www.autofile.co.nz

FEBRUARY 2024

autofile

THE TRUSTED VOICE OF THE NZ AUTO INDUSTRY FOR NEARLY 40 YEARS

Automotive training requires ‘urgent’ fix

Association outlines short and long-term measures it says are needed to bolster workforce amid electrification of fleet

The Motor Trade Association (MTA) wants the government to get the car industry in the driving seat when it comes to developing training to ensure programmes keep up with the likes of advances in electric vehicles (EVs).

It has put together a proposal calling for changes to the current regime, and believes its recommendations can help deliver “immediate, substantive improvement and longer-term change”.

Overall, the MTA is lobbying for an “of the industry, for the industry” approach to upskill the workforce.

Its proposals have been backed by eight industry groups, including the Motor Industry Association, Imported Motor Vehicle Industry Association and Rental Vehicle Association.

The groups have requested a meeting with Penny Simmonds, Minister of Tertiary Education and Skills, to discuss its proposals and how they could be implemented.

The MTA is calling for an apprenticeship qualification focusing on EVs

Lee Marshall, the MTA’s chief executive, says: “Businesses, more than bureaucrats, understand the needs of their sector and definitions of success.”

The association says restoring an industry-led approach would help to address any gaps in apprenticeship schemes and training for non-apprenticed workers.

Its plans would also “enable an approach that’s more responsive nationally and locally to industry priorities”, and support innovation to keep up with EV, safety, autonomous driving and other emerging technologies.

Among the short-term suggestions, which the MTA says are possible within current legislative and regulatory settings, is creating an “urgently needed” level-four New Zealand apprenticeship qualification that focuses purely on EVs.

At the moment, a traditional apprenticeship that results in a level-four certificate must be completed before someone can progress to a level-five certificate in EV technology.

However, technicians who have only trained at EV-specialist companies are unable to meet that pre-requisite.

“The industry is saying there

[continued on page 4]

GUEST EDITORIAL

Time right to rethink charges for vehicles

Lee Marshall doubts adding extra costs will impede the uptake of electric cars

Last month's announcement by the government to introduce road-user charges for electric vehicles (EVs) and plug-in hybrids (PHEVs) was initially largely welcomed and eventually criticised.

LEE MARSHALL
Chief executive officer
Motor Trade Association

For the past number of years, EV and PHEV owners have had a free ride – so to speak – but will now have to contribute to the National Land Transport Fund (NLTF).

There's no doubt fuel costs have been a major advantage with electric cars. Charged at home, an EV has roughly set owners back a mere $4/100km.

To operate a comparably sized petrol hybrid, you would be paying three to four times that amount on fuel, so the addition doesn't erode the fuel-cost advantage of EVs over vehicles with internal combustion engines (ICEs).

But some are crying at the inequities and not without reason. The current road-user charges (RUC) for light vehicles are based on assumed fuel consumption of 9.5l/100km.

That's a fact that has already been affecting the value equation for diesels for several years, disproportionately taxing small and efficient models compared to their petrol equivalents.

With improvements in the fuel efficiency of ICEs and hybrid technology, along with an outdated fuel-excise duty methodology, arguably owners of petrol vehicles haven't been paying enough.

I think we can all agree the system needs reconsideration as new fuel and drive types enter the market that hadn't even been conceived of when the NLTF and RUC were first legislated. The age of fuel excise duty has probably reached an end.

The principal purpose of the NLTF is to maintain our roads where usage directly contributes to upkeep. Therefore, payment for usage in terms of kilometres travelled makes sense.

So here are a few calls on what this all might mean. Firstly, I'll go out on a limb and say it won't make any difference to new-vehicle retail sales. If $20 per week mattered, those consumers wouldn't be buying a new car to begin with.

Likewise, I don't imagine it will affect corporate, government and fleet-leasing procurement decisions. Ticking sustainability boxes will still be highly relevant.

Lastly, for new-vehicle segments, rental companies pay RUC on behalf of their customers, so an already poor financial proposition just worsened. But requests for proposals for major corporates demand an EV option, thus sales will continue.

In the used-imports space with the clean car discount gone, the overall value proposition has diminished as the increased buy price and compromises inherent in older electric cars start to outweigh any potential fuel-cost savings.

However, I fully expect the onward march of EV uptake to continue despite any naysayers.

autofile

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

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

DESIGNER
Adrian Payne
arpayne@gmail.com

EDITOR
Darren Risby
ris@autofile.co.nz

JOURNALISTS
Matthew Lowe
matthew@autofile.co.nz

Sue Brebner-Fox
sue@autofile.co.nz

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

Autofile magazine is also available online as a readable file or downloadable as a PDF. Subscriptions are available at Autofile Online – www.autofile.co.nz. Back copies are also available on the website.

 ISSN 0112-3475 (print) ISSN 2350-3181 (online)

[continued from page 1]

needs to be a level-four New Zealand qualification that focuses purely on EV technology, whereas the current qualification forces apprentices to learn about combustion engine vehicles too," says the MTA.

A level-four EV qualification is also considered necessary amid the increasing market share of battery electric vehicles (BEVs) and plug-in hybrids (PHEVs) in New Zealand.

New light passenger vehicle data from the Motor Industry Association shows there were 21,036 BEVs, 8,988 PHEVs and 29,343 hybrids registered last year. These totals were up from 15,677 BEVs, 7,255 PHEVS and 17,833 hybrids in 2022.

That meant BEVs accounted for 19 per cent of the light passenger vehicle market last year, compared with 13.5 per cent in the year prior. The market share for PHEVs rose from 3.5 per cent to 8.1 per cent over the same period.

As for used imports, BEVs accounted for 4.2 per cent of the market in 2023 and PHEVs 2.5 per cent.

Creating an EV apprenticeship is among the MTA's main priorities in the proposal it has submitted to the Minister of Tertiary Education and Skills.


Penny Simmonds, Minister of Tertiary Education and Skills

Another urgent measure called for by the association is revitalising the functionality of the former MITO, including standards creation.

This would allow it to work directly with the NZ Qualifications Authority (NZQA) to have new training programmes listed on the country's qualifications framework.

The plea follows Workforce Development Councils (WDCs) being established in 2021 to give a voice to industry, but the MTA says these "emphasise large manufacturing industries and the relatively smaller automotive industry has very little profile in its current plan".

The MTA says the role of WDCs in applying to the NZQA for new qualifications and endorsing training programmes before they can be approved is causing delays.

"This is because the automotive industry is required to work with the WDC but has no certainty about the time frame within which even urgent priorities will be progressed, for example, to list a new qualification," it continues.

"The industry is concerned the reform has lowered the profile of the industry, which is already compromising ability to progress its priorities for development of its workforce."

This includes establishing programmes to respond to new technologies and funding for training of workers not eligible for apprenticeships, such as owner-operators who are qualified but need to keep their knowledge up to date and some categories of migrants who still require training.

SKILLS SHORTAGE

The MTA is concerned there will be a medium and long-term erosion of skills and access to the workforce that the automotive sector requires if no alterations are made to the training system.

It says restoring an industry-led approach could involve providing the mandate and resourcing associated with strategic functions for workforce development.

"The businesses we represent are reporting chronic skills shortages," explains Marshall. "Our industry deserves the right to fight for its future. If this isn't rectified urgently, the implications will be felt by all New Zealanders."

The MTA's proposal highlights the size of the automotive industry, which contributed $5.5 billion to the country's gross domestic product in 2021.

It states the sector is made up of 13,920 businesses, 62,729 employees and in the year to November 2023 had 6,319 apprentices, which was about nine per cent of all apprentices in New Zealand.

Job openings in the car industry over the next five years are expected to be around 30,000, which risks exacerbating skills shortages, and the MTA wants vocational education and training settings refreshed to help address this.

One area of focus is Te Pukenga, the NZ Institute of Skills and Technology, which was created in April 2020 following the merger of 16 institutes of technology and polytechnics and nine industry training organisations (ITOs).

Only 706, or 11 per cent, of automotive apprentices are on courses managed by Te Pukenga with the rest in work-based training run by MITO, or the residual function that exists within Te Pukenga.

The MTA is calling for the government to decentralise vocational education for the motor-vehicle sector from Te Pukenga and says the former ITO structures within it have been key to "maintaining the high-performing approach to date".

Marshall says: "Automotive was one of the best performing ITOs. It was and is financially sustainable.

"Qualifications in automotive are largely standard already with almost 90 per cent of learners in the country studying through the same pathway, so the overall rationale for Te Pukenga never stacked up with automotive."

Of the old system, he notes there were fair complaints of a lack of reactiveness, or proactiveness, with standard-setting to keep up with changing technology.

WDCs were supposed to address that problem. Two years down the track little has been achieved, but they have worked hard to engage industry and we can learn from that, says Marshall.

"For the automotive industry, and potentially other small industries that do not have the scale to be well-served by the regional structure, the next step should be to restore an updated industry-led approach," states the MTA's proposal.

"This would provide for a leadership structure based on industry and or sectors, as opposed to a regional segmentation. The industry-led structure would also merge all the relevant roles and responsibilities currently assigned across the WDCs, Te Pukenga and Regional Skills Leadership Groups."

The MTA says the longer-term restoration of an industry-led approach for the automotive sector will require, and should be progressed, in the context of repealing the Education Amendment Act 2020, which led to Te Pukenga's creation.

It adds that when the government ditches those rules it should recreate an approach based on the now-repealed Industry Training and Apprenticeship Act 1992, which worked well for the sector before and can do so again with minor modifications.

POTENTIAL BENEFITS

The MTA states changing the approach to training can deliver a number of benefits, including smooth adaptation to any government policies in the wider education and workforce environment.

It will also help ready the industry for EVs and advancing safety technologies sooner by identifying suitable new training programmes.

Such a shift would provide "continuity for automotive industry learners and employers, minimising disruption, confusion and stress for apprentices and employers".

"The benefits of restoring an industry-led approach will restore the voice of the automotive industry in promoting its own priorities for workforce training."

> **Businesses, more than bureaucrats, understand the needs of their sector and definitions of success**
> – Lee Marshall, MTA

The MTA suggests reform of the automotive sector may also provide a model for other industries where a different strategy is likely to serve them better.

Marshall notes the association's proposal may at first glance appear regressive. However, it is designed to enable simple and immediate action to address industry concerns, and many of the previously planned changes through Te Pukenga have yet to happen.

"We are saying loud and clear, 'stop now and reconsider'. There's no way that removing the management structure dedicated to our industry can improve things."

There has been some early progress on the MTA's wishes since National, Act and New Zealand First formed a coalition last year.

For example, the government has already started the process of disestablishing Te Pukenga as part of a plan for its first 100 days in office.

Simmonds sent a clear message to officials at the mega-polytech in early December in which she asked Te Pukenga's council to cease any activities inconsistent with disestablishment.

"This includes recruitment and staff restructuring activity, and other actions that will make it difficult to re-establish former institutes of technology and polytechnics as institutions," she says.

"I have asked my officials for advice on the programme of work required to support the government's new agenda, including the legislative timeline.

"I will also be asking for advice on what other changes to the vocational sector might be needed to support and complement the disestablishment of Te Pukenga."

Policy warning post-feebates

Government officials have reported that incentives may be needed to boost sales of electric vehicles (EVs) if they fall because the clean car discount (CCD) has been scrapped.

A report prepared for the government says while the rate of EV and hybrid uptake is now "several years ahead of expectation", challenges with the scheme would have likely intensified the longer it was in place.

For example, if the CCD had continued, utes would have been "expected to attract increasing levels of charges to fund rebate expenditure, potentially to a maximum of $13,800 by 2029", Autofile can reveal.

On the flipside, other policies will be needed to ensure the transition of the light fleet to low and zero emissions continues because this is key to decarbonising transport.

Officials at the Ministry of Transport (MoT) estimate the cost to consumers and New Zealand of discontinuing the scheme will be $549 million and the benefits just $259.7m.

The end of the CCD will likely impact targets set in New Zealand's first emissions reduction plan (ERP), such as reducing transport's tailpipe pollution by 41 per cent from 2019 levels by 2035.

Incentivising the light fleet to rapidly become low emissions "presents a substantial and cost-effective opportunity to largely decarbonise", says the MoT.

The ERP has a further goal to increase zero-emissions vehicles (ZEVs) to 30 per cent of the light fleet by 2035.

Currently, they make up about 1.5 per cent and getting to 30 per cent means around 1.3 million more are needed by 2035. Only 20,909 EVs entered the fleet in 2022.

While New Zealand is on-track to achieve its first two emissions budgets in the ERP, largely because of decreased levels of travel, the MoT anticipates the third emissions target for 2031-35 will be missed.

The MoT says alternative policies will be needed to make up for CO2 emissions reductions the CCD was expected to deliver

"In part, this is because future EV uptake is estimated to remain below the rate needed," the report states.

More focus is needed to overcome barriers limiting their uptake, which include sticker prices, model variety, battery range and access to EV charging.

"Alternative policies will be required to make up for the anticipated CO2 emissions reductions the CCD was expected to deliver."

Officials at the MoT describe the feebates scheme as a "key policy" to cut pollution from transport as are the clean car standard (CCS), emissions trading scheme, and encouraging active travel and public transport.

Although there were issues with the CCD, retaining it would have continued the momentum in shifting to low-emissions vehicles (LEVs).

If the CCD had kept operating, carbon-dioxide emissions savings from the fleet of 2,591-3,116 kilotonnes were expected by 2050.

Those savings will now reduce by only 1,104-2,181 kilotonnes in 26 years' time, states the MoT because of an expected fall in EV and PHEV uptake, and a rise in buying vehicles with internal combustion engines (ICEs).

"It will also slow growth in the number of EVs available to be bought on the domestic second-hand market."

The MoT's report on the CCD – known as a regulatory impact statement – was prepared in case it was required by the incoming government last year.

It wasn't lodged with a paper considered by the cabinet on December 4 because the latter decided to suspend the requirement for such reports relating to the coalition's 100-day plan proposals solely involving the repeal of legislation.

However, the MoT's report was finalised on November 30, which was before the CCD's abolition gained royal assent on December 13. The statement was finally "proactively released" on December 22, although parts were redacted.

'OBJECTIVE ACHIEVED'

Despite its critics, the MoT is "confident" the CCD's objective was achieved. That was to speed up the shift to a low-emissions light fleet faster than could be achieved by market forces alone.

While "the rate of EV and hybrid uptake is now several years ahead of expectation", its challenges would have probably grown.

A major problem was achieving a self-financing scheme with rebate expenditure being greater than charge revenue.

Between July 1, 2021, and October 31 last year, $553m was paid in rebates, while from April 1, 2022, to October 31, 2023, $269m was received from charges with the difference funded by a repayable crown grant to Waka Kotahi.

As of the end October last year, $119.9m of that grant was still in the funding pot.

Depending on what happened in the market, this amount was expected to be enough to operate the CCD until at least mid-2024.

In addition, changes to rebates and charges in July 2023 achieved a better financial match.

However, with sales of EVs and other LEVs continuing to rise, the MoT expected the government would have to impose higher

[continued on page 8]

Changing trends with buyers

After the CCD was introduced in July 2021, consumers' preferences "changed markedly" with LEV uptake outperforming government and industry expectations, says the MoT.

Annual sales of EVs increased by 409 per cent and petrol hybrids by 136 per cent, while petrol and diesel ICEs tumbled by 32 per cent.

EV registrations – new and used imports – achieved a market share of 13 per cent compared to a world average of five per cent to place New Zealand 17th globally.

The shift has decreased emissions of imports by 22 per cent – from an annual average of 187g/km to 145g/km – in the 12 months to the end of November 2023. This was a major improvement on the 1.9 per cent average annual drop during the five years before the CCD.

[continued from page 6]

charges, reduce rebates and or provide extra funding.

The ministry's modelling assumes that from 2025 almost all but small ICE vehicles – with CO_2 emissions below 120g/km – would have attracted charges, and from 2027 fees would apply to ICEs and all but small hybrids with emissions above 80g/km.

Maximum charges on the highest emitters from 260g/km would have increased from $6,900 to $13,800 between 2025 and 2029, with rebates limited to EVs from 2029 and PHEVs no longer eligible.

Rebates for new EVs would have reduced from $7,015 to $4,600 next year, $2,300 in 2027 and $1,150 in 2029. Officials say: "It is unlikely rebates of these levels would be either effective or needed to encourage purchase."

The MoT's report also flags up concerns about the CCD's equity and fairness with high-income earners benefitting more than others because they were most able to purchase new EVs.

Low-income Kiwis potentially faced increased prices with charges on used ICE imports and the indirect flow-through of charges onto prices of second-hand ICEs over time.

As for fairness, the CCD's charges could only be avoided when affordable low-emissions alternatives were available. This was the case with cars, SUVs and vans, but not utes.

ADDITIONAL COSTS FROM SCRAPPING THE CLEAN CAR DISCOUNT

FOR CONSUMERS	
Vehicle maintenance	$93m
Energy (fuel/electricity)	$138m
FOR NEW ZEALAND	
Air-quality improvement	$224m
CO_2 emissions reduction	$94m
Total monetised costs	$549m
Monetised benefits of scrapping CCD	$259.7m
Costs of scrapping minus benefits	**$289.3m**

The MoT says it had insufficient time to complete a full cost-benefit analysis on the CCD for its regulatory impact statement. The figures above do not allow for an alternative policy response to be developed to realise CO_2 emissions reductions, air quality improvement and consumer savings that are foregone by scrapping the CCD. *Source: MoT*

Between January 1 and October 31, 2023, utilities were 10 per cent of light vehicles entering the fleet and attracted charges from around $3,680 to a maximum of $6,900. Utes contributed around 50 per cent of charge revenue under the CCD.

RISKS TO CAR SECTOR

The regulatory impact statement on the CCD highlights the need to recalibrate charges and rebates when too much or too little revenue was being collected, which would have created significant cost and financial risk for the industry.

"Accurately setting charges and rebates to achieve financial balance is difficult because of uncertainty about future supply and demand," says the MoT.

Issues caused by this included spikes and troughs as consumers brought forward purchases to avoid paying higher charges or receiving lower rebates.

"Commercially, these are costly and difficult to manage as vehicle supply, shipping, warehousing and sales support are slow to adjust."

There were also increased uncertainty and financial risks for suppliers, particularly new-vehicle distributors, which are less able to quickly adjust forward orders.

"As was seen with the July 2023 changes, the timing and scale of changes were unanticipated by suppliers.

"Consequently, many were left holding large volumes of hybrids that no longer qualified for rebates and larger volumes of ICEs subject to charges. This negatively impacted cashflow and profitability."

In addition, distributors' ability to introduce new EVs and PHEVs was reduced in the short to medium term because they often reduce per-unit margins to establish new models.

Now it has been discontinued, the government "will need to ensure alternative policies to reduce transport CO_2 emissions exist".

FUNDING OVER DECADE

The CCD was intended to be fiscally neutral over 10 years.

To establish the scheme, a $301.8m repayable crown grant was approved through Budget 2021 to be repaid by the NZ Transport Agency periodically over a decade if it was in surplus.

To be self-financing, rebates and charges required adjustment to generate sufficient revenue to fund incentives and admin costs.

The first review in late 2022 was in response to the impact the stronger-than-expected performance of the scheme had on its financial sustainability.

