



18 March, 2026

NZ Automobile Association submission on:
Heavy Vehicle Productivity Phase 2



SUBMISSION TO: NZ Transport Agency Waka Kotahi

REGARDING: Phase 2 – Heavy Vehicle Productivity Regulatory Reforms

DATE: 18 March 2026

ATTENTION: NZ Transport Agency Waka Kotahi

ADDRESS: by email: rules@nzta.govt.nz

SUBMISSION AUTHORISED BY: Simon Douglas,
Chief Policy & Advocacy Officer
New Zealand Automobile Association Incorporated (NZAA)
PO Box 1, Wellington, 6140

SUBMISSION AUTHOR: Terry Collins

AUTHOR E-MAIL: TJCollins@aa.co.nz

AUTHOR PHONE: (04) 931 9986

NOTE TO REQUESTOR:

The AA requests an opportunity to present this submission orally.

COPYRIGHT & PERMISSION TO REPRODUCE:

The content of this submission is the property of the NZAA. Information in it is relevant at the time of authorship. The NZAA gives permission for content in it to be freely copied, cited and distributed, but not altered, subject to due care that content used does not misrepresent the NZAA.

Contents

NZ Automobile Association submission on: Heavy Vehicle Productivity Phase 2	1
Executive Summary.....	4
1. Summary of NZAA Position	4
2.0 Load Pilot Vehicle Signage Improvements	4
2.1 Removing HPMV Permit Requirements for Delivery of Unladen Rental Combinations	5
2.2 Permanent Licensing Settings for Zero-Emission Light Commercial Vehicles (up to 7,500kg)	
2.4 Allowing Overseas Heavy Vehicle Licence Conversion via Approved Courses.....	6
3. Broader Comments on Regulatory Reform	6
Conclusions	7
About the New Zealand Automobile Association.....	8

Executive Summary

The New Zealand Automobile Association (NZAA) welcomes the opportunity to comment on Phase 2 of the Heavy Vehicle Productivity reforms. We support the Government's objective to ensure the transport regulatory system targets risk efficiently, reduces unnecessary compliance burden, and improves productivity across the freight and passenger transport sectors.

The proposed changes represent practical, low-risk improvements that will reduce administrative delays, support the uptake of low-emission vehicles, and streamline licensing and operational requirements. The evidence provided in the consultation summary and supporting briefing demonstrates that these reforms are justified, beneficial, and aligned with wider regulatory simplification.

1. Summary of NZAA Position

The NZAA **supports all proposed Rule changes** included in Phase 2, specifically:

1. Improved load pilot signage requirements
2. Removal of HPMV permit requirements for unladen rental fleet movements
3. Permanent licensing settings for zero-emission commercial vehicles up to 7,500kg (Class 1)
4. Permanent ability for Class 2/2L drivers to operate electric buses up to 22,000kg
5. Allowing overseas licence conversions through approved courses
6. Introducing new and reverse-colour signs under the VDAM and Traffic Control Devices Rules

These proposals clearly align with the Government's aim to support industry productivity and maintain safety.

2. Detailed Feedback on Proposals

2.0 Load Pilot Vehicle Signage Improvements

NZAA supports the introduction of new pilot vehicle-mounted signs:

- "OVERSIZE LOAD AHEAD"
- "OVERSIZE LOAD FOLLOWS"
- "PREPARE TO STOP"

The evidence indicates current signs are often insufficiently descriptive, and that visibility concerns have been raised by industry. The use of reverse-colour signs for improved visibility at night and removal of unnecessary forward-facing signage on rear pilot vehicles are practical and safety-neutral improvements.

These are low-cost changes that increase clarity for all road users.

2.1 Removing HPMV Permit Requirements for Delivery of Unladen Rental Combinations

NZAA supports removing the requirement for an HPMV permit when an unladen rental combination is moved between depots or delivered to customers.

The consultation summary notes that current permit processing delays impede operators' ability to plan driver availability, ferry bookings, and fleet allocation. This imposes real productivity costs, despite extremely low safety risk for unladen movements.

Removing this requirement will:

- improve timeliness of supply for rental operators
- reduce administrative burden for NZTA
- provide flexibility without affecting safety

This is a targeted and proportionate reform.

2.2 Permanent Licensing Settings for Zero-Emission Light Commercial Vehicles (up to 7,500kg)

The NZAA strongly supports making permanent the current class exemptions that allow Class 1 licence holders to operate zero-emission commercial vehicles up to 7,500kg, reflecting the heavier tare weights of BEVs.

The evidence shows batteries add weight to otherwise equivalent vehicles, creating unintended licensing barriers. Operators otherwise face either load-restrictions or costly licensing upgrades, providing a disincentive to adopt zero-emission vehicles.

By making the exemption permanent, Government will:

- support decarbonisation objectives
- maintain parity between BEVs and ICE equivalents
- reduce compliance costs for small businesses

We agree this change is low-risk and consistent with international practice.

