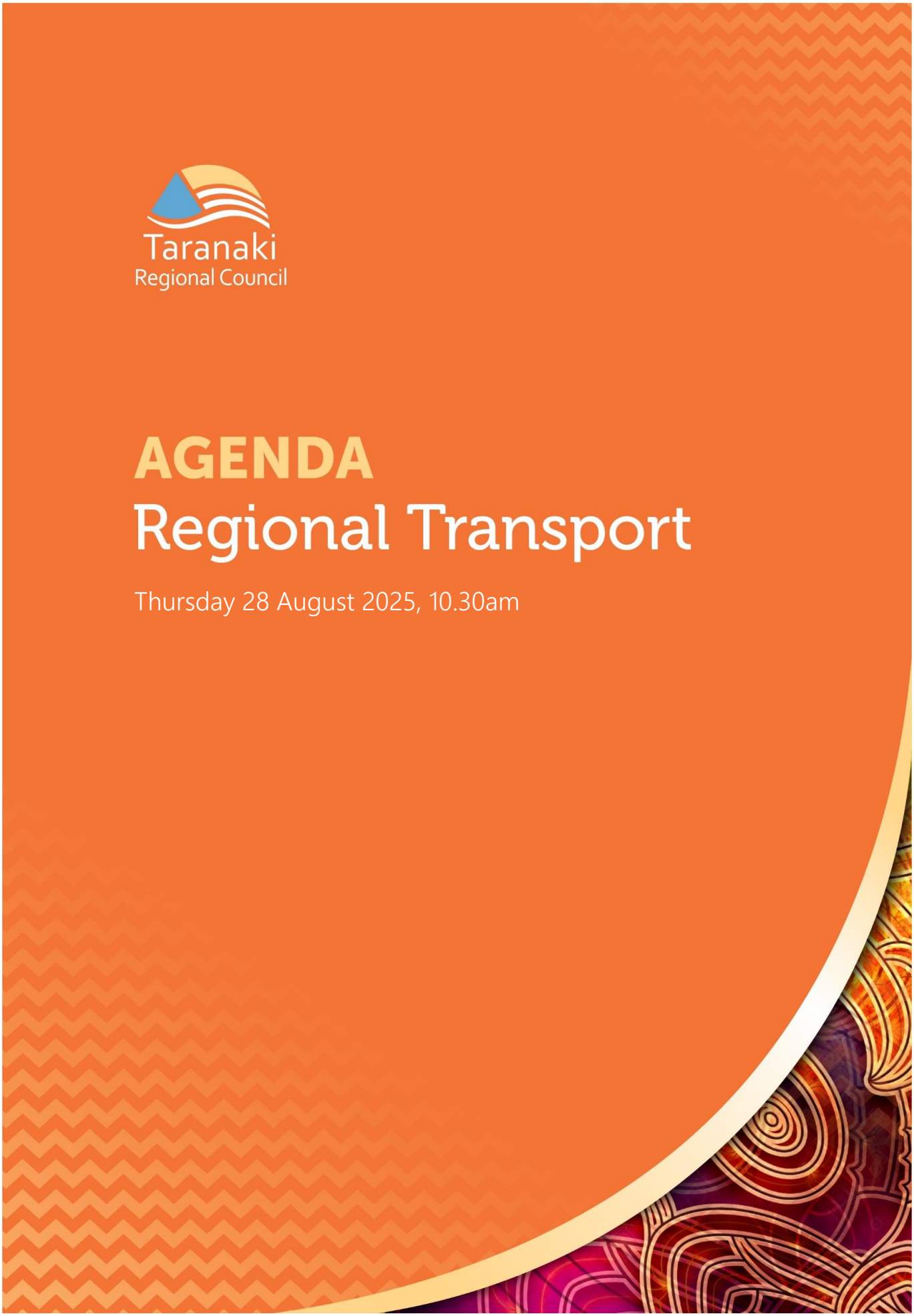
Taranaki Regional Council

AGENDA
Regional Transport

Thursday 28 August 2025, 10.30am



Regional Transport Committee

28 August 2025 10:30 AM

Agenda Topic

		Page
1.	Cover	1
2.	Health and Safety Message	3
3.	Karakia	4
4.	Apologies	
5.	Confirmation of RTC Minutes - 5 June 2025	5
6.	Receipt of Regional Transport Advisory Group Minutes 31 July 2025	11
7.	New Requirements for Temporary Traffic Management	17
8.	Lower North Island Freight	27
9.	Regional Land Transport Plan Implementation Update	96
10.	NZTA/Waka Kotahi Updates	122
11.	Public Excluded	
12.	Public Excluded Recommendations	147
13.	Public Transport Network Update	148
14.	Appealing speed limit increases on State Highway 3	158
15.	Closing Karakia	169
16.	Agenda Authoirisation	170

Health and Safety Message

Emergency Procedure

In the event of an emergency, please exit through the emergency door in the Committee Room by the kitchen.

If you require assistance to exit, please see a staff member.

Once you reach the bottom of the stairs make your way to the assembly point at 43 Cloten Road. Staff will guide you to an alternative route if necessary.

Earthquake

If there is an earthquake - drop, cover and hold where possible. Please remain where you are until further instruction is given.

Whakataka te hau

Karakia to open and close meetings

Whakataka te hau ki te uru	Cease the winds from the west
Whakataka te hau ki tonga	Cease the winds from the south
Kia mākinakina ki uta	Let the breeze blow over the land
Kia mātaratara ki tai	Let the breeze blow over the ocean
Kia hī ake ana te atakura	Let the red-tipped dawn come with a sharpened air
He tio, he huka, he hauhu	A touch of frost, a promise of glorious day
Tūturu o whiti whakamaua kia tina.	Let there be certainty
Tina!	Secure it!
Hui ē! Tāiki ē!	Draw together! Affirm!

Date: 28 August 2025

Subject: **Confirmation of Regional Transport Committee Minutes – 5 June 2025**

Author: M Jones, Governance Administrator

Approved by: M J Nield, Director - Corporate Services

Document: TRCID-1492626864-716

Recommendations

That the Regional Transport Committee:

a) takes as read and confirms the minutes of the Taranaki Regional Transport Committee meeting held at 47 Cloten Road, Stratford on 5 June 2025 at 10.30am

b) notes that the unconfirmed minutes of the Taranaki Regional Council Transport Committee meetings held at 47 Cloten road, Stratford on 5 June 2025 have been circulated to the New Plymouth District Council, Stratford District Council and the South Taranaki District Council for their receipt and information.

Appendices/Attachments

TRCID-1492626864-810: Unconfirmed Minutes Taranaki Regional Transport Committee – 5 June 2025

Date: 5 June 2025

Venue: Taranaki Regional Council Boardroom, 47 Cloten Road, Stratford

Document: TRCID-1492626864-810

Present:	A Jamieson	Taranaki Regional Council (Chairperson)
	T Cloke	Taranaki Regional Council
	N Volzke	Stratford District Council
	P Nixon	South Taranaki District Council
	H Duynhoven	New Plymouth District Council
	L Stewart	Waka Kotahi
	A Russ	New Zealand Police
Attending:	M Nield	Taranaki Regional Council
	A Harris	Alt Stratford District Council
	L Hawkins	Taranaki Regional Council (zoom)
	F Ritson	Taranaki Regional Council
	N Chadwick	Taranaki Regional Council
	C Gazley	Taranaki Regional Council
	S Bowden	Stratford District Council
	S Knarston	New Plymouth District Council
	V Lim	South Taranaki District Council

The meeting opened with a group Karakia at 10.30am.

Apologies: No apologies were received.

1. Deputation

1.1 Sarah Lucas gave a deputation in relation to the lack of investment for improved safety measures of Inglewood and state highways.

Resolved

That the Taranaki Regional Transport Committee:

a) directed officers to prepare an acknowledgement letter of their deputation.

2. Confirmation of Minutes Regional Transport Committee – 13 March 2025

Resolved

That the Taranaki Regional Transport Committee:

a) took as read and confirmed the minutes of the Taranaki Regional Transport committee held at 47 Cloten Road, Stratford on 13 March 2025

b) noted the unconfirmed minutes of the Taranaki Regional Transport Committee meetings held at 47 Cloten Street, Stratford on 13 March 2025, have been circulated to the New Plymouth District Council, Stratford District Council and the South Taranaki District Council for their receipt and information.

Cloke/Nixon

3. Receipt of State Highway 3 Working Group Minutes

Resolved

That the Taranaki Regional Transport Committee:

a) received the unconfirmed minutes of the State Highway 3 Working Group (SH3WG) meeting held Uruti Community Centre 1672 Mōkau Road, Mt Messenger, on 4 March 2025.

Cloke/Nixon

4. Receipt of Minutes Regional Transport Advisory Group – 8 May 2025

Resolved

That the Taranaki Regional Transport Committee:

a) received the unconfirmed minutes of the Regional Transport Advisory Group (RTAG) meeting held at 47 Cloten Road, Stratford on 8 May 2025.

Cloke/Volzke

5. Regional Stock Effluent Strategy Review

5.1 F Ritson advised of the initiation of a process to complete a review of the Regional Stock Truck Effluent Strategy.

Resolved

That the Taranaki Regional Transport Committee:

a) received the memorandum, Regional Stock Truck Effluent Strategy review

b) noted that a review of the Regional Stock Truck Effluent Strategy has been initiated for completion during the 2025/2026 financial year.

Nixon/Duynhoven

6. Forestry Impacts on Transport

6.1 F Ritson informed the Committee on potential actions to prepare for future forestry harvesting impacts and to determine the necessary actions.

Resolved

That the Taranaki Regional Transport Committee:

a) received the memorandum, Forestry impacts on transport

b) approved Option (i) as being a comprehensive package of initial actions to guide decisions to reduce the future impacts of forestry on transport networks

c) determined that this decision be recognised as not significant in terms of section 76 of the Local Government Act 2002

d) determined that it has complied with the decision-making provisions of the Local Government Act 2002 to the extent necessary in relation to this decision; and in accordance with section 79 of the Act, determined that it does not require further information, further assessment of options or further analysis of costs and benefits, or advantages and disadvantages prior to making a decision on this matter.

Cloke/Volzke

7. Release of Public Transport Plan 2025

7.1 F Ritson advised of the release of the Regional Public Transport Plan 2025.

Resolved

That the Taranaki Regional Transport Committee:

a) received the memorandum, Release of Regional Public Transport Plan 2025-2035

b) noted that the Regional Public Transport Plan 2025-2035 guides the delivery of public transport services, information and infrastructure within the Taranaki region with particularly focus on the next three years

c) noted that realising the ambitions for significant improvements to public transport in Taranaki remains dependent on funding becoming available.

Nixon/Duynhoven

8. Submission on Changes to Driver Licensing

8.1 F Ritson. provided an overview and requested approval for the submission to Te Manatū Waka Ministry of Transport (the Ministry) on the proposed changes to the graduated driver licence system.

Resolved

That the Taranaki Regional Transport Committee:

a) received the memorandum, Submission on changes to driver licensing

b) received and approved the submission prepared on the proposed changes to the driver licensing system, subject to any amendments requested by the Committee, and instructs staff to submit the submission

c) noted that an amended *Land Transport (Driver Licensing) Rule 1999* is proposed to be in place by November 2025, with changes to the driver licensing system implemented by 1 July 2026

d) determined that this decision be recognised as not significant in terms of section 76 of the Local Government Act 2002

e) determined that it has complied with the decision-making provisions of the Local Government Act 2002 to the extent necessary in relation to this decision; and in accordance with section 79 of the Act, determined that it does not require further information, further assessment of options or further analysis of costs and benefits, or advantages and disadvantages prior to making a decision on this matter.

Cloke/Duynhoven

9. Correspondence and Information Items

9.1 F Ritson provided an update on information and correspondence received since the last meeting.

Resolved

That the Taranaki Regional Transport Committee:

a) received and noted for information purposes the correspondence received from Waka Kotahi NZ Transport Agency on the outcome of the speed limit reversal consultation

b) investigates through the Regulations Review Committee as to whether the decision regarding the affect section of State highway 3 complies with the road safety requirements of the Land Transport Safety Act

c) noted the speed limits on the two sections of State Highway 3 between Waitara to Bell Block that were consulted on will both be reverting to 100km/h by 1 July 2025

d) received and noted for information purposes the correspondence received from Waka Kotahi NZ Transport Agency on the outcome of the Emergency Works investment policies review in mid-2024

e) noted that Waka Kotahi NZ Transport Agency has decided to not make further changes to the investment policies for Emergency Works during the current funding period which goes through to 30 June 2027

f) noted that the Emergency Works investment policies will be revisited for the 2027-2030 funding period.

Duynhoven/Cloke

10. Regional Land Transport Plan Implementation Updates

10.1 S Knartson, New Plymouth District Council provided an update on transport activities within the New Plymouth District.

10.2 V Lim, South Taranaki District Council, provided an update on transport activities within the South Taranaki district

10.3 S Bowden, Stratford District Council provided an update on transport activities within the Stratford District.

10.4 C Gazley, Taranaki Regional Council provided an update on public transport activities.

Resolved

That the Taranaki Regional Transport Committee:

a) received the update provided by the New Plymouth District Council on its transport activities

b) received the update provided by the South Taranaki District Council on its transport activities

c) received the update provided by the Stratford District Council on its transport activities

d) received the update provided by the Taranaki Regional Council on public transport activities.

Volzke/Nixon

11. NZTA/Waka Kotahi Update

11.1 L Stewart, Waka Kotahi provided an update on regional and national activities.

Resolved

That the Taranaki Regional Transport Committee:

a) received the updates and presentations provided by Waka Kotahi New Zealand Transport Agency.

Duynhoven/Volzke

12. New Zealand Police Update

12.1 A Russ, New Zealand Police provided a verbal update on road fatalities in Taranaki.

There being no further business the Committee Chairperson, Councillor A L Jamieson declared the Regional Transport Committee meeting closed with Karakia at 12.43pm.

Regional Transport

Committee Chairperson: _____

A L Jamieson

Date:	28 August 2025
Subject:	**Receipt of Regional Transport Advisory Group Minutes 31 July 2025**
Author:	B Clough, Public Transport Engagement Coordinator
Approved by:	M J Nield, Director - Corporate Services
Document:	TRCID-1492626864-717

Recommendations

That the Regional Transport Committee:

a) receives the unconfirmed minutes of the Regional Transport Advisory Group (RTAG) meeting held at Taranaki Regional Council, 47 Cloten Road, Stratford on 31 July 2025.

Appendices/Attachments

TRCID-1351577652-349: RTAG Minutes – 31 July 2025

Taranaki Regional Transport Advisory Group (RTAG) Meeting

MINUTES

Date Thursday 31 July 2025, 10:00am

Venue Taranaki Regional Council and via Zoom (z)

Present

NPDC	John Eagles, Stuart Knarston, Tony Hellier (z)
NZTA	Kendra Ludeke (z), Nigel Hurley (z), Shaun Harvey, Wayne Wallace
SDC	Steve Bowden
STDC	Vincent Lim
TRC	Bill Clough, Cheryl Gazley, Fiona Ritson

Apologies

NZTA	Adrienne Duffy, John Pardington, Richard Ashman

1. Welcome and apologies

Welcome extended to new attendees
Apologies accepted

2. Minutes of last meeting 20 February 2025

1. Minutes confirmed as accurate

Moved	Fiona Ritson
Seconded	Steve Bowden

2. Matters arising

Speed Limit Appeal - TRC advised that a request for legal advice was underway to assess the relative merits and costs of different appeal options.

