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Tackling transition to fewer emissions

Government seeks to avoid significant disruption for industry as it outlines timeframe for toughening rules on new and used vehicles

Used importers are set to be given more time to comply with tougher emissions standards than new-vehicle distributors to minimise the risk of supply constraints.

And stricter rules will be mandated for newly introduced models being supplied to New Zealand by overseas manufacturers 12 months before they are applied to existing new products in their line-ups.

The government is now calling for submissions on changes to the Land Transport Rule: Vehicle Exhaust Emissions 2007.

It wants to phase in new standards over the next five years for light, disability and heavy vehicles, motorcycles and mopeds.

The consultation paper sets out lead-in times for bringing in the tougher criteria.

These include rapidly shifting the minimum requirement on used-imported light vehicles from Euro 4 to Euro 5 from early 2024 and then, two years later, onto Euro 6d.


The MoT wants to bring in tougher exhaust emissions standards

The idea is for new light vehicles to move from Euro 5 to Euro 6d in several steps between early 2025 and February 2026.

"Voluntary uptake of Euro 6 is low, especially for diesel vehicles," says the Ministry of Transport (MoT). "Therefore, the government is proposing to phase in new requirements over the next five years."

It says shifting used imports to Euro 5 next year is "unlikely" to cause supply issues for the New Zealand market, while mandating Euro 6 on new light vehicles in several steps "is not anticipated" to cause significant disruption for distributors.

The proposed changes to the rule will cut emissions from vehicles that cause significant harm to our health, while the aim of the consultation is to receive feedback on the new standard and lead-in times.

"New Zealanders need to continue to have access to vehicles at prices they can afford while we seek to reduce air pollution," says the MoT. "Although implementing Euro 6 as soon as 2024 would result in the greatest levels of avoided harm, if the notice period is too short it will be difficult for distributors to source vehicles meeting the new standards and or appropriate testing documents.

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GUEST EDITORIAL

Kiwi market needs to follow Australia

We need to align with our closest cousins for rule changes, opines Mark Stockdale

MARK STOCKDALE
Principal technical adviser
Motor Industry Association

There's a comment I have found myself repeating to government officials during the few years I've been at the MIA.

It's this: "If you want to adopt new standards, the New Zealand government should be talking to the Australian government to update their standards."

It is usually made in conjunction with an explanation about how our new-vehicle market works, and the fact many new light vehicles are Australasian market specification and built to ADR standards.

It's a mantra the MIA has repeated many times. Yet officials seem to ignore the importance of our closest cousins, even though the "West Island" plays a huge role in our lives.

Australia is, after all, our second largest trading partner, it's our largest source of tourists and, likewise, Aussie is the number-one destination for Kiwis holidaying overseas. Our laws and regulations closely align too. The list goes on, so it shouldn't be any surprise our vehicle markets are also intrinsically linked.

So why is it that officials seem to think we can introduce rules and regulations at odds with Australia without it impacting our market?

Last year, the Ministry for the Environment consulted on phasing out high global-warming potential fluorinated gases (F-gases), which includes refrigerants, as early as 2025.

They noted several countries were phasing out F-gases and that was good enough reason for New Zealand to do so too. But the fact Australia hasn't proposed any such ban was overlooked.

Now the Ministry of Transport has released a draft exhaust emissions rule. It proposes adopting Euro 6d for new light vehicles, and approximate Japanese and US equivalents, but crucially not ADR.

The rule is no great surprise as it's been talked about for more than a year. But disappointingly it proposes to adopt Euro 6d around two years ahead of Australia, although the latter's date – 2027 – isn't yet confirmed.

The MIA's advice to officials on the F-gases ban and now Euro 6d is that introducing standards ahead of Australia is problematic for many new-vehicle importers.

That's because models would have to be specifically re-engineered just for our tiny market and the timeline doesn't provide enough time to do that, let alone consider the cost of making such modifications for small volumes.

The MIA has pointed out to officials and the minister many times just how intertwined the New Zealand and Australian markets are, and the need to follow Australia if they want to introduce new standards without constraining choice and imposing cost increases on consumers.

We just don't understand why, when it comes to matters such as vehicle standards, our government ignores the significant influence our closest cousins have on our market.

autofile

DIRECTORS
Brian McCutcheon
brian@autofile.co.nz
ph. 021 455 775

Darren Wiltshire
dazzz@autofile.co.nz
ph. 021 0284 7428

DESIGNER
Adrian Payne
arpayne@gmail.com

EDITOR
Darren Risby
ris@autofile.co.nz

JOURNALISTS
Sue Brebner-Fox
sue@autofile.co.nz

Matthew Lowe
matthew@autofile.co.nz

MOTORSPORT
Mark Baker
veritas.nz@xtra.co.nz

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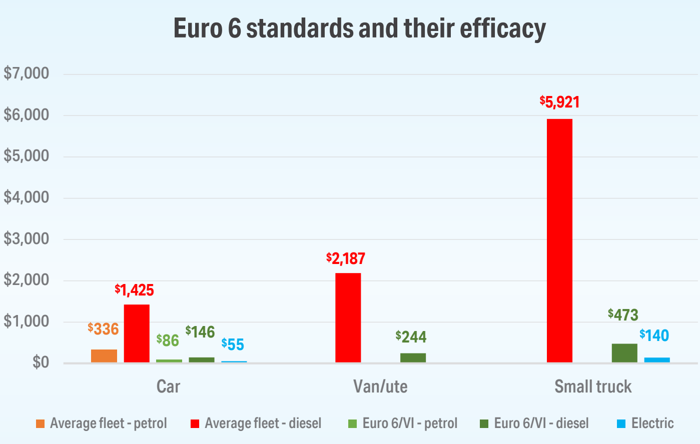
"That could restrict models available to consumers and drive up prices. In contrast, leaving the transition too long means continuing to accept social harms that are inequitably felt in our country."

When it comes to new vehicles, the MoT says New Zealand has historically been aligned with Australia on emissions standards "as our proximity means distributors of new vehicles treat us as a single market".

It explains: "Most of our brand-new vehicles are also approved for sale to the Australian Design Rule [ADR].

"Australia is planning to move to Euro 6d for light vehicles soon although a date has not yet been confirmed. Their timelines for moving to Euro 6d depend on first improving their petrol quality, which may occur late 2024."

The government recognises that if New Zealand requires stronger standards, this could have drawbacks because suppliers may find it less appealing to produce vehicles different to those made for Australia.



This table shows the social costs of different vehicle types in New Zealand. Euro 6/VI vehicles (in green) produce lower social costs per 10,000km than average fleet vehicles (orange and red). Petrol Euro 6 cars produce lower social costs than diesel Euro 6 cars. EVs still produce some social costs due to pollution from tyres and brakes. *Source: MoT*

However, because most of the global market is already at Euro 6 – with Australia, New Zealand, Russia and some developing countries being exceptions – "it is not anticipated Aotearoa moving to Euro 6 would cause significant disruption for distributors".

The MoT's consultation document states New Zealand currently has much stronger carbon dioxide (CO_2) emissions requirements than Australia.

"Distributors have largely responded to this by supplying us with different volumes and models of vehicles," it adds. "As a result, new brands and models have started to become popular in response to government policy to reduce CO_2 emissions."

Mandating Euro 5 for used light vehicles – petrol and diesel – early next year "is unlikely to cause supply constraints or price increases as 85 per cent of used imports already meet this threshold", says the MoT.

"However, there is a short-term risk that importers could be caught out when they have purchased vehicles overseas – due to shipping or other logistical delays – and could be blocked because they arrive after new requirements commence."

To reduce that risk, the proposed rule states that if used vehicles have been successfully inspected, which can occur in Japan, ahead of the shift from Euro 5 they can still enter New Zealand's fleet.

The MoT adds: "Subsequently, used imports will be subject to meeting Euro 6. A phased approach for Japanese used petrol vehicles out to 2028 has been proposed.

"This is because Japan regulated a requirement for petrol vehicles to have emissions similar in strength to Euro 6 in 2018.

"Given used petrol imports are routinely seven to 10 years old, it will take until 2028 before there is widespread supply of used vehicles in Japan that meet Euro 6.

"Petrol cars cause less social harm than diesel ones, so a longer transition for used petrol cars is not expected to undermine the benefits of this proposal."

DIFFERENT SEGMENTS

Used disability vehicles will be granted extra time to shift to Euro 6 with the MoT looking to introduce Euro 5 early next year for new and used.

The idea is for new disability vehicles to transition to Euro 6 on the same timeline as new light vehicles and for used models to move to Euro 6d from January 1, 2028, at the latest.

"Modified vehicles are needed by people with disabilities," states the consultation document. "This doesn't usually pose an issue for new imports as they are bought new and then modified to suit the needs of its driver or passengers.

"However, supply constraints could occur in the case of used light imports as these will have already been modified and used before being imported."

Currently, distributors must apply for a case-by-case exemption to the director of land transport when they seek to import a disability vehicle that doesn't meet the required emissions standard.

While that will still be permitted, the MoT proposes to push out a time extension to used disability vehicles to reduce the need for distributors to apply for exemptions.

The proposed amendment rule includes introducing a minimum standard for motorcycles and mopeds. That will be Euro 4, which will be brought in 18 months after the rule is published, with Euro 5 applying from January 2027 at the latest.

"Most major markets have required minimum standards on motorcycles," says the MoT. "Today, the majority of the global market requires emission levels aligned to Euro 5.

"No market has yet proposed a

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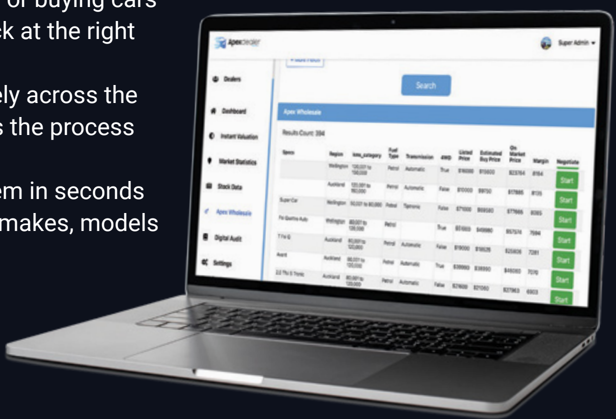

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[continued from page 4]

standard that's Euro 6 in strength. In contrast, Aotearoa doesn't currently require any form of emissions standard for motorcycles and mopeds."

For new heavy vehicles, it's proposed to have Euro VI-C for newly introduced models 15 months after the new emissions rule is published. For existing models, the aim is to mandate Euro VI-C 27 months after it's published.

All new and used heavy vehicles will need to comply with Euro VI-E from November 2026 at the latest.

Existing exemptions to the exhaust emissions rule will be kept and some new ones will be added.

The proposed changes will apply to vehicles that must be certified for entry into, or operation in, service. This means that some types, such as all-terrain vehicles, aren't included.

What's being proposed retains current rule exemptions and some extra provisions for motorcycle exemptions.

All existing exemptions are proposed to be kept. These are immigrants' vehicles, class MA special-interest vehicles, mobile cranes, vehicles specified as "low volume" that comply with the emissions requirements of the low-volume vehicle code, and military vehicles.

Exemptions proposed to be added are special-interest motorcycles, but not special-interest mopeds, and farm, enduro and trials motorbikes.

TACKLING POLLUTION

The MoT says its proposed changes to the vehicle emissions rule will "progressively improve the harmful emissions standard" on imports into New Zealand.

Pollution caused by the fleet, such as nitrogen oxides (NOx) and particulate matter, are harmful to human health. Carbon monoxide and others can cause disorientation and death.

"Vehicles tend to remain in the fleet for a long time," says the MoT. "They are scrapped at an average age of 19 years. To reduce harm over the long term, a tighter emissions standard is required as soon as possible.

"The proposals do not focus on CO2 emissions, which are harmful to the climate and are regulated through other policies.

"Despite this, truck distributors in Aotearoa have advised the proposals could reduce the CO2 emissions of trucks by 10 to 20 per cent.

"It's also possible the proposals may encourage some broader behavioural change by distributors or buyers if they shift to zero emissions [electric and hydrogen powered] models."

Although New Zealand's air quality is generally good by world standards, nearly one-third of people live in poor air-quality areas and it's getting worse.

"Vehicles are a significant source, especially in the Auckland region and beside busy roads," says the MoT.

"Awareness is growing for health risks from exposure to NOx. This is particularly concerning as transport is understood to be the main source of these emissions."

The World Health Organisation (WHO) sets guidelines for air quality, including limits for harmful emissions.

In 2006, 24 per cent of New Zealanders were living in areas where NOx in the air exceeded WHO guidelines. In 2016, this increased to 31 per cent of the population.

The MoT cites the Health and Air Pollution in New Zealand 2016 study (HAPINZ 3.0), which was published in 2022.

It states air pollution from transport contributes $10.5 billion in social costs per year, which is roughly two-thirds of the total of all air-pollution costs – $15.6b.

INDUSTRY VIEWS

Consultation on the proposed vehicle emissions rule ends on June 22. Visit https://consult.transport.govt.nz/ for more information. The July issue of Autofile will have an analysis of submissions.

In this issue, Mark Stockdale, of the Motor Industry Association, explains why introducing standards ahead of Australia is problematic for many new-vehicle importers – see page 3.

And Kit Wilkerson explains why the Imported Motor Vehicle Industry Association's submission will rely on its own modelling, especially in the absence of any quantified comparison between standards it can rely on from the MoT – see page 19.

Rule timetable

The proposed timescales are based on the new exhaust emissions rule being published in the NZ Gazette, which is expected to happen in July.

1 USED LIGHT PETROL

Six months later (likely to be February 1, 2024): Euro 5, US Tier 2, Japan 05 Low Harm, ADR 79/04.

30 months later (Feb 2026): Euro 6d, US Tier 3, Japan 05 Low Harm if made up to December 31, 2024, or Japan 2018 Low Harm for any date of manufacture.

4.5 years later (Jan 2028 at latest): Euro 6d, US Tier 3, Japan 2018 Low Harm (all vehicles).

2 USED LIGHT DIESEL

Six months later: Euro 5, US Tier 2, Japan 09, ADR 79/04.

30 months later: Euro 6d, US Tier 3, Japan 2018 (any code).

3 NEW LIGHT PETROL

18 months later, newly introduced models (likely to be Feb 1, 2024): Euro 6d, US Tier 3, Japan 2018 Low Harm.

30 months later, existing models (Feb 2026): The same as newly introduced.

4 NEW LIGHT DIESEL

18 months later, new introduced models: Euro 6d, US Tier 3, Japan 2018 (any code).

30 months later, existing models: As newly introduced.

The MoT says: "The actual date the rule is gazetted may differ, meaning entry into force may fall on a later date to allow for appropriate lead-in time."

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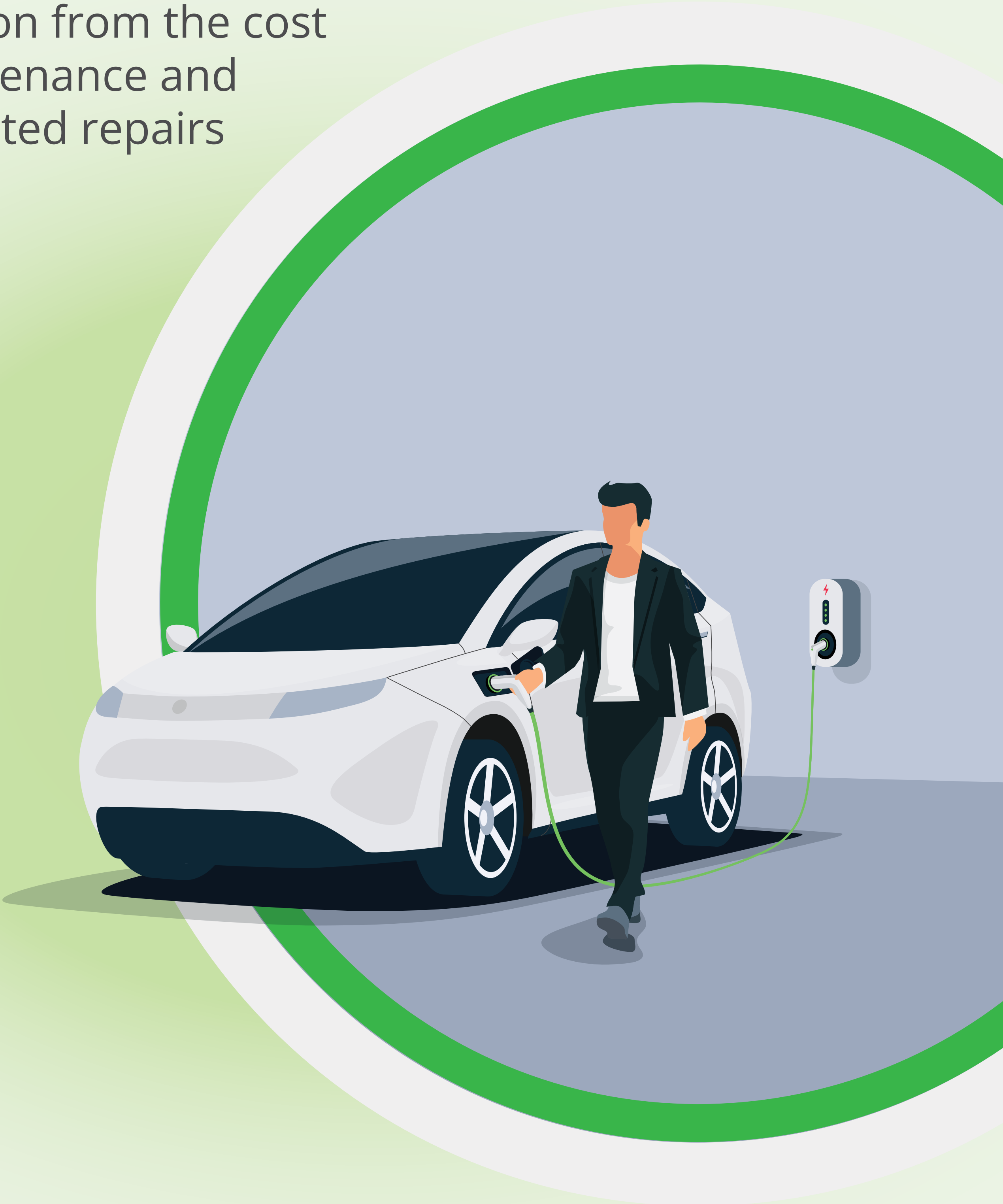

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Major changes for clean cars

Time is running out for vehicle importers to settle their pay-as-you-go (PAYG) accounts and comply with the legal requirements of the clean car standard.

