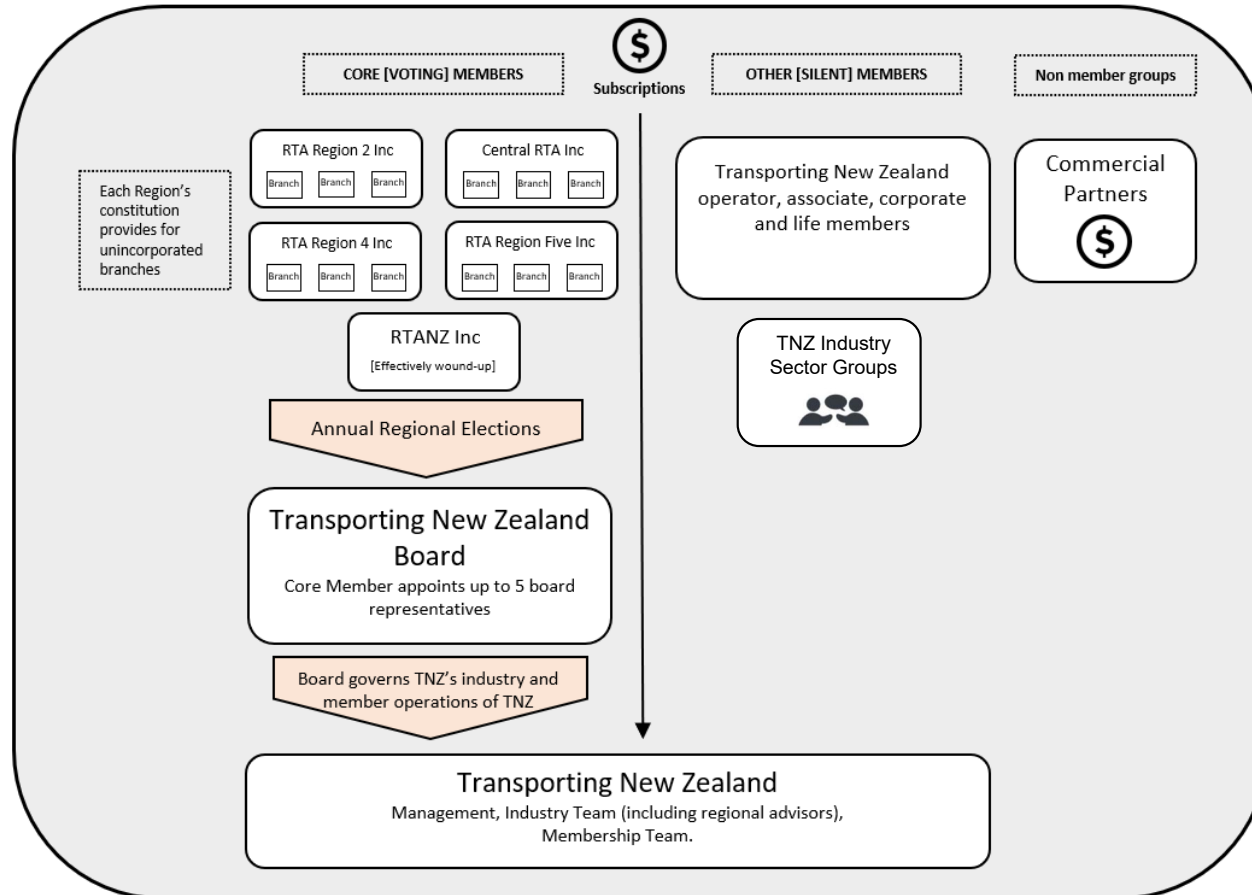


# Changing our association

An overview of our change proposal



# Our current structure



# Our current regional structure

- Does it provide a full or wide representation of Transporting New Zealand's current membership?
- Our multiple entities are a barrier to “one industry voice” – focuses organisation on internal dividing lines rather than external promotion of our industry.
- Administrative costs and processes are duplicated by five separate legal entities. Strain on volunteer capacity.
- Outdated constitutions require amendment before compulsory re-registration under the Incorporated Societies Act 2022.
- Substantial new responsibilities will be placed on those in governance roles under the new act.