STDC confirmed that they have changed their signs to school hours only, at a cost of $100k. staff still busy changing signs currently. The new LED rural sign was damaged by a truck recently, reviewing cost to repair.

3. Weather event 2-4 July 2025

1. Roundtable of impacts experienced

TRC advised a Connector bus had an issue with the road flooded between Inglewood and Stratford. SH43 coastal road was also closed due to weather conditions so passengers that usually travelled that route had to be moved via SH3.

SDC advised that the flooded road on SH3 might not be a culvert size issue as the ground was flooded both sides of the road. SDC will check the culvert regardless. They had a total of 25 roads closed in their region, most of the flooding issues in Stratford related to blocked sumps. The town also experienced drain capacity issues due to the 325mm of rain recorded in the 3 week period. Most of the road closures were out East and related to slip issues. All roads were open by the end of the week following the rain event. SDC provided 2 hourly updates to their web site regarding road closures.

STDC had several calls regarding flooding and had to close some roads. STDC provided updates twice per day.

NPDC had 10-15 roads closed at the peak of the weather. By midday Friday all roads were open but most remained single lane. Regular updates were posted to their website.

4. Council updates – all tabled reports taken as read

1. New Plymouth District Council

Full detail in the tabled report. Meeting discussion key points below.

Maintenance, Operations & Renewals overall delivery has progressed well, tracking close to 100% of the $80.4M budget.

Tarata Road resilience work has been estimated at $10M. Attached report includes a map with more detail.

Council have noticed an increase in resource consent applications as people get in before the update of the development and financial contribution policy.

The removal of on-site parking requirements from new residential developments is expected to increase spillover parking on adjacent streets, which may require increased enforcement over time.

The downtown carpark continues to be under utilised at 18% even with the weekly rate dropped from $50 to $25 per week and the hourly rate dropped from $3 to $1.50 per hour.

2. Stratford District Council

Full detail in the tabled report. Meeting discussion key points below.

90% of the $8.5M budget for this financial year has been spent. Some professional services such as road condition surveys are being undertaken by NZTA via the Consistent Condition Data Collection project. This survey replaces the RAMM Roughness survey that we undertook previously. Target now to get more work done inhouse.

A tender to replace some retaining walls was advertised late in the financial year, resulting in a significant underspend in the Bridge Renewals activity class. The unspent funds have been carried over to the 2025/26 financial year. SB has indicated to our design consultants the urgency for this budget to be spent this financial year.

Tender closed 31 July to repair Buchanan's bridge. A 46m span wooden suspension bridge.

Following the 3-5 July storm event. SDC has lodged an indicative Emergency Works claim in TIO for $2m, split $750,000 for the first response/clean-up, with a further $1.125m for remedial treatments. The final cost of this event will not be known for some time, but it will have an impact on our planned work programme for the year, for example, reseals, maintenance metalling and drainage renewals. This is due to SDC having to find our share of the total cost from existing approved budgets.

3. South Taranaki District Council

Full detail in the tabled report. Meeting discussion key points below.

Targeted fund came in late, so this work is now scheduled for March 2026.

Council now has $1.5M for widening roads and this work is planned for 2025/26.

All new contracts are underway with roading engineers inspecting and programming work.

July flood event estimated at $1.2M for repairs.

4. Taranaki Regional Council

Full detail in the tabled report. Meeting discussion key points below.

Procurement for both the urban and regional service is completed with operations to commence on 6 April 2026. Details will be advised once both contracts are finalised.

PT rebrand is currently out for public consultation and the new PT website is in the procurement stage. Both will be launched alongside the new network in April 2026.

TRC has met the NZTA Private Share expectations for the current period.

The PT committee has held its first meeting. Both NPDC and TRC have an interest in trialling bus priority at traffic signals, one possible intersection is Morley Street – Devon Street West. NPDC and TRC are also exploring a high frequency trial, the route Fitzroy to Westown is being investigated.

5. NZTA Waka Kotahi updates

Full detail in the tabled report. Meeting discussion key points below

1. Planning, investment, system design updates

Road damage from the July weather event. Mt Messenger under slip repair work is underway. Tongaporutu under slip is on the Waikato side of border. Both repairs are down to one lane with stop – go traffic control in place.

Culvert repair work north of Mt Messenger on SH3 at Mangapepeke is underway. #2 culvert was the original target, but subsequent work has found #1 culvert to be in a worse state. Current push to get approval to get both done at the same time so they can be done this season and not interfere with the northern end of the Mt Messenger bypass project. #1 culvert needs a trench dug 7-8m deep by 4m wide to get replacement pipes in. Options for road closure are being investigated, including possible use of a bailey bridge. It was discussed and agreed that the bringing forward of this second culvert replacement did not trigger a formal variation to the RLTP 2024, and the RTC could simply receive an update on this matter rather than needing to process a variation request.

Mt Messenger tunnel work progressing well with over 100m excavated.

The Waitara Road roundabout is now operational. Tenders are out for the DeHavilland Road roundabout. Confirmation also received for design work to commence for the SH3/3A intersection.

Mangere Road roundabout is expected to be completed by the end of 2025.

NZTA have raised the limit for a single state business case from $15M to $20M.

2. Taranaki SH Maintenance updates

Moturoa Road water main replacement on 44 underway

Morley to Dawson on 45 waiting for design report

6. Regional transport policy matters

1. Driver licensing submission made

The Group was thanked for their discussion at the last meeting which fed into the preparing a draft submission for the RTC. This was subsequently approved by the RTC and submitted on 9 June. The key points of the submission were outlined to the Group.

2. RTC item "Forestry Impacts on Transport" options

   The RTC supported the officer recommendations to be more proactive in addressing the impact of forestry on transport, and were very supportive of progressing all the potential actions outlined for their consideration. FR will be leading this work in due course, and is already in contact with other regions dealing with similar issues.

3. NZTA Evidence Pack – initial regional summary released

   FR noted that a draft 'Evidence Pack' had been prepared by NZTA's NLTP team and were available for feedback. A meeting is being held shortly between NZTA and the RLTP Leads around the country to discuss the purpose of these and provide initial feedback. The Taranaki regional pack created by NZTA will need to be reviewed and detailed feedback provided. This is not a priority for FR currently, but she will be seeking input into this from the Group at a future date.

4. Preliminary RLTP 2027 development timelines

   The proposal by NZTA of later national deadlines, that were discussed at the previous meeting, are likely to be progressed. FR is waiting for confirmation from NZTA before drafting the regional development timeline to align.

7. General Business

NZGTTM

Discussion on impact of new TTM on council operations. Some uncertainty regarding council liability or approval process for TTM. Sufficient concern about the transition process that it should be brought to the RTC's awareness.

NZTA advised they are setting up a group for risk assessment for the country.

Lower North Island Freight Strategy

The work underway on freight with other Lower North Island regions will be going to RTC for their consideration of the level of involvement wanted. This work is being led by Greater Wellington, who have prepared a 'case for change' paper which will be going to the RTC as part of their deliberations.

8. Next RTAG meeting – 10am on Thursday 30 October 2025

Summary of actions underway

Ref	Responsibility & date requested	Action	Progress

The meeting closed at 12.10 pm.

Acronyms commonly used in RTAG meetings

Acronym	Meaning
AC	Activity Class
AMP	Asset or Activity Management Plan
BAU	Business as Usual
BC	Business Case
BTCS	Better Travel Choices Strategy
CVST	Commercial Vehicle Safety Team
DC	District council
DSI	Deaths and Serious Injuries
ERP	Emissions Reduction Plan
GPS	Government Policy Statement on Land Transport
IDMF	NZTA's Investment Decision Making Framework
ILM	Investment Logic Mapping
LOS	Levels of Service
LTP	Long Term Plan
NOC	Network Outcomes Contract
NOF/NOP	Network Operating Framework/Networking Operating Plan
NPDC	New Plymouth District Council
NZTA	Waka Kotahi NZ Transport Agency
ONF	One Network Framework
ONRC	One Network Roading Classification
POE	Point of Entry (initiation of a business case)
R2Z	Road to Zero – NZ's Road Safety Strategy 2020-2030
RAMM	Road Assessment and Maintenance Management database
RCA	Road Controlling Authority
RLTP	Regional Land Transport Plan
RPTP	Regional Public Transport Plan
RSMP	Regional Speed Management Plan
RSTES	Regional Stock Truck Effluent Strategy
RTAG	Regional Transport Advisory Group
RTC	Regional Transport Committee
SDC	Stratford District Council
SH	State Highway
SHIP	State Highway Investment Proposal
SIG	Special Interest Group (regional sector of LGNZ)
SIP	Speed and Infrastructure Programme
SMP	Speed Management Plan
SPR	Special Purpose Road
STDC	South Taranaki District Council
STE	Stock Truck Effluent
SSBC	Single Stage Business Case
TEFAR	Targeted Enhanced Financial Assistance Rate
TIO	Transport Investment Online
TM	Traffic Management
TTM	Temporary Traffic Management
TP	Transport Programme
TRC	Taranaki Regional Council
TSIG	Transport Special Interest Group
VFM	Value for Money
VKT	Vehicle Kilometres Travelled

Date: 28 August 2025

Subject: **New Requirements for Temporary Traffic Management**

Author: F Ritson, Senior Policy Analyst - Transport

Approved by: M J Nield, Director - Corporate Services

Document: TRCID-1492626864-1011

Purpose

1. The purpose of this memorandum is to update the new requirements for temporary traffic management (TTM).

Recommendations

That the Taranaki Regional Council:

a) receives and notes for information purposes the correspondence received from Waka Kotahi NZ Transport Agency titled 'New requirements relating to temporary traffic management' dated 28 July 2025 and 'New Zealand guide to temporary traffic management and RCA function changes for state highways' dated 14 August 2025

b) notes that the Minister of Transport has mandated that Road Controlling Authorities use the New Zealand Guide to Temporary Traffic Management otherwise their funding will be affected. The three district councils have been transitioning towards adopting the use of the new system as further guidance and advice is provided by Waka Kotahi NZ Transport Agency.

Background

2. Traffic management across New Zealand's network of state highways and local roads is fundamental to keeping people safe on roads. Roads are used daily by vehicles, cyclists and pedestrians, and have many people working on them. Changes to the operation of these roads under temporary traffic management (TTM) is a core activity on the network, providing safety and access to all road users and workers. Waka Kotahi NZ Transport Agency (NZTA) is responsible for setting the requirements for the safe and efficient management and operation of TTM on all roads in New Zealand.
3. It is useful to understand the timeline of TTM nationally:
    - Pre-2000s: TTM in New Zealand evolved through localised practices, early signage, and informal traffic control methods dating back to the late 19th and early 20th centuries. By the 1980s, although the term "TTM" wasn't widely used, there was growing awareness of the need for more formalised systems due to increasing roadwork activity and traffic volumes
    - 2000: The first edition of the Code of Practice for Temporary Traffic Management (CoPTTM) was published on 7 June 2000, marking the beginning of a nationally standardised, compliance-based approach

- Early 2020s: The idea of replacing CoPTTM began to gain traction as the limitations of a prescriptive model became more apparent. Industry leaders and NZTA began exploring a risk-based alternative that would better align with modern safety expectations, cost pressures, and legislative mandates
- 2022: The draft New Zealand Guide to Temporary Traffic Management (NZGTTM) was released on 8 March 2022, initiating formal consultation and pilot testing of the new approach
- September 2022: Pilot projects initiated to test risk-based TTM
- June 2023: Development of new training and competency framework begins
- 1 November 2024: CoPTTM was officially superseded by NZGTTM. While CoPTTM remains accessible for reference, it is no longer maintained or updated by NZTA
- January 2025: State Highway maintenance contracts begin transition under NZTA's Integrated Delivery Model
- December 2025: Expected full implementation across all sectors.

4. So, while formal consideration of a new TTM system began around 2020–2022, the need for reform had been building for decades, especially as the transport environment became more complex and the costs of TTM escalated.
5. The Government Policy Statement on Land Transport 2024 (GPS 2024) outlined a clear shift in priorities for New Zealand's transport system, which included a focus on accelerating changes to TTM practices under the strategic priority of 'value for money'. GPS 2024 emphasised the need to ensure that TTM practices deliver cost-effective safety outcomes – so while essential for protecting workers and road users, it must be fit-for-purpose and not unnecessarily costly or disruptive. The GPS 2024 involved directing the efforts of the Road Efficiency Group be reprioritised to include "*support the NZTA in reducing expenditure on TTM, which is adding significant cost to road maintenance and reducing efficiency of the spend.*"

Discussion

6. A Ministerial announcement Reducing councils' ridiculous use of road cones was made on 26 July 2025. This noted that, "*As part of the Government's drive to cut down on excessive use of road cones – and reducing the eye-watering cost of TTM – councils will soon be forced to use a commonsense approach to risk assessment before receiving government funding.*"
7. The announcement stated that councils will need to have a plan in place for applying the NZGTTM to their contracts by 20 December 2025. By 1 July 2026, they must apply it to all new contracts, and by 1 July 2027, the guide must be incorporated into all existing contracts.
8. Councils will also be required to report quarterly to NZTA on their use of the guidance, while NZTA will continue reporting on its own traffic management activities on a monthly basis.
9. A follow-up letter (attached) from NZTA to all councils dated 28 July 2025 advised that all Road Controlling Authorities (RCAs) must now progressively apply the NZGTTM to all relevant activities receiving funding from the National Land Transport Fund.
10. An email (also attached) was subsequently sent from NZTA on 14 August 2025 regarding functional changes being put in place to support the transition for activities on state highways.
11. Within Taranaki, there are some concerns that this does not allow time for smaller operators to transition away from CoPTTM. The issue for the Taranaki RCAs is slower uptake of the NZGTTM by small to medium sized contractors who are not sufficiently familiar with, or equipped for, the new requirements. The new guide has been adopted for use on the State Highway network, who by and large use national Tier 1 contractors, such as Downer, Fulton Hogan, and Higgins. For example, Downer have been working on the requirements of the new guide for the last two years to develop their own

risk-based manuals for roadwork sites. There has not been enough time for the small to medium sized contractors, many of whom are used for local roading contracts, to "get up to speed" with NZGTTM.

12. Additionally, under the NZGTTM there is no requirement for an RCA to approve a Traffic Management Plan (TMP) as they did under CoPTTM. Instead, the RCA's role is to provide permission for the works to be undertaken in the road corridor. A question remains as to how an RCA knows that all the risks have been adequately assessed and mitigated in the TMP the contractor is using.
13. It should be noted that none of the utilities are required to use NZGTTM, and will most likely keep using CoPTTM, which is not supported by NZTA in terms of updates. This leads to a disparity in the use of traffic management on our roads.

Appendices/Attachments

TRCID-875616856-59: 2025.07.28 Letter from NZTA detailing new requirements for temporary traffic management TTM

TRCID-1905155896-19: 2025.08.15 New Zealand guide to temporary traffic management and RCA function changes for state highways from NZTA

NZ TRANSPORT AGENCY
WAKA KOTAHI

www.nzta.govt.nz

44 Bowen Street
Private Bag 6995
Wellington 6141
New Zealand
T 64 4 894 5400
F 64 4 894 6100
www.nzta.govt.nz

28 July 2025

Steve Ruru
Chief Executive Officer
Taranaki Regional Council

Email: steve.ruru@trc.govt.nz
Cc: linda.stewart@nzta.govt.nz

Kai ora Steve

New requirements relating to temporary traffic management

I'm writing to let you know about new requirements the NZ Transport Agency Waka Kotahi (NZTA) is putting in place for temporary traffic management (TTM).

