



# ROAD TRANSPORT FORUM NEW ZEALAND INC

SUBMISSION ON

**Driver Licensing Review Discussion Paper released**

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# **Road Transport Forum NZ Submission on the Driver Licensing Review**

## **Discussion Paper April 2016**

### **REPRESENTATION**

Road Transport Forum New Zealand (RTFNZ) is made up of several regional trucking associations for which the Forum provides unified national representation. The Forum members comprises of Road Transport Assns.NZ, National Road Carriers, and NZ Trucking Assn. The affiliated membership of the Forum consists of about 3,000 individual road transport companies which in turn operate 16-18,000 trucks involved in road freight transport as well as companies that provide services allied to road freight transport.

The Forum is the authoritative voice of New Zealand's road freight transport industry which employs 22,600 people (3.0% of the workforce), has a gross annual turnover of \$6 billion and transports about 80% of New Zealand's land based freight.

The Forum members are predominately involved in the operation of commercial freight transport services both urban and inter-regional. These services are entirely based on the deployment of trucks both as single units for urban delivery and multi-unit combinations that may have one or more trailers supporting rural or interregional locations.

### **RTF SUPPORT FOR REVIEW OF THE DRIVER LICENSING REGIME**

RTF has been a leading advocate for a review of the graduated driver licensing framework as it applies to commercial vehicle drivers. This position was adopted with the goal to create an environment where driver candidates move through the various levels and vehicle classes as expeditiously as practicable.

RTFs objectives have focused on the needs of the road transport sector to access competent drivers and driver candidates while trying to avoid unreasonable costs being placed upon driver candidates and any employers who might fund driver licence training. It also follows that any commercial vehicle driver licencing system will embody outcomes that meet public safety expectations. However we would like to make it clear that in our view training and driver knowledge applicable to a specific transport task, vehicle application or occupational group should always be outside the scope of any licensing regime. Occupational training related to vehicle deployment by definition falls within the domain and responsibility of the employer and must remain beyond the scope of the driver licensing framework. Our view is licencing is about ensuring the safe operation and control of a commercial vehicle and its interaction within the network and with other road users on that network.

From our members first-hand experience the current system was never fit for purpose and despite a small number of independent reviews over the preceding years there has been no

real appetite until recently to recognise its shortcomings and the costs the multi-tiered approach adopted in 1999 generated for both drivers and employers. Over the last few years there have been multiple amendments primarily to assist the rural and primary production industry's demand for drivers and agricultural machine operators but very few amendments specific to truck drivers have been put in place. The 2003/4 accelerated driver licensing programme (ALP) did introduce an alternative framework to the time based commercial driver graduated licensing scheme by embodying a mentored-training option with independent assessment. (This option arose in response to the 2003 Driver Recruitment/Retention Report authored by TERNZ). Unfortunately this model has been poorly supported by the transport industry. We suspect this was due to the comprehensive administrative criteria that were initially required to be met. More recently the ALP version in Part 4A the Land Transport (driver licensing) Rule 1999 has become attractive to qualifying companies and reports from operators using it have been more positive although the uptake remains low.

It is interesting to note that in the introduction to Part 2 of the discussion paper, "Supporting a More Productive Commercial Driving Sector," the authors recognise the need to reduce complexity, time lines, and costs to commercial driver applicants and it is these aspects we intend to focus our submission on as we comment on the options presented.

RTF comments will endeavour to follow the online format submission form as far as possible. RTF has no objections to its submission in part or whole being released.

## **SUMMARY OF OUR COMMENTS ON THE OPTIONS**

As alluded to above the primary interest of our comments will be toward the commercial vehicle licensing process of driver licensing Class 2 to 5 which is discussed in the various options outlined in PART 2. However where appropriate we will comment on other aspects of the options covered in the discussion document.

The main aspects of our comments are:

A two tiered approach for the GDLS Class 2 to Class 5 vehicle licences.

Reframing the Option 3 model set out in the discussion paper and recalibrating the vehicle weight limits for Class 2 licences to enable removal of Class 3 and Class 4 from the GDLS.

NZTA role to set licence training standards and competency expectations, appoint licence assessors and approve licence training providers to enable regulator audit and oversight.

We have raised a number of issues in our comments that will almost certainly warrant further discussion with the Agency and we would welcome that opportunity.