# Our challenges

- Membership and revenue is falling (mirroring an international trend across membership associations).
- New members are not necessarily associated with the regional associations.
- Issues are increasingly sector-based rather than regionally driven.
- Regional funds are not being utilised.

# Beating the competition

- Three national associations with broadly similar offerings.
- Transporting New Zealand is currently constrained by limited resourcing.
- The sustained war of attrition is costing the industry (through financial inefficiencies and muddled advocacy).
- We need to focus time and resources bolstering membership revenue by improving our products and services.



# Re-registration and reform legally required

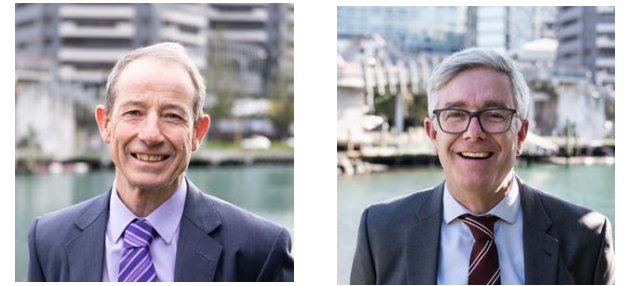
- The Incorporated Societies Act 2022 requires all societies to re-register themselves between 2023 and 2026 and update their rules to reflect the new Act.
- This obliges Transporting New Zealand and the regional associations to assess their constitutions, which haven't been changed since the 1990s and are now unworkable.
- The Act imposes greater responsibilities and accountabilities onto societies.
- The Act also sets out an amalgamation process, allowing re-registered associations to merge.



**How is the Transporting New Zealand Board responding to these challenges?**

## Consulting on a unified structure

- The Transporting New Zealand Board has agreed to commission legal advice on unification, and has approved a programme of consultation with our members.
- Gibson Sheat lawyers have advised us that unification of incorporated societies has been successfully completed before in similar circumstances (including Civil Contractors NZ, Diabetes New Zealand, and various sports bodies).
- Gibson Sheat have provided us with several options about how regional associations could ensure their (unequal) financial resources are used in an acceptable manner.



Nigel Stirling and Edward Cox from Gibson Sheat Lawyers - long-standing RTA/RTF/TNZ advisors.





# A programme of consultation for 2023

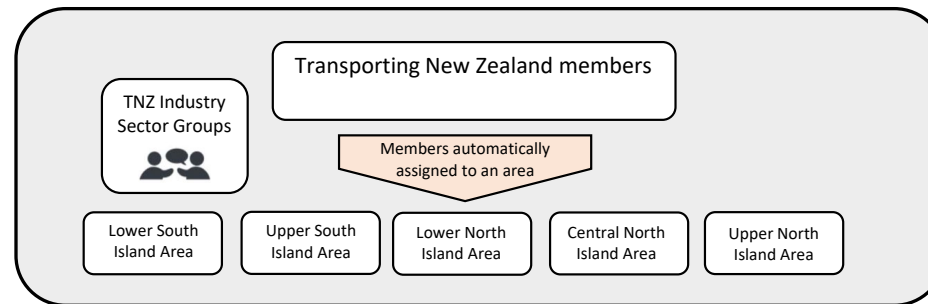
- Any structural reform of Transporting New Zealand would require the approval of all the regional associations. Any change needs to be achieved through consent.
- The new Incorporated Societies Act doesn't take effect until **October 2023**. No structural changes can be implemented until then (at the earliest).
- This provides time to launch a timetable of engagement throughout 2023, to get input from our membership and agree a way forward.
- Transporting New Zealand has prepared a draft unification proposal, to assist with the consultation programme. **This is not the final proposal.**
- This is subject to feedback and amendment from our regional associations.

# A draft consultation proposal

How could a new structure  
work in practice?

