



12 August, 2026

NZ Automobile Association submission on:

Proposed changes to modernise NZTA services



SUBMISSION TO: NZ Transport Agency

REGARDING: Proposed changes to modernise NZTA services

DATE: 12 August 2026

ATTENTION: rules@nzta.govt.nz

SUBMISSION AUTHORISED BY: Simon Douglas
Chief Policy and Advocacy Officer
New Zealand Automobile Association Incorporated (NZAA)

SUBMISSION AUTHOR: Dylan Thomsen

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

AUTHOR PHONE: (04) 931 9991

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

Executive Summary.....	4
1. Digital driver licences.....	4
1.1 Would you use a digital driver licence?	4
1.2 In what ways, if any, do you think a digital driver licence would improve how things currently work?	5
1.3 In what ways, if any, could a digital driver licence create problems?	5
2. Modernising driver licensing processes.....	6
2.1 Do you agree with the proposal to let the Director of Land Transport set the information required for driver licensing applications (other than first-time applicants) and the list of accepted identification documents?	6
2.2 Do you agree with the proposal to enable the use of the RealMe verified identity credential for online driver licence applications?.....	7
2.3 Are there any other digital identity credentials you think we should allow to be used?	7
2.4 Do you support stronger verification requirements for overseas licence conversions?	7
2.5 Do you support enabling online learner theory testing?.....	7
2.6 Do you agree with allowing the temporary licence to be issued in alternative formats?.....	8
2.7 In what ways, if any, do you think these changes would improve how driver licensing currently works?	9
2.8 In what ways, if any, could these changes create problems?.....	9
2.9 Are there any issues with the proposed drafting that we should consider?	9
3. Electronic alternatives to physical licences and labels	10
3.1 Would you use an electronic alternative to physical licences and labels?	10
3.2 In what ways, if any, do you think this proposal would improve how things currently work?	10
3.3 In what ways, if any, could this proposal create problems?.....	10
Appendix 1 – Survey results on digital driver licences.....	12
Appendix 2 – Survey results on WoF	13
About the New Zealand Automobile Association	14

Executive Summary

The AA broadly supports modernising New Zealand's driver licensing and vehicle compliance systems where changes improve convenience, reduce duplication and maintain public confidence.

The submission supports digital driver licences as an optional alternative to physical licences but with serious questions around safeguards to prevent people who lose their licence continuing to appear to have one.

We support the use of RealMe verified identity for online licensing transactions, stronger checks for some overseas licence conversions, electronic temporary licences, and electronic alternatives to physical vehicle licences and labels.

However, the AA considers that these changes must be implemented carefully, with physical alternatives retained, strong privacy and security safeguards, clear operational guidance, and practical protections for people who are unable or unwilling to rely solely on digital services.

The AA strongly opposes moving the current learner licence theory test online, due to concerns it would weaken test integrity and undermine road safety.

We also urge NZTA to ensure that any move away from physical WoF and vehicle licence labels is supported by a robust, multi-channel reminder system and ongoing monitoring of compliance rates.

1. Digital driver licences

1.1 Would you use a digital driver licence?

Many drivers would, but not exclusively.

The AA supports the introduction of digital driver licences as an optional alternative to physical licences. We believe digital licences have the potential to improve convenience, support more efficient service delivery, and align New Zealand with international developments in digital identity and licensing systems. However, digital licences should complement physical licences rather than replace them.

The AA recently surveyed 2,231 Members on digital driver licences. While Members generally recognise the benefits of digital licences, they show a strong preference for retaining physical licences alongside any digital option. If digital licences were introduced, 62% of Members said they would prefer to carry both a digital and physical licence, while 29% would continue to use only a physical licence. Only 7% would choose a digital-only licence.

These results suggest many New Zealanders see value in digital licences but are not yet ready to rely on them exclusively.

1.2 In what ways, if any, do you think a digital driver licence would improve how things currently work?

The AA believes digital driver licences could deliver several significant benefits.

They are likely to be more convenient for many drivers by reducing the need to carry an additional card and by making it easier to access licence information when interacting with government agencies, businesses or enforcement officers. Digital licences also have the potential to support faster and more efficient transactions and integrate more effectively with online services.