## **PART 1**

### **Vision testing options**

The two options proposed offer no changes for commercial drivers. In fact, the commentary around the two options specifically excludes any changes for commercial drivers who are subject to a comprehensive medical that includes a vision testing component. The exclusion is perhaps due in part to clause 44(3)(a) of the current driver licensing rule, which encompasses option 2, and clause 44(3)(b), which reflects the criteria set out in option 1, both of which apply to commercial drivers. It appears the intention of the current clause 44(3)(a) is to ensure commercial driver applicants and licence holders are not put to the expense of multiple medical tests as they progress through the graduated driver licensing scheme or when they add or renew endorsements.

However we question whether adding endorsements or renewing endorsements such as forklift, dangerous goods, vehicle recovery, testing officer or driving instructor really warrant a new medical and vision test where the endorsement is added or renewed beyond the 5 year threshold. (a passenger endorsement may well warrant the additional medical including vision testing because of the perceived public safety risk).

We suggest clause 44(3)(a) and (b) amend the reference to “endorsements” (other than passenger service) and exclude licence renewals or re-issues of licences arising from stepping through the licence classes as not requiring the medical unless the renewal is captured by a 10 year licence renewal threshold. We are aware many truck drivers D endorsements (Dangerous Goods) are out of sync with the 5 year medical threshold anyway. Without a change from 5 years to the 10 yearly mandatory medical time-frame (at the primary license renewal) the commercial sector is inevitably incurring unnecessary additional medical costs for no recognisable safety benefit.

## **PART 2 Supporting a More Productive Commercial Sector**

### **Comments on existing licence Class1 and its relevance to vehicle weight thresholds**

This part of the discussion paper presents 4 options for consideration. However, before commenting on the options or outlining our preferences we make the following observation regarding the class 1 licence provisions. There appears to be a conflict in terms of safety principles within class I that constrains vehicle mass for standard vehicles to 4,500kg but allows holders of the same license level to drive agricultural vehicles including trailers up to a gross combined weight of 25,000kg although at restricted speed. Then there are various applications of weight above the 4,500kg threshold for special type endorsement holders and non-special type endorsement holders operating tractor and trailer combinations also at restricted speeds. These latter options and the concessions for agricultural combination vehicles has resulted in these vehicles displacing commercial transport vehicles from being

deployed in the transport task particularly in the rural environment. We are not sure the regulators had this in mind when they granted the agricultural vehicle community such generous weights limits to class 1 licence and class IR licence holders.

While Part 2 is primarily about simplifying the Class 2 to Class 5 pathway we cannot overlook the need to review the motor vehicle weight threshold for class 1 combinations.(GCW). Instead of having the GCW limited to 4,500kg the preferable approach would be to allow Class 1 vehicle combination weight limits to be determined by the towing vehicle gross combination weight set by the vehicle manufacturer. This would alleviate the need for recreational boat owners and horse float owners to have a class 2 licence to legally tow their trailers when they own an appropriately rated vehicle capable of exceeding the 4,500kg GCW. The approach we suggest would remove the artificially low GCW 4,500kg threshold. It also raises the question as to whether simplifying the GDLS should not embrace a GLW 6,000KG limit for class 1 vehicle licences and thereby remove the 4,500kg for all vehicles. Taking into account the limited concessions applicable to mobile homes and trades vehicles of 6,000kg GVW, from a comparative perspective, the very generous agricultural vehicle concessions appear to be completely out of step with the safety objectives normally associated with licensing regimes.

### **Comment on the four licence Class 2 to Class 5 Options**

**Option 1** being the status quo can be put to one side due to the time factors to progress through the stages. The impact of the multiplicity of licence stages and associated costs has been well documented.

**Option 2** offers little benefit despite the reduction in time frame to reach Class 5 and the removal of Class 3 L and F which in our view has been an unnecessary licence in the GDLS from when the scheme was established.

The focus of the industry's concerns has been the protracted transition times between licence levels and the ability to attract and retain the younger drivers who would transition from the Class 1 licence group. This has frustrated industry attempts to offer smooth career pathways from school to work.

In hindsight it would be fair to say the present commercial driver licensing scheme was designed for a different era. Based on our analysis the multiple levels of classes that support the current approach to commercial driver licensing probably wasn't warranted even back in 1999 yet the sector was burdened with an idealist approach that hasn't served the end users or employers at all well and potentially discouraged driver trainee uptake.

