

21 August 2023

Dear [REDACTED]

I refer to your request dated Monday, 24 July 2023, pursuant to the Official Information Act 1982 (the Act), seeking *"a copy of any Briefings to the Incoming Minister, prepared or provided to the Minister of Transport or the Associate Minister of Transport, in 2023"*

There are four documents within scope of your request:

- One document is partially withheld,
- One document is available online,
- And two documents are withheld under section 18(d) of the Act on the grounds that the information within the scope of your request will soon be publicly available.

More information as well as any further detail can be found in the appendix.

The Ministry publishes our Official Information Act responses and the information contained in our reply to you will be published on the Ministry website. Before publishing we will remove any personal or identifiable information.

Yours sincerely



Alec Morrison
Acting Manager, Strategy

Appendix 1 – Table of documents

Document	Date	Reasons for withholding
Draft Briefing to the Incoming Minister of Transport	February 2023	Note, this was a draft document developed in preparation for any Ministerial change post the February Cabinet reshuffle. Some information withheld under sections: <ul style="list-style-type: none"> • 9(2)(f)(iv) • 9(2)(ba)(i) • 9(2)(g)(i) • 9(2)(j) • 6(a)
Briefing to the incoming Associate Minister of Transport	February 2023	Can be found here https://www.transport.govt.nz/assets/Uploads/BIM-Assoc.-Minister-of-Transport-Ministry-of-Transport.pdf
Key Issues Briefing for the Acting Minister of Transport	June 2023	Refused under section 18(d) of the Act on the grounds that the information within the scope of your request will soon be publicly available
Briefing to the Incoming Minister	June 2023	Refused under section 18(d) of the Act on the grounds that the information within the scope of your request will soon be publicly available

] Briefing to the Incoming Minister

Please note: this document was a draft that was never provided to the Minister

Government policy
February 2023

DRAFT
RELEASED UNDER THE
OFFICIAL INFORMATION ACT 1982

RELEASED UNDER THE
OFFICIAL INFORMATION ACT 1982

Contents

Foreword.....	iii
Ministry Senior Leadership.....	iv
PART A: INTRODUCTION TO YOUR PORTFOLIO AND THE TRANSPORT SYSTEM	9
Transport system shifts: strategic overview.....	10
Your portfolio	13
Shaping our transport system	1
How we will work with you:	2
Collaboration in the transport system	5
PART B: STRATEGIC WORK PROGRAMME	6
Budget 2023 [BUDGET SENSITIVE]	7
Reducing transport emissions.....	10
Changes to the planning, contracting and delivery of public transport services: the Sustainable Public Transport Framework	15
Bus Driver Wages and Conditions [BUDGET SENSITIVE].....	16
Community Connect and the Total Mobility scheme [BUDGET SENSITIVE]	17
Tāmaki Makaurau – Auckland.....	19
Auckland Light Rail (ALR)	21
The Auckland City Rail Link.....	23
Let’s Get Wellington Moving.....	26
Mass Rapid Transit in Christchurch	27
Reforming the resource management system	28
NLTP Funding and cost pressures	29

The Government Policy Statement on Land Transport 2024	31
National approach to funding and financing rapid transit.....	33
New Zealand Upgrade Programme (NZUP) cost escalations.....	34
Future of the Revenue System (FORS) project.....	35
Congestion charging.....	36
Amending road user charges legislation for light electric vehicles	37
Resilient supply chains [BUDGET SENSITIVE].....	39
COVID-19 response and recovery	41
Road to Zero	42
Land Transport (Road Safety) Amendment Bill.....	45
PART B: OTHER WORK PROGRAMME.....	47
He Tohu Huarahi Māori Bilingual Traffic Signs Programme	48
The Parking Regulatory Review.....	49
Air services agreements.....	50
Civil Aviation Bill.....	51
Air Navigation System Review.....	53
Waka Kotahi Fees and Funding Review.....	55
2023 Transport Board Appointments.....	56
Search and rescue.....	58
Appendix 1: Transport Agencies and SOEs.....	60
Appendix 2: Emergency management and search and rescue functions.....	69

Foreword

Tēnā koe Minister, and congratulations on your appointment as Minister of Transport.

Transport supports the wellbeing of New Zealanders by giving people access to family and whānau, places of learning and employment, contributes to the economic prosperity of cities, towns, local neighbourhoods, and rural communities, and affects our health. It shapes land use, urban form, and street-level interactions. Transport connects New Zealand economically and culturally with the rest of the world.

Many organisations, both public and private, are responsible for planning, designing, building, and providing services within it. These organisations operate within a dynamic system of laws, rules, processes, and funding mechanisms. Te Manatū Waka Ministry of Transport (the Ministry) plays a stewardship role in the sector and is here to support you and provide you with advice.

New Zealand's transport system faces several major challenges over the medium to longer-term. Several key reforms or new demands are being managed at the same time. Your approach to how you manage them will have a lasting impact. Some challenges reflect the critical and enabling role transport has across government priorities, and the amount of concurrent change and reform.

One of the most pressing challenges is reducing transport emissions and reaching net zero carbon emissions by 2050. Interventions focus on improving active and public transport and alternatives to road freight, encourage conversion to zero emissions vehicles, and reducing unnecessary travel. In addition to interventions that have more immediate impact, decisions need to be made now on interventions that have long lead times but bring about big change in the longer term.

These decisions will help us to not only address our obligations on climate change but help us respond to our other challenges. These challenges include supporting sustainable growth in our cities and regions, improving access, enabling housing, enabling equitable outcomes, addressing the cost of living, supporting the needs and aspirations of Māori, building resilience in the transport system, and being prepared for disruptive global events.

Another challenge will be ensuring our priorities have adequate funding. This will need to be balanced against the costs to maintain the existing transport system, increasing need for repairs to the system from extreme weather events, the rising costs of new infrastructure, and prioritising interventions against the limited available funding.

This BIM discusses the levers that you have as Minister of Transport, and the commitments and choices that you have inherited with the Transport portfolio. In our role as system lead, we look forward to giving you the advice, support and rigorous evidence needed to put your priorities in place.

Nāku noa, nā

Audrey Sonerson

Secretary for Transport

Ministry Senior Leadership

Audrey Sonerson

Chief Executive and
Secretary for Transport



The Chief Executive of Te Manatū Waka is responsible for the effective running of the Ministry of Transport, and for delivery of advice across transport issues and the system.

As CE, Audrey is Chair of the Road to Zero Partnership and the Search and Rescue Council. She sits on Inter-agency Executive Boards for border management and resource management reform. The Ministry also provides advice and co-ordination in respect of maritime security, and the CE is Chair of the Maritime Security Officials Committee.

Audrey joined Te Manatū Waka as Chief Executive and Secretary for Transport in December 2022. She is an experienced public service leader, having held senior roles at the Ministry of Foreign Affairs & Trade, New Zealand Police, The Treasury and Ministry of Justice

Bryn Gandy

Deputy Chief
Executive – *System
Strategy & Investment*



Bryn leads the System Strategy and Investment Group which advises government on system-level transport strategy and outcomes. It provides advice on, and some management of, transport infrastructure planning, funding and investment. The group connects this with other functions, and broader and place-based programmes that include or intersect with the transport outcomes.

Specific functions include: strategic policy and innovation, supply chain, investment, demand management and revenue, placemaking and urban development, generational investment, and Auckland.

Bryn is an experienced senior public servant who was worked for more than twenty years in roles in transport, defence, justice, social services, internal affairs and health agencies.

Brent Johnston

Acting Deputy Chief
Executive

*System Performance
and Governance*



Brent leads the System Performance and Governance Group. The group is responsible for the Ministry's Governance of the Crown Entities and overall stakeholder engagement and communications strategy. It also leads advice on some key commercial policy projects.

Brent has responsibility for Finance, Crown Entity Monitoring, Auckland Light Rail, Programme Assurance, Data and Analytics, Research Economic and Evaluation and the Emissions Programme Office.

Brent has been with the Ministry for 14 years and has held leadership roles across the organisation.

Bronwyn Turley

Deputy Chief
Executive

*System and
Regulatory Design*



Bronwyn leads our System and Regulatory Design group and has been with the Ministry since August 2021. The functions she leads are Regulatory Design and Stewardship, Economic Regulation, Security and Resilience (including transport emergency management responses), Environment and Emissions Policy Design, Safety and Mobility, COVID-19 response and readiness, and the Search and Rescue Council Secretariat.

Bronwyn has leadership experience in several public sector agencies, in a career that has focussed on regulatory design and implementation.

Karen Lyons

Director – Auckland



Karen joined the Ministry in 2017 and leads the Ministry's work on Auckland. This involves work to align Government's and Auckland's strategic priorities, overseeing a range of projects and working with teams across the Ministry to integrate work that impacts on Auckland. Karen oversees the Ministry's small Auckland office and works closely with the transport sector in Auckland including Auckland Council and Auckland Transport.

Karen is an experienced senior leader. Before joining the Ministry, Karen held a range of general manager positions at Auckland Council within the economic, strategy and governance areas. Earlier in her career Karen worked as an economist at the New Zealand Treasury and HM Treasury in London.

Robyn Smith

Deputy Chief Executive

*Te Kāhui Tangata
Corporate Services*



Robyn leads our Corporate Services group and has been with the Ministry for 5 years. The functions she leads are Ministerial Services, Legal and Procurement, Risk, Human Resources, Information Technology, Engagement and Communications, and Business Support.

Robyn has significant senior leadership experience developed during her 18 years working in the energy sector, both in New Zealand and Australia.

RELEASED UNDER THE ACT 1982
OFFICIAL INFORMATION ACT

Paul Laplanche

Chief Financial Officer



Paul leads our financial management function and has been with the Ministry for 5 years. He oversees the use of over \$9B p.a. of Vote Transport funding and provides financial advice on Crown Agency funding, investment and policy initiatives.

Paul has a wealth of experience in the transport sector having previously held roles as Chief Financial Officer at Waka Kotahi and the Civil Aviation Authority and senior finance roles within Local Government.

RELEASED UNDER THE
OFFICIAL INFORMATION ACT 1982

RELEASED UNDER THE
OFFICIAL INFORMATION ACT 1982

PART A: INTRODUCTION TO YOUR PORTFOLIO AND THE TRANSPORT SYSTEM

RELEASED UNDER THE
OFFICIAL INFORMATION ACT 1982

Transport system shifts: strategic overview

Transport is an enabler

The transport system is central to New Zealanders' day to day lives, and to our economy. It delivers and supports inclusive economic growth, provides sustainable and safe networks for people, businesses, and freight, is a key enabler of equity, and must meet the aspirations and needs of Māori and uphold their rights and interests under Te Tiriti o Waitangi.

An increasing range of issues are impacting the transport system. These include weather events which impact the roading and rail networks, vulnerabilities in our supply chain that the COVID-19 pandemic has highlighted, changes in peoples' working patterns, the emergence and uptake of new technologies, and changes in how and when people want to travel.

Transport is expected to decarbonise by 2050, and the costs of delivering the transport system are increasing. Transport costs contribute significantly to New Zealanders' costs of living, and to the costs of doing business.

This briefing sets out the levers that you have as Minister of Transport and outlines the commitments and choices that you have inherited with the Transport portfolio.

Key among these are:

- Issuing a draft transport GPS for consultation over the next few months
- Large-scale transport investments and programmes such as Auckland Light Rail, Lets Get Wellington Moving and Road to Zero
- A significant programme to reduce transport emissions by 41% by 2035, which involves all parts of the transport system
- Progressing key transport legislation, in particular the Civil Aviation Bill. [note the Cab decision re Congestion Charging has not been announced]
- Meeting transport's emerging funding challenges, such as funding arrangements for mass rapid transit infrastructure and services, and replacing the current transport revenue system
- Seeking funding for your priorities through Budget 23.

More is being expected of transport. A lot of what you do as Transport Minister can help the government achieve its goals across a range of outcome areas, including emissions reduction, urban development, and housing. This can also make the choices harder – achieving what you need to achieve for transport, including maintaining a safe and high-quality transport network across New Zealand, while also making sure these broader goals are advanced.

Transport is largely funded by those who use it. An inflationary environment makes transport's delivery more costly at the same time as increasing costs for New Zealanders.

Some presenting issues will influence decisions over the short and medium term. These include increasing extreme weather events, vulnerabilities in our supply chains, the 'tail' of effects of Covid 19 (i.e., recovery of public transport patronage and our aviation system), the increasing costs of maintaining the network in an inflationary environment, and the challenges of the cost of living.

These issues and others are necessitating change in a system that was not designed to deal with them. This includes within our towns and regions, where connectivity can be easily disrupted and resilience is a key challenge, and in our cities, which will need to change most to reduce transport emissions.

The transport sector involves a wide range of interests involving local government and the private sector. They are critical to delivering the system we have today, and in developing the transport system we need in future.

Emissions reduction is a priority for your government. Transport has a central role in emissions reduction, and there is an ambitious set of interventions that has been agreed through the Emissions Reduction Plan (ERP). These interventions are comprehensive and recognise that there are no one size fits all approaches. They are a mix of specific policies and programmes that aim to decarbonise the vehicle fleet (such as the clean car discount and standard), decarbonise aviation and shipping, improve the public transport system, and provide more opportunities for people to choose lower emissions ways of travelling. There are also strategies which will inform longer term investments in interventions like walking and cycling.

There are challenges in this programme. Its scale of ambition is unprecedented and requires major and long-term adjustment to all parts of the transport system, within local government, and within our communities. Through CERF Budget 23 we are seeking funding to progress the next suite of actions to progress the ERP. There are choices for you as Minister in where you want to place priority. However, delaying key actions will have an impact on the achievement of the emissions targets, and will make choices in the future more difficult. We can provide you with advice on the package that is seeking funding.

Funding and delivering results. The GPS is your key tool for setting out the government's priorities for the land transport system. It provides guidance to Waka Kotahi and to regions. This document maps out how the National Land Transport Fund (which is a fund of approximately \$4.5bn pa) will be allocated over a 3-to-10-year period. It also identifies the role of other sources of funding. This includes the CERF, which is a funder of climate change initiatives. We have been supporting the previous Minister to issue a draft GPS this year.

The work on the GPS identifies the expenditure needs in the system and the funding that is available. There are always challenges in meeting the needs of the system within a constrained funding environment. However, these challenges are becoming more pronounced over time, with cost inflation in particular placing pressure on the available funding. One of the key challenges is how to balance a range of needs – both maintaining the network we have today, while investing in those areas that make a difference in the medium and long term, such as emissions reduction initiatives and those which enhance safety.

The transport system also receives Crown funding through the Budget process. Each year transport has a significant package of bids under consideration. We will brief you separately on Budget 2023.

In addition, we will need to continue to focus on the long-term revenue system that will be needed over the next 30 years. Our current revenue system is reliant on fuel use and road user charges, but as we look to reduce vehicle kilometres travelled, we will receive less revenue derived from cars and trucks. In the shorter term, officials are considering how mass rapid transit projects can be funded. Work is also underway on how the current revenue system can be replaced.