To enable rebates to continue and make the CCD self-financing over 10 years, on April 5, 2023, the cabinet agreed to reduce most incentives, and widen and increase charges. In addition, $100m was provided to replenish the repayable crown grant.

The changes were expected to be sufficient to resource the feebate scheme until at least mid-2024, Autofile's analysis of official documents shows.

The scheme had a default that

The LDV eT60

if its revenue was exhausted and no extra funding was applied, rebates would stop with none queued for later payment. They would have restarted when the cash reserve had been replenished by charge revenue.

The CCD was introduced with the expectation for it to be discontinued when electric cars approached price parity with ICEs and a wide variety of EVs were available.

"There have been significant falls in retail prices of EVs in New Zealand," states the report. "When the scheme was introduced, the cheapest EV had a retail price of around $65,000. Now a similar new EV can be purchased for around $44,500.

"For used-imported EVs, price parity may be closer because these vehicles attracted subsidies when first sold in Japan. This tends to flow through into their export prices as used."

The variety of EV and PHEV models has also expanded. In mid-2019, there were only 30 models available in this country. As of June 2023, there were 152 with 84 being EVs and 68 PHEVs.

However, there was one model of electric ute available in New Zealand made by LDV, which has now been withdrawn. Its distributor, Inchcape NZ, has stated a replacement for the eT60 is in the pipeline.

BYD plans to introduce a four-wheel-drive electric ute here in late 2024. Similarly, Ford has said it will launch a PHEV utility and a petrol hybrid ute from Toyota has been announced.

DRIVING INTO FUTURE

While the CCD has lowered the average emissions of imports, shifting the emissions profile of our entire light fleet of 4.38 million vehicles is a more challenging task.

The feebate scheme influenced around 300,000 vehicles being imported each year. But officials say the existing fleet "was not subject to any fuel efficiency or CO2 regulation until January 1, 2023", which was when the CCS started.

"Prior to this date, manufacturers were – on average – supplying new vehicles with older fuel efficiency / CO2-emissions technology than supplied to other developed countries. Consequently, New Zealand's fleet has relatively higher emissions than other countries.

"Our fleet has a slow turnover rate. Cars are driven until they are on average over 19 years old. This compounds the problem of our vehicles having a relatively poorer fuel efficiency. Their higher emissions are locked in for a long period of time."

The MoT will review the impact discontinuing the CCD has on the uptake of ZEVs and low-emissions models, and further consequences for hitting New Zealand's first three emissions budgets.

It will advise the Minister of Transport on implementing actions in the first ERP. The second ERP is due by the end of 2024. It covers 2026-30 and will set up transport actions for the third budget out to 2035.

Because strong EV uptake is seen as critical to achieving New Zealand's emissions targets, it is important effective policies are in place. Now the CCD has gone, there is an opportunity for its impact to be better understood.

"If EV uptake subsequently reduces, there will be a strong case for future initiatives to be developed," states the report.

"Moreover, it will free up government resource that can be better focused on mitigation policies that avoid challenges associated with the CCD."

On-track for electric targets

Imported plug-ins will need to account for 50 per cent of annual light-vehicle sales to hit government targets to reduce pollution.

Drive Electric says five-times growth in annual registrations of electric vehicles (EVs) between 2022 and 2030 are required if New Zealand is to meet its goal of 30 per cent of the fleet being zero emissions by 2035.

This equates to a jump from 29,000 EV registrations in 2022 to 150,000 a year by 2030, according to the lobby group.

And if the country's light-vehicle fleet remains at the same size of around 4.4 million units, we would need to have an extra 2.12m EVs by 2035 and get rid of 2.12m vehicles with internal combustion engines (ICEs).

These headline figures come from just a few of the issues tackled in Drive Electric's report on the state of the nation.

Drive Electric says about 80 per cent of used imports are petrol or hybrid vehicles, with "the main exception" being Nissan's Leaf

"New Zealand is on-track to meet its target of a 30 per cent zero-emissions light fleet by 2035," it states.

In addition, projections by the Energy Efficiency and Conservation Authority (EECA) and Climate Change Commission show EV market share exceeding targets.

This relies on continued supply growth and government policies to drive uptake.

In June 2020, 2.3 per cent of light vehicles registered in New Zealand for the first time were plug-ins. Just three years later, the average monthly market share of EVs was 12.6 per cent.

EV sales progressed slowly until July 2021 – the first stage of the government's clean-car programme – then more than doubled that year and almost tripled between 2021 and 2022.

Increasing model availability and downward price movement have also likely contributed to uptake. New and used BEVs outsell plug-in hybrids (PHEVs) by almost two-to-one.

"It's worth noting that plug-in registrations account for a much larger share of the new light-vehicle market than our total light-vehicle market," says Drive Electric's report. "This is because our used-imports market is still dominated by ICEs, in part down to the lack of second-hand plug-in stock.

"Around half of New Zealand's total monthly vehicle imports are used, primarily from Japan where EV uptake is relatively low."

Some 80 per cent of used imports are petrol-powered or hybrid vehicles, with "the main exception" being the Nissan Leaf.

There is still an upfront cost barrier even with used EVs. Some earlier models are now entering our used market.

However, there are limited options priced at less than $30,000 and they can have significantly less range than next-generation counterparts.

The Climate Change Commission has noted a second-hand EV shortage is possible in the next few years.

In the new-car sector, Tesla, Hyundai and Nissan have historically dominated plug-in sales, while new market players such as BYD, MG and Polestar are gaining traction.

As for what's been happening globally, electric cars have become cheaper and specifications are rapidly improving.

The average light passenger BEV price has been tracking downwards over a 10-year period. In 2011, it was US$44,600, in 2016 US$39,900 and US$36,000 in 2021.

This has come about because of increasing consumer demand, policy and government incentives, more competition, and the scaling and improvement of EV technology and manufacturing processes.

The average EV range has increased by 101 per cent as marques have been able to improve the efficiency of batteries and motors as technology matures.

An electric car could travel 189km in 2013, the average range was 380km by 2022 and in 2023 it was 480km-plus.

EV sales comparisons

World average	**5%**
India	1.5%
Japan	3%
Australia	5%
US	7.7%
New Zealand	13%
EU	21%
UK	23%
China	29%
Germany	55%
Norway	88%

New Zealand came in 17th for new and used EV sales as a share of total light vehicles. Norway led with 88 per cent while China has emerged quickly as a fast-follower. *Source: International Energy Agency, 2022*

UTES & VANS

Light commercials account for about 16 per cent of New Zealand's fleet. Of that, some 67 per cent are utes, 22 per cent are vans and 11 per cent are other types

[continued on page 12]

[continued from page 10]

Drive Electric's report runs to 78 pages

of vehicles. However, plug-ins account for just one per cent of light commercials.

Drive Electric's report states most of our most popular ICE utilities, including the Toyota Hilux, Ford Ranger and Nissan Navara, are among the most polluting light vehicles on the market.

Most popular carmakers are already phasing out ICEs and it's expected they will include utes in their new plug-in offerings.

Ford will produce only zero-emissions vehicles from 2035, and Toyota and Nissan have 2030 targets of 30 and 50 per cent EV production respectively.

Vans are traditionally workhorses in New Zealand, often carrying heavy loads and travelling significant kilometres each day.

They make up four per cent of our total fleet but are responsible for up to six times more carbon dioxide (CO2) emissions per year than the average car.

A courier's day may involve 200 to 400 stops. Combined with loads they carry, the result can be poor fuel consumption. Because of all this, Drive Electric says vans are an important category to decarbonise to meet emissions reduction targets.

Currently, New Zealand has around 15 electric van models available with products from LDV, Renault, Mercedes-Benz and, more recently, Ford and Peugeot.

The range and weight capacity of available models has steadily improved each year and electric vans make up 1.1 per cent of all such type of light commercials on our roads. That said, the global electric-van fleet has grown at a faster rate than in New Zealand and its worldwide market share in 2022 was 3.6 per cent.

"If incentives were implemented for vans, uptake would likely accelerate and achieve a much higher return on investment in terms of reduced emissions per model than passenger cars," explains Drive Electric.

More models of electric vans are expected to enter the Kiwi market from this year and, globally, it's projected their annual share will increase to 23 per cent by 2030, "so hopefully New Zealand will follow a similar trend".

RISE IN E-MOBILITY

Drive Electric say its first study on the country's transport system and fleet demonstrates that electrification will drive energy independence, lower costs for businesses and families, and contribute to environmental improvements.

In addition to light vehicles, the state-of-the-nation report delves into EV charging infrastructure and batteries, the heavy fleet, buses, marine, aviation, bikes, policy and energy.

Kirsten Corson, who chairs Drive Electric, says: "This report shows New Zealand has made considerable progress with the uptake of e-mobility.

"However, there's still so much more to do. Despite the progress, EVs remain at around two per cent of the light fleet. Now is the time to double down and strive for more than two million EVs on our roads in the mid-2030s.

"There's so much benefit to be gained, such as cheaper fuel prices for households, fewer emissions, less air pollution and less reliance on foreign oil."

Corson adds the clean-car programme has helped by driving down sticker prices and attracting a greater supply of new electric cars. In time, these will populate the second-hand fleet, making EVs accessible to more Kiwis.

The two policies – the clean car discount (CCD) and standard – have been a signal to carmakers that there's an active market for light EVs in New Zealand.

For example, model availability almost quadrupled since the CCD was announced in 2021.

The feebate scheme, which has been canned by the new government, was originally designed to be fiscally neutral.

Prior to changes introduced on July 1 last year, it was paying out more in rebates than it was receiving in fees, "reflecting the strong uptake of low-emissions vehicles", says Drive Electric.

In May 2023, the Ministry of Transport estimated the CCD to have had a negative marginal abatement cost per tonne of CO2 ranging from minus $170 to minus $199, "saving the economy money

Profile of our fleet

New Zealand has one of the highest rates of car ownership in the OECD. This is in part due to the country's geography because, outside of urban centres, private vehicles are often the only available practical mode of transport.

Our light fleet is the single largest source of transport emissions at 49 per cent, while light commercials make up 21 per cent.

Heavy vehicles are the second-largest source with 30 per cent of transport emissions despite only being four per cent of our fleet.

EVs have many advantages when compared to ICEs, says Drive Electric. New Zealand's electricity is around 90 per cent renewable. This has put us in a position to keep operating emissions from plug-ins as low as possible.

Vehicles' total lifecycle emissions include resources extraction, manufacturing, shipping, operating life, total kilometres travelled and end-of-life disposal.

Compared to an equivalent ICE model, the lifecycle of a BEV used in New Zealand will produce 80 per cent fewer operating emissions and 60 per cent fewer lifecycle emissions.

in reducing emissions rather than imposing costs".

Now the CCD has gone, Drive Electric has released research to show the new government that there needs to be incentives to maintain rates of EV uptake out to 2030, as reported in the January issue of Autofile magazine.

The non-for-profit's report on the state of the nation also shows New Zealand needs to significantly advance charging infrastructure.

"This underpins all forms of e-mobility. We need to rapidly increase the availability of public charging and encourage households and businesses to adopt smart-charging technology.

"As we decarbonise the economy, our demand for renewable energy will soar. This could be 60-70 per cent higher by 2050. We've got to ensure we can increase generation but also ensure our distribution infrastructure is ready to support this uptake."

Corson says the report is not all about cars and notes the bus fleet is making strides towards electrification.

"There are some green shoots in our marine sector with electric ferries docking in Wellington and Auckland, and we could see electric planes carrying passengers in our skies as early as 2026."

Heavy transport remains a challenge. However, e-trucks have started to arrive in our fleet and there are more than 100 so far.

Corson explains: "The investment cases for electric trucks can be challenging, but the emissions reductions from electrification are significant. We want to take that opportunity to the new government and say, 'there's real bang for buck here, let's get the settings right'."

A key message from the Drive Electric report is that decarbonising our transport system will be crucial in meeting our climate-change obligations, with the sector accounting for a sizeable chunk of the nation's CO2 emissions.

"Make no mistake, it's not clear that EVs will come to dominate ICEs by 2030. The nature of our market amplifies the urgency to transition to electric sooner rather than later.

"We are a small, right-hand-drive market with a high rate of ownership and a relatively old fleet. A high-emissions vehicle entering New Zealand today will continue to impact our fleet for nearly two decades."

Drive Electric is advocating for electrification of the whole transport sector because decarbonising it will require more than "simply swapping all cars for EVs". Kiwis make many short trips in private vehicles, so a better transport sector would also see increased uptake of electric micro-mobility, ride-sharing and mobility-as-a-service models, along with a more efficient public-transport system.

With smart policies, collaboration between key stakeholders and innovative solutions, Drive Electric believes New Zealand has an opportunity to lead the charge towards cleaner sustainable transport.

"Electric transport will transform how we move around. It's up to consumers, businesses and policymakers to affect the kind of change that sets New Zealand up for success."

Stacking up numbers

Facts in Drive Electric's report include:

730% global increase in EV sales since 2017.

US$10,000 average drop in EV prices in the past 10 years. Range has doubled in that time.

9.5 times – growth of New Zealand's light EV fleet in the past five years.

51% average decrease in energy bills for homes with two EVs.

Tyres scheme ready to launch

There are just a few weeks left before changes in the way New Zealand funds the management of end-of-life tyres (ELTs) come into play.

March 1 is when the first stage of regulations designed to reduce environmental harm from ELTs will take effect, something the vehicle importing and tyre industries have been working hard to get into place for years.

Tyre retailers are being urged to register with Tyrewise, the country's first regulated product stewardship scheme for their products, before its first stage gets under way at the start of next month and the stewardship fee starts to be charged.

"It's vital that importers and retailers add the tyre stewardship fee to their point of sale before then," says Adele Rose, of Tyrewise implementation project manager 3R Group.

From the start of March, buyers will notice the fee being charged when they purchase new tyres, or when vehicles are imported with tyres, with the funds then being used to manage them at their end of their life.

The fee must be applied at a uniform rate across the country and has been set at $6.65, excluding GST, for a standard passenger tyre and will go up in increments depending on its size.

The fee payable on new tyres for their future management applies from March 1, while existing ad-hoc disposal charges may apply on any old tyres that need to be disposed of up until September 1, 2024, at which time this must cease.

From the start of this September, Tyrewise will be responsible for arranging the free collection of ELTs from registered


Stewardship fees on regulated tyres start on March 1

sellers, garages and public collection sites. The scheme will also ensure the tyres go to registered processors and manufacturers, so they get a second life in a new product rather than being landfilled, stockpiled or dumped.

Tyrewise has set a target of 80 per cent of tyres to be processed by the fourth year of operation and more than 90 per cent by the sixth year, says Rose.

Currently, only about 40 per cent of ELTs in New Zealand are recycled or used in the creation of new products.

Rose explains: "Specially designed software will track the volumes collected and delivered to processors and manufacturers so that we can measure and report our progress against the targets.

"Our implementation team has been busy behind the scenes for months now, registering tyre importers, sellers, transporters, processors and end-market manufacturers, making sure everybody is ready to play their part.

"It's amazing what you can achieve when an entire industry comes together to make a positive difference."

The scheme will initially cover all air-filled and solid tyres for use on motorised vehicles for cars, trucks, buses, motorcycles, all-terrain vehicles, tractors, forklifts, aircraft and off-road vehicles.

Visit tyrewise.co.nz to find out more about the stewardship scheme.

Switch from distributor to dealer group

Andy Sinclair has taken on a top role with Winger Motors after working for Hyundai New Zealand for the past 14 years.

He has become chief executive officer of the dealership group's Auckland region.

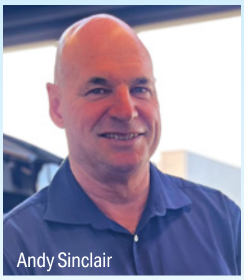
Sinclair started off with Hyundai NZ as national sales manager before being appointed general manager and then CEO in November 2021.

His move to Winger Movers, first reported by Autofile Online, sees him take a wealth of industry knowledge into the role.

While at Hyundai NZ, he also served as president of the Motor Industry Association for three years from 2019-21 before stepping down at its annual general meeting in March 2022.

His other experience includes being general manager at Majestic Motors from 2005-10. He was consulting sales director at Braders Car Court for six years before that with both businesses located in Masterton.

His move to Winger Motors comes as the company announces a shift in its brand focus, which includes incorporating Omoda and Jaecoo into its North Shore, East Auckland and Pukekohe dealerships from late February.


Andy Sinclair

At the same time, the group has ended its representation of Alfa Romeo, Maserati, Jeep and Ram Trucks in Auckland. It says the decision "minimally impacts sales volume while facilitating focused expansion within the wider Auckland region".

Paul Burborough, dealer principal of Winger Motors Hamilton and Pukekohe, says those two branches will continue to represent Jeep and Ram Trucks, while a service agent role for Alfa Romeo will be maintained in Hamilton.

Winger Motors has invested in improving customer service at its dealerships over the past 18 months, which includes refurbishing its Subaru site in Greenlane, building a new Suzuki store and opening a Subaru showroom in East Auckland.

Its state-of-the-art customer service centre in Penrose, complete with on-site cafe and express servicing, is also now operational.

Wayne Leach, owner of Winger Motors, says there are plans to refurbish its North Shore, Pukekohe and Hamilton dealerships in the near future.

The rollout of a rebrand for the company is also imminent as the group looks to "cement itself as a leading figure in the automotive industry".

‘A trusted finance partner? That’s a match made in heaven.’

Looking to build on your dealership’s success? Join the trusted finance network that’s been backing dealers for over 50 years.

Find out more at mtf.co.nz/join

mtf.co.nz

Trustpilot

mtf finance

Helping New Zealanders do more **since 1970**

Offer of finance is subject to terms, conditions, lending criteria, responsible lending inquiries and checks. See mtf.co.nz/terms for details

Industry to help shift targets

The Minister of Transport is promising "extensive consultation" with the automotive industry after ordering officials to conduct a comprehensive review of the clean car standard (CCS).

Simeon Brown says the government is supportive of the scheme to ensure our market continues to receive low and zero-emissions vehicles being made overseas, and describes the policy as a key tool in reducing pollution.

However, he adds it's important the CCS "strikes the balance between reducing transport emissions and ensuring that New Zealand's policy settings continue to allow the automotive sector and wider economy to grow".

He says: "The review will be aimed at ensuring the clean car importer standard reflects international market standards, and ensures the availability, affordability and mix of vehicles needed in the New Zealand market."


The government wants the CCS to ensure a suitable mix of available and affordable vehicles are imported

The CCS was developed by the previous government. Importers incur a credit or a charge for new and used light vehicles brought into the country based on their carbon dioxide (CO_2) emissions.

It was introduced in January 2023 and increasingly tougher standards apply from the start of each subsequent year.

The current targets are 133.9gCO_2/km for passenger cars and 201.9gCO_2/km for light commercials. Targets for the CCS have been set until 2027, but these are due for review this year as part of the regulations.

Brown has directed officials to start assessing the scheme ahead of schedule and expects the work to be completed this year "following extensive consultation with the sector".

The minister will consider the recommendations once the review is complete and then take his own proposals to cabinet.

"I have recently written to several industry associations about this review and noted that their insights will be important to its success," Brown told Autofile.

"I expect officials to work closely with the industry so revised standards are set appropriately."