The safety of our road workers and users is a priority for NZTA, so we're making changes to our funding conditions to better balance safety, cost and disruption to road users.

The Government Policy Statement on land transport 2024 (GPS 2024) expects all Road Controlling Authorities (RCAs) to achieve better value for money for works on road networks, while improving the safety of our workers and users.

To support these goals, NZTA will require RCAs to progressively apply the New Zealand guide to temporary traffic management (NZGTTM) to all relevant activities funded out of the National Land Transport Fund (NLTF). This change will also apply to NZTA.

Applying the NZGTTM supports RCAs to meet their legal obligations outlined in the Health and Safety at Work Act 2015 and will help achieve greater efficiencies and minimise disruption for road users.

One of the key benefits of the NZGTTM's risk-based approach is that it gives RCAs more flexibility to appropriately manage safety risks at each site. More than 50 percent of RCAs are now working towards or planning to adopt the NZGTTM.

NZTA is committed to working in partnership with other RCAs to help them through the changes. We have several documents, templates and guides available on our website. Also, I encourage your teams to contact the TTM Industry Steering Group who organise training and information sessions along with ourselves and the Roading Efficiency Group. They have some great examples where application of the NZGTTM has reduced cost, improved efficiency and reduced the impact on road users.

Your teams may find the following information useful:

WorkSafe's good practice guide:
Keeping healthy and safe while working on the road or roadside

NZTA's New Zealand guide to temporary traffic management website:
New Zealand's guide to temporary traffic management (TTM)

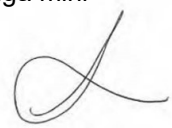
TTM Industry Steering Group website:
www.ttm-isg.org/

The details of the TTM changes and reporting requirements are set out in the attachment.

I encourage you to ensure that your teams are familiar with these new specific requirements and funding conditions in relation to your organisation's activities.

If you have any questions, please contact the Director of Regional Relationships for your region.

Ngā mihi



Sara Lindsay
Group General Manager - Commercial & Corporate

ATTACHMENT

Background
In September 2024 we wrote to you regarding decisions on the 2024-27 National Land Transport Programme and informed you of the relevant Ministerial expectations set out in the Government Policy Statement on land transport 2024 (GPS 2024) that apply to your organisation and the funding terms and conditions relating to those expectations. In November 2024 we wrote informing you of specific requirements in relation to TTM, pothole repairs and reporting.

This letter describes additional specific requirements in relation to TTM and associated reporting.

Ministerial expectations in GPS 2024
The GPS 2024 includes a Statement of Ministerial Expectations for NZTA and the sector in general. NZTA is responsible for ensuring that RCAs take appropriate steps to meet the Ministerial expectations, where applicable, and comply with self-assessment and reporting requirements - to demonstrate the steps that an RCA has taken to meet relevant expectations (including those for which there may be specific requirements).

The Minister of Transport is seeking accelerated efforts by RCAs to achieve better value for money from works on road networks. The Minister expects RCAs to achieve greater efficiencies and minimise disruption on road networks through faster adoption of the New Zealand guide to temporary traffic management (NZGTTM). The Minister has asked NZTA to assist to accelerate these through its funding lever, supporting information and reporting.

Temporary traffic management
To prompt faster adoption of the NZGTTM, the NZTA Board has approved the introduction of the following additional specific requirements:

(i) the RCA must plan for the application of the New Zealand guide to temporary traffic management (NZGTTM) to their Relevant Contracts (defined below), with a plan to be completed by 20 December 2025; and
(ii) the RCA must apply NZGTTM to their new Relevant Contracts by no later than 1 July 2026; and
(iii) the RCA must incorporate NZGTTM into any existing Relevant Contracts no later than 1 July 2027.

For these purposes ‘Relevant Contracts’ means any contracts for works funded, whether in whole or in part by the RCA using National Land Transport Fund (NLTF) funding, including downstream subcontracts, where performance of the contract involves any form of TTM in the road corridor.

The RCA will be required to provide a quarterly report to NZTA on:

- percentage of NLTF funding spent on TTM costs on local roads (across the pothole prevention, operations and improvements activity classes)
- number of TTM site inspections on local roads
- number of redundant (i.e. no longer necessary) TTM sites on local roads
- uptake of the NZGTTM to contracts.

We will set out the information requested for the July to September quarterly report in an updated reporting schedule and publish on our website in due course.

Quantitative data on TTM is required to be reported quarterly on the Transport Insights web portal.

These additional requirements apply to all new, and all existing (but yet to be undertaken or completed), approvals for NLTF funding for local road activity classes identified in the existing specific requirements reporting template.

Specific requirements and reporting template

These additional requirements add to, but do not replace or otherwise change, the other existing specific requirements.

[redacted]

From: [redacted]@stratford.govt.nz>
Sent: Friday, 15 August 2025 9:00 am
To: [redacted]
Subject: FW: New Zealand guide to temporary traffic management and RCA function changes for state highways

Hi [redacted]

FYI ref the NZGTTM.

Regards,

[redacted]

[redacted]
Roading Manager
Te Kaunihera ā Rohe o Whakaahurangi | Stratford District Council

63 Miranda Street
PO Box 320
Stratford 4352

P.06 765 6099
M. 027 426 5515
stratford.govt.nz

From: [redacted]@nzta.govt.nz>
Sent: Thursday, 14 August 2025 7:01 PM
To: [redacted] tratford.govt.nz>; [redacted]@wsp.com>; [redacted]@npdc.govt.nz; [redacted]@stdc.govt.nz>; [redacted]@waitomo.govt.nz>; [redacted]@downer.co.nz>
Cc: [redacted]@nzta.govt.nz>
Subject: New Zealand guide to temporary traffic management and RCA function changes for state highways

Kia ora koutou,

The safety of our road workers and road users is a priority for NZTA.

I'm writing to update you on some changes we're making to our TTM processes to better balance safety, cost and disruption to road users. These changes will affect contractors and suppliers to NZTA, local councils and third parties. Along with this update to you as an RCA, we are also communicating the same information to the sector.

In June the NZTA Board decided that all RCAs, including NZTA, are required to progressively apply the New Zealand guide to temporary traffic management (NZGTTM) to all relevant activities funded out of the National Land Transport Fund (NLTF) – this was communicated by NZTA letter to CEs of RCAs on 28 July 2025.

These decisions support the expectations set out in the Government Policy Statement on land transport 2024 (GPS 2024) that all Road Controlling Authorities (RCAs) need to reduce expenditure of TTM while maintaining the safety of road workers and road users.

To support this change, NZTA has reviewed its obligations as a Road Controlling Authority and we're changing the way Traffic Management Plans are reviewed and approved.

From 1 September 2025, NZTA will run a 12-month proof of concept trial to centralise approval and coordination of state highway Traffic Management Plans (TMPs). This will ensure the risk-based TTM approach is applied consistently across the state highway network, and that appropriate risk assessments are completed and appropriate risk controls are adopted through TMPs to manage the risks at each worksite.

This requires changes to the scope of delegated authorities for NZTA Traffic Management Coordinator (TMC) roles within our current Network Outcome Contracts (NOCs), to the RCA being NZTA. The TMC role name will also be changed to RCA Traffic Coordinator (RTC).

The centralised function, the RCA Temporary Traffic Management Centre (RTTMC) will be a centre of excellence for the traffic management risk review and approval process for the state highway network.

Centralising this function is aligned with current NZTA direction for road maintenance, which is seeing a number of outsourced functions brought back in house over the next 12 months through the Integrated Delivery Model programme.

In addition to changing how we deliver our NZTA RCA function for state highways we have changed our contracts with our suppliers to incorporate the NZGTTM.

More information about the RTTMC for your suppliers
You may want to share information about the RTTMC with your suppliers.

The NZTA website outlines the new process that will apply when working or conducting any activity on our state highways: www.nzta.govt.nz/roads-and-rail/accessing-our-state-highways

Please note, the RTTMC covers all state highways in New Zealand except the following areas, which are managed directly by local network alliances or Public Private Partnerships:

- Auckland System Management (ASM)
- Pūhoi to Warkworth Motorway (Public Private Partnership)
- Wellington Transport Alliance (WTA) - including the Transmission Gully motorway section.

If you have any questions about the RTTMC, please email: TTM@nzta.govt.nz and include: **Attn RTTMC** in subject line.

Ngā Mihi,
[redacted]

[redacted] (she/her)

System Manager (Manawatū-Whanganui & Taranaki), Transport Services
Te Toki Haumaru

Mobile: [redacted]
NZ Transport Agency Waka Kotahi

Date: 28 August 2025

Subject: **Lower North Island freight**

Author: F Ritson, Senior Policy Analyst - Transport

Approved by: M J Nield, Director - Corporate Services

Document: TRCID-1492626864-1002

Purpose

1. The purpose of this memorandum is to update on collaborative work across the Lower North Island on freight and seek support for further inter-regional work in this area.

Recommendations

That the Taranaki Regional Council:

a) receives the memorandum, Lower North Island freight

b) receives and notes the 'Lower North Island Freight | Working paper: a case for change' by Greater Wellington Regional Council

c) acknowledges the significant effort undertaken by Greater Wellington in leading this work

d) notes that consideration of the proposal for inter-regional work on freight is in the process of going to the Regional Transport Committees of Gisborne, Hawke's Bay, and Horizons, while support from Greater Wellington has already been received

e) approves Option 2, being further collaborative work to understand freight movements across the Lower North Island and develop a common strategic framework for freight across those regions

f) notes that progressing the work to Option 3 would be a future decision for the Committee

g) determines that this decision be recognised as not significant in terms of section 76 of the Local Government Act 2002

h) determines that it has complied with the decision-making provisions of the Local Government Act 2002 to the extent necessary in relation to this decision; and in accordance with section 79 of the Act, determines that it does not require further information, further assessment of options or further analysis of costs and benefits, or advantages and disadvantages prior to making a decision on this matter.

Background

2. As noted to the Committee on previous occasions, including the 13 March 2025 meeting, a key missing component for effective land transport planning is contemporary data on the freight task in New Zealand. Given the significant changes in the freight sector generated by COVID, changing geopolitical environment, and impacts of climate change and technology, an updated study is required. Efforts to fund this nationally have so far been declined, despite the Government Policy Statement on Land

Transport (GPS) 2024 setting an overarching priority of economic growth and priority. How this gap can be addressed is a core component of all freight discussions.

3. Freight flows cannot be considered in regional isolation, so in the absence of long-sought guiding national direction for freight there are pan-regional initiatives underway to understand the nature of the freight "problem" and what a response might be. There is already an Upper North Island Freight Alliance in place, and a South Island Freight Strategy underway.
4. The Lower North Island regional councils identified a need for a common approach including the potential development of a freight strategy in their 2024 Regional Land Transport Plans (RLTPs) – refer to the excerpt from the Taranaki RLTP 2024 provided in Figure 1.

Activity name	Description of project or programme			
Lower North Island Freight Strategy **Organisation/s** TRC / Horizons RC / Greater Wellington RC / Hawkes Bay RC	**Problem / opportunity**	Road freight is the fastest growing contributor of transport greenhouse gases. Heavy road freight also generates significantly greater wear and tear on roading with some freight streams causing significantly degraded amenity on roads not designed to handle the volume of weight of heavy trucks. Within Taranaki there is also contention for space between people and freight on the SH3 corridor, driven by Port Taranaki's role as an import/export port. Within the region, industry relies on good access to the port to remain competitive. Across the four regional councils suggested for inclusion into the strategy, there are three working export ports connected by viable rail connections which provide opportunities for better use of available transport assets and resource. However, the nature of the problem/opportunity is not as well understood as it should be.		
	Location	Lower North Island – encompassing the regions of Greater Wellington, Hawkes Bay, Manawatū-Whanganui and Taranaki		
	Strategic context	Freight by nature is both inter-regional and local in nature with the national freight network connecting regions for local distribution. Government has signalled through its GPSs (2021 and draft 2024) that rail and coastal shipping have a greater role to play in the country's freight network. Government also recently released the national Freight and Supply Chain Strategy which provides a useful context in which to build a shared view of the opportunity across the Lower North Island, the role of local government through the RLTP processes to identify a preferred pathway and identify investment priorities.		
	Primary benefits sought / alignment with transport outcomes	A Lower North Island Freight Strategy would identify shared regional transport objectives across the lower North Island, an agreed policy about how freight is moved across and within the region including the role of central and local government, and agreed investment priorities. Improving resilience will be a guiding strategic goal, alongside mode-neutral freight efficiency and transport emissions reduction. The strategy should enable progress under Focus Area 3 of the Ministry of Transport's response to climate change to be made, while ensuring freight is a key enabler for economic growth.		
	Estimated total cost	TBC	**Estimated delivery time**	TBC

Figure 1: Excerpt from Table 13 [Activities for future consideration] in Appendix IV [Activities on the Horizon] of the Taranaki RLTP 2024

Collaborative work on Lower North Island freight

5. Greater Wellington Regional Council staff have been leading work to develop a pan-regional Lower North Island strategic approach to freight, which will help provide input into the 2027 RLTPs of these regions. The original four regions (of Hawkes Bay, Horizons, Taranaki, and Greater Wellington) have now been joined by Gisborne. The importance of connectivity with the top of the South Island is also well-recognised and appropriate collaboration with Marlborough underway.
6. Staff from the five regions have worked together to identify common issues across the regions and what a common approach to addressing these might be. Key findings from this work include:
    - Limited data availability that inhibits effective planning with run-on effects for economic growth and productivity
    - Poor strategic use of infrastructure and investment
    - New Zealand's unique combination of challenging geography coupled with a relatively small population that challenge resilience and efficiency in the freight sector
    - Current technologies mean that the freight sector is unlikely to meet the carbon zero goal by 2050
    - There are opportunities for the regions in the Lower North Island to work with national agencies to develop effective long-term approaches with the freight sector that would lead to a more productive sector with reduced negative impacts.
7. The 13 March 2025 update to the Committee noted that a draft issues paper was being prepared for Members that would also identify potential next steps for the Lower North Island regional councils. At the time it was noted that at a minimum a joint statement on freight could be placed in the next round of RLTPs, though the hope is to secure much better data and understanding what change should look like to optimise freight flows, and what levers could be used to achieve that.
8. The 'Lower North Island Freight | Working paper: a case for change' (the Paper), is now available and is attached for Members' information and comment.
9. The purpose of the Paper is to outline key insights and issues affecting the freight sector and identify the opportunity for Lower North Island Regional Transport Committees (RTCs) to work together on common freight policies in upcoming RLTPs. The introduction states,

    > *This paper makes the case for a change in approach towards freight in regional land transport planning across the Lower North Island. It has been written following the release of the Ministry of Transport's National Freight and Supply Chain Strategy in 2023 and change in policies contained within the Government Policy Statement on land transport (GPS) 2024, which set an overarching priority of economic growth and productivity. It is intended to support further work in developing an inter-regional Lower North Island (Hawkes Bay, Horizons, Taranaki, Greater Wellington and Gisborne) strategic approach to freight, and to provide input into the 2027 Wellington Regional Land Transport Plan (RLTP).*

10. This was one of three background papers for Greater Wellington's RLTP 2027 which were published online on11 July 2025.
11. The following overview relies heavily on the Paper and the associated presentation to the Greater Wellington RTC at a workshop on 24 June 2025. Staff acknowledge with sincere thanks the significant work being undertaken by Greater Wellington staff and suggest formal acknowledgement by this Committee of these efforts.