**Option 3** contains some useful features to attract and retain drivers. While this option does retain the 6 month experience based time bar for those under 25 years the ability to attain Class 5 in 18 months with the entry level prerequisite to Class 2 being a Class 1F licence held for 6 months has some promise. The problem area as we see it is the retention of the Class 4 licence and the 6 months' time bar at Class 2 and repeated at Class 4. Option 3 embodies a mentored or supervised approach preparing drivers for the next licence level supplemented by a practical test for the full licence. This approach certainly has merit. One area of concern is the approved course alternative does not require an independent practical test. We are of the view the independently conducted practical test would more likely ensure confidence that the trainee has the appropriate vehicle control and traffic skills to qualify for the full licence. The approved course without the independent test could be viewed as an inadequate approach to quality control and driver competency assessment.

**Option 4** could be considered a complete stand-alone option in its self as it applies to the 25 years and older group. The clean record prerequisite is an interesting approach however the commentary does note acquiring the skill for the class 5 licence will result in some additional costs and investment for driver trainees. The way we have interpreted Option 4 we see two separate paths to reaching the point of being granted a licence, the first is supervised or mentored driving with an enhanced independently managed competency test. The second is driver training delivered through an approved provider which encompasses an appropriate competency test. In the latter we would prefer the competency test for the licence to be independent of the provision of the training for the reasons discussed above. We also think Class 2 to Class 5 licence testers should be registered with NZTA for oversight and audit purposes.

#### **RTF Proposal- A modified Option 3 coupled with Option 4**

If we look at the 4 options Option 4 stands alone but could be combined with an amended Option 3. Through our previous discussions with NZTA we promoted a simpler version of Option 3 not unlike the Option 4 version but applying to the under 25 year age group. We understand the necessity to manage risk so we have amended our original alternative Option 3 aspirations. However we make the point that our suggestions would benefit from further development and discussion with NZTA and officials, but the principles are somewhat self-evident.

We suggest the Class 2L applicant must have held a full class 1 licence for at least 12 months. After entry to Class 2L by way of a theory test and following the completion of either approved training or supervised or mentored training at Class 2L the applicant is then subjected to an independent competency test for the Class 2 F licence. After a period of experience, say 6 months (18 months of Class 1. This could be reduced to 3 months and 15

months respectively-a point that may warrant further discussion with NZTA) and a clean driving record (modelled proportionally on the Option 4 requirements) the applicant can progress to Class 5L. An entry theory test for Class 5L is a prerequisite to 5F being achieved through mentored and supervised training or training delivered by an approved provider, both options requiring an independent competency assessment to qualify for the full licence.

In this option Class 4 is effectively removed for the schedule of licences in much the same way as Option 4 is set out in the discussion paper. What we are trying to alleviate is the real difficulty the industry has of trying to place drivers in vehicles or driving roles that simply aren't available. Few companies have Class 2 vehicles that they can put aside for training and transition experience. The drivers for the companies that use these vehicles tend to operate in the urban environment where the driver population tends to be more settled in their employment. Finding companies with single unit Class 4 vehicles is also difficult and anyone with a Class 4 vehicle has almost inevitably made the investment in this vehicle type and its mass capability because of the potential or need to tow a heavy trailer.

In recognition of these factors the most significant changes we would promote is around expanding the vehicle weight options allowed for Class 2 where-as the 4 options in the discussion paper make no changes to the vehicle weight characteristics. We have put forward this approach to alleviate the problems we see arising from gaining experience where vehicle availability is clearly limited.

In our model gross laden weight and gross combination weight is taken as per the definition set out in the current driver licensing rule under definitions gross laden weight, (a)(iii):

*-The weight of the vehicle, together with the load that the vehicle is for the time being carrying, including equipment and accessories:*

The changes we suggest in respect of Class 2 gross laden weight which by default become the Class 2 licence threshold limits are as follows:

Maximum permitted vehicle weights for Classes 2L and 2F

- (1) A rigid vehicle with GLW of more than 6,000 kg but not more than 18,000 kg
- (2) A rigid vehicle with GLW of more than 18,000 kg but with not more than 4 axles.
- (3) A combination vehicle with GCW of more than 6,000 kg but not more than 25,000 kg
- (4) A combination vehicle consisting of a rigid vehicle (with a GLW of not more than 18,000 kg) towing a light trailer. (This may well be superfluous to the options above but for the time being we have left it in the schedule)

Our approach also overcomes the limited access to two axle vehicles required at present because the current Class 2 mass limits which is major impediment to attracting drivers into the sector through transport companies within the Forum membership that have the

capacity to train drivers in-house. At the level these companies operate it is uneconomic to invest in 2 axle vehicles simply to meet the training and driver experience constraints imposed by the current Class 2 licence level.