2.3 Permanent Licensing Settings for Electric Buses (up to 22,000kg on Class 2/2L)

Electric buses are typically significantly heavier due to battery mass, pushing them above Class 2 weight limits. The current Director exemptions allow these buses to be driven on a Class 2 licence to avoid restricting operator flexibility and avoid unnecessary licensing costs.

Making the exemption permanent will:

- remove reliance on temporary exemptions
- support public transport decarbonisation
- expand the pool of available drivers

- avoid imposing unnecessary training burdens on new urban bus drivers

NZAA agrees with the assessment that risks remain low, and the change is well-justified.

2.4 Allowing Overseas Heavy Vehicle Licence Conversion via Approved Courses

The NZAA supports this change. Evidence in the consultation papers notes that the existing exemption process:

- imposes administrative burden on NZTA
- delays workforce entry for operators
- creates additional cost and uncertainty

Enabling licence holders to convert through either tests or approved courses is a simpler, faster, and more efficient pathway, while maintaining safety because the courses are already recognised by NZTA as equivalent or superior to practical tests.

We note NZTA's ongoing investigations into provider fraud and agree these findings should inform final implementation, but this does not detract from the policy intent.

2.5 Three Signage and Traffic Control Devices Rule Amendments

NZAA supports:

- enabling three new signs,
- permitting reverse-colour versions of all pilot vehicle signs, and
- making associated technical amendments to both the VDAM and Traffic Control Devices Rules.

These changes are consistent with improved visibility, reduced ambiguity, and modernisation of existing rules.

3. Broader Comments on Regulatory Reform

The consultation documents make clear these Phase 2 changes fit within a larger programme of Rules Reform, including a full VDAM review. NZAA supports this staged approach and agrees that prioritising straightforward, low-risk reforms now will allow NZTA and MoT to focus resources on the more substantial reforms being considered through the VDAM review.

Industry's desire for more ambitious reforms is understandable, but NZAA agrees with officials that further work needs robust analysis and should not delay the timely delivery of these Phase 2 improvements.

Conclusions

The NZAA supports the proposed amendments in Phase 2 of the Heavy Vehicle Productivity programme. They are evidence-based, practical, and proportionate measures that reduce compliance burden, improve operational flexibility, and continue to maintain appropriate safety standards.

We welcome ongoing engagement on future phases of the Rules Review programme and the wider VDAM review.

Please contact us if further discussion or clarification is helpful.

About the New Zealand Automobile Association

The NZAA is an incorporated society with over 1.1 million Personal Members who belong to the Association, as well as over 1.1 million business vehicle relationships, representing a large proportion of New Zealand’s road users.

The AA was founded in 1903 as an automobile users’ advocacy group, but today our work reflects the wide range of interests of our large membership, many of whom are cyclists and public transport users as well as private motorists.

Across New Zealand, drivers regularly come into contact with the AA through our breakdown officers, 38 AA Centres and other AA businesses. Meanwhile, 18 volunteer AA District Councils around New Zealand meet each month to discuss local transport issues. Based in Wellington and Auckland, our professional policy and research team regularly surveys our Members on transport issues, and Members frequently contact us unsolicited to share their views. Via the AA Research Foundation, we commission original research into current issues in transport and mobility. Collectively, these networks, combined with our professional resource, help to guide our advocacy work, and enable the NZAA to develop a comprehensive view on mobility issues.

Motorists contribute over \$5 billion in taxes each year through fuel excise, road user charges, registration fees, ACC levies, and GST. This money is reinvested by the Government in our transport system, funding road building and maintenance, public transport services, road safety work including advertising, and Police enforcement activity. On behalf of AA Members, we advocate for sound and transparent use of this money in ways that improve transport networks, enhance safety, and keep costs fair and reasonable.

Our advocacy takes the form of meetings with local and central government politicians and officials, publication of research and policy papers, contributing to media on topical issues, and submissions to select committees and local government hearings.

Total Membership

Over 1.1 million are Personal Members

Over 1.1 million are Business Vehicle relationships

% of licenced drivers

At least 29% of licensed drivers are Personal AA Members
(based on Class 1 licences for cars and light vehicles)

Gender split

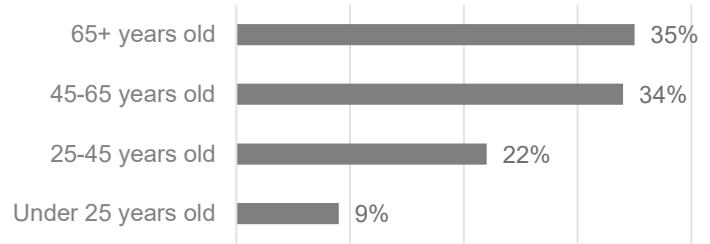
54% Female

45% Male

1% Unknown

Age range & Membership retention

Age of AA Members



53% of AA Members have been with us for over 10 years.
