



Cabinet

Minute of Decision

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Improvements to the Graduated Driver Licensing System: Policy Decisions

Portfolio Transport

On 8 September 2025, Cabinet:

1 **noted** that in March 2025, the Cabinet Economic Policy Committee agreed to release a consultation document on proposed changes to the Graduated Driver Licensing System for Class 1 (car) licences [ECO-25-MIN-0017], and feedback from that consultation has informed the policy under CAB-25-SUB-0299;

2 **noted** that New Zealand has one of the highest rates of road deaths in the developed world and young drivers are over-represented in crash statistics;

3 **noted** that in 2024, young drivers (16-24 years) made up 12 percent of licensed drivers but were responsible for 23 percent of fatal and serious injury crashes, and 74 people died in crashes where a young driver was at fault;

4 **agreed** to the following amendments to the Land Transport (Driver Licensing) Rule 1999 for Class 1 licences:

4.1 removing the full licence practical test, and adding the hazard perception test (currently part of the full test) to the restricted licence practical test;

4.2 providing that any offence that attracts demerit points committed on a restricted licence will result in a six-month extension to the restricted licence stage;

4.3 removing the eyesight test from the restricted and full stage (also applies to Class 6 (motorcycle) licences);

5 **agreed** to extend the learner period from six to 12 months for under 25-years-olds with the option to reduce it back to six months upon completion of a specified number of supervised driving hours (capped at 60) or approved practical driving course;

6 **authorised** the Minister of Transport, in consultation with the Prime Minister and Hon Erica Stanford, to take final decisions on the minimum period of time a driver will be required to hold a restricted licence, and related requirements;

7 **agreed** to amend the Land Transport (Driver Licensing) Rule 1999 to provide better oversight of approved driver training courses for all classes of licences and endorsements, including:

- 7.1 enabling the New Zealand Transport Agency (NZTA) to consider whether a person is fit and proper to be approved as a provider of advanced driver training courses, impose conditions on approved course providers, or suspend or revoke their approved status;
- 7.2 requiring providers of advanced driver training courses to reapply for their approval from commencement date and renew it every five years thereafter;
- 7.3 enabling NZTA to issue a stand-down period of up to 10 years for providers of advanced driver training courses that are found to be non-compliant or for serious misconduct;

8 **agreed** to the following new testing fees to reflect the changes in paragraphs 4.1 and 4.3, to be implemented through amendments to the Land Transport (Regulatory Fees) Regulations 2023:

	\$ (GST inclusive)	
	Restricted licence	Full licence
Class 1 (car)	160.50	25.90
Class 6 (motorcycle)	51.20	43.80

9 **noted** that the changes in paragraph 7 would initially reduce the total cost of getting a full car licence from \$362.50 to \$282.50, a reduction of \$80;

10 **noted** that the initial fees in paragraph 7 are not set at cost-recovery, s 9(2)(f)(iv)

11 **agreed** to amend the Land Transport Act 1998 to extend the zero-alcohol limit to all drivers on a learner and restricted licence;

12 s 9(2)(b)(ii) s 9(2)(f)(iv)

- 13 **directed** Ministry of Transport officials to undertake an implementation review three years post-commencement of the decisions under CAB-25-MIN-0299 focusing on road safety, employment, and economic outcomes;
- 14 **invited** the Minister of Transport to issue drafting instructions to the Parliamentary Counsel Office to draft amendments to the Land Transport (Driver Licensing) Rule 1999, the Land Transport (Regulatory Fees) Regulations 2023, and the Land Transport Act 1998 to give effect to the decisions above and any necessary transitional arrangements;
- 15 **authorised** the Minister of Transport to make decisions on changes that are broadly aligned with the policy intent in the paper under CAB-25-SUB-0299.

Rachel Hayward
Secretary of the Cabinet

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