The Motor Industry Association and Imported Motor Vehicle Industry Association have welcomed the start of the review with both calling for a rethink of the scheme's settings to be a priority of the coalition government.

It comes amid concerns the CCS targets drop too steeply. By 2027, they are set to hit 63.3gCO_2/km for cars and 87.2gCO_2/km for light commercials, which will be lower than those in some source markets.

Brown's action on the standard comes after the government axed the clean car discount just weeks after stepping into power.

Building on success

Fred Ohlsson has been unveiled by Avanti Finance as its new group chief executive officer.

He joins the company after spending nearly two years as managing director of the Amplifi Group, an investment and wealth management company.


Fred Ohlsson

Ohlsson has experience in senior leadership roles after 18 years working for ANZ, where he was managing director for retail and business banking with its New Zealand operation from 2013-16. He led the Australian division for three years following that.

His appointment follows Mark Mountcastle retiring in December after nearly nine years as CEO.

Glenn Hawkins, Avanti Finance's founder and chairman, says Ohlsson's background in sales, strategy and leading experienced teams helped him stand out in the recruitment process.

"We were looking for someone who could bring our growth strategy to life and help us increase our market share on both sides of the Tasman," he adds.

"Fred is the person to do that. He has held senior positions covering a broad range of functions at ANZ, including product, marketing, strategy, and retail and business banking.

"His experience, leadership style and passion for people and customers is another string to his bow that will allow him to continue to build Avanti over time."

Ohlsson is excited about the opportunity with the finance company. "I can't wait to build on Avanti's success," he says. "There are so many opportunities to grow and I will be working with the board to take us to that next level."

Tyres keep us moving every day.

When they've done their job, we need to do ours.

Regulation is in effect for end-of-life tyres from 1 March 2024.

Find out how Tyrewise is working with businesses and communities across the motu to end tyre waste.

www.tyrewise.co.nz

Drive for universal charges

Owners of PHEVs, such as Mitsubishi's Outlander and Mazda's CX-60, will face lower RUC fees than pure EVs because they also pay fuel tax

The government has begun the process of shifting the country's fleet into the road-user charges system after confirming owners of light battery electric vehicles (BEVs) and plug-in hybrids (PHEVs) will be brought into the scheme from April 1.

Owners of BEVs will be charged $76 per 1,000km, which is the same rate as applied to equivalent diesel-powered vehicles, while PHEV drivers face a reduced fee of $53 as they are also taxed at the pump.

The move, which ends an exemption that has been in place since 2009, is predicted to cost owners of zero-emissions cars nearly $1,000 per year based on the average motorist driving 12,000km annually.

It will put owners of EVs in a similar situation to those of diesel and heavy vehicles, who must purchase road-user charges (RUC) based on kilometres travelled.

The decision is the first step of the National-Act coalition commitment to replace fuel-excise taxes with electronic road-user charging for all vehicles, although the government has yet to provide any time frame for the completion of this goal.

Simeon Brown, Minister of Transport, who confirmed the end of the RUC exemption for BEVs and PHEVs last month, says the change is about fairness and equity.

Simeon Brown

"It will ensure all road users are contributing to the upkeep and maintenance of our roads, irrespective of the type of vehicle they drive," he adds.

"The previous National government exempted EVs from paying RUC to encourage their uptake. This exemption was always intended to end when EVs hit around two per cent of the light fleet and we're now at that point."

The Imported Motor Vehicle Industry Association (VIA) has produced a briefing paper for the government, which lobbies for RUC on all light vehicles with weight-based levy adjustments so more is paid for heavier vehicles to reflect road usage.

VIA's vision for the future of transport was sent to the government in December and reported in depth in the January issue of Autofile. It states introducing fees for EVs this year is a "good first step towards a broader RUC regime".

The association has also been directing its members to a Ministry of Transport document from 2022 that explains the background of the system and its methodology, saying this will help them have informed conversations with consumers about the changes.

"This information will be increasingly relevant for dealers and motorists in the future as the new government has indicated its intention to look at a shift from excise tax to RUC for all vehicles," adds VIA.

The Motor Trade Association has advocated for the extension of RUC to cover EVs, and says the government's move will level the playing field for vehicle owners and help our roads get more much-needed maintenance.

"There's no doubt the exemption from RUCs for EVs has helped increase the number on our roads," says chief executive Lee Marshall.

"That's been welcome. It's now time that, with the increase in the size of our electrified fleet past two per cent, EV drivers help pay for the upkeep of roads they travel on."

Review into lending

The Financial Services Federation (FSF) is backing an overhaul of the Credit Contracts and Consumer Finance Act (CCCFA).

Andrew Bayly, Minister for Commerce and Consumer Affairs, describes revamping "over-prescriptive laws" as an "important step to protect vulnerable consumers without unnecessarily limiting access to credit".

The government is proposing a two-step process for amending the CCCFA with changes to be announced "over coming months".

The news has been welcomed by the FSF because of the act's affordability regulations.

"We will always support the intent to protect vulnerable consumers," says Lyn McMorran, the FSF's executive director.

"The sector signalled in 2018 negative consequences that the CCCFA would have on everyday New Zealanders' access to credit. We are just as committed now as then to get a better outcome."

The federation previously fully supported initial changes to the act that defined high-cost lending, and set maximum interest rates and fees. It believes these changes have limited the amount of such lending taking place.

McMorran adds: "The FSF will work with officials to develop a regime that will provide protections to consumers who need them, but which doesn't treat every borrower as being incapable of managing their finances. We've already provided some suggestions as to how this could be achieved."

The review, announced by Bayly on January 31, also includes reforming aspects of financial market conduct and areas of overlap by key regulators, and simplifying licensing requirements.

At present, some institutions are accountable to the Reserve Bank, Financial Markets Authority (FMA) and Commerce Commission. The aim is to move to a simplified model with the central bank being the prudential regulator and a single conduct regulator being the FMA's remit.

To achieve this, oversight of the CCCFA is likely to transfer to the FMA from the Commerce Commission.

Bayly has also announced plans to streamline the Financial Markets (Conduct of Institutions) Amendment Act, and it's his intention to simplify, modernise and digitise the Companies Act with aspects of it being "20 years out of date".

In the FSF's view, more work needs to be done to ensure shifting the CCCFA's enforcement to the FMA will lead to lower compliance costs.

Make offers directly to private sellers with

AUTO
CASH-UP

If you're among the 800 New Zealand dealers *already using Auction Online*, you're in luck!

Soon, you'll gain free, instant access to our latest service:
Auto Cash-up
This sale platform gives your business immediate access to ***make offers directly to all private sellers***, then all you have to do is...

Make them an offer they can't refuse.

If you haven't yet registered you can do so at *auctiononline.co.nz*. This will give you free access to all our weekly auctions, as well as our new service, **Auto Cash-up**.

POWERED BY AUCTION ONLINE

Industry movers


Susanne Hardy

SUSANNE HARDY and **ALBERTUS MULDER** have been promoted to become assistant vice-presidents of Toyota NZ.

Hardy has been with the company for 24 years. Her roles have included working in the customer centre, new vehicles, business technology and marketing.

She has assumed responsibility for the newly formed customer group including business technology, marketing, customer and sustainability.


Albertus Mulder

Mulder joined in 2014 and has worked in pricing, business and financial planning. He has now taken charge of the business optimisation group, which includes his current responsibilities as well as product planning and accessories.

Other Toyota NZ changes include vice-president Andrew Davis becoming responsible for the mobility group, which includes Toyota and Lexus sales, logistics, franchise development and motorsport.

Michelle Povey, assistant vice-president, now leads the ownership optimisation group, which covers the parts and service teams, and the ToyotaCare and technical training teams.

Mark Young, vice-president, has been being assigned the value-chain group that includes used vehicles, Thames operation, human resources, people development, facilities and legal.

Tatsuya Ishikawa, chief co-ordinating officer, has assumed a more active role in three areas of Toyota NZ's operations. These are hydrogen, advanced product strategy and Project30, an incubator programme designed to test innovative business models.


Alex Brown

ALEX BROWN has become general manager of Skoda NZ after being promoted from national parts manager at European Motor Distributors (EMD).

He has replaced Rodney Gillard, who was with EMD for more than 13 years and became general manager at Skoda NZ in 2019.


Rodney Gillard

Brown has been with EMD since January 2019 after first spending more than three years as Audi NZ's national service manager. Prior to that, he had roles with Infiniti in Hong Kong, and at Ford and Hyundai in New Zealand.

Gillard has joined Tristram European as general manager of its west Auckland Volkswagen franchise. Before Skoda NZ, he had nine years with Volkswagen NZ as national sales manager and 13 years in management roles at Nissan.

SIMON JAMES has become head of sales and marketing with Quest Insurance, part of Geneva Finance.

James was previously regional business development manager at Federal Pacific Insurance, and was relationship manager and domestic partnerships manager at Vero Insurance from 2008-16.

His experience includes direct marketing manager at AIG, insurance leader at GE Money NZ and development manager of direct business at Sovereign Assurance.

GRAEME SUMNER has started as chief executive officer of Lyttelton Port Company, taking over from Jim Quinn, who was made interim CEO in April 2023 following Kirstie Gardener's resignation.

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


Tony Johnson, left, and Ken McAdam

Chief executive steps down two decades on

Tony Johnson has passed over the top role at the Low Volume Vehicle Technical Association (LVVTA) to Ken McAdam.

Johnson has called time on being chief executive officer after serving in the position for 21 years.

McAdam, previously operations manager, has become only the fourth CEO in the association's 31-year history after first joining it in 2015 as a training officer.

His involvement goes back further having represented the NZ Four Wheel Drive Association on the LVVTA's council for more than two decades and more recently serving as an elected board member.


Tony Johnson circa 1988

As for Johnson, he was 28 when the Ministry of Transport was preparing to introduce new regulations for vehicle standards in the late 1980s.

On behalf of the NZ Hot Rod Association, he presented the concept of a self-governance model as a better alternative to what the government was proposing to implement for modified and individually constructed vehicles.

His successful pitch led to the LVVTA being established in 1992. As an incorporated society, it maintains political independence although it has a co-regulatory relationship with the NZTA as it did with its predecessors.

Johnson says: "It's a great example of agency-industry collaboration to achieve what are the best results for the least cost.

"The certification management model the LVVTA has developed over the past three decades has become regarded as a world-best system for modified and individually constructed vehicles."

He describes 34 years with the LVVTA, and 21 as CEO, as a long time but he's not leaving because there's other plenty of work to do.

There's also now RepairCert NZ, an offshoot to manage the repair system, which means the LVVTA's work has increased exponentially.

"The combination of practically based technical knowledge, understanding systems and high-level word-smithing ability is a rare skill-set," says Johnson.

"I enjoy this work, while there are others who can manage and lead. In many respects, Ken will be a better CEO than me. I'm now able to stand aside to focus on system and document development work."

McAdam adds: "I appreciate the confidence Tony and the board have shown in appointing me. Tony has been an excellent boss. I'm being left with big boots to fill, so it's a good thing I'm not a little bloke."

Phil Bradshaw, association president, says: "Tony's contribution to the modified and scratch-built vehicle scene has been immense. As someone who has a lifetime's supply of projects waiting in the wings, I have every confidence Ken will continue to drive the LVVTA forward."

Websites drive dealers' leads

In last month's issue, I mentioned business owners should periodically review and update websites to ensure they are functional and align with the latest design trends and user expectations.

This month, let's expand on that by looking at features we consider to be essential for an effective dealership site in 2024.

EASY NAVIGATION

User experience begins with navigation, and top-tier websites prioritise easy and intuitive browsing.

A well-organised menu structure and clear categorisation allow visitors to quickly find information. Engagement can also be encouraged by employing a floating navigation bar that follows a user down the screen as they scroll.

The goal is to make it as simple as possible for customers to find exactly what they need with only a few mouse clicks.

GA4 INTEGRATION

Mid-2023, Google replaced its Universal Analytics with Google Analytics 4 (GA4).

Integrating a website with this powerful tool provides marketers with comprehensive data on user engagement, allowing them to understand how customers are behaving online and make informed decisions to enhance online strategies.

SECURE HOSTING

Website security is paramount in the current environment. Your provider should be investing in a reputable hosting service to ensure your site isn't only fast, but also secure.

This gives piece of mind to clients during their online journeys and confidence your site will protect their sensitive information.

INTEGRATE SOCIAL PAGES

In 2024, integration isn't just an option, it's a necessity. Dealerships seamlessly link websites to their social-media profiles to create a cohesive brand presence across platforms.

This integration encourages social sharing and enables visitors to easily connect with the business on various channels.

GOOGLE REVIEWS

Customer feedback holds immense value. Including Google Reviews on your site gives your dealership credibility and instils confidence in potential buyers.

Transparency and authenticity are key, and online reviews provide an unbiased perspective on a business' reputation.

JAMES HENDRY
National account director
AdTorque Edge NZ

MANAGING INVENTORY

Having a stock locator on a trader's website has been standard for years. Now, however, there are design aesthetics and functionality consumers have come to expect.

If followed, they can have a major impact on lead generation. These include search filters, a clutter-free layout, quality photos and reserving a car with a deposit.

LEAD-GENERATOR TOOLS

Many people want to do as much of the purchasing journey as possible online. Instead of phoning, they want to be able to live chat. Rather than bringing a car in, many prefer getting trade-in prices online.

Catering to customers' preferences and providing multiple conversion opportunities via your website will generate more leads.

DESIGN OF SITE

A visually appealing and user-friendly design prioritising imagery over text is the cornerstone of a successful website. It creates a positive first impression of the dealership's brand.

It's also crucial that dealer sites have intuitive layouts that adapt seamlessly to various screen sizes.

CALLS TO ACTION

Effective calls to action (CTAs) guide visitors toward desired behaviours, such as downloading a brochure, booking a test drive or service, or contacting the business.

In 2024 dealerships should be ensuring their CTAs are compelling and strategically placed to drive user engagement and conversion.

Many traders underestimate just how powerful a website can be to drive leads into all business areas.

By incorporating user-centric features and integrating other technology, dealerships will not only stay competitive in the digital landscape, but also create lasting impressions that will result in increased customer satisfaction and business success. If you haven't updated your site for a while, now's the time to think about doing it.

Vision for safer, sustainable future

In the ever-evolving landscape of vehicle safety, VIA has taken a bold step forward by solidifying its stance on the matter.

It's not just about protecting occupants anymore. It is about reshaping the entire concept of safety on our roads. It's also about finding ways to reduce all recognised harms to create a better and more sustainable transport system.

In a world where ratings for models predominantly prioritise the well-being of those inside cars, VIA advocates for a paradigm shift – one that considers the greater impact on everyone sharing the road.

The crux of the matter lies in the fundamental principles of collision dynamics, which are speed and mass.

While the current focus centres on protecting occupants by favouring larger, more massive vehicles, the maths behind it reveals a troubling reality.

Yes, more massive vehicles offer enhanced protection for those inside, but at the cost of increased risk for everyone else on our roads.

The flaw in our current vehicle-rating systems has become evident because they lean heavily towards reducing risk for occupants, inadvertently promoting the proliferation of larger models.

This dangerous trend isn't static. It's a moving target whereby yesterday's safest vehicles are today's average, constantly at risk from more substantial counterparts.

Increased mass as a solution to crashworthiness – while essential – is a negative-sum game. As average vehicle mass increases, so does the energy involved in crashes, amplifying overall harm.

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

It's time to shift our focus from individual protection to reducing harm systemically. This aligns with the Road To Zero strategy and Vision Zero principles, emphasising not just crashworthy vehicles but also aiming for lower energy collisions.

Government initiatives have tried to address this issue by lowering speeds, but the onus isn't solely on regulators. Vehicle suppliers play a crucial role and the promotion of lighter models can be a game-changer.

> **The promotion of lighter vehicles can be a game-changer**

Lighter vehicles, contrary to their bulkier counterparts, decrease the risk for others on the road.

While this may elevate the risk for occupants from a systemic viewpoint, it leads to lower energy collisions and reduces overall harm. Some countries have recognised this dynamic by imposing levies based on vehicle mass to counteract the mass-based arms race.

Taking it a step further, promoting lighter vehicles could yield long-term benefits. The combination of quality collision-mitigation engineering, active crash-avoidance technologies and lower energies when accidents do occur would foster a more sustainable system accommodating various modes of transport.

The choice between the current system and the proposed alternative is clear when projected into the future.

The current trajectory endorses heavier vehicles. In addition to bigger vehicles causing more harm to others, it's worth noting they also cause significantly more damage to our roads and increase the cost of maintaining them.

It also means we will increasingly see cars that are so big they don't fit into our vehicle lanes and parking spaces.

In this future, the only way to be safe is to follow suit and buy a bigger vehicle, aggravating the issue.

Another future has cars becoming progressively smaller. Not only does this have the counter-intuitive effect of appreciating the crashworthiness of older, more massive vehicles on the road – and Kiwis do like their old cars – it also allows buyers to feel comfortable and safe in models that are actually suitable for their needs.

The fewer materials needed to manufacture smaller models and the lower energy required to drive them will make cars more affordable to purchase and own.

Equally important, a system designed to reduce the sum of harm can easily integrate other factors, such as the harm from emissions. This is currently not possible with a narrow focus on crashworthiness.

To this effect, VIA will begin pushing back on existing policies that intentionally or unintentionally promote "autobesity" or "car bloat", terms that have been used overseas to refer to the progressive increase in vehicle size.

VIA is also actively working independently on developing a vehicle-harm rating framework that considers this new safety perspective alongside other risks, such as noxious and greenhouse gas emissions.

This holistic approach aims to provide a single harm rating. It will offer the industry a better idea about the sustainability of specific models, consumers with a comprehensive view of how well a vehicle contributes to public safety, and the government with a metric – and potentially a lever designed to progressively reduce harm from our light fleet.

Our vision for a safer, sustainable future challenges the status quo. By promoting lighter vehicles and emphasising a systemic reduction in harm, we can pave the way for a transportation landscape that prioritises safety, affordability and environmental sustainability.

It's time for the industry to embrace change and steer towards a future where all road users can feel secure and safe.

Industry veteran retires

The chief executive officer of Avanti Finance Group has retired after 35 years in the finance and banking sectors.

Mark Mountcastle took on the company's top role in February 2015 and since then the business has grown.

It now includes a range of brands such as Avanti Finance, Branded Financial Services, Bexhill and Motorcentral in New Zealand and Australia.

"One of my personal drivers is to leave a place better than when I found it," he says.

"I am confident I've achieved that with Avanti.

"I'm fortunate to have been surrounded by a fantastic group of people who have believed in the same goals, but they couldn't have been achieved without the amazing work everyone at Avanti does every day.

"We have a dedicated team that focuses on delivering great outcomes for our customers and introducers."

Before joining Avanti, Mountcastle was chief risk officer at Heartland for five years. His other previous positions have included spells with ASB, Speirs Group and Westpac.

Mountcastle was chairman of the Financial Services Federation (FSF) until October 2023 when he stepped down along with deputy chairman Mark Spring, managing director of Limelight Group.

At the time, executive director Lyn McMorran said the organisation was "extremely grateful" to both "for their exceptional guidance and service in their roles".

She added: "I would like to thank them for their dedication to the federation and commitment to ensuring we achieve our strategic objectives and continue to add value for our members."