The AA also recognises the security benefits identified by NZTA. The proposed use of encryption, secure verification processes, selective sharing of information and trusted-reader verification should make digital licences more difficult to forge or misuse than physical licences.

Members also recognise practical benefits, which are shown in the survey results included in the appendices of this submission.

1.3 In what ways, if any, could a digital driver licence create problems?

The AA considers the primary risks to be:

- Privacy and data security concerns.
- Access issues for people without suitable smartphones or digital capability.
- Technology and reliability risks.
- Compliance and acceptance issues during the transition period.
- Practical challenges for businesses and organisations that rely on driver licence checks.

AA Member feedback indicates that privacy and security concerns are the single biggest issue affecting confidence in digital licences. Members frequently raised concerns about cyber security, scams, hacking, data breaches and misuse of personal information.

The AA also notes that many everyday situations can challenge a digital-only approach. These include flat batteries, damaged or lost devices, software failures, limited connectivity, and businesses that have not yet adopted digital verification systems.

The AA believes maintaining physical licences as an ongoing option is an important safeguard against these risks.

1.4 Are there any issues with the proposed draft Rule we should consider?

The AA generally supports the proposed drafting but feels further work is needed and recommends NZTA consider several additional safeguards.

The AA strongly supports the requirement for consultation with the Privacy Commissioner, Police and the Trust Framework Authority before approval of a digital driver licence.

The AA also recommends:

- regular independent security reviews of any approved digital licence solution
- clear operational guidance covering lost devices, flat batteries and verification failures
- clear guidance on overseas recognition and use of digital licences
- a clear policy commitment that physical licences remain available on an ongoing basis.

One area of concern we have is how digital drive licences would work in terms of people losing their licence for driving offences.

A physical licence card can be confiscated from a driver but a digital licence would create the opportunity for someone to simply take a screenshot of their licence that remains on their phone regardless of their licence status. They could continue to show this to a Police officer, employer or business regardless of whether they have lost their licence. A couple of examples of this would be rental vehicle businesses wanting to see a licence for someone hiring a vehicle or schools wanting to see a licence for people driving children to an event or activity.

This is a significant risk and authorities will need to ensure that any digital systems have safeguards in place to ensure licences can be checked quickly and easily whether they are truly valid.

2. Modernising driver licensing processes

2.1 Do you agree with the proposal to let the Director of Land Transport set the information required for driver licensing applications (other than first-time applicants) and the list of accepted identification documents?

Yes, with some concerns.

The AA supports reducing duplication and creating more flexible application processes. Requiring people to repeatedly provide information that NZTA already holds creates unnecessary inconvenience and administrative cost.

However, moving requirements into transport instruments creates a greater responsibility for transparency and consultation. Users, licensing agents and industry stakeholders need sufficient notice of any changes.

The AA recommends NZTA adopt formal consultation arrangements before making significant changes to identification requirements.

2.2 Do you agree with the proposal to enable the use of the RealMe verified identity credential for online driver licence applications?

Yes. The AA supports the proposed use of RealMe verified identity for online transactions.

RealMe already provides a recognised government identity framework and offers an appropriate level of identity assurance for online licensing transactions.

Alternative pathways should remain available for people who do not have a RealMe verified identity.

2.3 Are there any other digital identity credentials you think we should allow to be used?

The AA supports allowing additional digital identity credentials in future where they meet equivalent assurance, privacy and security requirements.

Any future expansion should be evidence-based and aligned with evolving government digital identity frameworks.

2.4 Do you support stronger verification requirements for overseas licence conversions?

Yes. The AA supports stronger verification requirements where concerns exist about authenticity or driving entitlement.

New Zealand's licensing system relies upon public confidence that licence holders have been appropriately assessed. The ability for further information or evidence to be asked for when there are concerns about an applicant's documentation appears reasonable provided they are targeted at higher-risk applications and do not create unnecessary barriers for straightforward conversions.

2.5 Do you support enabling online learner theory testing?

No. The AA does not support enabling the current learner licence theory test to be completed online.