Summary of key findings

12. The following is from 'Annex A - Key findings and supporting detail' of the Paper.

Transport planning in the freight sector is currently constrained by limited data availability and the lack of a comprehensive system-wide view, which in turn has run-on effects for economic growth and productivity.

1) Freight is the lifeblood of the economy carrying over 80 per cent of the country's export earnings to market.
2) Freight patterns are likely to have changed significantly since the last national Freight Demand Study in 2017 including the local distribution market.
3) However, New Zealand's transport planners lack a comprehensive view of the movement of freight across the country's land transport networks making informed decision making difficult.
4) A lack of benefits realisation and monitoring is compounding the impact of fragmented planning.
5) Fragmentation in planning is contributing to poor return on investment, including poor use of existing infrastructure which detracts from the Government's priority of economic growth and productivity.

New Zealand's freight sector is hampered by poor strategic goal use of infrastructure and investment.

6) While New Zealand's freight sector operators are highly competitive, poor use of infrastructure and capital reduces the effectiveness of the sector.
7) There is evidence of ongoing cross-subsidisation between modes which reduces the effectiveness of investment and operating expenses.
8) The ongoing transport sector focus on revenue rather than cost continues to hamper effective investment.

New Zealand has unique characteristics that challenge the resilience and efficiency of the freight sector, particularly geology and population size.

9) New Zealand's freight sector is asymmetric with very different flows between export and import markets.
10) New Zealand's long, thin unstable geology coupled with a small population and GDP relative to other similarly sized countries makes it challenging to fund and build a resilient transport network – refer to Table 1.

Current technologies mean that the freight sector is unlikely to meet the carbon zero goal by 2050.

11) Technologies for freight to transition to carbon zero by 2050 are not yet available.
12) Options exist to move to more efficient modes of transportation.
13) Current regulatory settings do not support this shift.

There are opportunities in the regional system to work with national agencies to develop effective long-term approaches with the freight sector that would lead to a more productive sector with reduced negative impacts.

14) In the absence of an effective national strategy, pan-regional approaches offer the best avenue for effective action to deliver on shared policy objectives.

	Population estimate	Land area (km^2)	Population density (people/km^2)	GDP (US$) in 2022	Visual comparison of country size and shape
New Zealand	5,235,227	263,310	20	$247b	
Japan	123,387,780	364,555	338	$4,231b	
United Kingdom	69,397,937	241,930	287	$3,070b	

Table 1: Comparison of New Zealand's population, land area and GDP with similarly sized countries

The Lower North Island context

13. Figure 2 provides an overview of the national freight network from the Ministry of Transport's 2023 *Aotearoa New Zealand Freight and Supply Chain Strategy*, with the area of specific inter-regional discussions highlighted.

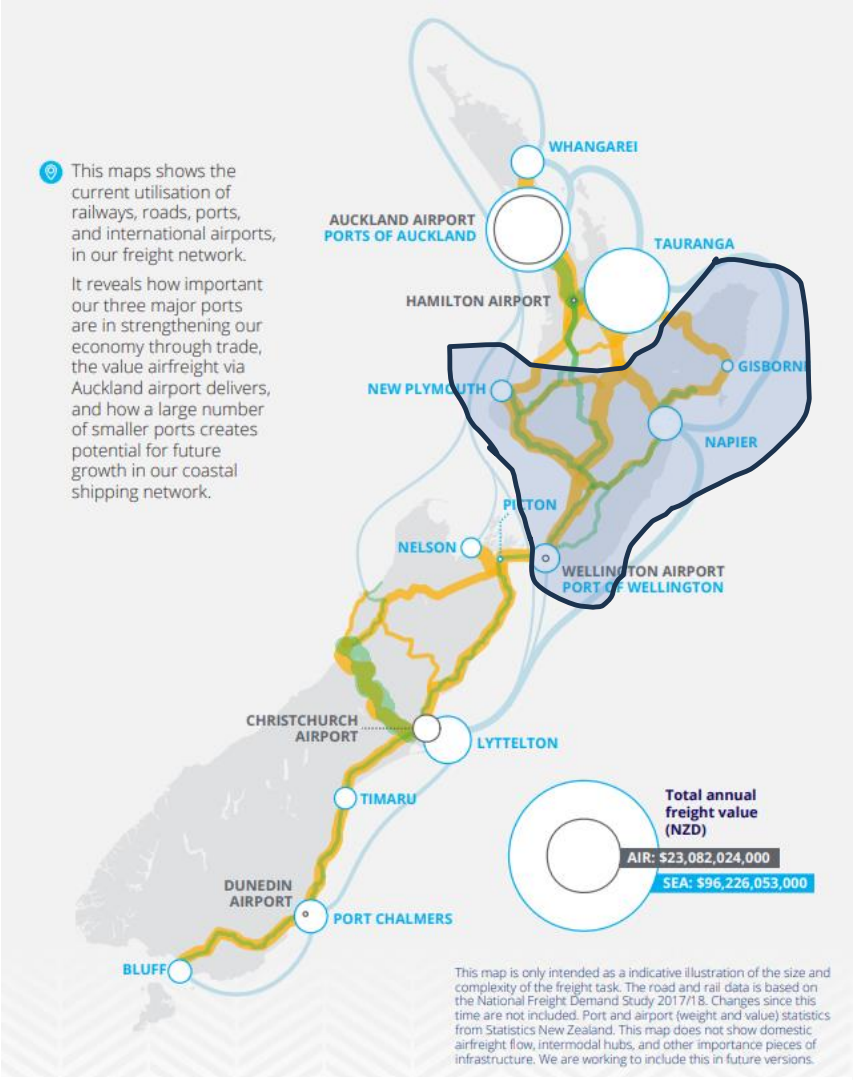


Figure 2: Highlighting the area of interest over the national freight and supply chain

What are the main freight flows?

14. Figure 3 provides an approximate overview of freight flows between the involved regions. The significance of Palmerston North as the primary logistics centre for the Lower North Island is clear in this Sankey diagram
15. Other key points about freight flows include:
    - significant north-south flow of freight along SH1 crossing Cook Strait
    - logging traffic and other primary produce tends to flow towards the nearest port, Gisborne, Taranaki, Napier or Wellington
    - there is significant outward flow of processed goods from Taranaki south along the SH3 corridor
    - Palmerston North is the effective crossroads or hub for the Lower North Island's freight network (clear visually in Figure 4)
    - significant but unquantified growth (1-2 per cent per annum) in local freight driven by e-commerce, home delivery etc.

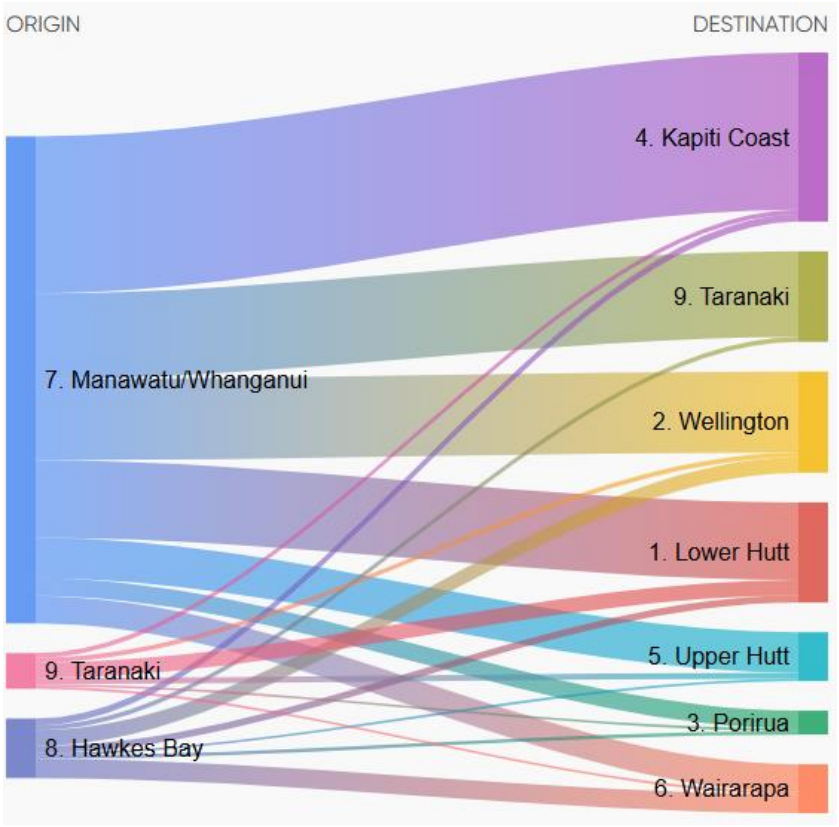


Figure 3: TomTom 'fleet' vehicle flows March 2025

Ports anchor our trade

16. The graph in Figure 4 shows a snapshot of the relative volumes of imports and exports through the four Lower North Island ports. This is broken down by port, into containerised and bulk as well as aggregate figures.

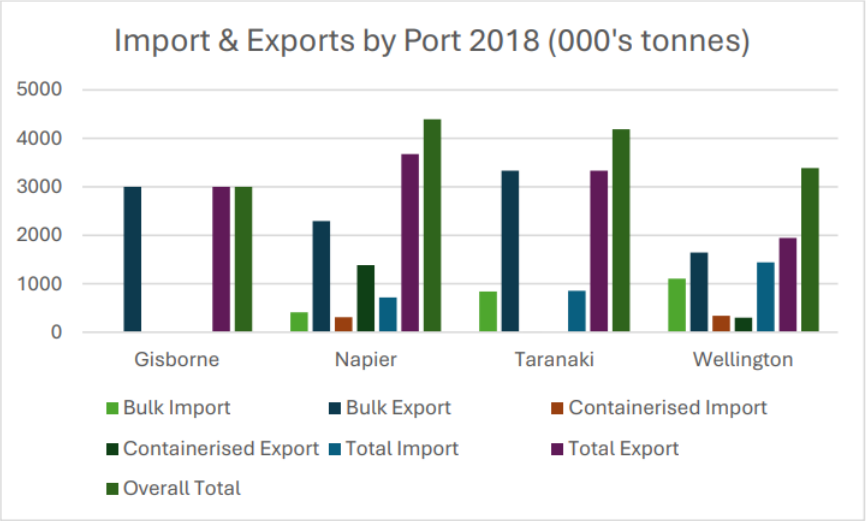


Figure 4: Imports and exports through the four Lower North Island ports 2018

17. The following key points about the Lower North Island ports are made in the Paper:
    - 22 percent of New Zealand's trade passes through our ports
    - Napier and Taranaki are the largest export ports
    - Wellington is the largest import port
    - Most import freight comes in through Auckland, Tauranga and Christchurch
    - Most inter-island freight crosses Cook Strait
    - Air though small is highly valuable at $23b vs $96b by sea.

Issues

18. Through the direction set in the RLTP, the Committee has a role in addressing the effectiveness of freight movements in the region.
19. Staff have identified developing common policies and investment objectives for freight across the Lower North Island as the best next step towards improving overall transport outcomes. This proposal is currently being tested with the respective regional transport committees.
20. On 24 June 2025, the Greater Wellington RTC supported the recommendation for greater cooperation across the Lower North Island on freight. There was particularly strong support received for this work from the RTC representatives of KiwiRail (David Gordon) and Waka Kotahi NZ Transport Agency (Emma Speight).
21. The issue for the Committee's consideration today is whether to support further collaboration with the other regions in the Lower North Island regarding freight.

Discussion

22. The Paper makes the case for a change in approach towards freight in regional land transport planning across the Lower North Island. Such work will be an important input into developing the 2027 RLTPs.

23. The freight task and associated movements are complex, as are the economics involved, and staff are aware of the Committees' sphere of influence. Benefit can be gained by working together across the Lower North Island addressing common issues, avoiding duplication of effort and taking a network approach. The Paper outlines a wide range of potential benefits from a more strategic approach to freight, as well as noting the stakeholder partnerships that will be required. It further summarises known knowledge gaps that if addressed would improve the evidence base for a pan-regional approach for freight.
24. It is worth noting that there are substantial works currently underway in the Lower North Island (Table 2) which are of significance to the movement of freight. Of importance, neighbouring regions are not always aware of these activities and therefore the impacts that they may have on their own networks.

Gisborne	Taranaki	Horizons	Hawke's Bay	Greater Wellington
Twin berth expansion to accommodate 40 per cent growth in traffic (3mt to 4.2mt by 2030) Gisborne heavy freight /by-pass and access to port	Te Ara o Te Ata – Mt Messenger Bypass is a new 6km route being built to avoid a tortuous stretch of SH3 between New Plymouth and Hamilton, replacing it with a safer, more resilient and reliable roadway – supporting road freight on this key inter-regional corridor	Te Utanganui freight hub Palmerston North (including Bunnythorpe rail hub) O2NL Te Ahu Turanga, Manawatū-Tararua crossing	Hawkes Bay Expressway duplication Inter-regional connectivity with Gisborne Regional Freight Distribution Strategy Post-Cyclone Gabrielle restoration of SH network Post-cyclone local road recovery farm gate to processing link	Replacement rail-ferries. Petone-to-Grenada and Cross-Valley link State Highway strategic review FY26-27 Waingawa Logging Hub

Table 2: Freight sector works underway across the regions

25. A more efficient and effective freight system will require action at national and local government levels working in partnership with the infrastructure and service providers and operators and customers. Regional and unitary councils have specific role in setting the strategic direction for their regional system within the national context through the regional land transport planning process. In the absence of a nationally coordinated approach, change must be led at the regional level while recognising the limitations in being able to effect change, without more central Government leadership. Available levers for change in this situation are summarised in Table 3.

Lever	Benefit	Who
Coordinate development with NZTA Arataki refresh and System Design	The regional sector's and NZTA's strategic documents used for investment planning are aligned leading to increased confidence by investors	Regional Councils NZTA
Integrate transport planning with land use using spatial planning, including proposed spatial plans, FDS and District Plans to develop an agreed inter-regional freight network	The region's transport network will support regional ambitions allowing smarter targeting of infrastructure	Regional Councils Territorial Authorities Regional Economic Development Agencies
Establish a coordinating mechanism to oversee implementation of the agreed plan.	Transport investment is coordinated leading to better return on investment	Regional Councils NZTA KiwiRail Freight Industry
Partnership with key freight industry players in development of strategic freight approach	Higher likelihood of acceptance and success	Regional Councils Freight Industry
Collectively work with NZTA and MoT for the establishment of a comprehensive view of freight and national strategy	The pan-regional network is operating as part of a national network contributing to overall efficiencies, growth and outcomes	Regional Council NZTA MoT
Sector advocacy	A united voice on clearly defined goals is more likely to lead to change	Regional Council TSIG and Te Uru Kahika.

Table 3: Levers for change

Options

26. There are four options available to the Committee as outlined below in Table 4.

	Option	Advantage	Disadvantage
1	**Do nothing – status quo** Continue with informal discussion between the regions and identify the requirement for a pan-regional or national approach	Requires little further investment other than light-touch coordination.	Does not address the issues identified including economic, resilience and environmental.
2	**Inter-regional cooperation** Develop an agreed understanding of the problem and opportunity, agreed policy position, with common goals and investment priorities	Recognises the interconnected nature of the freight networks across the regions and nationally. Allows a coordinated approach to be taken by the regions permitting more effective use of the existing network. Would permit better targeting of capital investment.	Does not contain any real levers for ensuring change.
3	**Develop a pan-regional freight strategy** Develop a Lower North Island freight and supply chain strategy with NZTA and key stakeholders with an agreed implementation plan and governance.	Would provide a common knowledge base. Would provide an agreed action plan and governance plan. Would permit better targeting of capital investment.	Requires as yet unidentified funding. Would be better supported with a rerun national Transport Demand Study
4	**Lobby for national action** including - updated and "evergreen" freight demand study - updated national freight strategy and action plan	The demand study would provide the common evidence at a national level on which to make informed decisions regarding policy and investment. A renewed strategy with a focused action plan would provide the investment	No funding currently unavailable. Regions do not have sufficient resource.

