

## 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>
6(a)	as release would be likely to prejudice the security or defence of New Zealand or the international relations of the New Zealand Government
6(b)	as release would be likely to prejudice the entrusting of information to the Government of New Zealand on a basis of confidence by <ul style="list-style-type: none"> <li>(i) the Government of any other country or any agency of such a Government; or</li> <li>(ii) any international organisation</li> </ul>
6(c)	prejudice the maintenance of the law, including the prevention, investigation, and detection of offences, and the right to a fair trial
9(2)(a)	to protect the privacy of natural persons
9(2)(b)(ii)	to protect information where the making available of the information would be likely unreasonably to prejudice the commercial position of the person who supplied or who is the subject of the information
9(2)(ba)(i)	to protect information which is subject to an obligation of confidence or which any person has been or could be compelled to provide under the authority of any enactment, where the making available of the information would be likely to prejudice the supply of similar information, or information from the same source, and it is in the public
9(2)(ba)(ii)	to protect information which is subject to an obligation of confidence or which any person has been or could be compelled to provide under the authority of any enactment, where the making available of the information would be likely otherwise to damage the public interest
9(2)(f)(ii)	to maintain the constitutional conventions for the time being which protect collective and individual ministerial responsibility
9(2)(f)(iv)	to maintain the constitutional conventions for the time being which protect the confidentiality of advice tendered by Ministers of the Crown and officials
9(2)(g)(i)	to maintain the effective conduct of public affairs through the free and frank expression of opinions by or between or to Ministers of the Crown or members of an organisation or officers and employees of any public service agency or organisation in the course of their duty
9(2)(h)	to maintain legal professional privilege
9(2)(i)	to enable a Minister of the Crown or any public service agency or organisation holding the information to carry out, without prejudice or disadvantage, commercial activities
9(2)(j)	to enable a Minister of the Crown or any public service agency or organisation holding the information to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations)



18 March 2025

OC250209

Hon James Meager

Action required by:

Associate Minister of Transport

Thursday, 20 March 2025

## UPDATED CABINET PAPER: REGULATORY SYSTEMS (TRANSPORT) AMENDMENT BILL

### Purpose

Seek your approval to lodge an updated Cabinet paper on 20 March for consideration at ECO on 26 March that reflects departmental and ministerial feedback.

### Key points

- Annex One provides an updated draft Cabinet paper: *Regulatory Systems (Transport) Amendment Bill – strengthening the efficiency of the transport system*.
- In addition to minor editorial corrections, changes reflect:
  - Minor changes in response to departmental and ministerial consultation. Key feedback is summarised below (refer to paragraph 4), and
  - An amendment to *Proposal 5 – Amending errors in the Civil Aviation Act 2023*: we recommend you broaden the proposal to seek approval from Cabinet to correct drafting errors across transport legislation.
- The Ministry for Regulation (MfR) advises against including proposals that may not achieve broad support in bills of this nature (as cross-party support from the Business Committee is required to progress). We expect the proposal to refocus public transport principles will be contentious, in part because changes have not been discussed with Public Transport Authorities and public transport operators. We recommend proceeding with the approach as previously agreed by Minister Bishop: to seek policy decisions on this issue and remove it from the Bill at a later stage, if required.
- We have not provided a Regulatory Impact Statement (RIS) for the proposal to refocus public transport principles as there has been insufficient time to adequately test the proposal and assess the impacts. We have agreed with MfR that a post implementation review will be undertaken and provided to Cabinet in due course. We will discuss and agree on the appropriate scope and timing of this assessment. Minister Bishop's office is aware of this approach.

- Subject to any further changes you indicate, recommend you lodge the updated paper before 10am on 20 March, for consideration at ECO on 26 March. We intend to provide you with draft legislation to consider in late May.
- Subject to and following Cabinet agreement, the Ministers of Transport and Digitising Government intend to announce that the Government is changing primary legislation to enable digital driver licences.

## Recommendations

We recommend you:

- 1 **note** the proposal to refocus public transport principles will likely be contentious and we have agreed with the Ministry for Regulation that a post-implementation review will be undertaken and provided to Cabinet in due course
- 2 **agree** to broaden the proposal to amend errors in the Civil Aviation Act 2023 to allow for errors to be amended across transport legislation Yes / No
- 3 **lodge** the attached Cabinet paper on 20 March for consideration at ECO on 26 March Yes / No

s 9(2)(a)

Paul O'Connell  
**Deputy Chief Executive – Sector Strategy**  
 18 / 03 / 2025

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
Bonnie Hayvice, Senior Policy Advisor – Regulatory Reform	s 9(2)(a)	
Katrina Quickenden, Manager – Regulatory Reform		✓

## UPDATED CABINET PAPER: REGULATORY SYSTEMS (TRANSPORT) AMENDMENT BILL

- 1 You are leading the Regulatory Systems (Transport) Amendment Bill (the Bill) which will adjust multiple pieces of transport legislation to reduce regulatory complexity and improve system efficiencies.
- 2 We have completed departmental and Ministerial consultation on the draft Cabinet paper.

### There is general support for the proposals, with questions focussed on implementation

- 3 There was general comfort with the proposals, with the Department of Internal Affairs (DIA) and the Minister for Digitising Government reinforcing their support of the proposal to enable the use of a digital driver licence.<sup>1</sup>
- 4 Feedback from departments was received on three key areas, summarised below. Only minor changes to the paper have been made in response. This is because issues raised will be considered and addressed as part of service design and delivery, which the Minister of Transport intends to take to Cabinet later this year. Agencies indicated their comfort with this approach.
  - **Implementation and operational queries:** The Office of the Privacy Commissioner, Police and Treasury sought clarification on how digital licences and labels would work in practice. This includes the handling of future costs and privacy risks associated with, for example, the mandated collection of email addresses such as the potential to expose New Zealanders to cybersecurity risks.
  - **Risk of digital exclusion:** DIA and Police noted proposals to digitise license and labels may risk entrenching the impacts of digital exclusion for groups who have less knowledge of or access to digital solutions (e.g. older people or rural communities). The Ministry of Primary Industries did not identify any concerns given the proposals are to enable new forms of licences and labels. The option for paper copies remains and implementation will consider the risk of digital exclusion.
  - **Appropriateness of the proposal to re-focus public transport principles in this type of bill:** MfR advised against including proposals that may not achieve broad support in bills of this nature (as cross-party support from the Business Committee is required to progress). Minister Bishop has previously agreed to seek policy decisions on this issue and remove it from the Bill at a later stage, if necessary. We consider this is likely, particularly as these changes have not been discussed with Public Transport Authorities and public transport operators.<sup>2</sup>
- 5 We have not provided a RIS for the proposal to refocus public transport principles as there has been insufficient time to adequately test the proposal and assess the impacts. CO (24) 7 requires a RIS be provided when seeking policy approval from Cabinet. We have agreed with

<sup>1</sup> No other feedback was provided via ministerial consultation.

<sup>2</sup> Relevant unions were consulted during the addition of the labour market principles, and although the principles are unlikely to directly correspond with worker wages and conditions, there is likely to be concern about the proposed change.

MfR that a post implementation review will be undertaken and provided to Cabinet in due course. We have notified Minister Bishop's office of this approach.

### **We seek your agreement to authorise correction of errors across transport legislation**

- 6 You agreed to seek authorisation to update cross references and address other drafting matters in the Civil Aviation Act 2023 (refer OC250101). This proposal would enable two sets of consequential amendments resulting from errors in the drafting process.
- 7 Since then, we found a further error in the Transport Accident Investigation Commission Act 1990. Section 13 inconsistently refers to 'accident' and 'accident and incident'. We seek your agreement to broaden the scope of this proposal to allow the amendment of any additional errors across transport legislation that are identified during the drafting process. We would advise you of any further matters for inclusion within this proposal as they arise, or when we provide you with draft legislation in late May.

### **Timeframes to enactment are tight**

- 8 The Minister of Transport has requested s 9(2)(h) [REDACTED]. Subject to any further changes you indicate, we recommend you lodge the draft Cabinet on Thursday 20 March, to allow for consideration at ECO on 26 March. This approach provides PCO the most time possible to prepare the draft legislation.
- 9 Following lodgement, we will provide you with talking points and supplementary Q&A to support you at ECO. Subject to Cabinet agreement, we understand a press release from the Ministers of Transport and Digitising Government will announce that the Government is progressing legislative change to enable digital driver licences.

**Table 1. Proposed timeline for the Regulatory Systems (Transport) Amendment Bill**

Milestone/Activity	Due/Timeframe
Drafting instructions issued to PCO	31 March
Advice to you on draft legislation	May
Cabinet considers draft legislation	June
Business Committee considers the Bill	June
Introduction of the Bill	June
Select Committee	s 9(2)(h) [REDACTED]
Enactment	s 9(2)(h) [REDACTED]

**ANNEX 1: UPDATED DRAFT CABINET PAPER**

PROACTIVELY RELEASED BY MINISTRY OF TRANSPORT TE MANATŪ WAKA

**In-confidence**

Office of the Associate Minister of Transport

Cabinet Economic Policy Committee

**Regulatory Systems (Transport) Amendment Bill – strengthening the efficiency of the transport system**

**Proposal**

- 1 I seek Cabinet agreement to proposals to progress through the Regulatory Systems (Transport) Amendment Bill (the Bill) to enable a more effective and efficient transport system.

**Relation to government priorities**

- 2 The proposals will deliver on commitments made in the Government Policy Statement on Land Transport as well as support other Government priorities including: to improve the quality and performance of regulatory systems; the digital modernisation of services; and to reduce unnecessary government spending.