While the AA supports many of the consultation proposals that modernise administration and improve access to licensing services, learner licence testing is fundamentally different. Its purpose is to ensure prospective drivers possess a minimum level of knowledge of New Zealand's road rules and safe driving practices before they begin driving on public roads.

The AA has serious concerns that moving the existing learner licence theory test online would significantly increase opportunities for cheating and undermine confidence in the licensing system.

As a major provider of driver licensing services on behalf of NZTA, the AA has extensive experience administering learner licence tests. We invest considerable effort in ensuring applicants sit the test themselves and do so without assistance. Frontline staff regularly encounter applicants attempting to gain outside help during testing and work hard to ensure the learner licence test remains a genuine assessment of an individual's knowledge and understanding of road rules.

The consultation provides no information about any technology systems that NZTA think could be used to maintain safeguards around providing the test in an online environment. Without such information, our concern is an online test would create significant opportunities for applicants to receive assistance from other people, access reference materials while completing the test, or use artificial intelligence tools to provide the correct answers without genuinely understanding the underlying road rules.

The AA is particularly concerned about this proposal because young drivers have the highest crash rates of any age group. The Government is currently pursuing wider reforms to the Graduated Driver Licensing System designed to increase supervised driving experience, strengthen the quality of learning, and improve safety outcomes for new drivers. Allowing individuals to obtain a learner licence without demonstrating genuine knowledge of road rules would run counter to those objectives.

This concern is reinforced by recent findings from the AA Research Foundation's *Driver Knowledge Over Time* study (<https://www.aa.co.nz/about/aa-research-foundation/programmes/what-happens-to-driver-knowledge-over-time/>).

The study assessed 535 licensed New Zealand drivers and found the average participant answered only 68% of road rule questions correctly. No participant achieved a perfect score and only a small number scored above 90%, despite the learner licence theory test requiring a pass mark above 90%.

These findings suggest New Zealand should be looking for opportunities to improve driver knowledge rather than potentially weakening one of the few points where road rule knowledge is directly assessed.

For these reasons, the AA opposes the proposal in its current form.

2.6 Do you agree with allowing the temporary licence to be issued in alternative formats?

Yes. Allowing temporary licences to be issued electronically should improve convenience, reduce delays and better align with modern service delivery expectations.

Physical alternatives should remain available for those who need or prefer them.

2.7 In what ways, if any, do you think these changes would improve how driver licensing currently works?

The AA believes the proposals would:

- provide faster and more convenient services
- reduce duplicated information requirements
- reduce paperwork
- increase the availability of online services
- improve flexibility
- allow administrative requirements to be updated more efficiently over time.

2.8 In what ways, if any, could these changes create problems?

Potential risks include:

- reduced road safety if online learner licence testing weakens assessment integrity
- increased ability for people who have lost their licence to appear to still be legally able to drive
- reduced transparency if requirements are changed too frequently
- access barriers for people unable to use digital services
- over-reliance on digital platforms
- confusion if requirements differ between online and in-person channels

2.9 Are there any issues with the proposed drafting that we should consider?

The AA does not have significant drafting concerns regarding most aspects of Proposal 2.

However, as noted above, the AA does not support the proposed provisions enabling online learner licence testing and recommends these changes not proceed.

We also have concerns over how a loss of licence would work with digital licences on people's phones and what way organisations or businesses could genuinely know if a digital licence was valid.

The AA also has unanswered questions about the intended scope of online services for people applying for or renewing driver licences. When a person first applies for a licence, or renews a licence every 10 years, a vision test is required. This means applicants will still need to physically attend either a driver licensing site or an optometrist to complete that requirement. There is not enough detail in the consultation material to understand how officials envisage this physical vision test requirement fitting alongside expanded online driver licensing services. However, it appears

these application processes will only be able to become 'partially rather than fully online' to fulfil the vision test requirement.

3. Electronic alternatives to physical licences and labels

3.1 Would you use an electronic alternative to physical licences and labels?

Many AA members would, with some concerns.

