treat non-financial former members as still current members.

Many clubs will also have limited records of when individual members joined. So they could face some difficulties meeting the requirements for more extensive membership record keeping in the draft bill if they survive the submission process.

PRESIDENT MALCOLM LUMSDEN

RETIRES FOR SECOND TIME

Nationally known military vehicle collector and FOMC president for the past three years Malcolm Lumsden retired from the role for the second time at this year's annual general meeting.

Incoming president Harry Duynhoven, thanked Malcolm for his many years of service on behalf of heritage vehicle collectors. A long-serving MP for New Plymouth and a former Transport Safety Minister, Harry noted he had first had the pleasure of meeting Malcolm Lumsden when he was Federated Farmers' Vice President in the 1980s.

"He was then much as he is now," Harry told the AGM. "He did considerable work for the organisation and had a friendly and professional approach. For at least the last 15, or maybe more, years, he has served our members and has now completed two separate terms as our president. We had major success with the Health and Safety Bill, largely through the input and effort of Malcolm and Roy.

"Malcolm's guidance and experience, both with bureaucracy and with the real world, is much valued and I'm especially grateful that he is prepared to continue to play an active role as our Past President to assist me and the executive in going forward and continuing the very good progress made in recent years.

"This executive has relied on the goodwill and wisdom of many of you who assist us to pursue goals which will benefit everyone involved in heritage vehicle activity. Your support and involvement is vital. Just as vital to Malcolm over the years in all his work has been the support of Eileen and we thank her for this.

"Throughout my experience with Malcolm, he has always impressed with his knowledge, practical experience and his efficient chairmanship and ability to see the big picture. His meetings have always been characterised by his gift for being able to accurately judge the mood and use his great sense of humour and easy manner to keep things heading in the right direction. I sincerely hope I can continue in the manner he has set, as he has served our organisation and members with distinction."



Retiring President Malcolm Lumsden (left) thanks Noeline and Paul Billing for their long service to the FOMC

FOMC CHANGES AT THE TOP

Along with Malcolm Lumsden two other very long serving key members of the FOMC executive retired at this year's AGM.

Both executive members for far more than a decade, Ross Hopkins had served a term as president and Paul Billing was the FOMC treasurer for around 15 years. Active Auckland Wolseley and Rover enthusiasts, Paul and his wife Noeline kept the FOMC's financial affairs in such fine shape for more than a decade nobody else was willing to take on the task.

But as a well-earned holiday was long overdue Association of Rover Car Clubs National Secretary David Raven has been persuaded to take up the role.

To thank Paul and Noeline for their more than fifteen years of voluntary effort, the FOMC executive presented them with a voucher for a vacation at a venue of their choice.

With the elevation of Harry Duynhoven to president, VCC management committee member Tony Bartlett has taken on the role of vice-president. And after a year as an advisor, Motor Caravan Association delegate Fred Fellows has returned to the committee.

The other new committee member this year is the National Secretary/Treasurer of the Citroen Car Club, Conrad Petersen. Now retired, he has had an extensive career in the vehicle industry and performed various management roles with the government, including involvement with Vehicle Testing NZ when it was spun off as an SOE. His experience at developing advice on a range of government policy issues and drafting legislation and regulations will be invaluable to the new executive.

NEWS FROM AROUND THE WORLD

Older cars to be banned from Paris

All cars made before 1997 are to be banned from Paris under drastic measures to combat the city's toxic smog. Classic cars are not exempt, although that might change.

The new laws, which came into effect in July, also ban motorcycles registered before 2000 from the city centre on weekdays. The plans sparked an angry backlash from bikers when they were proposed last year.

The move is part of a larger plan to only permit vehicles that are less than 10 years old on the capital's streets by 2020.

Pre-1997 vehicles are thought to account for around 10 per cent of all vehicles in Paris, but generate as much as half the city's pollution.

- Daily Mail

