



**ROAD TRANSPORT FORUM NEW ZEALAND INC  
SUBMISSION TO NZTA  
ON  
Statement of Approval Conditions**

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**SUBMISSION BY ROAD TRANSPORT FORUM NEW ZEALAND TO NZTA  
ON DISCUSSION DOCUMENT: STATEMENT OF APPROVAL  
CONDITIONS GOVERNING THE DELIVERY OF NZTA APPROVED  
DRIVER LICENSING COURSES**

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**1.0 Comment**

- 1.1 The Statement of Approval Conditions (SAC) forms a small part of a larger dysfunctional system. The driver licensing and driver training systems are not delivering desirable outcomes for the road freight industry (the industry).
- 1.2 Although the SAC concentrates on the delivery of NZTA approved driver training courses the linkage to driver licensing cannot be ignored. We welcome the opportunity to comment on the SAC but recognise that tinkering at the fringe will not address obvious deficiencies in New Zealand's driver licensing and training regime.
- 1.3 Unsatisfactory driver licensing and driver training policy has reduced the availability of suitably skilled drivers progressing through licence classes.
- 1.4 The SAC's ultimate purpose is to increase driver skill. There are easier and less costly ways of increasing driver skill than applying greater rigour to the approval of training providers.
- 1.5 The industry has put forward on numerous occasions alternatives to the current driver licensing and training regimes. That these proposals have stagnated raises questions in respect to the extent of industry representation (bus, taxis and road freight) in determining the effectiveness and appropriateness of the driver licensing and training regimes.

## 2.0 **Driver Licensing**

- 2.2 Although the driver licensing system may be delivering results those results fall well short of industry desires. There is a distinct disconnect between the skills desired by industry and the skills that the regulator thinks are desired.
- 2.3 The regulator's role is to set road safety parameters. How those requirements are met should be left to industry and its providers to decide.
- 2.2 Instead, the regulator has allowed the driver licensing regime to remain costly and unnecessarily time consuming. An example is the Class 3 licence. In 2012 there were 38 Class 3 course certificates issued out of a total of 47,110. By comparison there were 2,948 certificates issued for Class 4 licences and 7,238 for Class 2<sup>1</sup>.
- 2.3 The overwhelming majority of potential Class 3 licence holders jump from Class 2 to Class 4 licences, which gives automatic qualification for the Class 3 licence. The Class 3 licence is a redundancy that should be removed from the system.
- 2.4 As mentioned (Para 1.5) Road Transport Forum NZ has on numerous occasions lobbied for changes to the licensing regime. Our preferred option is to introduce a two tiered approach to driver licensing.
- 2.5 Doing so would enable drivers to advance through license classes more quickly without compromising safety or driver competence. More rapid movement through licence classes would reduce costs.
- 2.6 The complete driver licence endorsement regime should also be overhauled. It is inequitable that a potential forklift operator is required to pass an NZTA approved endorsement course while similar

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<sup>1</sup> Source: NZTA

courses held by New Zealand's workplace safety organisation are not similarly recognised.

2.7 As with the Class 3 licence the wheels, tracks and roller endorsements are also redundancies that require addressing. The Passenger and Dangerous Goods endorsements are really the only endorsements that provide any tangible safety benefit.

2.8 Notwithstanding this they would benefit from a review. The endorsement regime can be streamlined without compromising safety.

### 3.0 **Driver Training**

3.1 The driver training regime has long been a contentious issue for industry. Training costs are excessive and completion rates have been marginal. The only beneficiaries of the system are the training industry.

3.2 The advent of unit standard qualification within the road freight industry supported the development of industry training organisations. Potential trainees were not provided access to training funding unless they were enrolled on a unit standard qualification course.

3.3 Industry training organisations were tasked with providing the guidelines for providing that training. A number of ITO's became self-perpetuating machines that lost focus on their reasons for existing. The Government has recognised that and appears to be making a genuine attempt to address these issues.

3.4 In August 2012 the Ministry for Education released a Consultation document on proposals to change New Zealand's industry training system to improve its effectiveness for employers, trainees and the Government. The aim was to address problems identified through the

review of industry training while meeting the training needs of employers and employees, improving the clarity of training pathways, and delivering better value for Government's investment.

- 3.5 That document proposed that industry would be responsible for communicating skill needs to Government, with support from the Ministry of Business, Innovation and Employment and the Tertiary Education System.
- 3.6 As part of that interaction we are advising that there is no valid reason for aligning driver training skill needs with NZQA unit standards. Removing funding for driver trainees on unit standard courses has exacerbated an already untenable situation.
- 3.7 We are also advising that qualification requisites are not being decided by the industry in conjunction with the qualifications agency. At no time have we been directly involved with the qualifications agency to set qualification requisites. Instead this function has been captured by the "training industry".
- 3.8 NZTA's involvement should not be overlooked either. The industry's skills needs have been conveyed to NZTA for a number of years yet the licensing regime remains untouched.
- 3.9 There are provisions within the driver licensing rule which enable alternative courses to be considered. Clauses 96(2) and 102(2) of the rule set the conditions for course and course provider approval. The SAC sets overly prescriptive conditions which don't enable alternative opportunities to be fully taken advantage of.
- 3.10 The SAC's overly prescriptive disposition is inconsistent with the Government's approach of "less regulation better regulation". An outcomes based approach to driver training seems more logical. This is evidenced by recent changes to Class 1 practical driver licensing assessments.

- 3.11 The Road Transport Forum is aware of only one form of approved course for heavy vehicle license and endorsements, these are the courses aligned to NZQA unit standards. We are curious whether there are other courses that have similar outcomes that are approved by NZTA and whether they have the same level of prescription as the SAC. We suspect not.
- 3.12 The level of NZTA's involvement in the driver training regime is also questionable. The regulator should be setting compliance outlines. It should then be left to industry to meet those requirements. Through the SAC NZTA has unnecessarily taken on multiple roles which only serve to undermine their effectiveness.
- 3.13 The changes proposed in the SAC will increase costs for training providers. We anticipate that these costs will be passed on to trainees. There is a noticeable absence of information or analysis relating to cost or benefit within the discussion document. No analysis is provided on the value that training providers create for the industry or the value that the SAC conditions provide. These are essential evaluations that should be conducted.
- 3.14 Doing so will assist with assessing the validity of the proposed changes.

## **CONCLUSION**

The Statement of Approval Conditions that governs the delivery of NZTA approved courses is a small piece of a larger unresolved puzzle.

The larger puzzle is how to provide driver licensing and training results that actually enhance cost efficiency while also ensuring road safety requirements are retained.

The licensing regime is not delivering satisfactory results for the road freight industry. The licensing regime cannot remain as it is with the expectation that tinkering at the fringe will address its limitations.

Also, the training regime also is not delivering satisfactory results. The Government has recognised that and is making courageous efforts to create a more efficient model. The SAC principles do not fit those aims.

During its 2012 consultation on the training industry the Government tasked industry with the responsibility for communicating skill needs to Government, the Ministry of Business, Innovation and Employment and the Tertiary Education System.

This submission is formally beginning that process. We welcome further discussion on this.