The AA supports providing electronic alternatives to physical vehicle licences and labels as an option for motorists. Electronic systems can improve convenience, reduce paper-based processes and better reflect how compliance information is already accessed by enforcement agencies.

However, the AA's 2025 Vehicle Safety Survey highlights the important role that WoFs continue to play in supporting vehicle safety and compliance. Six out of ten Members (59%) rely on WoF inspections to identify faults they may otherwise miss, while 62% are concerned about the roadworthiness of vehicles on New Zealand roads.

These findings suggest that Members are open to modernisation but continue to view WoFs and related compliance systems as an important safeguard.

3.2 In what ways, if any, do you think this proposal would improve how things currently work?

The AA sees several benefits:

- reduced printing and postage costs
- greater convenience
- improved access to compliance information
- improved accuracy through real-time records
- reduced delays associated with postal delivery.

The AA's Member research suggests there is appetite for digital support tools, with 81% of Members indicating digital reminders would be helpful if physical labels were removed.

3.3 In what ways, if any, could this proposal create problems?

The AA's primary concerns are the potential loss of the reminder function currently provided by physical labels and a reduction in enforcement ability. The AA would not want to see moves to digitise these functions result in less compliance with WoF and vehicle license requirements.

In terms of the current value of the WoF sticker, our Vehicle Safety Survey found that:

- 55% of Members rely on the sticker itself to remember when their WoF is due, more than any other reminder.
- Only 25% said they'd remember the date without it, showing how ingrained the stickers are in people's car maintenance processes
- 24% have already missed a renewal simply because they forgot, even with the sticker still there as a backup.
- 71% would be concerned if physical WoF reminder stickers were removed.

These findings suggest that visible compliance systems continue to play an important role in reminding motorists about vehicle maintenance and safety obligations.

NZTA notes that Police already verify many licensing and WoF requirements electronically rather than relying solely on physical labels. However, the removal of stickers will greatly diminish the ability of a Police officer to tell at a glance if a vehicle had a valid WoF or vehicle registration while conducting roadside alcohol checkpoints.

Vehicle licences are important in two key ways – contributing to transport funding and also ensuring accurate ownership information for enforcement. The latter is only going to become more important as New Zealand introduces more automated enforcement tools like new types of speed cameras.

The AA is concerned that removing physical labels without an effective replacement system could unintentionally worsen compliance outcomes – especially as a number of vehicles will soon move to a WoF inspection requirement once every two years. Physical labels act as an "always-on" reminder every time a motorist enters their vehicle. A digital system must be designed to replicate or improve on that function.