Investing in our three largest cities. Auckland, Wellington and Christchurch have significant programmes underway to identify and deliver packages of transport investment that are needed for their unique circumstances. You are a sponsor of the Auckland Light Rail Project and Auckland's City Rail Link, both of which are being carried out with the close engagement of Auckland Council. ^{s 9(2)(f)(iv)}

s 9(2)(f)(iv)

Let's Get

Wellington Moving is building momentum, with work underway to finalise business cases for its transformational programme including mass transit. While this work will continue into 2024, over the next 6 months there will be opportunities for you to consider the governance of the programme and to consider how to meet the Crown's funding contribution. Christchurch is at an earlier stage, with planning underway to move to a detailed business case for mass rapid transit.

Ensuring the transport system remains fit for purpose. Transport agencies play key roles across aviation, maritime and land transport. Safety is a key concern across the sector. COVID-19 has placed significant pressures on regulators, at the same as they are being asked to lean into a broader agenda in areas like new technologies and emissions reduction. The Civil Aviation Bill has had its second reading in parliament and will provide a more modern framework for regulating the aviation system. You will need to make choices over the coming months on how to support all three regulators (Waka Kotahi, Civil Aviation Authority and Maritime New Zealand) to meet financial pressures as they exit COVID-19 within an inflationary environment.

A resilient supply chain. Natural and human made events such as extreme weather, Covid 19, the war in Ukraine, and the geo-political environment have exposed the critical importance of our supply chain in getting critical goods into New Zealand and allowing our exporters to trade. While the system has generally proven to be adaptable, and is returning to more normal levels of service, recent experiences with delays in international shipping has revealed the vulnerabilities that we face. This, in turn, has revealed a need to focus on the productivity and resilience of the system. A draft Supply Chain and Freight Strategy is under development. This strategy sets out a long-term systems approach and identifies key short-term actions. It has been developed with extensive engagement with the sector and will be provided to you shortly. There is strong sector interest in this work, with the sector overall keen to keep engaging with the government on the next steps.

Achieving better safety outcomes. New Zealand's fatality and injury rates remain a significant challenge, creating huge implications for whānau, communities, and the economy. Road to Zero is New Zealand's road safety strategy. Achieving its ambitions requires sustained effort and coordination across transport agencies and the Police. There are several key actions under this strategy. These include the management of road speeds, road safety infrastructure and speed cameras, penalties, enforcement, and improving vehicle safety standards. These actions are critical if we are to start achieving a safer roading network with far fewer deaths, but they can be controversial and require high levels of engagement and socialisation with local government (in particular). You will play a key leadership role in this work.

The BIM includes sections on the Ministry's wider work programme. Part B includes work programmes covered in this strategic overview while Part C covers other work where decisions are needed over the next few months.

Your portfolio

Resilience and security

81% of adults felt safe on their last screened domestic flight; however only **63%** of people on non-screened domestic flights felt safe

As of 2018/19

1 in-flight or airside security incidence occurred compromising safety

As of 2020/21

Environmental sustainability

In 2021 around **71%** of motor vehicle travel was done by light passenger vehicles, 21% by light commercial vehicles, and 7% by heavy trucks

In 2020 road transport made up **91.2%** of total domestic transport emissions; more than 70 percent of road transport emissions were estimated to be from light vehicles

In 2022 electric vehicles made up **10.4%** of all light motor vehicle registrations

Healthy and safe people

12% of all trips are made as pedestrians and **2%** of all trips are made as cyclists

As of 2018-2021

331 died on road, 4 on rail, 21 on maritime and 5 on air

As of 2021/22

In 2020 light passenger vehicles were estimated to be responsible for **50.4%** of road GHG emissions, followed by heavy fleet (**28.8%**) and light commercial (**20.4%**)

Economic prosperity

Transport & Freight movements contributed **4.3%** to New Zealand GDP

As of 2020

Tourists arriving by planes and cruise ships directly contributed **3.3%** and indirectly **2.2%** to New Zealand GDP

As of 2022

About **44 million** tonnes of freight was exported in 2020/21 and valued over **\$63 billion dollars**



11,000km of state highways and **86,000km** of local roads

As of 2019/20

3,938km of rail network

9 container ports

In 2022 **2.9 million** passengers arrived in New Zealand by air. This is lower than the **7 million** in 2019 pre Covid-19.

Inclusive access

Household spending on transport increased from **12.9%** in 2010 to **16%** in 2019

8% of population with access to frequent public transport services in 2020/2021. **Auckland 26%, Wellington 18%, Christchurch 25%.**

8% of adults were unable to make a beneficial transport journey in the past week

In 2020/21, due to cost, time, a lack of transport, and/or traffic

RELEASED UNDER THE
OFFICIAL INFORMATION ACT 1982

Shaping our transport system

The transport portfolio

The transport system is complex and has developed over generations. It forms a significant part of our social and economic infrastructure, providing links that help establish and sustain society. The transport system also has deep connections with other systems, such as health, education, and housing.

The transport system includes aviation, maritime, and land transport, as well as digital infrastructure. The transport system moves people and goods by:

- providing road and rail connections for people and freight
- providing footpaths and cycleways to support walking and cycling
- providing coastal shipping and international shipping connections for freight through our ports
- providing domestic and international air passenger and freight connections through our airports
- providing satellite-based navigation infrastructure and aids, travel apps, communications technologies through digital infrastructure
- providing public transport, ride-sharing, e-scooter and bike share through transport services in our cities and regions.

Your role as Minister is to create the settings that direct and influence actors in the system, and also provide choices to transport users. In doing so, it is important to recognise that each part of the system operates differently. For example, much of the aviation and maritime sector is delivered by the private sector, while government funds and delivers much of the land transport infrastructure.

Central government is heavily involved in this system as a planner, funder, partner, enforcer and regulator. Te Manatū Waka Ministry of Transport (the Ministry) is a government department, while Waka Kotahi NZ Transport Agency (Waka Kotahi), the Civil Aviation Authority (CAA), Maritime New Zealand (MNZ) and the Transport Accident Investigation Commission (TAIC) are transport agencies, with TAIC as an independent Crown entity.

There are also three state-owned enterprises (SOEs): KiwiRail, Airways Corporation of New Zealand Ltd (Airways), and Meteorological Services of New Zealand Ltd (MetService). Local government, the private sector, researchers and iwi are also key players in shaping, funding, and operating the transport system. Further briefings can be supplied over the coming weeks to provide further information around the nature of these relationships. See Appendix 1 for more information.

You have five transport levers which you can use to help achieve your priorities

As Minister, you have a range of levers to influence the transport system. Our advice to you will focus on how you can make use of these levers. Achieving most government objectives and

HOW WE WILL WORK WITH YOU:

priorities relies on multiple agencies using a combination of these levers together, and in a coordinated way over time.

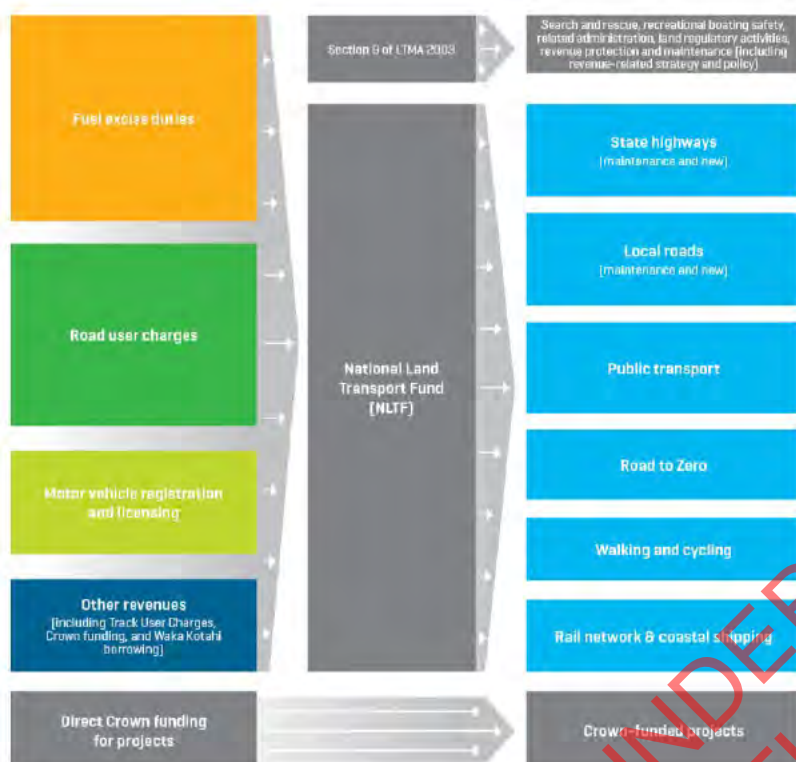
The five key levers and examples of how they can be used are as follows:

- **Investment and revenue** – investing in the transport system from dedicated and general funding sources to create capacity, enhance or maintain existing infrastructure and services, and influence behaviour by providing alternative travel options
- **Economic and educational tools** – using economic incentives, such as pricing, ideally in combination with soft measures like information campaigns, to drive behaviour change
- **Regulation** – influencing behaviour and providing the legal frameworks that enable the system to operate effectively
- **Influencing the international environment** – influencing international rules and treaties that affect Aotearoa New Zealand
- **Monitoring and oversight** – setting your expectations for, and monitoring, the transport agencies.

How we will work with you:

The Ministry has the role of being the 'system steward'. We work with you to establish medium and longer-term system strategies, translate them into coordinated delivery plans, and monitor overall progress. The plans work best when they are developed collaboratively with others.

The Ministry is also responsible for the overall planning and purchase of transport assets and services that depend on direct investment from the Crown. Most revenue for land transport investment and operations is collected from motor vehicle users, and most is included in the hypothecated National Land Transport Fund (NLTF). The NLTF collects around \$4 billion of annual revenue and is administered by Waka Kotahi. Revenue from the fund is invested in state highways, the rail network, local roads, road policing, walking and cycling, and public transport. The diagram below illustrates the funding flows in and out of the NLTF.



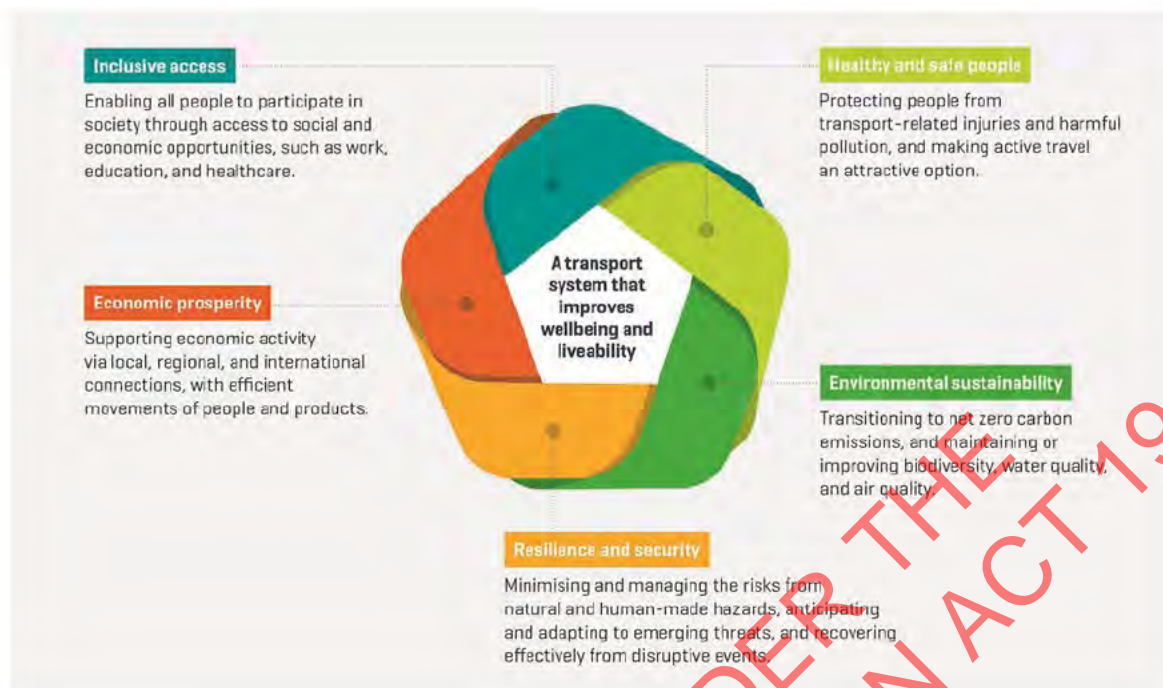
Providing stewardship of the sector

Te Manatū Waka is charged under section 52 of the Public Service Act 2020 to support you to act as a good steward of the public interest. 'Stewardship' is one of the five public service principles and, as specified in the Public Service Act, that includes proactively promoting stewardship of the legislation administered by the Ministry. The Transport Regulatory Stewardship Plan sets out our approach to regulatory stewardship.

Te Manatū Waka are also responsible for the Transport Outcomes Framework (the Framework) which is intended to help you and Government set priorities for the system and measure progress. The Framework has five inter-related outcomes and is closely aligned with the Treasury's Living Standards Framework. It was implemented in 2018 and is used by all transport entities. It is a powerful tool to help with alignment, role clarity and accountability.

The Framework helps to understand and prioritise transport's many areas of influence across society and the economy, and to be more explicit about the trade-offs between the outcomes that are sometimes required.

HOW WE WILL WORK WITH YOU:



Delivering your transport priorities

You can execute your priorities through the transport levers, often by incorporating them into one of several transport delivery plans. These have a delivery horizon of 3-10 years depending on how often you refresh them, and how the delivery agencies implement them.

Some of the key plans include:

- the *GPS*, which sets Waka Kotahi's investment and planning priorities. The GPS is a statutory document and the Land Transport Management Act (LTMA) expects you to set a GPS every six years with a review at three years
- the New Zealand Rail Plan, which provides a single plan for the rail system. The Rail Plan reflects the long-term nature of rail as an asset, and the need to co-ordinate investment across several agencies and sources. The Rail Plan is not a statutory document
- the programme of road policing activities that you approve under the LTMA for funding every three years (i.e. the Road Safety Partnership Programme)
- the Rail Network Investment Programme produced by KiwiRail that you approve under the LTMA for funding every three years.

Planning for the medium-term and long term

Mezzanine strategies are strategies that Te Manatū Waka has identified to deliver outcomes for 10- 15 years into the future by packaging suites of interventions and measures to address specific issues or problems. The Freight and Supply Chain Strategy is an example of a mezzanine strategy currently under development. The Ministry plays the lead role in helping you establish these strategies but all agencies in the transport sector should be involved in developing them.

Ensuring we have a transport system that achieves all of Aotearoa New Zealand's social and economic goals now and into the future requires long-term planning. Te Manatū Waka is in the

process of embedding a generational (30-50 year) perspective into planning and decision making. This aims to provide investment and policy advice that takes system-wide impacts into account, illustrates smart sequencing opportunities, and builds a portfolio of options that can be adaptively managed over time.