In his final address as chairman, Mountcastle, who worked in finance for most of his 43-year career, noted that it was an exciting new chapter for the federation with it seeing unprecedented support from its members.

"As I hand over the reins to fresh leadership, I'm totally confident in the belief the FSF is in very good hands with a positive and exciting future to look forward to."


Mark Mountcastle

Taking over at the top

Kirsten Corson has now formally replaced Mark Gilbert as chairperson of Drive Electric.

"When it comes to electrification, New Zealand has achieved so much in a short space of time, but now is the time to accelerate momentum," says Corson, co-founder of Zilch, Carbn Asset Management and Sustainable Fleet Finance.

"I look forward to working with our membership, stakeholders and partners in government to achieve a fully electric transport system in New Zealand. It's not going to be easy. But in many respects we've done the hardest part – we have started. Now let's go further, faster and emissions-free."

Eric Pellicer has been appointed as Drive Electric's deputy chair. He is general manager of business development at PowerCo.

The month that was... February

February 24, 1997

Can Chrysler's dream run continue?

Speculation was rife across the industry that Jeep importer Astre NZ could be stepping into a black hole with the launch in this country of its first non-recreational vehicle, the Chrysler Neon.

Industry commentators suggested publicly that if Astre couldn't put the Neon on the market here for less than $30,000, then it might as well not bother.

However, in a move that was sure to stun some sections of the market, the launch price of the entry-level Neon came in at less than $28,000.

At the end of 1995, recreational vehicles (RVs) accounted for 3.5 per cent of the market. The following year, they claimed just over six per cent with 3,994 units.

During 1996, no less than 11 new four-by-four models were launched in New Zealand, all vying for a piece of the action.

In less than 12 months, Chrysler Jeep went from virtually no presence at all to picking up 15 per cent of the new RV market.

The company did this by shrewdly calculating the market. It put into place a no-discount policy that went against current trends, and opted for low prices and kept them down.

February 25, 2005

Appeal goes to court

Well-known industry figure Jerry Clayton had taken the Land Transport Safety Authority (LTSA) to district court that week over its alleged refusal to comply two Ferrari and two Lexuses.

Clayton, who was based in Singapore at the time and was exporting luxury vehicles, had the support of Optimech's Steve Ward, who was awarded costs and disbursements of $14,000 in a similar case heard in Auckland in 2004.

Ward had drawn the case to the attention of industry heads, such as the Minister of Transport, Harry Duynhoven, because he said it demonstrated concerns about the issue of whether importers should have to acquire statements of compliance from licensed distributors.

In a letter to Duynhoven, Ward claimed: "The way the legislation has been written by the LTSA gives distributors the opportunity to block and manipulate the market, and restrict market supply for their own profitability.

"In any other part of the world, this would be called price fixing and investigated by the relevant Commerce Commission."

The court proceedings were continuing at the time this issue of Autofile went to press.

February 23, 1998

Toyota Thames announcement next month

Toyota New Zealand was about to announce the future of its Thames plant, fuelling speculation the company would be out of local assembly by the end of the year.

Managing director Bob Field said Toyota NZ was in the process of consulting with suppliers and staff to establish a formal closedown for Thames.

However, he wouldn't be drawn into making statements about when the plant would close even though industry observers predicted it might happen before the end of 1998.

The Corolla, Hiace and Hilux were still being assembled at Thames. The new Corolla was the last of the country's most popular car to be assembled here. It was the final completely knocked-down model that would be introduced by Toyota in New Zealand.

Field told Autofile that no motor industry in the world – outside of Japan and the US – would survive such severe government policy-setting as the recent declaration of zero tariffs by December 2000.

Mitsubishi had already announced the closure of its factory in Porirua near Wellington in June, but neither Honda nor Nissan had given any public indication about how long they intended to hold out. Toyota NZ was keen to see the Thames plant and its workforce sold as a going concern.

February 17, 2006

Hamilton: car capital of NZ

Hamilton was fast becoming the place for all things automotive in the country by securing the rights to New Zealand's only V8 Supercars street race from 2008.

The news came less than one month from the opening of the 2006 National Motor Show, also held in the Waikato.

In addition, Rally NZ had hinted that the Kiwi round of the World Rally Championship in November was likely to be based in Hamilton.

It seemed appropriate that those leading events should all be held in the city with Land Transport NZ registration figures suggesting its residents were keen on their cars.

In 2005, new-vehicle sales in Hamilton rose by 9.4 per cent compared with those of 2004 – from 4,344 to 4,752.

The city's used-imports market was even stronger, up 13.7 per cent from 11,627 to 13,215. That was enough for Hamilton to leapfrog Wellington to become the country's third biggest seller of used imports behind Christchurch and Auckland.

Year ahead set to bring demands

Into the past has 2023 faded along with the clean car discount (CCD). It certainly was a chaotic year of change that saw some of the highest and lowest trading months for the automotive industry.

Registrations of new passenger and commercial vehicles declined by nearly 10 per cent making for the lowest annual total since 2016, excluding Covid-19-affected 2020.

Used imports experienced a modest 2.6 per cent rise from 2022, but still made for the second-lowest year in the past decade.

New motorcycles and scooters had their lowest sales year since 2015, dropping by 15 per cent compared to 2022, while this sector's used market saw an even steeper decline with a reduction of more than 18 per cent.

As we venture into 2024, our industry again faces multiple challenges. Inflation remains a significant concern with predictions suggesting a drop below three per cent potentially easing the financial crisis, but likely not until later in the year.

Hopefully as you drive forward, some business potholes created over the previous six years are behind you.

The new government is implementing its 100-day plan, which includes changes for transport. Some measures have come in, others are slated for completion in 2024's first quarter.

LARRY FALLOWFIELD
Sector manager – dealers, Motor Trade Association

In addition to the CCD, the fair-pay agreement laws have been repealed. There will be legislation to restore 90-day trial periods and work on a national infrastructure agency will start.

Blanket speed-limit reductions will be stop and work started on replacing the Land Transport Rule: Setting of Speed Limits 2022.

Considering the government's commitment to improving the quality of regulation, changes to existing policies are likely to unfold in 2024.

Coming down the road are carbon-dioxide reductions in the clean car standard (CCS), updated exhaust-emissions rules and continued onerous motor-vehicle register (MVR) reporting.

The canning of the CCD, and ending the Auckland fuel tax and fuel-tax hikes, may result in an increase in internal combustion engine (ICE) purchases.

Along with road-user charges (RUC) on electric vehicles (EVs), we may see sales of electric cars decrease over coming months.

> **We may see sales of electric cars decrease over coming months**

Rod Carr, chairman of the Climate Change Commission, made some comments on December 13, 2023, around the change in government change and scrapping the CCD.

He said EVs sales have been brought forward and have far exceeded expectations and we will see falls in such purchases, but they are at levels we never expected them to be at.

If fuel prices rise, people who have bought EVs share the benefits of owning them and if the government delivers on its commitment to increase the national charging network, we will get back to some form of balance between ICE and EV registrations. It will be a hard road ahead for dealers specialising only in EVs.

As for the CCS, from January 1 there were annual reductions in CO_2 by 11.1g for passenger vehicles to 133.9g. For commercials, the drop was 16.4g to 201.9g.

New rules under the Vehicle Exhaust Emissions Amendment 2023 are due to come in between April 2024 and July 2028. These will see the transition to stricter regulation for new and used imports with changes shifting up a gear as of April 30, 2024.

New and used-imported light petrol, CNG and LPG vehicles will have to meet Euro 5, US Tier 2, Japan 2005 Low Harm, Japan 2018 or ADR 79/04.

Light diesels will be required to meet minimum Euro 5, US Tier 2, Japan 09 or ADR 79/04. The targets for new heavy diesels are Euro VI-c, US Tier 2, Japan 09 or ADR 80/03.

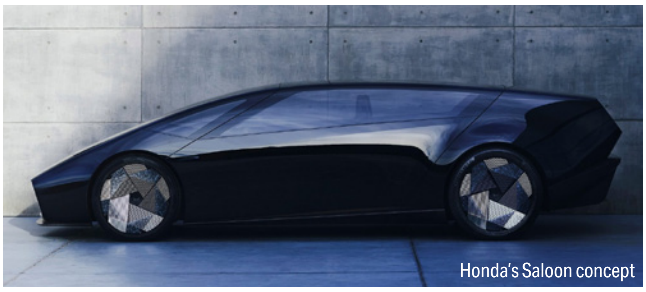
And just a reminder for dealers who access the MVR. They must ensure that every user has a unique and identifiable log-on, keep records for every log-on for a period of at least 18 months and send an annual report to the NZTA detailing all access.

Finally, and after two extensions, RUC for EVs is due to start on April 1, 2024, and that's no April Fools' joke. Fees for fully electric cars will align with diesel RUC at $76 per 1,000km with plug-in hybrids charged $53 per 1,000km.

All the best for 2024. It promises to be another demanding year.

When automotive takes off

The S-A2 is an all-electric vertical take-off and landing vehicle


Honda's Saloon concept

The Space-Hub concept

Supernal, Hyundai Motor Group's advanced air-mobility company, is preparing to launch the S-A2 in 2028.

The electric vertical take-off and landing concept, which has space for a pilot and four passengers, marks the latest milestone to commercialise safe and efficient everyday air travel.

The S-A2 builds on the SA-1 vision concept, which made its debut at the Consumer Electronics Show (CES) in 2020.

Supernal is aiming to achieve stringent aviation safety levels and enable affordable manufacturing as it prepares to enter the market in four years' time.

The v-tailed S-A2 is designed to cruise at 193kph at an altitude of 457 metres to make city trips of 40-64km, initially. It features a distributed electric-propulsion architecture and has eight all-tilting rotors.

At entry into service, it will operate as quietly as a dishwasher – 65 decibels for vertical take-offs and landings, and 45dB while cruising horizontally.

An all-tilting rotor configuration will efficiently power the SA-2 through the vertical lift and horizontal-cruise phases.

To maintain quality while also being cost-effective, it will be manufactured leveraging Hyundai's mass-production capability.

As Supernal continues to optimise the SA-2 for certification, it's also focused on interior modularity and battery upgradability. This includes the ability to replace the battery module as technology advances.

Different colour palettes and materials delineate the pilot and passenger sections. Aviation grade and energy-absorbing components are integrated into seat frames, contributing to the minimalist design.

"The S-A2 is a representation of 'auto meets aero'," says Luc Donckerwolke, president of Hyundai. "It draws on Supernal's aerospace engineers and Hyundai's automotive designers to create a human-centric design that maximises passenger experience and safety."

NEW CARS FROM 'ZERO'

The Honda 0 Series – a new electric vehicle (EV) range to be launched globally in two years' time – was launched at CES 2024 in Las Vegas.

Last month's show in Nevada hosted the world premiere of two concepts, the Saloon and Space-Hub.

The marque says its 0 Series symbolises how it's undergoing a major transformation in line with its brand slogan and electrification policy.

The series' name represents the company developing its new electric line-up by creating completely fresh models "from zero".

From 2026, Honda will begin introducing the first model of its 0 Series – starting off in North America before going onto Japan, Asia, Europe, Africa, the Middle East and South America.

The Saloon is the series' flagship. The concept boasts sporty styling and a low height, which embodies the company's "thin, light and wise" approach thanks to its dedicated EV architecture.

The instrument panel features a human-machine interface that enables simple and intuitive operations.

By adopting steer-by-wire and advancing the motion management system, including posture control, the Saloon aims to realise control "at the will of the driver in a variety of driving situations".

The Space-Hub, meanwhile, offers a flexible space that accommodates what users want to do, "and becomes a hub that connects people to people and people to society".

For the 0 Series models, fast charging from 15-80 per cent will be shortened to about 10-15 minutes, while Honda is striving to limit the degradation of battery capacity to less than 10 per cent after 10 years' use.

DRIVING DIGITAL CHANGE

Mercedes-Benz is pushing forward with digital advancements to "transform the customer experience", in-car and beyond.

Central to this is its new MBUX Virtual Assistant. It makes interactions "more natural, intuitive

Vinfast's VF Wild

and personalised", and runs on the new Mercedes-Benz Operating System (MB.OS) developed from scratch in-house.

The company, which describes the virtual assistant as its "most human-like interface yet", uses generative AI and proactive intelligence "to make life easy, convenient and comfortable".

Leveraging the power of MB.OS – as well as advanced 3D game-engine graphics – is MBUX's surround navigation, which marries route guidance and assistance.

Also, the company is expanding its app portfolio. This includes MBUX Collectibles, Mercedes-Benz's first in-car app to showcase non-fungible tokens.

The marque's first model to showcase MB.OS is the Concept CLA Class, which was revealed at this year's show.

Designed on a new modular architecture, it redefines an entire class with its innovative electric drive.

The concept is being touted as a new "hyper-miler" for the electric age. It's capable of a predicted single-charge range of more than 750km on the WLTP and energy consumption of about 12kWh/100km.

This comes from a new electric drive unit, which has an 800-volt architecture and a 93 per cent efficiency of battery to wheels over long distances.

It enables high-power 300kW-plus DC charging including a 50kW boost, which can deliver up to 400km of range in 15 minutes.

RIDING WILD IN UTE

The VF Wild could shake up the electric utility market, and rival Tesla's Cybertruck and Ford's F-150 Lightning.

Expected as early as 2026, the marque says the production model will probably change slightly from the concept.

Likely to be produced at a future VinFast assembly plant in North America, it features an integrated panoramic glass roof and digital wing mirrors to improve aerodynamics.

There's also a flexible load bed that can be extended into the cabin's rear through a folding mid-gate.

Established in 2017, VinFast owns a manufacturing complex with globally leading scalability that boasts up to 90 per cent automation in Hai Phong.

In December 2023, it hinted the VF Wild and VF 3 would join its range in coming years, along with several SUV models already in production in Vietnam.

VinFast, which started building petrol-powered cars in 2019 before switching to EVs in 2022, launched the VF 8 in California in 2023, and its larger seven-seat SUV – the VF 9 – is slated for release this year.

The MBUX Virtual Assistant in operation

Mercedes-Benz's Concept CLA Class

Series' big season revs up

With a strong turnout of young overseas-based drivers keen to make their mark and top Kiwis looking to test themselves against the visitors, what was previously the Toyota Racing Series has entered its 19th season.

Established in 2005, the competition has a proud history of propelling talent onto the international stage.

New Zealanders including current World Endurance champion Brendon Hartley and Formula One aspirant Liam Lawson have come up through the high-pressure championship. Then there's Nick Cassidy, who took out the Japanese Super GT and Super Formula titles in 2017 and 2019 respectively.

This country's premium series existed as an outlier for a decade before being recognised as an official FIA regional competition.

Now known by its official – and rather less catchy – title, the Castrol Toyota Formula Regional Oceania Championship, it's an incubator for feeding drivers to the US or onto the FIA's official career ladder of F3, F2 and F1.

The cars are made by Tatuus in Italy and boast engines built locally by Toyota Gazoo Racing. They are based on a turbocharged Lexus unit, and produce power and torque on a par with other Formula Regional series.

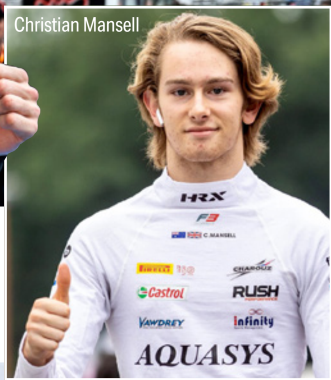
The championship has moved to Pirelli tyres and, significantly, has switched to carbon-neutral synthetic fuel after more than a year of testing.

MEET THE DRIVERS

Junior formula specialist Christian Mansell is among those to have joined the grid for this year's Castrol Toyota Formula Regional Oceania Championship.

The 18-year-old has considerable

Liam Sceats is mounting an attack at the Castrol Toyota Formula Regional Oceania Championship



Christian Mansell

Titus Sherlock

Jett Bowling

junior formula expertise to bring to his New Zealand campaign including karting, F4, the Euroformula Open and the GB3 Championship FIA Formula 3. He also competed in 2023's Macau Grand Prix finishing 16th.

American Jett Bowling is racing with Kiwi Motorsport. Also aged 18, he's an engineering student from Dallas, Texas.

He took up karting when he was 15, competing regionally and progressing to podium success in the Texas Sprinting Series before contesting the highly competitive F4 US Championship.

Kiwi Motorsport secured one of its F4 US front-runners for the New Zealand series in Titus Sherlock. He finished second overall in this year's American championship after winning races in one of that country's most competitive series.

Originally hailing from San Diego, the 19-year-old began his racing in California's competitive karting scene before switching to circuit racing three years ago.

It was a successful transition. Sherlock finished runner-up in the 2021 Lucas Oil Formula Car Race Series with three wins and 14 podiums.

He then raced in the Formula Car Winter Series and joined the Crosslink Kiwi Motorsport team for the USF Juniors in 2022.

Kiwi Liam Sceats, 18, is aiming squarely at a title challenge. The Aucklander impressed in his first season of the Formula Regional series last year and maintained strong form in 2023. He won three races to finish runner-up in the Formula Regional Japanese Championship.

Back with M2 Competition for 2024, Sceats is confident of making a strong showing.

Nicola Lacorte, a 16-year-old Italian, is one of the most promising young drivers emerging in Europe and has just been signed by the Alpine Academy run by the F1 team.

Lacorte's aim at the start of the championship was to run the first three rounds of the five-round series here with M2 Competition.

Junior Formula series winner Gerrard Xie is in his first Formula Regional Oceania championship.

Born in Hong Kong and living in Shenzhen, China, the 17-year-old is a karting graduate who won both the F4 Chinese Championship and 2022 Macau Grand Prix.

A phenomenal year saw him take victory in 12 of the 14 races in the Chinese series. He also won race one and placed second in race two in Macau.

Xie headed to the UK at the start of 2023, racing the GB3 and winning the final round of that competition.

Polish-British Roman Bilinski is in the M2 Competition team and brings a wealth of experience to his campaign.

The 19-year-old started racing in the winter series of the UK's Ginetta Junior Championship in 2018 before competing in seven rounds of the summer series, taking pole position and victory in round one.

A switch to single-seaters followed and Bilinski raced in the British F4 in 2020, quickly establishing himself as a contender and taking three podiums on his way to eighth overall in the championship.

He continued in F4 the following

year but switched mid-season from Carlin to Arden Motorsport and across to GB3, continuing his form as a contender with three wins and seven podiums.

Australian TransAm and Formula Ford driver Elliott Cleary, 17, hails from Melbourne.

He took part in Formula Ford during 2023, taking a podium in the Racer Industries Formula Ford Challenge and racing in three rounds of the Australian Formula Ford Championship for Synergy Motorsport.

Cleary was a late starter in karting in 2020 but impressed immediately with multiple podiums at national and state-level events, and over two years competed in KA4 Junior through to the KZ2.

He was the winner of the Western Australian Formula Ford Series in 2022 and last year won the Formula Ford support race at the Bathurst 12 Hour.

South Korean Michael Shin has teamed up with M2 Competition for 2024. Aged 19, he has brought a wealth of junior formula experience to his challenge despite having only competed in single-seaters since the beginning of 2022.

