

# Briefing to the Incoming Minister of Transport

Key issues and priorities for our members  
and the wider road freight sector



# Foreword

Ia Ara Aotearoa Transporting New Zealand is the peak body and authoritative voice of the road freight sector. We help our 1,200 members operate successful, safe, and sustainable trucking businesses across the country. Nearly 93 percent of New Zealand's freight task being transported by road, with the road freight sector employing over 31,000 people across more than 5,000 business entities.

While our membership is primarily engaged in road freight, many are major users of other modes including rail and coastal shipping. We are committed to supporting the efficient operation of the supply chain, recognising the important role of each transport mode. Transporting New Zealand works closely with supply chain partners including ports, processors, cargo owners and transport regulators to improve efficiency and safety outcomes.

The Coalition Government's back-to-basics approach to transport is already producing good outcomes, with the infrastructure pipeline being restarted, road maintenance being prioritised, and freight efficiency and economic growth being factored into investment and policy decisions. Maintaining this momentum is vitally important for the success of the entire country.

There are significant challenges and opportunities facing New Zealand's transport system, including improving the state of our aging transport network, modernising and adapting revenue collection methods, adopting lower and zero emission technologies and supporting road safety and workforce development. Ensuring the road freight sector is closely engaged with while addressing these issues will help ensure results that are successful and enduring.



**Dom Kalasih**

Chief Executive

Transporting New Zealand



# Sector Overview

Road is the dominant freight mode in New Zealand, transporting 92.9% of the freight task on a tonnage basis, and 75.1% on a tonne-km basis (MoT National Freight Demand Study). The road freight transport industry employs over 31,000 people across more than 5,600 businesses, with an annual turnover of \$8.67 billion (Deloitte Ports and Freight Yearbook 2024). The majority of road freight firms are small to medium sized family businesses - 60% of firms have fewer than two employees (MoT NZ Freight & Supply Chain Issues Paper).

The Ministry of Transport projects that New Zealand's freight task will increase substantially over the next 20 years to 366 million tonnes in 2042 (from 278.7 million tonnes in 2018). Road freight is projected to account for 95% of this growth in tonnage (Ministry of Transport Transport Outlook: Future State). While rail and coastal shipping will continue to play an important supplementary role in our supply chain, the efficiency, resilience and convenience of road freight limits the contestability of the freight task.

The success of the road freight sector is a good barometer for the health of the wider economy, with heavy vehicle movement having a strong correlation with GDP. By working with industry to address long term challenges including the infrastructure deficit, skills shortages, and an inflexible regulatory framework, the Government can support improved levels of growth and opportunity for the entire country.

## \$8.67B

The road freight industry's annual turnover

## 31,210

People employed by the road freight industry in 2023

## \$2.1B

Forecast RUC revenue (2024/25) from diesel & light EV users

## 31%

Projected increase in freight tonnage from 2018 to 2042

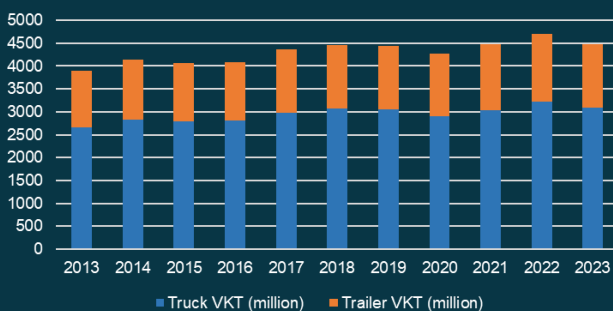
## 2,400

Estimated truck driver shortage in 2023 (PerformX Aotearoa and Dot Loves Data)

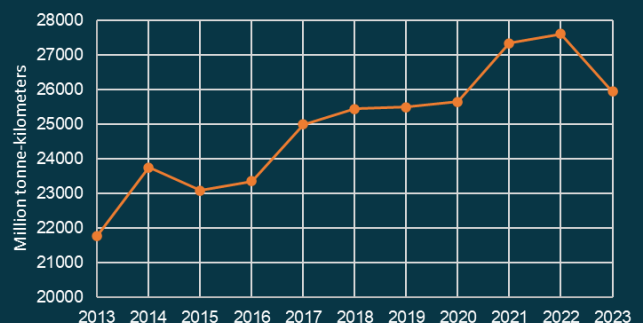
## 75%

Of NZ's trucking businesses operate 5 trucks or fewer

Truck and Trailer Kilometers Travelled  
(MoT est.)



Road freight tonne-km  
(the transport of one tonne of goods over one kilometre)



The road freight task and heavy vehicle kilometres travelled continues to trend upwards, subject to an a recessionary dip in 2023 (MoT annual fleet statistics).



# Leading Priorities

Transporting New Zealand has identified **8 commitments** that would provide practical support and reassurance to our members and the wider road freight sector.

We look forward to continuing to work with you and your officials to improve transport outcomes for the entire country.

## TRANSPORT PRIORITIES

- 1. Ensure that Budget 2025 (Vote Transport) adequately supports road maintenance, safety improvements, network resilience and strategic roading investments.
- 2. Progress random roadside drug testing legislation to get more unsafe drivers off the roads in 2025.
- 3. Amend the Time of Use Charging Bill to allow local authorities to exempt goods vehicles from charges to maximise benefits to consumers and businesses.
- 4. Introduce accelerated (100% first year) depreciation for the purchase of low and zero emission heavy vehicles, including high productivity motor vehicles, as a low cost method of supporting decarbonisation.
- 5. Ensure that new vehicle emissions regulations are not disincentivising fleet renewal by unreasonably reducing model choice and increasing purchase prices - effectively keeping older trucks in operation for longer.

## OTHER PORTFOLIO PRIORITIES

### *Transport, State-Owned Enterprises and Rail*

- 6. Take a mode-neutral approach to the procurement of replacement Cook Strait ferries, prioritising the prompt delivery of a resilient, competitive and customer orientated service, at a reasonable cost to taxpayers.

### *Immigration and Workforce Relations and Safety*

- 7. Ensure that immigration settings allow transport companies to fill critical workforce gaps across all sectors and license classes, while continuing to support domestic workforce development and competency assessment.

## ACC

- 8. Defer ACC's proposal to close Fleet Saver (a revenue neutral levy reduction programme incentivising safe fleet management), instead allowing Transporting New Zealand to work with ACC to expand and improve industry uptake.