**Executive Summary**

- 3 Our transport system is managed by a significant legislative framework. Duplications, gaps, errors and inconsistencies across legislation creates an unnecessarily complex system for users to engage with and for government to administer. This generates time and costs that hold us back from meeting our transport objectives.
- 4 The Minister of Transport and I have identified a number of legislative solutions that would improve the effectiveness and efficiency of the transport system by:
  - 4.1 modernising legislation to enable convenient digital service alternatives to physical licences and labels, and
  - 4.2 streamlining and clarifying provisions to reduce complexity and ensure legislation functions as intended.
- 5 I seek approval to issue drafting instructions to the Parliamentary Counsel Office for the following proposals:
  - 5.1 **Proposal 1 – enable digital driver licences** as a convenient alternative to physical documents and to promote a modern and efficient transport system,
  - 5.2 **Proposal 2 – enable electronic issuing of regulatory notices and fees** to streamline services to deliver system efficiencies and customer benefits,
  - 5.3 **Proposal 3 - remove unnecessary display requirements** to update outdated processes and reduce administrative costs,

- 5.4 **Proposal 4 – re-focus our public transport principles** to reduce cost and complexity for public transport decision-makers, and
- 5.5 **Proposal 5 – amend drafting errors across transport legislation** including the Civil Aviation Act 2023 (CAA 2023) to empower airports to set charges and cost-recover fees, and the Transport Accident Investigation Commission Act 1990 (TAIC 1990), in line with the original intent of the legislation.
- 6 I intend to progress these proposals through the Regulatory Systems (Transport) Amendment Bill (the Bill). s 9(2)(h)
- To advance these changes as a single bill requires cross-party support from the Business Committee. If any of these proposals prove contentious, I intend to split them into separate bills.
- 7 Through the Bill, I also intend to progress:
- 7.1 a number a minor and technical fixes, developed by the Ministry of Transport under the previous Government, across land transport, maritime and aviation legislation (Appendix Two), and
- 7.2 decisions already made by Cabinet to both enable councils to set parking fees below a maximum cap (CAB-24-MIN-0220) and enable adjustments to the Clean Vehicle Standard to save motoring costs for New Zealanders (CAB-24-MIN-0248).
- 8 Subject to Cabinet agreement, I will return in June 2025 with draft legislation. The need for amendments to enable the changes to the Clean Vehicle Standard drive the Bill's timeline, as they need to be in force by the end of the year to deliver as we have committed. It is also important that we amend the numbering error in the Civil Aviation Act 2023 (that comes into force on 5 April 2025) as soon as possible to ensure airport operators can carry out important operational functions.
- 9 s 9(2)(h), the digitisation of licences and labels will take time to implement and for public to opt in to alternatives. The New Zealand Transport Agency (NZTA) is participating in a co-design digital driver licence solution with Austroads. Following this, the Minister of Transport can provide Cabinet with indicative implementation timeframes and costs, including any privacy risks that require addressing through the design of services.

## Background

*An effective and efficient transport system requires a strong regulatory framework*

- 10 A significant legislative framework underpins the transport sector: 26 transport-related Acts and 268 sets of rules and regulations across land, aviation and maritime. Regularly maintaining and improving this framework is fundamental to maintaining its effectiveness and efficiency and reducing the chance of regulatory failure.
- 11 This Government understands the importance of reducing regulatory complexity and improving the quality and performance of regulatory systems. To support us to



achieve this I am seeking Cabinet's agreement to a number of these proposals that if progressed, would modernise legislation and generate system efficiencies.

## Proposals

*Our transport legislation needs modernising to keep up with developing technologies*

- 12 Currently, New Zealanders rely on physical licences and paper-based labels in the transport system. Having to hold and display these can be unnecessarily costly and onerous for both users and administrators of transport services.
- 13 I am proposing a suite of amendments, agreed to by the Minister of Transport, that would enable the digitisation of key transport documentation. By enabling convenient alternatives that enhance efficiency, this supports the Government's digital modernisation goals that aims to promote a modern and efficient public service.
- 14 I am seeking Cabinet agreement to:
  - 14.1 **Proposal 1 – enable digital driver licences:** make a series of legislative amendments including to the Land Transport Act 1998 (LTA 1998) to enable the use of digital driver licences. This would include amending sections that require a physical licence.
  - 14.2 **Proposal 2 – enable electronic issuing of regulatory notices and fees:** make a series of legislative amendments, including to the LTA 1998 to facilitate the electronic issuing (e.g. emailing) of infringement and other regulatory notices including making the provision of email addresses to NZTA mandatory upon request (as is the case for postal addresses), and
  - 14.3 **Proposal 3 - remove unnecessary display requirements:** make a series of legislative amendments that would update requirements to carry and display physical licences and labels such as a Warrant of Fitness (WoF), Certificate of Fitness (CoF) and alternative fuel inspection certificates where digital alternatives are available. Physical display does not align with the future direction of the transport system and carries an unnecessary administration cost. This proposal would include amendments to the LTA 1998; Land Transport (Motor Vehicle Registration and Licensing) Regulations 2011; and Land Transport (Offences and Penalties) Regulations 1999.<sup>1</sup>
- 15 While these proposals would make the necessary primary legislative changes to enable digital licences and labels in the future, digitisation of physical licences and labels will take time to implement and for the public to opt in. A key part of design is the need to ensure there are no unintended privacy implications before implementation.<sup>2</sup>

<sup>1</sup> Changes required to enable digital Road User Charges (RUC) licences will be progressed separately, as will other secondary or delegated legislative changes required.

<sup>2</sup> NZTA will align their work with the Digital Identity Services Trust Framework (New Zealand's legal framework including rules and regulations for how digital identity services that are accredited should work, protect information and privacy).

- 16 For Proposal 1, NZTA will participate in a co-design digital driver licence solution with Austroads.<sup>3</sup> Following this, the Minister of Transport can provide Cabinet with indicative implementation timeframes and costs, including any privacy risks that require addressing through the design of services and/or secondary legislation. For Proposals 2 and 3, the Minister of Transport will return to Cabinet later this year with more detail on service design and delivery options, timeframes and associated costs.

*Other amendments to streamline and clarify legislation will save time and costs*

- 17 The government's overarching public transport objectives are incorporated into legislation through principles set out in Part 5 of the Land Transport Management Act (LTMA) 2003, which regulates public transport. Those that exercise powers and/or perform function under Part 5 (such as NZTA and other transport authorities and operators) must be guided by these principles.
- 18 The principles cover a wide range of competing objectives that can add regulatory complexity for public transport decisions makers. To reduce compliance costs and improve regulatory certainty for public transport decision makers, I am seeking Cabinet agreement to progress the Minister of Transport's proposal to:

18.1 **Proposal 4 – re-focus our public transport principles:** remove the following public transport principles from section 115 of the LTMA:

- 18.1.1 (1)(a) - well-used public transport services reduce the environmental and health impacts of land transport, including by reducing reliance on single-occupant vehicles and using zero-emission technology,
- 18.1.2 (1)(b) - public transport services support a mode shift from private motor vehicle use and equitable access to places, facilities, services, and social and economic opportunities if they are co-ordinated, integrated, reliable, frequent, accessible, affordable, and safe, and
- 18.1.3 (1)(c) - fair and equitable employment or engagement of people in the public transport workforce should ensure that there is a sufficiently robust labour market to sustain and expand public transport services.

- 19 This proposal may be contentious, particularly as it has not yet been discussed with Public Transport Authorities and public transport operators.<sup>4</sup> However, removing these will result in a more cohesive set of public transport principles that are in closer alignment with the Minister of Transport's priorities and the purpose of the LTMA. In the absence of these principles, non-regulatory mechanisms, such as procurement

<sup>3</sup> Austroads is the association of the Australian and New Zealand transport agencies, representing all levels of government. Austroads is a not-for-profit, nonpartisan organisation and is funded by Australian and New Zealand government transport agencies.

<sup>4</sup> Relevant unions were consulted during the addition of the labour market principles, and although the principles are unlikely to directly correspond with worker wages and conditions, there is likely to be concern about the proposed change.

guidance and letters of expectation, will continue to play an important role in supporting the sector to deliver efficient and effective public transport services.

20 In addition, I am seeking Cabinet agreement to:

20.1 **Proposal 5 – amend errors across transport legislation:** authorise the Minister of Transport to update cross references and address other drafting matters across transport legislation, including the CAA 2023 and the TAIC 1990.

21 This proposal would enable consequential amendments to the CAA 2023 resulting from errors in the drafting process, including:

21.1 amendments relating to the setting of charges, which is an important element of an airport's operation. However, a numbering error made when enacting the CAA 2023 (that comes into force 5 April 2025) has resulted in Wellington and Auckland airports not being able to set charges for "identified aerodrome activities provided, operated, or managed by the airport operator".<sup>5</sup> This proposal would enable Wellington and Auckland airports to use the powers outlined in s230 of the CAA 2023 to set charges, as originally intended, and

21.2 a minor technical amendment to clarify that costs can be recovered via levies unless those same costs are otherwise collected or to be collected via the Airports (Cost Recovery for Processing of International Travellers) Act 2014. This would align the CAA 2023 with the Customs and Excise Act 1996 and the Biosecurity Act 1993, which already contain these clarifying statements. This amendment fills an unintended legislative gap that exists because the Civil Aviation Act 1990 was not consequentially amended to include this statement when the aviation security levies were later introduced.

22 This proposal would also enable a minor amendment to the TAIC 1990 to correct inconsistencies in wording, in line with the original intent of the legislation. I intend for this proposal to allow the amendment of any additional errors across transport legislation that are identified during the drafting process. I will confirm these with Cabinet when I return with draft legislation.

### Next steps

*I intend to introduce an omnibus Bill to progress the range of regulatory fixes across the transport system*

23 I intend to progress a Regulatory Systems (Transport) Amendment Bill (the Bill) that will provide the necessary legislative vehicle to progress these proposals. I also intend for the following to be advanced through this Bill:

23.1 decisions already made by this Government in June 2024, to enable councils to set parking fees below a maximum cap (CAB-24-MIN-0220) and in July 2024 to change the Clean Vehicle Standard to enable greater flexibility and reduce compliance costs (CAB-24-MIN-0248); and

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<sup>5</sup> S230, Civil Aviation Act 2023

23.2 a number of minor and technical amendments to legislation that were developed by the Ministry of Transport under the previous Government (CAB-22-MIN-0177). A full list of amendments previously agreed is outlined in Appendix Two.

24 I expect to return to Cabinet in June with draft legislation. Subject to Cabinet agreement, I anticipate introducing this Bill to the House in June 2025 s 9(2)(h)

Milestone/Activity	Timeframe
Cabinet considers draft legislation	June 2025
s 9(2)(h)	

25 s 9(2)(h)

## Implementation

26 Legislative amendments to enable digital licences and labels alongside physical licences (Proposal 1 to 3) will be implemented at a later date. This provides an opportunity for the NZTA to design and develop new services, including investigating funding options, ensuring privacy risks are managed prior to implementation, and that new digital channels are attractive to use. Some new services will require substantial implementation programmes and associated funding decisions.

27 NZTA and the Department of Internal Affairs are working to develop and implement the digital identity platform. NZTA is participating in a co-design digital driver licence solution with Austroads. Following this, the Minister of Transport will provide Cabinet with indicative implementation timeframes and costs.

28 Other proposed amendments are minor and technical legislative changes that will be implemented following the enactment of the Bill.

## Cost-of-living Implications

29 By simplifying carrying and display requirements that bring unnecessary administration costs, these proposals will over time reduce the cost of living as changes flow through to more sustainable fees and charges for NZTA services. Other amendments designed to streamline legislation will also support this outcome.

30 Other proposals in this paper do not have material cost-of-living implications.

### Financial Implications

31 These proposals have no significant financial implications. However, there will be costs associated with the implementation of digital driver licences, enabling electronic issuing of regulatory notices and fees, and removing unnecessary display requirements. Estimated costs will be provided to Cabinet when it considers service design and delivery options later this year.