Collaboration in the transport system

Outside of the relationships between government agencies and SOEs (Appendix 1), collaboration with other stakeholders in the transport system is critical to realising positive transport outcomes. These stakeholders include local government, the private sector, iwi and hapū, as well as non-government-organisations.

RELEASED UNDER THE
OFFICIAL INFORMATION ACT 1982

PART B: STRATEGIC WORK PROGRAMME

RELEASED UNDER THE
OFFICIAL INFORMATION ACT 1982

Budget 2023 [BUDGET SENSITIVE]

Government strategy for Budget 2023

Given the economic challenges currently facing New Zealanders, the aim for the Government's fifth Wellbeing Budget is to dampen inflation while continuing to support and take pressure off New Zealand families. This includes investing in critical services, supporting people into jobs, and lifting living standards to build towards a high-wage, low-emissions economy that provides economic security in good times and bad.

Transport is a critical enabler for wellbeing, as it increases liveability across the country and enables social and economic growth. The Ministry also has a significant role to play in emissions reduction, and in recent Budgets have focused investments and resources on delivering our commitments in the Emissions Reduction Plan. Given the size of the challenge ahead to decarbonise transport, our focus for Budget 2023 is to continue to build on the foundations set through Budgets 2021 and 2022 to transition to a resilient and low-emissions transport system.

Budget process

This year there are five Budget tracks, and Budget Ministers have applied a top-down approach to the invitation and submission of Budget initiatives:

- 1 New Spending priorities**
This budget track is focussed on manifesto commitments and low-risk, low-cost capital investments. Initiatives could only be submitted if invited by Budget Ministers.
- 2 Climate Emergency Response Fund (CERF)**
The CERF track is focussed on delivering actions in the Emissions Reduction Plan and National Adaptation Plan. Initiatives could only be submitted if invited by Budget Ministers.
- 3 Cost pressures**
Agencies provided Treasury with information on cost pressures for their Vote, and Budget Ministers gave each Vote an upper-limit funding envelope that they would need to scale and prioritise their pressures to fit within.
- 4 Significant Capital Investments**
This track is for large-scale initiatives that have been invited by Budget Ministers to be considered by Treasury's Investment Panel.
- 5 Reprioritisation and savings**
Treasury sought to identify projects and programmes that could be significantly scaled down, re-phased, or stopped to increase the funding available for new spending and cost pressures. Note that to date Transport has not been recommended as an area to pursue reprioritisation and savings.

Submission of Budget 2023 initiatives for Vote Transport

On 4 November 2022, the Minister of Finance invited the submission of New Spending and CERF initiatives across a number of themes for Vote Transport, and the submission of a scaled and

prioritised cost pressures package to fit within a funding envelope of \$181 million OPEX (and up to \$3.1 million CAPEX).

As such, the Ministry has submitted a total of 33 initiatives for Vote Transport, to the value of \$5.943 billion:

Budget stream	# of initiatives	OPEX sought (\$m over 4yrs)	CAPEX sought (\$m over 10yrs)	Total sought (\$m)
New Spending	9	1,564.500	1,982.000	3,546.500
Climate Emergency Response Fund	8	1,744.719	281.000	2,025.719
Cost pressures	15	181.000	2.185	183.185
Significant Capital Investments	1	187.200	-	187.200
Total across all streams	33	3,677.419	2,265.185	5,942.604

Upcoming decisions on Budget 2023:

Please fill in this table with any relevant decisions that need to be made before the next election:

Action	Description of decision to be made	Timeframe
Budget bilateral meeting	You will meet with the Minister of Finance to discuss the Vote Transport Budget 2023 package.	Mid-late February (date TBC)
Cabinet meeting	Cabinet will meet to discuss and agree the initiatives to be funded through Budget 2023.	11 April 2023
<i>Budget Moratorium begins (11 April – Budget Day)</i>		
Financial recommendations	On 29 March, we will provide you with the financial recommendations that detail how funding for Budget 23 initiatives will be allocated to appropriations and drawn down if agreed by Cabinet. Following Cabinet decisions on 11 April, the Minister of Finance will sign the financial recommendations that give effect to the Vote Transport initiatives approved for funding. You will be required to approve and countersign the financial recommendations by 17 April.	17 April 2023
Estimates of Appropriations	On 14 April we will provide you with the final Vote Transport Estimates of Appropriations for 2023/24, to be signed and sent to the Minister of Finance by 19 April.	19 April 2023

Budget Day	The Budget 2023 package is announced, and we will provide you with talking points and additional information to support you to answer questions on the Vote Transport initiatives funded through Budget 2023.	May 2023 (date TBC)
Budget 2024 strategy	Engage with officials on priorities for Budget 2024.	August

RELEASED UNDER THE
OFFICIAL INFORMATION ACT 1982

Reducing transport emissions

Transport is one of Aotearoa New Zealand's largest sources of GHG emissions, producing 39% of our domestic carbon dioxide (CO₂) emissions, and 17% of total GHG emissions. Transport emissions rose more than any other emissions source between 1990 and 2019, with an increase of approximately 80%. Action to reduce transport emissions is critical if Aotearoa is going to reach its climate targets. From being a big part of the problem, transport can now be a big part of the solution.

The Emissions Reduction Plan (ERP)

In May 2022, the Government released Aotearoa New Zealand's first Emissions Reduction Plan (ERP). The ERP outlines an ambitious programme of work comprising more than 300 initiatives across many different sectors. The transport chapter of the ERP sets out a comprehensive and ambitious approach to reducing transport emissions by 41% by 2035 and reach net zero by 2050. To do this, we need to focus on three things:

- making it easier to get around without a car
- helping people and businesses make the switch to zero emission vehicles
- encouraging low-emissions freight options.

The ERP sets four transport-specific targets that need to be achieved by 2035, to ensure the overarching target can be met.

- Target 1: Reduce total vehicle kilometres travelled (VKT) by the light fleet by 20% by 2035 through improved urban form and providing better travel options, particularly in our largest cities.
- Target 2: Increase zero-emissions vehicles to 30% of the light fleet by 2035.
- Target 3: Reduce emissions from freight transport by 35% by 2035.
- Target 4: Reduce the emissions intensity of transport fuel by 10% by 2035.

Key initiatives

The transport chapter of the ERP is framed around three interdependent focus areas. There are specific actions for each focus area and each action has several detailed initiatives attached to it.

- Focus area 1: Reduce reliance on cars and support people to walk, cycle and use public transport.
- Focus area 2: Rapidly adopt low-emissions vehicles.
- Focus area 3: Begin work now to decarbonise heavy transport and freight.
- Focus area 4: Advancing cross-cutting and enabling actions.

The Ministry and Waka Kotahi are responsible for delivering most initiatives from the transport chapter, working closely with the other transport agencies, relevant government departments, stakeholders and iwi. An overview of the key initiatives the Ministry is progressing under each focus area is outlined below.

Focus area 1: Reduce reliance on cars and support people to walk, cycle and use public transport.

The initiatives in focus area 1 relate to better integrating transport and land use planning, improving walking and cycling infrastructure, improving the availability and frequency of public transport, and reducing demand for road transport. A large proportion of these initiatives are at the implementation stage and therefore being led by Waka Kotahi.

A critical component of focus area 1 is the development of a national plan to reduce total kilometres travelled in light vehicles in line with the target set by the ERP. Waka Kotahi is leading work to develop this National VKT reduction plan, with support from the Ministry. The Ministry is leading the development of sub-national VKT reduction targets for Tier 1 and 2 urban areas as signalled in the ERP. Proposed targets were due to be published as part of the Decarbonising Transport Action Plan in December 2022 but were delayed following Ministerial feedback to allow for more time to engage with affected local authorities. Final sub-national VKT reduction targets are now due to be published by 30 June 2023. The means of their publication is yet to be confirmed – ideally the timing would align with the publication of the National VKT reduction plan but this may not be possible.

The Ministry is also leading work to introduce congestion charging and improve the public transport system which will contribute to this focus area. More detailed on these initiatives is covered on pages X.

Focus area 2: Rapidly adopt low-emissions vehicles.

Nearly 70% of all transport CO₂ emissions are from cars, SUVs, utes, vans and light trucks. There is considerable work underway designing and implementing policy initiatives to reduce emissions from our vehicle fleet. These policies give effect to actions in the ERP to ensure we have cleaner vehicles entering the fleet, that we lower the emissions from vehicles already in the fleet, and remove high emission vehicles from the fleet. Specifically, Te Manatū Waka is currently working on the following policies.

Policy	What does this entail and why is it important	What has been committed to, and what is the status of the work?
Clean Vehicle Discount	Provides rebates to buyers of battery electric and other low emission vehicles and is funded through charges on higher emission vehicles. Currently rebates exceed fees and establishment funding is running out.	Uptake has been faster than expected and a review is required to balance expenditure on rebates and revenue from charges.
Clean Car Upgrade Note: this initiative was not progressed.	To trial schemes in multiple locations, that will scrap old, high polluting vehicles owned by lower income New Zealanders, and in return, provide the owners with funding to support them into cleaner alternative transport. This is intended	Cabinet has agreed to high level policy, but there are some final decisions delegated to you that need to be made before trials can begin in April 2023.

REDUCING TRANSPORT EMISSIONS

	to reduce inequities as we transition to lower emission vehicles.	
Social Leasing	To trial schemes in multiple locations that will lease low-emission vehicles to drivers on lower incomes. The scheme intends to provide access to safe, zero- and low-emissions vehicles to people on low incomes, to reduce inequitable impacts of decarbonisation policies.	Ministers are seeking at least one trial to commence by April 2023. Cabinet needs to agree to proposals for the April 2023 trial for funding to be made available. Further advice will be required for Cabinet to agree to the release of the remaining funds for the full scheme commencement.
Clean Car Standard	Requires vehicle importers to meet emissions targets across all vehicles they import over the course of a year, they will receive credits for low-emission vehicles and charges for high-emitting vehicles. This scheme is designed to increase availability of low-emission vehicles in New Zealand.	Implemented — ongoing work will include monitoring of the scheme.
Euro 6/VI	s 9(2)(f)(iv)	
Internal Combustion Engine (ICE) phase out		
EV Charging Strategy	To ensure we have the charging infrastructure in place so that New Zealanders can be confident in fuelling their electric vehicles for medium-distance and long-distance trips.	A draft national EV charging strategy and accompanying discussion document are ready to be released for public consultation. This was planned for the week of 23 January 2023 but was placed on hold pending the Cabinet reshuffle. We are ready to publish the draft strategy for public consultation as soon as we have confirmation from your Office. Following the engagement period,

		the final National EV Charging Strategy is due to be published by 30 June 2023.
--	--	---

Te Manatū Waka is secretariat to the Clean Car Sector Leadership Group, which is set up to advise the Minister of Transport on accelerating the uptake of clean vehicles. The group comprises representatives of Drive Electric, Sustainable Business Council, Motor Industry Association, Vehicle Importers Association, Ākina Foundation, Consumer New Zealand, and Vector. The previous Minister of Transport attended the group's 2-monthly meetings, and also met 2-monthly with the Chair (Mark Gilbert, Chair of Drive Electric).

Focus area 3: Begin work now to decarbonise heavy transport and freight

The key initiatives underway to contribute to focus area 3 are the Clean Truck Discount, and the national freight and supply chain strategy.

The Ministry also convenes and provides secretariat support to the newly-established Sustainable Aviation Aotearoa (SAA) Leadership Group. This is a public-private partnership that will provide advice and coordination to accelerate the decarbonisation of Aotearoa's aviation sector. Membership includes representatives from all airports and airlines operating in Aotearoa New Zealand, as well as iwi, aviation industry bodies and associations, and relevant government agencies. The group met for the first time in November 2025 and will soon establish three working groups on Sustainable Aviation Fuel (SAF), Zero-emissions aviation, and strategic policy and planning.

Focus area 4: Advancing cross-cutting and enabling actions

The ERP also requires a fourth focus area: crosscutting and enabling actions to support the necessary changes and contribute to achieving a low-emissions transport system. This will involve developing a strong evidence base, embedding long-term decision making, developing skills and capability to support the necessary transition in the transport sector, and supporting behaviour change. Key moves underway in this area include:

- Aligning transport policy and long-term planning with the ERP.
- Developing a strong evidence base to inform transport decarbonisation.
- Supporting transport behaviour change, and developing the skills and capability within relevant government agencies (and the wider transport sector) required to enable the transition.

Looking ahead – implementing ERP 1 and developing ERP 2

The Ministry has established an Emissions Programme Office to monitor and report on delivery against the ERP initiatives. You will receive monthly dashboards with progress reporting on your priority initiatives, as well as a more detailed quarterly report.

REDUCING TRANSPORT EMISSIONS

We are beginning to plan for transport's contribution to the second ERP, which is due to be released in 2025. The objective of this work is to provide details on how New Zealand and the transport sector will meet the emissions budgets set for 2026-2030 and beyond. At this stage, our first task is to engage with work led by the Climate Change Interagency Executive Board (which coordinates the climate change response between government agencies) to set overarching priorities for the second ERP. Soon, our new Environment and Emissions Strategy Team plans to commence more detailed work to develop transport-specific priorities and actions for the second ERP. We will engage with you later in 2023 to provide initial advice about the transport priorities for ERP 2.

Upcoming decisions on the emissions reduction work programme:

Action:	Description of decision to be made:	Timeframe:
Seek Cabinet decisions	Securing additional funding for the Clean Car Discount and approval of changes to the scheme following the review	February 2023
Review Ministry advice	Agreeing to the settings of the Clean Car Upgrade that have been delegated to you by Cabinet	February 2023
Review Ministry advice	Decide on timing and settings for the April 2023 Social Leasing trial, including on the level of delegation for upcoming decisions by Cabinet	February 2023
Seek Cabinet decisions	Agreeing to the settings of the Social Leasing scheme, approval to draw down the tagged contingency, and seeking agreement for delegated decisions	March 2023
Seek Cabinet decisions	Agree to consult on a rule change to mandate the Euro 6/IV emissions standard	March 2023
Review Ministry advice	Decide on next steps for progressing work on the ICE phase out	April 2023
Seek Cabinet decisions	Following public consultation, agree to the content of the final National EV Charging Strategy	June 2023
Seek Cabinet decisions	Following further engagement with relevant local authorities, agree to the publication of final sub-national VKT reduction targets for Tier 1&2 urban areas, and decide on the appropriate vehicle for this publication	June 2023

Changes to the planning, contracting and delivery of public transport services: the Sustainable Public Transport Framework

In August 2022, Cabinet agreed to make legislative changes to establish the Sustainable Public Transport Framework (SPTF). This framework will replace the Public Transport Operating Model (PTOM). The SPTF will ensure that planning, contracting and delivery of public transport services prioritise mode-shift, fair and equitable treatment of employees, and improved environment and health outcomes. The SPTF reforms will also enable public transport authorities to own and operate public transport services, and to provide a wider variety of service types such as on-demand services.