All accrued charges from January 1 to May 31 became liable at the start of this month and must be fully paid off before June 22.

If that's not done, Waka Kotahi will automatically offset any credits in carbon dioxide (CO2) accounts to clear the penalties and then pursue importers for outstanding balances.

Other changes to the clean car standard (CCS) kicked in on June 1, such as PAYG account holders being required to pay charges as they accept stock into the system.

If importers fail to do so, they will be unable to register used vehicles or get warrants of fitness for new vehicles, warns the transport agency.

In addition, credits can now be used to offset charges and transferred between the same type of CO2 accounts – that's to say, new to new and used to used. They can also be shifted between PAYG and fleet-average accounts if they are of the same type.

Vehicles accepted in fleet-average accounts produce no tradeable credits until the end of the obligation year if the net position is positive. However, such accounts can still accept credits from PAYG accounts in the interim and transfer those credits.

While credit transfers take place in the CCS system, any payment for credits and terms of the trade will be managed between the two trading parties – Waka Kotahi has no responsibility for them.

Importers can also choose to go onto the CCS account register, which includes contact details for CO2 account holders wishing to trade credits.

In-line with requirements under the Anti-Money Laundering (AML) and Countering Financing of Terrorism Act, Waka Kotahi is required to conduct due diligence on importers wishing to trade credits under the CCS. This includes understanding importers' ownership structures and verifying the identity of associated individuals.

Importers should contact the CCS team through their CO2 accounts and Waka Kotahi will then arrange for the AML provider to get in touch to start the process.

The agency then advises applicants when the outcome is known. If successfully verified, the credit-transfer function on accounts will be activated.


CO2 account holders can now trade credits received under the clean car standard

While the Imported Motor Vehicle Industry Association (VIA) reports some members have experienced problems with the CCS system, Waka Kotahi staff have got on to these cases "pretty quickly" to sort them out.

Malcolm Yorston, VIA's technical manager, says there have been instances of vehicles being put into the incorrect categories in the system.

He told Autofile: "Examples of this have included NA class vehicles going into the system as passenger vehicles when they were vans and importers of heavy goods vehicles, which are not included in the clean car standard, have been told they needed to pay penalties."

Yorston says Waka Kotahi hosted a number of online webinars last month to explain matters to do with the CCS.

"A big take-out from those was that importers need to be AML verified. The NZTA sent out another email on May 31 to remind importers this was needed to trade CO2 credits.

"The feedback VIA has been getting from members is that they have just had to get on with it to get it all done."

He warns that if importers fail to be proactive in settling what they owe Waka Kotahi by June 22, the agency will simply apportion any credits in their accounts to pay off charges. This means the ability to trade those credits will no longer exist.

Similarly, if a CCS account holder has only penalties to pay and fails to do so, action will be taken by officials to recover those debts, while credit-trading transactions are subject to GST.

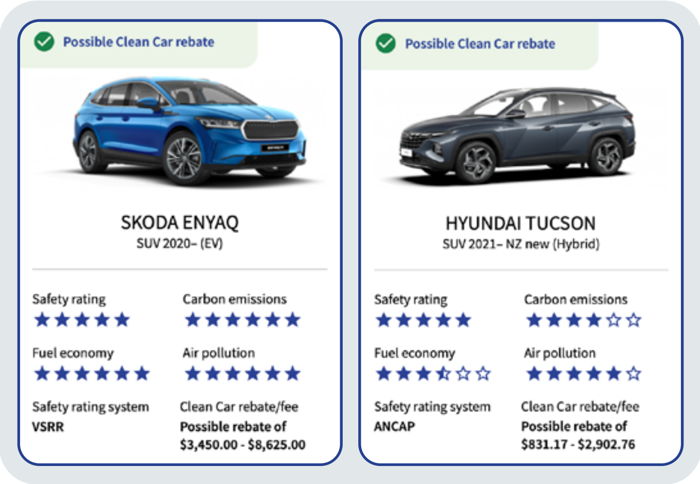
FEEBATE SCHEME CHANGES

Aimee Wiley, chief executive officer of the Motor Industry Association (MIA), is predicting an increase in registrations in June for vehicles that will lose rebates or attract higher fees under the clean car discount (CCD) from July.

The government is implementing adjustments to the scheme that will mean some models currently attracting rebates will shift into the neutral band. Zero-emissions vehicles will also attract lower rebates and higher-emitting vehicles will attract larger fees, as maximum penalties are increasing.

Depending on supply, Wiley expects a surge in registrations in June for those vehicles negatively impacted from July 1 onwards. She warns a sharp rise in registrations could result in Waka Kotahi running out of licence plates this month.

Wiley says it's unfortunate that some hybrid vehicles will no longer qualify for rebates from July 1, adding non-plug-in petrol hybrids provide a pathway toward



The revamped clean car discount scheme starts on July 1 meaning Rightcar's ratings will change

lower-emissions vehicles for more people because they are at more affordable price-points.

"These models are important in supporting our transition from higher-emitting internal combustion vehicles.

"These vehicles provide a pathway now for consumers, infrastructure and industry to adapt and transition toward a zero-emission future.

"Encouraging the uptake of newer, safer and lower-emission vehicles at every price point is important. Our climate, health and safety rely on it.

"The reality is that petrol hybrid vehicles losing rebates from July 1 effectively makes them more expensive, and therefore less accessible, in the eyes of a consumer.

"A vehicle sitting in the neutral band may not attract a penalty but the loss of rebate, no matter how small, effectively increases the price and decreases affordability."

VIA, meanwhile, reports importers of a lot of vehicles held up by shipping delays will be adversely affected by the changes to the feebate scheme. This is especially the case with models that previously were zero-rated and will attract fees from the start of next month.

The association raised this matter with Michael Wood, Minister of Transport, in late May, but the rules will not be changed for such logistical issues to be taken into account.

Yorston says: "We were told that there will be no exemptions. We said it would be better that the date for border checking to be used instead. However, there will be no changes."

Looking further ahead, Yorston says the system's settings are up for review in 2024. "If there is a change in government, there could be changes to the clean-car programme before that, but we need to get on with what we have got here and now. If there are changes, then we will have to deal with them when they arise."

Lender deepening dealer ties

Avanti Finance is seeking to build on its relationships with dealers and expand its network after acquiring a suite of digital assets, including Motorcentral.

The company will enhance its digital presence after completing the acquisition of the software offerings of Limelight Financial Services, which include Finance Central, Motorcentral, Need A Car and BuyerScore.

Mark Mountcastle, Avanti's chief executive, says Motorcentral's "dealer-centric" enterprise management software system will allow the lender to support its dealer community more effectively and to better understand its needs.

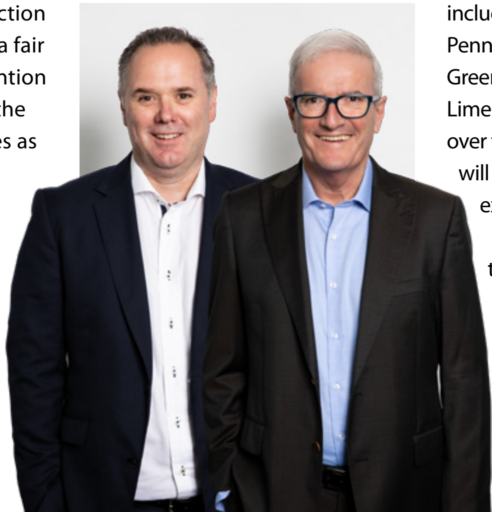
"Part of this [acquisition] is about deepening the relationship with the dealer but also broadening the community of dealers we have that relationship with," he adds.

"This is a significant transaction for us. We will be committing a fair amount of resources and attention to making it as successful for the wider community that it serves as possible."

Andrew Brough, general manager of auto and consumer at Avanti Finance, says the Motorcentral brand is a digital marketer that provides dealerships with plug-ins to websites they want to advertise on, while also offering the Need A Car platform for listings.

"What these assets offer complements our strategy of wanting to grow our motor-vehicle finance business by offering services other than finance, which is exciting," he continues.

"We now have the ability to help dealers streamline and automate every aspect of their business, including access to stock, as well as providing seamless access to finance.



Andrew Brough, left, and Mark Mountcastle say the company wants to offer more than just finance

"One of the things that appealed to us was that if a customer jumps on the Need A Car website and wants to apply for finance, even though the dealer doesn't touch the transaction, the finance sale is still attached to the dealership.

"We didn't want to go down the path of a merger or acquisition and then have our dealer base leave. Our aim was to create new relationships with those already on Motorcentral and offer something extra to our existing network."

The ability for dealers to offer finance and a full suite of products on their websites and listings platform Need A Car, where it can be end-to-end linking into a finance company, will provide business managers a qualified lead to discuss with the customer.

Brough notes that under Avanti's process, the dealer will still have the opportunity to understand the customer's needs around the suitability of products to provide protection for clients and the vehicle being purchased.

He says early industry feedback about the move has been positive, and dealers are upbeat about a company of Avanti's size and scale sitting behind the Motorcentral platform.

Some key Limelight personnel, including Mena Eskander, Tracy Pennell, Shane Breckon and Mark Greenfield, are joining Avanti. Limelight's sales team is also moving over to the finance company and will operate in parallel to Avanti's existing sales force.

"We're not looking to merge those two teams," says Brough. "We're looking to have them collaborate and come up with solutions for the dealer network."

Mountcastle says Avanti's increasing shift to digital is also designed to get it closer to the decision point at which consumers have a need for finance to support purchasing a product, such as a car.

"The best way to do that with developing digital channels is to be present digitally when the search or purchase process is done, which also happens digitally. We have resisted the approach where you interrupt people online with a finance offering that's not relevant to them.

"By offering finance that enables the purchase of the primary need, then you're providing a value-add to the process rather than trying to force a transaction on somebody."

Mountcastle also predicts general demand for cars will continue at a reasonable level, regardless of economic headwinds, because of the need to replace vehicles as they age and meet people's individual needs.

"One of the reasons we proceeded with this transaction was because we think it's a better introducer offering to support increasing our share of that market."

Avanti is the second-largest non-bank lender in New Zealand by assets, loans and market share, according to a report by KPMG. It offers home, personal, vehicle and business loans.

Mountcastle and Brough say if there are further opportunities to acquire other assets or businesses, and they align with the company's strategy, then it's "open to view".

Testing key to greener fleet

The Motor Trade Association (MTA) is calling for in-service emissions testing to be rolled out and for substantial changes to the clean-cars programme to be made.

It says comprehensive testing on pollution from tailpipes could reduce New Zealand's carbon footprint by the equivalent of taking four per cent of vehicles off our roads or putting 160,000 electric cars on them.

The association is also lobbying for the plug to be pulled on the clean car discount (CCD) because it has achieved what the government was hoping it would, and for goals and targets set out in the clean car standard (CCS) to be deferred by two years.

The policy suggestions have been unveiled in a 44-page document called Driving New Zealand Forward – Future Proofing the Automotive Industry, which was launched at parliament last month.

Essentially, it is the MTA's "call to action" to the next government ahead of the election in October.

At the event, association president Bob Boniface described in-service testing as the "biggest bang-for-buck opportunity" to clean up our fleet.

That's because there are more than 4.4 million vehicles with internal combustion engines on our roads at an average age of 15 years, while transport emissions are the biggest contributor to premature deaths due to atmospheric pollution at 2,250 annually.

As a first option, the MTA is calling for mandatory emissions testing for all vehicles more than 10 years old.

In addition, it says increasing awareness and education on what comes out of tailpipes will enable policy to be informed, and ensure motorists are better educated about the emissions profiles and environmental impacts of what they drive.

Last year, the MTA carried out the country's first empirical test on vehicles more than eight years old when delivered for scheduled servicing. Emissions were measured on arrival and post-service with 284 data pairs measured.

Bob Boniface, president of the MTA

"The result was a 29 per cent average reduction in tailpipe organic carbons – that's to say, unburnt fuel," said Boniface.

"These were vehicles booked in for normal services, not sick or broken cars. Since there is no compulsion to service in New Zealand, we suspect the population average is considerably worse.

"Our argument is biannual emissions testing will identify major polluters and enshrine habits of servicing to original equipment manufacturer [OEM] standards."

A benefit of comprehensive in-service testing is savings in burning non-renewable fuels. If that comes in at four per cent, that could total $400 million a year across the fleet. Others are:

- A reduction in greenhouse gas emissions of about four per cent proportional to fuel used.
- A long-term drop in premature deaths of at least 120 a year.

As for the CCD, Boniface said the policy had achieved its objective for creating a prompt – "albeit expensive" – shift in consumer thinking towards electric vehicles (EVs) and low emitters.

For example, the number of EVs on our roads rose by 39 per cent in 2022. But to meet the current government's targets, the MTA estimates New Zealand will need to import about 54,000 units in 2025. In 2021, the total was 10,000 EVs, so that's a 440 per cent jump over four years.

Boniface described the government's announcement on adjusting the CCD's settings, which will come in on July 1, as "unfortunate".

"It has prioritised balancing accounts at the cost of abandoning meaty middle-ground incentives, which were working for modest everyday purchasers.

"We say pull the penalties when there isn't a cleaner choice, and spend whatever the government can afford on incentives for anything under 150g [of carbon dioxide per kilometre] to move the average and focus on the segment where ordinary people can make wiser choices. Top-end EVs don't need incentives."

The cover of the MTA's call to action

Because we are a taker of technology and supply, Boniface said policies should ensure New Zealand remains a market where OEMs find it easy and rewarding to do business.

"If our standards move faster than the available tech, it will likely mean we suffer permanent changes in participation.

"We say hold the CCS at the current level for two further years, observe technology advances, and work with the MTA and others to plan supply standards to effect a reasonable pace of improvement without becoming a problematic market that mainstream players chose to avoid."

Essentially, projected emissions standards under the CCS are unrealistic and would require New Zealand to meet targets that would place it ahead of European markets.

POLITICAL DEBATE

The MTA says the car industry is a significant contributor to the economy. It employs 62,700 people, provides $30 billion of goods and services, and contributes $5.5b to gross domestic product.

Its election manifesto tackles a host of areas in addition to mandatory emissions testing and the clean-car policies, such as New Zealand's skills shortage, the immigration green list, training, updating the warrant of fitness, some laws requiring reforms and the need for a scrappage scheme.

MPs from four political parties gave speeches at the launch of the MTA's "call to action" on May 9. They were Kiri Allan, Associate Transport Minister, and Julie Anne Genter, Simeon Brown and Simon Court – transport spokespersons for the Greens, National and Act respectively.

Allan said reducing transport emissions to protect the environment, climate and people's

The launch of the MTA's manifesto – visit www.autofile.co.nz for extensive coverage and an online gallery

health continues to be a focus for the government. In 2022, for example, it committed to cutting these by 41 per cent by 2035.

"Transport produces 17 per cent of our greenhouse gas emissions and vehicles are the biggest contributor to air-pollution health effects in New Zealand," she said.

"We cannot achieve our goals without EVs. They have a big role to play. They complement other efforts to increase opportunities for people to safely walk, cycle and use high-quality public transport."

She described the CCD and CCS as having a big impact with EVs now making up 20 per cent of new vehicles imported annually.

In addition, improving EV infrastructure will be vital to support the switch and ensuring all Kiwis can charge when they need to.

Allan said the MTA's transport priorities – "safe cars, safe air, safe roads" – are essentially what the government wants as well.

"We may use different words and have different ideas about how to get there, but the goal is essentially the same – a healthy, safe and secure transport system that improves the wellbeing and livelihood of all New Zealanders."

Allan added the government is committed to ensuring regional roads and transport links are resilient and well looked after. It's also looking at how to improve roadworthiness tests for vehicles and has welcomed the association's input on the issue.

She addressed issues around the workforce. "Attracting and retaining sufficiently skilled staff continues to be a significant struggle.

"There are some changes we've made to immigration to help in the short term. But conversations about immigration needs to support a bigger conversation about career pathways for New Zealanders and skills they need to deal with modern vehicles. I hope we can progress this conversation together."

Brown said it was "critically important" as National prepares its policies for the industry that his party engages with the transport sector, listens to its views, and works with it to create a cleaner fleet and make roads safer.

He described the views in the MTA's manifesto as "pragmatic" and "grounded in reality", adding, "unfortunately, transport policy at the moment – in our view – is not grounded in reality".

Among the policies in National's sights are those around the clean-car programme, with Brown previously saying it will abolish the CCD and modify the CCS.

"We can't dictate to the rest of the world what kind of cars they should be importing into New Zealand," he stressed.

On the issue of industry skills and training, he said government settings for immigration and reforms around Te Pukenga – New Zealand Institute of Skills and Technology, which saw the merger of 16 institutes of technology and polytechnics, are failing to meet the needs of businesses.

National wants to adjust immigration settings to make them

[continued on page 14]

[continued from page 13]


Kiri Allan


Simeon Brown


Julie Anne Genter


Simon Court

data-driven so the green list follows job requirements and wants to focus on "putting industry back in the driving seat of industry training".

Brown echoed the MTA's call to ensure road-maintenance money is spent on roads, and noted building and safeguarding the network will be a priority.

His party also wants to make sure its policies on cutting emissions are focused on the future, deliver a good charging network for the growing EV fleet, and ensure there's enough generation and renewable energy to power it.

"We want to ensure our roads are better not slower, we want to make sure they're safer, make sure the industry has the skills and policy settings it needs, and – most importantly – we want to make sure we work with you, not against you."

The Greens have backed the MTA's call for in-service testing to cut pollution from the fleet.

Genter said this should be "the next step", especially because of the latest Health and Pollution in NZ report, which features prominently in the association's manifesto and confirms the scale of problems being caused by particulate (PM) emissions.

She added it was a compelling reason to look at new policies, such as congestion pricing and low-emissions zones in towns and cities, to combat this.

"We have a huge number of children suffering from asthma, being hospitalised, having health impacts and a huge number of premature deaths as a result of emissions from polluting vehicles.

"Other countries have realised this. That's why so many European cities are phasing out diesel vehicles in town centres. It turns out that PM emissions are far more damaging to human health than we realised even 10 years ago."

The Green Party opposes the MTA's policy suggestions for the clean-car programme.

Genter said it was correct the CCD has been part of the "huge uptick seen in low-emissions vehicles in the past two years".

When she was an associate minister under the previous government, research showed fuel-economy standards combined with price incentives would be the most effective policies in getting the outcomes this country needs.

"It has worked better than forecast and that's good," said Genter. "It's effective in delivering emissions reductions and saving money for New Zealanders as we spend less on fuel.