### Legislative Implications

32 The proposals require changes across primary and secondary legislation including: Land Transport Act 1998; Land Transport Management Act 2003; Civil Aviation Act 2023; Land Transport (Motor Vehicle Registration and Licensing) Regulations 2011; Land Transport (Offences and Penalties) Regulations 1999; Railways Act 2005; Motor Vehicle Registration Regulations; Infringement and Reminder Notices and Regulations; and the Transport Accident Investigation Commission Act 1990.

33 s 9(2)(h)

### Impact Analysis

#### Regulatory Impact Statement

##### *Proposals 1 to 3*

34 The Ministry for Regulation (MfR) has determined these proposals are exempt from the requirement to provide a Regulatory Impact Statement on the grounds they have no or only minor impacts on businesses, individuals, and not-for-profit entities, or only minor economic, social, or environmental impacts.

##### *Proposal 4*

35 Cabinet's impact analysis requirements apply to this proposal, but there is no accompanying Regulatory Impact Statement, and the MfR has not exempted the proposal from the impact analysis requirements. Therefore, it does not meet Cabinet's requirements for regulatory proposals. Consistent with Cabinet's impact analysis requirements, a post-implementation review will be undertaken and provided to Cabinet in due course. The MfR and the Ministry for Transport will discuss and agree on the appropriate scope and timing of this assessment.

##### *Proposal 5*

36 The Ministry of Transport has claimed an exemption under Cabinet Office circular CO(24)7 for the proposal to authorise the Minister of Transport to update cross references and address other digital matters in the Civil Aviation Act 2023 (Proposal 5) on the grounds it is for a matter suitable to be included in a Statutes Amendment Bill (as provided for in Standing Orders).

### Climate Implications of Policy Assessment

- 37 The Climate Implications of Policy Assessment (CIPA) team has been consulted and confirms that CIPA requirements do not apply to the proposals as none are expected to result in any significant, direct emissions impacts.

### Privacy Impact Assessments

- 38 When implemented, proposals to digitise licences and labels (Proposal 1 to 3) would change the means in which information is collected, used and handled. Some evaluation of privacy risks has been conducted by NZTA.

#### *Proposal 1 – Enabling the use of digital driver licences:*

- 39 There have been data breaches and other cybersecurity risks in Australia associated with uptake of these licences that we can learn from. Officials will analyse and seek to mitigate or build safeguards against these risks as the product is designed and the secondary legislation developed. For now, I am seeking to make the primary legislation enabling of digital forms of driver licences.
- 40 NZTA's initial analysis finds potential risks regarding the accuracy and verification of driver licence information and the appropriate safeguarding of this data. However, NZTA has existing obligations under the Privacy Act 2020 to ensure customer data is accurate and that there are safeguards in place to prevent unauthorised loss, misuse, or disclosure of personal information. NZTA will align its work with the Digital Identity Services Trust Framework. It is partnering with experts to ensure international standards are met as this technology is developed and implemented.

#### *Proposal 2 – enabling electronic issuing of regulatory notices and fees:*

- 41 NZTA assesses the impact of this proposal as 'medium'. Mandating the collection and provision of electronic addresses raises potential privacy risks such as potential reliance on inaccurate information (e.g., if email addresses are not kept up to date) and could further expose New Zealanders to cybersecurity risks, scams and phishing. However, NZTA considers risks can be satisfactorily mitigated by applying similar safeguards as for other personal information they hold.
- 42 NZTA also considers risks could be reduced as e-servicing will enable emails and attachments to both be password-protected to enhance privacy. This has fewer privacy risks than posting such notices to physical addresses, with no confirmation of receipt, and in envelopes that can be opened by anyone.

#### *Proposal 3 – removing unnecessary display requirements*

- 43 NZTA assessed the impact of this proposal as 'low' as the use of personal information is uncontroversial, and the risk of harm eventuating is negligible.

### Population Implications

- 44 There are no population implications arising from these proposals.



## Human Rights

- 45 Where proposals are enabling the use of technology, there will be an ongoing ability to opt for the traditional route of being, for example, provided a physical copy of one's driver's licence. This recognises that while technology can be enabling for many people and organisations, it can act as a barrier for others. If in future a digital only option becomes viable, consideration will be given to human rights implications before implementation.

## Use of external Resources

- 46 No external resources were used in policy development of the proposals.

## Consultation

- 47 The following agencies were consulted on the contents of this paper: Civil Aviation Authority, Department of Internal Affairs, Department of the Prime Minister and Cabinet, Maritime New Zealand, Ministry of Justice, Ministry of Primary Industries, Ministry for Regulation, New Zealand Police, New Zealand Transport Agency, Office of the Privacy Commissioner, Parliamentary Counsel Office and Treasury.
- 48 I do not propose to take further targeted or public consultation on the proposals outlined in this paper. However, proposals outlined in Appendix Two underwent public consultation between 1 June to 8 July 2022 and supported by submitters.

## Communications

- 49 Once legislative drafting is complete, I will share my communications approach including advising stakeholders of the Select Committee process to submit on the contents of the Bill. The Minister of Transport intends to separately announce, in conjunction with the Minister for Digitising Government, the decision to progress changes to the Land Transport Act 1998 to enable a digital driver licence.

## Proactive Release

- 50 This Cabinet paper and its corresponding minute will be proactively released within 30 business days of final policy decisions being taken by Cabinet.

## Recommendations

The Associate Minister of Transport recommends that the Committee:

- 1 **note** that amendments are required across transport legislation to support effective regulatory stewardship and an efficient transport system;
- 2 **note** that I intend to progress these amendments through the Regulatory Systems (Transport) Amendment Bill, s 9(2)(h) [REDACTED]
- 3 **agree** to amend legislation to enable the use of digital driver licences;

- 4 **agree** to amend legislation to facilitate the electronic issuing of infringement and other regulatory notices as a compliance and enforcement mechanism, including by requiring the provision of electronic addresses to the NZTA if the person has these, keeping these current, and enabling notices to be retrieved electronically;
- 5 **agree** to amend legislation to enable digital licence and label options and update the requirement to carry and display physical labels where a digital alternative is available;
- 6 **agree** to remove the following three public transport principles in legislation:
  - 6.1 well-used public transport services reduce the environmental and health impacts of land transport, including by reducing reliance on single-occupant vehicles and using zero-emission technology,
  - 6.2 public transport services support a mode shift from private motor vehicle use and equitable access to places, facilities, services, and social and economic opportunities if they are co-ordinated, integrated, reliable, frequent, accessible, affordable, and safe,
  - 6.3 fair and equitable employment or engagement of people in the public transport workforce should ensure that there is a sufficiently robust labour market to sustain and expand public transport services;
- 7 **agree** to update cross references and address other editorial matters in the Civil Aviation Act 2023, and other transport legislation;
- 8 **invite** the Minister and Associate Minister of Transport to issue drafting instructions to the Parliamentary Counsel Office to give effect to all proposals (including for primary legislation and any associated regulations), including any necessary consequential amendments, savings and transitional provisions;
- 9 **authorise** the Minister and Associate Minister of Transport to make policy decisions that are consistent with the overall policy, provided that these decisions are confirmed when the Bill is considered for introduction.

Authorised for lodgement

Hon James Meager

Associate Minister of Transport



## Appendix One: Summary of final policy proposals for Cabinet agreement

Proposal	Description	Relevant legislation	Comment
<b>Enabling digital driver licences (DDL)</b>	Proposal to make a series of legislative amendments including to the Land Transport Act 1998 to enable the use of digital driver licences. This includes amending the definition of a driver licence and sections that require a physical licence. This change supports the Digitising Government approach that aims to promote a modern and efficient public service by providing people with a convenient alternative to carrying a physical copy of their driver licence.	Land Transport Act 1998	RIS exemption  This is an enabling provision. Implementation will take time and have associated costs. There are outstanding privacy considerations that need to be worked through.
<b>Better enabling NZTA to email regulatory notices and fees</b>	Proposal to make a series of legislative amendments including to the Land Transport Act 1998 to facilitate the electronic issuing (e.g. emailing) of infringement and other regulatory notices. This includes sections that specify how regulatory notices are sent and making the provision of electronic addresses (including email) to NZTA mandatory upon request (as is the case for postal addresses). This change also supports the Digitising Government approach that aims to promote a modern and efficient public service and reduce unnecessary administration cost.	Land Transport Act 1998	RIS exemption  This is an enabling provision. Implementation will take time and have associated costs, although these costs will, in part, be balanced by administrative savings in the long-term.
<b>Enabling digital in-vehicle labels</b>	Proposal to make a series of legislative amendments that would enable alternative digital options to the current requirements to carry and display physical licences and labels. This is a dated practice that does not align with the future direction of the transport system and carries an unnecessary administration cost. This proposal would include amendments to the Land Transport Act 1998, Land Transport (Motor Vehicle Registration and Licensing) Regulations 2011, and Land Transport (Offences and Penalties) Regulations 1999 to provide flexibility by enabling alternative digital licence and label display options.	Land Transport Act 1998; Land Transport (Motor Vehicle Registration and Licensing) Regulations 2011; Land Transport (Offences and Penalties) Regulations 1999	RIS exemption  This is an enabling provision. Implementation will take time and have associated costs, although these costs will, in part, be balanced by administrative savings in the long-term.

IN CONFIDENCE

<b>Re-focusing our public transport principles</b>	Proposal to amend the Land Transport Management Act's (LTMA) public transport principles set out in Part 5, section 115 by removing three principles that add cost and complexity for public transport decision-makers. Removing these principles will help to improve alignment between the remaining public transport principles with Government priorities and the purpose of the LTMA, reduce compliance costs and improve regulatory certainty for public transport decision makers.	Land Transport Management Act 2003	RIS not provided. A post-implementation review will be undertaken and provided to Cabinet in due course.
<b>Amending errors across transport legislation, including the Civil Aviation Act 2023 and the Transport Accident Investigation Commission Act 1990</b>	<p>Proposal to authorise the Minister of Transport to update cross references and address other drafting matters across transport legislation including the Civil Aviation Act 2023 and the Transport Accident Investigation Commission Act 1990. This would include enabling consequential amendments to the Civil Aviation Act 2023:</p> <ul style="list-style-type: none"> <li>a) allowing Wellington and Auckland airports to use the powers outlined under S230 of the Civil Aviation Act 2023 to set charges as intended.</li> </ul> <p>The setting of charges is an important element of an airport's operation. However, a numbering error made when enacting the Civil Aviation Act 2023 has resulted in Wellington and Auckland airports not being able to set charges for 'identified aerodrome activities provided, operated, or managed by the airport operator', and</p> <ul style="list-style-type: none"> <li>b) clarify that costs can be recovered via levies unless those same costs are otherwise collected or to be collected via the Airports (Cost Recovery for Processing of International Travellers) Act 2014. This would align the Civil Aviation Act with the Customs and Excise Act 1996 and the Biosecurity Act 1993, which already contain these clarifying statements. This amendment fills an unintended legislative gap that exists because the Civil Aviation Act 1990 was not consequentially amended to include this statement when the aviation security levies were later introduced.</li> </ul> <p>As well as enable a minor amendment to the Transport Accident Investigation Commission Act 1990 to correct inconsistencies in wording, in line with the original intent of the legislation.</p>	Civil Aviation Act 2023	RIS exemption