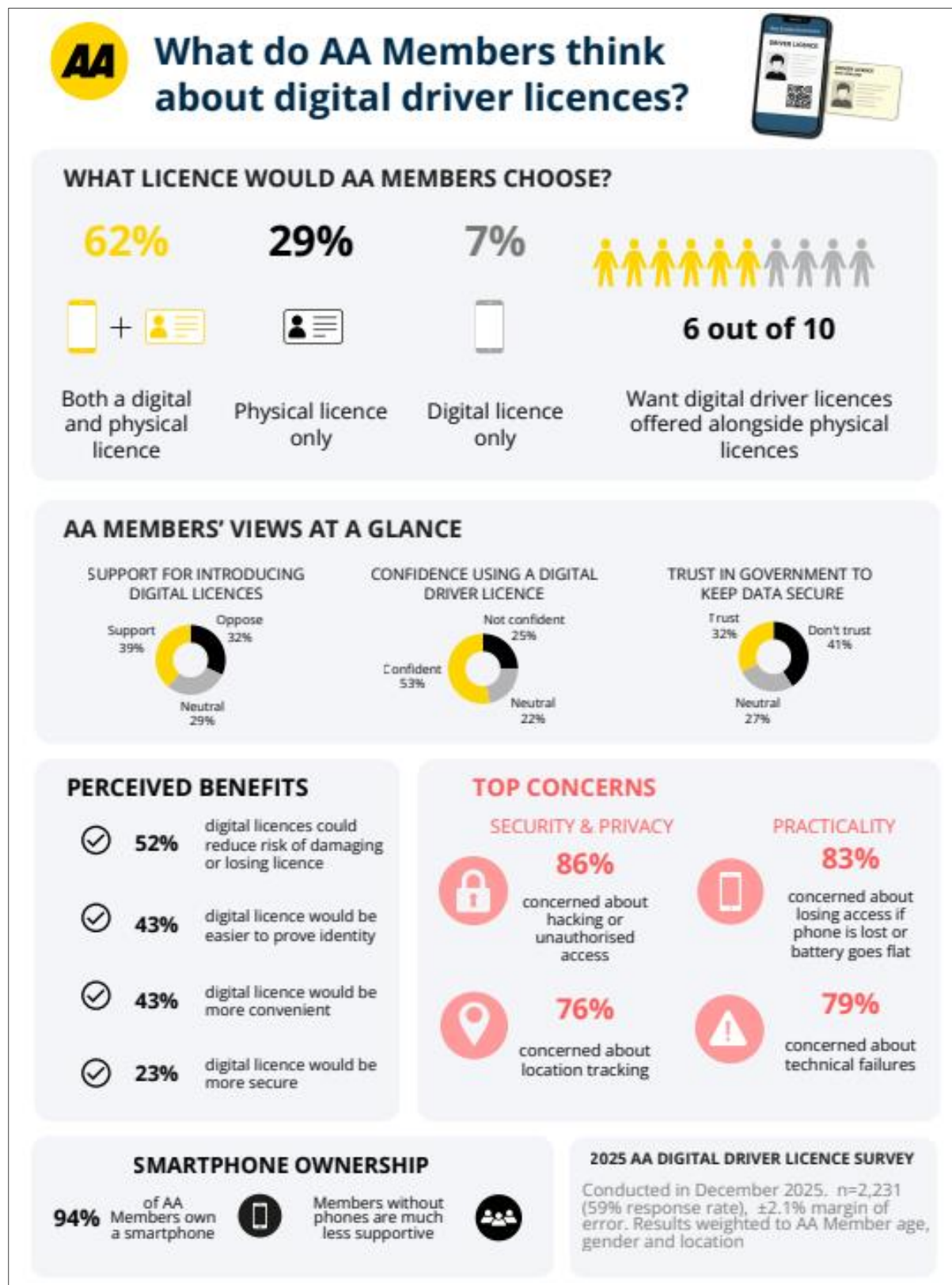
The AA therefore recommends NZTA implement a comprehensive reminder system incorporating:

- email reminders
- SMS reminders
- app notifications
- online account notifications
- reminders delivered through other NZTA customer communications.

The AA does not believe a single notification channel would be sufficient. A layered reminder system would be significantly more robust and reduce the risk of people inadvertently becoming non-compliant.