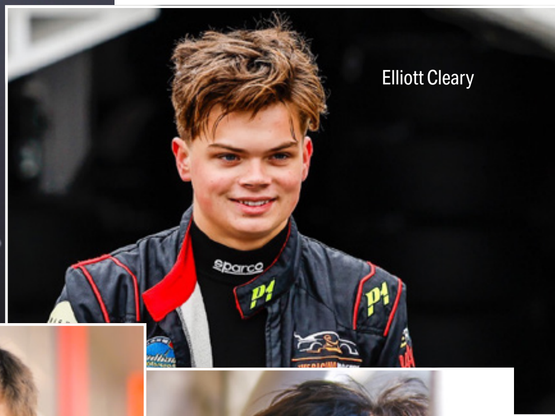
A year karting in his homeland was followed by a step up to the 2022 F4 UAE Championship and then the 2022 British F4.

Shin also represented South Korea in the FIA Motorsport Games in the F4 Cup in the same year, finishing in the top six in the semi-final race, before stepping up to Formula Regional in 2023.

Kiwi Motorsport was delighted to confirm Texan Jake Bonilla for this year's series.

The 21-year-old had extensive Formula Regional testing with the New Zealand outfit in 2023 and took his first win in the emerging Formula Pro F3 USA Championship at Sonoma Raceway last year.


Alex Crosbie


Elliott Cleary

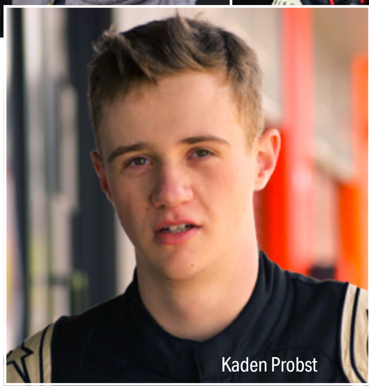
Bonilla's path to racing was unusual in that he had no previous karting experience prior to competing in the 2020 F4 US Championship.

Up-and-coming Formula Ford champion Alex Crosbie was the first New Zealander to be confirmed for the Formula Regional Oceania Championship.

The 16-year-old is aiming to be the next Kiwi name on the big stage and has an impressive racing CV. In an eye-catching 2023 season in Formula Ford, the Southland Boys' High School student took seven wins in the NAPA Auto Parts NZ Formula Ford Championship on his way to the title.

Crosbie claimed five more wins to secure second overall in the Yokohama South Island Formula Ford series.

Rising Brazilian star Lucas Fecury competed in last year's New Zealand championship, learning the circuits in the FT-60 with Kiwi Motorsport. This year, he has shifted to MTEC Motorsport.


Kaden Probst


Lucas Fecury

Fecury was his home country's karting champion in 2020 and runner-up in the popular ROK Cup USA Florida Winter Tour in 2021, so has plenty of pedigree to add to his limited racing career.

Landan Matriano Lim, 21, is driving with Giles Motorsport.

Before taking to the tracks, he was also an accomplished gymnast. His racing career started at club track days before racing in the National Auto Sports Association and joining the 2023 F4 US.

Kiwi Kaden Probst, 18, is stepping up from our top open formula championship to take on an international field.

The Hamilton-based driver, who was born in Auckland, has been competing in the domestic-based Formula Open NZ series designed for single-seaters of varying vintages, while Australian Tommy Smith will compete in the first three rounds of this year's Castrol Toyota Formula Regional Oceania Championship in New Zealand.

Finally, the 2024 championship is the third time Marton racer Kaleb Ngatoa has competed, but the first time he's expected to take part in all rounds and in a full field.

TABLE & SCHEDULE

After the opening three rounds of this year's Formula Regional Oceania Championship, Roman Bilinski was leading the way with 240 points.

Liam Sceats was in second spot with 190 points and Kaleb Ngatoa was third with 157.

Round four was scheduled for February 8-11 at Euromarque Motorsport Park, Ruapuna, with Highlands in Cromwell the weekend after that.

This season's cars are made by Tatuus in Italy with engines built by TGR

Buyer loses claim for refund on plug-in hybrid based on level of battery health

The case: The buyer rejected his Outlander PHEV two months after purchase because he considered its decline in battery health had exceeded what the trader told him to expect – that being no more than 2.5 per cent per annum. The dealer disagreed, saying the battery health at purchase was excellent for a car of its age and mileage.

The decision: The tribunal dismissed the consumer's application because the evidence showed the plug-in hybrid had performed as it should.

At: The Motor Vehicle Disputes Tribunal, Christchurch.

A 2013 Outlander PHEV

Background

Dennis Wright purchased a 2013 Mitsubishi Outlander PHEV from Wheeler Motor Company for $26,945 on December 19, 2022.

He then rejected it on February 27, 2023, because he claimed its declining battery health was unacceptable in terms of durability. He added it had exceeded what the dealer had told him to expect, which was a decline of no more than 2.5 per cent a year.

The trader said the battery health at the time of sale was excellent for a car of its mileage and age. It denied making representations about the battery. It added if its health had declined, that was due to Wright's use of the vehicle.

A hybrid powertrain consists of an internal combustion engine (ICE) aided by an electric motor to improve efficiency and performance. A plug-in hybrid (PHEV) has the extra feature of allowing the high-voltage battery to be charged using an external source.

EVs' batteries degrade over time due to a range of factors, such as car and usage. As the battery ages, its capacity also diminishes.

There are multiple methods available to ascertain state of health (SoH) or capacity. However, those systems, including any indicator in the vehicle, do not provide a precise SoH reading.

The case

The parties agreed the Outlander was sold with a 79.3 per cent battery SoH and Wright relied on that when buying it.

As evidence, he provided an independent assessment by a third-party Mitsubishi dealership, which was 70.25 per cent.

Wright used the Outlander in electric-only mode until the high voltage (HV) battery was discharged and then switched to the ICE for the rest of his journeys. The battery was topped up most nights using a standard wall charger. He didn't use fast chargers.

When a hybrid is used in full EV mode, the electric motor moves the car with no ICE assistance. But that isn't the optimal way to achieve maximum efficiency and exerts extra stress on high-voltage components.

The electric motor in this PHEV was subjected to prolonged heavy loads, which increased the demand on the HV battery. As with fast charging, heavily discharging this battery increases operating temperatures and accelerates degradation.

HV lithium-ion batteries are sensitive to thermal conditions and cannot always maintain optimal temperature via on-board regulatory systems.

By design, hybrid vehicles' batteries tend to have a more basic regulatory system due to reduced demand considered in normal service.

The on-board monitoring system calculates the battery SoH using an algorithm based on a comparison with historic data. Various parameters contribute to the calculation including voltage, battery temperature, range, type of charger and intervals between charges.

Lithium-ion battery degradation isn't linear. An HV battery with less than 80 per cent SoH will start to degrade quicker than from 100-80 per cent. The SoH figure taken from the on-board system cannot be considered an accurate indicator of its capacity.

Data provided by the Mitsubishi dealership suggested it didn't carry out a physical test to determine this PHEV's battery SoH.

The tribunal asked Wright to provide an independent report to include current SoH and capacity, a written assessment by the inspecting technician, screen shots and photos, and an invoice.

Wright refused because he couldn't afford the time and cost. As a result, the evidence supported a finding that the first investigation of the car's on-board system was done at purchase at 57,403km.

The second reading at 59,859km represented the algorithmically calculated change in capacity. By that stage, the battery would have been cycled likely 20 or more times.

Based on that, the HV battery's SoH decreased from 79.3 to 70.25 per cent between December 19, 2022, and May 29, 2023, and with 2,500km travelled. Driven in full EV mode, that represented a significant number of battery cycles.

However, if the vehicle had been used in hybrid mode, the battery would have been kept at an optimal state of charge by on-board systems and might not have completed any full discharge and recharge cycles, thus preserving its charge capacity.

Therefore, the on-board computer reduced its HV battery SoH to compensate for the daily high-load discharge and recharge cycles. The rapid correction to 70.25 per cent SoH was a result of extra stress on the HV battery and electric motor.

The finding

The tribunal accepted the trader's submission that the Outlander was of acceptable quality under the Consumer Guarantees Act (CGA) and that its battery was durable.

It then considered if the dealer engaged in misleading conduct that breached the Fair Trading Act (FTA).

That aspect of the claim concerned alleged representations made by the dealer during the car's sale to the effect its battery would degrade by no more than 2.5 per cent each year.

The trader said it wasn't company policy to make such statements and that battery health depended on various factors.

The tribunal accepted that submission because there was no evidence to point to the alleged representation being made and the evidence showed the vehicle performed as it should have done regardless.

Order

The application was dismissed.

Van's rejection allowed 18 months post-sale after failing warrant of fitness inspections

The case: About 18 months after purchase, the buyer wanted to reject her van after it failed a warrant of fitness (WOF) due to structural damage, which had been hidden by substandard repairs. The trader said the vehicle was sold in good working condition and it was unaware it had been repaired.

The decision: The tribunal ordered the dealer to refund the purchase price to the buyer despite both parties being unaware of the problems at purchase.

At: The Motor Vehicle Dispute Tribunal, Christchurch.

Background

Ali Cumming bought a 2009 Toyota Hiace for $18,750 from Autosource Ltd on May 18, 2021.

Eighteen months later, she rejected it under the Consumer Guarantees Act (CGA) after finding extensive structural damage that was hidden by poor repairs and it was uneconomic to fix properly.

Autosource denied knowledge of any historic damage and said the van was in good condition when sold. It added there was little or no evidence to support Cumming's allegations.

The case

At the end of November 2022, the Hiace failed a WOF in part due to significant structural damage. The inspector noted: "Extensive poor panel repairs left side and right A-pillar, requires structural report or repair."

Cumming had the van inspected by a panel beater, whose report to the tribunal described "very obvious" structural damage.

He said there was "cracking body filler, poor welds, overfilled body filler, poor prep work, poor inconsistent panel gaps, pin holes in body filler and overspray".

The panel beater used a magnet to identify that possibly half of the left-hand side panels contained filler. It was his opinion the Hiace had sustained extensive damage to the left-hand side, and some to the front and right front.

The buyer asked for a quote to repair, but was advised it was impossible and uneconomic to do so without further invasive testing.

She obtained a report from CarJam, which noted the van had been deregistered in the past and registered again in 2017. The panel beater's report stated: "The deregistration [is] an instant red flag and likely the result of the hugely damaged body."

Cumming said the only problem she had had with the vehicle was a poorly fitting tail door, which she raised with Autosource, and her partner's stepfather had commented on irregularities with the rear door and roof. But she didn't consider anything was wrong with the Hiace until it failed a WOF.

Autosource said there was no evidence the Hiace was deregistered after being written off, then repaired and reregistered.

The trader said there was no proof it sold Cumming a vehicle in the condition alleged and questioned that if the damage was so obvious, why it wasn't identified by her at the point of sale or by multiple WOF inspectors over the following 18 months.

That argument went further noting the Hiace appeared to have passed various WOFs since reregistration.

Autosource produced photos of the van when supplied and there was nothing in them indicative of structural damage.

The trader was aggrieved by the allegation it was involved in selling a vehicle with such extensive damage, or that it knew of and tried to hide it during the sale.

It provided a consumer information notice at the time of purchase, which identified the Hiace's registration history, and said Cumming should have carried out better due diligence including a closer inspection of the vehicle.

Autosource also noted she had, since purchase, carried out work to lower the van and fit larger alloy wheels with lower profile tyres.

It said vehicle load through the adjusted wheel configuration would add strain to the structure and might be a cause of damage.

The tribunal's assessor said it wasn't uncommon for vehicles with structural damage to evade the attention of WOF inspectors, traders and purchasers.

The finding

The tribunal had to consider that if a reasonable consumer had known about the defects hidden to the purchaser, would that consumer have regarded the vehicle as being of acceptable quality.

The adjudicator said that wasn't the case and also found there was no evidence Autosource knew of the van's history or was involved in its poor repair.

In other words, structural damage and poor repairs evaded everyone until the Hiace fell under the more exacting and experienced gaze of a WOF inspector in November 2022.

Cumming said the vehicle wasn't involved in any accidents during her ownership, and the tribunal's assessor advised the lowering of the van, and fitting of a different wheel and tyre profile, wouldn't have caused the problems.

The tribunal was satisfied the van wasn't of acceptable quality because it had pre-existing structural issues and was unsafe.

It was also satisfied the damage was a failure of a substantial character and the fact that multiple WOF inspectors missed the problems couldn't be visited upon Cumming.

The tribunal then considered if Cumming had lost the right to reject the vehicle under the CGA.

It didn't consider the fact that everybody missed the damage until November 2022 defeated her claim.

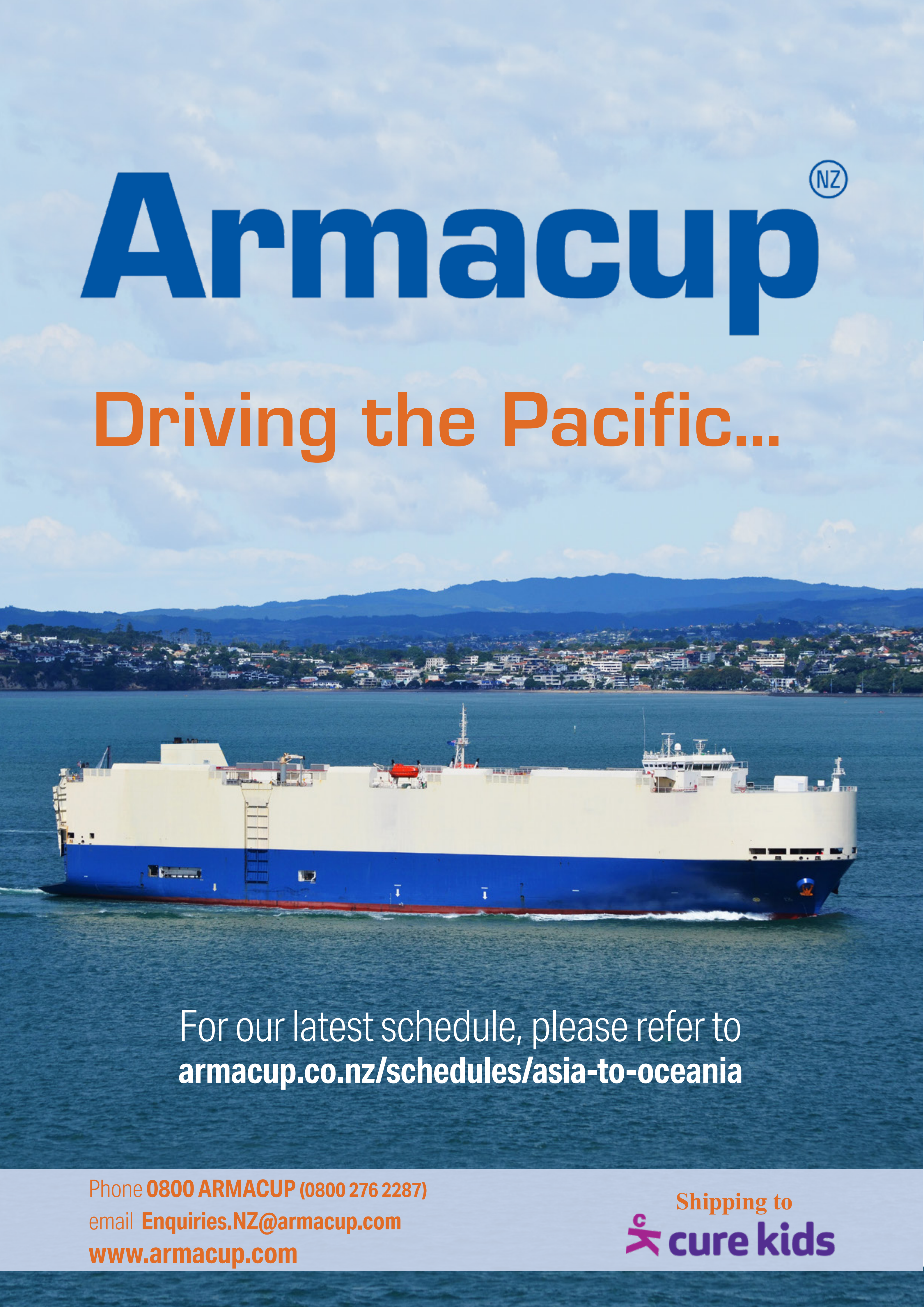
The adjudicator was satisfied the buyer wasn't fully acquainted with the nature of the defects until the WOF failure, and then took it for a non-invasive inspection by an experienced and qualified third party. Cumming had been none the wiser about the problems until then.

Under section 18 of the CGA, Cumming was entitled to reject the vehicle because the structural damage was of substantial character.

Orders

The rejection was upheld. The trader had to pay the buyer $18,750 and collect the van.