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## Appendix Two: Summary of proposals agreed to by Cabinet in November 2022 (CAB-22-MIN-0177)

Land proposals		
Proposal	Description	Relevant Legislation
<b>Allow the NZTA to proactively close parts of the State Highway network to address safety concerns</b>	Proposal to amend the Government Rounding Powers Act 1989 (GRPA). This will align NZTA's powers with other Road Controlling Authorities.	Government Rounding Powers Act 1989
<b>Pedestrian access to approved areas within motorway corridors</b>	The GRPA restricts pedestrian access to motorways. This proposal will update GRPA provisions to clarify that pedestrians may use approved areas and infrastructure (e.g. bus stops).	Government Rounding Powers Act 1989
<b>New offence and powers relating to Transport Service Licences (TSL)</b>	Drivers and owners of freight, vehicle recovery, and passenger service vehicles are required to hold a TSL. The Land Transport Act 1998 (LTA) prohibits transferring, assigning, or leasing a TSL but there is no corresponding offence. Propose to amend the LTA to: add an offence, expand NZTA's audit ability, extend power to suspend a TSL, and require a fit/proper person check for a new person added to a TSL.	Land Transport Act 1998
<b>Simplify the Rule consultation process to remove duplication</b>	This proposal will remove duplicative consultation requirements in section 161(2)(c) of the LTA that are adequately covered in section 161(2)(b). The Maritime Transport Act 1994 (MTA) and Land Transport Management Act 2003 (LTMA) will be amended in the same way. This will align transport sector consultation practice with the Civil Aviation Act 2023.	Land Transport Act 1998
<b>Introducing emergency powers for the Director of Land Transport</b>	Enable the Director of Land Transport to extend the term of any land transport document when a state of national or local emergency has been declared, an Epidemic Notice is in force, or with the Minister of Transport's agreement. It will also introduce new powers for the Director of Land Transport to: require any vehicle, or class of vehicle, to present for inspection by a specified date, and be able to revoke the Certificate/Warrant of Fitness of a class of vehicles on the grounds of not meeting safety requirements.	Land Transport Act 1998
<b>Increase the maximum level of fines and infringement fees that</b>	This proposal will raise the maximum fees and fines that can be made through regulations under section 167 of the LTA. Maximum penalties for an individual will vary from \$2,000 to \$3,000 for infringement fees, and from \$10,000 to \$15,000 for fines before a court order. This would require	Land Transport Act 1998

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<b>can be set through regulations</b>	public consultation on proposed amounts for specific offences. (This is a separate initiative to the Fees and Penalties work)	
<b>Amend a drafting error to enable NZTA to declare a road as being a state highway</b>	A drafting oversight in the LTMA means NZTA cannot legally declare a new road it has constructed as a state highway. Proposal to amend the definition of road in the LTMA to correct this, and to ensure the validity of State highway declarations and any enforcement activities.	Land Transport Management Act 2003
<b>Clarify the criteria and consultation requirements for when NZTA can declare a vehicle to not be a motor vehicle</b>	The E-Scooters (Declaration not to be motor vehicles) Notice 2018 led to complaints to the Regulations Review Committee about a lack of transparency, and a lack of consultation by NZTA. Propose to amend the LTA to require that when NZTA declares a vehicle is not a motor vehicle, they have regard to how the declaration will contribute to a safe, inclusive and environmentally sustainable land transport system, enable NZTA to apply conditions to the operation of and equipment required on devices subject to a declaration, include devices up to 2000 watts and define maximum power output. The NZTA must also conduct an appropriate level of consultation prior to making a declaration.	Land Transport Act 1998
<b>Introduce reactive investigation powers under the Railways Act 2005</b>	Proposal to introduce new powers for NZTA to freeze a scene to preserve and collect evidence, access sites to investigate or carry out verification inspections, request materials to be supplied for examination, interview personnel involved in a safety occurrence and require identified failings to be remediated by the rail participant.	Railways Act 2005
<b>Allowing rail safety case applications to be paused</b>	All rail licence holders are required to have a safety system with an overarching safety case approved by NZTA. A 20-working day limit applies to applications for safety case approval. This proposal will amend the LTA to introduce a 'stop-the-clock' provision when NZTA requires further information from an applicant, either for a new application or a variation to a safety case.	Land Transport Act 11998

Maritime Proposals		
Proposal	Description	Relevant Legislation
<b>Confer maritime safety powers on the Minister of Conservation in the</b>	This proposal extends the functions, duties, responsibilities and powers of a regional council relating to maritime safety under Part 3A the MTA to the Minister of Conservation. This will allow the Minister of Conservation to	Maritime Transport Act 1994

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<b>Subantarctic and Kermadec Islands</b>	manage maritime safety at the Islands, with access to a system of powers in line with the rest of New Zealand.	
<b>Update the definition of a 'convention' in the MTA</b>	Under the MTA, amendments to an international convention to which New Zealand is a party are not defined as part of the convention. This proposal will amend the definition of 'convention' to incorporate subsequent amendments. This will avoid multiple Orders in Council being required to recognise that amendments have been made.	Maritime Transport Act 1994
<b>Clarifying the threshold for starting an investigation of a maritime document holder</b>	Currently section 54A of the MTA requires the Director of Maritime New Zealand (the Director) to have 'reasonable grounds to believe' non-compliance with the requirements of a maritime document before initiating an investigation. 'Belief' implies a substantial level of evidence, which does not enable the Director to uncover covert breaches. This proposal will amend the threshold to 'reasonable grounds to suspect'.	Maritime Transport Act 1994
<b>Provide certainty that breaches of maritime document holders' duties are grounds for an investigation</b>	This proposal will establish that the Director can investigate a maritime document holder under section 54A where there are reasonable grounds to suspect a breach of their general duties under section 17 of the MTA.	Maritime Transport Act 1994
<b>Addressing an inconsistency with the Maritime Labour Convention 2006 (MLC) in respect to prohibiting charges for placing seafarers in employment</b>	<p>The MLC is an International Labour Organization treaty that sets out minimum standards to address the welfare and employment conditions of seafarers. The MLC came into force in New Zealand in 2017.</p> <p>The MLC allows charges for placing seafarers in employment provided charges are not borne directly or indirectly by the seafarer. Section 27 of the MTA prohibits people providing seafarer recruitment and placement services from charging for the service. This proposal will align the MTA with the MLC by removing the prohibition in section 27 of the MTA on charging for seafarer recruitment and placement services.</p>	Maritime Transport Act 1994
<b>Aligning seafarer employment agreement clauses with MLC requirements</b>	This proposal will amend section 2 of the MTA to replace the definition of 'Articles of Agreement' with the MLC definition of 'seafarers' employment agreement'.	Maritime Transport Act 1994

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<b>Align the MTA with the MLC requirement that a seafarer's record of employment need not include any statement as to the quality of their work</b>	Section 22(1)(d) of the MTA specifies that if requested by the seafarer, an employer on a New Zealand ship on an overseas voyage must provide a certificate as to the quality of the seafarer's work. This proposal will repeal section 22(1)(d).	Maritime Transport Act 1994
<b>Aligning with the MLC requirement to prohibit people younger than 16 years old from working on a ship and people under 18 from undertaking hazardous work</b>	Section 26(3) of the MTA states that an employer may employ two persons under the age of 18 to take the place of a single trimmer or stoker, if reasonable steps have been taken to find someone 18 or over. Section 26(4) allows the Director of Maritime NZ to approve the employment of a school-aged person to carry out work on a training ship. These two provisions will be removed.	Maritime Transport Act 1994
<b>Revising and reorganising Part 3 of the MTA to align it with the MLC</b>	The MLC places a number of obligations on 'shipowners'. The MTA does not use this term and refers to 'employers'. This proposal will insert a definition of 'shipowner' into the MTA. All references to 'employers' in Part 3 of the MTA will be changed to 'shipowner'. Other changes to Part 3 to reflect MLC obligations include shifting the duty to provide food and drinking water from the employer to the shipowner; introducing a requirement for documentary evidence of financial security for the purposes of repatriation of seafarers to be set by maritime rules; and prohibiting advanced payments to cover costs of repatriation of a seafarer.	Maritime Transport Act 1994
<b>Clarifying rule-making and compliance powers to support the implementation of MLC requirements</b>	This proposal will amend the MTA to clarify that the scope of its rule-making powers extends to minimum requirements for seafarers to work on a ship; conditions of employment on a ship; repatriation of seafarers; and the liability of shipowners to assist seafarers in the event of abandonment.	Maritime Transport Act 1994
<b>Amending the definition of unit of account</b>	In section 2 of the MTA, the term 'unit of account' is used to represent an internationally defined value that can be used to calculate the limit of liability or recompense for damage or loss. Currently, section 2 of the MTA defines unit of account only with reference to Part 7 of the Act, when Parts 16, 25 and 26 are also relevant. This proposal seeks to make the definition	Maritime Transport Act 1994

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	of, and calculations for, 'units of account' in the four parts of the MTA consistent.	
<b>Bring floating production and storage and offloading units (FPSOs) within the maritime levy</b>	An FPSO is a vessel used in the offshore oil and gas industry for the production, processing and storage of oil. This proposal seeks to ensure FPSOs contribute to the maritime regulatory system when they enter New Zealand's territorial waters (there are currently no FPSOs in New Zealand's territorial waters).	Maritime Transport Act 1994
<b>Update the maximum level of fines and infringement fees that can be set through regulations in the MTA</b>	This proposal is to increase the maximum fines and infringement fees with respect to Maritime Rules or navigation bylaws, and breaches of the marine protection rules. The new maximum penalties for individuals will be \$3000 for infringements and \$15,000 for fines.	Maritime Transport Act 1994
<b>Modernise the penalties for the safety offences in the MTA</b>	This proposal would align the maximum financial penalties for MTA safety offences with the Health and Safety at Work Act 2015. This would enable foreign flagged and New Zealand ships and crew to be treated equally.	Maritime Transport Act 1994
<b>Amend the Maritime (Offences) Regulations 1998 (Maritime Regulations) and the Marine Protection (Offences) Regulations 1998 (Marine Regulations)</b>	This proposal is to update the maximum fines and fees in the Maritime Regulations and the Marine Regulations for the first time since 1998, to add penalties where none currently exist, and to tidy up inconsistencies created by changes to the Maritime Rules over time.	Maritime (Offences) Regulations 1998; Marine Protection (Offences) Regulations 1998

Proposals agreed in 2022 that will no longer be progressed		
Proposal	Description	Relevant Legislation
<b>Remove Road Controlling Authorities' (RCAs) restrictions on cost recovery charging for residential parking</b>	The LTA requires that fees charged by RCAs for reserved residential parking cannot exceed the reasonable cost of the service involved in granting the permit. This proposal will amend the current restriction to require that the cost of residential parking be limited to a 'reasonable' amount.	Land Transport Act 1998