The SPTF will deliver and support actions in the Emissions Reduction Plan. The reforms are intended to better enable decarbonisation of the public transport bus fleet.

Following Cabinet policy decisions, the Ministry has worked with the Parliamentary Counsel Office to prepare a draft Bill to establish the SPTF. We have also prepared a draft paper for the Cabinet Legislation Committee seeking approval to introduce the Bill. The Ministry has provided this to the former Minister's office for feedback, and we are seeking your agreement on policy matters that have arisen during Bill drafting. The Bill is on the legislative programme for 2023 as a Category 3, which is to be passed if possible before the 2023 general election.

Waka Kotahi is responsible for developing operational policy to implement the SPTF, which will be progressed in parallel with legislative reforms. Waka Kotahi will engage with key stakeholders throughout the development of operational policy.

Upcoming decisions on the Sustainable Public Transport Framework:

Action:	Description of decision to be made:	Timeframe:
Policy Decisions on draft Bill	Minister of Transport agrees to policy matters that have arisen during Bill drafting.	Late January/early February 2023-

Bus Driver Wages and Conditions [BUDGET SENSITIVE]

There is an estimated shortage of approximately 800 public transport bus drivers nationwide, due in part to poor wages and conditions. The shortage is particularly acute in Auckland and Wellington, but it is also affecting Christchurch and other centres. A significant increase in provision and use of public transport services is key to meeting the Government's goal to reduce transport emissions in the **Emissions Reduction Plan**. Difficulties recruiting and retaining bus drivers are significantly hampering these improvements.

In early 2022, Waka Kotahi worked with unions, public transport authorities and operators through the Bus Driver Conditions Steering Group to identify a set of terms and conditions needed to stabilise the sector and determine indicative costs to deliver those terms and conditions. Those improvements included:

- increases to base wage rates, up to \$30 an hour for urban bus drivers and \$28 an hour for regional bus drivers
- establishing a split shift allowance of \$30 per split shift
- establishing penal rates of Time 1.2 after 9pm
- longer term improvements to working conditions for drivers, such as recruitment and training, rosters, and infrastructure

Through Budget 2022, Cabinet allocated \$61 million over four years to improve bus driver wages and conditions. In September 2022, Cabinet agreed to release this funding to meet the first tranche of improvements to driver wages and conditions as agreed by the Bus Driver Conditions Steering Group [DEV-22-MIN-0232 refers]. This first tranche includes increasing base wage rates in the first instance, towards the hourly rates identified by the Steering Group, and where appropriate, the funding can be used to implement penal rates and a split shift allowance. Waka Kotahi is working with public transport authorities to allocate funding.

Officials prepared a bid for Budget 2023 funding to meet the second and third tranches of improvements to wages and conditions, which was submitted in December 2022. Tranche 2 includes further increases to base rates, to reach the minimum hourly rates, and implementation of a split shift allowance and penal rates. Tranche 3 includes the longer-term improvements to working conditions for drivers.

Upcoming decisions on bus driver wages and conditions:

Action:	Description of decision to be made:	Timeframe:
Cabinet decision	Cabinet agreement to Budget 2023 bid for funding for Tranches 2 and 3 improvements	May 2023, subject to Budget 2023 timeframes

Community Connect and the Total Mobility scheme [BUDGET SENSITIVE]

Implementation of Community Connect and Total Mobility fare subsidies

Decisions have been made by Cabinet to announce and implement:

- the Community Connect initiative. A nationwide public transport concession, providing a 50 percent discount on public transport to Community Services Card (CSC) holders for peak and off-peak services.
- the permanent extension of half price fares for Total Mobility users. The Total Mobility Scheme aims to enhance accessibility for disabled New Zealanders by providing concessions (50 percent discount) to eligible people on taxi rides up to a regionally adjusted cap.

The intended start date for Community Connect is 1 April 2023. This has been postponed three times following the introduction and subsequent extensions of the nationwide 50 percent public transport fare reductions. Public Transport Authorities have expressed some frustration and uncertainty regarding the implementation of Community Connect and have incurred additional implementation costs following the recent deferral of implementation from 1 February to 1 April 2023.

To give effect to Cabinet's Total Mobility announcement, Budget 23 includes an initiative seeking funding to deliver the half price Total Mobility subsidy, and to extend the Community Connect concession to under 25. This initiative seeks approximately \$90 million annually. Expanding Community Connect to these user groups is intended to encourage increased public transport use, supporting mode-shift and meeting the VKT reduction target.

Cabinet's decision to continue the nationwide 50 percent subsidy for Total Mobility passengers permanently has been publicly announced. We are working through the funding implications, outstanding policy decisions and possible implementation risks. We will provide you with advice regarding this in the first quarter of 2023.

Total Mobility Scheme Review

In addition to the work underway to implement half price fares for Total Mobility users, the Ministry has started a review of the Total Mobility Scheme. The Total Mobility Review aims to make the scheme more effective and improve the mobility of disabled New Zealanders. We are expecting the review to be completed in the second quarter of 2024. We have developed a draft Terms of Reference (TOR) for the review that includes a proposed scope, and are currently engaging with stakeholders for comment. Following our stakeholder engagement, we will provide you with a finalised version of the TOR for your agreement.

Upcoming decisions on the total mobility review:

Please fill in this table with any relevant decisions that need to be made before the next election:

Action:	Description of decision to be made:	Timeframe:
Minister of Transport	Agreement to policy and scope of the Total Mobility subsidy continuation	February 2023
Cabinet	Through Budget 2023 – confirm further funding for the permanent Total Mobility subsidy	May 2023
Ministry of Transport	Agreement to funding financial implications from the Community Connect deferral	March 2023
Ministry of Transport	Agreement to the finalised TOR for the Total Mobility Review	Mid 2023

RELEASED UNDER THE
OFFICIAL INFORMATION ACT 1982

Tāmaki Makaurau - Auckland

Alignment between the Government and Auckland Council on transport in Auckland is essential if the economic, social and environmental outcomes sought by Auckland and New Zealand are to be achieved. A shared direction and joint priorities support limited resources and funding being used most effectively and efficiently.

Since 2016, the Auckland Transport Alignment Project (ATAP) has worked to achieve alignment between the Government and Auckland Council and investment programmes have been agreed by the two parties. This has resulted in a significant boost to investment in transport in Auckland by Government and the Council. An expectation of funding for Auckland has been set in the GPS as part of this process.

The most recent ATAP investment plan (2021-31) is being delivered but cost pressures across the programme mean that it is uncertain as to what extent the programme can be delivered with current funding. We provide you with regular updates on the implementation of the programme.

s 9(2)(f)(iv)

Other key projects in Auckland that you will be involved in include:

- **Waitematā Harbour Crossing project:** This is led by Waka Kotahi and, given the expectation of future Crown funding, you will be involved and provide direction. A business case is underway, and a preferred option is expected by July 2023. We have prepared material for you to update Cabinet colleagues on the project (this replaces a previously scheduled Cabinet item).
- **New Zealand Upgrade Programme (NZUP) South Auckland package:** The purpose of this package is to maximise investment in South Auckland through investment in large scale transport infrastructure to support housing provision (Dury Rail stations, Mill Road Corridor, State Highway 1 widening, electrification of the southern rail line). Work is underway on developing options for the Mill Road corridor focussing on public transport to reduce emissions and safety initiatives to improve the safety of the Mill Road corridor. Previous work had focussed more on improvements for light vehicles. However, this focus has now shifted to public transport to align with the **Emissions Reduction Plan (ERP)**.

Upcoming decisions on Auckland:

Action:	Description of decision to be made:	Timeframe:

s 9(2)(f)(iv)

Waitematā Harbour Crossing (WHC)	Direction and feedback on the preferred option	May/June 2023
NZUP South Auckland Package	Approval of delivery option for South Auckland NZUP package (including Mill Road)	July 2023

RELEASED UNDER THE
OFFICIAL INFORMATION ACT 1982

Auckland Light Rail (ALR)

Auckland Light Rail (ALR) is a project that will dramatically expand Auckland's rapid transit network, while reducing Auckland's carbon footprint and unlocking significant urban development potential. Approximately one million more people are expected to live in Auckland over the next 30 years, and this growth will place further pressure on the city's transport systems. As a transport solution, light rail will be capable of carrying up to 15,000 passengers per hour at peak. Light rail will also contribute to the Government's target of reaching net zero emissions by 2050. An integrated urban and transport business case will demonstrate how the project will provide wider benefits, such as housing, employment, and economic development outcomes.

Following an Indicative Business Case, the project is now in the Detailed Planning Phase, which is expected to take two years to complete. This includes:

- a significant cross-policy work programme, being led by the Ministry. The work programme includes preparing options for the future ownership and operating model, funding and finance approaches, and a business disruption framework
- Auckland Light Rail Limited (ALRL) completing a detailed transport business case, a corridor strategic framework, technical assessments, master planning, and community and stakeholder engagement to allow the Government to make a final investment decision. This decision is expected to be made in mid-2024.

Some of the key achievements delivered during the Detailed Planning Phase so far include:

- establishing ALRL, a Schedule 2 company as outlined in the Crown Entities Act 2004
- completing a Project Planning and Funding Agreement which provides for a structured and contractual relationship between Sponsors and ALRL, including Crown reserved decisions
- developing a Letter of Commitment from the Crown to the Auckland Council to clarify and confirm the relationship role as Sponsors alongside the establishment of ALRL
- appointing Dame Fran Wilde as ALR Board Chair, and five members to a competency-based ALR Board.

You are a shareholding Minister in ALRL, alongside the Ministers of Finance and Housing. This reflects the significant Crown investment needed, and the expected urban development outcomes of the project. You are all Sponsors of the project alongside the Mayor of Auckland, Wayne Brown, and an Auckland City Councillor, Cr Chris Darby. The Sponsors' governance arrangements for the project also include three mana whenua representatives, and officials are working to confirm their appointments. Both the Auckland Council and mana whenua of Tāmaki Makaurau have significant roles in partnering with the Crown agencies to deliver the ALR project.

The Ministry supports you and the other two Ministers with advice to help your decision-making on the detailed business case. The Ministry is also responsible for completing monitoring and assurance on behalf of all Sponsors.

Your first engagement on the project will likely be the ALR Sponsors' meeting, which will be held on 28 February 2023.

The following project budget allocations from Vote Transport have been made for the period 2021/2022 to 2024/2025:

- \$189 million to ALRL. This budget enables them to undertake the necessary work as required for the Detailed Planning Phase.

- \$9.6 million to the Ministry. This covers the cross-policy work programme which we are leading.

Upcoming decisions on ALR:

Action:	Description of decision to be made:	Timeframe:
ALRL purpose	Changing the purpose of ALRL to support its application to become a requiring authority under the Resource Management Act 1991	February / March 2023
s 9(2)(f)(iv)		
Corridor designation	ALRL intend to lodge a notice of requirement to designate the light rail corridor	By July 2023
Cross-policy work programme	Ongoing development of the cross-policy work programme, including land value capture, business disruption framework, final delivery arrangements and confirming the legislative pathway	Ongoing in 2023
ALR governance – next steps	Confirm the parameters and objectives for Sponsor arrangements, e.g. Sponsors Agreement, Letters of Commitment and any amendments to the Project Planning and Funding Agreement (PPA), following the appointment of mana whenua representatives	March / April 2023

The Auckland City Rail Link

The City Rail Link (CRL) is the largest transport infrastructure project under construction in New Zealand. The CRL is a 3.45km twin-tunnel underground rail link up to 42 metres below the city centre transforming the downtown Waitematā Station (Britomart) into a two-way through-station that better connects the city's rail network. The project will allow the Auckland rail network to at least double its capacity and increase the reach of the rail network to more of the Central City with two new underground stations.

Funding and delivering CRL

The CRL is jointly funded (50/50) by the Government and Auckland Council. Shareholders are the Ministers of Finance and Transport, and the Mayor of Auckland. Decisions on the future of the CRL project should be made jointly - with all Shareholders in agreement.

The CRL Sponsors' agreement expects all three Sponsors to establish a relationship based on mutual trust and equity, to be open, prompt, consistent and fair in all communications, and to act in good faith towards the other Sponsor in all of its dealings pursuant to the Sponsors' agreement and the other Sponsor Documents.

A Schedule 4A of the Public Finance Act 1989 company, City Rail Link Limited (CRL), was established in 2017 to manage the delivery of the project.

The project's total cost was estimated with a funding envelope of \$3.4b at the time it was established. The revised cost envelope for completing the entire CRL project now totals \$4.419 billion.

The CRL was planned to be completed late 2024, but CRL is currently working with key contractors (most notably the Link Alliance (LA), a single Alliance delivering the main CRL works), a to quantify the impact the COVID-19 pandemic is having on the project's construction timetable and its costs. CRL will handover the CRL project and associated assets to Auckland Transport and KiwiRail, after which Auckland Transport will operate rail services on the expanded network.

CRL risks

There are several risks associated with the CRL project. These include:

s 9(2)(ba)(i), s 9(2)(g)(i)

s 9(2)(ba)(i), s 9(2)(g)(i)

Upcoming CRL decisions:

Action:	Description of decision to be made:	Timeframe:
CRL Chair announcement	John Bridgman is replacing Sir Brian Roche as CRL Chair. The planned announcement by the Minister of Transport in the week beginning 23 January has been delayed awaiting the outcome of the reshuffle.	Earliest opportunity, in consultation with Auckland Council and Minister of Finance
Request from CRL for additional funding from Sponsors	<ul style="list-style-type: none"> • Shareholders expect to receive a request for additional funding above the current \$4.419 billion envelope from CRL in March, that covers all outstanding aspects of the CRL project that are related to scope, budget and timing, including an appropriate level of contingency in a single request. • This holistic rather than staged approach would enable trade-offs within the project to be evaluated and provide a more complete value for money assessment. • If CRL is to provide Shareholders with a single funding request in March 2023, several workstreams must be completed in advance. • It is possible that CRL's negotiations with LA on COVID-19 claims settlements through to 1 July 2022, and commercial negotiations on the project's schedule and Anticipated Final Cost will not be completed in time. In this instance, Shareholders will need to decide what aspects of the funding request can be traded off to meet the March timeframe. 	The Funding Request is expected from CRL in March 2023, and following receipt of this request decisions and approvals will need to be made promptly.
The Targeted Hardship Fund Review	<ul style="list-style-type: none"> • In August 2021, Cabinet approved the creation of a Targeted Hardship Fund (the THF) to provide financial assistance to businesses facing hardship associated with major and sustained disruption relating to C3 works for the construction of the CRL. • In establishing the THF, Cabinet noted that the Minister of Transport would report back to Cabinet close to the time of the THF being in place for two years to provide an update on the hardship assistance provided and to seek further funding for the remainder of the C3 works. 	Findings of review of THF reported to you in March 2023, to inform report back to Cabinet by August 2023

	<ul style="list-style-type: none">• To inform the Minister of Transport's report back to Cabinet by August 2023, the THF review will consider the latest available information on the payments to businesses from the Fund, the CRL project's schedule, and feedback from affected businesses. This will be used for the Ministry's assessment on whether the Sponsors' High-Level Guidance to CRL on the administration of the Fund should be amended.• The Ministry has sought feedback from CRL stakeholders on their experience applying for the THF and the fund's eligibility and assessment criteria. We expect to provide you with the findings of this feedback in March.	
--	---	--

RELEASED UNDER THE
OFFICIAL INFORMATION ACT 1982

Let's Get Wellington Moving

Let's Get Wellington Moving (LGWM) is a large programme of work to improve Wellington's transport system and support urban development and intensification. The Crown is providing 60 percent of the funding for the programme, alongside Greater Wellington Regional Council and Wellington City Council contributions of 20 percent each. Therefore, it is prudent that the Crown is involved in governance, decision-making and delivery matters. The Ministry is working on providing you with advice on governance and decision-making arrangement options.