Table 4: Options for Lower North Island regional councils

27. For each option the lens of forthcoming government reforms including spatial planning should be applied to the regional transport planning process.
28. Option 1 is not supported as it misses the opportunity currently available to work with other Lower North Island regions on this important area.
29. Option 2, with potential progression to Option 3, is recommended by staff as the best way to support strategic improvements in the freight task within and through the region. The Committee has responsibilities to represent the Taranaki region on transport matters of regional significance or concern, and the willingness of Greater Wellington to lead the other regions in this important work for the Lower North Island should be fully supported.
30. Option 4 is a task best achieved through collaborative lobbying via the likes of Te Uru Kahika. The need for national-level action to improve freight effectiveness throughout the country may be a recommendation supported by the proposed Lower North Island Freight work proposed.

Next steps

31. If agreement to work together is given, it is proposed:
    - Chairs of RTCs meet to discuss the way forward (after the respective Councils have all considered this initial proposal)
    - Officers develop process across Lower North Island to develop common objectives as a starting point and identify who will lead/assist/resource etc
    - Formal paper brought to RTC meeting to agree final approach.

Related matter - Ports and Maritime Sector inquiry

32. A Transport and Infrastructure Committee Inquiry into Ports and the Maritime Sector is currently underway (submissions closed 13 July 2025), which is hoped to be a useful input into this work.

Significance

33. The decision to work collaboratively with other regions is not significant, as it simply provides directions to staff for further work to be undertaken. At this stage, the decision is primarily around information gathering, to guide further actions that the Committee may consider at a later date and will be brought back for decisions at that time. Accordingly, it does not require further consideration under the Significance and Engagement Policy.

Financial considerations—LTP/Annual Plan

34. This memorandum and the associated recommendations are consistent with the Council's adopted Long-Term Plan and estimates. Any financial information included in this memorandum has been prepared in accordance with generally accepted accounting practice.

Policy considerations

35. This memorandum and the associated recommendations are consistent with the policy documents and positions adopted by this Council under various legislative frameworks including, but not restricted to, the *Local Government Act 2002*, the *Land Transport Management Act 2003*, the *Land Transport Act 1998*, the *Resource Management Act 1991* and the *Local Government Official Information and Meetings Act 1987*.

Climate change considerations

36. There are *no* climate change impacts to consider in relation to this item.
37. However, the impacts of climate change on transport infrastructure resilience will have direct impacts on reliable freight flows; and outcomes from further work in the area of identifying and supporting improvements to freight flows may well result in lower transport emissions.

Iwi considerations

38. This memorandum and the associated recommendations are consistent with the Council's policy for the development of Māori capacity to contribute to decision-making processes (schedule 10 of the *Local Government Act 2002*) as outlined in the adopted Long-Term Plan and/or Annual Plan.
39. Iwi are not directly involved in these inter-regional discussions, as this is primarily an early information-gathering stage. Future stages may broaden engagement.

Community considerations

40. This memorandum and the associated recommendations have considered the views of the community, interested and affected parties and those views have been recognised in the preparation of this memorandum.

Legal considerations

41. This memorandum and the associated recommendations comply with the appropriate statutory requirements imposed upon the Council.

Appendices/Attachments

Document TRCID-577703197-21: 2025.06 Lower North Island Freight - Working paper - A case for change paper - GW.pdf

Lower North Island Freight

Working paper: a case for change
June 2025

Greater Wellington
Te Pane Matua Taiao

Freight

A case for change in the Lower North Island

Table of Contents

I. Introduction....4
II. Summary of Key Findings....4
III. Background – the Genesis of the Problem....5
IV. Methodology and Policy....7
Methodology....7
Policy Disclaimer....7
Thanks....7
V. Definitions....8
Freight system....8
Modes....9
Scope....9
VI. What does our network look like?....9
Unique Features....12
Three Pan-Regional Groupings....12
Lower North Island Flows....13
Freight Sector Actors and Challenges....17
Challenges of COVID-19 pandemic and recent developments....18
VII. Current Situation....20
Resilience....20
Changing Nature of Shipping and Port Consolidation....22
Predictability....22
Investment Returns and Benefits Realisation....24
Funding versus Cost....26
Efficiency....29
Infrastructure Ownership....31
Externalities....34
Technology and Data....36

Workforce 38
Government role in the sector 39
Regulatory 40
Environmental 41
Perceptions of Freight 43
Safety 44
National Problems, Fragmentation and the Case for Inter-regional cooperation 45
VIII. Potential for Change 48
Opportunity 48
Reason for Change 49
Areas of Focus 50
Potential Outcomes of a strategic approach 52
Levers for Change 52
Options for Change 54
IX. Next Steps 55
Annex A – Key Findings and Supporting Detail 56
Annex B – Knowledge Gaps 58

I. Introduction

This paper makes the case for a change in approach towards freight in regional land transport planning across the Lower North Island. It has been written following the release of the Ministry of Transport's National Freight and Supply Chain Strategy in 2023 and change in policies contained within the Government Policy Statement on land transport (GPS) 2024, which set an overarching priority of economic growth and productivity. It is intended to support further work in developing an inter-regional Lower North Island (Hawkes Bay, Horizons, Taranaki, Greater Wellington and Gisborne) strategic approach to freight, and to provide input into the 2027 Wellington Regional Land Transport Plan (RLTP).

II. Summary of Key Findings

1. Transport planning in the freight sector is currently constrained by limited data availability and the lack of a comprehensive system-wide view, which in turn has run-on effects for economic growth and productivity.
2. New Zealand's freight sector is hampered by poor strategic use of infrastructure and investment.
3. New Zealand has unique characteristics that challenge the resilience and efficiency of the freight sector, particularly geology and population size.
4. Current technologies mean that the freight sector is unlikely to meet the carbon zero goal by 2050.
5. There are opportunities in the regional system to work with national agencies to develop effective long-term approaches with the freight sector that would lead to a more productive sector with reduced negative impacts.

This summary and key supporting points are detailed in Annex A – Key Findings and supporting detail.

III. Background – the Genesis of the Problem

Government established five transport outcomes in 2018 (Ministry of Transport, 2018)[1]:

Figure 1 - Ministry of Transport Outcomes Framework. Source: Ministry of Transport (2025)

In general, the regional sector has used these outcomes on which to base their RLTPs, while referencing the GPS (with which Regional Transport Committees (RTCs) must ensure that RLTPs are consistent (s16(a)(2) LTMA 2004)).

The general trend since the release of the Transport Outcomes Framework has been to focus (certainly for GW) on the people aspects of transport. This has seen the Wellington Regional Transport Committee set strategic priorities around the movement of people with the prioritised programme of investments containing a 60 per cent weighting for Public Transport Capacity and Travel Choice (reduced to 50 per cent in the 2024 Review to support increased network resilience) (GWRC, 2024). While freight is discussed in the Wellington RLTP under the strategic access and resilience priorities, it is not a specific focus.

RTCs have the statutory responsibility of developing RLTPs that contain a strategic "front end," which sets the overall direction and policies for land transport in each region or unitary council and the investment intentions. As such, they have a key role in how a region's land transport system is developed.

Prior to the COVID-19 pandemic, the Ministry of Transport had conducted a national freight demand study in 2017/18, (which is the last comprehensive source of freight data for planning) and commenced work on a national freight and supply chain strategy. This work was suspended in order to ensure that New Zealand's international freight routes remained open during the pandemic.

Since the time of the national freight demand study, there have been a range of further studies and strategies which seek to fill specific gaps in regional or sector knowledge or understanding. These include the Hawkes Bay Regional Freight Distribution Strategy (Tupe Aumoana), KiwiRail's Value of

[1] Ministry of Transport (2018), Transport Outcomes Framework, accessed on 15 January 2025

Rail, the Palmerston North Integrated Transport Initiative (Te Utanganui) and the Multi-User Ferry Terminal in Wellington[2]. Yet each of these lack a strategic context or system view against which to judge their utility and the benefits of investment.

A national freight and supply chain strategy was eventually published in 2023. Yet as this paper will argue, it provided little real direction to guide investment or the actions of freight sector actors. The one real exception to this has been the Rail Network Investment Programme will help deliver the operation, renewals, maintenance and improvements required to meet the long-term challenges of the rail network, while contributing to economic growth and productivity of New Zealand. This is in contrast to the Australian strategy which has clear action areas, governance and reporting mechanisms.[3] A key missing component for New Zealand transport planners is contemporary, consolidated data on the freight task in the country. Given the significant changes in the freight sector generated by COVID-19, changing geopolitical environment, and impacts of climate change and technology, an updated study is required. Efforts to fund this nationally have so far been declined.

Within GW, initial attempts to understand the freight problem quickly identified that much of the freight flow through Wellington is inter-island, and any attempt to develop policy for the RLTP would fail if it did not consider the broader picture across the Lower North Island, and in many respects nationally.

In the absence of any overall guiding national direction, there have been three pan-regional initiatives to understand the nature of the freight "problem" and what a response might be. These have tended to group roughly into Upper North Island, Lower North Island and the South Island. The Upper North Island approaches most recently focused around the future of the Port of Auckland (Ministry of Transport, 2020[4]) and rail and road investments around the "Golden Triangle." In the South Island, the RTC chairs have now commissioned work[5] that will lead towards a regional strategy. Officers in the four Lower NI regional councils and Gisborne District Council have identified a need for a common approach including development of a freight strategy in their 2024 RLTPs. This has been discussed informally with elected officials but as of April 2025, no formal decisions had been made.

[2] Hawkes Bay Regional Recovery Office (2024), Tupe Aumoana Hawkes Bay Strategy; KiwiRail (2021) Value of Rail; and Central Economic Development Agency (2020) Te-Utanganui-Strategy.
[3] Transport and Infrastructure Council of Australia (2019), National Freight and Supply Chain Strategy.
[4] Ministry of Transport (2021), Saperes Report on the UNISCS Independent Working Group Findings.
[5] Environment Canterbury (2024), South Island Freight Study, presentation for South Island RTC Chairs.

IV. Methodology and Policy

Methodology

This paper is based primarily on a literature review of relevant material, Greater Wellington (GW) reporting of progress against the region's RLTP and informal discussions with key actors engaged in delivering transport in the Wellington region. Data was collated over the period January-April with some updates prior to publication in June 2025.

Insight tables of "What? So What? So What Now?" are included through the paper to draw out insights at relevant places. While some of the actions point towards national-level action, these insights are focused on what actions regional councils can take.

Policy Disclaimer

This paper is a working paper intended for the use of the officers in the regional and unitary councils and their respective territorial authorities. This paper does not represent agreed policy positions of any organisation nor the Wellington Regional Transport Committee.

Thanks

Greater Wellington staff would like to thank the officers and staff of KiwiRail, New Zealand Transport Agency (NZTA) Waka Kotahi, Gisborne District, Hawkes Bay, Taranaki, and Horizons Regional Councils and others for their input and support to this paper.

V. Definitions

Freight system

"The freight and supply chain system underpins New Zealand's economy." (Ministry of Transport 2023)[6]

"Every time you go to the shops, overtake a truck on the highway, have a parcel delivered, pass a construction site or see Australian produce overseas, you are seeing Australia's freight and supply chain networks in action." (Commonwealth of Australia, 2019[7])

The freight system is a network of people, businesses, services and infrastructure handling, transporting and storing goods. It is in other words the lifeblood of the economy. While this paper references the New Zealand and Australian freight and *supply chain* strategies, supply chains encompass the broader process involved in getting a finished product or service to customer. It is broader than the transport network that delivers goods along that supply chain. This paper focuses on the narrower freight network, comprising the infrastructure, operators, funders, policy makers and regulators.

For the purposes of this paper, New Zealand's freight network can be subdivided into three broad categories reflecting the reality of our network and geographic location:

a. international – international shipping and airline links that connect New Zealand to international markets
b. domestic national – predominantly heavy freight that:

    a. connects points of production supplying them with raw materials and delivering products to distribution hubs and ports, and
    b. delivers inter-city freight

    High-productivity motor vehicles[8] predominate in this sector supported by rail and coastal shipping. This grouping includes the Cook Strait ferry link.

[6] Ministry of Transport (2023), Aotearoa New Zealand Freight and Supply Chain Strategy, p 4.
[7] Commonwealth of Australia (2023), National Freight and Supply Chain Strategy, p 4.
[8] HPMV include 50MAX trucks that are able to operate above the previous 44 tonne weight along designated HPMV routes, High productivity motor vehicles and permits | NZ Transport Agency Waka Kotahi accessed on 22 January 2025.

c. domestic local – the so called "first-mile, last-mile" where goods are distributed locally to or gathered from end users. This covers a variety of delivery methods from foot, through cargo bikes and e-scooters up into light freight vehicles[9].

Modes

There are four main modes involved in the movement of freight within New Zealand. These are defined by the environment in which they operate:

a. air – use of aircraft to deliver freight. Used predominantly domestically to deliver high-value low-volume goods to international airports for export or in the freight-fowarding and courier business;
b. road – the state highway and local road networks;
c. rail – the rail network operated and maintained by KiwiRail; and
d. shipping – the use of shipping to deliver goods between ports.

Scope

This paper restricts itself to discussing the land transport network as defined in the Land Transport Management Act (LTMA) 2003 and Maritime Transport Act (MTA) 1994, and includes coastal shipping. International shipping and airlinks are discussed as feeders into the domestic networks or where they carry some of the domestic freight demand. This paper covers the four regional and one council in the Lower North Island, *viz*. Greater Wellington (GW), Horizons, Hawkes Bay and Taranaki regional, and Gisborne District Council.

While this paper will look at the sector as a whole, its recommendations for further action will be focused in those areas where regional councils can take action with their authorised organisation counterparts[10].

VI. What does our network look like?

New Zealand is a long, thin island nation located at the end of the international trade routes. It is relatively thinly populated with a small economy for its geographic size (see Table A below). The country's economy was built on, and still has heavy reliance on the primary sector which accounts for $54.3 billion in export revenue and 81.9 per cent of our external trade[11] with the majority of its international trade by volume arriving or departing by sea with a much smaller volume but higher value proportion traveling by air. These routes are vulnerable to disruption as seen during COVID-19 pandemic when the near collapse of international air passenger traffic by which air freight

[9] "A goods vehicle that has a gross vehicle mass not exceeding 3.5 tonnes." NZTA (2025), Vehicle classes | NZ Transport Agency Waka Kotahi accessed on 4 February 2025.
[10] As defined in the LTMA and mostly the members of Regional Transport Committees and NZTA.
[11] Ministry for Primary Industries (2023), Situation and Outlook for Primary Industries, p 3.

travels required Government intervention to support those networks. Sea transport was also heavily disrupted as capacity was diverted to shipping consumer goods predominantly from China to western countries.

	Population Estimate	Land Area (km^2)	Population Density (people/km^2)	GDP (US$) All figures for 2022
New Zealand	5,235,227	263,310	20	$247 bn
Japan	123,387,780	364,555	338	$4,231 bn
United Kingdom	69,397,937,	241,930	287	$3,070 bn

Table A. Comparison of New Zealand Population, Land area, Population Density and GDP [12]

The total annual value of New Zealand's freight sector in 2017/18[13] was $23 billon for air freight and $96 billion for sea freight.