"It's fair all of us work together to reduce emissions from the fleet. If somebody needs a more polluting vehicle, it's fair they can access it but that they chip in a bit so we can get more lower-emissions vehicles on the road.

"We should retain the CCD and continue to ensure standards we bring in are upping the level of fuel economy."

Court outlined how Act wanted to establish a state-owned enterprise called Highways NZ, which would own and run the state-highway network, and deliver projects promptly and affordably.

His party's policy paper sets out how replacing road taxes with road pricing would provide sustainable funding for road building and operations, cut congestion and save lives.

Court said Highways NZ would be regulated by the Commerce Commission in a similar way to how Chorus and Transpower are currently.

Part of Act's policy will be to hold officials to account for their work "because any cost over-runs, delays or loss of availability would affect executive compensation", he added. "That's right, roading managers would have their pay docked if roads aren't up to scratch.

"Road pricing would pay for policing and ACC. Road owners, Highways NZ and councils would be subject to fines from a re-established LTSA [Land Transport Safety Authority] for any loss of life or serious injury on their roads."

Structural reform is needed to return discipline and efficiency to decision-making about infrastructure, Court emphasised.

"New Zealand spends its infrastructure budget poorly compared to other similar countries. Road users and society suffer from lost economic opportunity, crimped productivity, and unnecessary deaths and injuries."

As for the MTA's call to action ahead of October's election, Court said: "This is a high-quality paper worthy of any think tank.

"It reinforces the importance of the industry to the economy, to the transportation network, to connecting communities to work and opportunity.

"High-quality information like this produces the best public policy. Despite what activists have been claiming since the 1970s – that too many vehicles will destroy the planet and we will run out of energy to run them – it turns out people who work in the industry can solve these problems."

Drive for what women want

Business and individuals have shown their support for a new collective set up to advocate for more women to pursue careers in the automotive industry.

Women in Automotive New Zealand wants to address the under-representation in the sector, with females currently accounting for just 17 per cent of the workforce and only six per cent of automotive apprentices.

The group was launched with an event at NZME's offices in Auckland on May 17, which attracted scores of people from various parts of the industry.

There was a panel discussion including Natasha Callister, chief commercial officer at MTF Finance, Simon Rutherford, managing director of Ford NZ and Motor Industry Association (MIA) president, and Gina Sim, national fleet sales specialist at Auto Drive Holdings.

Also on the panel were Toni Harris, an apprentice automotive technician with Auto Super Shoppe Te Awamutu, Louise Sixton, general manager of sales and operations at Repco NZ, and David Storey, co-owner of Auto Super Shoppes.

The panellists. From left, Toni Harris, Simon Rutherford, Louise Sixton, Gina Sim, David Storey and Natasha Callister

Callister, who is also a founding committee member of Women in Automotive NZ, says the launch was "fabulous and we were humbled by the fabulous turnout".

She is encouraging companies and individuals to head to the collective's website – womeninautomotive.nz – to join a pledge to support women trying to forge a path in the automotive industry.

Women in Automotive will provide tools and resources to help businesses recruit females. It will also celebrate their success in automotive training and careers, and link them as mentors to other women to help them progress.

"Our mission is to have a co-ordinated and aligned effort to increase the participation of women in automotive through the advancement of women in automotive leadership roles," explains Callister.

"We are calling on individuals to join the pledge. It's free to pledge and by doing so they are signalling they stand with women in automotive."

Callister was inspired to launch the collective based on her own experience in male-dominated industries. "I know first-hand the challenges women can face, but also the tools, support frameworks and strategies that can help progress careers into senior levels."

Partners in the collective at this stage include the NZ Collision Repair Association, MITO – Te Pukenga, the MIA, NZME Driven Car Guide and Otago Polytechnic – Te Pukenga.

Rutherford told guests at the launch that businesses need to be more proactive in promoting women into leadership positions.

"We probably have more women than men at Ford NZ but not enough [women] in the highest ranks," he said. "We identify key talent [but] often we don't move people quickly enough. We need to signal early to female members there's a plan for them because if you don't, you're likely to lose them."

Tash Mannering, of Motorcorp Distributors

Nora Young and Stewart Gibb, of the NZ Collision Repair Association

From left, Genevieve Cornthwaite, Katie Pohlen and Robyn MacDonald, all of Subaru of NZ

Audience members at the launch in Auckland

Changes at top

Sir Colin Giltrap has decreased his stake in the Giltrap Group and is now an equal owner of the company along with his two sons, Richard and Michael.

The move halves Sir Colin's previous 67 per cent controlling stake in the business, which has been family owned since 1966, and comes after he stepped down as group chairman at the start of the year.

A filing to the Companies Office on May 2 shows while his stake has reduced, the proportion of the group's shares allocated to his sons has doubled to 33.3 per cent each.

Sir Colin Giltrap

"Richard and Michael Giltrap have been joint managing directors since 2008, and their increased shareholding reflects their roles alongside founder Sir Colin," a Giltrap Group spokesman told Autofile.

"Chris Quin was named chairman in January. Formerly a Giltrap Group director, Chris brings decades of experience as an executive leader in the technology and FMCG [fast-moving consumer goods] sectors."

Sir Colin remains one of five directors alongside Richard, who chairs the group's European Motor Distributors business, and Michael, who holds the same position for the retail division.

The other two directors are Quin, who was first appointed in October 2021, and Michael Reed, who has been on the board since November 2016.

Enter new era of web analytics

Google Analytics 4 (GA4) is the latest version of the tech giant's online tracking and reporting service.

As of July 1, it formally replaces the standard Universal Analytics that anyone owning a website should be well-accustomed to.

In this month's article, I'll be breaking down what GA4 is, how it differs from its predecessors and why it's important dealers use it.

WHAT IS GA4?

Google Analytics is a web-analytics service that tracks and reports traffic, user behaviour and other valuable data. It helps businesses understand how their website is performing and how users are interacting with it.

GA4 is the latest iteration of this service. It builds on the foundation of previous versions with a host of new features, many of which will greatly benefit those working in the automotive industry.

WHAT'S NEW ABOUT IT?

One of the most significant changes with GA4 is its increased emphasis on user behaviour.

Previous versions of Google Analytics mainly focused on page views – a visit to a single page of a website – and sessions, which are single periods when a user moves around and interacts with it.

GA4 takes it a step further by tracking engagement across different devices and platforms. This gives business owners a more comprehensive view of how users interact with their site and move through the sales funnel.

GA4 uses machine-learning algorithms to analyse user behaviour and predict future actions. From this data, dealerships can get more accurate insights into how visitors to their site tend to behave.

Another exciting new feature of GA4 is its ability to track events. Events are actions that users undertake online, such as clicking a button or filling out a form.

GA4 allows site owners to track these and analyse their impact on user behaviour, meaning dealers will be able to identify which actions are most likely to result in conversions.

It also has improved integration with other Google products, such as Google Ads and Google Optimize. This means website owners can get a more complete view of how their digital marketing efforts are impacting traffic and user behaviour.

TODD FULLER
General manager, New Zealand
AdTorque Edge

BENEFITS FOR DEALERS

New features in GA4 build on what many car dealers are already accustomed to using. They deliver further insights into website activity to facilitate more effective decision-making about marketing strategies.

The new service provides a more comprehensive view of user behaviour. This can help identify areas where your business may be losing customers or provide opportunities for optimisation.

GA4's ability to track events and analyse how they impact user behaviour can help traders to identify which actions on their websites are most effective at driving sales. In turn, they will be able to optimise their site and marketing strategies.

The use of machine-learning algorithms to analyse user behaviour also has many benefits. This information provides a dealership with more insights into who its audience actually is to enable better-informed decisions when planning marketing and website strategies.

Finally, integrating GA4 with other Google products provides marketing teams with a more complete view of their digital advertising, and the impact campaigns are having on web traffic. This facilitates more informed planning of future budgets based on measurable performance.

The automotive industry is becoming increasingly savvy when it comes to digital metrics, recognising the vital role these elements play in effectively running dealerships in the modern world.

GA4 further enhances the quality of data to which a dealer can refer when deciding how to improve efficiency and allocate spend.

From the start of July, Google's older analytics service will cease collecting data on the performance of websites so when it comes to GA4, our advice is simple. If you're not already using it, get on-board.

The month that was... June

June 16, 2006

New odometer checking system ineffective

Three of New Zealand's odometer certification companies – JEVIC, Optimech and Automotive Technologies Ltd (ATL) – said cross-checking mileage with an auction database was an ineffective way of checking for odometer tampering, and created risks for dealers and purchasers.

A different company had entered the inspection market offering a process that didn't involve removing or inspecting the actual odometer unit.

Instead, cars were given some physical and visual checks, including cross-checking the mileage recorded on them with the Japanese National Auction Association (NAK) system.

"Removing the instrument cluster, followed by a forensic inspection of the odometer and subsequent sealing and refitting of the cluster, is the best way to keep tampered vehicles out of New Zealand," said the three certifiers.

"JEVIC, Optimech and ATL combined their most recent failure lists and ran these vehicles through the NAK database.

"Only seven per cent of these vehicles were failed by the database. Disturbingly, 93 per cent of those that failed the odo and cluster inspection passed the NAK database."

June 8, 2007

WOVM report provides mixed results

Two reports involving whole-of-vehicle marking (WOVM) were released to the Ministry of Transport, with research showing little benefit in the mandatory application of microdots to the fleet.

The NZ Institute of Economic Research, a consulting firm providing strategic advice through applied economics, conducted a cost-benefit analysis of WOVM.

The process involved applying vehicle identification numbers (VINs) to the panels of cars as a measure to stop professional thieves.

It found the quantifiable benefits of a mandatory WOVM regime exceeded the quantifiable costs, but only if the system reduced such vehicle thefts by 44 to 50 per cent. If such crimes were cut by just 25 per cent, the costs outweighed the benefits by two-to-one.

NZ Police and the Ministry of Justice advised the merit of a mandatory WOVM scheme had many other aspects that couldn't be analysed economically.

Those included a reduced fear of crime in New Zealand, increased confidence in the justice system, increased road safety due to less pursuits, speedier resolution of court cases against offenders, and improved effectiveness and speed of police investigations.

June 13, 2008

Used arrivals crash

For the first time in many years, arrivals of new vehicles outnumbered used imports in the month of May.

Imports of new and used into New Zealand during May 2008 dropped by 9.3 per cent when compared with the same month in 2007 – from 19,696 to 17,861.

Arrivals of new vehicles reached 9,214 in May and outstripped used imports, which reached 8,647.

New passenger cars increased by 13.2 per cent to 6,913 from 6,105 the previous May, but imports of used cars dropped by 25.5 per cent to 8,332 from 11,178 in May 2007.

Arrivals of new commercials rose steeply by 29.1 per cent to 2,301 from 1,782, while arrivals of used commercials fell a dramatic 50.1 per cent to 315 from 631 in May 2007.

From January to May 2008, arrivals of new and used vehicles – passenger and commercial – fell by 9.3 per cent to 17,861 from 19,696 for the same period in 2007.

June 26, 2009

Downturn nearing end

According to the Reserve Bank, New Zealand was at the low point in a recession, and it was the time for banks and policy-makers to start thinking how they could influence recovery.

Alan Bollard, governor of the central bank, said activity in this country was close to its low point, the global economy appeared more stable and growth forecasts with trading partners had stopped falling. Large fiscal and monetary policy stimuli had bolstered domestic activity.

"We expect the economy to begin growing again towards the end of the year, but the recovery is likely to be slow and drawn out," Bollard said. "To many households, it may not feel like a recovery at all with lower employment, house price and wage increases into 2010."

He added households and firms had been adjusting by cutting back on spending to match slower income growth, but there was less cheap credit available and asset prices were failing.

"This adjustment has further to go. It will take a long time to adjust balance sheets, especially for households. Most people have less wealth than before the recession started."

Concerns over real equivalency

I penned this article while reviewing the consultation document on proposed changes to the vehicle exhaust emissions rule.

The harms of noxious emissions are well-documented in the Health and Air Pollution in NZ (HAPINZ 3.0) report released by the government.

It has been published by a third party with trusted expertise in the area and it's hard to argue against stricter standards – the new-car industry has been at Euro 5 for 10 years.

My concerns with the proposals centre on specified equivalencies between European and Japanese standards. I mentioned in my article last month that I feared this was going to be the case and it is.

We had hoped to have a methodology to review, which could be the basis or any agreement or disagreement, but that's not what we got. Without this, we are forced to develop our own comparison methodology to form a position and justify it.

Limiting harm is the point of emissions standards by setting a cap on the amount of allowable harmful pollution.

Different jurisdictions have designed standards to meet their needs. Due to our unique supply dynamic, we need to be able to recognise standards from all source markets. We also need to roughly understand their equivalence and how they work so we can assure our standards are fair.

Europe, our "gold standard" for harmonisation, has standards that increase in achievement over time. It's a hard limit meaning a vehicle either meets the standard or not.

KIT WILKERSON
Head of policy and strategy
kit@via.org.nz

Later iterations of the standard limit harm further by lowering the cap on allowable emissions or improving the processes involved, such as requiring an emissions test more representative of real-world usage.

Japan, on the other hand, designed its standards differently. They are updated less frequently, but include multiple levels of achievement.

Japan 2005 has three recognised achievement levels. These are the base standard and two levels of additional harm reduction – 50 and 75 per cent improvement.

This is what the government calls "low harmful". It means a car that meets the 50 per cent improvement was tested and found to emit less than one-half of what's required by the base standard of several gases, including NOx.

If the baseline Japan 2018 is roughly equivalent to Euro 5 as our government states in its consultation document, then a vehicle with 50 per cent achievement is significantly less harmful than Euro 5.

Based on this, I've modelled the limits to harm created by European and Japanese standards. I have applied harm values from HAPINZ 3.0 of various gases in emissions to the limits of each gas set by each standard and levels of achievement. That resulted in a cap to harm that each standard sets.

Then I modified these harm values as recommended by the International Council on Clean Transportation (ICCT) and adopted by the government for the clean-car policies to normalise testing regimes used for each standard.

The result is a single "harm value per 100km". This gives us ways to quantify the cap to harm set by each standard and compare multiple standards even if they have different designs.

I hope it can be used to help the public understand the repercussions of buying decisons, and offer the government options that better limit harm and allow more consumer choice than its current proposal – especially once we compare the harm between petrol and diesel emissions.

In light of claims by the Ministry of Transport (MoT), I've added an extra comparison – one if we assume the baseline Japan 2018 is equivalent to Euro 5. Even in this case, Japanese standards perform better than suggested by the government.

The results can be seen in the table on this page. VIA's submission will need to rely on this modelling especially in the absence of any quantified comparison between standards we can rely on from the MoT.

Limits to harm created by European and Japanese standards

Emissions standard	Emissions code	Test	Calculated maximum harm per 100km	Calculated max harm per 100 km (converted to WLTC via ICCT recommendations)	Japan 2018 = Euro 5 compared to Euro 5	Japan 2018 = Euro 5 compared to Euro 6
Japan 2018 + 75%	6xx	WLTC	$6.50	$6.50	48.0%	53.7%
Japan 2009 + 75%	Rxx	JC08 cold & hot	$6.49	$7.13	52.6%	58.9%
Japan 2018 + 50%	5xx	WLTC	$7.68	$7.68	56.7%	63.4%
Japan 2005 + 75%	Dxx	JC08 cold	$8.41	$9.23	68.1%	76.3%
Japan 2005 + 75%	Dxx	10-15 mode	$8.41	$9.61	70.9%	79.4%
Japan 2009 + 50%	Mxx	JC08 cold & hot	$8.83	$9.70	71.6%	80.1%
Japan 2018 + 25%	4xx	WLTC	$11.20	$11.20	82.7%	92.5%
Japan 2005 + 50%	Cxx	JC08 cold	$10.74	$11.80	87.1%	97.5%
Japan 2005 + 50%	Cxx	10-15 mode	$10.74	$12.28	90.6%	101.4%
Japan 2018	3xx	WLTC	$13.55	$13.55	100.0%	111.9%
Japan 2009 + 10%	Qxx	JC08 cold & hot	$12.57	$13.80	101.9%	114.0%
Japan 2009	Lxx	JC08 cold & hot	$13.50	$14.83	109.5%	122.5%
Japan 2005	Axx	JC08 cold	$15.42	$16.93	125.0%	139.9%
Japan 2005	Axx	10-15 mode	$15.42	$17.62	130.0%	145.5%
Euro 6d	EU6	WLTP + RDE	$15.22	$15.14	89.4%	100.0%
Euro 5b	EU5	NEDC	$15.22	$16.94	100.0%	111.9%

Source: Summary of VIA's research and modelling of petrol emissions standards

Industry movers

OLIVIA MEO-GROSER, who has more than 15 years experience in financial services in New Zealand, Australia, Asia and Europe, has become chief risk officer at Avanti Finance.

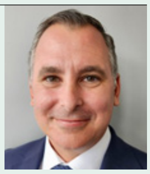
She will ensure the company's compliance with regulations and legislation, and lead its risk-management function by making sure legal advice is provided across all business areas.

Meo-Groser is also responsible for strategic, operational, financial and compliance risks, and supports and develops objectives and growth through leading the credit risk and enterprise risk functions.

Her previous role was at Humm Group where she was general counsel and head of operational risk for New Zealand, as well as general manager of business performance at group level.

LIESL KNOX has joined Branded Financial Services Australia, which is a wholly owned subsidiary of Avanti Finance, as its chief executive officer.

She has more than 25 years' experience in the sector, and has held executive roles spanning legal, risk, strategy, planning, operations and people. Knox was most recently chief risk officer at Avanti.



TODD GROVES has been appointed by the Ateco Group to manage Stellantis brands including Alfa Romeo, Abarth, Fiat, Fiat Professional, Ram Trucks and Jeep.

Groves has more than 26 years' experience in the industry. He started off as an automotive technician in 1996 with Continental Car Services.

In 2001, he became a field service representative and technical trainer for Daimler Chrysler before becoming Chrysler NZ's national sales manager in 2007. Grove moved to Sime Darby Automobiles NZ in 2009 as divisional manager of Chrysler, Dodge, Jeep and SRT, and then held the same role for Peugeot.

He became the Australasian business development manager for Sime Darby Motor Group in 2014 before becoming country manager for Haval Motors NZ in 2019.

JIM QUINN has become interim chief executive of Lyttelton Port Company following the resignation of Kirstie Gardener after less than a year in the job.

Quinn is described as an experienced supply-chain professional with deep knowledge of the port's operations from his time as a board member from 2014-19. He will lead the port for about six months while the board recruits a new CEO.