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<b>Include Waka Kotahi in NZTA's name in legislation</b>	This proposal will replace 'New Zealand Transport Agency' in legislation with 'Waka Kotahi New Zealand Transport Agency'	Across legislation
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PROACTIVELY RELEASED BY MINISTRY OF TRANSPORT TE MANATŪ WAKA

IN CONFIDENCE





# Cabinet Economic Policy Committee

## Minute of Decision

*This document contains information for the New Zealand Cabinet. It must be treated in confidence and handled in accordance with any security classification, or other endorsement. The information can only be released, including under the Official Information Act 1982, by persons with the appropriate authority.*

### Regulatory Systems (Transport) Amendment Bill: Strengthening the Efficiency of the Transport System

Portfolio Associate Transport

On 26 March 2025, the Cabinet Economic Policy Committee:

- 1 **noted** that amendments are required across transport legislation to support effective regulatory stewardship and an efficient transport system;
- 2 **noted** that the Associate Minister of Transport intends to progress amendments through the Regulatory Systems (Transport) Amendment Bill, <sup>s 9(2)(h)</sup> [REDACTED]
- 3 **agreed** to amend legislation to enable the use of digital driver licences;
- 4 **agreed** to amend legislation to facilitate the electronic issuing of infringement and other regulatory notices as a compliance and enforcement mechanism, including by requiring the provision of electronic addresses to the New Zealand Transport Agency (NZTA) if the person has these, keeping these current, and enabling notices to be retrieved electronically;
- 5 **agreed** to amend legislation to enable digital licence and label options, and update the requirement to carry and display physical labels where a digital alternative is available;
- 6 **agreed** to remove the following three public transport principles in legislation:
  - 6.1 well-used public transport services reduce the environmental and health impacts of land transport, including by reducing reliance on single-occupant vehicles and using zero-emission technology;
  - 6.2 public transport services support a mode shift from private motor vehicle use and equitable access to places, facilities, services, and social and economic opportunities if they are co-ordinated, integrated, reliable, frequent, accessible, affordable, and safe;
  - 6.3 fair and equitable employment or engagement of people in the public transport workforce should ensure that there is a sufficiently robust labour market to sustain and expand public transport services;
- 7 **agreed** to update cross references and address other editorial matters in the Civil Aviation Act 2023, and other transport legislation;

- 8 **invited** the Minister of Transport and Associate Minister of Transport to issue drafting instructions to the Parliamentary Counsel Office to give effect to the above paragraphs (including for primary legislation and any associated regulations), including any necessary consequential amendments, savings and transitional provisions;
- 9 **authorised** the Minister of Transport and Associate Minister of Transport to make further policy decisions consistent with the overall policy, provided that these decisions are confirmed when the Bill is considered for introduction.

Rachel Clarke  
Committee Secretary

---

**Present:**

Rt Hon Winston Peters  
Hon David Seymour  
Hon Nicola Willis (Chair)  
Hon Brooke van Velden  
Hon Shane Jones  
Hon Louise Upston  
Hon Todd McClay  
Hon Tama Potaka  
Hon Chris Penk  
Hon Penny Simmonds  
Hon Andrew Hoggard  
Hon Mark Patterson  
Hon Scott Simpson  
Simon Court MP

**Officials present from:**

Office of the Prime Minister  
Officials Committee for ECO

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# Cabinet

## Minute of Decision

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*This document contains information for the New Zealand Cabinet. It must be treated in confidence and handled in accordance with any security classification, or other endorsement. The information can only be released, including under the Official Information Act 1982, by persons with the appropriate authority.*

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### **Report of the Cabinet Economic Policy Committee: Period Ended 28 March 2025**

On 31 March 2025, Cabinet made the following decisions on the work of the Cabinet Economic Policy Committee for the period ended 28 March 2025:

Out of Scope

PROACTIVELY RELEASED BY MINISTRY OF TRANSPORT TE MANATU WAKA

ECO-25-MIN-0034

**Regulatory Systems (Transport) Amendment  
Bill: Strengthening the Efficiency of the  
Transport System**  
Portfolio: Associate Transport (Hon James  
Meager)

CONFIRMED

Out of Scope



Rachel Hayward  
Secretary of the Cabinet

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8 July 2025

OC250486

Hon James Meager

Action required by:

Associate Minister of Transport

Wednesday, 9 July 2025

## UPDATED PACKAGE FOR LODGEMENT - INTRODUCING THE REGULATORY SYSTEMS (TRANSPORT) AMENDMENT BILL

### Purpose

This paper seeks your approval to lodge the attached Cabinet paper by 10:00am Thursday 10 July, for Cabinet Legislative Committee (LEG) consideration on Thursday 17 July 2025.

### Key points

- The Regulatory Systems (Transport) Amendment Bill (the Bill) and Cabinet paper is ready for lodgement with Cabinet Office.
- Minor amendments have been made to the Cabinet paper (Annex 1) for accuracy and to reflect updated drafting instructions and feedback from consultation. Minor amendments have also been made to the Departmental Disclosure Statement (DDS) following consultation and this is attached for your information (Annex 3).
- Annex 2 provides you with talking points and questions and answers (Q&As), to support you at LEG Committee on Thursday 17 July 2025. Officials will also be available to support you on the day if required.
- Your Office is organising a letter for you to send to the Chair of the Business Committee, seeking the Business Committee's approval to introduce the Bill, following Cabinet approval. To enable the timely progression of the Bill and to reduce potential delays at Business Committee, we recommend that you send this letter to the Chair of the Business Committee promptly after Cabinet has agreed to introduce the Bill.
- You can expect to receive a draft first reading speech and legislative statement (to be tabled with the Bill at first reading) in the week commencing 14 July 2025.
- As advised in your Associate Transport Portfolio Weekly Report for the week commencing 30 June 2025, officials and the Parliamentary Counsel Office (PCO) have identified a gap in the Bill regarding offences and penalties, to ensure new reactive rail investigation powers can be effectively enforced. This is something we plan on proactively advising the select committee on and will seek policy decisions on, to include in the Departmental Report.

## Recommendations

We recommend you:

- |   |   |          |
|---|---|----------|
| 1 | <b>agree</b> to lodge the <i>Regulatory Systems (Transport) Amendment Bill 2025: Approval for Introduction</i> (Cabinet paper and associated attachments) by 10.00am Thursday 10 July, for Cabinet Legislative Committee (LEG) consideration on Thursday 17 July 2025.            | Yes / No |
| 2 | <b>note</b> that talking points and Q&As are provided in Annex 2, to support you at LEG Committee on Thursday 17 July 2025.   | Yes / No |
| 3 | <b>note</b> that your Office is organising a letter for you to send to the Chair of the Business Committee, seeking the Business Committee's approval to introduce the Bill, following Cabinet approval.  | Yes / No |
| 4 | <b>note</b> that you can expect to receive a draft first reading speech and legislative statement (to be tabled with the Bill at first reading) in the week commencing 14 July 2025.  | Yes / No |
| 5 | <b>note</b> that offences and penalties will be required to ensure new reactive rail investigation powers can be effectively enforced. This is something we will proactively advise the select committee on and will seek policy decisions to include in the Departmental Report. | Yes / No |

s 9(2)(a)



Katrina Quickenden  
**Acting Deputy Chief Executive, Sector Strategy**

8 / 7 / 2025

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
Sarah Godwin, Senior Policy Advisor, Regulatory Reform	s 9(2)(a)	
Katrina Quickenden, Acting Deputy Chief Executive, Sector Strategy		✓

PROACTIVELY RELEASED BY MINISTRY OF TRANSPORT TE MANATŪ WAKA

## UPDATED PACKAGE FOR LODGEMENT - INTRODUCING THE REGULATORY SYSTEMS (TRANSPORT) AMENDMENT BILL

*The Bill is ready to lodge, for consideration at LEG Committee on Thursday 17 July 2025*

- 1 As previously advised (OC250544 refers), ministerial and departmental consultation concluded on 29 May 2025. Feedback was received from Department of Internal Affairs, Ministry for Regulation, Ministry for Business Innovation and Employment, Ministry for Justice, New Zealand Police, Department of Conservation, Ministry for Foreign Affairs and Trade, New Zealand Transport Agency and Maritime New Zealand.
- 2 No substantive issues were raised through consultation on the draft Cabinet paper. Minor amendments have been made to the Cabinet paper and associated attachments (Annex 1) for accuracy and to reflect updated drafting instructions and feedback from consultation.
- 3 The revised Cabinet paper and associated attachments (Annex 1) are required to be **lodged with the Cabinet Office by 10.00am on Thursday 10 July**, to be considered for LEG Committee on 17 July 2025. PCO will print copies of the Bill and deliver them to Cabinet Office in time for lodgement.
- 4 Talking points and reactive Q&As are attached (Annex 2) and officials will be available to support you on the day.
- 5 The DDS has also been updated post-consultation and is attached (Annex 3) for your information. PCO provides a link to the DDS, in the General Explanatory note of the Bill.

### *Unanimous support from the Business Committee is required for Introduction*

- 6 Your Office is organising a letter for you to send to the Chair of the Business Committee, seeking the Business Committee's approval to introduce the Bill, following Cabinet approval.
- 7 We have included noting recommendations in the Cabinet paper based on your intended approach to potentially controversial proposals to remove proposal if needed.
- 8 To enable the timely progression of the Bill and to reduce potential delays at Business Committee, we recommend that you send this letter to the Chair of the Business Committee promptly after Cabinet has agreed to introduce the Bill.
- 9 We suggest attaching the final Cabinet paper, the DDS (Annex 3) and the Bill to this letter, as a package of supporting information for the Chair to provide to the Business Committee. Officials can provide additional supporting information as required.



***Next steps following introduction***

- 10 We understand that your office and Minister Bishop's office are in discussion about the potential opportunity for a press release following introduction of the Bill. Officials will provide information to support this as required.
- 11 The Bill will be referred for first reading on the third working day following its introduction. You can expect to receive and draft first reading speech and legislative statement (to be tabled with the Bill at first reading) s 9(2)(h)
- 12 We will continue to brief you on next steps for the Bill through the Weekly Report.

***We intend to proactively advise the Select Committee on the gap in the Bill regarding offences and penalties for the enforcement of the new reactive rail investigation powers.***

- 13 As recently advised in your Associate Transport Portfolio Weekly Report for the week commencing 30 June 2025, officials and PCO have identified a gap in the Bill regarding offences and penalties, to ensure new reactive rail investigation powers can be effectively enforced (for example, the power to compel personnel in a rail accident or incident to participate in an interview).
- 14 Further policy work is required on what appropriate penalties would support enforcement. Completing this additional policy work, seeking further decisions and issuing drafting instructions to PCO has not been possible in time for the introduction of the Bill.
- 15 We intend to proactively raise this issue at the Select Committee stage (i.e. in the initial briefing to the Committee) and include a recommendation in the Departmental Report for offences and penalties associated with these powers to be added to the Bill.
- 16 PCO guidance states that if the departmental report proposes policy changes, Ministerial or Cabinet approval of the policy is required, depending on the significance of the policy<sup>1</sup>. We will brief and seek policy decisions from you and Minister Bishop on this issue in due course and will provide updates through the Weekly Report.

