



SUBMISSION

Submission: Government Policy Statement on land transport 2024

To: Ministry of Transport, Te Manatū Waka

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About Ia Ara Aotearoa Transporting New Zealand

Ia Ara Aotearoa Transporting New Zealand is a national membership association representing the road freight transport industry. Our member companies operate urban, rural and inter-regional commercial freight transport services throughout the country.

As the peak body and authoritative voice of the road freight sector, Transporting New Zealand helps trucking firms operate successful, safe and sustainable businesses. Our strategic priorities are:

- Providing one industry voice for advocacy
- Promoting the road freight transport industry
- Attracting talent and promoting workforce development
- Supporting our members and customers
- Sustainability, safety and responsible emissions reduction

New Zealand's commercial road transport sector employs 55,384 people (2.1% of the total workforce), and has a gross annual turnover in the order of \$6.4 billion (1.8% of GDP). Road freight transport accounts for 93% of the total tonnage of freight moved in New Zealand (MoT National Freight Demands Study 2018).

Government Policy Statement on land transport 2024

Introduction

Transporting New Zealand appreciates the opportunity to make a submission on the Government Policy Statement on land transport 2024 (GPS 2024). GPS 24 rightly identifies transport policy and investment as a key driver of economic growth and productivity for the entire country.

Transporting New Zealand is supportive of the document's Strategic Priorities, Expected Outcomes, Investment Approach, and Ministerial Expectations.

We are also generally supportive of the system reforms, in particular the establishment of the National Infrastructure Agency and its development of a 30 year for transport infrastructure and the fast tracking of consents.

The document broadly aligns with the leading priorities of our membership, as set out in our [Briefing to the Incoming Minister of Transport](#).

We have provided specific and general responses to the consultation questions below.

Reference	Question	Response
Question 1 – Strategic Priorities	Do you agree with the strategic priorities and direction that are outlined in GPS 2024	<p>Transporting New Zealand strongly agrees with the strategic priorities and direction that are outlined in GPS 2024, particularly the overarching priority of economic growth and productivity, supported by the reintroduction of the Roads of National Significance programme.</p> <p><i>Increased maintenance and resilience</i></p> <p>We are highly supportive of increased maintenance and resilience being identified as a strategic priority. This recognises two leading concerns from our membership: long term underinvestment in road maintenance, and the increasing frequency of severe weather events impacting the entire transport network.</p> <p>Transporting New Zealand also supports the establishment of new activities to address the potholed state of state highways and local roads, and the targets of 2 percent rehabilitation and 9 percent resurfacing per year, along with state highway pothole repair within 24 hours to increase safety. Increased levels of funding must be accompanied by careful performance monitoring.</p>

		<p>Potholes and other road surface issues are a leading concern for our members, who have reported substantial damage to their vehicles and trailers, and observed dangerous driving from motorists swerving to avoid hazards.</p> <p><i>Safety</i></p> <p>Transporting New Zealand is highly supportive the GPS 2024's approach to improving safety outcomes, particularly the priority placed on road policing and enforcement, safer roads, safer (unimpaired) drivers and safer vehicles.</p> <p>The previous government's focus on poorly targeted blanket speed reductions and promotional and education campaigns did not produce acceptable improvements in road safety outcomes, and a new approach is urgently needed.</p> <p>We do urge caution when reviewing fines for traffic offences including consideration of indexing the value of infringements to inflation. Any change in fines or demerits should be based around improving safety outcomes, rather than simply increasing revenue.</p> <p><i>Value for money</i></p> <p>Transporting New Zealand is highly supportive of the value for money strategic priority.</p> <p>Increases in expenditure on temporary traffic management have been noted with concern by many of our members, and we are pleased to see this noted as an area for improvement.</p> <p>We do note the importance of ensuring that the road freight industry is closely consulted around the introduction of any time-of-use charging, to ensure that the efficient movement of freight is not unduly impacted.</p>
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Question 2 – Strategic Priorities	Do you agree with the overarching priority of economic growth and productivity outlined in the draft GPS 2024?	<p>Transporting New Zealand strongly agrees with this overarching priority.</p> <p>Our members and the procurers of freight services are better able to make investments supporting safety, decarbonisation and workforce development when they are operating profitably and the freight task is growing.</p> <p>This overarching priority supports improved outcomes across the transport system.</p>
Question 2(b) – Strategic Priorities	Do you agree that the 15 Roads of National Significance, and the Roads of Regional Significance will boost economic growth and productivity	<p>Transporting New Zealand strongly agrees that RONS will boost economic growth and productivity.</p> <p>New Zealand’s freight task is forecast to increase by 31% from 2018 to 2042, with road freight projected to account for 95% of this growth in tonnage (MoT, Transport Outlook: Future State, 2017).</p> <p>The capacity of our state highway network has to substantially increase to accommodate this additional task safely and efficiently, and RONS is an essential part of this.</p> <p>Establishing a long-term programme of roading improvements will also help address New Zealand’s longstanding infrastructure deficit. We refer to Infrastructure NZ’s October 2023 report “Estimating the Costs of an Uncertain Infrastructure Pipeline”, that found greater pipeline certainty could unlock productivity benefits and improvements to enable between \$2.3 to \$4.7 billion more capital investment each year.</p>
Question 2(c) – Strategic Priorities	Do you have any comments on the intention to improve public transport through completing Rapid Transit Corridors set out in the draft GPS 2024?	Transporting New Zealand supports this intention.
Question 2(d) – Strategic Priorities	Do you have any comments on the intention to support completion of the City Rail Link and Eastern Busway, and	Transporting New Zealand supports this intention.