The LGWM programme is a mix of state highway improvements, investment in mass rapid transport (MRT) infrastructure and a range of smaller changes to provide bus priority and improve the ability to walk and cycle around the city. Construction is underway on some of the smaller changes, and the rest will be rolled out between now and 2029.

A detailed business case for the state highway and MRT investments is under active development and scheduled for completion in December 2024. Construction on these aspects of the programme is not expected to start until 2027.

Cabinet has committed to providing \$4.4 billion to cover the Crown share of the programme costs. While some of this funding is coming through the National Land Transport Fund, the Fund is under pressure, and the Government has not yet committed financing for other aspects of the programme. There are also risks around cost escalation and the ability of local government to fund its share.

Upcoming decisions on Let's Get Wellington Moving:

Action:	Description of decision to be made:	Timeframe:
Governance and delivery arrangements	Cabinet may need to make decisions on governance and delivery arrangements for Let's Get Wellington Moving.	Not yet clear

Mass Rapid Transit in Christchurch

The Whakawhanake Kāinga Kōmiti (WKK), the Urban Growth Partnership for Greater Christchurch, was established in 2022. It comprises members of the Greater Christchurch Partnership (a voluntary coalition of local government, mana whenua and Waka Kotahi) and the Crown represented by the Ministers of Housing and Local Government. Other Ministers may attend where relevant.

The WKK's spatial planning work programme involves three projects – developing the Greater Christchurch Spatial Plan and the Greater Christchurch Transport Plan and investigating Mass Rapid Transit (MRT). These projects work together and are designed to make transformative change in Greater Christchurch. WKK plans to undertake public engagement on the spatial plan and proposed transport interventions as a package in February 2023.

Waka Kotahi is undertaking the Indicative Business Case on MRT. Current timing is for the Waka Kotahi Board to endorse the IBC in May 2023 and for the Minister of Transport to receive advice on how to progress with MRT in July 2023. Progress on the spatial plan is critical to the ability of transport officials to meet this timing. This is because of the need to align land use planning with MRT investment.

Upcoming decisions on Mass Rapid Transit in Christchurch:

Action:	Description of decision to be made:	Timeframe:
Decide on how to progress with MRT	You will receive advice on options for progressing with MRT in Greater Christchurch.	July 2023

Reforming the resource management system

Parliament's Environment Committee is considering the Natural and Built Environment Bill and Spatial Planning Bill. These two Bills will make significant changes to the way the resource management system works. Public submissions close on 5 February 2023, with the Committee due to report back to the House by 22 May 2023. We have been appointed as an advisor to the Committee relating to the transport matters in both Bills. The expectation is for the legislation to be passed by mid-2023.

The Natural and Built Environment Bill has changes that will be beneficial for transport, including making it easier to respond to natural disasters and emergencies and to protect transport corridors. Enabling longer term spatial planning will make it easier to plan and deliver new and improved transport infrastructure.

The Ministry's key focus is on ensuring the transport sector is well-prepared for the transition to the new system and its implementation. We are working with all four transport agencies to build their understanding of the new resource management system and on what support they may need (Waka Kotahi, Maritime NZ, KiwiRail and the Civil Aviation Authority). We are also working with the Ministry for the Environment and other agencies to ensure momentum is maintained on key transport initiatives already at the planning and delivery stage.

Upcoming decisions on resource management reform:

Action:	Description of decision to be made:	Timeframe:
Policy decisions on the Bills	You are likely to be asked to make decisions on a small number of policy issues relating to the Natural and Built Environment Bill and the Spatial Planning Bill as they progress through the legislative process. The Minister for the Environment's office will coordinate any Ministerial decision-making on these issues. We will provide you with advice from a transport perspective as required.	February – July 2023
Policy decisions on the National Planning Framework	The National Planning Framework will provide direction for the new resource management system and set natural environmental limits and targets. Cabinet decisions are likely to be sought so the framework can be notified immediately following the Bills' enactment. We will provide you with advice from a transport perspective as required.	April – August 2023

RELEASED UNDER THE
OFFICIAL INFORMATION ACT 1982

The Government Policy Statement on Land Transport 2024

The GPS outlines the Crown's land transport investment strategy (or priorities) over a ten year period, which Waka Kotahi and local government then deliver. This funding period represents approximately \$60bn of funding. Waka Kotahi's role is to implement your priorities through its investment and planning functions. These priorities guide Waka Kotahi and local government in deciding the types of activities that should receive funding from the National Land Transport Fund (NLTF).

The GPS must be reviewed every three years. GPS 2021/22 - 2030/31 is currently in effect. We are targeting publication of GPS 2024/25 - 2033/34 by mid 2023, about one year before it comes into effect. This provides lead time for Waka Kotahi and the broader transport sector to incorporate the Government's priorities into their planning.

The key components of GPS are:

- The strategic priorities for the national land transport system over the next ten years and how progress will be measured against the outcomes sought. The current priorities are Emissions Reductions (an overarching focus), Safety, Sustainable Urban Development, Better Freight Connections, Maintenance and Operating the System, and Resilience.
- The investment in land transport outlines the funding commitments to deliver on the Strategic Priorities, and instructions to Waka Kotahi about how it should direct the National Land Transport Fund (the NLTF) into different activities such as public transport, road maintenance, and walking and cycling to achieve the strategic priorities. Expenditure must match available revenue. As signalled by the Land Transport Revenue Review, you will need to decide whether to increase NLTF revenue, increase Crown contributions or decrease expenditure.
- The Statement of Ministerial Expectations sets out how you expect Waka Kotahi to give effect to the GPS.

The Ministry wishes to meet with you in coming weeks to discuss the status of the draft GPS, which has been reviewed by the previous Minister, and seek your feedback. The Ministry is incorporating feedback from a preliminary draft of the GPS 2024 provided to the previous Minister of Transport. We are intending to publicly consult on a draft GPS in April, allowing you to release the final GPS by July 2023.

Upcoming decisions on the GPS:

Action:	Description of decision to be made:	Timeframe:
	Integration of feedback and consultation with departments and Ministers	February 2023
	Cabinet paper to release draft GPS for consultation	March 2023
	Public engagement on GPS - April/ May 2023	April/ May 2023
	Cabinet paper to release final GPS	Early June 2023

	Final GPS is published	June 2023
--	------------------------	-----------

RELEASED UNDER THE
OFFICIAL INFORMATION ACT 1982

National approach to funding and financing rapid transit

As part of the June 2022 Cabinet paper on Let's Get Wellington Moving, Te Manatū Waka was commissioned by Cabinet to develop a national approach to funding and financing rapid transit given the pressure on the National Land Transport Fund, large upfront capital costs, and the current ad hoc approach to funding. A rapid transit framework providing guidance on a wide range of planning and delivery topics is also under development, and the rapid transit funding and financing work will be incorporated.

Two different funding options are under development. A hybrid approach is also being explored, as well as financing guidance.

We have committed to seeking Cabinet decisions on an approach to funding and financing rapid transit in Q2 (April/May).

Upcoming decisions on rapid transit framework:

Action:	Description of decision to be made:	Timeframe:
Ministerial Feedback	Ministerial feedback on option development in advance of Cabinet paper departmental consultation.	24 February to 6 March 2023
Ministerial Feedback	Ministerial review of final Cabinet paper	10-21 April 2023
Cabinet decision	Cabinet decision	26 April to 1 May 2023

New Zealand Upgrade Programme (NZUP) cost escalations

NZUP is a programme of road and rail projects focusing on improving safety, reducing emissions, supporting housing objectives and providing better travel choices while providing economic growth to firms and households. It is being delivered by Waka Kotahi and KiwiRail, and monitored by the Ministry and Treasury. The total approved funding for the programme is \$8.726 billion. There is a potential funding gap of up to \$1.782 billion driven by a mixture of general global cost escalation, risk materialisation, scope and other changes.

The programme includes a total of 22 projects / packages: 13 with Waka Kotahi and 9 with KiwiRail. These are located in the main growth areas including Auckland, Waikato, Bay of Plenty, Manawatū-Whanganui, Wellington, Canterbury and Queenstown, as well as a number of regions. Of these 22 projects / packages, 18 are in or near delivery ^{s 9(2)(f)(iv)}

Some major projects already in construction include:

- Takitimu North Link Stage 1 in the Bay of Plenty
- SH1 Papakura to Drury in Auckland
- SH58 safety improvements in Wellington
- SH1 / Walnut Ave in Ashburton

Upcoming decisions on NZUP:

There are key decisions to be made on the cost pressures experienced by the programme to ensure progress is maintained and they align with upcoming Budget 2023 decisions. These are set out in the table below.

Action:	Description of decision to be made:	Timeframe:
Sign advice T2022/2686/OC221070 – New Zealand Upgrade Programme: Overarching Advice	^{s 9(2)(f)(iv)} <ul style="list-style-type: none"> • Agree to progress remaining projects in delivery within a fixed funding envelope. 	ASAP
Sign advice ^{s 9(2)(f)(iv)}	TBC – this advice is still being drafted. Expected submission date to Ministers of Finance and Transport on 3 February 2023.	Before Budget 2023.

Future of the Revenue System (FORS) project

The Future of the Revenue System is a longer-term piece of work and is part of the Ministry's stewardship role. It is a first-principles look at how the land transport revenue system might be configured in future to make it more sustainable in our changing context of climate change and increasing cost pressures.

As transport policy looks to achieve a lower emissions profile through reduced VKT and increase transport options, such as public transport and active modes, we are increasingly aware that the current system is unlikely to be sustainable.

This work is significant in its scale and is a once in a generation opportunity. The overall ambition for this work is to enable New Zealand to move with confidence and certainty towards a new, or renewed, transport revenue system that will be fit for purpose for the next 30 to 50 years.

We will develop draft options for a future sustainable revenue system during 2023 aiming to consult on these in 2024.

We committed to your predecessor to provide advice on future options in mid-2023.

We have also engaged Koi Tū: Centre for Informed Futures to pilot some deliberative consultation to help inform our work. During February and March 2023, pilot deliberative consultation 'mini-publics' will be held in Auckland, Hamilton and Christchurch to canvas public views on 'who should pay for what' across the land transport system. This may generate media interest. We can support your Office in responding to any queries.

Congestion charging

s 9(2)(f)(iv)

Congestion imposes a variety of economic and social costs. It limits people’s ability to access work, education, and social opportunities. Congestion charging has been applied in several cities around the world (for example, Stockholm, London and Singapore) and has demonstrated success in reducing congestion.

The Ministry developed a policy framework for congestion charging over the course of 2022. The

s 9(2)(f)(iv)

s 9(2)(f)(iv)

There appears to be cross-party support for congestion charging, as demonstrated by the unanimous recommendation of the Transport and Infrastructure Select Committee to progress congestion charging.

s 9(2)(f)(iv)

Upcoming decisions on congestion charging:

Action:	Description of decision to be made:	Timeframe:
Bill introduction	Cabinet needs to decide whether to introduce the congestion charging Bill into the House	March/April 2023

Amending road user charges legislation for light electric vehicles

Light electric vehicles (EVs) are exempt from the obligation to pay road user charges (RUC). This exemption is legislated to expire on 31 March 2024, s 9(2)(f)(iv)

We need to make some changes to legislation to minimise the costs of integrating these light EVs into the RUC system.

These changes are:

s 9(2)(f)(iv)

These changes need to be in place before 31 March 2024 when the light EV RUC exemption expires. The changes will provide additional revenue to the national land transport fund and promote fairness because EVs will contribute for their road use like all other road users.

Ministry and Waka Kotahi officials have begun a programme of work to implement necessary legislative and operational changes required before 31 March 2024, including a range of communications activities to inform light EV owners about their RUC obligations.

The timeframes for passing legislation are tight.

Upcoming decisions on road user charges legislation for EVs

Action:	Description of decision to be made:	Timeframe:
s 9(2)(f)(iv)		

AMENDING ROAD USER CHARGES LEGISLATION FOR LIGHT ELECTRIC VEHICLES

s 9(2)(f)(iv)



Cabinet policy paper for regulations		By end of March 2023
---	--	-------------------------

s 9(2)(f)(iv)



RELEASED UNDER THE
OFFICIAL INFORMATION ACT, 1982

Resilient supply chains [BUDGET SENSITIVE]

Supply chain strategy

New Zealand's supply chains face challenges and opportunities from climate change, shifting international geopolitics, technological advances, and changing demographics. The Covid-19 pandemic made vulnerabilities in the supply chain more visible, contributing to a higher cost of living and harming our export sector. These kinds of disruptions are likely to increase in frequency and severity given the challenges outlined above.

For New Zealand to continue to thrive in this context, we need to take a more strategic approach to our freight and supply chain system. The scope of this work includes issues on the future of our ports network, road freight, rail freight, air freight, freight hubs, coastal shipping, and international shipping. We are developing a strategy that will set a long-term pathway for a freight and supply chain system that is:

- Zero emissions
- Resilient
- Productive
- Safer and more equitable

In April last year, we consulted on a draft 'issues paper' which outlined the major strategic challenges we thought needed to be addressed in this strategy. We engaged extensively with sector and local government stakeholders on developing this paper and received 83 submissions from a variety of groups interested in this subject. This strategy also delivers to actions in the Emissions Reduction Plan and the National Adaptation Plan.

Our next steps are to release a strategy document for public consultation in the first half of this year. Following on from this we are preparing to take a collaborative approach to implementation, establishing a partnership approach with iwi/Māori, local government, the freight sector, and unions to oversee and make joined-up decision on implementation.

You can use this strategy to establish your freight policy priorities in the context of long-term global challenges. The momentum and buy-in we have with parts of the sector will be important for making progress.

This work is subject to a bid in Budget 23 which will provide funding for developing a collaborative approach to implementation, ramping up our heavy vehicle decarbonisation efforts, building our evidence base for system reform, and developing a proactive approach to engagement and partnership with strategic partners internationally.