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<sup>1</sup> <https://www.pco.govt.nz/instructing-the-pco/turning-policy-into-law/select-committee#department-prepares-departmental-report>

**ANNEX 1: Revised Cabinet paper for lodgement – Regulatory Systems  
(Transport) Amendment Bill 2025: Approval for Introduction**

PROACTIVELY RELEASED BY MINISTRY OF TRANSPORT TE MANATŪ WAKA

## In Confidence

Office of the Minister of Transport

Cabinet Legislation Committee

## Regulatory Systems (Transport) Amendment Bill 2025: Approval for Introduction

### Proposal

- 1 This paper seeks approval for the introduction of the Regulatory Systems (Transport) Amendment Bill 2025 (the Bill), subject to agreement of the Business Committee.

### Policy

- 2 This omnibus Bill contains amendments to land transport, maritime and aviation legislation and aims to:
  - 2.1 maintain and improve the effectiveness and efficiency of the transport regulatory system;
  - 2.2 modernise the transport regulatory system; and
  - 2.3 reduce the chance of regulatory failure.
- 3 The Bill will achieve these objectives by:
  - 3.1 ensuring that regulators have the necessary tools to carry out their regulatory functions effectively;
  - 3.2 improving regulatory system efficiency and removing unnecessary compliance costs, including by modernising legislation to enable convenient digital service alternatives to physical licences and labels; and
  - 3.3 addressing transport regulatory duplication, gaps, errors, and inconsistencies within transport legislation;

*The Bill gives effect to policy decisions made from 2022 – 2025*

- 4 The Bill gives effect to policy proposals agreed to by Cabinet on 31 March 2025 (CAB-25-MIN-0086 refers) to amend transport legislation to:
  - 4.1 enable digital driver licenses in addition to physical, to promote a modern and efficient transport system,
  - 4.2 enable electronic issuing of regulatory notices and fees to streamline services to deliver system efficiencies and customer benefits,

- 4.3 enable digital alternatives to physical display requirements (such as Warrant of Fitness and Certificate of Fitness), to update outdated processes and reduce administrative costs,
  - 4.4 re-focus public transport principles to reduce costs and complexity for public transport decision-makers, and
  - 4.5 address minor drafting errors in the Civil Aviation Act (CAA) 2023 to empower airports to set charges and cost-recover fees, and correct errors and other minor, technical matters in transport legislation, including the Transport Accident Investigation Commission Act (TAIC) 1990.
- 5 The Bill also gives effect to:
- 5.1 policy proposals agreed to by Cabinet in June 2024 to enable councils to set parking overstay fees below a maximum cap, or within a prescribed range (CAB-24-MIN-0220 refers);
  - 5.2 policy proposals agreed to by Cabinet in July 2024 to change the Clean Vehicle Standard to enable greater flexibility and reduce compliance costs (CAB-24-MIN-0248 refers); and
  - 5.3 amendments to transport legislation that were developed by the Ministry of Transport under the previous Government (CAB-22-MIN-0177 refers) and endorsed by Cabinet on 31 March 2025 (CAB-25-MIN-0086 refers).
- 6 Amendments to transport legislation in the Bill span across land, maritime and aviation. A summary of the full list of policy proposals included in the Bill is attached in Annex 1.

*Time-sensitive aviation and Clean Vehicle Standard proposals drive the timelines for the Bill*

- 7 The Clean Vehicle Standard changes needs be in force as soon as possible, to ensure that emission credit transfers between new and used import sectors can occur and that vehicle importers have sufficient time to plan how they will comply with the Standard for the 2026 year.
- 8 Amendments to numbering errors in the Civil Aviation Act 2023 need to be made as soon as possible to ensure Auckland and Wellington airports can move to the new regime under the Civil Aviation Act 2023 and carry out important operational functions.

*Unanimous support from the Business Committee is required for introduction*

- 9 The Bill is not a type of omnibus Bill that may be introduced under Standing Order 266 or 267(1)(a) or (b). Consequently, the Business Committee must agree to the Bill's introduction as an omnibus Bill under Standing Order 267(1)(c).
- 10 I will engage in cross-party consultation with members of the Business Committee. Any proposals or provisions that would likely delay or prevent the Business Committee's agreement to the Bill, I will remove to progress and explore alternative legislative pathways. This will ensure time-sensitive proposals can be enacted as soon as possible.

*Some proposals in the Bill could be considered contentious*

11 While most proposals included in the Bill are unlikely to be contentious, there are three proposals that may be considered contentious:

- 11.1 The proposal to **remove three public transport principles from the Land Transport Management Act (LTMA) 2003**, may be considered contentious<sup>1</sup> as the principles being removed relate to environmental, health and equity outcomes. However, removing these principles does not prohibit participants in the sector from continuing to pursue these outcomes and attributes of public transport. The Government Policy Statement on Land Transport 2024, procurement guidance and letters of expectation, will continue to play an important role in supporting the sector to deliver efficient and effective public transport services.
- 11.2 The proposals to **enable digital alternatives for licences and labels** to enable broader policy change may be considered contentious due to potential privacy concerns, given these proposals would enable a new way to hold and use personal information. Further due diligence and privacy analysis will be carried out prior to implementation, and privacy and security will be considered as part of service design and delivery options.
- 11.3 Some of the proposed **adjustments to the Clean Vehicle Standard** (the Standard) may be considered contentious given easing of CO2 emissions targets in 2024, and that consultation undertaken during the review of the Standard was targeted. However, the proposals in the Bill are intended to support the achievement of these targets.

12 If the Business Committee approve the Bill for introduction with these proposals included, the select committee process will provide the opportunity to hear from anyone that may be affected by these proposals.

*I seek Cabinet's confirmation of additional maritime and Clean Vehicle Standard decisions*

13 On 31 March 2025, Cabinet granted me authorisation to make additional policy decisions that are consistent with the overall policy intent, subject to Cabinet's confirmation (CAB-25-MIN-0086 refers). I have made the following decisions based on this authorisation and seek confirmation from Cabinet to:

- 13.1 **remove the proposal to 'revise and reorganise Part 3 of the Maritime Transport Act (MTA) 1994 to align it with requirements set under the Maritime Labour Convention (MLC) 2006'**. Further analysis is required by the Ministry of Transport and Maritime New Zealand to address potential unintended consequences of this proposal on the rights and obligations of

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<sup>1</sup> This proposal would remove the following three principles from Part 5, Section 115:

(1)(a) – well-used public transport services reduce the environmental and health impacts of land transport, including by reducing reliance on single-occupant vehicles and using zero-emission technology;

(1)(b) – public transport services support a mode shift from private motor vehicle use and equitable access to places, facilities, services, and social and economic opportunities if they are co-ordinated, integrated, reliable, frequent, accessible, affordable, and safe; and

(1)(c) – fair and equitable employment or engagement of people in the public transport workforce should ensure that there is a sufficiently robust labour market to sustain and expand public transport services.

masters on ships. The Bill will continue to progress other proposals to align our domestic legislation with the MLC.

- 13.2 revoke redundant Infringement Fees for Offences Regulations made under section 699A of the Local Government Act 1974. Four Regional and District Councils (Wellington, Canterbury, Marlborough and Taranaki) have updated their navigation bylaws since their corresponding Regulations were made. The previous navigation bylaws, to which each of the Infringement Fees for Offences Regulations relate, are therefore no longer in force and the Regulations are redundant.
- 13.3 undertake a separate process to identify and prepare amendments to Maritime (Offences) Regulations 1998 and the Maritime Protection (Offences) Regulations 1998. Further policy analysis is required for the necessary changes to be made to these regulations, which my officials will advise me on.
- 13.4 enable CO2 emission credit transfers between the new and used-import sectors, under the Clean Vehicle Standard, to occur with an “exchange rate” of two for one (i.e. a credit earned on a new vehicle would be worth twice as much as one earned on a used-import).

### Impact analysis

- 14 Regulatory Impact Statements (RIS) were previously provided to Cabinet on the following proposals in the Bill:
  - 14.1 state Highway closure powers and Transport Service Licence enforcement powers,
  - 14.2 the proposal to provide the rail regulator, the New Zealand Transport Agency with reactive investigatory powers,
  - 14.3 improvements to the powers of the Director of Land Transport to respond to emergency and time-critical events,
  - 14.4 the maritime proposals to modernise the penalties for the safety offences in the Maritime Transport Act 1994, and
  - 14.5 changes to the Clean Vehicle Standard.
- 15 Each RIS completed to date have received a meets or partially meets assessment by an independent quality assurance panel.
- 16 Annex 1 provides a list of the policy proposals which have been exempted from RIS requirements on the grounds that proposals have no or only minor impacts on businesses, individuals, and non-for-profit entities, or only minor economic, social or environmental impacts, or could be suitable to be included in a Statutes Amendment Bill (as provided for in Standing Orders).

*A post-implementation review is required for the proposal to re-focus public transport principles*

- 17 No RIS was provided for the proposal to remove three public transport principles from Part 5, Section 115 of the LTMA. This proposal is not exempt from RIS requirements and for consistency with Cabinet's impact analysis requirements, will require a post-implementation review to be undertaken and provided to Cabinet in due course. The Ministry for Regulation and the Ministry of Transport will discuss and agree on the appropriate scope and timing of this assessment.

s 9(2)(h)



s 9(2)(h)

## Consultation

- 27 The following agencies were consulted on the contents of this paper: Civil Aviation Authority, Department of Conservation, DIA, Department of the Prime Minister and Cabinet, Ministry of Innovation Business and Employment, Ministry of Foreign Affairs and Trade, Maritime New Zealand, Ministry of Justice, Ministry of Primary Industries, Ministry for Regulation, New Zealand Police (Police), NZTA, OPC, Parliamentary Counsel Office and Treasury.
- 28 No substantive issues were raised through departmental consultation on the contents of this paper. DIA support the work to enable digital driver licences through the Land Transport Act 1998 and anticipate this change will have strong support. Police would like to stay informed on the progress of the digital modernisation proposals, especially for the implementation phase.
- 29 Public consultation took place between 1 June and 8 July 2022 on a package of proposals to amend legislation across land and maritime modes (CAB-22-MIN-0177 and DEV-22-MIN-0110 refers). Feedback was received from 23 submitters comprising industry and sector representative groups, district and regional councils, and sector participants. There was generally a high level of support from the transport sector and local government for the proposals.
- 30 Proposals including enabling digital driver licences, altering the Clean Vehicle Standard, facilitating the NZTA to email regulatory notices and fees, and revising the public

s 9(2)(h)



transport operating principles have not been consulted on publicly. I do not expect this to be contentious for digital driver licences, as existing engagements by NZTA and DIA indicate strong support for this proposal.