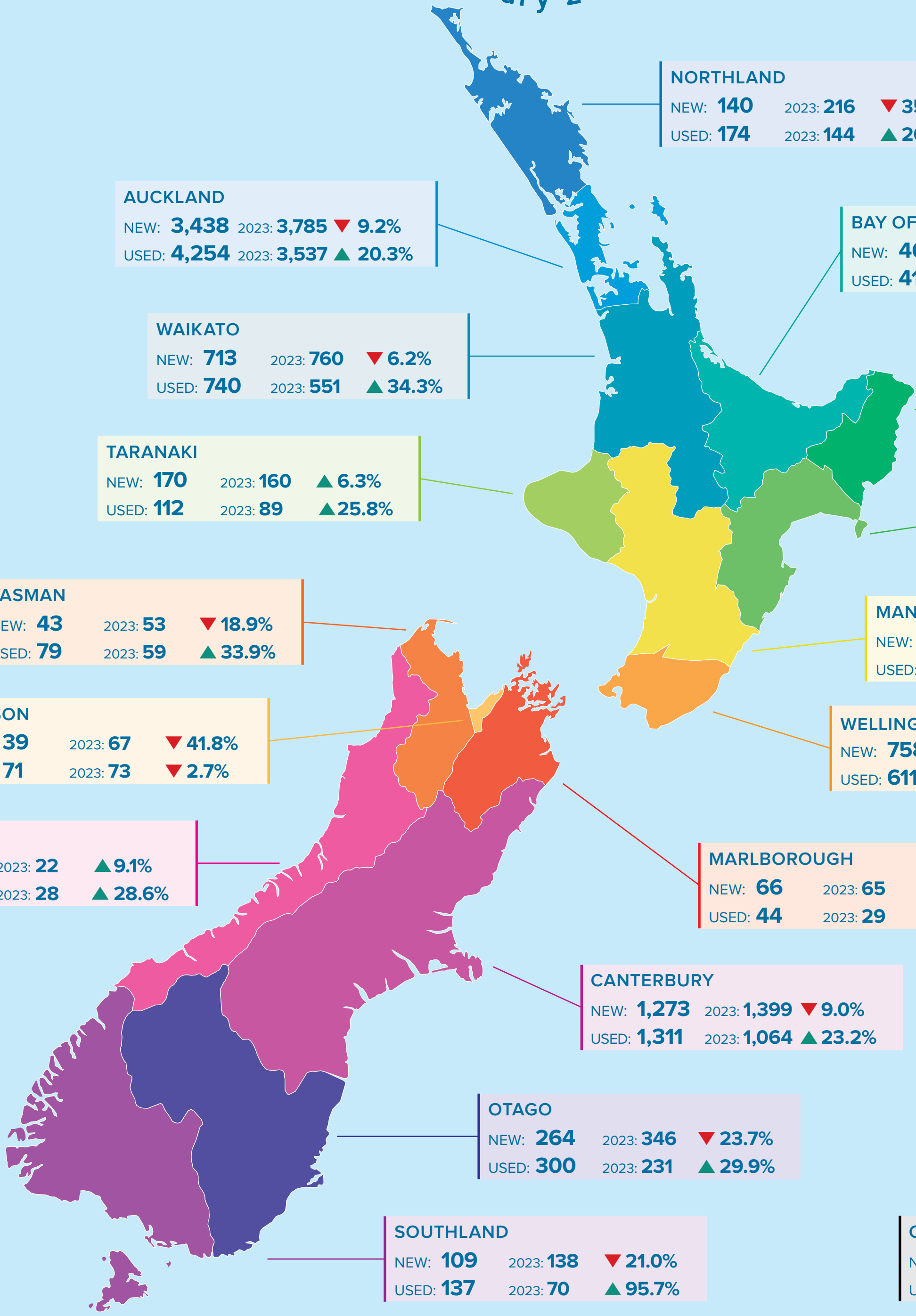
A 2009 Toyota Hiace


Armacup NZ
Driving the Pacific...
For our latest schedule, please refer to
armacup.co.nz/schedules/asia-to-oceania
Phone 0800 ARMACUP (0800 276 2287)
email Enquiries.NZ@armacup.com
www.armacup.com
Shipping to
cure kids

Around the Country
January 2024

Total new cars	
8,116	
2023: 9,245	▼ 12.2%

Total imported used cars	
8,915	
2023: 7,120	▲ 25.2%



			2023	
NORTHLAND	NEW	140	216	▼ 35.2%
	USED	174	144	▲ 20.8%
AUCKLAND	NEW	3,438	3,785	▼ 9.2%
	USED	4,254	3,537	▲ 20.3%
WAIKATO	NEW	713	760	▼ 6.2%
	USED	740	551	▲ 34.3%
BAY OF PLENTY	NEW	467	526	▼ 11.2%
	USED	415	320	▲ 29.7%
GISBORNE	NEW	49	72	▼ 31.9%
	USED	113	26	▲ 334.6%
TARANAKI	NEW	170	160	▲ 6.3%
	USED	112	89	▲ 25.8%
HAWKE'S BAY	NEW	230	263	▼ 12.5%
	USED	223	143	▲ 55.9%
MANAWATU-WHANGANUI	NEW	317	352	▼ 9.9%
	USED	255	188	▲ 35.6%
TASMAN	NEW	43	53	▼ 18.9%
	USED	79	59	▲ 33.9%
NELSON	NEW	39	67	▼ 41.8%
	USED	71	73	▼ 2.7%
WELLINGTON	NEW	758	1,007	▼ 24.7%
	USED	611	549	▲ 11.3%
WEST COAST	NEW	24	22	▲ 9.1%
	USED	36	28	▲ 28.6%
MARLBOROUGH	NEW	66	65	▲ 1.5%
	USED	44	29	▲ 51.7%
CANTERBURY	NEW	1,273	1,399	▼ 9.0%
	USED	1,311	1,064	▲ 23.2%
OTAGO	NEW	264	346	▼ 23.7%
	USED	300	231	▲ 29.9%
SOUTHLAND	NEW	109	138	▼ 21.0%
	USED	137	70	▲ 95.7%
OTHERS (Chatham Islands, overseas, unknown)	NEW	16	14	▲ 14.3%
	USED	40	19	▲ 110.5%

Imported Passenger Vehicle Sales by Make - January 2024

MAKE	JAN '24	JAN '23	+/-%	JAN '24 MKT SHARE	2024 YEAR TO DATE	2024 MKT SHARE
Toyota	3,316	2,675	24.0	37.2%	3,316	37.2%
Mazda	1,329	1,083	22.7	14.9%	1,329	14.9%
Nissan	1,277	954	33.9	14.3%	1,277	14.3%
Honda	659	451	46.1	7.4%	659	7.4%
Subaru	653	437	49.4	7.3%	653	7.3%
Suzuki	254	193	31.6	2.8%	254	2.8%
Mitsubishi	239	231	3.5	2.7%	239	2.7%
BMW	218	218	0.0	2.4%	218	2.4%
Volkswagen	205	327	-37.3	2.3%	205	2.3%
Audi	178	162	9.9	2.0%	178	2.0%
Lexus	168	73	130.1	1.9%	168	1.9%
Mercedes-Benz	155	108	43.5	1.7%	155	1.7%
Land Rover	39	11	254.5	0.4%	39	0.4%
Ford	37	39	-5.1	0.4%	37	0.4%
Jeep	24	4	500.0	0.3%	24	0.3%
Porsche	19	6	216.7	0.2%	19	0.2%
Volvo	19	19	0.0	0.2%	19	0.2%
Jaguar	12	10	20.0	0.1%	12	0.1%
Mini	12	17	-29.4	0.1%	12	0.1%
Chevrolet	8	11	-27.3	0.1%	8	0.1%
Chrysler	7	6	16.7	0.1%	7	0.1%
Dodge	7	3	133.3	0.1%	7	0.1%
Hyundai	7	9	-22.2	0.1%	7	0.1%
Fiat	6	0	600.0	0.1%	6	0.1%
Holden	6	8	-25.0	0.1%	6	0.1%
Kia	6	8	-25.0	0.1%	6	0.1%
Bentley	5	16	-68.8	0.1%	5	0.1%
Peugeot	5	7	-28.6	0.1%	5	0.1%
Tesla	5	2	150.0	0.1%	5	0.1%
Alfa Romeo	4	3	33.3	0.0%	4	0.0%
Ferrari	4	1	300.0	0.0%	4	0.0%
Daihatsu	3	1	200.0	0.0%	3	0.0%
Infiniti	3	0	300.0	0.0%	3	0.0%
MG	3	2	50.0	0.0%	3	0.0%
Cadillac	2	2	0.0	0.0%	2	0.0%
Others	21	23	-8.7	0.2%	21	0.2%
Total	**8,915**	**7,120**	**25.2**	**100.0%**	**8,915**	**100.0%**

Imported Passenger Vehicle Sales by Model - January 2024

MAKE	MODEL	JAN '24	JAN '23	+/-%	JAN '24 MKT SHARE	2024 YEAR TO DATE	2024 MKT SHARE
Toyota	Aqua	872	1,086	-19.7	9.8%	872	9.8%
Toyota	Prius	651	646	0.8	7.3%	651	7.3%
Mazda	Axela	443	434	2.1	5.0%	443	5.0%
Nissan	Note	383	219	74.9	4.3%	383	4.3%
Toyota	Corolla	329	230	43.0	3.7%	329	3.7%
Honda	Fit	304	222	36.9	3.4%	304	3.4%
Subaru	Impreza	302	183	65.0	3.4%	302	3.4%
Nissan	X-Trail	301	150	100.7	3.4%	301	3.4%
Nissan	Serena	292	159	83.6	3.3%	292	3.3%
Mazda	Demio	290	250	16.0	3.3%	290	3.3%
Mazda	CX-5	235	144	63.2	2.6%	235	2.6%
Toyota	C-HR	223	103	116.5	2.5%	223	2.5%
Toyota	Vitz	184	81	127.2	2.1%	184	2.1%
Subaru	XV	178	105	69.5	2.0%	178	2.0%
Suzuki	Swift	171	138	23.9	1.9%	171	1.9%
Mitsubishi	Outlander	135	170	-20.6	1.5%	135	1.5%
Volkswagen	Golf	135	217	-37.8	1.5%	135	1.5%
Honda	Vezel	123	54	127.8	1.4%	123	1.4%
Mazda	Premacy	110	92	19.6	1.2%	110	1.2%
Toyota	Spade	97	22	340.9	1.1%	97	1.1%
Toyota	Camry	95	50	90.0	1.1%	95	1.1%
Mazda	Atenza	93	103	-9.7	1.0%	93	1.0%
Toyota	Sai	89	104	-14.4	1.0%	89	1.0%
Toyota	Vellfire	80	8	900.0	0.9%	80	0.9%
Toyota	Auris	75	35	114.3	0.8%	75	0.8%
Toyota	Wish	63	37	70.3	0.7%	63	0.7%
Toyota	86	54	36	50.0	0.6%	54	0.6%
Toyota	RAV4	54	18	200.0	0.6%	54	0.6%
Lexus	CT 200h	53	22	140.9	0.6%	53	0.6%
Subaru	Legacy	51	54	-5.6	0.6%	51	0.6%
Toyota	Alphard	46	17	170.6	0.5%	46	0.5%
Mazda	CX-3	45	18	150.0	0.5%	45	0.5%
Toyota	Avensis	45	23	95.7	0.5%	45	0.5%
Mitsubishi	RVR	42	23	82.6	0.5%	42	0.5%
Subaru	Forester	42	30	40.0	0.5%	42	0.5%
Others		2,230	1,837	21.4	25.0%	2,230	25.0%
Total		**8,915**	**7,120**	**25.2**	**100.0%**	**8,915**	**100.0%**

Emissions on imports reduce

Turners Automotive Group's record net profit before tax of $25.7 million for the first half of 2023/24 was up by 10 per cent year on year from $23.4m.

"As market conditions stabilise, we're well-placed to continue our strong growth underpinned by network expansion and our agile sourcing strategy that's driving additional sales," says Todd Hunter, chief executive officer.

"We are focusing on low-emitting vehicles and achieved a 39 per cent reduction in emissions for cars imported between 2019 and 2023.

"Despite challenging macro conditions, Turners has demonstrated it has the right strategy to maximise opportunity through the cycle. We are well-positioned as market conditions start to improve.

"We expect to continue this momentum into our second half to deliver a full-year result ahead of last year."

Turners' revenue from automotive came in at $156.1m for the half-year, up by 20 per cent on the previous reporting period, while profit jumped by 62 per cent to $18m.

Its market share improved and retail unit sales rose by eight per cent to around 10,100. Wholesale auction sales climbed by four per cent to about 9,800.

Total owned units sold were up year on year by 10 per cent with overall margins climbing by 66 per cent. Average inventory cost dropped by eight per cent to $8,300 per unit. Damaged vehicle sales increased by 31 per cent due to the tail-end of weather events at the start of 2023 and old models in the fleet reaching end of life.

Total climbs

Registrations of used-imported cars rose by 25.2 per cent in January, the first month since the feebate scheme's demise. The total was 8,915 versus 7,120 in January 2023.

Toyota's Aqua was the top model. Its total was down by 19.7 per cent to 872. Next up were the Prius on 651 and Mazda's Axela with 443. January's top three marques – Toyota, Mazda and Nissan – recorded increases of 24, 22.7 per cent and 33.9 per cent respectively.

RESPONDING TO CHANGE

MTF Finance's board and management team remain positive about growth potential despite the country's economic outlook.

Since the Reserve Bank began hiking rates in October 2021, the company has been able to absorb much of the increases and it's confident of continuing to grow market share.

The past three years have seen significant change in the regulatory environment, while the new government has signalled it will also review the Credit Contract and Consumer Finance Act.

That said, MTF Finance is "well-placed to prosper in a changing landscape due to the ability of the business to respond to change".

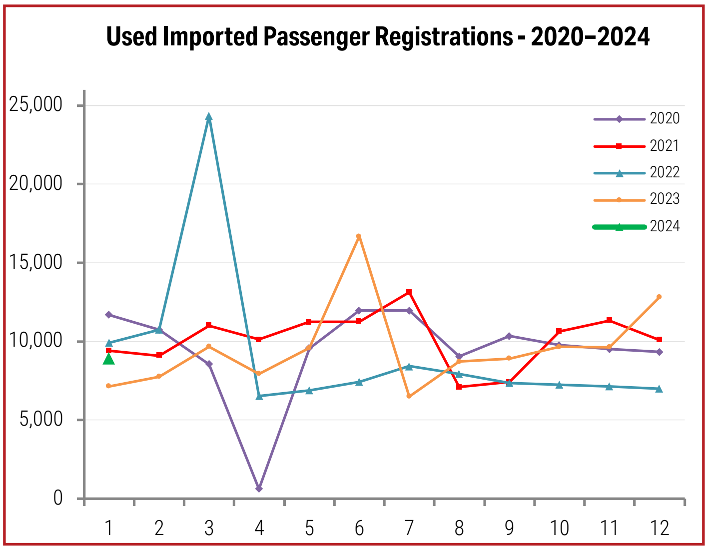
It has kicked off a programme to modernise its systems and continues to build new capability in staff, while "originators have proved adept at meeting the changing needs of customers".

EXPANSION ON CARDS

NZ Cheap Cars is planning an "ambitious" expansion strategy in 2024 after selling 1,100 vehicles and reporting a net profit of $1.6 million for six months to the end of September.

The company, which has branches in Mount Wellington, Auckland, and on the city's North Shore, predicts its full-year result for 2023/24 will range from $4.2-$4.8m.

Looking ahead, it plans to grow its operations but doesn't mention any possible locations.



Used Imported Passenger Vehicle Sales by Motive Power - January 2024

MAKE	JAN'24	JAN'23	+/-%	JAN'24 MKT SHARE	2024 YEAR TO DATE	2024 MKT SHARE
Full battery electric	44	197	-77.7%	0.5%	44	0.5%
Plug-in hybrid electric	105	143	-26.6%	1.2%	105	1.2%
Non plug-in petrol hybrid	3,891	3,107	25.2%	43.6%	3,891	43.6%
Petrol	4,752	3,520	35.0%	53.3%	4,752	53.3%
Diesel	123	153	-19.6%	1.4%	123	1.4%
Others (includes non plug-in diesel hybrid, fuel cell)	0	0	0.0%	0.0%	0	0.0%
Total	**8,915**	**7,120**	**25.2%**		**8,915**	

Boost for expansion of port

Port of Tauranga says the Environment Court's decision to provisionally grant resource consent for the initial phase of its wharf extension is "welcome progress".

The interim decision has granted the company consent for stage one of Sulphur Point wharf's extension if revised consent conditions put forward by the port are met over the next half-year.

This initial phase involves building a 285-metre-long berth to the south of the site's existing container berths and carrying out dredging.

However, the court reserved its decision on granting consent for the project's second stage, which includes more extensions to Sulphur Point and proposed works at the Mount Maunganui wharves, until the company provides additional information to the court within six months.

This includes completing an environment report on areas affected by port operations, carrying out three seafood surveys, and conducting "before and after" visual simulations to show how views from a marae will be affected by the proposals.

Leonard Sampson, the port's chief executive, describes the release of the interim decision as "very welcome progress".

He adds: "We have some work to do over the next six months, but we're grateful to be taking the next steps in what has been a long and gruelling process.

"The project remains a critical piece of national infrastructure. We are keen to move as quickly as possible in meeting the needs of New Zealand importers and exporters."

The country's largest port has been attempting to get consent to extend its operations since 2019.

It has experienced regulatory complications and delays resulting in last February's long-awaited hearing before the Environment Court.

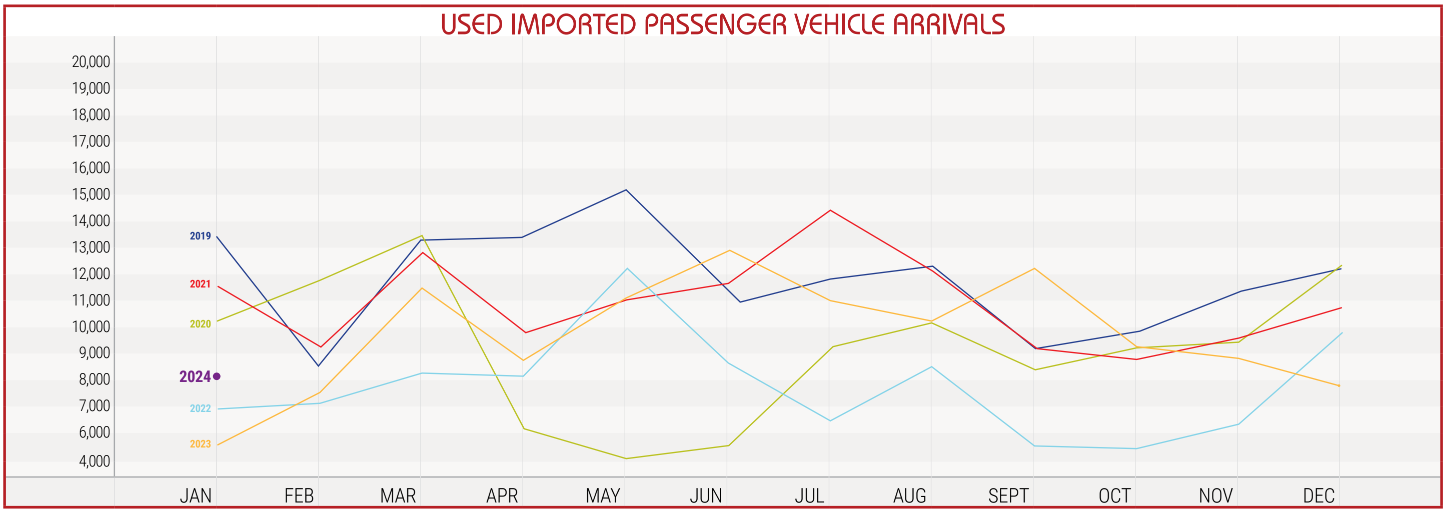
JUMP FOR USED IMPORTS

There were 8,121 used passenger vehicles imported into New Zealand last month.

That was up by 59.8 per cent when compared to 5,082 in January 2023.

Japan's total came in at 7,985 units, which amounted to a market share of 98.3 per cent.

There were 74 used cars brought in from Australia and 20 from the UK. Next up were Singapore with 18 and the US on 12.



Used Imported Passenger Vehicles By Country Of Export

COUNTRY OF EXPORT	2024 JAN '24	JAN MARKET SHARE %	2024 TOTAL	2023 Q1	Q2	Q3	Q4	2023 TOTAL	MRKT SHARE	2022 2022 TOTAL	MRKT SHARE
Australia	74	0.9%	**74**	338	306	267	352	1,263	1.1%	2,353	2.6%
Great Britain	20	0.3%	**20**	75	60	58	79	272	0.2%	512	0.6%
Japan	7,985	98.3%	**7,985**	23,317	32,064	32,800	25,281	113,462	98.0%	87,740	95.6%
Singapore	18	0.2%	**18**	50	75	48	77	250	0.2%	423	0.5%
USA	12	0.2%	**12**	68	56	83	58	265	0.2%	487	0.5%
Other countries	12	0.1%	**12**	48	61	61	71	241	0.2%	250	0.3%
Total	**8,121**	**100.0%**	**8,121**	**23,896**	**32,622**	**33,317**	**25,918**	**115,753**	**100.0%**	**91,765**	**100.0%**

Regulator taking legal action

The Commerce Commission is preparing to file proceedings against two companies for alleged breaches of the Credit Contracts and Consumer Finance Act (CCCFA).

Louise Unger, the watchdog's general manager of credit, says the two separate cases follow long-standing investigations into the firms that looked at if they sufficiently assessed borrowers' needs and financial means when providing loans.

