

Proactive Release

This document is proactively released by Te Manatū Waka the Ministry of Transport.

Some information has been withheld on the basis that it would not, if requested under the Official Information Act 1982 (OIA), be released. Where that is the case, the relevant section of the OIA has been noted and no public interest has been identified that would outweigh the reasons for withholding it.

Listed below are the most commonly used grounds from the OIA.

<u>Section</u>	<u>Description of ground</u>
9(2)(a)	to protect the privacy of natural persons

PROACTIVELY RELEASED BY THE MINISTRY OF TRANSPORT



11 March 2026

OC260146

Hon James Meager

Action required by:

Associate Minister of Transport

Thursday, 12 March 2026

DEPARTMENTAL CONSULTATION FEEDBACK ON LAND TRANSPORT RULES REFORM KEY DECISIONS CABINET PAPER

Purpose

This briefing summarises feedback received as part of departmental consultation on the draft Land Transport Rules Reform: Key Decisions Cabinet paper and provides an updated paper based on our recommended responses.

Key points

- Departmental consultation on the draft Cabinet paper Land Transport Rules Reform: Key Decisions closed on Monday 9 March 2026.
- Agencies generally supported efficiency-focused proposals (such as lane use changes and heavy vehicle productivity/decarbonisation) but sought clarification on the road safety impacts of extending inspection intervals, especially for motorcycles.
- Officials have prepared further analysis of the implications of the proposed changes for motorcycles and recommend excluding them from the proposed changes, maintaining current inspection requirements. This is because of the risk that the negative safety effects of reduced inspection intervals could outweigh compliance-cost savings.
- We seek your agreement to circulate an updated Cabinet paper for ministerial consultation, reflecting your decision on the question above.

Recommendations

We recommend you:

- 1 **note** the feedback received on the draft Land Transport Rules Reform: Key Decisions Cabinet paper
- 2 **agree** to exclude motorcycles from the changes to inspection frequency for all light vehicles and instead:
 - maintain current annual/six-monthly inspections for motorcycles (recommended) Yes / No
- OR**
- reduce inspection requirements to annual for all motorcycles Yes / No
- 3 **agree** to start ministerial consultation on the draft Cabinet paper Yes / No
- 4 **agree** to proactively release this briefing, alongside the release of the final Cabinet paper Yes / No
- 5 **refer** this briefing to Hon Chris Bishop, Minister of Transport. Yes / No

s9(2)(a)



Katrina Quickenden
 Acting Director, Sector Strategy
 11/3/26

Hon James Meager
 Associate Minister of Transport
 / /

- Minister's office to complete:
- Approved Declined
 - Seen by Minister Not seen by Minister
 - Overtaken by events

Comments

Contacts

Name	Telephone	First contact
Laura Bender, Acting Manager, Regulatory Reform	s 9(2)(a)	
Keegan Taylor, Principal Advisor, Regulatory Reform	s 9(2)(a)	✓

DEPARTMENTAL CONSULTATION FEEDBACK ON LAND TRANSPORT RULES REFORM KEY DECISIONS CABINET PAPER

Background

- 1 On 25 February 2026 you agreed to start departmental consultation on the draft Cabinet paper Land Transport Rules Reform: Key Decisions. The consultation period closed on Monday, 9 March 2026.
- 2 Officials have considered the feedback from agencies, and this briefing provides you with additional advice on addressing key issues and a version of the Cabinet paper reflecting these updates (Annex 1).

Summary of feedback and proposed changes in response

- 3 The following table summarises key feedback from departmental stakeholders:

Workstream	Theme	Feedback	Proposed response
WoF/CoF A	Road safety effects of extending inspection intervals (Ministry of Justice, Police)	Agencies raised concerns about safety risks from extending inspection intervals, particularly for motorcycles and other higher-risk vehicles.	We have provided additional advice on the treatment of motorcycles in paragraphs 4 to 14. Our recommended option has been reflected in the Cabinet paper.
	Proportionality and effectiveness of penalties (Ministry of Justice)	Justice questioned whether financial penalties alone would deter non-compliance, raised equity effects on low-income vehicle owners, and noted human rights considerations for strict liability offences.	These considerations have been addressed in the RIS analysis. As a result, there are no changes to the Cabinet paper.
Digital driver licences	Privacy considerations (Office of the Privacy Commissioner)	Re-emphasised the need for privacy analysis for the digital driver licence, to ensure privacy risks are identified and managed early.	No changes to the Cabinet paper.
	Implementation milestones (Department of Internal Affairs)	Supports the Minister requesting regular updates from the NZ Transport Agency Waka Kotahi on progress against implementation milestones.	No changes to the Cabinet paper.
Lane use	Efficient and safe use of roads and footpaths (Ministry for the Environment (MfE))	Agencies generally supported proposals that improve efficient use of roads, cycleways and footpaths. We will keep working with NZ Police on other feedback (e.g., requiring helmets for e-scooters)	No changes to the Cabinet paper.

		to refine implementation and detailed design, and to inform advice on final policy decisions.	
Heavy vehicle productivity	Productivity and decarbonisation benefits (MfE)	MfE supported changes that reduce regulatory burden, improve freight productivity, and remove barriers to uptake of zero-emissions heavy vehicles, including licensing settings.	No changes to the Cabinet paper.
Overall programme	Fiscal impact and uncertainty (the Treasury)	Requested clearer commentary on expected net impacts (including NLTF effects) and acknowledgement of uncertainty around cost and revenue estimates.	The Cabinet paper has been updated to better describe fiscal impact and uncertainty.

Additional analysis of motorcycle safety considerations regarding WOF changes

- 4 The Cabinet paper included motorcycles in the proposal to reduce inspection frequency to two-yearly for vehicles up to fourteen years old. NZ Police feedback queried their inclusion based on the fact that motorcycles are overrepresented in crashes, including crashes where a vehicle defect was present.
- 5 In responding to NZ Police, we identified that our modelling omitted data on motorcycle crashes that should have been included in the analysis. We have now undertaken further analysis that suggests the additional negative safety effects of including motorcycles in the proposed changes likely outweigh the benefits of reduced compliance costs.

You could leave motorcycle inspection requirements as they are, or pursue a more modest reduction

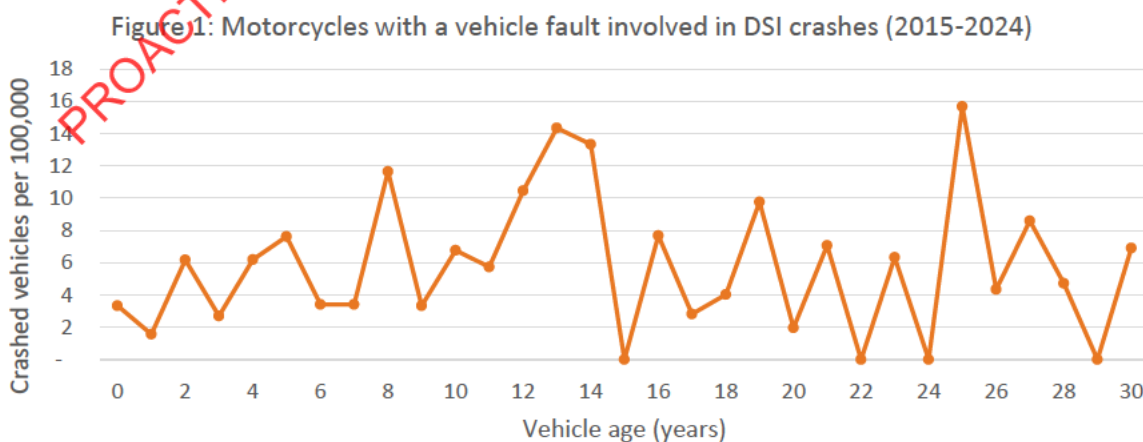
- 6 We recommend excluding motorcycles from the proposed changes to inspection frequency for other light vehicles, and doing one of the following:
 - 6.1 **Option 1: Maintain existing inspection requirements for motorcycles (preferred):**
 - Annual inspection for motorcycles first registered after 1 January 2000
 - Six-monthly inspections for motorcycles first registered before 1 January 2000 but less than forty years old (Approximately 25,000 vehicles)
 - Annual inspections for motorcycles over forty years old (Approximately 14,000)
 - 6.2 **Option 2: Require annual inspection for all motorcycles:** This would reduce the frequency of inspection for approximately 25,000 vehicles from six-monthly to annual, but this number (motorcycles first registered before 1 January 2000 but under forty years old) would decrease over time.