- 31 Annex 1 details the proposals in the Bill that have had public consultation. I do not propose to take further targeted or public consultation on the proposals in the Bill. I believe there will be adequate opportunity for the public to engage during the select committee process.

### **Binding on the Crown**

- 32 The Bill amends the Government Roadway Powers Act 1989, Land Transport Act 1998, LTMA, MTA, Railways Act 2005, CAA and TAICA which bind the Crown. An exception to this is provided in section 4 of the MTA, which specifies how the MTA applies to ships and aircrafts used for defence and governmental purposes.
- 33 Since the Bill inserts provisions into, and amends, Acts which contain statements binding the Crown, the amendments contained in the Bill will bind the Crown in the same manner as the principal Act they are inserted into. It is therefore not necessary for the Bill to contain a statement explaining whether the Bill binds the Crown.

### **Creating new agencies or amending law relating to existing agencies**

- 34 The Bill will not create any new agencies and will not amend the existing coverage of the Ombudsman Act 1975, the Official Information Act 1982, or the Local Government Official Information and Meetings Act 1987.

### **Allocation of decision-making powers**

- 35 This Bill does not involve the allocation of decision-making powers between the executive, the courts and tribunals.

### **Associated regulations**

- 36 No regulations are needed to bring the Bill into operation.
- 37 It is possible that regulations will be needed at a later date to implement proposals related to the Bill. For example, regulations may be needed to set higher levels of fees, as enabled by the Bill, or to update offences and penalties related to the digitisation proposals. If there is a need for future regulations, depending on the proposal the Minister of Transport or myself, as Associate Minister of Transport intend to return to Cabinet to seek further policy decisions.

### **Other instruments**

- 38 The digital modernisation proposals enabled through the Bill will require subsequent rule changes to implement.

### **Definition of Minister/department**

- 39 The Bill does not contain or change a definition of Minister, department (or equivalent government agency), or chief executive of a department (or equivalent position).

## Commencement of legislation

40 The Bill is drafted to commence on 1 January 2026.

## Parliamentary stages

41 I propose that the Bill be introduced, after it has been approved by the Business Committee <sup>s 9(2)(h)</sup> [REDACTED]

42 <sup>s 9(2)(h)</sup> [REDACTED]

43 I propose that the Bill goes through a four month Select Committee process and be referred to the Transport and Infrastructure Select Committee.

44 The proposed timeline for the Bill is as follows:

Milestone	Timeframe
Business Committee	Post cabinet consideration on 21 July 2025
Introduction of Bill	<sup>s 9(2)(h)</sup> [REDACTED]
Select Committee	
Committee of the Whole House and Third Reading	
Enactment	

## Proactive Release

45 This Cabinet paper and its corresponding minute will be proactively released within 30 business days of final policy decisions being taken by Cabinet.

## Recommendations

I recommend that the Cabinet Legislation Committee:

1 **note** that the Regulatory Systems (Transport) Amendment Bill (the Bill) <sup>s 9(2)(h)</sup> [REDACTED]

- 2 **note** that the Bill will make amendments across land transport, maritime and aviation legislation to support effective regulatory stewardship and an efficient transport system;
- 3 **confirm** the delegated policy decisions I have made, based on the authorisations I previously received from Cabinet (CAB-25-MIN-0086 refers).
- 4 **note** that if any proposals or provisions in the Bill need to be removed in order for it to receive the Business Committee's agreement to its introduction, the Bill may be amended prior to introduction to remove these proposals or provisions;
- 5 **note** that if any proposals or provisions are removed from the Bill under recommendation 4, the relevant Minister will return to the Cabinet Legislation Committee to seek decisions on alternative legislative vehicles for these proposals;
- 6 **approve** the Bill for introduction, subject to the final approval from the Business Committee;
- 7 **agree**, subject to final approval from the Business Committee, that the Bill:
  - 7.1 is referred to the Transport and Infrastructure Select Committee for consideration; and
  - 7.2 is enacted by s 9(2)(h) [REDACTED]

Authorised for lodgement

Hon James Meager

Associate Minister of Transport

**ANNEX 1: Summary table of proposals in the Regulatory Systems  
(Transport) Amendment Bill 2025**

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Summary table of proposals in the Regulatory Standards (Transport) Amendment Bill 2025

Proposal	Description	Legislation to be amended	Relevant clauses in Bill [subject to change]	RIS requirements	Public consultation Y/N
Land transport proposals					
Highway and Motorway Amendments	Provide the NZ Transport Agency (NZTA) with broader powers to close parts of the State Highway network to address safety concerns.  Amend a mistake which prevents NZTA from declaring newly built roads into a state highway.  Clarify that pedestrians may use approved areas and infrastructure within motorway corridors. E.g. bus stops.	Government Roadway Powers Act 1989; Land Transport Management Act 2003	Clause 4, 5, 72	RIS included for proposal providing broader powers to close parts of the State Highway to address safety concerns.  Exempt for other proposals.	Y
Strengthen the enforcement regime for Transport Service Licences (TSL)	Create a new offence and an associated fine for transferring, assigning or leasing a TSL.  Create a new power to enable NZTA to audit someone purporting to operate a transport service without a licence.  Enable the immediate suspension of a TSL for health and safety concerns, when significant concerns are recognised or reported.  Require a fit and proper person check for any new person in control of a transport service, which is required to be documented for a TSL.	Land Transport Act 1998; Land Transport (Regulatory Fees) Regulations 2023, the Land Transport (Offences and Penalties) Regulations 1999 and Land Transport Rule: Operator Licensing 2017.	Clause 17, 18, 19, 21, 27, 28, 41, 59, 61	RIS included	Y
Simplifying the rule consultation process to increase consistency	Clarify the consultation and notification requirements in rule-making powers in the Land Transport Act 1998	Land Transport Act 1998	Clause 29, 49	Exempt	Y
Increasing maximum fines and infringement fees	Increase the maximum level of fines and infringement fees that can be set through regulations. The Ministry of Transport developed the Effective Financial Penalties Framework and Financial Penalties Categorisation Tool. The Bill will increase the maximum level of fines and infringement fees to align with this framework and tool.	Land Transport Act 1998	Clause 27, 28, 50	Exempt	Y
Declaration of Motor Vehicles	Strengthen the process through which NZTA can declare vehicles to not be a 'motor vehicle' under the Land Transport Act 1998. This change will improve the workability and transparency of the declaration process which has previously come under scrutiny regarding the E-Scooters (Declaration Not to be Motor Vehicles) Notice 2018.	Land Transport Act 1998	Clause 52, 129,	Exempt	N
Enabling parking overstay fees below a maximum cap, or within a prescribed range	Enable local authorities to set infringement fees for overstaying in a carpark below a maximum cap, or within a prescribed range. This proposal fixes a technical issue with the Land Transport Act 1998 to give local authorities the necessary powers to set these lower fees, as legislation originally intended.	Land Transport Act 1998; Land Transport (Offences and Penalties) Regulations 1999	Clause 12	RIS Included	N

## IN CONFIDENCE

Director emergency powers	Create new powers for the Director of Land Transport to respond to emergency and time critical events. The Director's ability to waive regulatory requirements for time-critical emergency situations is currently restricted. The Bill will expand these. e.g., extend the term of land transport documents (such as drivers licenses), or require vehicles to be presented for inspection (e.g. for a Warrant of Fitness) if a safety issue has been identified.	Land Transport Act 1998; Land Transport Rule: Vehicle Standards Compliance 2002	Clause 63	RIS Included	N
Remove public transport principles	Remove three public transport principles from the Land Transport Management Act 2003 to reduce compliance costs and improve regulatory certainty for public transport decision makers.	Land Transport Management Act 2003	Clause 73 – 74, Schedule 2	Post implementation review required	N
Reactive investigation powers under the Railways Act 2005	Introduce new reactive investigation powers for NZTA to investigate more effectively and efficiently, following rail accidents and incidents. For example: <ul style="list-style-type: none"> <li>freeze a scene to preserve and collect evidence;</li> <li>access sites to investigate or carry out verification inspections;</li> <li>request materials to be supplied for examination;</li> <li>interview personnel involved in a safety occurrence and;</li> <li>require identified failings to be remediated by the rail participant (for example, improvement notices).</li> </ul>	Railways Act 2005	Clause 112 – 113, 119	RIS Included	Y
Remove time constraints for rail safety case application process	Pause the statutory timeframes when further information is required from an applicant in relation to a replacement or variation of an approved rail safety case. This 'stop-the-clock' provision allows enough time for information to be gathered. Reducing prescriptive timeframes for information will make this process more efficient.	Railways Act 2005	Clause 116 – 118	Exempt	Y
Digital modernisation proposals					
Enabling Digital Driver Licences (DDL)	Enable the future implementation of digital driver licences. This includes amending the definition of driver licence and amending sections that require a physical licence. This change supports the Digitising Government approach that aims to promote a modern and efficient public service.	Land Transport Act 1998	Clause 7, 10, 15, 16, 23, 29 – 34, 37, 60, 62, 66, Schedule 7	Exempt	N
Better enable NZTA to electronically issue infringements and other regulatory notices and fees	Better enable the electronic issuing of infringements and other regulatory notices and fees. This would include requiring the provision of email addresses, mobile phone numbers, and the current requirements for postal addresses. This future-proofs the regulatory framework and enables cost savings for the regulators.  Consequential amendments are also proposed to the notices in various infringement fees and offence regulations, to reflect the updated electronic service requirements in the Maritime Transport Act.	Land Transport Act 1998 Maritime Transport Act 1994; Marine Protection (Offences) Regulations 1998; Maritime (Offences) Regulations 1998	Clause 35, 36, 41, 42, 43, 44, 45, 46, 60, 61, 64, 65, 67, 71, 76, 82, 83, 86, 90, 98, 100, 103, 104, 105, 109, 111, 114, 115, 121, 123, 124, Schedule 7	Exempt	Y
Enabling digital alternatives to physical carry and display requirements	Enable electronic alternatives to requirements to carry and display physical licences and labels, including Warrants of Fitness (WOFs), Certificates of Fitness (COFs) and alternative fuel inspection certificates.	Land Transport Act 1998; Land Transport (Motor Vehicle Registration and Licensing) Regulations 2011, Land Transport (Offences and Penalties) Regulations 1999	Clause 8, 13, 40	Exempt	N
Clean Vehicle Standard proposals					