"In our view, both have not been appropriately assessing affordability when making car finance available," she adds. "Our legal action will address the potential for these lenders to have caused substantial financial hardship."

Unger says providers of consumer credit have a responsibility under the CCCFA to ensure all products provided meet borrowers' needs and objectives, and that people will be able to make payments without suffering substantial hardship.

The commission's action will seek high-court declarations that Second Chance Finance and Go Car Finance breached lender-responsibility principles by failing to sufficiently assess whether customers could afford car loans from 2021-22 and 2019-22 respectively.

In addition, it will seek declarations that Second Chance Finance breached its record-keeping obligations, and its director failed to exercise due diligence to ensure it complied with its CCCFA duties and obligations.

"For the first time, we will be seeking pecuniary penalties from the high court for these alleged breaches," says Unger.

"We are also seeking orders for the lenders to pay statutory damages to named borrowers as well as the waiving of outstanding amounts owed by borrowers where their vehicles have been repossessed."

She adds that the commission is now working through the next steps in order to file civil proceedings in the coming months.

TRADE-INS ON THE UP

Dealers sold 14,332 second-hand cars to the public last month, which was a decrease of 0.9 per cent from 14,203 in January 2023.

There were also 12,298 public-to-trader transactions in January, which was an increase of 12.5 per cent from 10,928 on the same month of last year. ⊕

SECONDHAND CAR SALES - January 2024

	DEALER TO PUBLIC				PUBLIC TO PUBLIC			PUBLIC TO DEALER		
REGION	JAN '24	JAN '23	+/- %	MARKET SHARE	JAN '24	JAN '23	+/- %	JAN '24	JAN '23	+/- %
Northland	485	459	5.7	3.38	1,875	1,888	-0.7	182	143	27.3
Auckland	4,792	4,719	1.5	33.44	13,422	13,140	2.1	5,057	4,672	8.2
Waikato	1,387	1,422	-2.5	9.68	3,873	3,843	0.8	1,103	976	13.0
Bay of Plenty	932	904	3.1	6.50	2,765	2,817	-1.8	654	560	16.8
Gisborne	127	135	-5.9	0.89	386	360	7.2	63	33	90.9
Hawke's Bay	536	504	6.3	3.74	1,449	1,432	1.2	383	349	9.7
Taranaki	328	339	-3.2	2.29	1,079	1,076	0.3	192	182	5.5
Manawatu-Whanganui	716	761	-5.9	5.00	2,098	2,062	1.7	701	604	16.1
Wellington	1,406	1,366	2.9	9.81	3,133	3,246	-3.5	1,059	893	18.6
Tasman	126	126	0.0	0.88	459	463	-0.9	12	16	-25.0
Nelson	109	124	-12.1	0.76	409	425	-3.8	151	128	18.0
Marlborough	134	123	8.9	0.93	416	415	0.2	80	76	5.3
West Coast	103	93	10.8	0.72	297	313	-5.1	55	41	34.1
Canterbury	2,106	2,094	0.6	14.69	5,369	5,283	1.6	2,039	1,756	16.1
Otago	689	703	-2.0	4.81	2,029	2,077	-2.3	427	389	9.8
Southland	294	268	9.7	2.05	1,011	828	22.1	140	110	27.3
Other	62	63	-1.6	0.43	147	176	-16.5	0	0	0.0
NZ Total	**14,332**	**14,203**	**0.9**	**100.00**	**40,217**	**39,844**	**0.9**	**12,298**	**10,928**	**12.5**

New Passenger Vehicle Sales by Make - January 2024

MAKE	JAN'24	JAN'23	+/-%	JAN'24 MKT SHARE	2024 YEAR TO DATE	2024 MKT SHARE
Toyota	1,632	1,539	6.0	20.1%	1,632	20.1%
Mitsubishi	1,143	981	16.5	14.1%	1,143	14.1%
Kia	828	1,503	-44.9	10.2%	828	10.2%
Suzuki	538	575	-6.4	6.6%	538	6.6%
Ford	443	321	38.0	5.5%	443	5.5%
Nissan	370	258	43.4	4.6%	370	4.6%
Honda	348	343	1.5	4.3%	348	4.3%
Mazda	318	309	2.9	3.9%	318	3.9%
GWM	297	0	29,700.0	3.7%	297	3.7%
Hyundai	292	599	-51.3	3.6%	292	3.6%
Subaru	219	294	-25.5	2.7%	219	2.7%
Volkswagen	207	223	-7.2	2.6%	207	2.6%
MG	196	423	-53.7	2.4%	196	2.4%
BMW	161	156	3.2	2.0%	161	2.0%
Audi	118	101	16.8	1.5%	118	1.5%
Mercedes-Benz	118	159	-25.8	1.5%	118	1.5%
Lexus	111	68	63.2	1.4%	111	1.4%
Land Rover	107	125	-14.4	1.3%	107	1.3%
Porsche	95	61	55.7	1.2%	95	1.2%
Skoda	77	111	-30.6	0.9%	77	0.9%
Peugeot	56	93	-39.8	0.7%	56	0.7%
Mini	53	63	-15.9	0.7%	53	0.7%
Mahindra	48	4	1,100.0	0.6%	48	0.6%
BYD	40	234	-82.9	0.5%	40	0.5%
Cupra	40	40	0.0	0.5%	40	0.5%
SsangYong	38	35	8.6	0.5%	38	0.5%
Volvo	33	51	-35.3	0.4%	33	0.4%
Tesla	27	189	-85.7	0.3%	27	0.3%
Isuzu	25	13	92.3	0.3%	25	0.3%
Jeep	17	26	-34.6	0.2%	17	0.2%
Jaguar	15	26	-42.3	0.2%	15	0.2%
Haval	12	169	-92.9	0.1%	12	0.1%
Citroen	11	24	-54.2	0.1%	11	0.1%
Renault	11	17	-35.3	0.1%	11	0.1%
Chevrolet	9	9	0.0	0.1%	9	0.1%
Ineos	9	0	900.0	0.1%	9	0.1%
Maserati	9	4	125.0	0.1%	9	0.1%
LDV	6	1	500.0	0.1%	6	0.1%
Can-Am	5	3	66.7	0.1%	5	0.1%
Fiat	5	5	0.0	0.1%	5	0.1%
Lamborghini	5	4	25.0	0.1%	5	0.1%
Bentley	4	13	-69.2	0.0%	4	0.0%
Ferrari	4	6	-33.3	0.0%	4	0.0%
Alfa Romeo	3	1	200.0	0.0%	3	0.0%
Others	13	66	-80.3	0.2%	13	0.2%
Total	**8,116**	**9,245**	**-12.2**	**100.0%**	**8,116**	**100.0%**

New Passenger Vehicle Sales by Model - January 2024

MAKE	MODEL	JAN'24	JAN'23	+/-%	JAN'24 MKT SHARE	2024 YEAR TO DATE	2024 MKT SHARE
Toyota	RAV4	619	386	60.4	7.6%	619	7.6%
Mitsubishi	ASX	438	95	361.1	5.4%	438	5.4%
Mitsubishi	Outlander	430	301	42.9	5.3%	430	5.3%
Kia	Seltos	310	149	108.1	3.8%	310	3.8%
Ford	Everest	304	112	171.4	3.7%	304	3.7%
Toyota	Highlander	297	42	607.1	3.7%	297	3.7%
Suzuki	Swift	283	326	-13.2	3.5%	283	3.5%
Toyota	Corolla Cross	242	195	24.1	3.0%	242	3.0%
Kia	Stonic	236	340	-30.6	2.9%	236	2.9%
Nissan	Qashqai	219	78	180.8	2.7%	219	2.7%
Mitsubishi	Eclipse Cross	207	420	-50.7	2.6%	207	2.6%
Honda	ZR-V	154	0	15,400.0	1.9%	154	1.9%
Mazda	CX-5	146	99	47.5	1.8%	146	1.8%
Nissan	X-Trail	134	126	6.3	1.7%	134	1.7%
MG	ZS	130	310	-58.1	1.6%	130	1.6%
GWM	Haval H6	125	0	12,500.0	1.5%	125	1.5%
Toyota	Corolla	125	217	-42.4	1.5%	125	1.5%
GWM	Haval Jolion	122	0	12,200.0	1.5%	122	1.5%
Honda	CR-V	120	97	23.7	1.5%	120	1.5%
Kia	Sportage	108	200	-46.0	1.3%	108	1.3%
Toyota	Yaris Cross	93	229	-59.4	1.1%	93	1.1%
Volkswagen	Tiguan	90	44	104.5	1.1%	90	1.1%
Hyundai	Kona	82	167	-50.9	1.0%	82	1.0%
Hyundai	Tucson	81	104	-22.1	1.0%	81	1.0%
Toyota	Land Cruiser	77	52	48.1	0.9%	77	0.9%
Hyundai	Santa Fe	76	94	-19.1	0.9%	76	0.9%
Suzuki	Jimny	73	96	-24.0	0.9%	73	0.9%
Subaru	Outback	71	132	-46.2	0.9%	71	0.9%
Suzuki	S-Cross	71	28	153.6	0.9%	71	0.9%
Kia	Niro	64	338	-81.1	0.8%	64	0.8%
Subaru	Crosstrek	63	0	6,300.0	0.8%	63	0.8%
Suzuki	Ignis	57	76	-25.0	0.7%	57	0.7%
Ford	Puma	56	28	100.0	0.7%	56	0.7%
Suzuki	Vitara	54	48	12.5	0.7%	54	0.7%
Subaru	Forester	52	67	-22.4	0.6%	52	0.6%
Kia	Sorento	50	108	-53.7	0.6%	50	0.6%
Volkswagen	Touareg	48	44	9.1	0.6%	48	0.6%
Lexus	NX	47	12	291.7	0.6%	47	0.6%
Porsche	Cayenne	46	33	39.4	0.6%	46	0.6%
Honda	Jazz	45	185	-75.7	0.6%	45	0.6%
Land Rover	Defender	42	62	-32.3	0.5%	42	0.5%
MG	MG3	41	67	-38.8	0.5%	41	0.5%
Mitsubishi	Pajero Sport	41	127	-67.7	0.5%	41	0.5%
Toyota	Yaris	41	108	-62.0	0.5%	41	0.5%
Toyota	Camry	40	18	122.2	0.5%	40	0.5%
Others		1,866	3,485	-46.5	23.0%	1,866	23.0%
Total		**8,116**	**9,245**	**-12.2**	**100.0%**	**8,116**	**100.0%**

Boom in sales despite challenges

BMW Group NZ secured record registrations last year with 2,812 across its two brands – up by 12 per cent from 2022.

Sales of Minis rose by 23 per cent to a record of 1,048, while BMW's total of 1,764 units represented year-on-year growth of six per cent.

Group highlights included sales of the BMW X5 rising by 21 per cent and the BMW 7 Series sedan jumping by 22 per cent. The Mini Countryman also achieved 15 per cent growth over the same time frame with 450 sales.

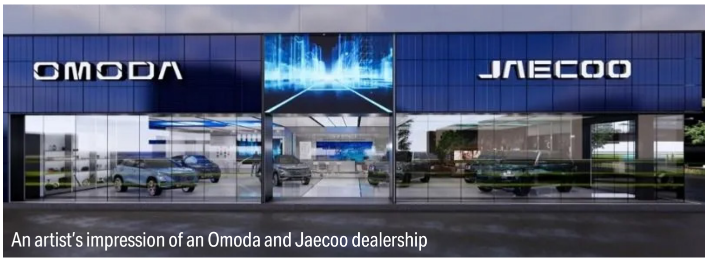
The company is set to expand its battery electric vehicle (BEV) range with eDrive20 variants of the iX1 and iX2 slated to arrive in the first half of this year. By mid-2024, the marque will offer 12 fully electric variants to consumers.

Mini, meanwhile, will enhance its BEV offering with the new Cooper and Countryman.

"We are delighted to have gone from strength to strength in 2023 in challenging market conditions to deliver a record number of vehicles," says Adam Shaver, BMW Group NZ's managing director.

"Highlights have been across the board, notably for our BEVs with outstanding year-on-year growth.

"We look ahead to continuing the momentum with the arrival of new BEVs and supporting this with the expansion of our destination charging programme."



An artist's impression of an Omoda and Jaecoo dealership

NETWORK UNVEILED

Omoda is set to add more franchises to its already announced 12-strong network for New Zealand.

The marque has 11 dealerships in the North Island and one for Mainland, which will offer sales, service and spares.

"For launch in 2024, we are well-represented in the North Island," says Sheldon Humphries, country manager. "Phase two of the set-up sees more focus on the South Island.

"Our goal is to create customer confidence by having a well-established network representing Omoda across New Zealand."

Its dealerships in Auckland are Winger Motor Group on the North Shore and in east Auckland, West City Auto Group in west Auckland, Tristram European for the central city and Winger Pukekohe for south Auckland.

In the rest of the North Island, they are Ebbett Motor Group in Hamilton, Tauranga Motor Company, Ingham Motor Group in Taupo, Eurocity in Hawke's Bay, Palmerston North's Eurocar and Brendan Foot Motors in the capital. The South Island franchise is Blackwells Motor Group, Christchurch.

Omoda NZ has also been accepting expressions of interest for dealer representation in Invercargill, Blenheim and Nelson.

Humphries says: "Having a dealer network of this calibre will add confidence for new owners. We expect to have showrooms' exteriors completed in February. They will be branded Omoda Jaecoo allowing for the introduction of Jaecoo later in 2024."

The first models out the blocks for Omoda NZ are the C5, an SUV, and the E5, the C5's fully electric variant. Extra models are planned for later this year. The marque's range here will include internal combustion engine, plug-in hybrid and BEV options.

AUTOMATICS ON WAY

Suzuki NZ is struggling to get the stock levels it wants for the new five-door Jimny, which has been launched with only manual variants.

Gary Collins, automotive general manager, says the company is confident that once it starts to receive the automatics, it can achieve more than 800 sales of the Jimny 5-Door this year.

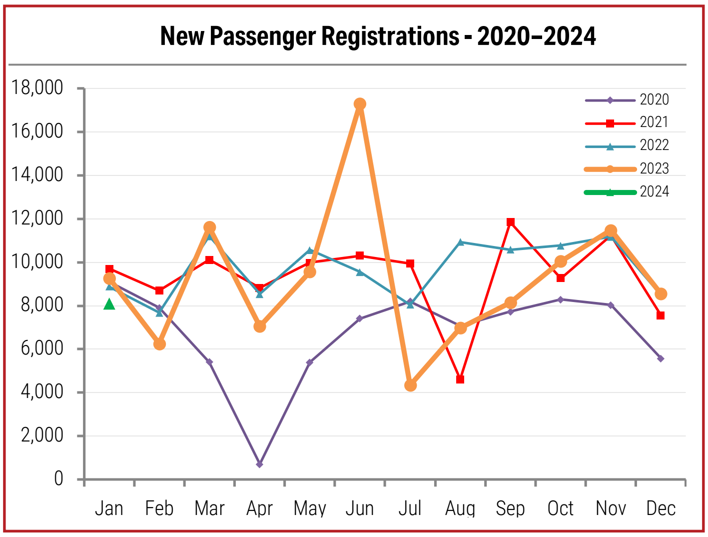
"Like all Jimny variants, we've been battling to gain the allocations we want for the new 5-Door," he explains. "The automatics will become available in about three months, but we will confirm this once we receive more shipping information.

"We're comfortable launching with manual only. Since the launch of the three-door, we have sold almost the same number of manuals as autos."

More than 1,000 people registered their interest in the five-door model ahead of its launch here and Collins hopes it will help improve the marque's position in the hotly contested compact SUV segment.

Trade dips 12%

New-car sales fell by 12.2 per cent in January compared to the same month of 2023 – from 9,245 to 8,116 units. Last month's top model was Toyota's RAV4 with 619 units for a year-on-year jump of 60.4 per cent from 386. Two Mitsubishis were second and third – the ASX with 438 and Outlander on 430. January's top three marques were Toyota on 1,632 registrations, Mitsubishi with 1,143 and Kia with 828.



New Passenger Vehicle Sales by Motive Power - January 2024

MAKE	JAN '24	JAN '23	+/-%	JAN '24 MKT SHARE	2024 YEAR TO DATE	2024 MKT SHARE
Full battery electric	244	1,205	-79.8%	3.0%	244	3.0%
Plug-in hybrid electric	202	493	-59.0%	2.5%	202	2.5%
Non plug-in petrol hybrid	2,434	2,153	13.1%	30.0%	2,434	30.0%
Petrol	4,340	4,509	-3.7%	53.5%	4,340	53.5%
Diesel	896	885	1.2%	11.0%	896	11.0%
Others (includes non plug-in diesel hybrid, fuel cell)	0	0	0.0%	0.0%	0	0.0%
Total	**8,116**	**9,245**	**-12.2%**		**8,116**	

Earnings hit by feebate scheme

Colonial Motor Company is bracing for a 30 per cent decrease in its half-year earnings to the end of December 2023, citing the demise of the clean car discount (CCD) as a key factor behind the drop.

Ashley Waugh, chairman, says Colonial's earnings for the 12 months to June 2024 are also unlikely to match record returns of the previous two financial years as a result.

In an update to the NZX, he notes the company signalled at its annual general meeting in November that earnings for the current financial year were likely to drop.

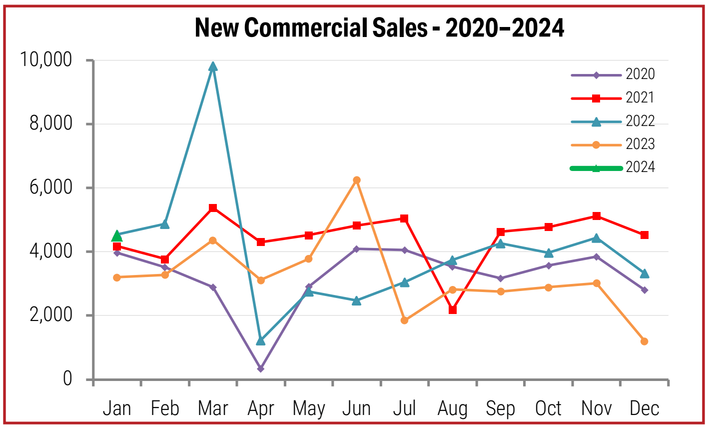
Waugh adds Colonial also forewarned the government's axeing of the CCD would negatively impact sales of internal combustion engine (ICE) vehicles, in particular up to December 31, and "this has proved to be the case".

"The anticipated consumer delay in purchasing our light-commercial range and SUV products and the weaker demand environment became evident through November and then materially worsened in December," he says.

"For context, light-commercial registrations across New Zealand were down nearly 50 per cent for the December quarter, driven by December being the lowest non-Covid month for registrations in this segment since January 1999.

"This impacted our dealerships in two ways – the deferral of vehicle sales to post January 1 and the cost of holding inventory for an extended period in a high interest-rate environment."