	planning for delivery of the Northwest Rapid Transit Corridor and Airport to Botany Busway set out in the draft GPS 2024?	
Question 2(e) – Strategic Priorities	Do you have any comments on the intention to support the Lower North Island Rail Integrated Mobility project, and acceleration of Wellington's North-South, East-West, and Harbour Quays bus corridors set out in draft GPS 2024?	Transporting New Zealand supports this intention.
Question 3 – Strategic Priorities	Do you agree with the stronger focus on road maintenance outlined in the draft GPS 2024?	Transporting New Zealand strongly agrees with the stronger focus on road maintenance.
Question 3(b) – Strategic Priorities	Do you have any comments on the Government's priority to create a Pothole Prevention Fund across two activity classes to ringfence maintenance funding to help address the record number of potholes on our roads?	Transporting New Zealand is strongly supportive of this priority.
Question 3(c) – Strategic Priorities	Do you have any comments on the Government's priority to achieve 2 percent rehabilitation and 9 percent resurfacing of our roading network per year?	Transporting New Zealand is strongly supportive of this priority. Increased levels of funding must be accompanied by careful performance monitoring.
Question 4 – Strategic Priorities	Do you agree with the priorities in the draft GPS 2024 to improve safety on our roads through greater police enforcement targeting drink driving, drug driving, and excessive speeding?	<p>Transporting New Zealand strongly agrees with the priorities in the draft GPS 2024 to improve safety on our roads through greater police enforcement targeting drink driving, drug driving, and excessive speeding.</p> <p>Transporting New Zealand has been a long-time supporter of roadside drug testing, and hopes that improvements to the existing stalled scheme will be implemented as a matter of urgency.</p>

Question 4(b) – Strategic Priorities	Do you have any comments regarding the proposed plan in draft GPS 2024 to review fines for traffic offences?	Transporting New Zealand urges caution when reviewing fines for traffic offences including consideration of indexing the value of infringements to inflation. Any change in fines or demerits should be based around improving safety outcomes, rather than simply increasing revenue.
Question 4(c) – Strategic Priorities	Do you have any comments regarding the proposed plan in draft GPS 2024 to review the vehicle regulatory system to better manage the safety performance of the vehicle fleet?	Transporting New Zealand is strongly supportive of this proposed plan.
Question 5 - Strategic Priorities	Do you agree with the focus on value for money outlined in the draft GPS 2024?	<p>Transporting New Zealand is highly supportive of the value for money strategic priority.</p> <p>We do note the importance of ensuring that the road freight industry is closely consulted around the introduction of any time-of-use charging, to ensure that the efficient movement of freight is not unduly impacted. It is our understanding that good time-of-use charging systems are predominantly focussed on and applied to road users that have viable alternative transport options available to them, such as public transport. Our members are providing a service to their clients that rarely has viable alternatives, particularly when the freight is time sensitive.</p>
Question 6 - Outcomes	Do you agree with the outcomes expected to be achieved through the draft GPS 2024?	Transporting New Zealand strongly agrees with the outcomes.
Question 7 – Investment in Land Transport	Do you agree with the proposed \$50 increase to annual motor vehicle licence fees ('rego'), spread across two \$25 increases in January 2025 and January 2026, as a way to help pay for transport investment?	<p>Transporting New Zealand agrees with this proposed increase, acknowledging the current pressure on the NLTF, and the importance of additional transport investment enabled by the rego increases.</p> <p>We note the importance of moderating any further cost increases that will be passed on to businesses and consumers.</p> <p>Also, we do note and support that funding for the NLTF for 2024/25 - 2027/28 will come primarily from FED, RUC, rego fees and direct Crown funding. Our</p>

		<p>understanding from discussion with Minister Simeon Brown is that the Cost Allocation Model that underpins RUCs will remain and not be changed to include environmental factors related to the respective fuel efficiency of vehicles. ETS will be the predominant mechanism to manage carbon emissions. We support this approach.</p>
Question 8 – Investment in Land Transport	Do you agree with plans in the draft GPS 2024 to return to the previous practice of regular fuel excise duty (FED) and road user charge (RUC) increases from January 2027, as a way to help pay for transport investment?	<p>Transporting New Zealand agrees with this plan. We remain committed to the user-pays principle.</p>
Question 9 - Investment in Land Transport	Do you agree with the proposed Activity Class descriptions and funding ranges?	<p>Transporting New Zealand broadly agrees with the proposed Activity Class descriptions and funding ranges.</p> <p>We note that the lower limit for the rail network, at \$20m, is particularly low (albeit with a considerable higher upper limit).</p> <p>We encourage the Government to consult carefully with KiwiRail to understand the implications the lower figure would have on rail's ability to continue its important supplementary role in completing the freight task, particularly non time sensitive bulk and aggregate.</p> <p>Transporting New Zealand does agree with the statement in GPS 2024 that investments in rail should be focussed on the busiest and most productive parts of the existing rail network, to support efficient movement of freight.</p> <p>We agree and support walking and cycling being allocated its own activity class and hope that this will ensure money allocated for roading is spent on roading. Under previous arrangements it appears that money that was meant for roading was spent on walking and cycling.</p>
Question 10 – Statement	Do you agree with the Ministerial expectations as outlined in the draft GPS 2024?	<p>Transporting New Zealand agrees with the Statement of Ministerial Expectations.</p>

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