IN CONFIDENCE



Extending the lifespan of emission credits	Extend the lifespan of CO2 emission credits that are earned on low emission vehicles from three years to four years to encourage importers to overachieve targets where possible. This will increase their credit buffers to offset any future target underachievement.	Land Transport Act 1998; Land Transport (Clean Vehicle Standard) Regulations 2022	Clause 53 – 55,	RIS Included	N – Targeted engagement with industry
Remove restriction on credit transfers between new and used importers	Remove the legislative restriction on credit transfers between the new and used import sectors, with a 2026 start date for transfers. A credit earned on a new vehicle will be worth twice as much as one earned on a used vehicle. This is to account for the shorter period of time that a used low emission vehicle will be in the fleet relative to a new one. New low emission vehicles will be in use for, on average, twice the period of time of an average used-import low emission vehicle. New vehicles will achieve on average twice the level of emission reductions.	Land Transport Act 1998	Clause 57 - 58	RIS Included	N – Targeted engagement with industry
Remove restriction on weight-adjusted targets	Enable targets to be set that are 'uniform' and not adjusted for vehicle weight. As the number of zero and low emission vehicles increases the linear relationship between vehicle weight and vehicle CO2 emissions will become weak. It is important to stop weight-adjusting targets when there is no material linear relationship, to prevent affording heavier light vehicles, such as large SUVs, less strict targets. This proposal enables both uniform and weight-adjusted targets to be set with the expectation that weight-adjusted targets will eventually be replaced with uniform targets.	Land Transport Act 1998	Clause 51	RIS Included	N – Targeted engagement with industry
Extending payment obligation deferral beyond 2025	Extend the use of borrowing of future target overachievement (payment obligation deferral) beyond 2025 (currently this provision is only available until 2025). With borrowing, importers who do not achieve their annual targets can make up the underachievement the following year by overachieving the subsequent year's target by an equal amount. This flexibility only applies to importers that comply on an annual fleet basis (category 1 light vehicle importers).	Land Transport Act 1998	Clause 56, 68, Schedule 1	RIS Included	N – Targeted engagement with industry
Aviation proposals					
Correct errors in the Civil Aviation Act 2023	Correct a numbering error to ensure Auckland and Wellington airports can move to the new regime under the Civil Aviation Act 2023 and carry out important operational functions (for example, the ability to set charges for aerodrome activities).  Clarify that costs can not be recovered via levies where those same costs are otherwise collected and makes a minor editorial change to cross-references.	Civil Aviation Act 2023	Clause 125, 126, 128, Schedule 3, Schedule 4	Exempt	N
Correct an error in the Transport Accident Investigation Commission Act (TAIC) 1990	Correct an error where "accident" and "accident and incident" are referred to inconsistently in the TAIC.	Civil Aviation Act 2023  Transport Accident Investigation Commission Act (TAIC) 1990	Clause 127	Exempt	N
Maritime proposals					
Amend and expand investigation powers	Amend the threshold for initiating an investigation from 'reasonable grounds to believe' to 'reasonable grounds to suspect.' This will allow Maritime NZ to investigate when it has reasonable cause to do so, but without requiring near certainty as under the current standard of 'belief'.  Allow investigations under section 54A of the Act for non-compliance with the general duties for participants in the maritime system under section 17. This will support the existing power under section 43 to suspend a maritime document on the grounds of non-compliance with the requirements of section 17. This proposal will also provide clarity and certainty to Maritime NZ in carrying out its regulatory oversight of maritime document holders.	Maritime Transport Act 1994	Clause 89, 90, 103, 104	Exempt	Y






<b>Update and amend maritime fines, infringement fees and offences</b>	Align maritime penalties with the effective transport-related financial penalties policy framework to ensure penalties are consistent with international standards and are fair and effective. This includes: <ul style="list-style-type: none"> <li>Increasing maximum level of fines and infringement fees.</li> <li>Updating the maximum financial penalties available for safety offences.</li> <li>Revoking bylaw infringement offence regulations that relate to revoked or replaced bylaws.</li> </ul>	Maritime Transport Act 1994	Clause 81, 91 – 96, 101, 107, 108, 148	RIS included	Y
<b>Technical maritime fixes</b>	Amend a technical problem with the definition of ‘unit of account’ in section 2 of the MTA, to remedy a lack of clarity.  Clarify the requirement for operators of a floating production storage and offloading unit (FPSO) to be required to pay the maritime levy. When a FPSO does enter our waters, they will contribute to our maritime regulatory system to ensure safety and environmental protection through the levy payment.	Maritime Transport Act 1994	Clause 76, 97, 99, 106	Exempt	Y
<b>Aligning Maritime Transport Act 1994 with the Maritime Labour Convention (MLC)</b>	Fix inconsistencies between the MTA and MLC relating to: <ul style="list-style-type: none"> <li>Records of Employment that do not reference quality of work.</li> <li>Prohibiting people younger than 16 years old from working on a ship and people under 18 from undertaking hazardous work.</li> <li>The definition of employment agreements.</li> <li>Clarify that seafarer recruitment can take place and to ensure that ship owners, not seafarers, are charged for this service.</li> </ul>	Maritime Transport Act 1994	Clause 76, 77 – 81, 87, 88, 89, 98, 102, Schedule 5, Schedule 6	Exempt	Y
<b>Simplifying the rule consultation process to increase consistency</b>	Clarify the consultation and notification requirements in rule-making powers in the MTA.	Maritime Transport Act 1994	Clause 107, 110	Exempt	Y
<b>Minister of Conservation powers in Subantarctic and Kermadec Islands</b>	Enable the Minister of Conservation to exercise functions, duties, and powers under Part 3A of the MTA in the Subantarctic and Kermadec Islands as if they were a regional council or unitary authority. This will allow the Minister of Conservation to manage maritime safety at the Islands e.g. the appointment of a Harbour Master and navigation bylaws. This will provide greater safety and assurance for masters, crew and passengers of ships operating the waters surrounding the Islands.	Maritime Transport Act 1994	Clause 84	Exempt	Y
<b>Update definition of “convention”</b>	Update the definitions of ‘convention’ and ‘marine protection convention’ in the MTA to ensure that when a convention that has previously been declared as a convention under the Act, no further declaration through an Order in Council is required. This will avoid unnecessary administrative procedures when New Zealand agrees to amendments to Conventions.  Consequential amendments are also proposed to the Maritime Transport Act (Conventions) Order 1994 and Maritime Transport (Marine Protection Conventions) Order 1999.	Maritime Transport Act 1994	Clause 102, 149, 150, 151	Exempt	Y



**ANNEX 2: Regulatory Systems (Transport) Amendment Bill 2025 –  
Proposals by theme**

PROACTIVELY RELEASED BY MINISTRY OF TRANSPORT TE MANATŪ WAKA

# Regulatory Systems (Transport) Amendment Bill - Proposals by theme

	 Gov't Roding Powers Act 1989	Land Transport Mgmt. Act 2003	Land Transport Act 1998	 Maritime Transport Act 1994	 Railways Act 2005	 Civil Aviation Act 2023	 TAIC Act 1990
Effective regulation	Give NZTA power to close highways to address public safety concerns		<p>Strengthen the enforcement regime for Transport Service Licences*</p> <p>Give the Director new powers to respond to emergency and time-critical events*</p> <p>Increase and update maximum level of fines and infringement fees set through regulations</p>	<p>Expand/amend Maritime NZ investigation powers</p> <p>Enable MTA powers to be exercised in Subantarctic and Kermadec Islands</p>	Give NZTA reactive rail investigatory powers		
Modern and efficient systems		Remove three public transport principles	<p>Enable digital driver licences</p> <p>Enable digital alternatives to physical licences and labels*</p> <p>Enable e-servicing of notices and fees*</p> <p>Make Clean Car Standard more flexible and workable*†</p>		Remove time constraints for rail safety case applications		
Tidy-ups	Clarify that pedestrians may use some areas within motorway	Clarify that NZTA can declare new roads as state highways	<p>Strengthen process to declare vehicles to be a 'motor vehicle'</p> <p>Enable local authorities to set infringement fees for overstaying in a carpark*</p> <p>Clarify consultation and notification requirements for making rules</p>	<p>Update wording in the MTA for consistency and clarity</p> <p>Align domestic maritime legislation with Maritime Labour Convention</p>		Correct errors in CAA regarding setting of charges, levies, and cross-references*†	Amend inconsistent wording in TAIC Act

\*Will also amend other legislation (e.g. Road User Charges Act 2012, Auckland Airport Act 1987, Wellington Airport Act 1990, consequential amendments to rules and regulations)

†Time-sensitive



# Cabinet Legislation Committee

## Minute of Decision

*This document contains information for the New Zealand Cabinet. It must be treated in confidence and handled in accordance with any security classification, or other endorsement. The information can only be released, including under the Official Information Act 1982, by persons with the appropriate authority.*

### Regulatory Systems (Transport) Amendment Bill: Approval for Introduction

**Portfolio** Associate Transport

On 17 July 2025, the Cabinet Legislation Committee:

- 1 s 9(2)(a)
- 2 **noted** that the Bill will make amendments across land transport, maritime and aviation legislation to support effective regulatory stewardship and an efficient transport system;
- 3 **confirmed** the delegated policy decisions made by the Associate Minister of Transport (the Associate Minister) under the authorisations previously agreed by the Cabinet Economic Policy Committee [ECO-25-MIN-0034];
- 4 **noted** that the Associate Minister will submit the Bill to the Business Committee for approval to introduce it as an omnibus bill;
- 5 **authorised** the Associate Minister to instruct the Parliamentary Counsel Office to remove provisions from the Bill as needed to secure Business Committee approval;
- 6 **invited** the Associate Minister to consult with the Government parties and relevant Ministers on any provisions that he proposes to remove under paragraph 5;
- 7 **noted** that if any proposals or provisions are removed from the Bill under paragraph 5, the relevant Minister will return to the Cabinet Legislation Committee to seek decisions on alternative legislative vehicles for these proposals;
- 8 **approved** the Regulatory Systems (Transport) Amendment Bill [PCO 23526/8.0] for introduction, subject to the decisions above and final approval from the Business Committee;
- 9 **agreed** that the Government propose that the Bill be:
  - 9.1 referred to the Transport and Infrastructure committee for consideration;
  - 9.2 enacted by 31 December 2025.

Tom Kelly  
Committee Secretary

**Attendance: (See over)**

**Present:**

Rt Hon Winston Peters (Chair)  
Hon Mark Mitchell  
Hon Brooke van Velden  
Hon Nicole McKee  
Hon Casey Costello  
Hon Chris Penk  
Hon Penny Simmonds  
Hon James Meager  
Stuart Smith, MP  
Todd Stephenson, MP  
Jamie Arbuckle, MP

**Officials present from:**

Officials Committee for LEG

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# Cabinet

## Minute of Decision

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### Report of the Cabinet Legislation Committee: Period Ended 18 July 2025

On 21 July 2025, Cabinet made the following decisions on the work of the Cabinet Legislation Committee for the period ended 18 July 2025:

Out of Scope

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Out of Scope

LEG-25-MIN-0136

**Regulatory Systems (Transport) Amendment Bill:  
Approval for Introduction**

CONFIRMED

Portfolio: Associate Transport (Hon James Meager)

Rachel Hayward  
Secretary of the Cabinet

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