Dry dock business case

s 9(2)(f)(iv)

Currently, vessels larger than 21.8m in the beam must travel offshore to Australia or Southeast Asia to dry-dock. This creates resilience issues, increased vessel down-time and significantly increases the carbon footprint of the maintenance activity. New Zealand also has an increasing number of vessels entering its waters. MBIE undertook work under the previous government, with NZ First support. Northport has been leading much of the work to date.

Manukau Harbour feasibility study

Tonkin & Taylor are undertaking a technical study of the Manukau Harbour deeming whether it would be suitable for a large-scale port. An interim report will be delivered to the Minister by July 2023, with final work to be completed by the end of 2023 or early 2024. ^{s 9(2)(g)(i)}

The feasibility study is a continuation of the Upper North Island Supply Chain Strategy, which explored the future of the Ports of Auckland. The Manukau Harbour is one possible location. A significant amount of work was undertaken during the last government – particularly the Upper North Island Supply Chain Strategy, 2019-2020.

[Placeholder for rail]

Content on rail to be provided next week.

Upcoming decisions on the supply chain strategy:

Action:	Description of decision to be made:	Timeframe:
Cabinet decisions	Cabinet agreement to release a draft strategy for consultation. Note: this process later changed and a final strategy will be released shortly	April 2023
Cabinet decisions	Cabinet agreement to Budget 2023 bid for funding for strategy implementation.	May 2023, subject to Budget 2023 timeframes
Ministerial Feedback	Input on the structure, function, and membership of the strategy implementation groups.	May 2023, subject to budget.

COVID-19 response and recovery

New Zealand's COVID-19 Protection Framework ended with most COVID-19 rules removed in September 2022.

The only remaining COVID-19 mandatory measures that are currently in place are 7-day isolation for positive cases, and the wearing of masks in certain healthcare facilities. These measures do not relate directly to the transport system, although case isolation continues to have some impact on already existing skill shortages across the different modes of transport (e.g. bus drivers, and across the aviation sector). COVID-19 measures are subject to regular reviews, which are led by the Ministry of Health and based on a public health risk assessment being undertaken.

In December 2022, the Ministry contributed to the advice led by the Ministry of Health on options for border measures to address the larger number of passengers arriving from China given the COVID-19 outbreak in China. Our advice reflected that any mandatory measures that might be imposed would exacerbate the significant pressures that are already being experienced by the aviation system (e.g. unfilled vacancies and staff shortages across the system, poor on-time performance of flights, high volumes of mishandled baggage).

The Ministry continues to have a COVID-19 response capability that is connected into the wider whole-of-government response function. We maintain close relationships with stakeholders in the different transport modes so that we have a good understanding of the impact of any changes in the government's COVID-19 response on the system, and are able to update stakeholders as needed on any changes.

Road to Zero

Too many people are seriously injured or killed on our roads. The current fatality rate per capita on New Zealand roads is more than twice that of the better performing Australian states and more than three times the better performing countries in Europe. Provisional figures for 2022 show that 377 people lost their lives in road crashes, with many more suffering permanent life-changing injuries. This level of harm, which is preventable, has a permanent and profound impact on New Zealand communities.

Released in late 2019, Road to Zero is Aotearoa New Zealand's road safety strategy. The strategy is based on a vision where no one is killed or seriously injured in road crashes. As a step towards achieving this vision, Road to Zero sets a target for reducing deaths and serious injuries on our roads by 40 percent (from 2018 levels) by 2030.

Te Manatū Waka is working closely with our road safety partners (including Waka Kotahi NZ Transport Agency, the New Zealand Police, ACC and Worksafe) on a number of initiatives outlined in the Road to Zero Action Plan 2020 - 2022. These actions will deliver safer vehicles, safe and appropriate speeds, safer road users, effective enforcement and safe road infrastructure and improvements to work-related road safety, through an effective system management approach. Strengthening all parts of the system is required to drive down road trauma in Aotearoa. Annual monitoring reports are published to track progress, with the next report due in mid-2023.

Road to Zero has a strong focus on interventions that are proven to work. The challenge is to implement these at the scale and pace necessary to achieve the targeted 40 percent reduction in deaths and serious injuries on our roads. The most significant interventions to help achieve this outcome are:

- **Infrastructure** – at least 1000 kms of flexible median barriers, and more than 1300 intersections upgraded with primary safe system treatments such as roundabouts and raised platforms
- **Speed management** – speed management applied to at least 10,000 km of the road network to align speed limits with safe and appropriate speeds
- **Safety cameras** – ^{s 9(2)(f)(iv)} new safety cameras (including point to point, or average speed, cameras) to lower average network speeds
- **Enforcement** – increase levels of enforcement, particularly for restraints, impairment, distraction and speed offences (including updated levels of fines and penalties for these offences)
- **Vehicle safety** – substantially improving vehicle safety standards, including requiring modern safety features on vehicles entering the New Zealand fleet and increasing the exit of less safe cars.

As Minister of Transport, you have a key role in shaping and championing the delivery of policy reform to advance road safety performance. Key policy projects, and next steps, are outlined in the table below.

You also chair the Road to Zero Ministerial Oversight Group. Meeting quarterly, the group's purpose is to ensure stronger alignment, coordination and delivery of the Road to Zero strategy. The group includes the Ministers of Police, Social Development, ACC, Workplace Relations and Safety, and Justice. Meetings are scheduled in February, June and August 2023.

Upcoming decisions on Road to Zero:

Action:	Description of decision to be made:	Timeframe:
Drug driving legislation	<p>Legislation comes into force in March 2023 to enable Police to use a roadside oral fluid testing regime to deter and detect drug driving. A recently-completed procurement process for possible testing devices has highlighted limitations of the new legislative framework.</p> <p>Together with the Minister of Police, you will need to decide the next steps for drug driving testing, s 18(d)</p>	February 2023
Review of road safety penalties	<p>s 9(2)(f)(iv)</p>	February 2023
Accessible Streets	<p>Accessible Streets is a package of rule changes designed to increase the safety and accessibility of our footpaths, shared paths, cycle paths, cycle lanes and roads.</p> <p>Following public consultation on the proposed rule changes, s 9(2)(f)(iv)</p>	February 2023
Road to Zero Action Plan 2023 - 2025	<p>A new action plan is needed to continue to drive a programme of activity to reduce trauma on our roads.</p> <p>We will seek your agreement to submit to Cabinet the draft Road to Zero Action Plan for 2023 – 2025 for approval.</p>	February 2023

HSWA designation	There are opportunities to strengthen our current regulatory settings for work-related road safety, including considering designating Waka Kotahi to take on functions under the Health and Safety at Work Act 2015 (HSWA). s 9(2)(f)(iv)	March/April 2023
Vehicle safety improvements	To improve the safety performance of our vehicle fleet, we will seek your agreement to s 9(2)(f)(iv)	March/April 2023

RELEASED UNDER THE
OFFICIAL INFORMATION ACT 1982

Land Transport (Road Safety) Amendment Bill

- To ensure New Zealand Police (Police) and other enforcement agencies have the resources and powers to disrupt and prosecute offending, Cabinet agreed [CAB-22-MIN-0514] to progress proposals to: increase the period of driver licence disqualification for a second offence of failing to stop or remain stopped as signalled, requested or required from one year (current) to one to two years
- enable a Court to make an order that a vehicle be forfeited on conviction for offences relating to a failure to stop or remain stopped
- allowing a vehicle to be seized and impounded for 28 days if the officer believes on reasonable grounds the person has failed, refused, or provided false or misleading information to a request for information relating to a fleeing driver event, if Police form a reasonable belief that impounding a vehicle is necessary to preserve road safety.

Cabinet also agreed, in principle, to allow an enforcement officer to seize and impound a vehicle for six months if that vehicle was used in a fleeing driver event. There is a shortage of towage and storage operators that are willing and able to take on Police impoundments as these are normally carried out at a financial loss. The Ministry has provided advice on a review of the regulated fees for the Police ordered impoundment regime.

On 23 January 2023, the previous Minister of Transport agreed [OC221046 refers] to targeted consultation with key stakeholders on the following options:

s 9(2)(f)(iv)

All of these options have associated risks and considerable financial implications. Final advice to your office will provide recommendations on how the implementation of six-month impoundment regime could be best achieved.

The Ministry is working with NZ Police and the Ministry of Justice on a Land Transport (Road Safety) Amendment Bill. This will cover the aforementioned fleeing drivers work, but also covers four other priority policy proposals that were shifted over from the Regulatory Systems (Transport) Amendment Bill, which was delayed due to the resource required to support the Road Safety Bill. Three of these proposals are required to support the expansion of the safety camera network as part of *Road to Zero*, the Government's road safety strategy. These include:

- enabling the use of point-to-point cameras
- automated issuance of infringement notices
- electronic service of regulatory notices

The Road Safety Bill will also include expanded powers for the Director of Land Transport, taking into consideration lessons learnt from the COVID-19 pandemic, which highlighted that the Director's powers were not sufficiently flexible to quickly address system issues.

This work is on an expedited timeline, which will require Ministerial engagement and decision making over short time periods. It is expected that the Road Safety Bill will progress on the below timeline, to allow it to be passed prior to the 2023 General Election in October.

- Stakeholder engagement and policy work on six-month impoundment – by early March 2023
- Drafting of Bill by PCO – complete by early April 2023
- Preparation of documents for Cabinet Legislation Committee – early April 2023
- Ministerial consultation (departmental consultation to occur concurrently) – mid/late April 2023
- Cabinet Legislation Committee – early May 2023
- Introduction and first reading – mid May 2023
- Truncated Select Committee (two months) – mid May – July 2023
- Remaining house stages – August 2023

There are outstanding decisions to be made in relation to s 9(2)(f)(iv)

█ Yourself, alongside the Ministers of Police and Justice, have been invited to report back to Cabinet with further advice.

This work also relates to proposals progressed through the Criminal Activity Intervention Bill, which has been reported back to Parliament by the Justice Select Committee and is expected to progress through final House stages in February/March. This Bill expands the circumstances under which the Police can seize and impound vehicles for 28 days.

Upcoming decisions on the Land Transport (Road Safety) Amendment Bill:

Action:	Description of decision to be made:	Timeframe:
Policy decisions	Final decisions on how to proceed with implementation of six-month vehicle impoundment. This decision may impact on when this legislation comes into force, depending on the infrastructure and financial requirements to support this work.	March 2023

s 9(2)(f)(iv)

PART B: OTHER WORK PROGRAMME

RELEASED UNDER THE
OFFICIAL INFORMATION ACT 1982

He Tohu Huarahi Māori Bilingual Traffic Signs Programme

The previous Minister made a commitment to having bilingual traffic signs implemented throughout Aotearoa New Zealand by the end of this Government's term. Waka Kotahi NZ Transport Agency (Waka Kotahi) and Te Manatū Waka Ministry of Transport have been progressing this work.

The He Tohu Huarahi Māori Bilingual Traffic Signage work programme has been divided into two phases:

- Phase 1: identify, consider, and enable a prioritised selection of bilingual signs by the end of 2023.
- Phase 2: undertake a process to consider and, where appropriate, implement the rest of the signs from 2024.

Enabling the Kura Schools suite of signs was the first part of Phase 1, and this was completed in April and May 2022 when the *Land Transport Rule: Traffic Control Devices (Kura/School Signs) Amendment 2021* came into force.

Work on the next stage of Phase 1, a prioritised package of signs, is ready to be progressed.

However, the package has been awaiting approval from the previous Minister since August 2022.

s 9(2)(T)(iv)

Upcoming decisions on He Tohu Huarahi Māori Bilingual Traffic Signs Programme:

Action:	Description of decision to be made:	Timeframe:
Policy decisions	Approval to publicly consult on a prioritised package of bilingual traffic signs	Early 2023

The Parking Regulatory Review

The Ministry has a programme of work reviewing the parking regulatory system. This has included a close look at parking requirements, parking penalties, and the regime for regulated towage and storage fees (where a council has towed an illegally parked vehicle, or where New Zealand Police impounds a vehicle). A system assessment was complete in 2021, and proposals to amend the system developed over the course of 2022. Officials will be seeking approval to publicly consult on proposals in late March/early April 2023.

Upcoming decisions on the Parking Regulatory Review:

Please fill in this table with any relevant decisions that need to be made before the next election:

Action:	Description of decision to be made:	Timeframe:
Policy decisions	Approval to publicly consult on proposals	March/April 2023

RELEASED UNDER THE OFFICIAL INFORMATION ACT 1982

Air services agreements

Under an international system dating back to the 1940s, airlines are able to operate international services only where the right to do so has been expressly permitted in a bilateral air services agreement (ASA) or one of the limited number of multilateral agreements.

New Zealand's long-standing International Air Transport Policy promotes the negotiation of open skies air services agreements that will increase New Zealand's global connectivity.

New Zealand has negotiated air services arrangements with over ninety partners across the world.

Key policy issues

Given the breadth of New Zealand's air services relationships, and the fact that so many are of an open skies nature, there are no major policy issues.

Current issues, opportunities and challenges

New Zealand is in the process of negotiating an ASA with the Association of Southeast Asian Nations (ASEAN). This would replace the bilateral ASAs New Zealand has with each of the ten ASEAN member nations.

Negotiations to date have resulted in a near-finalised ASA text. s 9(2)(j), s 6(a)

Upcoming decisions on air services agreements:

The Ministers of Transport and Foreign Affairs jointly approve the mandates for air services negotiations and approve the outcomes where these involve a treaty action.

Action	Description of decision to be made:	Timeframe:
Agree mandate	Agree to negotiations with the Solomon Islands	Feb/March tbc
Agree ASA changes	s 9(2)(j)	February tbc

Civil Aviation Bill

The Civil Aviation Bill (the Bill) will repeal and replace the Civil Aviation Act 1990 and the Airport Authorities Act 1966 with modern legislation.

The Bill was referred to the Transport and Infrastructure Committee (the Select Committee) in September 2021. The Select Committee reported back to the House on 2 June 2022 and the Bill is part way through its second reading.

Key policy decisions reflected in the Bill

The Bill reflects substantive new policies through including new provisions that:

- confirm the civil aviation framework applies to remotely piloted or autonomous aircraft (drones)
- modernise, enhance, and clarify the national security and aviation security frameworks
- make the Secretary for Transport responsible for airport regulation
- introduce a new system of Regulatory Airport Spatial Undertakings (RASUs) intended to promote and cement collaboration between government, large airports and other key users of those airports (substantial customers)
- provide for a more modern approach to authorising airline co-operative arrangements
- give effect to New Zealand's participation in the Carbon Offsetting and Reduction Scheme for International Aviation (CORSI)
- reflect a "just culture" approach to accident and incident reporting, and
- manage drug and alcohol impairment.

Following the Select Committee's consideration, the reported back Bill also includes a new function to provide for independent review of regulatory decisions made by the Director of Civil Aviation.