These changes also provide for the new generation of heavier buses and for mechanics and support staff to be able to move un-laden heavy combinations around for maintenance, servicing and COF inspections. This in our view is a major cost saving in not requiring servicing staff to progress to a class 5 licence. It also provides a lot more versatility for deploying and utilising maintenance and support staff within transport companies. It also assists in the transition and adaptation of skills to Class 5 combinations easier to achieve because of the wider experience gained at the Class 2 level. It would also follow that the Class 2 theory and practical skill test needs to be significantly enhanced to ensure the best outcomes and that skills and safety knowledge are adequately taken up by drivers at this stage. The independent competency test should be able to highlight any weaknesses in driving performance, judgement, decision-making and overall skill and competency.

We stress again that any independent testing process and licencing system is not capable of determining the driver applicant is a truck driver or bus driver but only able to provide some level of assurance an individual is capable of adequately managing the vehicle on the network without undue risk to other road users including other vehicle users.

### **Class 2 to Class 5 licence Assessments and Standards: A future Model**

There is a misplaced expectation among some quarters within the trucking industry that the licencing system is designed to deliver truck drivers, however this view misses the point that occupational experience and skill can only be delivered by the employer or through the occupational skill courses and training options available through MITO.

MITO has responsibility for the development of appropriate training modules and the maintenance of training standards. There has been some strong opinions articulated by industry that the present delivery model allows training providers with assessment capability too much influence over prices and too little responsibility for driver licensee quality. It is this model we are not comfortable with being applied to the licensing process. Our members would like to see the structure of the licensing training requirements and standards determined and managed by the Agency in the same way we see the licence Class 2 to 5 assessors being primarily approved and contracted by the Agency. We see regulatory oversight as an integral part of the licencing process as the licensing of commercial vehicle driving it is about compliance and safety performance as well as providing confidence in public safety outcomes.

The issue of which aspects should be highlighted in the commercial driver training standards is a topic for a separate discussion and equally the framework of occupational skills should

be left to the employer or to MITO. Interestingly the discussion paper on page 12 refers to loading and unloading vehicles and coupling and uncoupling trailers. These aspects arguably would be straying into the occupational skill area which we think is beyond the scope of the driver licensing system to deliver. What the licensing system requires is that drivers must be aware that loads must be restrained on vehicles, that couplings have safety locks that must be engaged and checked before setting off and air brakes must have adequate pressure to release the parking brakes and apply the service brakes. Going beyond these simple requirements and requiring an understanding of all the options for load restraint and coupling and uncoupling skills and how air brake systems function is a step too far for a driver licensing system. However through the rollover prevention course managed jointly by RTF and NZTA it is evident that knowledge in this aspect of vehicle safety and performance should be delivered at the various stages of training and flow through to the competency assessment process. The importance of this cannot be over-estimated in light of the potential for heavy vehicle rollovers to occur on the challenging NZ road network. As a general example, if the Class 1 licence is considered as a comparative model for the discussion points above there is no testing of knowledge on ABS brake systems or knowledge expectation where water is to be added to windscreen washers etc. To reiterate, the Class 1 competency test is simply about vehicle control skills and interacting safely with the network and other road users.

### **Reviewing the Accelerated Licensing Process (ALP)**

The changes proposed under the options suggest that the improvements that arise, particularly if the suggested RTF amendments to Option 3 and the adoption of Option 4 are taken on board, means the ALP becomes redundant and therefore should be discontinued. However, some of the conceptual elements of the ALP may find a place in the RTF Option 3 model and the risks could be moderated to some extent by improvements to the design of training standards, their delivery and the quality of the competency evaluation. The offending rate and accident involvement are disappointing outcomes for something that offered considerable promise. Unfortunately they do suggest there are safety issues, but a more in-depth investigation may find that the real causes lie outside the ALP itself.

## **Part 3 Standardising Regulatory Requirements and Reducing Compliance Costs**

### **Special type vehicles and licence endorsements**

The question here is whether special type endorsements can be dispensed with. The endorsements tend to have an implicit connection with the occupational skills even though they don't confer any evidence of the skills required to operate the specific vehicles in their occupational application. For those vehicles that might be operated on the road the endorsements do provide some level of confidence that the person operating them has had some rudimentary training and has an understanding of the vehicles limitations. From an

RTF members perspective employees tend to have the F,W,T,R endorsements and these are seen as a form of qualification so removing them would be seen as disenfranchising this group. In many cases we suspect these special type endorsements are the only formal qualification they might hold.