NICK LEGGETT, pictured, has resigned as chief executive of Transporting NZ after four-and-a-half years to take up the same position at Infrastructure NZ.

Dom Kalaish, Transporting NZ's general manager, has become acting CEO.

MASAHIRO MORO is Mazda's new global president and chief executive officer. Previously a director and senior managing executive officer, he joined the company in 1983 before managing its global marketing division in 2002.

TO FEATURE IN INDUSTRY MOVERS EMAIL EDITOR@AUTOFILE.CO.NZ

From left, Paul McKendry, Nathan Abernethy, John Hutchinson, Simon Rutherford and Steve Ward

President's awards for top dealerships

Ford NZ has celebrated the efforts of five "stand out" dealers by presenting them with president's awards.

The winners were Paul McKendry of McKendry Ford in Blenheim, Nathan Abernethy of Regional Ford in Gore, John Hutchinson from Team Hutchinson Ford in Christchurch, Steve Ward of Bay Ford in Napier, and Andrew Collett of Fairview Motors, Hamilton.

They received their awards during a gala dinner at the Bill Richardson Transport World Museum in Invercargill, which provided the event with a backdrop of historic and modern Fords.

"We've continued to put an emphasis on the customer-ownership experience and these dealerships have shined in that area," says Simon Rutherford, managing director of Ford NZ.

"It has taken an incredible focus on the details and 'little things' that have made these dealerships stand out.

"The awards also recognise significant investment in time, effort and training to improve and be the best at every aspect of operations."

The largest weighting for the president's award criteria continues to be marks in customer experience as measured by satisfaction scores from consumers.

Jerry Delaney, Ford NZ's sales manager, adds that experience doesn't end when the company sells a vehicle.

"It's only just beginning," he says. "The focus on the customer's journey with Ford is critical. This year's winners should be proud of what they've achieved."

Change in chairman

Frank Willett, chief executive of Autohub NZ, has become interim chairman of the Imported Motor Vehicle Industry Association (VIA).

Frank Willett

It follows the resignation of Chris Stephenson, CEO of Enterprise Motor Group, on May 11.

Stephenson says he currently has a full workload with professional and personal commitments, and felt he was no longer able to commit the time required to the role.

Willett has been elected chairman until the association's annual meeting when a refreshed board will decide on the appointment moving forward.

"The board, staff and membership express their thanks and gratitude for Chris' time, efforts and stewardship during the past two-and-half years," states a VIA email alert.

"Chris' leadership was instrumental in getting the VIA restructure through the change period and overseeing its bedding in."

Stephenson was an inaugural board member following the organisation's revamp in August 2020 before being voted in as chairman the following month.

The AGM takes place on July 20 with the event set to be live streamed for members who cannot attend in person. It starts at 2pm at Autohub NZ's boardroom at Unit 21, 102C Hobsonville Road, West Harbour, Auckland. Any matters of business must be emailed to info@via.org.nz by July 10.

Traders must follow privacy rules

There was a road-rage incident in Auckland last month. It led to a shooting in which a teenager was injured.

The police appealed to the public via the mainstream media for people to contact them if they saw the car involved. They released its plate number, make and model. The vehicle and offender were later located.

Unfortunately, it seems several dealers across the country, perhaps out of curiosity, used their access to the motor-vehicle register (MVR) to look up the Mazda owner's details.

Collective enquiries on a single plate at roughly the same time would have stood out like a sore thumb. The traders are now subject to an investigation.

Early NZTA feedback indicates those dealers breached rules on one or more counts, including non-compliance with specified purpose and security. The agency's investigations are ongoing, so we don't yet know the outcomes.

This event is disappointing on many levels with the industry having fought hard to retain MVR access to private owners' names and addresses under section 241 (s241) of the Land Transport Act.

A five-year access period was approved late last year along with compliance rules. Dealers could apply for continued access individually or through an approved organisation, such as the MTA.

Significant efforts were made by the MTA back then to ensure our trader members were informed of their obligations and what follows is an abridged overview of the new s241 terms and conditions.

TONY EVERETT
Sector manager – dealers, Motor Trade Association

1 – General access statement for consumers. This must be accessible via your website or on signage at your place of business. It must include notice the person's name and address may be accessed via MVR by the dealer, reference to the relevant gazette notice, circumstances in which access may occur, what the information will be used for, and that any person can notify the registrar they don't want their name and address made available under an authorisation.

> "If you breach s241's terms, you risk facing a substantial backlash and the potential loss of future access rights"

2 – Access purposes. The dealer must only access private owners' names and addresses for one of the three reasons – to confirm the customer is the registered owner of a vehicle the dealer intends to buy, to verify an ownership change has been completed correctly and for a wholesaler to conduct a safety recall. No other purposes qualify. You cannot randomly check to see who owns a cool car being driven past and the service team can't use it when booking in a vehicle. MVR enquiries are traceable and you will need to provide evidence if audited.

3 – Security systems. Everyone at your business who accesses name and address details under s241 must have unique log-in details. You may wish to limit who has this access.

4 – Privacy breaches. If unauthorised access occurs or is suspected, you must notify the NZTA.

5 – Training. All staff with s241 access must be trained in accessing the MVR. This includes when they can access private details, how records will be kept, how they will be protected, and when and how to destroy them. Privacy Act obligations include prescribed learning modules. Refresher training must be undertaken every six to 12 months and evidence of that kept.

6 – Record keeping and auditing. A trader has to keep a log of every time the MVR is accessed under s241. The record must include the enquiry date, plate number, log-in used and the reason. You can maintain your own records or check with an intermediary supplier to see if it can manage this.

Names and addresses from the MVR must not be kept longer than required to achieve the specified purpose. The report with the registered party's details must be disposed of after use. However, the enquiry record must be retained for at least 18 months.

7 – Reporting. A report must be submitted to the NZTA every 12 months with a copy of your inquiry records, evidence of training and summary of actions taken in respect of suspected or actual unauthorised access.

The full version of the rules can be accessed via gazette.govt.nz/notice/id/2022-au4073. It's a good idea to print them out as a reminder and to check compliance. Depending on the size of business, perhaps appoint someone as a privacy officer to maintain oversight.

Personal privacy is a sensitive issue across all spheres. If you breach s241's access and compliance terms, you risk facing a substantial backlash and the potential loss of future access rights. All dealers need to take this seriously.

One day we'll fly away

SkyDrive is planning to use the SD-05 for an air-taxi service

Okay, the 1980s hit by R&B and soul legend Randy Crawford was about love between people, but it's fair to say many of us would relish the chance of getting behind the steering controls of a flying car.

Such a future appears nearer than we think thanks to collaborations with automotive manufacturers taking off.

Suzuki, for example, is teaming up with SkyDrive, a leading maker of flying cars in Japan. The deal is part of the marque's investment in electrification with the two companies planning to launch an air-taxi service at the World Expo in Osaka in 2025.

The venture covers research and development, technology, planning mass-production systems and building overseas markets.

SkyDrive's two-seater electric vertical take-off and landing (eVTOL) prototype was first tested a few years ago.

Called the SD-05, it's being flagged for full-scale production and is seen as an advancement of flying cars by the Japanese government to help solve mobility issues. Such transport may be used to access remote islands and mountainous areas, and by the emergency services and taxi operators.

SkyDrive says airports for flying taxis can be virtually anywhere in towns due to minimal space requirements

Demanding requirements for electric-powered flight means challenges need to be met with research into cutting-edge technologies, such as lithium metal batteries, advanced composites and axial flux motors.

The joint venture comes on the back of Suzuki investing the equivalent of about NZ$2 billion into battery electric vehicles (BEVs).

REUSING EV BATTERIES

Jaguar Land Rover (JLR) has teamed up with Pramac, a global supplier in the energy sector, to develop a portable zero-emissions storage unit.

Pramac's off-grid system features lithium-ion batteries from prototype and engineering test models of the I-Pace to supply emissions-free power where mains access is limited or unavailable.

The partnership is the first in JLR's plans to create circular-economy business models for vehicle batteries. It will be launching programmes that deliver second life and beyond uses for its EV batteries.

Post-vehicle applications exist because the marque's systems can be safely deployed in multiple low-energy situations when battery health falls below strict requirements.

Second-life battery supply for stationary applications, such as renewable energy storage, could exceed 200-gigawatt hours per year by 2030, creating a global value of around NZ$48b.

The system has a capacity of up to 125kWh, which is more than enough to fully charge the all-electric I-Pace or power a regular family home for a week.

Pramac reuses up to 85 per cent of the SUV's battery in the unit, including modules and wiring. Remaining materials are recycled.

Charged by solar panels, the unit consists of a battery system linked to a bi-directional converter and control systems.

POWERED UP FOR FUTURE

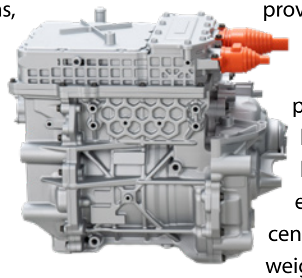
Nissan has unveiled its way forward for electrified powertrain development, which it calls "X-in-1".

It will see core EV and e-Power components shared and modularised for a 30 per cent reduction in development and manufacturing costs by 2026 when compared to 2019.

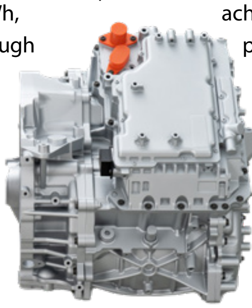
It has developed a 3-in-1 powertrain prototype, which modularises the motor, inverter and reducer for use in BEVs. In addition, a 5-in-1 version treats the generator and increaser the same way, and is planned for use in e-Power models.

X-in-1, which covers the 3-in-1, 5-in-1 and other possible variants, has been developed to enable core components to be made on the same production line.

Nissan says this approach provides a size and weight reduction to improve driving performance, and limits the use of heavy rare-earth elements to one per cent or less of magnet weight.



Nissan's 3-in-1 and 5-in-1 powertrains



The marque aims to achieve e-Power price parity with internal combustion engine vehicles by 2026.

It wants to bolster its line-up with 27 electrified models, including 19 EVs, by four years later.

Driving to sustainable solutions

Kia has revealed full details of the EV9, its first three-row seat fully electric flagship SUV.

Sitting on the marque's "game changing" electric global modular platform (E-GMP), it has a targeted WLTP range of more than 541km based on the rear-wheel drive (RWD) long-range model with 19-inch wheels.

Ultra-fast 800-volt charging capability enables its battery pack to be replenished with sufficient charge for some 239km in about 15 minutes.

In addition, the EV9 features a broad choice of powertrain configurations. A 76.1kWh battery is offered exclusively with the RWD standard model.

A 99.8kWh battery comes with AWD variants and the long-range RWD. The latter has a 150kW and 350Nm electric motor, and a 0-100kph time of 9.4 seconds.

Kia's new EV9 electric SUV

Also powered by a single electric motor – a more powerful 160kW and 350Nm variant – the standard RWD EV9 can accelerate to 100kph in 8.2 seconds.

The AWD model has two electric motors that unleash power output of 283kW and torque of 600Nm for 0-100kph in six seconds. With an optional boost feature, available at a future date, this will drop to 5.3 seconds thanks to its combined torque of 700Nm.

Technological breakthroughs include the highway driving pilot (HDP), which will be available in the EV9 GT-line at a later date and will enable conditional level-three autonomous driving.

Fifteen sensors, including two lidars, enable the system to scan objects in a 360-degree field of view to prevent potential crashes.

By providing intelligent, proactive and real-time assistance across different conditions, the HDP means the EV9 will be capable of conditional driving automation where conditions permit.

This enables the driver to temporarily take a break from controlling it. Further details about the system will be disclosed nearer to market availability.

The EV9 also sees the introduction of Kia Connect Store to enable owners to buy digital features and services on demand. It gives them the flexibility to choose features they want and continuously upgrade the SUV's capability with over-the-air updates.

The EV9 will be available for pre-ordering in South Korea in the second quarter of this year before going on sale in selected global markets from the second half of 2023.

Ute gets makeover

The new Chevrolet Silverado 1500 offers a restyled cabin environment and exterior aesthetics, as well as the introduction of the first ZR2.

The 2023 model year's redesigned front fascia has new daytime running lights, but the biggest change is its entirely new interior.

This includes a 13.4-inch colour touchscreen and 12.3-inch configurable digital-instrument cluster, while the electronic transmission shift control is now located on the centre console.

The LTZ Premium and ZR2 feature the 6.2-litre EcoTech3 V8 engine, which GM Speciality Vehicles says is the most powerful naturally aspirated V8 in its class with 313kW of power and 624Nm of torque.

When towing, the 10-speed automatic transmission provides "seamless and smooth" gear changes.

Standard features include rear-cross traffic alert, electronic stability control with traction control and forward-collision alert with low-speed automatic emergency braking.

The Silverado LTZ Premium has a recommended retail price of $144,000 and the ZR2 is available from $149,000.


The Silverado 1500 ZR2

Busy year for global commuter

Hayden Paddon took victory at the Rally Serras de Fafe in Portugal

Photos: Red Bull

New Zealand rally champion Hayden Paddon is "living the dream", a very busy dream that sees him dividing his time between Europe and New Zealand.

He currently competes in – and leads – the New Zealand and European rally championships as he and his crew commute between this country and the northern hemisphere, where he taps into the services of a top European team.

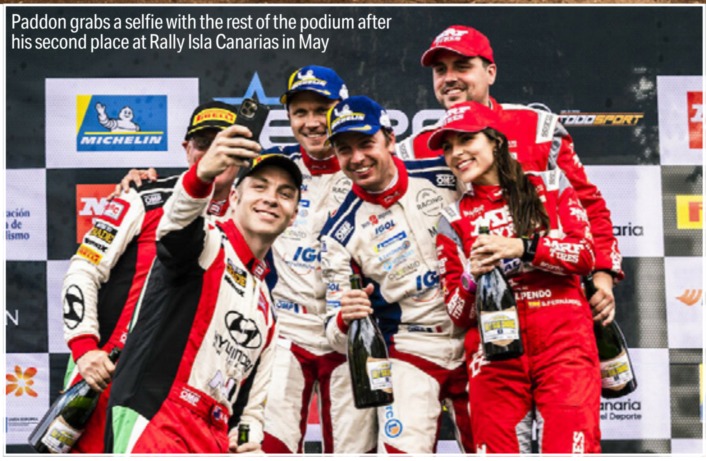
In between, Paddon's own dedicated team back here continues to develop his unique electric rally car, a Hyundai Kona.

As if that's not enough, there is Paddon's Project, which is his outreach initiative to give back to local communities visited on the New Zealand Rally campaign.

The Kiwi driver's workshop is in the sub-division behind Highland Motorsports Park in Cromwell. It's a neighbourhood developed by circuit owner Tony Quinn that's home to motorsport engineering businesses and motorsport identities alike.

"It's a bit of a motorsport heaven if you like," says Paddon. "You've got the best racetrack in the country on your back step."

He is leading the FIA European Rally Championship and is the first person to win a round of the series in a Hyundai.



Paddon grabs a selfie with the rest of the podium after his second place at Rally Isla Canarias in May

Paddon also sits top of the NZ Rally Championship – again – after steering another Hyundai car to success at home.

His workshop has become the headquarters for his charity programme and is also the site of technological developments that are helping bring rallying into the age of electric propulsion.

The team's flagship Kona is a fully electric battery-powered rally car. Development of the vehicle from scratch has involved extensive testing on the Highland Park circuit and on gravel.

"It's not as simple as getting a combustion car, taking the motor out and putting the battery in it," says Paddon.

"We are trying to showcase that first of all the technology is cool, that electric vehicles are not dull cars."

While electric vehicle (EV) technology exists in several forms of motorsport, rallying presents the biggest challenge to make the technology work in the most demanding of motorsport environments.

It's about combining performance, range and reliability into one package.

At Paddon Racing Group, the design concept is to create an EV platform that is not only fast and spectacular, but one that can compete in a traditional rally format against internal-combustion-engined competition.

The long-term business focus is on the role of technology within motorsport, with the team's ongoing development of the electric rally car a cornerstone of its ambitions.

It is hoped the work being done on the tech side will eventually fund Paddon's international aspirations, including a return to the FIA World Rally Championship.

Motorsport, itself, is at a crossroads. The rise of hybrid and fully electric road vehicles requires the sport to adapt to changing technologies or become irrelevant.

"As much as we love internal combustion cars – and they are always going to exist and there will always be a place for them in the sport – the top level of any form of motorsport at a professional level needs to be aligned with the industry," explains Paddon.

"For us to do what we want to around the world, we need a lot more investment and that will have to come from the business side of what we do."

Paddon has long been a partner of Hyundai New Zealand. Globally, the marque revealed two high-performance electric prototypes in 2022, the RN22e and N Vision 74, which will be used to test powertrain technology for future road cars.

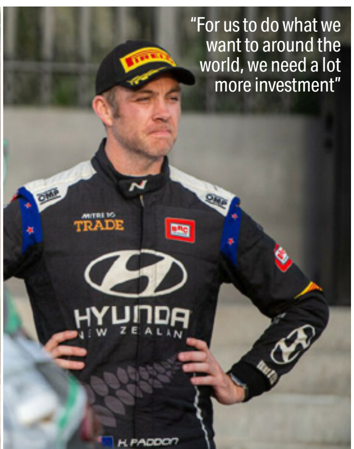
He says rallying has always provided him with the ultimate "test lab" where manufacturers can put products through their paces.

"Rallying is very demanding, you're out in the country all day. You can't just go and recharge in the garage. We're trying to prove the technology can work in a demanding environment."

Paddon's team is also developing a proprietary noise-making system for his Kona EV to dispel a perception that all-electric rally cars will be "boring" in competition or that a lack of sound could be dangerous to spectators.

The system will create sounds that he says mimic those of a conventional rally car.

Paddon says motorsport must adapt and follow the industry with hybrid and electric technology
Photo: Tayler Burke



"For us to do what we want to around the world, we need a lot more investment"

Academy competitors chosen

Eight young motorsport competitors from across New Zealand are gearing up for next month's Elite MotorSport Academy camp.

Clay Osborne, Dion Pitt, Tom Bewley, Ayrton Hodson, Bailey Cruse and Blake Knowles will join up with rally drivers Ari Pettigrew and Zeal Jones in Dunedin from July 2-8.

Held at the Otago Academy of Sport, the camp is the first part of a year-long development programme that's world-renowned in motorsport.

Soon after arrival, those attending will be assessed on components of personal fitness relevant to being an elite driver. These include strength, endurance, flexibility, heat-stress tolerance, reaction time, visual abilities and muscle balance and posture.