Current issues, opportunities, and challenges

We are working with the Parliamentary Counsel Office on a proposed Supplementary Order Paper, comprising minor and technical changes that have been identified subsequent to the Select Committee's report back. These types of minor and technical amendments do not typically require Cabinet approval.

The Ministry is also working with the Civil Aviation Authority on implementation planning.

We will work closely with your office to support you in the upcoming stages of the parliamentary process including providing more detail on the substance of the Bill.

We will also brief you at an appropriate time on implementation of the Bill and how that program me links with other work underway in the aviation sector.

Upcoming decisions on the Civil Aviation Bill:

Action:	Description of decision to be made:	Timeframe:
Decision on Progress of Bill	Decide when to progress the Civil Aviation Bill through its remaining stages	Once the House resumes

RELEASED UNDER THE
OFFICIAL INFORMATION ACT 1982

Air Navigation System Review

The air navigation system is a critical part of our national infrastructure. It enables safe aviation operations that in turn deliver services and benefits across a wide range of sectors.

In February 2020 Minister Wood agreed to a high level, first principles review of the air navigation system to be done in two phases:

- Phase 1: to define the principles and objectives that describe what New Zealand needs and wants from the system now and 30-50 years into the future, and
- Phase 2: assess if the policy and regulatory, institutional, and funding settings can deliver those outcomes.

Minister Wood appointed an independent panel to conduct the review, comprising:

Debbie Francis (Chair), and members Howard Fancy, Ed Sims, and Danny Tuato'o. A secretariat, hosted by Te Manatū Waka, supports the panel. A sector reference group and Māori reference group provide expert input and advice to the panel.

Key policy issues

The panel completed its phase 1 report in October 2022. The panel heard that the system is safe and operates effectively as part of New Zealand's critical infrastructure. However, it is not fit for purpose for the future. Climate change, technological disruption, geopolitical change and an increasing variety and complexity of system users means the status quo is not an option.

The panel's view is that the changes required are transformational not incremental, and are systemic rather than structural.

The panel identified seven key focus areas for change: system leadership, stewardship and governance, national interest, workforce capability and capacity, te ao Māori perspectives and partnership, regulatory agility, funding and investment, and international connections.

The panel is developing recommendations that address these areas, including commentary on prioritising and sequencing of actions.

A modern, future-fit air navigation system will deliver economic, environmental, social and safety benefits. The change ask will be significant. It will need a shared vision, expert leadership, system-wide thinking and coordination, and a commitment to maintaining safety in an increasingly complex and disrupted system. The panel's view is that the risks of doing nothing and the loss of potential benefits outweigh the likely challenges.

Upcoming decisions on the Air Navigation System Review:

Action:	Description of decision to be made:	Timeframe:
---------	-------------------------------------	------------

AIR NAVIGATION SYSTEM REVIEW

Minister of Transport receives independent panel's report	Consider report	Late March 2023
Cabinet decision	Decide on independent panel's report	April 2023

RELEASED UNDER THE
OFFICIAL INFORMATION ACT 1982

Waka Kotahi Fees and Funding Review

Waka Kotahi has undertaken a funding review to support the delivery of its new regulatory strategy. This is the first comprehensive review since Waka Kotahi was established in 2008 and addresses deficiencies and under-resourcing identified by a Ministerial Review in 2019 that followed its regulatory failure in 2018. This review focuses on the road regulatory function and does not include consideration of its rail regulatory function, road safety and digital infrastructure.

The funding review affects 174 fees, levies and charges that directly affect most New Zealanders and New Zealand businesses. Of these charges, 15 would not change, 39 would increase, 42 would decrease and the balance would include items that are not directly comparable to previous charging. Public consultation was completed in May 2022, and policy development & Ministerial engagement were completed by October 2022. Feedback from consultation was largely supportive, but stakeholders raised common themes around the cost-of-living impacts of any fees and charges.

A Cabinet decision is required by March 2023 to allow sufficient time for the PCO (approximately three-months) to make changes to legislation ahead of the go-live date of 1 October 2023. It is expected Waka Kotahi will have fully utilised the regulatory loan of \$95 million by the end of 2023. Therefore, any delays in decisions will likely require services to be immediately reduced and/or further funding sort from the Crown to maintain current levels of services.

Upcoming decisions on the Waka Kotahi Fees and Funding Review:

Action:	Description of decision to be made:	Timeframe:
Approval of the changes	Cabinet to approve the new funding model	March 2023
Regulatory changes	Any regulatory changes need to be approved	August 2023
Implementation	The new funding regime is implemented	October 2023

2023 Transport Board Appointments

There are 25 vacancies, term expiries, or other transport board appointment decisions that need to be made in 2023. These are listed in the key decisions table below. A separate briefing with detailed advice around each position is available for consideration and discussion (OC221125 refers).

Decisions need to be made as soon as practicable around these appointments. Ministers are expected to exercise restraint in making “significant appointments” in the three-month pre-election period, which will begin on 14 July 2023.¹ The process for making a new appointment typically takes six to nine months, and it can take longer if the role is highly specialised or for a new Chair. Urgent appointments can be completed within a shorter timeframe; however, this carries resourcing implications.

During the 2020 pre-Election period, the Cabinet Office considered that pending member appointments to the Waka Kotahi, Civil Aviation Authority and Maritime NZ boards were all significant. We expect that appointments to these entities – as well as City Rail Link Limited and Auckland Light Rail Limited – will be considered “significant appointments” within the context of this election. In practice, restraint generally takes the form of deferring decisions until a new Government is formed or through offering one-year appointments.

Deferring too many decisions would carry risks for some Boards, as it could leave them with over half their membership expiring in 2024. This carries governance risk for the direction of those entities – particularly if an incoming Government intended to make large changes.

Upcoming Board appointment decisions:

Board	Responsible Minister / Shareholders	Actions in 2023
Auckland Light Rail Limited	Minister of Transport Minister of Finance Minister of Housing	<ul style="list-style-type: none"> Finalisation of appointment arrangements for Chris Aiken. Cabinet agreed to this appointment subject to Shareholding Ministers agreeing a conflict of interest management plan. A briefing has been provided on this matter (OC230018 refers). One further member appointment.
City Rail Link Limited	Minister of Transport Minister of Finance Auckland Council	<ul style="list-style-type: none"> One possible member position following John Bridgman’s elevation to Chair. No discussions have taken place on whether a new appointment should be made in 2023.
Civil Aviation Authority	Minister of Transport (appointment decisions)	<ul style="list-style-type: none"> Reappointment decisions for Janice Fredric (Chair) and Charles Spillane, whose terms expired in December 2022, need to be confirmed.

¹ Guidance for the previous General Election is available here: <https://dpmc.govt.nz/sites/default/files/2020-01/co-20-1-government-decisions-and-actions-in-the-pre-election-period-18aug20.pdf>. A decision is considered made outside the pre-election period if it is confirmed by Cabinet before the three-month window begins.

	currently delegated to Associate)	s 9(2)(ba)(i), s 9(2)(g)(i)	<ul style="list-style-type: none"> Hon Harry Duynhoven's term expires on 30 June 2023. A decision on his reappointment will need to be made.
Maritime New Zealand	Minister of Transport (appointment decisions currently delegated to Associate)		<ul style="list-style-type: none"> The process for appointing one member is currently underway.
Transport Accident Investigation Commission	Minister of Transport		<ul style="list-style-type: none"> Stephen Davies Howard's (Deputy Chief Commissioner) term expires on 31 October 2023. The Ministry and Chair support his reappointment. No decision has been made by Ministers.
Waka Kotahi NZ Transport Agency	Minister of Transport		<ul style="list-style-type: none"> Reappointment decisions for Cassandra Crowley (Deputy Chair), Catherine Taylor, and Victoria Carter – whose terms expired in September 2022 – need to be confirmed. Minister Wood intended to consider these positions further once the new Chair took office in February 2023.
Oil Pollution Advisory Committee	Minister of Transport (appointment decisions currently delegated to Associate)		<ul style="list-style-type: none"> Six vacancies to be filled in 2023. This process is underway, and we expect to provide advice in the second quarter of 2023.
Speed Management Committee	Minister of Transport		<ul style="list-style-type: none"> Conclusion of the process for establishing this committee. Advice has been provided recommending the appointment of eight members to this committee (OC221122 refers).

RELEASED UNDER THE OFFICIAL INFORMATION ACT 1982

Search and rescue

The coordination and provision of 24/7 search and rescue services is an international obligation for New Zealand under maritime and aviation conventions. New Zealand has an allocated search and rescue area covering over 30 million square kilometres, extending from the Pacific Islands to Antarctica.

In 2021/22, the search and rescue sector responded to nearly 3,000 incidents resulting in 150 lives saved, 715 people rescued, and 799 people assisted. Social costs of \$660 million were averted by saving those 150 lives.

New Zealand Search and Rescue Council and Consultative Committee leads search and rescue

The New Zealand Search and Rescue Council provides strategic governance and leadership for New Zealand's search and rescue system. It was established in 2003 and comprises representatives from the Ministry (chair), Maritime NZ, the Civil Aviation Authority, Department of Conservation, New Zealand Police, New Zealand Defence Force, Fire and Emergency New Zealand, and an independent member.

The New Zealand Search and Rescue Council is supported by a Secretariat and Consultative Committee (comprising member organisations from across the broader search and rescue sector). The Secretariat is accountable to the New Zealand Search and Rescue Council, providing support services, policy advice, and delivering the New Zealand Search and Rescue Council's strategy. The Ministry is funded to host the Secretariat, and provides independent search and rescue funding advice.

Search and rescue operations and funding

Search and rescue operations are coordinated by either the Police or the Rescue Coordination Centre (which is an operating group within Maritime NZ). A wide variety of organisations may participate in search and rescue operations, including Department of Conservation, New Zealand Land Search and Rescue, Coastguard New Zealand, Surf Life Saving New Zealand, rescue helicopters, New Zealand Police, commercial vessels, New Zealand Defence Force and a variety of smaller organisations or assets including members of the public. Over 90% of search and rescue personnel are unpaid volunteers.

The Land Transport Management Act 2003 empowers the Ministers of Transport and Finance to allocate funding from fuel excise duty paid by recreational boat users for search and rescue purposes. The New Zealand Search and Rescue Council (on behalf of the Ministry) administers approximately \$18.2m per annum of fuel excise duty investment into search and rescue sector agencies. The New Zealand Search and Rescue Council (on behalf of the Ministry) also administers the Government's investment of \$15.1m per annum into frontline water safety services (Coastguard New Zealand and Surf Life Saving New Zealand).

Recreational Safety and Search and Rescue Review

A review of the recreational safety and search and rescue systems started in mid 2021 and is due to be completed in 2023. Fuel Excise Duty funding of \$1.5 million has been allocated to support the review. An Advisory Group of key government and non-government stakeholders are closely involved in the Review.

The Review findings and recommendations are currently being drafted and tested with the Advisory Group. The recommendations will respond to several challenges and risks within the systems including dispersed governance arrangements, insufficient and piecemeal policy support from central government, the sustainability of the volunteer model (and challenges around the diversity of volunteers), access to critical assets and technology, and ongoing funding sustainability.

Subject to agreement by you, sector consultation on the Review findings and recommendations will commence in late April 2023 for 6 weeks, followed by Cabinet decisions in late July/early August 2023. We recommend that decisions are taken this year given sector expectations, and the time required to implement the Review findings and prepare for a subsequent Fuel Excise Funding round.

Upcoming decisions on the Recreational Safety and Search and Rescue Review:

Note: These have not yet occurred

Action:	Description of decision to be made:	Timeframe:
Feedback required	Ministerial consideration and feedback on the draft sector consultation document.	17 - 26 April 2023
Agreement sought	Cabinet Committee consideration of the Review findings and recommendations, post sector consultation.	2 August 2023

Appendix 1: Transport Agencies and SOEs

Te Manatū Waka Ministry of Transport overview

The Ministry advises you, and government more widely, on all policy and regulatory matters within the transport system, and also on funding and governance of the transport Crown entities. The Ministry plays a critical leadership role in the transport system. The Ministry performs the following key functions in the transport system:

Leading the system – direction and strategy – As government’s lead for the transport system, the Ministry plays a lead role in giving effect to government policy. The Ministry looks after the transport outcomes and indicators framework, and is the system’s long-term planner

- **Shaping regulatory stewardship mechanisms** – As the steward of the transport system, the Ministry helps government give effect to policy by supporting the development of legislation and regulations
- **Driving revenue raising, investment and purchase choices** – The Ministry provides advice and manages government’s investments and revenue raising choices in the transport system to realise the wider social and economic benefits of these investments. This includes stewardship of the NLTF and transport revenue system, and managing direct Crown purchases from Vote Transport
- **Influencing to achieve broader government outcomes** – The Ministry leads the transport agencies in system-wide initiatives, and makes sure transport strategies are connected with broader government priorities. It engages with key players, including local government, private sector and social organisations, to drive transport outcomes
- **Monitoring and evaluating system and agency performance** – The Ministry supports you in setting expectations for Crown entities and appointing their boards, while monitoring their performance to support your relationships with the entities and their Boards to provide assurance of effective governance

Influencing the development of international standards – The Ministry engages with international organisations to ensure that New Zealand meets international obligations, supports the adoption of these obligations, and influences the development of international rules and standards.

The Ministry has an important role in wider discussions on work across government where the transport portfolio interconnects with other portfolios such as Economic Development and Urban Development. The Ministry also plays a key role in leading and coordinating cross-agency work programmes around new technologies, such as drones. This helps to ensure that the economic potential of new technology is realised while managing risks around safety and privacy.

The Ministry plays a key role in facilitating collaboration, planning and information sharing between transport agencies and SOEs. In practice, agency collaboration happens both through day-to-day work, and through more formal channels. One example is the Transport Sector Leadership Group where Chief Executives from the transport agencies and SOEs meet on a six-weekly basis to discuss ongoing issues and recent developments within the sector.

Waka Kotahi overview

Waka Kotahi is government's land transport delivery arm. It is a Crown entity and its functions are set out in the LTMA. The objective of Waka Kotahi is to "undertake its functions in a way that contributes to an effective, efficient and safe land transport system in the public interest". Waka Kotahi's functions include investing in, managing most aspects of the land transport network, including rail.

Waka Kotahi also has regulatory compliance and enforcement responsibilities relating to aspects of rail safety, driver licensing, vehicle testing, and certification and revenue collection. Together, the functions give Waka Kotahi an important role in supporting New Zealand to achieve social, economic and environmental outcomes now and into the future.

Waka Kotahi has a key role in the development and management of the transport system. Waka Kotahi's strategic priorities focus on creating a safer, more resilient and sustainable transport system that improves access to social and economic opportunities and improves the wellbeing of all New Zealanders.

Waka Kotahi has a set of statutorily independent functions, including determining which activities should be included in the NLTP. Waka Kotahi also approves activities as qualifying for payment from the NLTF, approving procurement procedures for land transport activities, issuing or suspending any land transport document or authorisation, and exercises enforcement powers. Waka Kotahi also undertakes functions to aspects of a range of other legislations relating to land transport, railways, roading and road user charges, and undertakes funding and oversight functions for road policing, public transport, SuperGold Card, and transitional rail.