The discussion paper comments that having these endorsements on the licence is duplication of a requirement that falls within the jurisdiction of another legislative framework, the health and safety legislation and removing them would reduce costs. It suggests the HSE training mandates will cover off the road use issue as well. Removing them would complicate issues as the endorsements are the only device individuals have for validating they have at least some knowledge of the special type vehicles, albeit limited.

Take this very common scenario. An individual goes to a hire facility to hire a small excavator for some work at home. The hirer is almost certainly going to ask for evidence that the person has some knowledge about this special type vehicle before committing to hire the item. With the explosive growth in the availability of small sized contracting and civil construction equipment and the hiring and leasing opportunities around wheeled and tracked hire equipment the endorsements take on a new importance. No-one is going to turn up to a hirer or leasing agent with an OSH certificate or training provider certificate. As much as there is a view that the F,W,T,and R endorsements have been overtaken by the health and safety legislative framework there appears an equally strong argument to retain them, at least for all current endorsement holders.

We don't see any cost change in terms of NZTAs role if the licence endorsements were changed as we see no role for NZTA in managing these types of occupational licences. They would simply be added to the driver licence template card on the evidence of satisfactory completion of the appropriate assessment. There is no need for NZTA to have any role in these licence endorsements and it should be voluntary to have them added to a driver licence on the basis of suitable evidence (but not a requirement). This could be carried out at cost recovery.

For current endorsement holders we would support their endorsements being retained because they qualified for them. However this wouldn't remove any legal obligation for employers to provide the necessary occupational training.

### **Speed thresholds for tractors and special type equipment and simplifying the rules for tractors**

There is a degree of logic in aligning the speeds and mass thresholds for the aforementioned equipment. We have already discussed the trucking industry concerns with agricultural vehicles above, however the simplification option will enable enforcement processes to be less contradictory. What is of greater concern is the lack of safety that is demonstrated by a

number of agricultural equipment operators. For example there is no basic mandated safety inspection regime (a documented owners inspection is one possibility for the under 40km agricultural vehicles) and substandard tow couplings, inadequate brakes, lack of load restraints and chassis corrosion are still regularly observed by RTF members. This contrasts with a truck travelling at the same speed and laden which is not only subject to independent inspection but is also burdened with engineering compliance certifications and road user charges.

The Forum's view is any alignment of speed and mass for agricultural and special type vehicles must be supported by a mandated safety inspection schedule of some form applicable to the vehicle application. This should be developed in consultation with that sector.

### **Driver licence endorsement renewals and passenger endorsements**

We have no comment to make on this section of the discussion paper.

### **Improving the oversight of course providers**

Our views on the oversight and management of the driver licensing system are set out above in the section Class 2 to Class 5 licence assessments and standards: a future model. Without wishing to repeat our comments there is a clear role for NZTA to have primary oversight of the licensing system particularly for Class 2 to Class 5. Devolving that role to private assessors and approved training providers through a third party arrangement makes it demonstrably difficult to ensure safety outcomes and public safety expectations are being maintained.

The Land Transport Act 1998 sets out the following clause reference that suggests an implicit responsibility regarding licencing and the setting of training standards that falls within the ambit of the Agency. The requirement to provide training and supervision is in clause 5(b). Equally It could be argued this clause simply gives effect to other parts of the Act and Rules but it could also mean, for example, that an operator has to provide training to a driver in making sure the vehicle is safe to operate, i.e. complete a pre-trip inspection.

The clause referenced is below. Participant in this context could be considered to include NZTA as well as an operator and drivers. There is no offence associated with this not complying with this clause but it clearly points toward public safety expectations.

## **Part 2 Primary responsibilities of participants in land transport system**

### **4 General requirements for participants in land transport system**

(5) A participant who holds a land transport document that authorises the provision of a service within the land transport system—

(b) must provide training and supervision to all employees of the participant who are engaged in doing anything to which the document relates, so as to maintain compliance with the relevant prescribed safety standards and the conditions attached to the document and to promote safety; and

(c) must provide sufficient resources to ensure compliance with the relevant prescribed safety standards and the conditions attached to the document.

### **Concluding comments**

Our preference is a modification of Option 3 as discussed above. Some aspects we have put forward will require further discussions with officials. We look forward to having that opportunity as the proposals move forward.