2022 New Zealand Junior Rally champion, Ari Pettigrew, is one of eight drivers heading to the Elite MotorSport Academy camp

Participants receive tutelage from experts on off-track elements of the sport, such as nutrition, fitness, media, marketing, sponsorship, data analysis and much more.

After developing a sponsorship proposal, they will have five minutes to present verbally to a panel of judges on the academy's final day. The format isn't too dissimilar to the television programme Dragons' Den.

The week of learning is designed to test, and sometimes stretch, attendees' mental and physical limits.

Following the camp, each driver receives a tailored 12-month follow-up package to ensure they retain and further develop regimes and educational opportunities demonstrated in camp.

Wayne Christie, president MotorSport New Zealand, and a trustee of the MotorSport NZ Scholarship Trust, has commended the high quality of applicants to choose from this year.

"New Zealand has such a depth of young motorsport talent, which makes our job as selectors for the academy incredibly tough," he says.

"This year's class is the future of New Zealand motorsport, and perhaps even more encouraging was how high the level of talent was of those who just missed out on selection this time."

The Elite MotorSport Academy first ran in 2004 and more than 150 competitors have graduated since then.

They include international stars such as Shane van Gisbergen, Hayden Paddon, Brendon Hartley, Earl Bamber, Nick Cassidy, Mitch Evans, Richie Stanaway and Andre Heimgartner.

Kiwi racer secures victory in Japan

Liam Lawson is continuing to dominate the Japanese Super Formula Championship.

Capitalising on the absence of Mugen team-mate and reigning champion Tomoki Nojiri, the Kiwi recovered from a poor start at last month's Autopolis round of the series to clinch victory by 1.2 seconds.

That was despite a late safety car putting him at a disadvantage to his immediate rivals.

When the 41-lap race got under way, Lawson was unable to challenge pole-sitter Sho Tsuboi for the lead and slipped behind

Liam Lawson on his way to victory at Autopolis

Sena Sakaguchi's car, with Ritomo Miyata nearly demoting Lawson to fourth on a poor opening lap for the New Zealander.

However, Lawson, of Pukekohe, pitted early at the end of lap 13. He then used his fresh tyres to full effect even though some yet-to-stop cars cost him nearly three seconds to the leaders.

He was able to immediately get the jump on Sakaguchi, who pitted just one lap later. That put him in an indirect fight with Tsuboi and Miyata, both having elected to run long in the first stint.

Initially, Tsuboi remained the favourite for victory as he stretched out a lead of nearly five seconds over Miyata, and put himself well over 30 seconds clear of the Kiwi.

But as his tyres began to wear, Tsuboi's advantage began to dwindle and Miyata was able to bring the gap down to less than one second by lap 24 with Lawson also closing in.

Aware his tyres were well past their peak, Tsuboi finally headed to the pits at the end of lap 25 but emerged on-track behind Lawson, who assumed the lead of the race.

Dealer's evidence purchaser failed to get her car properly serviced rejected

The case: The buyer wanted to reject her low-mileage Audi A4 after it suffered serious engine damage six months after it was supplied. The trader blamed the buyer for the failure because she continued to drive it after fault codes appeared on the vehicle's dashboard. The dealer added the buyer also failed to service the car as it had advised her to after she had driven 5,000km in it.

The decision: The buyer's rejection of the A4 was upheld.

At: The Motor Vehicle Disputes Tribunal, audio-visual link.

Background

Kelsey Bradshaw wanted to reject the 2012 Audi A4 S Line she purchased for $15,950 from Infinity Auto Imports Ltd on March 10, 2022, because it had suffered extensive engine damage that the trader refused to fix.

She wanted to return it and obtain a refund of its purchase price.

The dealer claimed Bradshaw wasn't entitled to reject the Audi because the damage could have been avoided if she had serviced the vehicle as it had recommended and had stopped using it after warning lights on its dashboard came on.

The case

The car's odometer reading at the time of sale was about 60,900km. Bradshaw used the Audi without incident until September 12 when it failed to start and had clocked up 67,834km.

She had the vehicle assessed by a mobile mechanic, and was advised fault codes were related to the cam and crankshaft correlation. A compression test showed there was no compression on the engine.

Bradshaw contacted Infinity Auto Imports, which arranged for it to be assessed. An invoice dated September 23 from Infinity Worldwide Ltd, trading as Infinity Autoworks, recorded that it performed a diagnostic scan and three fault codes were found.

The P001600 code crankshaft-camshaft position was recorded as a priority-two "active/static" fault and occurred once.

The P000A00 camshaft position's slow response recorded at 67,744km and P032800 knock sensor one at 67,474km were both priority-two "passive/abiogenesis" fault codes. The first code had occurred twice and P032800 once.

Infinity Autoworks considered that the timing chain had "jumped teeth" and damaged the Audi's engine valves. It recommended the engine should be stripped and reconditioned.

As evidence of the cause of the problem, Infinity Auto Imports also provided a photograph of the timing-chain cover, which showed it had been damaged in at least two places and this was most likely caused because of it coming into contact with the timing chain.

After the hearing on December 13, the A4 was assessed by the Audi-franchised workshop at Continental Cars to see whether any further evidence regarding the timing chain and nature of the fault codes could be extracted from its computers.

Continental Cars found the same codes as Infinity Autoworks, but it was unable to obtain any additional information.

Infinity Auto Imports said the assessments completed by Infinity Autoworks and Continental Cars showed there was initially a fault with the timing chain, which triggered the P032800 code at 67,474km.

By that time, it claimed, there would have been signs of a fault that should have been noticeable to Bradshaw. These included an engine noise and warning lights coming on.

The dealer said if she had immediately stopped using the vehicle, severe damage to the valves could have been avoided. Instead, it claimed she continued to use the car, which led to more extensive problems.

The trader added it had told Bradshaw that the Audi should be serviced every 5,000km and by the time the engine failed she had driven nearly 7,000km without doing so. It said if she had serviced the vehicle as had been recommended, the mechanic might have detected a noise from the timing chain.

However, Bradshaw said no warning signs came on before the engine failed.

She also stated that the manufacturer's recommendation was to service the vehicle every 10,000km or 12 months.

The finding

The tribunal was satisfied the evidence showed two distinct, but related, faults.

The A4's timing chain had slipped, most likely due to a faulty chain tensioner. Also, there was internal engine damage, including to the inlet valves, due to contact with the timing chain.

Both parties agreed the engine had been damaged due to the timing chain slipping and it needed to be reconditioned at an estimated cost of $7,429.

Infinity Auto Imports appeared to accept responsibility for the slipped chain and had offered to contribute towards the cost of repairs. However, it said it shouldn't have liability for the engine issues because Bradshaw continued using the Audi when warning signs about the chain were present.

But the tribunal accepted the buyer's evidence that she heard no noises consistent with timing-chain failure. It added the sound of a faulty chain wasn't always audible above normal operating noises made by an engine when it was being run. In addition, she saw no engine warning light on her dashboard.

Priority-two fault codes will only illuminate an engine warning light if they happen in consecutive ignition cycles.

The evidence showed the P001600 code occurred only once, so no engine warning light would have been triggered. Therefore, Bradshaw hadn't caused or contributed to the problem by continuing to drive the vehicle after fault codes were cleared.

The tribunal also agreed the Audi wasn't due for a service when the engine damage occurred because its service interval was 10,000km or 12 months. Neither milestone had been reached when the problems happened.

Bradshaw paid $15,950 for a 10-year-old vehicle with an odometer reading of 60,906km. The engine then suffered significant damage six months later, by which time she had travelled a little less than 7,000km in the Audi.

The damage meant the car hadn't been of acceptable quality as set out by section six of the Consumer Guarantees Act.

A 2012 Audi A4 S Line

Orders

The rejection was upheld. The trader had to pay the buyer $15,950.

$100k compensation claim dismissed for being 'massively disproportionate'

The case: The buyers wanted to reject their Mercedes-Benz GLC because it didn't have a tow bar. As a result, they also sought $100,000 in compensation from the trader for stress and inconvenience. The dealer said an advertising error meant the purchasers thought the car came with a tow bar when it did not and, in addition, they never mentioned the matter at purchase.

The decision: The trader was ordered to install a tow bar on the vehicle.

At: The Motor Vehicle Disputes Tribunal, via video link.

Background

Tom Chiu and Teng Teng Ong purchased a 2021 Mercedes-Benz GLC 63 for $144,950 from Armstrong Prestige Auckland on October 22, 2022.

A 2021 Mercedes-Benz GLC 63

They claimed the trader engaged in misleading conduct by stating it came with a tow-bar package when that wasn't the case and that the dealer initially declined to install a tow bar.

The couple wanted to reject the vehicle and obtain a refund of the purchase price.

They initially sought compensation of $50 million for stress and inconvenience, but then reduced that claim to $100,000.

The dealer agreed that it had marketed the car in its online advertising as having a tow-bar package.

However, it said Chiu and Ong knew it didn't have a tow bar before purchase, but they still bought the vehicle.

The trader added the buyers weren't entitled to reject the car or obtain compensation although it was prepared, as a matter of goodwill, to install a tow bar at its own cost.

The case

The listing on the dealer's website stated the Mercedes-Benz GLC 63 came with a tow bar.

Chiu said he could see from site's photos that the car didn't have one, but he expected the trader to install it before he took possession of it.

The dealer didn't fit a tow bar, but Chiu insisted that it did so. The trader then offered to pay half the cost of installation.

The buyers were still unhappy about the situation and they decided to file their claim with the tribunal on November 14.

Shortly afterwards, the trader offered to install a tow bar at its own cost.

However, Chiu and Ong declined that offer and pursued their claim.

In this case, the tribunal had to consider if the dealer had engaged in misleading conduct in breach of the Fair Trading Act (FTA).

It also had to consider if the vehicle failed to comply with its description for the purposes of the Consumer Guarantees Act (CGA).

Section nine states of the FTA states: "No person shall, in trade, engage in conduct that is misleading or deceptive or is likely to mislead or deceive."

The dealer's advertising stated the vehicle came with a tow-bar package and it did not.

The trader said there was an error with its advertising and it never intended to sell the car with a tow bar.

Unfortunately for the dealer, that submission provided no defence.

The FTA is a strict liability statute in that the representer can have liability under this legislation even for inadvertent conduct.

Therefore, the buyers were entitled to a remedy under section 43 of this act because they had suffered loss because of the dealer's conduct.

The absence of a tow bar had some effect on the vehicle's value because one for this car would cost $3,000 to install.

Given the vehicle was usable and the part could be easily installed, the adjudicator ruled the trader had to install it.

However, the tribunal found that the buyers' demand to reject the car and obtain compensation was "massively disproportionate" to the minor harm they had suffered by the vehicle not having a tow bar in the first place.

The purchasers also sought to recover the cost of hiring a ute from Hirepool in January 2023 to transport their dog. They said they only incurred this cost because their car didn't have a tow bar.

The tribunal disagreed because, by that time, the trader had offered to install one on the vehicle at its own cost. If the buyers had accepted that offer, they wouldn't have incurred the unnecessary expense of hiring a ute.

The purchasers also sought $100,000 in compensation for stress and inconvenience.

The finding

The tribunal accepted that – as a general proposition – such damages were available under the FTA.

But it wasn't satisfied that this case merited such an order and there is a high threshold for the award of general damages.

Any stress, inconvenience or upset that the buyers might have suffered because this vehicle didn't have a tow bar failed to meet the threshold for damages under the FTA.

The purchasers said they were also entitled to a remedy under the CGA because the vehicle didn't comply with its description and, therefore, that was in breach of section nine of this act.

The buyers added they were entitled to reject the car under the CGA because the trader had failed to install a tow bar despite being given a reasonable opportunity to do so.

However, the tribunal ruled the evidence showed otherwise. It agreed it wasn't unreasonable for the dealer to initially question its liability to provide a tow bar because the purchasers knew it didn't have such a bar and didn't raise that issue with the trader before buying the car.

Although the tribunal ultimately ruled the dealer should install a tow bar because it had offered to do, the position it initially took soon after purchase was understandable.

Considering the subsequent offer that it made in late November 2022 to install a tow bar, the adjudicator didn't believe its initial rejection of Chiu and Ong's request to install one gave rise to a right to reject the car.

In addition, it was ruled the absence of a tow bar didn't amount to a failure of a substantial character under the terms of section 18 of the CGA.

Instead, under the legislation, the buyers were entitled to have the car's failure to comply with its description remedied in a reasonable time.

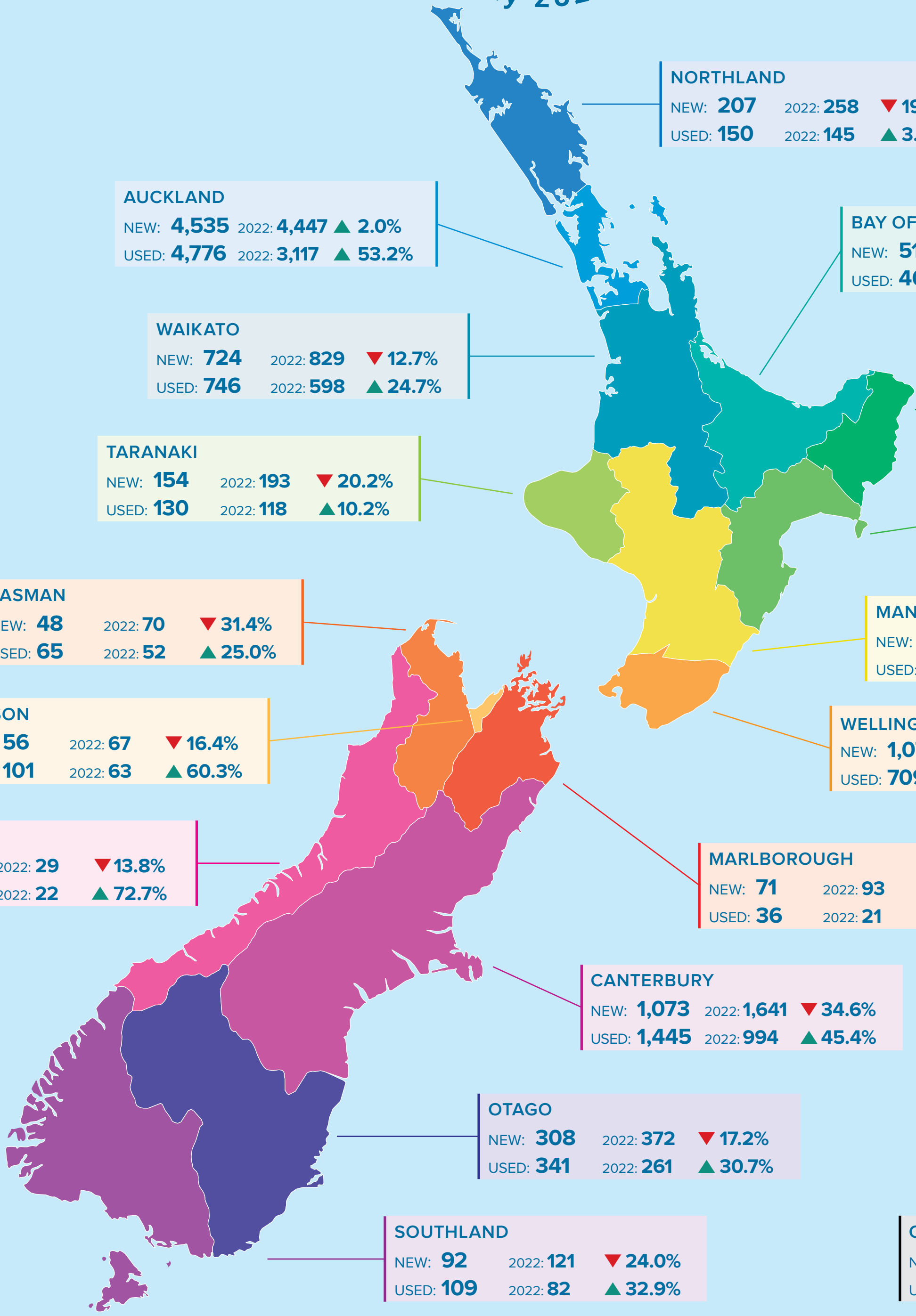
Orders

The purchasers' application to claim $100,000 in compensation under the FTA and reject the vehicle under the CGA was dismissed. The trader was ordered to install a tow bar on the car.