# 1. Members and branches

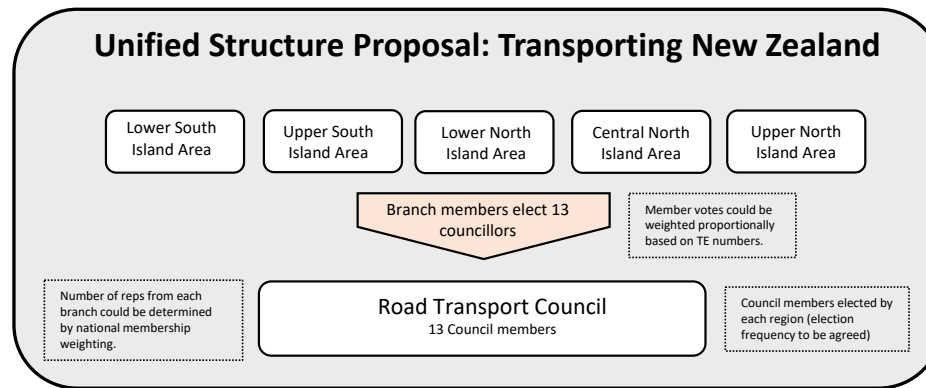
## Proposed Unified Structure Proposal: Transporting New Zealand



**[This structure is a preliminary draft, any re-structure proposal would be agreed by consultation with Core members]**

1. Members join Transporting New Zealand by paying an annual subscription.
2. Upon joining Transporting New Zealand, Members are automatically assigned to an area (similar to other industry associations like Hospitality New Zealand) for the purpose of electing representatives only.
3. Area assignment will be determined by primary location, registered Companies Office address, largest depot or some other agreed factor (TBA).
4. Transporting New Zealand will continue to operate Industry Sector Groups in line with the operating challenges experienced by members.

## 2. The Road Transport Council

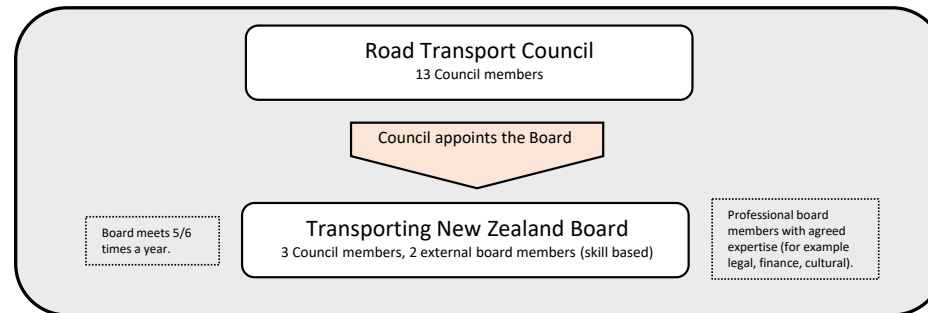


**[This structure is a preliminary draft, any re-structure proposal would be agreed by consultation with Core members]**

1. Areas elect representatives via an online ballot, to the Road Transport Council by a proportional system every second year. This would be a one-member one-vote system weighted by TE numbers.
2. The Road Transport Council meets quarterly to determine key industry issues, and priorities, and monitor Board and Industry Sector Group performance.
3. The Road Transport Council also appoints the Board of Transporting New Zealand and sets an annual statement of intent (SOI).
4. The Road Transport Council will ensure effective regional voice as part of the governance process, while minimising the amount of local administration.
5. This Council structure is similar to other industry associations including New Zealand Kiwifruit Growers.