The majority of New Zealand international trade is conducted through the three major ports of Auckland, Tauranga and Christchurch. The majority of domestic freight moves by land with relatively low volumes by sea. Of the land transport, the majority is moved by road with a small and declining portion moving by rail[14].

The map in Figure 2 below taken from the 2023 National Freight and Supply Chain Strategy illustrates the situation as it was in 2017/18.

[12] Data extracted from Worldometer - real time world statistics, accessed on 22 January 2025.
[13] Ministry of Transport (2023), op cit., p. 15.
[14] OECD (2025), Freight Transport Indictor, accessed on 31 January 2025.

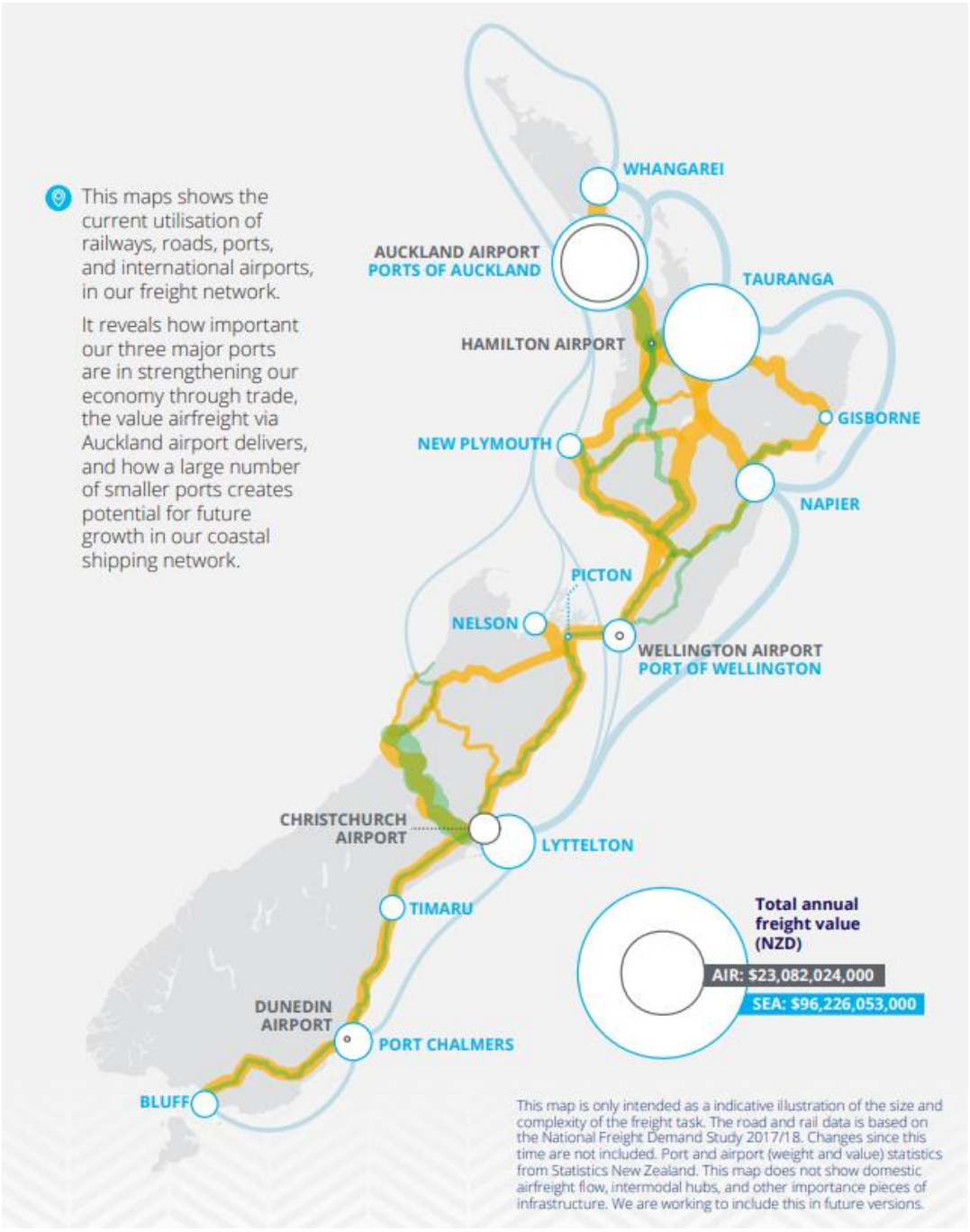


Figure 2 - New Zealand's Freight and Supply Chain in 2018/18. Source: Ministry of Transport (2023).[15]

[15] Ministry of Transport (2023), op.cit., p 13.

Unique Features

New Zealand's geography and low population density dictate the nature and flow of its freight task, thereby presenting some unique challenges for transport planners.

The key feature is the asymmetric nature of export and import flows, which is driven in part by "Just-in-Time" supply chain management and costs[16]. New Zealand's exports by and large flow to the nearest available port. These flows tend to be from the primary sector and the distances are relatively short by (less than 150 km), (particularly in comparison to Australia or the US). There are some exceptions whereby exporters will look to aggregate shipments to one port in order to obtain better international shipping rates with the three largest ports by volume (Auckland, Tauranga and Lyttleton) tending to be preferred.

By contrast, import supply chains in New Zealand are long as freight is moved from one of the three above ports along long routes which are subject to disruption with few viable available alternatives.

Shorter export routes are not necessarily reliable. Much freight movement is along rural roads with low levels of service before reaching state highways e.g. stock movements from farms, the Wairarapa logging traffic into the Waingawa hub, or the movement of export fruit in Hawkes Bay. The asymmetry between imports and exports also shows up in the containerised freight with the majority of imports coming in in "dry boxes," i.e. non-refrigerated containers, while exports require a higher percentage of "wet" or refrigerated containers.

The key impacts of this from a transport planning point of view cover:

a. the economies of scale that might be available for the movement of bulk goods over long distances by rail or coastal shipping are often not there;
b. high-value, low-volume goods are the ones moving longer distances and raising costs for transport operators and consumers; and
c. there are inefficiencies generated for operators and infrastructure owners as back-loading which makes more efficient use of vehicles is not always available.

Three Pan-Regional Groupings

Below the national level, freight studies to date have been geographically focused. The Upper North Island Strategic Alliance focused on development of an Upper North Island Freight Story[17] in

[16] "Just-in-Time" supply management was driven originally by the manufacturing industry as a way of lowering costs through reducing inventory holdings. The overall impact on the freight system has been to increase requirements for timeliness in delivery due to lower inventory holdings. Cost has been a primary driver for the consolidation of import and some export shipping as shipping lines are favouring fewer port calls in New Zealand.

[17] Upper North Island Strategic Alliance (2013), Reducing the cost of doing business in New Zealand through an upper North Island lens, Summary of Critical Issues, accessed on 8 April 2025.

the 2010s, followed by an Upper North Island Supply Chain Strategy in 2020[18], which considered the question of relocating the Ports of Auckland. This has been followed by the South Island Freight Study commissioned by the South Island Regional Transport Committee Chairs[19].

Each of these studies were successful in uncovering barriers to freight movement within the regions, notwithstanding the common issues between the regional groupings and the national nature of some. These studies identified large internal flows within each regional grouping which suggests that similar flows are likely to exist across the Lower North Island. It is, therefore, worth considering the Lower North Island as a single block for flows, notwithstanding significant intermodal flows through the area as well as originating or terminating in the area itself. Gisborne is included because of its links and shared issues with Hawkes Bay, including the SH2 corridor.

Lower North Island Flows

While the data about freight flows is now dated, analysis of the four relevant RLTPs, the Hawkes Bay Freight Strategy and Te Utanganui multi modal hub in Palmerston North reveal the following aspects about the Lower North Island freight and supply chain:

a. significant north-south flow of freight along SH1 crossing Cook Strait;
b. logging traffic and other primary produce tends to flow towards the nearest port, Gisborne, Taranaki, Napier or Wellington;
c. there is significant outward flow of processed goods from Taranaki predominantly by rai south along the SH3 corridor and thence north to Tauranga; and
d. Palmerston North is the effective crossroads for the Lower North Island's freight network.

Data about actual freight flows is dated and dates from the 2018 Freight Demand Study. However, a degree of the nature of the flow of both exports and imports through the four ports in the region relative to the national flow through ports can be shown in Table B below. Source data is taken from the 2018 National Freight Demand Survey.

[18] Sapaere (2020), Analysis of the Upper North Island Supply Chain Strategy Working Group Options for moving freight from the Ports of Auckland; and West Coast Regional Council (2024) Attachment 8 Minutes South Island RTC Chairs 29 November 2023, accessed on 17 April 2025.
[19] Environment Canterbury, Stantec (2025), South Island Freight Study.

	Bulk (Read 000t)		Containerised (Read 000t)		Total	
	Import	Export	Import	Export	Import	Export
Gisborne	0	2,991	0		0	
Napier	4,010	2,294	309	1,384	719	3,677
Taranaki	838	3,334	17	1	855	3,335
Wellington	1,104	1,645	338	300	1442	1,946
Total Lower North Island Ports	2,359	10,272	664	1,685	3,015	11,958
New Zealand Total	17,546	30,726	7098	11,793	24,644	42,519

Table B. Imports and Exports through four Lower North Island Ports (2018)

This data indicates that in 2018, the four ports handled 22 per cent of the overall tonnage passing through New Zealand's ports, but that there is an imbalance between imports and exports with exports significantly outweighing imports (11,957 kt vs 3,015 kt) and bulk exports significantly outweighing containerised exports (7,273kt vs 1,685 kt). The data also shows that Napier and Taranaki were the largest export ports in 2018 (noting that Wellington was likely constrained by the post-Kaikoura rebuild activity.) Wellington, however, dominated the import sector with 48 per cent of imports across the four ports. The graph in Figure 3 below shows by port the relative volumes of imports and exports broken down into containerised and bulk as well as aggregate figures.

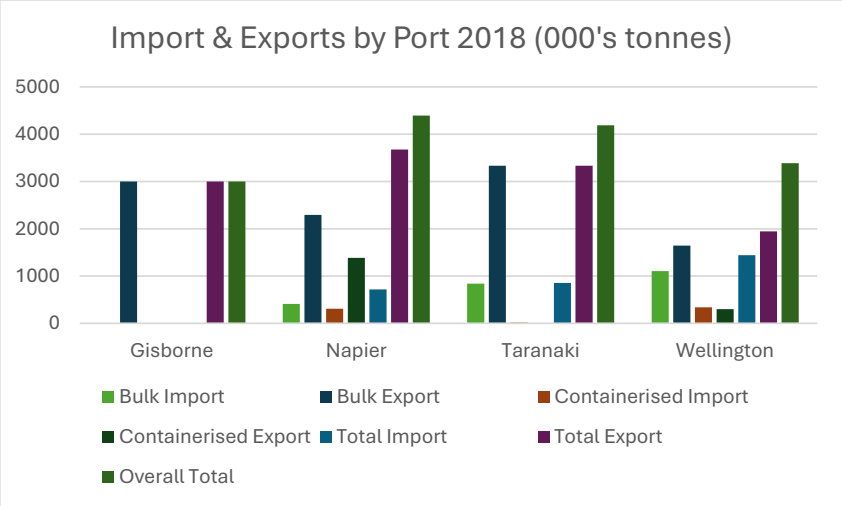


Figure 3 – Imports and Exports through the four Lower North Island Ports 2018

Using the ports as a proxy for overall freight demand in New Zealand, approximately 20 per cent of the country's economic trade by volume is passing through these ports. This rises to 28 per cent of national volumes for exports by sea. The map at Figure 2 on page 11 indicates that there is significant north-south primarily intermodal import freight although data is not readily available

across all modes. Also missing from the picture is how high-value freight moves to export, although the Te Utanganui Central North Island Freight Strategy notes that 83 per cent of the country's air exports go through Auckland with the remainder 17 per cent through Christchurch and none through the other 24/7 airport available for export, Palmerston North[20].

The significance of Palmerston North as the primary logistics centre for the Lower North Island is emphasised in the Sankey diagram shown in Figure 4 below showing 'fleet' road traffic flows into the Wellington Region from regions further north, as recorded in TomTom vehicle trip data. The flows from Manawatu/Whanganui, mostly from Palmerston North, are larger into every part of the Wellington Region than flows from either Taranaki or Hawkes Bay.

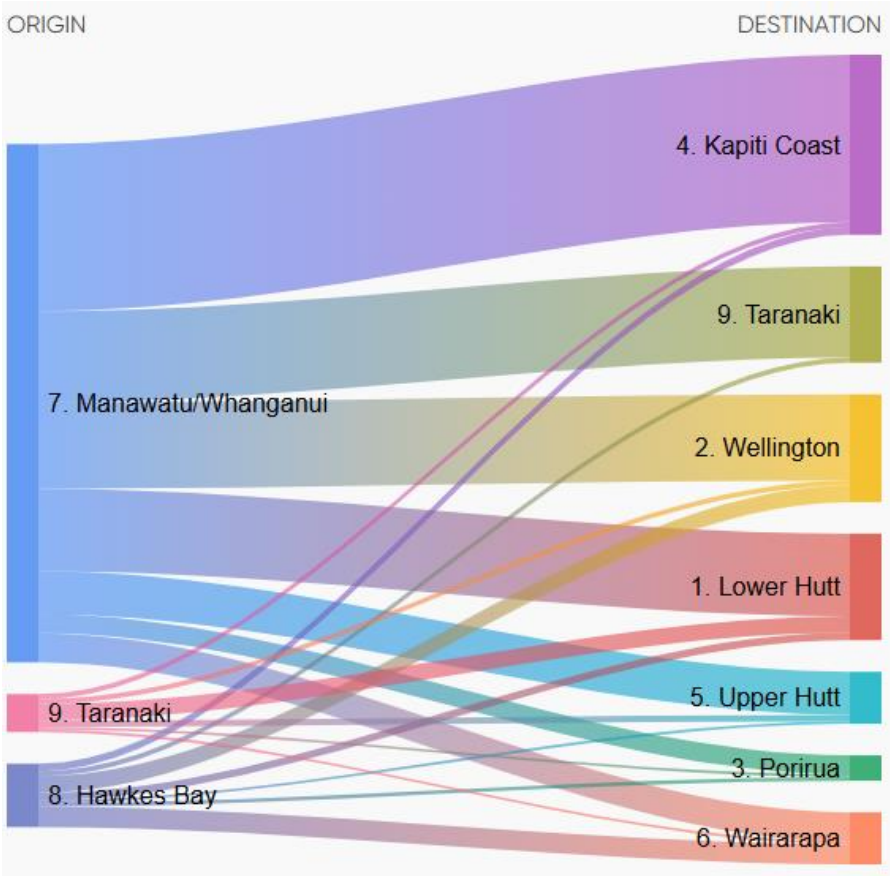


Figure 4 - TomTom 'fleet' vehicle flows from Manawatu/Whanganui, Taranaki, and Hawkes Bay into Wellington Region, March 2025. Source: TomTom Move (2025)[21]

[20] Central Economic Development Agency (2024), Te Utanganui Strategy Central New Zealand Distribution Hub, p 15.
[21] Tomtom Move O/D Analysis (2025), accessed through https://od.tomtom.com/dashboard.