AROUND THE COUNTRY
May 2023

Total new cars
9,568
2022: 10,552 ▼ -9.3%

Total imported used cars
9,589
2022: 6,874 ▲ 39.5%



NORTHLAND
NEW: 207 2022: 258 ▼ 19.8%
USED: 150 2022: 145 ▲ 3.4%

AUCKLAND
NEW: 4,535 2022: 4,447 ▲ 2.0%
USED: 4,776 2022: 3,117 ▲ 53.2%

BAY OF PLENTY
NEW: 515 2022: 614 ▼ 16.1%
USED: 405 2022: 386 ▲ 4.9%

WAIKATO
NEW: 724 2022: 829 ▼ 12.7%
USED: 746 2022: 598 ▲ 24.7%

GISBORNE
NEW: 31 2022: 48 ▼ 35.4%
USED: 59 2022: 37 ▲ 59.5%

TARANAKI
NEW: 154 2022: 193 ▼ 20.2%
USED: 130 2022: 118 ▲ 10.2%

HAWKE'S BAY
NEW: 271 2022: 307 ▼ 11.7%
USED: 191 2022: 122 ▲ 56.6%

TASMAN
NEW: 48 2022: 70 ▼ 31.4%
USED: 65 2022: 52 ▲ 25.0%

MANAWATU-WHANGANUI
NEW: 351 2022: 377 ▼ 6.9%
USED: 232 2022: 211 ▲ 10.0%

NELSON
NEW: 56 2022: 67 ▼ 16.4%
USED: 101 2022: 63 ▲ 60.3%

WELLINGTON
NEW: 1,072 2022: 1,062 ▲ 0.9%
USED: 709 2022: 621 ▲ 14.2%

WEST COAST
NEW: 25 2022: 29 ▼ 13.8%
USED: 38 2022: 22 ▲ 72.7%

MARLBOROUGH
NEW: 71 2022: 93 ▼ 23.7%
USED: 36 2022: 21 ▲ 71.4%

CANTERBURY
NEW: 1,073 2022: 1,641 ▼ 34.6%
USED: 1,445 2022: 994 ▲ 45.4%

OTAGO
NEW: 308 2022: 372 ▼ 17.2%
USED: 341 2022: 261 ▲ 30.7%

SOUTHLAND
NEW: 92 2022: 121 ▼ 24.0%
USED: 109 2022: 82 ▲ 32.9%

OTHERS (Chatham Islands, overseas, unknown)
NEW: 35 2022: 24 ▲ 45.8%
USED: 56 2022: 24 ▲ 133.3%

Imported Passenger Vehicle Sales by Make - May 2023

MAKE	MAY'23	MAY'22	+/-%	MAY'23 MKT SHARE	2023 YEAR TO DATE	2023 MKT SHARE
Toyota	4,032	2,545	58.4	42.0%	16,947	40.3%
Nissan	1,332	1,048	27.1	13.9%	5,800	13.8%
Mazda	1,277	953	34.0	13.3%	5,717	13.6%
Honda	674	477	41.3	7.0%	2,937	7.0%
Subaru	499	367	36.0	5.2%	2,377	5.6%
Volkswagen	309	250	23.6	3.2%	1,604	3.8%
Mitsubishi	276	186	48.4	2.9%	1,291	3.1%
Suzuki	250	144	73.6	2.6%	1,135	2.7%
BMW	245	270	-9.3	2.6%	1,181	2.8%
Audi	202	149	35.6	2.1%	865	2.1%
Mercedes-Benz	169	114	48.2	1.8%	665	1.6%
Lexus	95	105	-9.5	1.0%	480	1.1%
Ford	30	37	-18.9	0.3%	200	0.5%
Volvo	22	35	-37.1	0.2%	99	0.2%
Chevrolet	19	22	-13.6	0.2%	68	0.2%
Jaguar	18	10	80.0	0.2%	54	0.1%
Mini	18	11	63.6	0.2%	73	0.2%
Daihatsu	12	2	500.0	0.1%	26	0.1%
Hyundai	11	15	-26.7	0.1%	37	0.1%
Land Rover	11	20	-45.0	0.1%	69	0.2%
Jeep	10	11	-9.1	0.1%	36	0.1%
Porsche	9	9	0.0	0.1%	51	0.1%
Peugeot	8	3	166.7	0.1%	34	0.1%
Dodge	6	18	-66.7	0.1%	37	0.1%
Holden	6	11	-45.5	0.1%	33	0.1%
BYD	4	1	300.0	0.0%	17	0.0%
Chrysler	4	7	-42.9	0.0%	29	0.1%
Kia	4	5	-20.0	0.0%	22	0.1%
Renault	4	2	100.0	0.0%	15	0.0%
Citroen	3	0	300.0	0.0%	7	0.0%
MG	3	1	200.0	0.0%	11	0.0%
Opel	3	0	300.0	0.0%	12	0.0%
Tesla	3	9	-66.7	0.0%	13	0.0%
Bentley	2	1	100.0	0.0%	22	0.1%
Pontiac	2	2	0.0	0.0%	8	0.0%
Others	17	34	-50.0	0.2%	131	0.3%
Total	**9,589**	**6,874**	**39.5**	**100.0%**	**42,103**	**100.0%**

Imported Passenger Vehicle Sales by Model - May 2023

MAKE	MODEL	MAY'23	MAY'22	+/-%	MAY'23 MKT SHARE	2023 YEAR TO DATE	2023 MKT SHARE
Toyota	Aqua	1,411	1,127	25.2	14.7%	6,368	15.1%
Toyota	Prius	1,018	491	107.3	10.6%	4,188	9.9%
Mazda	Axela	540	343	57.4	5.6%	2,276	5.4%
Toyota	Corolla	386	250	54.4	4.0%	1,527	3.6%
Nissan	Note	342	191	79.1	3.6%	1,388	3.3%
Honda	Fit	323	256	26.2	3.4%	1,375	3.3%
Nissan	Leaf	290	396	-26.8	3.0%	1,242	2.9%
Mazda	Demio	266	183	45.4	2.8%	1,302	3.1%
Nissan	Serena	234	105	122.9	2.4%	1,011	2.4%
Subaru	Impreza	208	179	16.2	2.2%	1,023	2.4%
Toyota	C-HR	206	141	46.1	2.1%	813	1.9%
Volkswagen	Golf	203	160	26.9	2.1%	1,067	2.5%
Mitsubishi	Outlander	201	120	67.5	2.1%	921	2.2%
Mazda	CX-5	185	202	-8.4	1.9%	870	2.1%
Nissan	X-Trail	175	134	30.6	1.8%	825	2.0%
Suzuki	Swift	166	120	38.3	1.7%	823	2.0%
Toyota	Vitz	136	67	103.0	1.4%	599	1.4%
Subaru	XV	134	67	100.0	1.4%	607	1.4%
Toyota	Sai	121	54	124.1	1.3%	564	1.3%
Toyota	Camry	107	59	81.4	1.1%	388	0.9%
Mazda	Premacy	91	88	3.4	0.9%	436	1.0%
Mazda	Atenza	87	71	22.5	0.9%	440	1.0%
Honda	Vezel	80	58	37.9	0.8%	355	0.8%
Toyota	Wish	72	70	2.9	0.8%	307	0.7%
Nissan	Juke	67	62	8.1	0.7%	301	0.7%
Toyota	Spade	57	26	119.2	0.6%	166	0.4%
Volkswagen	Polo	56	55	1.8	0.6%	316	0.8%
Audi	A3	54	50	8.0	0.6%	255	0.6%
Toyota	Auris	48	47	2.1	0.5%	200	0.5%
Nissan	Lafesta	47	18	161.1	0.5%	198	0.5%
BMW	116i	45	54	-16.7	0.5%	245	0.6%
BMW	Mini	45	31	45.2	0.5%	183	0.4%
Honda	CR-Z	44	28	57.1	0.5%	191	0.5%
Toyota	Sienta	43	9	377.8	0.4%	117	0.3%
Honda	Freed	42	4	950.0	0.4%	104	0.2%
Others		2,059	1,558	32.2	21.5%	9,112	21.6%
Total		**9,589**	**6,874**	**39.5**	**100.0%**	**42,103**	**100.0%**

Record result amid uncertainty

Rise in numbers

There were 9,589 used-imported cars registered last month – up by 39.5 per cent compared to 6,874 in May 2022. The year-to-date total is now 42,103, which is 28.1 per cent down by the same time in 2022 when 58,522 were sold. Toyota’s Aqua was May’s most popular model with 1,411 units and the Prius came second with 1,018. Mazda’s Axela was third on 540.

Turners Automotive Group achieved record revenue of $389.6 million for the year ending March 31 – up by 13 per cent from the previous financial year despite having to weather “tough economic conditions”.

The company’s net profit after tax rose by four per cent to $32.6m as record earnings in its automotive retail and insurance divisions offset finance headwinds.

Other highlights in its annual results include earnings before interest and tax going up by nine per cent to $52.2m, and net profit before tax (NPBT) climbing six per cent to $45.5m. Its full-year dividend was unchanged at 23 cents per share.

Turners says the figures demonstrate its earnings resilience in the face of tough economic conditions, including rapid interest-rate rises and lingering impacts of the Covid-19 pandemic in the first half.

While the interest-rate cycle may affect the timing of the group achieving its goal of $50m NPBT in the 2025 financial year, “it continues to achieve strong results in challenging conditions and to strengthen its position for the next upcycle”.

Its automotive retail division recorded a 28 per cent jump in profit to $25m, which follows a 26 per cent rise in the 2022 financial year, while its revenue was up 15 per cent to $278.2m.

Turners’ market share has continued to grow with retail sales up six per cent to around 19,500 units and wholesale auction sales rising by 25 per cent to around 14,700.

Total units sold through auction were 18,500 compared to 14,730 during the year prior due to adding fleet partners’ ex-lease consignment vehicles. “Owned” sales rose nine per cent to 24,000 and margin on those rose by 11 per cent.

Turners, which announced its results on May 23, says its domestic sourcing strategy has produced faster stock turnover and it continues to operate off lower inventory levels.

“Increasing local sourcing versus used imports has been beneficial,” the company adds. “The clean-cars programme has reduced the number of imports coming into the country, which has increased the value of used-car units and increased our margins.”

Its insurance division recorded a $12.6m profit, up nine per cent from the year prior, and revenue increased eight per cent to $43.6m.

In finance, revenue by grew 13 per cent to $58.6m, but profit tumbled 17 per cent to $15m. Turners says this was due to rapid official cash rate increases that saw credit quality, regulatory compliance and margin management become the priority during the year.

Todd Hunter, chief executive officer, adds: “Two of our three major divisions continue to perform strongly with finance well-positioned as market conditions change.

“This strong performance reflects the success of our diversification strategy, de-risking initiatives and the quality of our team.

“While we are weathering tough economic conditions, we expect these headwinds to intensify before we’re through the current inflation cycle.

“However, we are well-positioned, and will continue to look for organic growth opportunities to further our lead in what are uncertain and rapidly changing market conditions.”

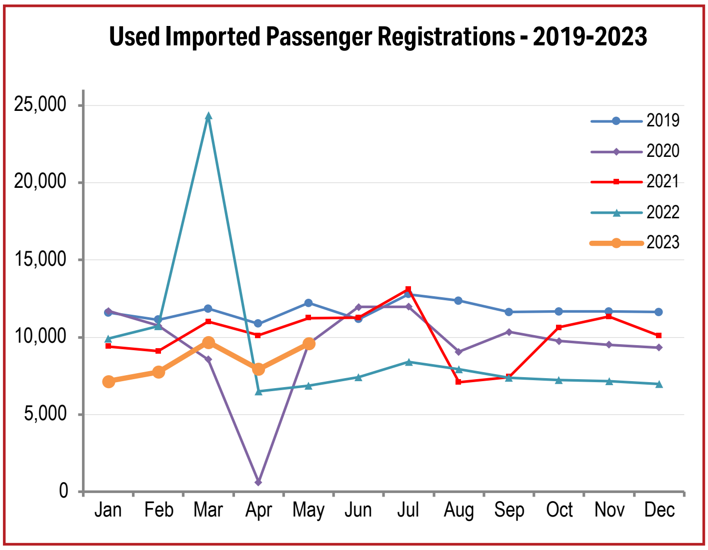
Turners predicts macro headwinds, such as inflation, interest rates and economic conditions, are likely to feature in the year ahead with uncertainty and speed of change key features.

Nevertheless, it aims to continue “organic growth momentum” in automotive retail through branch expansion, shifting more sales into retail channels and further traction from its “Tina” marketing campaign.

Grant Baker, chairman, says the latest financial result underscores the company’s confidence in the resilience of the used-car market.

“We have achieved these results at a time when retail generally has been under pressure,” he adds. “The used-car market is needs-based and stable through downturns as we envisaged.”

The company notes it has had a solid start to the 2024 financial year with the profit result for April 2023 showing growth against the prior period.



Online safety gets beefed up

Waka Kotahi has increased security measures to keep its data safe and protect people who use its registers.

The new requirements are around the strength of users' passwords and introduction of multi-factor authentication (MFA).

Passwords have needed to be changed to meet a specified government standard when first used to access registers after May 20.

They must consist of between 10 and 12 characters with at least three of the following – an upper-case letter, one lower-case letter, numbers and special characters.

Previous or similar passwords cannot be used within the next eight changes and there are controls in place to ban those that are easy to guess or common.

The changes will also apply to monthly fee-waive passwords, warrants of fitness online, LANDATA and to any system connections that link to the transport agency's registers.

MFA, meanwhile, adds an extra layer of security by asking for a second piece of information to verify the user is protected against the leading cause of data breaches, which is compromised log-in details.

If you access the motor vehicle or driver-licence register online at work, a one-off sign-up for MFA using an email address specific to you is required.

Nicole Botherway, senior manager of safer vehicles, says her team's first prosecution under the Crimes Act was recently filed in court.

"On March 16, a man pleaded guilty to one charge of dishonestly accessing a computer system," she says.

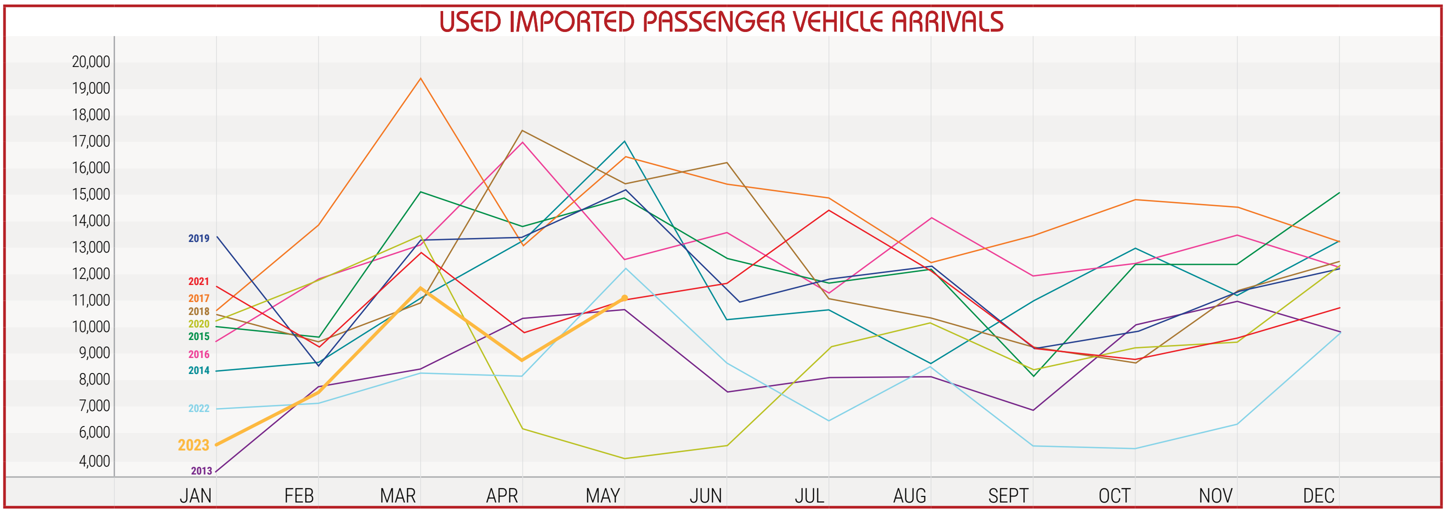
"[The case] helps us protect the integrity of the vehicle-inspection process and contribute to the safety of vehicles on our roads.

"Situations like this are a reminder to make sure your Waka Kotahi passwords are safe and to make it hard for unqualified people to falsely use log-ins without your knowledge."

IMPORT LEVELS CLIMB

Some 11,035 used passenger vehicles crossed the border last month. That brought the year-to-date total to 43,709, up from 41,804 and by 4.6 per cent by the same time in 2022.

Japan, with 10,817 units, accounted for 98 per cent of all used imports last month, while 127 came in from Australia.



Used Imported Passenger Vehicles By Country Of Export

COUNTRY OF EXPORT	2023 JAN '23	FEB '23	MAR '23	APR '23	MAY '23	MAY MKT SHARE %	2023 TOTAL	2022 Q1	Q2	Q3	Q4	2022 TOTAL	MKT SHARE	2021 2021 TOTAL	MKT SHARE
Australia	126	76	137	90	127	1.2%	**556**	723	639	559	432	2,353	2.6%	3,072	2.4%
Great Britain	34	17	25	24	20	0.2%	**120**	160	160	69	123	512	0.6%	1,259	1.0%
Japan	4,846	7,246	11,225	8,608	10,817	98.0%	**42,742**	20,718	27,387	19,322	20,313	87,740	95.6%	123,508	94.8%
Singapore	23	3	24	27	30	0.3%	**107**	148	118	77	80	423	0.5%	1,378	1.1%
USA	29	18	22	10	21	0.2%	**100**	139	122	99	127	487	0.5%	697	0.5%
Other countries	24	12	12	16	20	0.2%	**84**	84	55	62	49	250	0.3%	403	0.3%
Total	**5,082**	**7,372**	**11,445**	**8,775**	**11,035**	**100.0%**	**43,709**	**21,972**	**28,481**	**20,188**	**21,124**	**91,765**	**100.0%**	**130,317**	**100.0%**

Industry applauds training boost

The Motor Trade Association (MTA) has welcomed Prime Minister Chris Hipkins' pledge to make Apprenticeship Boost permanent.

Introduced during the Covid-19 pandemic, the scheme pays employers $500 per month for the first two years of apprenticeships to support training staff.

"Training more New Zealanders creates opportunities and good jobs," says Hipkins. "Immigration remains important, but we shouldn't have to rely on getting skills we need from overseas."

Making the scheme permanent will cost $6 million in 2024/25 and then $120m each year for the following three years.

According to MITO, the number of new automotive apprentices grew by 31 per cent from 1,425 to 1,862 between 2019 and 2021. As of March 2023, some 57,040 had been supported through Apprenticeship Boost.

"This initiative has delivered good value for training," says Brian Anderton, the MTA's advocacy and stakeholder manager. "For our members, this can be the deciding factor in whether or not to hire a young New Zealander.

"The next step for any incoming government is a targeted system with increased funding for sectors with greater need."

Anderton told Autofile the labour shortage is the number-one issue keeping MTA members awake at night.

"They can't find enough people for roles available. Our members want to hire New Zealanders when they can. They want to encourage young people to join the industry and see the opportunities that exist."

Apprenticeship Boost was slated to finish this year, but a $77m extension for it to continue to the end of 2024 was included in last month's budget. That was before Hipkins' announcement on May 28.

This year's budget also saw funding allocated to Te Pukenga – NZ Institute of Skills and Technology. It will have access to an interest-free crown loan of up to $220m to support it to integrate IT systems.

DEALER SALES DOWN

Traders sold 15,477 second-hand passenger vehicles to public buyers last month. That was down from 17,014, or by nine per cent, when compared to May 2022.

There were 13,972 trade-ins last month, which represented a rise of 11.4 per cent from 12,540.