# 3. The Board

## Unified Structure Proposal: Transporting New Zealand

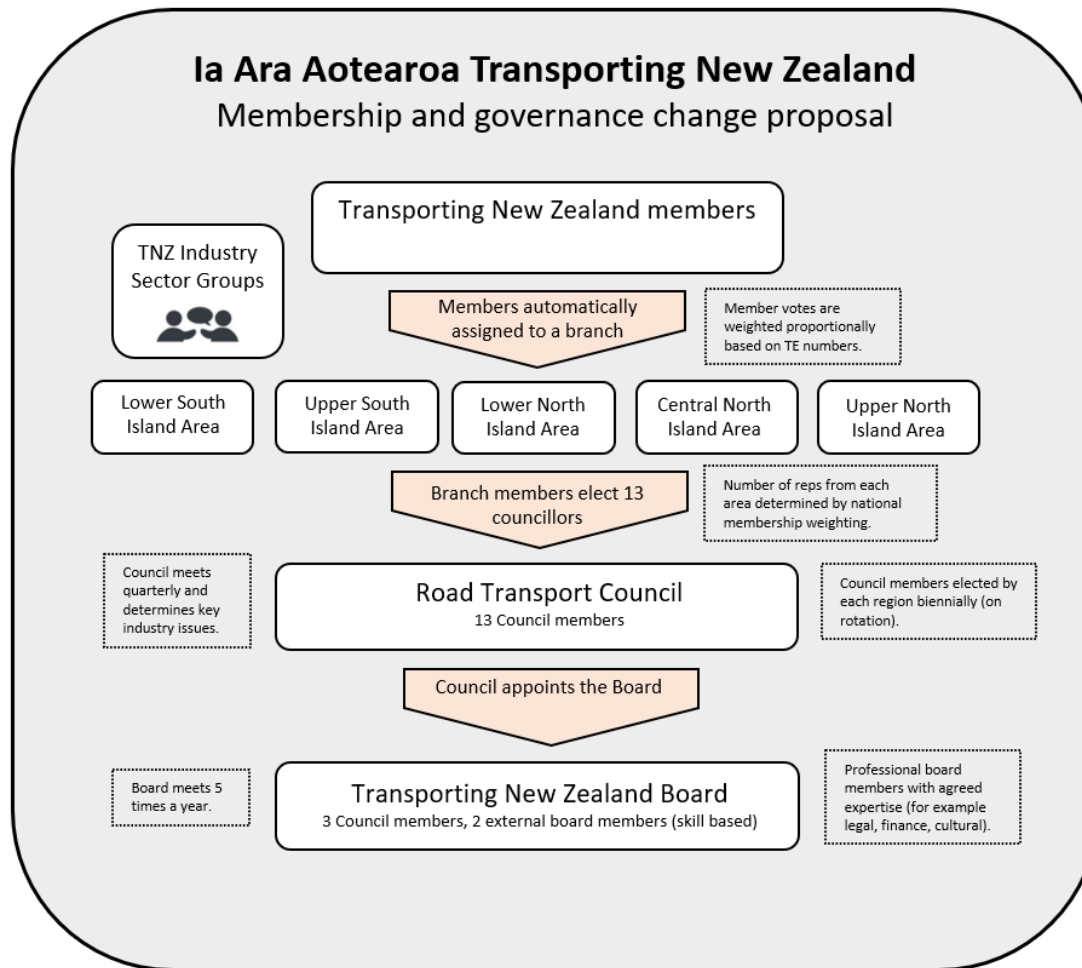


**[This structure is a preliminary draft, any re-structure proposal would be agreed by consultation with Core members]**

1. The Road Transport Council appoints the Board of Transporting New Zealand.
2. The Board could be made up of three Council members (or another member nominee made by the Council) and two external board members to provide additional expertise. The exact makeup of the Board will be agreed during consultation on the unified model.
3. The Board will appoint Transporting New Zealand's Chief Executive, govern the organisation's expenditure and delivery, and work towards the organisation's agreed goals and vision.

# Our draft unification proposal

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[This structure is a preliminary draft, any re-structure proposal would be agreed by consultation with members and regions]

# Potential benefits of unification

- A democratic, representative structure that all members can participate in and contribute to.
- Streamlined governance process (minimising administrative costs and duplication across multiple societies).
- Sufficient resourcing and staffing support to support improved member services and advocacy.
- Society funds put to good use (subject to any controls put in place) rather than sitting in term deposits.
- Constitutions and governance arrangements that comply with the Incorporated Societies Act.

# Proposed timetable (subject to regional agreement)

## **Late 2022**

### **Preliminary consultation with the regional executives**

Raising the challenges and possibilities presented by the new Act and our operating environment. Opportunity to give the matter consideration over Christmas and New Year.

## **Early 2023**

### **Initial consultation meetings / roadshow**

TNZ Board agrees a consultation process and engagement timetable with our regions, branches, and national membership. Member Q and A sessions with Transporting New Zealand staff, Board representatives and legal advisors. Receiving feedback and new ideas.

## **Early / Mid 2023**

### **Finalising an agreed proposal to be put to the regional associations**

Following the consultation meetings and roadshow, a unification / re-registration proposal is agreed between the regional associations.

## **Later 2023**

### **Formalising the changes**

Post October 2023, the regional associations and Transporting New Zealand re-register (as required by the new Act) and form the new organisational structure.