As a transport regulatory agency, Waka Kotahi plays a key role in ensuring that its systems are intuitive and clear so that people and operators are safe, that people make good transport choices, and harmful behaviours are swiftly dealt with.

CAA overview

The CAA is a Crown entity established under the Civil Aviation Act 1990. Led by the Director of Civil Aviation, the Authority has two functional divisions:

- **Civil Aviation Authority** – performs safety and security regulatory functions.
- **Aviation Security Service (known as Avsec)** – delivers aviation security services at New Zealand's six security designated airports (Auckland, Wellington, Christchurch, Invercargill, Dunedin and Queenstown).

Under the Civil Aviation Act, the primary objective of the CAA is to carry out 'safety, security and other functions in a way that contributes to the aim of achieving an integrated, safe, responsive and sustainable transport system'. Within the context of the overall strategic direction of the transport system, and the expectations set by you as Minister, CAA achieves this through five main outputs:

- **Policy and regulatory strategy** – ensuring the delivery of policy and regulatory projects, international linkages and Ministerial services. This includes, for example, coordinating CAA's strategic engagement in the international aviation system, administering New Zealand's civil aviation obligations and interests within your delegation, delivering services to you (e.g. briefing you on key matters), proactively identifying emerging issues for aviation, and delivering major policy projects.
- **Outreach** – providing increased understanding and knowledge of aviation safety among aviation sector participants and the public by fostering and promoting safety and security across the civil aviation sector and raising public awareness.
- **Certification and licensing** – ensuring the robust assessment of participants and products as safe and fit to be participating in New Zealand's civil aviation system by exercising control over the entry and exit through the issuance or suspension of key aviation documents, as well as approvals to organisations, individuals, and products.
- **Surveillance and investigation** – providing the continued assurance that the civil aviation system in New Zealand is safe and secure through inspections and audits. This also includes assessment of safety data, and appropriate enforcement.
- **Security service delivery (carried out by Avsec)** – keeping passengers and people in the air and on the ground safe from aviation security threats through protocols such as passenger and baggage screenings, and other security measures.

CAA is governed by a five-member Board appointed by the Minister. The Director of Civil Aviation has independent statutory powers under section 72I of the Civil Aviation Act. This includes powers to control entry into the civil aviation system (e.g. granting aviation documents), and to monitor and enforce regulatory requirements. These independent powers mean that the Director is not accountable to you or CAA's board when he or she issues or removes an aviation document from a participant such as an Air Operator Certificate or a pilot license, or takes action against individuals or operators for breach of the Civil Aviation Rules.

Maritime

MNZ is responsible for promoting a safe, secure, and clean maritime environment for all commercial and recreational activities on the water, and minimising the impact of maritime incidents and accidents on New Zealand and its people.² The Agency has both a domestic and international focus. MNZ is governed by Board of five members appointed by you under the Maritime Transport Act 1994.

New Zealand's maritime sector is complex, diverse, and a major contributor to and enabler of the New Zealand economy through activities such as international shipping, marine manufacturing, and fishing. MNZ leads international engagement to support New Zealand's interests in the maritime sector. International rule-making and standards facilitate New Zealand's trade, protect its maritime environment and enhance seafaring safety.

MNZ operates as a modern regulatory, compliance and response agency, with an intelligence-led, risk focused and evidence-based approach to deliver its areas of responsibility. MNZ's three core roles are: MNZ operates as a modern regulatory, compliance and response agency, with an intelligence-led, risk focused and evidence-based approach to deliver its areas of responsibility. MNZ's three core roles are:

- Regulation – help to develop and maintain the national safety, security, and environmental protection regulations that govern the operation of vessels, ports and offshore installations in New Zealand waters through its work domestically and internationally. MNZ supports, encourages, and requires operator compliance by licensing and certifying operations, educating the maritime community, auditing operators and service providers, investigating incidents, and enforcing regulations.
- Compliance – supporting, encouraging and requiring operator compliance with those regulations through MNZ's regulatory regimes and compliance operating model.
- Response – providing a national land, sea and air search and rescue coordination service and managing national maritime incident and marine pollution response capability.

These three core roles drive and achieve three key outcomes for New Zealand in the maritime domain:

- Safe: People & Operations – supporting physical, social & economic wellbeing through safe maritime operations.
- Secure: Ports & Ships – protecting people, goods and New Zealand's social and economic interests and resilience. The Maritime Security Act makes Maritime New Zealand responsible for ensuring that the provisions of the International Ship and Port Security (ISPS) Code³ are complied by international trading ports in New Zealand, and commercial freight and passenger vessels visiting New Zealand.

² The Maritime Director is not accountable to you or MNZ's board when he or she issues or removes a maritime document from a participant or takes action against individuals or operators for breach of Maritime Rules.

³ New Zealand expects all ports and vessels that operate under the ISPS Code, to maintain international best practice with regard to maritime security. The ISPS Code is a comprehensive set of measures to enhance the security of ships and port facilities.

- Clean: Seas & Waterways – keeping New Zealand's marine environment clean by minimising harmful emissions & discharges from ships.

RELEASED UNDER THE
OFFICIAL INFORMATION ACT 1982

Transport Accident Investigation Commission

TAIC is a standing commission of inquiry, and an independent Crown entity. TAIC was established to assist New Zealand to comply with its international aviation obligations of ensuring independently conducted, safety-focused accident and incident ('occurrences') investigations, a role that has since expanded to include investigations of maritime and rail occurrences. The Commission has a range of investigative (not enforcement) powers. TAIC is independent of other public sector organisations, and government, in the conduct of its accident inquiries.

The Commission's core purpose is to determine the circumstances and causes of certain aviation, rail and maritime occurrences with a view to avoiding similar occurrences in the future, rather than to ascribe blame. In the case of each occurrence, the Commission decides whether to investigate (based on the occurrence's implications for transport safety), coordinate the investigation, consider evidence gathered by investigators, and publish its key findings.

The Commission has broad investigative powers, including the power of entry and inspection and the power to seize, remove and protect evidence. It also has powers under the Commissions of Inquiry Act 1908, including the power to require a person to produce any papers, documents, records or things, or to summons any person to appear before its commissioners. Most evidence gathered, such as witness interviews and submissions, is protected from general disclosure except for the purposes of the investigation, reflecting TAIC's independence and purpose.

The Commission identifies safety issues and makes recommendations. The recommendations are addressed mainly to transport sector regulators, who are able to influence the system.

RELEASED UNDER THE OFFICIAL INFORMATION ACT 1982

KiwiRail

KiwiRail is a commercially focused and vertically integrated SOE, responsible for operating freight and tourism passenger services on 3,700 kilometres of rail network and three inter-island ferries. Auckland Transport (AT) and Greater Wellington Regional Council (GWRC) are responsible for planning, funding and procuring operators for the passenger rail services in their regions. They also own the passenger rolling stock and related infrastructure required to support operations, such as station buildings and maintenance depots.

KiwiRail's core purpose is to move people and freight, and to cooperate with other players in the sector to create integrated transport solutions for customers. KiwiRail is focused on efficient freight movements (via rail and ferry) and helping customers to be more competitive. KiwiRail is managing a significant, multi-year programme of capital investment, replacing life expired assets including ferries and locomotives.

Responsibility for funding the majority of KiwiRail's capital programme sits with the Minister of Transport through Vote Transport. Shareholding Ministers also have a role in signing of equity injections into KiwiRail and setting expectations for KiwiRail through its Letter of Expectations. The Provincial Growth Fund has also made lead investments in a range of regional rail projects delivered by KiwiRail, to capture the benefits rail offers to those areas.

Waka Kotahi has primary regulatory responsibility for rail in New Zealand. Its role is to provide independent assurance to stakeholders and the public that safety risks posed by the activities of rail participants are being managed effectively. It maintains a licencing and monitoring regime of those rail participants directly managing rail activities and has statutory powers to react to safety risks from the activities of non-licenced participants.

Meteorological Service of New Zealand Ltd (MetService)

MetService's core purpose is to provide weather services that support safety of life and property and, as a SOE, add value to the New Zealand economy. The weather impacts significantly on New Zealand's economy, transport safety, primary industries, energy production/consumption and general public safety. MetService provides a wide range of weather information services and data to government (including other transport sector agencies), business, and directly to the public, to promote public safety and inform weather-related risk management and decision making.

On behalf of government, under the Meteorological Services Act 1990, you are responsible for ensuring the provision of meteorological services in New Zealand, including the country's authorised meteorological warning service. MetService is contracted by the Ministry to deliver New Zealand's National Meteorological Service function, which includes:

- providing weather forecasts and warnings to support public safety in New Zealand
- providing severe weather guidance and other meteorological support to States in the Southwest Pacific, and marine forecasts and warnings for New Zealand coastal waters and large areas of the South Pacific and Southern Ocean
- collecting meteorological data and exchanging it with other World Meteorological Organization Member States and representing New Zealand at the World Meteorological Organization (a United Nations Specialised Agency).

The Ministry works to support your interests to ensure the required services are provided in accordance with World Meteorological Organisation Technical Regulations at an appropriate cost. Shareholding Ministers are responsible for the performance of MetService as a SOE.

MetService works closely with other transport sector agencies. It provides specialised road environmental information services to Waka Kotahi and its Network Operations Contractors (contracted to maintain the operations of road networks), and for the management of weather impacts on the State Highway network and other major roads.

MetService provides commercial weather services for domestic and international aviation, including airports and airlines. For example, it supports the CAA in meeting New Zealand's obligations to the ICAO, including operation of the Wellington Volcanic Ash Advisory Centre, one of nine centres worldwide.

MetService also provides 24/7 support for land-based and marine search and rescue operations, and works closely with MNZ to promote safer boating. MetService's website, apps and social media channels provide a platform for communicating weather and other relevant information, including road snowfall warnings and Waka Kotahi traffic incidents updates.

Airways Corporation of New Zealand Ltd (Airways)

Airways is a world-leading commercial Air Navigation Service Provider (ANSP) that is committed to ensuring safe skies for today and tomorrow. Airways works with partners to provide global aviation customers with safe, integrated airspace management through a proactive safety culture, expert knowledge, and technology-enabled solutions.

Airways provides air traffic control services and infrastructure to enable safe, reliable and efficient air transport within the New Zealand Flight Information Region (FIR, a specified region of airspace where flight information is provided), which totals 30 million square kilometres.

Airways is also responsible for maintaining and investing in the aviation infrastructure that supports New Zealand's air traffic management system. Airways invest in new technology that enhances safety, and delivers real economic and environmental benefits for customers and the public.

In addition to its statutory role of providing safe and efficient air traffic control services, Airways is enabling new entrants to use New Zealand's airspace. Airways is active in the development of airspace integration in New Zealand and is a key supporter of AirShare, New Zealand's drone user hub that enables drone users to plan flights, request access to controlled airspace, and receive relevant information on how to operate safely. Airways also supports space and near space operations in New Zealand.

As a SOE, Airways operates a fully self-funded model and collects fees from airlines, as well as selling products and services to global aviation customers. As a result of the impact of COVID-19 on air traffic volumes, Airways has received financial support from government to ensure continuation of safe services as the industry recovers and returns to profitability. Airways sets prices through a building block pricing model, which includes thorough stakeholder consultation.

Airways provides training, digital products, aeronautical information management, procedure design and aviation consultancy services to aviation customers in the Middle East, Asia, Hong Kong, the Pacific, Africa, Europe and North America.

As an ANSP, Airways is regulated by the CAA and provides its service in line with Civil Aviation Rules and international standards. Airways is certified by the CAA to provide air navigation and flight information services at airports. Airways is also contracted by the CAA to provide Aeronautical Information Services for pilots. To ensure these relationships function without undue influence, roles and responsibilities are separated between you, the Minister of Finance and Minister of State Owned Enterprises as shareholders, the CAA as regulator, and Airways as the service provider.

Appendix 2: Emergency management and search and rescue functions

Emergency management:

The transport sector is vulnerable to shocks and major events that disrupt services. The sector plans for future needs and emergencies and is able to respond quickly to failures that disrupt or damage infrastructure. Cross-government emergency management exercises are regularly held to ensure departments and management systems are efficient and can respond effectively.

New Zealand Search and Rescue Council

New Zealand's 30 million km² Search and Rescue (SAR) region (the world's third largest) extends from the South Pole to the southern border of the Honolulu region, halfway to Australia and Chile, and includes American Samoa, Cook Islands, Niue, Norfolk Island, Samoa, Tokelau, and Tonga.

The New Zealand Search and Rescue Council, established by Cabinet in 2003 provides strategic governance, leadership to the SAR sector, manages the governments investment into the sector and provides SAR advice to Ministers. The Council consists of the chief executives of departments with SAR responsibilities and includes the Ministry (chair), MNZ, CAA, Department of Conservation, NZ Police, New Zealand Defence Force, Fire and Emergency New Zealand, and a non-government independent member.⁴

The Ministry receives funding for and hosts the NZSAR Secretariat. Either the NZ Police or the Rescue Coordination Centre (which is an operating group within MNZ) coordinates SAR operations. The responsible coordinating authority will request the use of search and rescue assets depending on the requirements of the operation. A wide variety of organisations may participate in search and rescue operations, including the Department of Conservation, LandSAR, Coastguard NZ, Surf Life Saving NZ, rescue helicopters, NZ Police, commercial vessels, NZ Defence Force and a variety of smaller organisations or assets including members of the public.

The search and rescue sector's revenue comes from a variety of sources, including Crown funding through Vote Transport, Vote Police, Vote Conservation, and Vote Defence, and hypothecated funding collected under the LTMA (which recognises the FED paid by recreational boat users). Commercial sponsorship, local fundraising, community grants, class 4 gaming (including gaming machines from pubs and clubs) and the Lotteries Grants Board also provide funding to the wider search and rescue and recreational safety sectors. Ministers of Transport and Finance are empowered under the LTMA to allocate FED funding for SAR purposes.

⁴ This person's role is to represent the non-governmental elements of the SAR sector at the NZSAR Council.

RELEASED UNDER THE
OFFICIAL INFORMATION ACT 1982

[Reminder]

Complete the text entry fields in the table below or delete if not required.

Tip: When deleting the fields you can delete the table cell and text entry fields in one step. Click in the table and then left click the table selection tool in the top left corner of the table (see image below) and press **Ctrl+X**.



Alternatively, you can just highlight and delete the text entry fields.

To reinstate the text entry fields: Your cursor can be anywhere, click on the **MoT Tool Box** tab and then click the **Back Cover Text Entry Fields** button.

To remove this comment: click the **MoT Assist** tab and from the **Finalise Document** menu, select **Remove 'Post It' Comments**.

[heading – delete if empty]

[subheading – delete if empty]

[body text – delete if empty]

transport.govt.nz

ISSN [ISSN print – delete if empty]

ISSN [ISSN electronic – delete if empty]