SECONDHAND CAR SALES - May 2023

	DEALER TO PUBLIC				PUBLIC TO PUBLIC			PUBLIC TO DEALER		
REGION	MAY '23	MAY '22	+/- %	MARKET SHARE	MAY '23	MAY '22	+/- %	MAY '23	MAY '22	+/- %
Northland	492	621	-20.8	3.18	1,695	2,086	-18.7	212	200	6.0
Auckland	5,367	5,795	-7.4	34.68	13,673	12,653	8.1	6,028	5,390	11.8
Waikato	1,555	1,774	-12.3	10.05	3,863	4,159	-7.1	1,226	1,160	5.7
Bay of Plenty	1,050	1,178	-10.9	6.78	2,918	3,049	-4.3	668	576	16.0
Gisborne	138	152	-9.2	0.89	357	416	-14.2	40	50	-20.0
Hawke's Bay	619	649	-4.6	4.00	1,505	1,535	-2.0	418	447	-6.5
Taranaki	326	391	-16.6	2.11	975	1,103	-11.6	226	179	26.3
Manawatu-Whanganui	861	940	-8.4	5.56	2,046	2,190	-6.6	834	681	22.5
Wellington	1,376	1,511	-8.9	8.89	2,990	3,406	-12.2	1,169	1,141	2.5
Tasman	140	153	-8.5	0.90	449	540	-16.9	23	22	4.5
Nelson	146	117	24.8	0.94	339	430	-21.2	212	121	75.2
Marlborough	124	148	-16.2	0.80	370	418	-11.5	87	92	-5.4
West Coast	107	109	-1.8	0.69	275	340	-19.1	37	43	-14.0
Canterbury	2,115	2,346	-9.8	13.67	5,314	5,387	-1.4	2,099	1,812	15.8
Otago	723	764	-5.4	4.67	1,971	1,932	2.0	507	457	10.9
Southland	277	300	-7.7	1.79	933	926	0.8	186	168	10.7
Other	61	66	-7.6	0.39	158	157	0.6	0	1	0.0
NZ Total	**15,477**	**17,014**	**-9.0**	**100.00**	**39,831**	**40,727**	**-2.2**	**13,972**	**12,540**	**11.4**

New Passenger Vehicle Sales by Make - May 2023

MAKE	MAY'23	MAY'22	+/-%	MAY'23 MKT SHARE	2023 YEAR TO DATE	2023 MKT SHARE
Toyota	1,785	1,904	-6.3	18.7%	7,008	16.0%
Mitsubishi	1,098	1,682	-34.7	11.5%	3,768	8.6%
Hyundai	870	684	27.2	9.1%	3,649	8.3%
Suzuki	681	738	-7.7	7.1%	3,347	7.7%
Kia	647	1,711	-62.2	6.8%	4,510	10.3%
MG	517	453	14.1	5.4%	2,143	4.9%
Mazda	450	447	0.7	4.7%	1,828	4.2%
Honda	392	298	31.5	4.1%	1,638	3.7%
Volkswagen	389	256	52.0	4.1%	1,260	2.9%
Ford	319	263	21.3	3.3%	1,513	3.5%
Haval	268	159	68.6	2.8%	1,012	2.3%
BYD	223	0	22,300.0	2.3%	1,397	3.2%
Nissan	219	104	110.6	2.3%	1,332	3.0%
Subaru	208	224	-7.1	2.2%	1,045	2.4%
Tesla	174	0	17,400.0	1.8%	1,604	3.7%
Lexus	153	87	75.9	1.6%	531	1.2%
Skoda	137	183	-25.1	1.4%	723	1.7%
BMW	136	152	-10.5	1.4%	739	1.7%
Mercedes-Benz	125	144	-13.2	1.3%	695	1.6%
Audi	104	227	-54.2	1.1%	562	1.3%
Peugeot	98	183	-46.4	1.0%	414	0.9%
Land Rover	89	121	-26.4	0.9%	609	1.4%
Jeep	59	26	126.9	0.6%	152	0.3%
Cupra	56	4	1,300.0	0.6%	182	0.4%
Mini	55	71	-22.5	0.6%	266	0.6%
Mahindra	51	0	5,100.0	0.5%	108	0.2%
Volvo	42	68	-38.2	0.4%	293	0.7%
Opel	35	0	3,500.0	0.4%	132	0.3%
SsangYong	30	36	-16.7	0.3%	153	0.3%
Porsche	25	87	-71.3	0.3%	209	0.5%
Polestar	22	77	-71.4	0.2%	229	0.5%
GWM	17	0	1,700.0	0.2%	68	0.2%
Renault	15	11	36.4	0.2%	108	0.2%
Citroen	13	50	-74.0	0.1%	78	0.2%
Isuzu	13	1	1,200.0	0.1%	69	0.2%
Jaguar	11	29	-62.1	0.1%	86	0.2%
Aston Martin	7	5	40.0	0.1%	26	0.1%
Fiat	7	15	-53.3	0.1%	38	0.1%
Maserati	6	4	50.0	0.1%	25	0.1%
Can-Am	4	4	0.0	0.0%	16	0.0%
Alfa Romeo	3	6	-50.0	0.0%	18	0.0%
LDV	3	0	300.0	0.0%	11	0.0%
Chevrolet	2	0	200.0	0.0%	15	0.0%
Ferrari	2	2	0.0	0.0%	17	0.0%
Others	8	36	-77.8	0.1%	105	0.2%
Total	**9,568**	**10,552**	**-9.3**	**100.0%**	**43,731**	**100.0%**

New Passenger Vehicle Sales by Model - May 2023

MAKE	MODEL	MAY'23	MAY'22	+/-%	MAY'23 MKT SHARE	2023 YEAR TO DATE	2023 MKT SHARE
Toyota	RAV4	860	920	-6.5	9.0%	2,530	5.8%
Mitsubishi	Outlander	452	821	-44.9	4.7%	1,290	2.9%
Suzuki	Swift	403	327	23.2	4.2%	2,001	4.6%
MG	ZS	391	270	44.8	4.1%	1,642	3.8%
Mitsubishi	Eclipse Cross	363	386	-6.0	3.8%	1,581	3.6%
Hyundai	Tucson	233	98	137.8	2.4%	1,160	2.7%
Hyundai	Kona	229	184	24.5	2.4%	990	2.3%
BYD	Atto 3	223	0	22,300.0	2.3%	1,397	3.2%
Honda	Jazz	190	220	-13.6	2.0%	866	2.0%
Volkswagen	Tiguan	176	79	122.8	1.8%	398	0.9%
Mazda	CX-5	166	199	-16.6	1.7%	819	1.9%
Mitsubishi	ASX	157	402	-60.9	1.6%	328	0.8%
Toyota	Corolla	154	307	-49.8	1.6%	766	1.8%
Haval	Jolion	145	43	237.2	1.5%	419	1.0%
Toyota	Highlander	134	167	-19.8	1.4%	582	1.3%
Honda	ZR-V	130	0	13,000.0	1.4%	132	0.3%
Haval	H6	123	116	6.0	1.3%	593	1.4%
Suzuki	Vitara	121	89	36.0	1.3%	450	1.0%
Ford	Escape	120	48	150.0	1.3%	347	0.8%
Hyundai	Ioniq 5	120	102	17.6	1.3%	207	0.5%
Toyota	Land Cruiser Prado	118	94	25.5	1.2%	316	0.7%
Nissan	Qashqai	110	0	11,000.0	1.1%	302	0.7%
Kia	Seltos	108	304	-64.5	1.1%	597	1.4%
Hyundai	Santa Fe	105	59	78.0	1.1%	519	1.2%
Mazda	CX-9	101	28	260.7	1.1%	200	0.5%
Tesla	Model 3	97	0	9,700.0	1.0%	412	0.9%
Kia	Sportage	95	325	-70.8	1.0%	699	1.6%
Kia	Niro	92	64	43.8	1.0%	785	1.8%
Kia	Sorento	91	201	-54.7	1.0%	607	1.4%
Toyota	Corolla Cross	87	0	8,700.0	0.9%	525	1.2%
Ford	Everest	84	66	27.3	0.9%	563	1.3%
Mitsubishi	Pajero Sport	84	9	833.3	0.9%	412	0.9%
Suzuki	Ignis	82	87	-5.7	0.9%	368	0.8%
Toyota	Fortuner	81	44	84.1	0.8%	258	0.6%
Kia	Stonic	80	564	-85.8	0.8%	796	1.8%
MG	3	78	98	-20.4	0.8%	295	0.7%
Subaru	Outback	77	114	-32.5	0.8%	388	0.9%
Tesla	Model Y	77	0	7,700.0	0.8%	1,192	2.7%
Volkswagen	T-Roc	77	0	7,700.0	0.8%	304	0.7%
Toyota	C-HR	74	75	-1.3	0.8%	568	1.3%
Toyota	Yaris	74	112	-33.9	0.8%	409	0.9%
Toyota	Yaris Cross	74	115	-35.7	0.8%	630	1.4%
Hyundai	Ioniq	73	184	-60.3	0.8%	327	0.7%
Nissan	X-Trail	70	53	32.1	0.7%	809	1.8%
Lexus	UX 250h	68	11	518.2	0.7%	137	0.3%
Others		2,521	3,167	-20.4	26.3%	12,815	29.3%
Total		**9,568**	**10,552**	**-9.3**	**100.0%**	**43,731**	**100.0%**

Budget surge for EV chargers

Drive Electric has welcomed the announcement in last month's budget that $120 million will be invested to enable the roll-out of public-charging infrastructure in partnership with the private sector.

The adoption of electric vehicles (EVs) has accelerated in the past two years. In 2022, they comprised almost 11 per cent of sales in the new and used light-vehicle market, which was more than double the figure in 2021.

"With the uptake of EVs exceeding expectations, we need a robust national network of charging sites to underpin this demand," says Mark Gilbert, chairman of Drive Electric.

He adds the $120m in funding is significant because it should enable major charging providers to work alongside the government to accelerate the roll-out of public infrastructure for all Kiwis.

"Some sites are not economically viable as demand for charging in certain areas remains low, but chargers are needed to enable greater EV uptake by families.

"Additionally, the real costs associated with connecting to the electricity network can make it difficult for investment in sites to stack up. In some cases, it can take close to a decade for a large site to pay for itself.

"The good news is competitors are already installing a range of charging stations – including the likes of ChargeNet, Tesla, Meridian, Jolt, Z Energy and BP – and they have plans to further roll out their charging networks.

"This new funding needs to be well-targeted, in partnership with the charging sector, to ensure sites are installed where demand is low today, but forecast to grow or where it isn't yet economic to invest. This is important for equity, access and confidence.

"It's worth noting government investment won't be necessary at many public-charging sites as the economics already stack up."

In addition to the funding, Drive Electric says the government has a role to play in enabling the private sector to deliver private and public charging by ensuring regulatory settings are fit for purpose and other barriers are addressed.

Its members are working with agencies on developing a national EV strategy to ensure delivery of a "charging ecosystem".

"Ultimately, electrifying the transport system will help to decrease transport costs for families, reduce emissions and decrease air pollution," says Gilbert.

"Drive Electric also welcomes the announcement regarding the clean heavy-vehicle grant scheme to provide grants towards the purchase of zero on-road emissions heavy vehicles.

"This will be useful to accelerate the uptake of these technologies while they become economic. However, we expect this investment will need to go further in time."

Michael Wood, Minister of Transport, says funding unveiled in the budget will result in charging hubs every 150-200km on main highways, a public charger for every 20-40 EVs in urban areas and public charging at community facilities for all settlements with 2,000 or more people.

"Emissions from our light fleet are the single largest source of transport emissions in New Zealand, partially due to having some of the most fuel-inefficient vehicles in the OECD," he adds.

"Switching to EVs would be like buying petrol for 40c per litre, which will make a big difference for household budgets."

Other budget funding included $30m over three years for grants towards the purchase of low-emissions trucks, heavy vans and non-public transport buses.

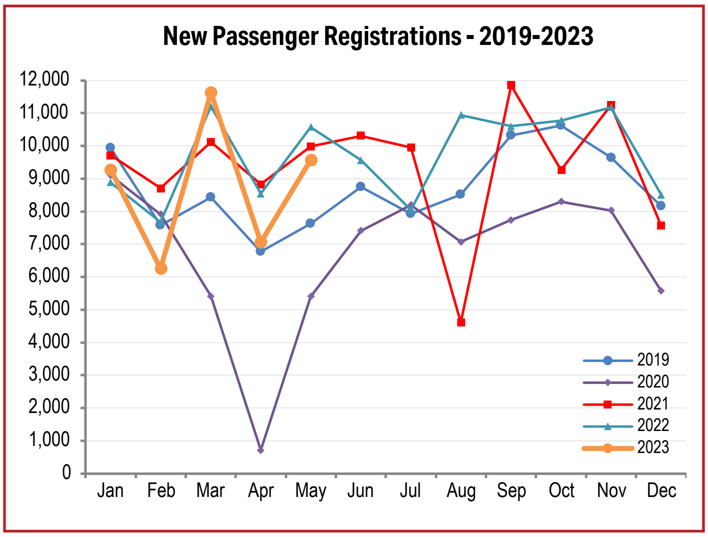
This will help get about 500 low emitters onto our roads. Wood notes the fund "builds on the success of the clean car discount and low-emissions transport fund to support road-freight operators to cut their emissions".

Drop in trade

There were 9,568 new passenger vehicles registered last month for a decline of 9.3 per cent from 10,552 units in May of last year.

The Toyota RAV4 topped the models' ladder with 860 sales and a market share of nine per cent. Mitsubishi's Outlander was second on 452 and Suzuki's Swift came third with 403. May's best-selling brand was Toyota on 1,785 units with Mitsubishi second on 1,098. Hyundai was third with 870.

Giltrap Newmarket and Penrose won GM NZ's supreme award



HONOURS FOR SERVICE

Giltrap Newmarket and Penrose have taken out the supreme award at GM New Zealand's legends programme.

Javed Soyab, service manager at Giltrap Newmarket, Ravind Perumal, service manager at Giltrap Penrose, and Scott Mckeown, parts manager at Giltrap Penrose, beat 29 other Holden service centres to claim the title.

The runner-up was Robertson Prestige in Palmerston North with Peter Shaw, after-sales manager, and parts manager Paul Spargo receiving the award as a presentation in Auckland.

"It's important to celebrate success," says Stephen Matthews, general manager of after-sales for GM NZ.

"This was a great opportunity to get the Holden service centre network together and recognise the winners."

Criteria for judging includes parts sales, service, customer satisfaction, facility standards, commitment to technical training and administration.

Profits on rental sales 'normalise'

Margins on vehicles sales are coming off their peaks for the largest RV rental operator in the world.

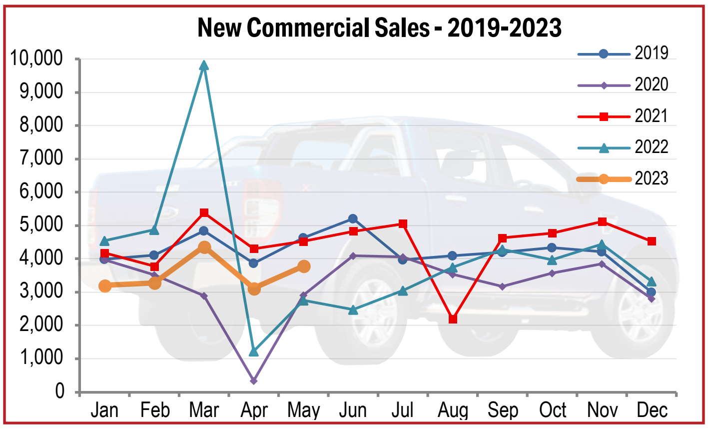
THL, which is listed on the New Zealand and Australian stock exchanges, reports demand has started to soften in all its markets, which include North America, the UK and Europe.

The company's guidance for the 2023 financial year is for net profit after tax to come in above $48 million or more than $75m on a pro-forma basis.

It adds there's "some risk" in meeting these expectations if deliveries of sold vehicles get delayed from the fourth quarter of the current reporting period and into July or August this year.

Grant Webster, chief executive officer and managing director, says while margins on sales have remained elevated longer than earlier predicted, these are now starting to normalise in most markets with the US experiencing the most rapid change.

In New Zealand, it is anticipated they will remain stable in the current financial year and then start to normalise in 2023/24.



"Supply remains a challenge in each market," adds Webster. "However, lead times continue to move towards normalising as the pandemic backlog and labour shortages are addressed.

"Our current expectations are that chassis supply in New Zealand and Australia will likely normalise in late 2024."

Shipping costs in both countries have materially reduced from their peaks, but deliveries remain challenging due to congestion at ports.

New-vehicle prices have increased in each of THL's markets. The biggest have been in North America, while the rises in New

New Commercial Sales by Make - May 2023

MAKE	MAY'23	MAY'22	+/-%	MAY'23 MKT SHARE	2023 YEAR TO DATE	2023 MKT SHARE
Ford	1,073	418	156.7	28.3%	5,305	29.9%
Toyota	980	1,164	-15.8	25.9%	4,875	27.5%
Mitsubishi	361	162	122.8	9.5%	1,471	8.3%
Isuzu	221	147	50.3	5.8%	1,070	6.0%
Volkswagen	172	54	218.5	4.5%	382	2.2%
LDV	138	44	213.6	3.6%	637	3.6%
Nissan	115	121	-5.0	3.0%	624	3.5%
Fuso	101	109	-7.3	2.7%	526	3.0%
Hino	73	102	-28.4	1.9%	331	1.9%
Mercedes-Benz	61	46	32.6	1.6%	283	1.6%
Scania	53	37	43.2	1.4%	239	1.3%
Mazda	41	4	925.0	1.1%	176	1.0%
Hyundai	40	37	8.1	1.1%	254	1.4%
UD Trucks	32	25	28.0	0.8%	126	0.7%
Fiat	31	18	72.2	0.8%	118	0.7%
Iveco	30	35	-14.3	0.8%	169	1.0%
Ram	28	22	27.3	0.7%	132	0.7%
Suzuki	26	5	420.0	0.7%	40	0.2%
Great Wall	25	12	108.3	0.7%	115	0.6%
MAN	22	19	15.8	0.6%	77	0.4%
Others	165	180	-8.3	4.4%	788	4.4%
Total	**3,788**	**2,761**	**37.2**	**100.0%**	**17,738**	**100.0%**

New Commercial Sales by Model - May 2023

MAKE	MODEL	MAY'23	MAY'22	+/-%	MAY'23 MKT SHARE	2023 YEAR TO DATE	2023 MKT SHARE
Ford	Ranger	983	388	153.4	26.0%	4,895	27.6%
Toyota	Hilux	746	942	-20.8	19.7%	3,878	21.9%
Mitsubishi	Triton	360	113	218.6	9.5%	1,460	8.2%
Toyota	Hiace	157	203	-22.7	4.1%	789	4.4%
Isuzu	D-Max	129	54	138.9	3.4%	565	3.2%
Volkswagen	Amarok	121	21	476.2	3.2%	163	0.9%
Nissan	Navara	115	121	-5.0	3.0%	624	3.5%
Ford	Transit	88	30	193.3	2.3%	401	2.3%
Toyota	Land Cruiser	77	18	327.8	2.0%	206	1.2%
LDV	T60	43	2	2,050.0	1.1%	173	1.0%
Mazda	BT-50	41	4	925.0	1.1%	176	1.0%
Isuzu	N Series	39	34	14.7	1.0%	212	1.2%
Hino	500	35	46	-23.9	0.9%	156	0.9%
Isuzu	F Series	35	43	-18.6	0.9%	217	1.2%
Hyundai	Staria Load	33	31	6.5	0.9%	214	1.2%
LDV	V80	31	2	1,450.0	0.8%	69	0.4%
Fiat	Ducato	30	18	66.7	0.8%	116	0.7%
Fuso	Canter 616 City	30	32	-6.3	0.8%	163	0.9%
Mercedes-Benz	Sprinter	30	38	-21.1	0.8%	172	1.0%
LDV	G10	27	12	125.0	0.7%	188	1.1%
Others		638	609	4.8	16.8%	2,901	16.4%
Total		**3,788**	**2,761**	**37.2**	**100.0%**	**17,738**	**100.0%**

Zealand and Australia have been "more effectively managed" by Action Manufacturing and Apollo.