Further analysis of TomTom data provides a more detailed picture of fleet vehicle movements and destinations in the Wellington region. Specifically, few vehicles entering the region from the north travel further south than the CBD or Terrace tunnel. Roughly 50 per cent of vehicles travelling south on SH1 continue down SH1 with the other half proceeding over SH58 for destinations in the Hutt Valley, predominantly in the Seaview area with similar patterns seen for vehicles entering from the north on SH2. These patterns suggest that the primary destinations for freight in the Wellington region are Seaview, Centreport and the urban centres of Wellington, Porirua, Paraparaumu, Hutt City and Upper Hutt. These patterns are further confirmed with the primary freight destination and point of origin for rail being the Wellington railyards and adjacent Centreport and the location of the port itself. Recent Ministry of Transport data indicates that the primary source and destination for rail freight to/from Wellington is the Manawatū-Whanganui region followed by Auckland, although rail's overall share has declined (its tonnage carried remaining static while road increased its freight[22].)

Two maps below illustrate graphically the road fleet vehicle movements.

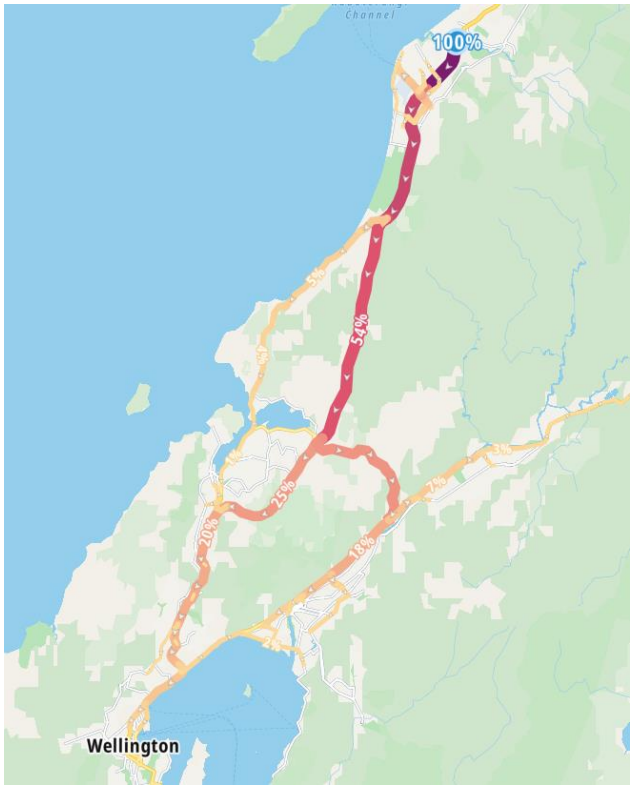


Figure 5 - Destination of 'fleet' vehicles southbound from Waikanae, March 2025. Source: TomTom Move (2025)

[22]Ministry of Transport (2025), FIGS Rail Data, accessed March 2025

Figure 6 - Destination of 'fleet' vehicles southbound on State Highway 2 from Remutaka Hill, March 2025. Source: TomTom Move (2025)

Further information on freight flows is available in the Wellington Transport Analytics Unit June report RLTP 2027 – State of Transport Network.

Freight Sector Actors and Challenges

It is useful to understand who the main actors involved in the operation and use of the freight network are. Issues that may be blocking freight movement may not come from the set of actors normally considered, e.g. frequency of rest stops for an older workforce may affect recruitment and retention of staff. Across the lower North Island, actors can be categorised into six categories (see Table C below for details):

- infrastructure owners and operators,
- funders,
- regulators
- service operators
- customers, and
- labour.

Note that multiple functions can be undertaken by single entities e.g. territorial authorities are owners, operators and regulators of their local roads:

Category	Function	Example
Infrastructure Owners and Operators	Provide and operate the transport infrastructure	NZTA -State Highways KiwiRail – Rail Network Territorial Authorities – Local Roads Ports Inland ports and freight hubs
Funders	Fund the infrastructure	NZTA through National Land Transport Fund (fully funds State Highway Network and 51 per cent of local roading activities) and Rail Network Investment Plan Crown – direct Crown funding for specified projects Territorial Authorities – 49 per cent local share.
Regulators	Regulate the land transport network	Ministry of Transport NZTA Territorial Authorities
Service Operators	Freight operators	KiwiRail – freight operations and Cook Strait ferries Road transport entities Shipping companies
Customers	Those who ship freight	Fonterra
Labour	Individuals who work in and operate the freight network	Drivers, construction personnel

Table C. Major freight sector actors across Lower North Island

The roles and influence of these actors will be discussed through this paper.

Challenges of COVID-19 pandemic and recent developments

As has widely been commented, the COVID-19 pandemic significantly disrupted global shipping (maritime and air) routes. While air freight routes have returned to a degree of normalcy with the restoration of international passenger air travel, the disruption to maritime markets has been longer lasting and potentially more significant for the New Zealand freight industry and the ports in particular. Fears that New Zealand would somehow be left off the global shipping network or become a hub from Sydney do not appear to have been realised. However, the frequency and port calls of international shipping lines have altered. As an example, the pre-COVID-19 pandemic weekly port calls by a container line into Wellington have decreased to fortnightly meaning that CentrePort has to hold more freight between port calls while handling more freight during the visit.

Two other developments have also affected the industry, but the impacts are yet to be quantified.

a. **Freight hubs:** The number of proposals and construction of freight hubs and inland ports have continued to grow. Across the Lower North Island, there is an intermodal distribution hub under development in Palmerston North (Te Utanganui), KiwiRail is developing a new freight hub in Palmerston North, logging hubs are proposed or have been built in Marton,

Waverly and Waingawa and CentrePort is considering where and how to build a break bulk facility for unpacking containers away from the port itself.[23]

b. **E-Commerce:** On-line shopping is fundamentally reshaping the consumer market with individuals preferring to order and take delivery of goods at home rather than head to a physical shop. The result has been a significant uptick in local delivery traffic. Australia noted a 24 per cent increase by value and 20.2 per cent increase by volume in e-commerce between 2017 and 2018.[24] It is likely that these trends have continued and were accelerated by the COVID-19 pandemic.

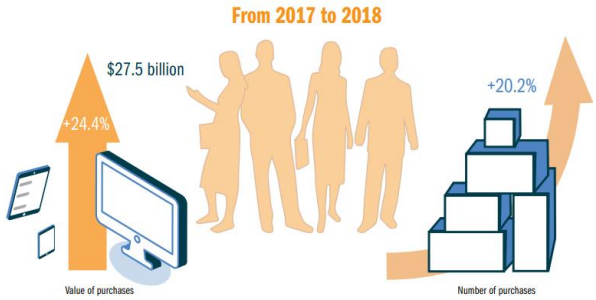


Figure 7 e-Commerce continues to grow due to changing consumer preferences. Source: Commonwealth of Australia (2019)[25]

	What	So What?	So What Now?
INSIGHTS	New Zealand has a long, thin geography with relatively low population density and small GDP relative to its physical size. Freight flows tend to be asymmetric in nature. The last consolidated view of the country's freight network dates from 2018.	Economies of scale in long-distance freight may not be there. The nature of the freight demand will have changed significantly since the demand study in 2017/18. Change in freight flows and volumes mean that transport planners no longer have reliable data for planning.	More information on the nature of freight in New Zealand is required for effective planning.

[23] Central Economic Development Agency (2024), Strategy, Central New Zealand Distribution Hub; KiwiRail (2023) Regional Freight Hub accessed on 4 February 2025; KiwiRail (2020), First log train runs on Wairoa line, accessed on 4 February 2025; Centreport (2024), and New operator at the helm for Waingawa log yard, accessed on 4 February 2025.
[24] Commonwealth of Australia (2023), 2023 Review of the National Freight and Supply Chain Strategy | National Freight and Supply Chain Strategy, p 4, accessed on 15 January 2025.
[25] Commonwealth of Australia (2019), National Freight and Supply Chain Strategy, p12.

VII. Current Situation

The literature review conducted has identified a range of issues and challenges facing the freight sector, including:

- Resilience
- Changing nature of shipping and port consolidation
- Predictability
- Investment returns and benefits realisation
- Funding versus cost
- Efficiency
- Infrastructure ownership
- Externalities
- Technology and data
- Workforce
- Government role in the sector
- Regulatory
- Perceptions of freight
- Safety

These issues and challenges are discussed under each heading below.

Resilience

The Ministry of Transport's Transport Outcomes Framework defines resilience and security as "a transport system that minimises and manages the risks from natural and human-made hazards; anticipates and adapts to emerging threats; and recovers effectively from disruptive events."[26] Within the Wellington region, we have seen both the impact of weather events in terms of length and duration of closures of state highway routes but also the increase in the network's ability to recover with a viable alternative in the form of Transmission Gully[27]. The Lower North Island network remains vulnerable, however, with single point vulnerabilities in all five regions. Table D below lists some of those vulnerabilities highlighted in the Regional Land Transport Plans and Reviews published in 2024:

[26] Ministry of Transport (2018), Transport Outcomes Framework.
[27] GW (2024) Wellington Regional Land Transport Plan Annual Monitoring Report 2023, p 17.

Region	Vulnerability	Alternatives	Actions to address
Taranaki	SH3 north and south	Long, narrow and winding SH43 from Stratford to Taumaranui (sealing through 12km Tāngarākau Gorge completed 2025)	Te Ara o Te Ata – Mt Messenger Bypass is a new 6km route being built to avoid a tortuous stretch of SH3 between New Plymouth and Hamilton, replacing it with a safer, more resilient and reliable roadway – supporting road freight on this key inter-regional corridor.
Hawkes Bay	SH2 and SH5 to the north	Long detours depending on nature of severance via Waikaremoana, SH35 or Napier-Taihape Road	Post Cyclone Gabrielle recovery programme but no future viable alternatives. Investment case for Hawkes Bay-Gisborne productivity
Horizons	SH3 Manawatu Gorge Severance	Ashurst Saddle or Pahiatua Track	Te Ahu a Turanga replacement due to open in mid-2025
Wellington	SH1 Ōhau River Crossing SH2 Remutaka Hill	Nil road. North Island Main Trunk (NIMT) rail link. Rail as far as Wairarapa	Ōtaki to Levin expressway due to open in late 2020s Completion of Remutaka Hill safety interventions.

Table D. Highlighted transport network issues in Lower North Island RLTPs. Sources: Hawkes Bay Regional Council et al (2024)[28]

Recent closure events such as those caused by Cyclone Gabrielle in 2023 and further afield such as the Kaikōura and Ashburton closures point to the significant increases in travel times imposed by these closures and economic costs reflected in increased travel times and the consequences for users no longer able to access markets[29]. Deferred maintenance also affects the reliability of networks. Examples include the significant closures of SH1 in the central North Island and of the Remutaka rail tunnel in early 2024 to catch up on deferred maintenance that led to a 40-minute increase in travel time on SH1, and the complete shift of logging traffic onto SH2 as the alternative rail route through the north Wairarapa was no longer a viable option due to deferred maintenance[30].

[28] Hawkes Bay Regional Council (2024), RLTP 2024; Horizons Regional Council (2024) RLTP 2024 Review; Taranaki Regional Council (2024), RLTP 2024; and GW (2024), RLTP 2024 Review.
[29] Page, C. (2023), Trucking firms seek post-cyclone support, Farmers Weekly, February 2023
[30] NZ Herald (2024), KiwiRail won't reopen Northern Diversion freight line between Masterton and Pahiatua.

Changing Nature of Shipping and Port Consolidation

There has been significant discussion over the years about both the changing nature of shipping and the need for port consolidation[31]. New Zealand is by global standards over-served by the number of ports. Even a comparison with the larger population of New South Wales shows this where there are three main freight ports centres, intermodal Sydney and the dedicated commodity ports of Newcastle and Wollongong compared with New Zealand's 13 international ports. Nevertheless, economies of scale in New Zealand have driven consolidation of much the country's international shipping into three major ports, but the traditional model of shipping freight from the hinterland to the nearest available port remains in part due to the high cost of moving freight domestically. As discussions around creation of a single port to serve the Upper North Island have shown, it would be costly and difficult to significantly alter this pattern with significant costs associated both with the construction of the port itself and land transport infrastructure to serve it.

Yet there are reasons to both consider change and remain with the current model.

On the one hand, there is the reality that larger ships are making fewer port calls in New Zealand (often only one) due to the economic benefits of aggregating shipments at one port. This also suits bulk shippers who are only supporting the one port call.

On the other hand, there are also economic reasons to not fully consolidate ports due to the relatively high cost of long land transport links to access the ports and resilience reasons e.g. coastal shipping replaced the severed SH2 route between Gisborne and Napier in the immediate aftermath of Cyclone Gabrielle.

But the future of regional ports is also governed by changing requirements. The increase in log exports from Gisborne has led the requirement for a second berth; and the future of methanol production will shape the future of Port Taranaki.

The way forward, however, is not clear but even a clear understanding about which ports to use when would help to plan the land transport infrastructure used to access them as well as deliver economic benefits.

Predictability

Freight is variably time sensitive depending on the nature and market: these vary from highly perishable seafoods at one end of the scale to bulk commodities such as coal and logs at the other.

Nevertheless, the freight sector relies on predictable transport and delivery times. Missed shipment times can incur demurrage charges at ports, spoiled goods leading to avoidable costs

[31] Ministry of Transport (2022), New Zealand Freight and Supply Chain Issues Paper, p 3; Port Strategy (2004), Port Interface the Concern For New Zealand | News | Port Strategy, accessed on 14 April 2025; and Castalia (2006), Competition Analysis for Merger of the Port of Tauranga and Ports of Auckland, New Zealand - Castalia, accessed 14 April 2025.

which are passed back to either the shipper or user, and if they are persistent, lost business. Uncertainty is priced into the cost of freight and ultimately passed on to the end user in the form of higher fees. There has been a significant trend since the 1970s towards just in time delivery to minimise inventory and warehouse costs. Users rely on their goods arriving when the freight agent says that they will.

Travel times across the Wellington region have (in keeping with the rest of the country) become more variable over time with travel times increasing and variability increasing (see Table E below for reporting from the Wellington region RLTP Annual Monitoring Report).

Indicator	Latest Result	Trend	Comment
Average travel speeds on selected strategic routes	37 kmph AM peak, and 45 kmph off-peak (three-year average to Feb 2023)	Decrease from 38 kmph AM peak and decrease from 47 kmph off-peak measured in Mar 2022	Decrease across all routes with the exception of Waikanae to Wellington Airport on SH1 (likely due to utilisation of Transmission Gully)
Average travel time variability on selected strategic routes	6.5 mins (three-year rolling ave)	Increase of 9% (from 6.0 mins) compared to last year	Influenced by increased congestion in FY 2022/23
Annual freight volumes moved by rail	1.34 million tonnes	One-year change is a 8% decrease from FY 2021/22; however, 5-year change shows upwards trend (10% increase)	Decrease over the past year in transport of domestic goods, influenced by economic conditions

Table E. Updated Indicators on economic prosperity. Source: (GW, 2024[32])

While these times apply to all traffic, they affect freight as well. The effect is compounded by the presence of heavy trucks which travel at slower speeds than general traffic due to reasons of regulation, fuel economy and safety.

The introduction of congestion charging and other traffic demand measures can decrease travel times. Even a small decrease in traffic can have a positively disproportionate effect on travel times as seen in the early results from the New York City congestion charging summarised in the Table F below from New York MTA data[33]:

[32] GW (2024), op. cit., p 15.
[33] New York Metropolitan Transportation Authority (2024), Congestion Relief Zone Tolling Week One Update.

