

## By Email

Te Manatū Waka Ministry of Transport,  
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Tēnā koutou katoa,

### Submission on the Freight and Supply Chain Issues Paper

The Greater Wellington Regional Council (**the Council**) thanks the Ministry of Transport for the opportunity to make this submission on the Freight and Supply Chain Issues Paper. This submission has been developed in consultation with CentrePort, which is also making a separate, complementary submission.

#### Overall Comment

The Council **supports** the broader strategic context and direction outlined in the Issues Paper, and welcomes the initiative to develop a freight and supply chain strategy.

The Council **supports** the adoption of the four proposed outcomes (low emissions, resilience, productivity & innovation, equity & safety). These align with the strategic objectives of both the Greater Wellington Regional Council's Long Term Plan and the Greater Wellington Regional Land Transport Plan, and complement the Regional Growth Framework and the National Land Transport Plan's strategic objectives.

This Council wishes to **emphasise** the following six points which are discussed further in our submission:

- a. System level change is needed now
- b. Greater Wellington Regional Council is a key stakeholder
- c. Ferries provide the key connection between north and south
- d. Rail moves people and freight in Wellington Region
- e. Network resilience
- f. Better data is needed to inform planning

## **1. System level change is needed now**

Urgent system level change is needed to achieve the recently released Emissions Reduction Plan's freight specific target to 'reduce emissions from freight transport by 35% by 2035'. Heavy freight is a significant and growing contributor to greenhouse gases, and with the average age of the New Zealand heavy vehicle fleet considerably older than in comparative markets (18 years in New Zealand compared with 15 years in Australia, and 13 years in the EU<sup>1</sup>), vehicles entering the fleet today will still be in use as we hope to approach net carbon zero, unless central government regulation is implemented. By example, the introduction of the Vehicle Exhaust Emissions 2007 rule resulted in a significant exodus of imported 1990s heavy vehicles from New Zealand roads, demonstrating the positive impact the levers of central government can have on reducing emissions.

The Crown has a significant lever available through investing in alternate transport modes. As an infrastructure owner and operator, the Crown has a role to play in encouraging this mode shift, such as through capital investment to improve capacity of the rail network and by supporting increased coastal shipping. The Council strongly encourages the Government to act on its commitment to reducing freight-related carbon emissions by prioritising funding support for more efficient modes of freight movement.

## **2. Greater Wellington Regional Council is a key stakeholder**

The Council supports the Ministry of Transport's commitment, as outlined in the Issues Paper, to *'take a collaborative approach and draw on the expertise and experience of stakeholders across the system.'* Greater Wellington Regional Council requests to be recognised as a key stakeholder in the development of the proposed strategy and be engaged with accordingly.

As manager of Wellington region passenger rail, owner of CentrePort, as well as holding responsibility for overall harbour safety management and as a partner in the multi-user ferry precinct project, the Council is uniquely placed to provide insight into issues affecting freight movement, both within the Wellington region and linking to the top of the South Island.

## **3. Ferries provide the key connection between north and south**

The Council was disappointed by the limited mention of the Cook Strait link in the Issues Paper and emphasises the need for this critical connection in the New Zealand supply chain to be appropriately considered in the strategy development phase.

The link across Cook Strait is both the 'wet' section of State Highway One and the connection of the Main Trunk Railway between the North and South Islands. It is critical to keeping freight

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<sup>1</sup> New Zealand data available: <https://www.transport.govt.nz/assets/Uploads/Report/AnnualFleetStatistics.pdf>, accessed 10/5/2022. Australia data available: <https://www.nhvr.gov.au/files/201701-0459-factsheet-nrbs-report-2.pdf>.

and people moving across New Zealand. Approximately \$20b worth of cargo and more than a million people are moved across this stretch of water annually.

While the Council recognises the significant financial commitment by central government to upgrade the Interislander ferry fleet and related Interislander terminals, both the Wellington and Picton ferry terminals remain at risk of becoming significant ‘pinch points’ in the freight network. The Council is a partner in the multi-user ferry precinct project, a consortium committed to upgrading, greening and future-proofing the Wellington ferry terminal for all operators. This includes significant proposed improvements to the transport network to provide direct access to and from the terminals from the state highway and rail network. The project will provide national level benefits but is reliant on significant investment at both local and central government level to be able to proceed.

#### **4. Rail moves people and freight in Wellington Region**

Both freight volume and passenger rail patronage are expected to increase considerably in the Wellington region in the next 30 years which has the potential to overload the current available capacity of the network. As manager and funder of the Wellington passenger rail network, the Council emphasises the need to carefully plan and manage provision of total rail network capacity as part of the Strategy development.

#### **5. Network resilience**

The Council supports initiatives to make the entire network more resilient in the future and wish to highlight two key resilience issues unique to the Wellington region, related to the rail network, and Centreport.

##### *Rail related resiliency issues:*

The Council commends the Government’s commitment to improve the resilience and reliability of the rail network via the New Zealand Rail Plan, and the Rail Network Infrastructure Plan. While some parts of the Wellington regional network have recently been upgraded, much of the network is still impacted by decades of underinvestment. This affects the timeliness, reliability, and capacity of rail services in and out of our region making rail a less attractive option. If freight is to be increasingly transported by rail, the quality of the network must be able to support this. Further to the network itself, several locations across the network are particularly vulnerable to disruptions caused by land slips and other geographical limitations. These also need to be addressed as part of any strategy to increase the overall resilience of the rail network.

##### *Centreport provides regional resilience:*

Although not listed in the Issues Paper as one of the three largest ports, Centreport plays a significant role within the Wellington region by facilitating lower emission (rail) freight

movements around the lower North Island and top of the South Island. The port also supports the region economically, through supporting approximately 27,000 jobs, and by enabling local businesses to access the goods they need while minimising domestic transport costs. Having undertaken significant investment to upgrade their facilities and plant since the 2016 Kaikoura earthquake, Centreport now has resilient infrastructure capacity to meet both current and future demand requirements, but, like make other parts of the freight network, is limited by the aging workforce and lack of new labour.

## **6. Better data is needed to inform planning**

Greater Wellington Regional Council agrees with the commentary of the Issues Paper about the need to improve the reliability, volume and quality of freight data available. The Council sees a need for the Ministry of Transport to take a leadership role in leading and developing a framework to enable consistency of freight-data collection and collation nationally, in a way that addresses commercial sensitivity concerns. The Council would hope this data would be available for partners to use and analyse, to support the Council's planning for regional transport, economic growth and urban planning. The Wellington Transport Analytics Unit, a partnership between the Council, Waka Kotahi and the regional territorial authorities, would welcome the opportunity to be actively involved in developing the framework and formalising data requirements.

## **7. Further Contact**

We welcome the opportunity for our elected officials and Greater Wellington officers to engage further with Ministry of Transport on any aspect of our submission. For future discussion, please contact:

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