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Te Manatū Waka, Ministry of Transport

Te rautaki ueā me te rautaki whakawhiwhinga o Aotearoa | New Zealand freight & supply chain issues paper: Preparing our freight and supply chain system for the future

By email: supply.chain@transport.govt.nz

New Zealand freight and supply chain issues paper

Dear Ministry of Transport

Thank you for the opportunity to provide feedback on the New Zealand Freight and Supply Chain Issues Paper. Auckland Transport (AT) supports the development of a national freight and supply chain strategy (the strategy) and looks forward to working with the Ministry on initiatives which contribute to a connected, sustainable and safe freight network.

AT maintains a strong interest in a resilient and efficient supply chain, both in our capacity as a road controlling authority and as an infrastructure provider. As the road controlling authority of New Zealand's largest city and home to New Zealand's second busiest port, busiest airport, and largest consumer base, we play a vital role in the movement of goods to and from markets here and abroad. As a major infrastructure provider, we have suffered similar challenges to many other organisations in recent months, including materials delays and increased costs resulting from global supply chain challenges.

We collaborated closely with Te Manatū Waka, Ministry of Transport (the Ministry) and other partners through development of the [Auckland Freight Plan](#) and we look forward to working with the Ministry as it develops national direction. Noting our commitment to continue to support the Ministry's work, there are several key components of the strategy we consider essential to achieving the objectives of the Government, and which we wish to highlight.

Firstly, we are pleased to see acknowledgement of congestion pricing work underway in Auckland. Implementation of improved pricing signals to users of the road network and, in particular, along critical freight corridors, is essential to maintaining supply chain reliability and efficiency. Through more direct pricing of use, higher value activities, including freight movement, will be prioritised over lower value trips, delivering an overall net benefit to the transport system and consumers.

We see implementation of road pricing as an essential component of the strategy, not only to optimise flow on the road network but to address severe funding challenges across the transport sector. Without resolution to current and emerging funding shortages, inflation, growth demands, and other factors will increasingly throttle investment needed to sustain freight movement. Funding





and financing of investment needed to ensure the safe, sustainable, and efficient operation of freight corridors must be a core focus of the strategy.

Secondly, AT strongly supports decarbonisation of freight. Auckland Council's Te Tāruke-ā-Tāwhiri: Auckland's Climate Plan is our roadmap to a zero-emissions, resilient and healthier region that is better connected to our environment and able to thrive in the face of ongoing change and disruption. It sets the ambitious target of reducing Auckland's greenhouse gas emissions by 50 per cent by 2030 and achieving net zero by 2050.

To achieve a 50 per cent reduction by 2030 – a more ambitious target than the Emissions Reduction Plan (ERP) – requires a similar reduction in freight emissions. We see the biggest opportunities to reduce Auckland's freight emissions coming from operational improvements to move freight around the road network as efficiently and safely as possible and improving the road vehicle fleet through new fuels and engine technologies. Rail and coastal shipping provide comparatively low emission options for the movement of freight and there remain opportunities for mode shift to contribute to climate change objectives. The ERP covers similar actions and we want those actions to start sooner, and have significantly greater funding.

Third, AT and the Government share a commitment to achieving zero deaths and serious injuries on our roads. Auckland's [Vision Zero for Tamaki Makaurau](#) action plan sets a pathway to achieving zero deaths and serious injuries on Auckland's road network by 2050 and our Regional Land Transport Plan 2021-2031 anticipates a 67 per cent reduction over the next decade.

In 2016-2020 there were 283 deaths and serious injuries on Auckland's road network related to Heavy Motor Vehicles (HMVs). Given the desire for greater uptake in active modes, it is important that the plan considers safe movement within urban settings to access key infrastructure such as Ports of Auckland without negatively impacting vulnerable road users. Whilst long term electrification of the freight fleet would be expected to deliver higher safety ratings generally, it would be beneficial to see recognition in the strategy on in-built technological safety improvements for commercial vehicles to protect all road users, including detection cameras, lower cab windows to increase visibility for cyclists and motorcyclists, and a standard to incorporate side under-run protections, alcohol interlocks and intelligent speed adaptation (ISA).

Finally, while we consider that the four outcomes identified in the issues paper adequately comprise the key high-level objectives that the strategy should seek to achieve, more emphasis needs to be placed in the strategy on "the how". The Generational Investment Approach is an appropriate component of this "how", but alone is not sufficient.

What is required is a land use and infrastructure investment plan which achieves agreed national and regional outcomes and objectives. In the context of freight and supply chain management, transport authorities need to know what economic activities, in particular, are anticipated and will be supported by wider government policy direction, so that goods can move efficiently and safely to and from markets.

This type of planning traditionally takes place at a regional scale. Through resource management reforms, a new Strategic Planning Act (SPA) is anticipated, including provision for regional spatial strategies. Is it the Ministry's expectation that regional spatial strategies will provide the link between the four outcomes of the freight and supply chain strategy and implementation of policies



and investments needed to realise the strategy's vision? Or will the statutory SPA take precedence over the non-statutory freight and supply chain strategy? If so, what is the role of the four outcomes in the strategy and are they aligned with outcomes to follow in the SPA?

As a transport service provider, we are committed to achieving our statutory objectives and the strategic direction of Auckland Council. In order to do this successfully, we require alignment across our funding partners, key legislation and strategic priorities. A freight and supply chain strategy can help us deliver a safe, sustainable and efficient freight network, but only if this strategy is integrated with wider economic, transport, and land use decisions and legislation.

As a lifelines service provider, AT is a major purchaser of aggregate, steel, vehicles and other goods necessary to build and operate Auckland's roads and public transport system. We are as reliant upon an efficient and effective supply chain as we are critical to ensuring that this supply chain meets the needs of Auckland and New Zealand. We are committed to working with the Ministry, Waka Kotahi and other partners to ensure freight moves reliably, safely and sustainably, and welcome Government efforts to promote our shared objectives.

We thank the Ministry for this opportunity to submit and look forward to working with our partners to achieve shared freight and supply chain objectives.

Kind regards

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Auckland Transport