- 7 The following table summarises our assessment of each option, relative to the status quo, using the criteria used to assess other changes:

Criteria	Option 1	Option 2
Improves safety outcomes	0 No change.	-- Our modelling estimates an increase in social cost of crashes of between \$1m and \$23m over the next 30 years.
Reduces regulatory compliance cost	0 No change, noting the number of vehicles in the cohort requiring six-monthly inspections would shrink naturally over time.	+ Our modelling estimates a reduction in compliance cost of between \$10m and \$17m over the next 30 years.
Ease of implementation and ongoing management	0 No change.	- Broadly the same noting this change would introduce additional complexity into inspection requirements.
Supports system-level efficiency and coherence	0 No change, noting that vintage motorcycles require annual inspections meaning a motorcycle's inspection interval would vary from annual, then to six-monthly, back to annual over the life of the vehicle.	+ More aligned to other jurisdictions' requirements where motorcycles are not treated differently than other light vehicles.
Delivers fair and equitable social outcomes	0 No change.	Unknown. We have not been able to assess the effects on this specific cohort because of data limitations.
Overall assessment	This option poses less safety risk but maintains requirements that may be perceived as unjustified based on available evidence and risks missing out on potential benefits.	This option is expected to deliver net (dis)benefits of between -\$10m and +\$13m meaning there is potential that the change may deliver benefits that exceed costs but there is risk that it may not.

Our modelling may overstate the safety risk of decreasing inspection frequency for motorcycles...

- 8 While motorcycles are overrepresented in crash data and more modestly overrepresented in crashes where a vehicle defect is present, the evidence does not support definitive conclusions about the effectiveness of either current or reduced inspection requirements at preventing crashes.
- 9 As shown in Figure One below, motorcycle crash statistics do not suggest a relationship between a motorcycle's age and its likelihood of being involved in a crash.



- 10 Our modelling also assumes that all vehicle defects identified contributed to the crash. This assumption may be overly conservative, particularly given that motorcycles have consistently higher initial inspection pass rates than the rest of the vehicle cohort.

- 11 Most other jurisdictions have the same requirements for motorcycles as they do for other light vehicles. For example, in Germany motorcycles require an inspection every two years, the same as other light vehicles. This also means that current requirements for motorcycles are an outlier internationally in terms of frequency.
- 12 Only 15 of the 5,201 survey submissions in the October 2025 public consultation favoured more regular inspections for motorcycles. None of the submissions from industry or inspection organisations recommended that motorcycles be treated differently than other light vehicles.

...but the risk of significant disbenefits, without sufficient evidence to discount it, means we recommend keeping current requirements for now

- 13 On balance, we recommend Option 1 (maintain existing requirements). While there are benefits to Option 2 (annual inspections for all motorcycles), our modelling shows a material risk that the additional safety costs of Option 2 would outweigh these benefits. This contrasts with the other light vehicle changes where benefits would still outweigh costs even if costs turned out higher than expected.
- 14 As noted in paragraph 6.2, the pool of vehicles subject to six-monthly rather than yearly inspections would decrease to zero over time. These settings could also be revisited when the other inspection changes are evaluated post-implementation.

Next steps

- 15 Subject to your agreement, the Cabinet paper and subsequent rule amendments to give effect to the new light vehicle inspection requirements will proceed on the timeline outlined in the below table:

Stage	Date
Lodge Land Transport Rules Reform: Key Decisions Cabinet paper	19 March 2026
Economic Policy Committee	25 March 2026
Cabinet	30 March 2026
Draft LRG paper and s164 advice provided to the Associate Minister of Transport	1 April 2026
LRG	23 April 2026
Cabinet and Executive Council (new rule signed)	27 April 2026
Rule comes into effect	November 2026

**ANNEX 1 DRAFT LAND TRANSPORT RULES REFORM PROGRAMME: KEY
POLICY DECISIONS - CABINET PAPER - 11 MARCH 2026**

PROACTIVELY RELEASED BY THE MINISTRY OF TRANSPORT