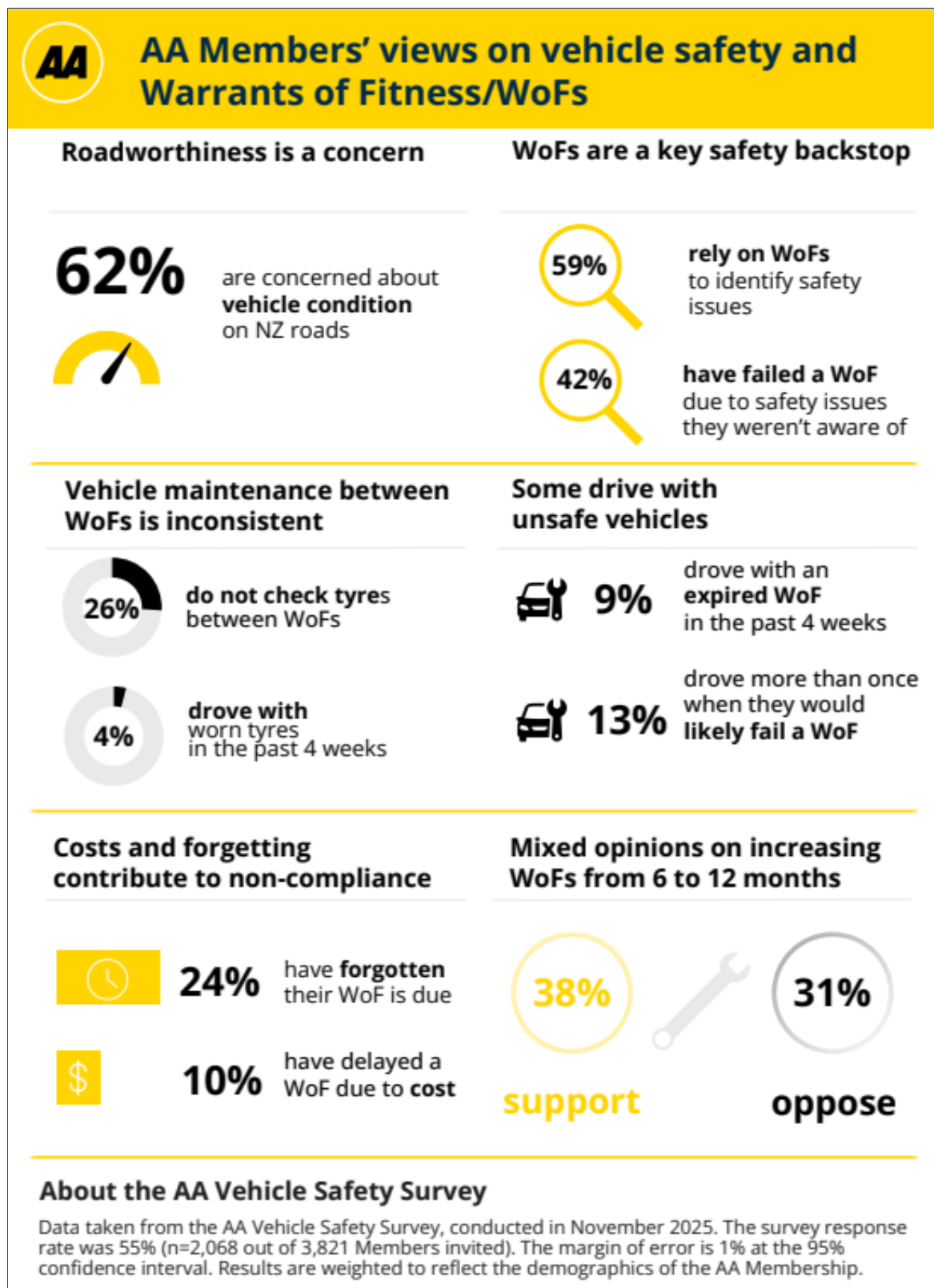
The AA also recommends NZTA monitor WoF and vehicle licensing compliance rates after implementation to ensure replacing physical labels does not unintentionally reduce compliance or adversely affect vehicle safety outcomes.

Appendix 1 – Survey results on digital driver licences



More detailed results from this survey are available at: <https://www.aa.co.nz/about/speaking-up-for-aa-members/understanding-aa-members-views/digital-driver-licences/>

Appendix 2 – Survey results on WoF



More detailed results from this survey are available at: <https://www.aa.co.nz/about/speaking-up-for-aa-members/understanding-aa-members-views/vehicle-safety/>

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 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 million are Business Vehicle relationships

% of licenced drivers

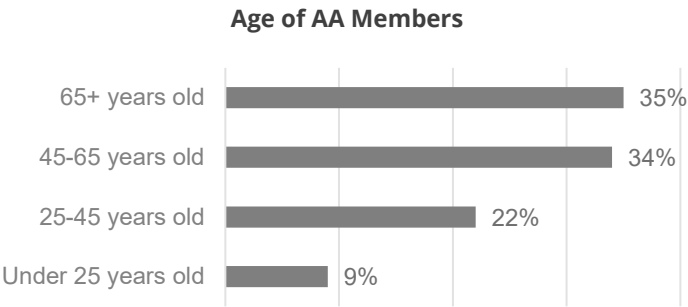
At least 29% of licensed drivers are Personal AA Members
(based on Class 1 licences for cars and light vehicles)

Gender split

54%	Female
45%	Male
1%	Unknown



Age range & Membership retention



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