Waugh notes the combination of these effects suggests the company's half-year earnings to December 31, 2023, will be about one-third lower than in the



New Commercial Sales by Make - January 2024

MAKE	JAN'24	JAN'23	+/-%	JAN'24 MKT SHARE	2024 YEAR TO DATE	2024 MKT SHARE
Ford	1,603	890	80.1	35.4%	1,603	35.4%
Toyota	954	986	-3.2	21.1%	954	21.1%
Isuzu	337	165	104.2	7.4%	337	7.4%
Mitsubishi	330	316	4.4	7.3%	330	7.3%
Nissan	178	100	78.0	3.9%	178	3.9%
Volkswagen	150	56	167.9	3.3%	150	3.3%
Fiat	125	22	468.2	2.8%	125	2.8%
Hyundai	81	40	102.5	1.8%	81	1.8%
LDV	71	100	-29.0	1.6%	71	1.6%
Scania	65	40	62.5	1.4%	65	1.4%
Mercedes-Benz	61	40	52.5	1.3%	61	1.3%
Fuso	50	85	-41.2	1.1%	50	1.1%
Great Wall	49	21	133.3	1.1%	49	1.1%
Hino	47	58	-19.0	1.0%	47	1.0%
Iveco	47	28	67.9	1.0%	47	1.0%
Volvo	42	30	40.0	0.9%	42	0.9%
Ram	40	25	60.0	0.9%	40	0.9%
DAF	38	18	111.1	0.8%	38	0.8%
Chevrolet	37	21	76.2	0.8%	37	0.8%
Kenworth	37	16	131.3	0.8%	37	0.8%
Others	184	140	31.4	4.1%	184	4.1%
Total	**4,526**	**3,197**	**41.6**	**100.0%**	**4,526**	**100.0%**

New Commercial Sales by Model - January 2024

MAKE	MODEL	JAN'24	JAN'23	+/-%	JAN'24 MKT SHARE	2024 YEAR TO DATE	2024 MKT SHARE
Ford	Ranger	1,471	794	85.3	32.5%	1,471	32.5%
Toyota	Hilux	658	798	-17.5	14.5%	658	14.5%
Mitsubishi	Triton	330	311	6.1	7.3%	330	7.3%
Toyota	Hiace	256	158	62.0	5.7%	256	5.7%
Isuzu	D-Max	246	94	161.7	5.4%	246	5.4%
Nissan	Navara	178	100	78.0	3.9%	178	3.9%
Ford	Transit	132	96	37.5	2.9%	132	2.9%
Fiat	Ducato	125	22	468.2	2.8%	125	2.8%
Volkswagen	Amarok	124	13	853.8	2.7%	124	2.7%
Hyundai	Staria Load	75	34	120.6	1.7%	75	1.7%
GWM	Cannon	49	21	133.3	1.1%	49	1.1%
Isuzu	N Series	44	25	76.0	1.0%	44	1.0%
Mercedes-Benz	Sprinter	44	25	76.0	1.0%	44	1.0%
Toyota	Land Cruiser	40	30	33.3	0.9%	40	0.9%
Iveco	Daily	39	21	85.7	0.9%	39	0.9%
Ram	1500	39	25	56.0	0.9%	39	0.9%
DAF	CF	36	17	111.8	0.8%	36	0.8%
Isuzu	F Series	33	37	-10.8	0.7%	33	0.7%
Mazda	BT-50	31	21	47.6	0.7%	31	0.7%
LDV	Deliver 9	30	16	87.5	0.7%	30	0.7%
Others		546	539	1.3	12.1%	546	12.1%
Total		**4,526**	**3,197**	**41.6**	**100.0%**	**4,526**	**100.0%**

corresponding period in 2022.

About half of this decrease occurred in December, but this needs to be taken against the previous two comparative half-year periods in 2021 and 2022 being record results.

"On the positive side, orders that had been taken, but their delivery deferred to post-December, are flowing through the system now and will continue to do so during the current quarter," he adds. "Heavy-truck sales are anticipated to remain robust in the second half."

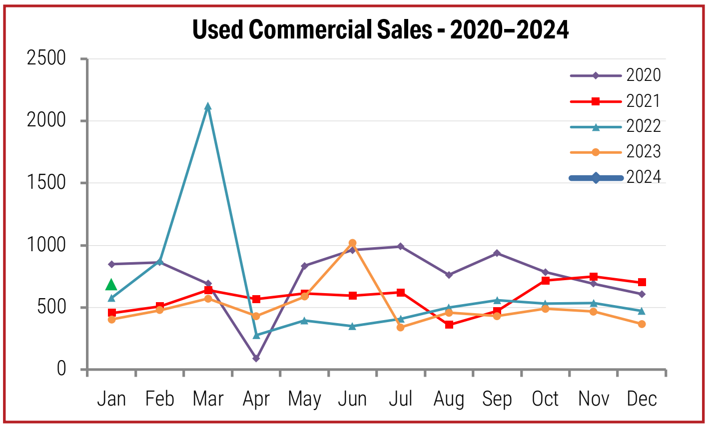
Waugh says in a guidance update of January 18 that it will take until well into the current quarter before the company knows how significant any turnaround in the overall vehicle market will be.

On the property front, Colonial has delivered significant progress with its facilities programme by completing redevelopments at Avon City Ford in Christchurch, Timaru Motors and Dunedin City Motors.

"In these more constrained times, we believe it's prudent to trim our facility capital commitments as construction costs climb," Waugh told shareholders at their annual general meeting late last year.

"That said, we still have significant long-term projects on the books for a Ti Rakau Drive facility in Auckland and for the most recent land purchase at Palmerston North to support heavy vehicles in the region.

"We also have commitments to redevelopments at Masterton and Waipukurau."



YEAR-ON-YEAR SPIKE

Registrations of new commercials rose in January following the abolition of the clean car discount on December 31.

Last month's total was 4,526, up by 41.6 per cent compared to 3,197 in January 2023.

Used-imported commercials climbed by a bigger proportion over the same timescale – by 71.8 per cent from 400 to 687.

Ford's Ranger led the way as the top new model on 1,471 units thanks to a year-on-year jump of 85.3 per cent.

Toyota's Hilux was second – down by 17.5 per cent from 798 to 658. Mitsubishi's Triton came third on 330.

The Toyota Hiace was January's top used commercial with a 136.3 per cent jump in registrations from 113 to 267.

Used Commercial Sales by Make - January 2024

MAKE	JAN'24	JAN'23	+/-%	JAN'24 MKT SHARE	2024 YEAR TO DATE	2024 MKT SHARE
Toyota	350	159	120.1	50.9%	350	50.9%
Nissan	161	105	53.3	23.4%	161	23.4%
Ford	40	16	150.0	5.8%	40	5.8%
Hino	36	23	56.5	5.2%	36	5.2%
Isuzu	26	25	4.0	3.8%	26	3.8%
Mitsubishi	22	24	-8.3	3.2%	22	3.2%
Fiat	8	6	33.3	1.2%	8	1.2%
Mazda	8	5	60.0	1.2%	8	1.2%
Daihatsu	7	3	133.3	1.0%	7	1.0%
Volkswagen	7	2	250.0	1.0%	7	1.0%
Suzuki	5	3	66.7	0.7%	5	0.7%
Chevrolet	3	4	-25.0	0.4%	3	0.4%
Holden	3	8	-62.5	0.4%	3	0.4%
Dodge	2	0	200.0	0.3%	2	0.3%
Freightliner	1	0	100.0	0.1%	1	0.1%
Hyundai	1	1	0.0	0.1%	1	0.1%
International	1	0	100.0	0.1%	1	0.1%
Kenworth	1	0	100.0	0.1%	1	0.1%
Mercedes-Benz	1	1	0.0	0.1%	1	0.1%
Ram	1	1	0.0	0.1%	1	0.1%
Others	3	14	-78.6	0.4%	3	0.4%
Total	**687**	**400**	**71.8**	**100.0%**	**687**	**100.0%**

Used Commercial Sales by Model - January 2024

MAKE	MODEL	JAN'24	JAN'23	+/-%	JAN'24 MKT SHARE	2024 YEAR TO DATE	2024 MKT SHARE
Toyota	Hiace	267	113	136.3	38.9%	267	38.9%
Nissan	NV350	101	62	62.9	14.7%	101	14.7%
Toyota	Regius	37	20	85.0	5.4%	37	5.4%
Nissan	Caravan	27	17	58.8	3.9%	27	3.9%
Hino	Dutro	25	17	47.1	3.6%	25	3.6%
Toyota	Dyna	23	11	109.1	3.3%	23	3.3%
Ford	Transit	21	1	2,000.0	3.1%	21	3.1%
Isuzu	Elf	18	16	12.5	2.6%	18	2.6%
Nissan	NV200	14	10	40.0	2.0%	14	2.0%
Fuso	Canter	13	12	8.3	1.9%	13	1.9%
Ford	Ranger	11	7	57.1	1.6%	11	1.6%
Nissan	Atlas	9	9	0.0	1.3%	9	1.3%
Fiat	Ducato	8	5	60.0	1.2%	8	1.2%
Daihatsu	Hijet	7	3	133.3	1.0%	7	1.0%
Hino	Ranger	7	4	75.0	1.0%	7	1.0%
Toyota	Hilux	6	7	-14.3	0.9%	6	0.9%
Isuzu	Forward	5	6	-16.7	0.7%	5	0.7%
Mitsubishi	Rosa	5	4	25.0	0.7%	5	0.7%
Toyota	Estima	5	0	500.0	0.7%	5	0.7%
Toyota	Toyoace	5	8	-37.5	0.7%	5	0.7%
Others		73	68	7.4	10.6%	73	10.6%
Total		**687**	**400**	**71.8**	**100.0%**	**687**	**100.0%**

Powering up with hydrogen

Toyota New Zealand has signed an exclusive distribution rights agreement for stationary hydrogen fuel-cell generators being assembled across the Tasman.

Partnering with French sustainable-energy solutions provider Energy Observer Developments (EODev), Toyota is investing $3.27 million to assemble its GEH2 generator at its former car factory in Melbourne this year.

Toyota Australia will also sell the generators with Toyota NZ being its first customer with plans to import and distribute in the Kiwi market.

Neeraj Lala, Toyota NZ's managing director and chief executive officer, describes the agreement with Toyota Australia to assemble and supply GEH2 generators as a game-changer.

"Our strategy is to support New Zealand to establish a hydrogen economy beyond light transport," he says.

"We are energised to expand our operations through technology innovations, such as the GEH2 generator, especially as they will become more accessible via the Australian assembly facility.

"The hydrogen generators are sustainable, clean alternatives to current options. Sectors, such as construction, are transitioning to low emissions.

"We're able to provide a viable zero-emissions option that's a positive contribution towards the future of New Zealand."

The first model to be assembled will be the 110kVA GEH2 generator. It uses the same system as the Mirai fuel-cell electric vehicle and provides power generation with zero carbon-dioxide emissions.

As the market develops, extra models will be considered for assembly and distribution on both sides of the ditch.

Toyota Australia's president, Matthew Callachor, says the company is committed to exploring and developing further applications for fuel cells.

"We fully support the Australian federal and state governments' drive in growing our hydrogen economy, and are committed to exploring opportunities for our fuel-cell technology well beyond its automotive use," he adds.

"This agreement isn't about a trial or pilot programme. It's about concrete action that will improve businesses' access to stationary hydrogen fuel-cell generators and help them reduce their carbon footprints."

Stock dwindles

Imports of new cars in January came in at 4,505. This was down by 24.7 per cent from the same month a year earlier and 39.6 per cent lower than December's 7,454 units.

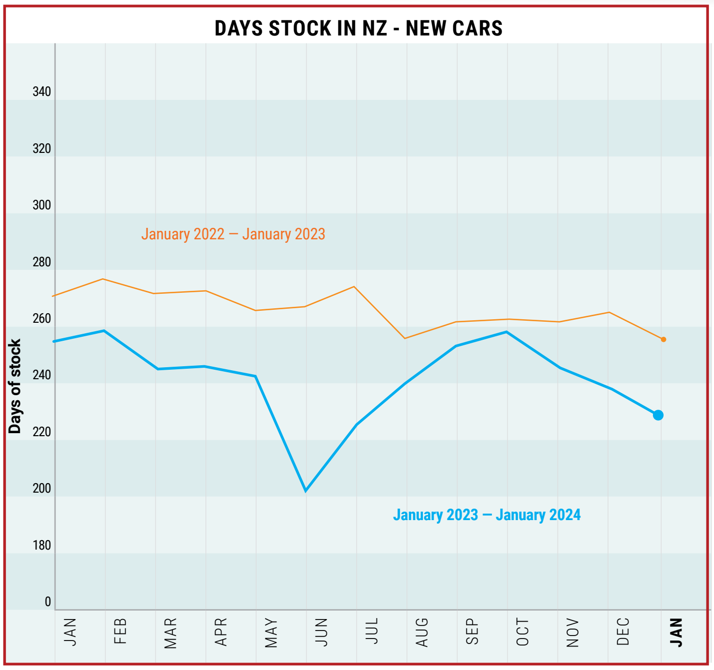
Registrations of 8,116 new passenger vehicles were completed last month, which was down 12.2 per cent from January 2023. It also represented a 5.1 per cent drop from 8,552 in December.

The numbers have resulted in the stock of new cars still to be registered dropping by 3,611 to 68,597. Daily registrations, as averaged over the previous 12 months, stand at 299 units per day – down from 319 a year earlier.

January's results mean stock at-hand has fallen to 229 days, or 7.5 months, if sales continue at the current rate. In the same month of 2023, stock stood at 254 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
Jan '23	5,985	9,245	(3,260)	81,057	319	254
Feb '23	6,381	6,243	138	81,195	316	257
Mar '23	7,506	11,605	(4,099)	77,096	317	243
Apr '23	6,045	7,029	(984)	76,112	313	243
May '23	7,995	9,542	(1,547)	74,565	310	241
Jun '23	10,725	17,238	(6,513)	68,052	331	206
Jul '23	8,183	4,332	3,851	71,903	321	224
Aug '23	9,399	6,971	2,428	74,331	310	240
Sep '23	10,030	8,126	1,904	76,235	303	251
Oct '23	10,751	10,037	714	76,949	301	255
Nov '23	7,832	11,475	(3,643)	73,306	302	243
Dec '23	7,454	8,552	(1,098)	72,208	302	239
Jan '24	**4,505**	**8,116**	**(3,611)**	**68,597**	**299**	**229**
Year to date	4,505	8,116				
Change on last month	-39.6%	-5.1%		-5.0%		
Change on Jan 2023	-24.7% LESS IMPORTED	-12.2% LESS SOLD		-15.4% LESS STOCK		



Survey shows shift to rentals

Research by YouGov reveals more than 500,000 New Zealanders plan to ditch privately owned cars and move to short-term rentals so they have more flexibility around the choice of what they drive and when.

Some 69 per cent expect their priorities in usage to change in the next five years with about 626,000 people indicating they plan to shift to subscription models.

The research forms part of a report commissioned by Avis NZ and conducted by YouGov, an internet-based market research and data analytics company with operations in Europe, North America, the Middle East and Asia-Pacific.

It provides a picture of changing interests and needs over the past 12 months and into the future.

Men are more likely than women to alter the way they use their cars over the next five years – 75 per cent compared to 64 per cent. Men have a stronger interest in subscription culture at 21 per cent compared to 11 per cent.

Changing attitudes and trends around ownership are most prevalent among millennials with 31 per cent expecting to use a subscription service because it gives them the freedom of having a vehicle at their disposal when they want it.

Bryn McGoldrick, general manager of Avis NZ, says alternative ownership models are on the rise internationally with subscription programmes predicted to account for nearly 15 per cent of all new-vehicle registrations in 2025.

"Our research shows Kiwis are increasingly looking to have access to a car rather than having to own one," he adds.

"Avis Flex offers an economical, hassle-free, temporary solution with easy cancellation and return policies. Customers can also swap their car up to three times in 11 months, which allows them to have a vehicle that suits their lifestyle.

"They're also a great 'toe in the water' for electric vehicles by allowing people to test for longer before they buy or long-term subscribe to them."

The research's results flag up that 60 per cent of New Zealanders would prefer to rent to try an electric car before buying one.

Other key findings reveal that in the next five years some 21 per cent say they will downsize what they own to something more economical and almost 100,000 Kiwis expect to not be using a car at all.

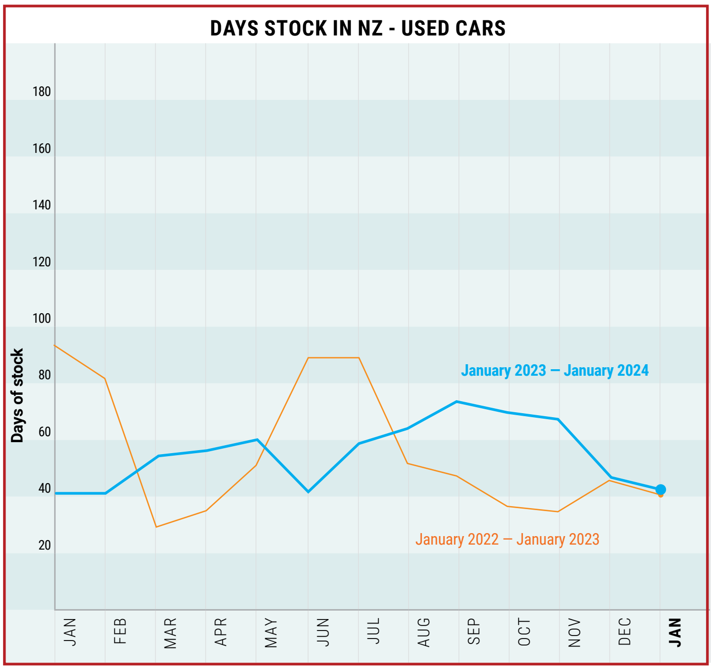
Daily sales rise

There were 8,121 used cars imported last month, a jump of 59.8 per cent from 5,082 in the same month a year earlier. The latest total was also up by 4.5 per cent from December when 7,772 units crossed our borders.

A total of 8,915 units were registered last month. This was 25.2 per cent more than 7,120 in January last year but down by 30.4 per cent from 12,801 in December.

With 794 fewer used cars imported than registered last month, it brought unregistered stock on dealers' yards, or in compliance shops, to 13,929. This was 16.1 per cent higher than 12,002 a year ago.

Average daily registrations rose month-on-month to 320, which was also up from 295 a year ago, and there's 44 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
Jan '23	5,082	7,120	-2,038	12,002	295	41
Feb '23	7,372	7,750	-378	11,624	287	40
Mar '23	11,442	9,668	1,774	13,398	247	54
Apr '23	8,768	7,931	837	14,235	251	57
May '23	10,954	9,576	1,378	15,613	258	60
Jun '23	12,900	16,668	-3,768	11,845	284	42
Jul '23	11,000	6,491	4,509	16,354	279	59
Aug '23	10,265	8,714	1,551	17,905	281	64
Sep '23	12,052	8,906	3,146	21,051	285	74
Oct '23	9,044	9,645	-601	20,450	292	70
Nov '23	8,941	9,639	-698	19,752	299	66
Dec '23	7,772	12,801	-5,029	14,723	315	47
Jan '24	**8,121**	**8,915**	**-794**	**13,929**	**320**	**44**
Year to date	**8,121**	**8,915**				
Change on last month	**4.5%**	**-30.4%**		**-5.4%**		
Change on Jan 2023	**59.8%** MORE IMPORTED	**25.2%** MORE SOLD		**16.1%** MORE STOCK		