Despite broader macroeconomic challenges, the travel and tourism industry has remained resilient and is experiencing strong growth, notes Webster.

"Forward-booking activity for the 2023 high season in our northern-hemisphere businesses shows an increase in international volumes and some reduction in domestic activity.

"Early forward-booking activity for the 2023/24 high season in our New Zealand and Australia businesses indicates that international volumes will continue to grow with some reduction in domestic activity.

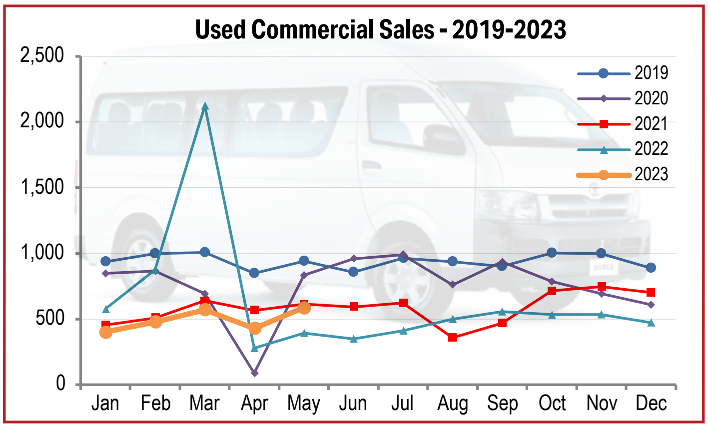
"We remain positive heading into financial year 2024/25 with expectations that travel volumes from most markets return to pre-Covid levels in the late calendar year."

As for THL's rental yields, these remain strong. They are being closely managed in all markets and are continuing to experience growth or holding recent growth.

Yields in New Zealand for the next peak season are continuing to increase year-on-year, partly due to the previous season having been impacted by the late opening of the country's borders to international travellers.

When it comes to vehicle sales and dealerships, chief marketing officer Scott Fahey says THL aims to maximise values.

"While most rental operators hold vehicles and then treat them as 'disposals', we have a sales dealership mentality and recognise it is a business in its own right," he explains. "In Australia and New Zealand we sell new RVs and the majority of the ex-rental fleet, via our retail sites, to maximise value."



RISE IN REGISTRATIONS

There were 3,788 new commercials registered in May. The total was up by 37.2 per cent compared to 2,761 in the same month of 2022.

May's best-selling model was Ford's Ranger with 983 units and Toyota's Hilux was second on 746. Mitsubishi's Triton came third with 360.

As for used-imported commercials, there were 586 registered last month – up by 48.7 per cent from 394 in May 2022.

Used Commercial Sales by Make - May 2023

MAKE	MAY'23	MAY'22	+/-%	MAY'23 MKT SHARE	2023 YEAR TO DATE	2023 MKT SHARE
Toyota	267	87	206.9	45.6%	1,044	42.4%
Nissan	125	62	101.6	21.3%	546	22.2%
Isuzu	44	55	-20.0	7.5%	164	6.7%
Mitsubishi	31	36	-13.9	5.3%	142	5.8%
Hino	26	62	-58.1	4.4%	167	6.8%
Daihatsu	16	7	128.6	2.7%	48	1.9%
Ford	15	16	-6.3	2.6%	92	3.7%
Holden	11	4	175.0	1.9%	31	1.3%
Mazda	6	8	-25.0	1.0%	31	1.3%
Suzuki	5	4	25.0	0.9%	22	0.9%
Chevrolet	4	9	-55.6	0.7%	20	0.8%
UD Trucks	4	6	-33.3	0.7%	19	0.8%
Volkswagen	4	3	33.3	0.7%	14	0.6%
Dodge	3	4	-25.0	0.5%	9	0.4%
Honda	3	0	300.0	0.5%	8	0.3%
LDV	3	0	300.0	0.5%	9	0.4%
Mercedes-Benz	3	2	50.0	0.5%	6	0.2%
Fiat	2	3	-33.3	0.3%	12	0.5%
Fuso	2	5	-60.0	0.3%	7	0.3%
GMC	2	4	-50.0	0.3%	5	0.2%
Others	10	17	-41.2	1.7%	67	2.7%
Total	**586**	**394**	**48.7**	**100.0%**	**2,463**	**100.0%**

Used Commercial Sales by Model - May 2023

MAKE	MODEL	MAY'23	MAY'22	+/-%	MAY'23 MKT SHARE	2023 YEAR TO DATE	2023 MKT SHARE
Toyota	Hiace	187	34	450.0	31.9%	732	29.7%
Nissan	NV350	68	13	423.1	11.6%	333	13.5%
Toyota	Regius	36	1	3,500.0	6.1%	130	5.3%
Isuzu	Elf	31	36	-13.9	5.3%	112	4.5%
Nissan	Caravan	28	4	600.0	4.8%	91	3.7%
Toyota	Dyna	20	28	-28.6	3.4%	92	3.7%
Fuso	Canter	18	23	-21.7	3.1%	94	3.8%
Daihatsu	Hijet	16	7	128.6	2.7%	48	1.9%
Hino	Dutro	16	42	-61.9	2.7%	122	5.0%
Nissan	Atlas	14	13	7.7	2.4%	40	1.6%
Toyota	Toyoace	14	10	40.0	2.4%	44	1.8%
Isuzu	Forward	9	16	-43.8	1.5%	38	1.5%
Hino	Ranger	8	17	-52.9	1.4%	37	1.5%
Chevrolet	Colorado	8	1	700.0	1.4%	20	0.8%
Ford	Ranger	7	10	-30.0	1.2%	45	1.8%
Toyota	Hilux	6	11	-45.5	1.0%	28	1.1%
Mitsubishi	Rosa	5	2	150.0	0.9%	16	0.6%
Nissan	NV200	4	17	-76.5	0.7%	29	1.2%
Suzuki	Carry	4	4	0.0	0.7%	21	0.9%
Dodge	Ram	3	4	-25.0	0.5%	7	0.3%
Others		84	101	-16.8	14.3%	384	15.6%
Total		**586**	**394**	**48.7**	**100.0%**	**2,463**	**100.0%**

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Warning over age of fleet

The Rental Vehicle Association (RVA) has raised serious concerns about the impact of changes to the clean car discount, which are coming in on July 1.

Ben McFadgen, chief executive officer, says while the revamped scheme is intended to promote lower-emissions models, it may push up the average age of the national fleet.

"Many New Zealanders who have placed an order for a new vehicle and are awaiting delivery could now be financially disadvantaged," he adds. "Order cancellations will likely follow.

"Used-vehicle prices will increase and the fleet will get older, compromising the opportunity to drive newer, low-emitting vehicles that offer savings on fuel costs for everyday New Zealanders.

"The rental industry also places orders for significant volumes of new vehicles each year and most are scheduled for delivery in the last six months of the calendar year.

"These are now subject to unforeseen price increases to the tune of many thousands of dollars per vehicle. There has been no tangible evidence presented about the benefits associated with these imposed changes."

The RVA believes cutting the fleet's age is one of the most effective ways to drive down emissions.

It suggests that a focus on reducing its average age from 15 to eight years using petrol, diesel and hybrid vehicles could almost halve them.

This outcome could be further enhanced by supplementing it with battery electric vehicles (BEVs) and plug-in hybrids.

McFadgen says fully decarbonising the light fleet according to the government's current timeline is beyond the industry's ability to deliver.

"We need to buy some time. We believe this scheme change will result in poor outcomes for Kiwis when things are tough enough."

Instead, the RVA is calling for stronger collaboration between the government and car industry, including experienced fleet managers, to review all options to cut emissions and improve safety.

It believes that a high level of working together – and a focus on reducing vehicle age with cars with internal combustion engines, hybrids and BEVs – will result in a substantial improvement in the fleet and a large reduction in its emissions profile "for a fraction of the cost of full decarbonisation".

Drop in imports

Imports of new cars during May totalled 8,018. This was down by 5.5 per cent from the same month a year earlier, but 26.1 per cent higher than April's total of 6,359.

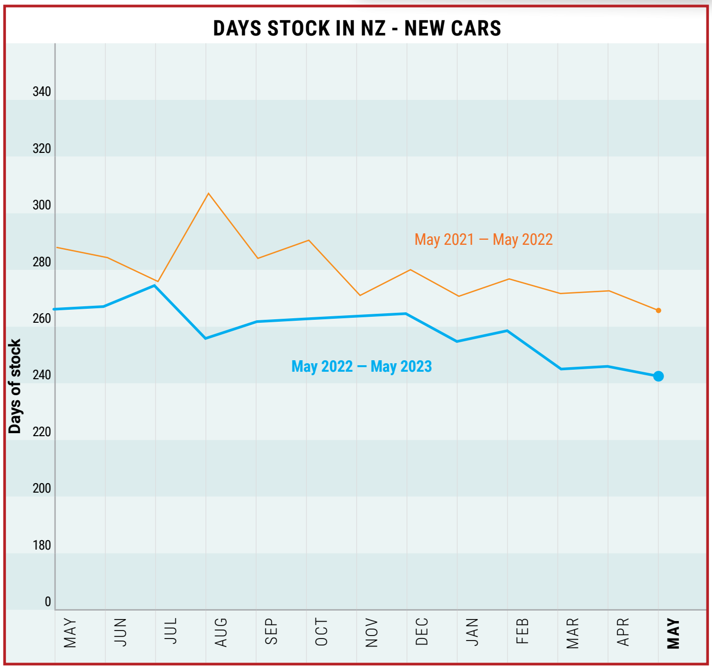
Registrations of 9,568 new passenger vehicles were completed last month, which was down by 9.3 per cent from May 2022. It represented a 35.9 per cent increase from 7,039 units in April.

The numbers have resulted in the stock of new cars still to be registered dropping by 1,550 to 74,973. Daily registrations, as averaged over the previous 12 months, stand at 310 units per day – up from 306 a year earlier.

April's results mean stock at-hand has decreased to 242 days, or 7.9 months, if sales continue at the current rate. In the same month of 2022, stock at-hand stood at 263 days.

Dealer stock of new cars in New Zealand

	CAR SALES IMPORTED	CAR SALES REGISTERED	VARIANCE	STOCK	DAILY SALES - 12-MONTH AVERAGE	DAYS STOCK AT HAND
May '22	8,488	10,552	-2,064	80,340	306	263
Jun '22	9,439	9,537	-98	80,242	304	264
Jul '22	9,368	8,029	1,339	81,581	298	273
Aug '22	9,928	10,924	-996	80,585	316	255
Sep '22	11,219	10,589	630	81,215	312	260
Oct '22	12,011	10,739	1,272	82,487	316	261
Nov '22	11,493	11,161	332	82,819	316	262
Dec '22	9,936	8,492	1,444	84,263	319	264
Jan '23	5,985	9,260	-3,275	80,988	320	253
Feb '23	6,381	6,248	133	81,121	316	257
Mar '23	7,698	11,616	-3,918	77,203	317	244
Apr '23	6,359	7,039	-680	76,523	313	245
May '23	**8,018**	**9,568**	**-1,550**	**74,973**	**310**	**242**
Year to date	**34,441**	**43,731**				
Change on last month	**26.1%**	**35.9%**		**-2.0%**		
Change on May 2022	**-5.5%** LESS IMPORTED	**-9.3%** LESS SOLD		**-6.7%** LESS STOCK		



Access to stock still problematic

The challenges of sourcing stock continue to hinder the market, says Trade Me Motors' sales director.

Jayme Fuller notes this year started "under the lingering shadow of 2022", while rising interest rates, inflation and a change in consumer confidence have resulted in a "sharp u-turn in buyer intentions".

She adds: "The clean car discount is still impacting buyer and seller habits as electric vehicles [EVs] climb in preference. As a result, new cars have become viable for many who hadn't previously considered them.

"Coupled with the clean car standard, further changes will impact the industry. Stock make-up is one to keep a close eye on."

Fuller believes the ability to appeal to target markets will remain a challenge for dealers.

"One thing is clear – don't wait for things to return to 'normal' as that's one for the history books," she warns. "Success will be for those who adapt quickly."

Trade Me's state of the nation report emphasises a digital presence has always been important. But as Kiwis grapple with the affordability crisis, the need to stand out is now greater.

"Businesses with consistent online profiles will be in a stronger position to weather the storm," it advises. New Zealand is a national market. Now, more than ever, Kiwis are happy to look outside of current locations for the right house, vehicle or job.

"Price-sensitivity is driving a slower path to purchase. In a cool market, consumers can spend more time researching what's right for them."

As for what's happening elsewhere, Auto Trader UK reports the new and used-car markets will be dictated by supply, not demand, for the rest of this year.

"Auto Trader believes sustained levels of consumer demand will limit the potential impact of any economic downturn," states Trade Me's report. EVs remain high on buyers' lists, with such models being the fastest-selling fuel type in the UK's second-hand market.

And as for Australia, Cameron McIntyre, managing director of Carsales.com, says: "There are encouraging signs the market is starting to correct itself. Manufacturers are starting to land greater numbers of the cars that Australians want."

That said, demand for EVs across the Tasman is expected to outstrip supply for some time.

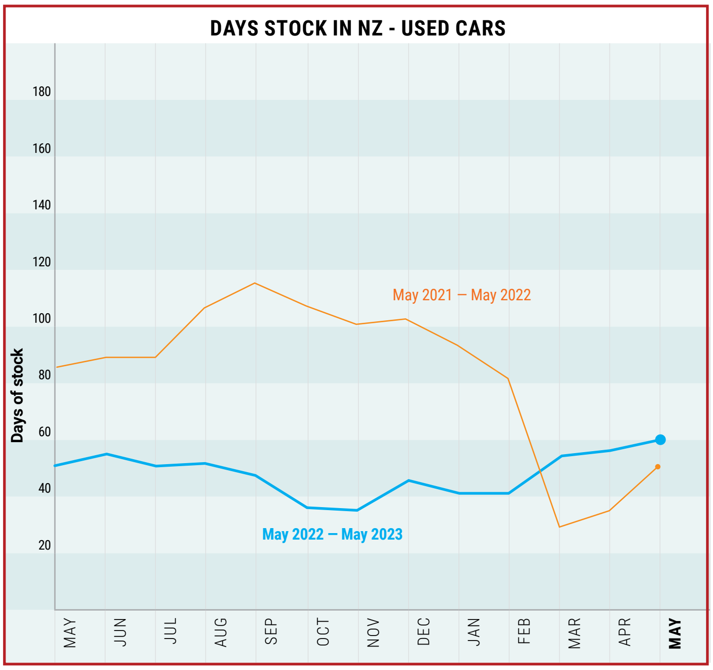
Boost in sales

There were 11,035 used cars imported last month, which was up by 25.8 per cent from April when 8,775 units crossed our border. However, it was a down by 6.7 per cent compared to 11,833 in May last year.

A total of 9,589 units were registered in May. This was 39.5 per cent more than 6,874 units in May last year and up by 20.8 per cent from 7,939 in April.

With 1,446 more used cars imported than registered last month, it brought unregistered stock on dealers' yards, or in compliance shops, to 15,614 units. This was 4.3 per cent lower than the 16,319 a year ago.

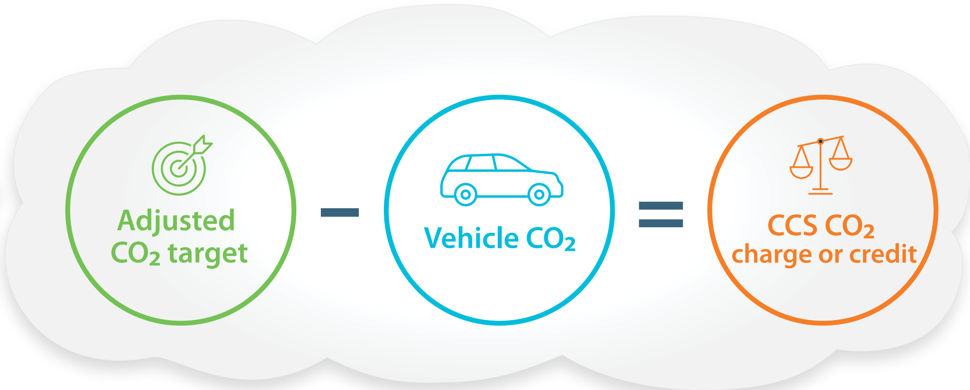
Average daily registrations rose month-on-month to 259 although this was down from 355 a year ago, and there is 60 days' stock remaining.



Dealer stock of used cars in New Zealand

	CAR SALES IMPORTED	CAR SALES REGISTERED	VARIANCE	STOCK	DAILY SALES - 12-MONTH AVERAGE	DAYS STOCK AT HAND
May '22	11,833	6,874	4,959	16,319	355	46
Jun '22	8,649	7,400	1,249	17,568	344	51
Jul '22	6,498	8,230	-1,732	15,836	331	48
Aug '22	8,594	7,933	661	16,497	333	50
Sep '22	5,096	7,362	-2,266	14,231	333	43
Oct '22	5,064	7,233	-2,169	12,062	324	37
Nov '22	6,297	7,149	-852	11,210	312	36
Dec '22	9,781	6,983	2,798	14,008	304	46
Jan '23	5,082	7,137	-2,055	11,953	295	40
Feb '23	7,372	7,761	-389	11,564	287	40
Mar '23	11,445	9,677	1,768	13,332	247	54
Apr '23	8,775	7,939	836	14,168	251	56
May '23	**11,035**	**9,589**	**1,446**	**15,614**	**259**	**60**
Year to date	**43,709**	**42,103**				
Change on last month	**25.8%**	**20.8%**		**10.2%**		
Change on May 2022	**-6.7%** LESS IMPORTED	**39.5%** MORE SOLD		**-4.3%** LESS STOCK		

Clean Car Standard got you confused?



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