Changes in travel times

The time it took to cross bridges and tunnels into Manhattan last week between 8 a.m. and 9 a.m. was shorter on average than in January 2024.

CROSSING	2024 AVERAGE (MINUTES)	JAN. 6 – 9 AVERAGE	CHANGE
Holland Tunnel	11:34	4:16	–63%
Lincoln Tunnel	6:44	3:40	–46%
Queensboro Bridge	6:51	3:54	–43%
Queens-Midtown Tunnel	6:31	4:14	–35%
Williamsburg Bridge	7:41	5:01	–35%
Brooklyn Bridge	5:13	4:06	–21%
Manhattan Bridge	3:39	3:14	–11%

Table F. Changes in travel time in Manhattan following implementation of New York City Congestion Charge. Source: New York MTA 2025)

Other solutions to improve reliability include freight specific or priority routes to separate freight from general traffic or the use of alternative modes such as rail or coastal shipping. The use of freight hubs is also part of the mix. Examples in the Lower North Island include the institution of log hubs to aggregate logs for shipping to ports, reconfiguration of the Centreport rail transhipment facilities.

INSIGHTS	What	So What?	So What Now?
	Reliability and predictability are key cost drivers for freight, driving up costs for transport users and threatening the viability of the freight providers and end-users when on-time delivery cannot be guaranteed.	The provision of viable alternative routes and increasing resilience of key freight routes should provide greater certainty, as well as reducing emissions and potentially maintenance costs.	Understand the impact of unpredictable travel times on freight operations and costs. Develop greater understanding across the Lower North Island of bottlenecks on the network in order to better target investment.

Investment Returns and Benefits Realisation

Much has been written about New Zealand's "infrastructure deficit"[34] and the economic effect that years of under-investment are now having. Decisions by successive governments to use the

[34] New Zealand Infrastructure Commission (2021), New Zealand's Infrastructure Challenge Quantifying-the-Gap, p 1.

National Land Transport Fund (NLTF) for purposes other than the maintenance and operation of the existing infrastructure have led to a backlog of deferred maintenance on the nation's roads that the Government has addressed through the GPS Pothole Prevention Activity classes with a proposed investment of $5.51 billion over the next three years. The intended impact of this is to increase the efficient movement of goods to market by increasing the overall resiliency of the road network[35].

In many respects, this reflects the investment of $2.5 billion into rail over the period 2017-2023[36] in order to address long-standing deferred investment and bring the network up to a level to restore rail freight and provide a platform for future growth[37].

These investments, however, take time to flow into changes on the network and can be difficult to measure. When those benefits take time, the original benefit can be questioned, particularly if the economy slows. This was seen most recently in GPS 2024 which noted the decline in freight volumes carried by rail over the period 2012-2017 as the overall freight demand grew from 29.51 bn tonne kms to 32.62 bn tonne kilometres. The reality, however, is that many of these investments such as the Third Main between Westfield and Wiri, new locomotives and rolling stock are still in delivery and are yet to deliver the intended benefits. Furthermore policy changes to favour one mode over another prior to benefits realisation can lead to reduced benefit and/or stranded assets coupled with opportunity costs, particularly if externalities are excluded from consideration. This is particularly true if that policy change leads to reduced investment that would have taken advantage of the original investment.

Recent work by the Infrastructure Commission suggests that New Zealand's infrastructure investment is inefficient by global standards as shown in the Figure 8 below. By extension, one can infer that this applies in the transport sector with both significant investment leading at times to negligible return or under use of existing assets. A recent example is the reduction in rail traffic on the Napier-Palmerston line with trains falling from three per day to one with the closure of the two central North Island paper mills that generated two thirds of the traffic, prior to a new logging service being instituted in early 2025.

[35] Source: NZTA (2024), Combined total of state highway and local road prevention activity classes 2024–27 National Land Transport Programme, pp. 23-28.
[36] Ministry of Transport (2024), Government Policy Statement on Land Transport,. p 15.
[37] Ministry of Transport (2021), The New Zealand Rail Plan.

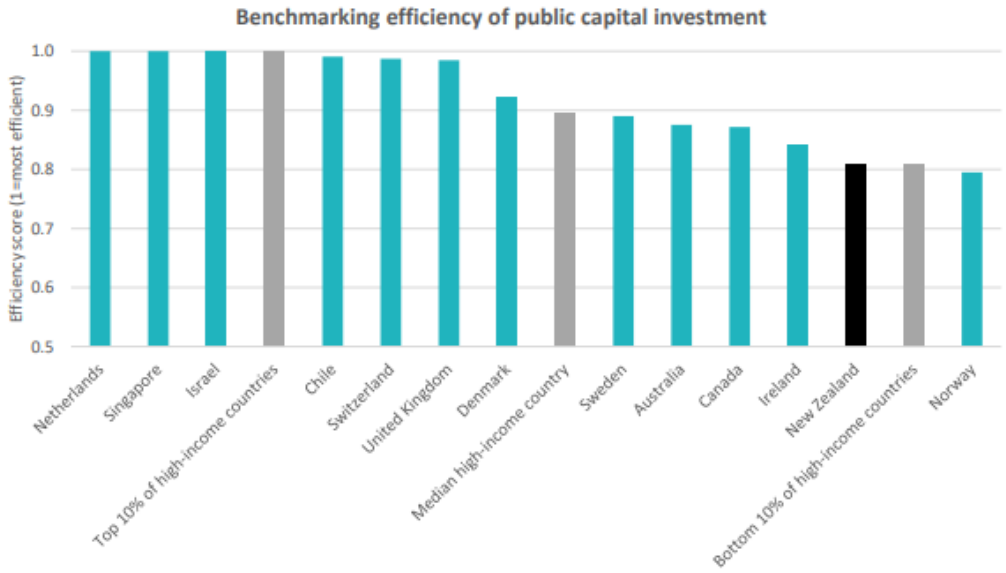


Figure 8 - Benchmarking efficiency of public capital investment. Source: Infrastructure Commission (2024)[38]

Another aspect is around the use of benefits realisation in order to yield the anticipated benefit. Benefits realisation is the concept through which active management of an investment will yield anticipated returns. New Zealand's investment management process is based on the State of Victoria's Investment Management Guide. However, as earlier investigation by GW Regional Transport revealed, New Zealand practice focuses on the Investment Logic Management component rather than the whole-of-life process[39]. It is not clear other than the statutory reporting requirements of RLTPs in the LTMA (s16(6)(e)(e)) to what extent transport investments are delivering their benefits, or actively managed to do so.

These observations suggest that New Zealand is not yet making the best use of its existing transport investments.

Funding versus Cost

A further issue is funding versus cost and who pays.

New Zealand's transport system is largely paid on a direct user "pay-as-you-go" system with users paying proportionately their use of the asset through Road User Charges and Fuel Excise Duties, with these two sources making up the bulk of the National Land Transport Fund. Table G shows the estimated revenue for the National Land Transport Fund (NLTF) in the current triennium (2024/25-2027/28.)

[38] Infrastructure Commission (2024), Paying It forward-Understanding our long term infrastructure needs, p 19.
[39] GW (2023), Improving the RLTP Prioritisation Process.

NLTF Funding Source	Amount ($ billion)
FED/RUC/MVR	13.8
Crown grant – capital expenditure	3.1
Crown loan	3.1
Crown funding for rail	0.8
Crown grant held in tagged contingency for the NLTP	1.0
Crown grant held in tagged contingency for the RNIP	0.2
Total revenue	**22.0**

Table G. NLTF Funding. Source: NZTA (2024[40])

Historically, this fund was designed to pay for the operation and upkeep of the existing road network. However, successive Governments have used the NLTF for a variety of additional purposes including capital investment in Roads of National Significance, subsidising public transport and active modes, road safety promotion, street lighting, and investing in rail. This has led to significant deferred maintenance on the road network and reduced levels of service with impacts on the freight sector.

The latest GPS represents a reversal of these trends with significant reductions in the rail activity, public transport improvements and walking and cycling activity classes with funds transferred to support roading with direction to NZTA that the agency should look to alternative third-party sources for funding for new roads. The challenges of building new transport infrastructure can be seen in the Wellington RLTP where the funding available from local government and NLTF revenue will barely pay for current operations let along the anticipated level of investment (see text box[41]).

Approved figures for NLTP funding for the current RLTP period total $6.4 bn with the majority of funding going to continuous programmes (NZTA 2021, 2024) or an average of $1 bn per year. Set against these are the identified needs over a 30-year period for the rail programme estimated at $12 billion in 2022, and two Roads of National Significance estimated to cost in the range of $3.75-$6 bn. Source GWRC RLTP 2024 Review.

The question of cross-subsidisation between modes and who pays for transport networks and between modes (heavy versus light traffic on a road, road versus rail) has been a long and outstanding question and subject to much research, particularly the impact of trucking on pavements. NZTA addressed this question in its paper Lower Bound High Productivity Motor

[40] Ministry of Transport (2024), op. cit., p 25.
[41] GW (2021, 2022, 2024), RLTP 2021, Wellington Rail Programme Business Case, and RLPT 2024 Mid-term Review.

Vehicles (LBHPMV): Effects on Existing Pavements in New Zealand (2012[42]) and its decision to require a higher number of axles on New Zealand vehicles to lower the per axle on-road weight.

Concerns about the sustainability of the network when used for purposes it may not have been designed for are well reported and ongoing. There is an argument that where a public road has been damaged by industry for private gain, those users are not paying the full cost or restoring the asset after damage. The condition of state highway and local roads after they have been used to extract logs bears witness to this[43]. Supporters of rail will argue that this is in effect a subsidy for the road sector as rail freight has to pay the full cost of access to that network whereas heavy freight road users are variously cross-subsidised by light vehicle users, or don't have to meet the full capital cost of the network in the way that rail does.

Recent research indicates that even with the recent shifts in the GPS, the methodology used to attribute maintenance costs to heavy vehicles has not taken into account increased maintenance costs caused by heavier trucks, and that light vehicle users will be subsidising heavy vehicle users to the tune of $1.4 billion per year by 2027[44]. The introduction of tolling has led to some concern that trucks may seek to avoid paying toll costs by using alternative routes, something the Government is, however, alert to and has signalled an ongoing approach towards user pays with recent legislative proposals to ensure that the freight industry use the newly tolled Roads of National Significance[45].

These arguments while self-evident on direct cost grounds ignore largely the benefits of taking a broader economic approach towards transport and the reality that the country has a relatively poor understanding of the true costs of operating its multi-modal transport network hampered by a lack of reliable useful data. Heavy freight pays through the road user charges (RUC) scheme that is based on distance travelled and axle weight, which while a useful proxy for cost, dates from the 1970s. As such, it does not capture the true cost of using an asset given the variable quality of roads used and variable tonnages carried.

Journey data can now be assessed through E-Road data but this turn does not reflect to planners how the industry operates. More sophisticated use of telemetrics matched to the actual routes used would allow better targeting of the revenue collected. This will become more important assuming that time of use and congestion charging are introduced to ensure that there is a clear link between the revenue collected and where it is spent.

---

[42] NZTA (2012) Lower Bound High Productivity Motor Vehicles (LBHPMV): Effects on Existing Pavements in New Zealand.
[43] Whanganui Herald (2024), Logging trucks damage rural Whanganui roads, debate over who pays; Gribble, M. (2011) Logging trucks on local roads – is forestry really having an unreasonable impact? RCA Forum.
[44] Gasson, B. (2024), Review of the draft 2024 Government Policy Statement on Land Transport; 2024-2034: Investigation into Heavy Vehicle Subsidies on New Zealand Roads.
[45] Brown, S., (2024) Government to enable tolling to accelerate investment in roads

The benefits of using these technologies and taking a fundamental look at the way in which revenue is raised and funding apportioned would allow infrastructure owners and operators to better cover their costs, target their investments, as well as provide confidence to users and wider stakeholders that users paying their fair share. It would also allow freight operators and users to make better informed decisions.

The above discussion is about cost rather than revenue. Most of the New Zealand conversation is focused on revenue successive national and local governments wrestle with where the money will come from rather than understanding the cost of operating the transport network. As discussed in this section and later sections will note, New Zealand currently lacks accurate costing of both direct and indirect costs of operating a network together with performance data of the network to understand the whole-of-life costs, the impact of transport on the economy and where investment is best targeted. The implications of this for freight are that the country is continuing to make investments which yield only partial benefits through to ensuring that the sector is making the best contribution to the national economy by ensuring it is operating as efficiently as possible because the finite amounts of funding are better targeted.

	What	So What?	So What Now?
INSIGHTS	Majority of funding for New Zealand's land transport comes from direct user charges. Most funding conversation focus on the source of revenue, not the cost of operating the system. There is little apparent use of benefits realisation in the transport sector. Current systems of understanding and allocating cost date from the 1970s and have significant gaps, leading to misallocation of costs.	If New Zealand is to better understand the true costs of operating and maintaining its freight networks, more sophisticated methods of understanding and attributing cost is required. Most transport projects fail to deliver on their intended benefits as benefits realisation is not actively managed, nor the reasons for transport behaviour understood and accounted for.	Develop a better understanding of the true cost of operating the network in order to apportion costs. Develop a better understanding of the externalities of transport investment decisions, including environmental, safety and economic factors. Adopt benefits realisation post project implementation including use of behaviour science as part of project planning.

Efficiency

Freight is an industry where size contributes to efficiency. The larger the volume of freight being moved in a single shipment, the lower the fuel consumed per tonne kilometre. The UK Department of Transport has noted that as the size of truck increases, the more efficient the freight movement

is in litres/tonne kilometre[46]. Similar considerations in New Zealand led to the increase in the maximum permissible weight for trucks from 43 tonnes to 50 tonnes gross vehicle weight in 2010. When other modes are considered, the efficiency increases further. Table H below taken from 2024 Ministry for the Environment guidance report illustrates the difference in fuel consumption by mode of litres consumed per kilometre[47]

	Unit	kg CO_2-e/unit
Long-haul heavy truck	tkm	0.105
Urban delivery heavy truck	tkm	0.390
Rail freight	tkm	0.028
Container Ship 8,000 TEU	tkm	0.013

Table H. Comparative evaluation of transport modes. Source: NZTA (2012)

The next aspect of efficiency is freight pairing and how the shippers view freight as opposed to transport planners who may be constrained by mode or jurisdictional views. As one commentator observed during the Ministry of Transport workshops held in 2022 as part of the process of developing the current strategy, they think about origin and destination pairs, and the cost and time of moving their products. They are less concerned initially about the mode or the jurisdiction involved. This raises interesting questions for how to move freight at least cost and how initially regional and pan-regional networks and in turn the national network are considered and designed. It is not clear at this point in time what the impact of the lack of an integrated national picture of the freight demand is having on national and regional network planning and the subsequent impact on the freight sector's operations, or incurred externalities.

As noted elsewhere, the freight industry in New Zealand is seen as highly competitive[48]. This is certainly true when it comes to operators of freight services. Deregulation of most of the operations aspects of the industry have achieved this. But if a wider view of the cost of capital and its infrastructure utilisation is taken, the freight sector may not be as efficient as it might seem. The Infrastructure Commission has found that New Zealand's utilisation of capital is poor by OECD standards as seen in Figure 9 below. The planning processes add significant cost and delay to infrastructure improvements that increase the efficiency and effectiveness of the freight network.

[46] UK Department of Transport (2023), Greenhouse transport emissions by transport mode: United Kingdom, 1990 to 2022.
[47] Ministry for the Environment (2024), Measuring emissions: A guide for organisations, pp 19-20.
[48] Ministry of Transport (2023) op. cit., p 6.

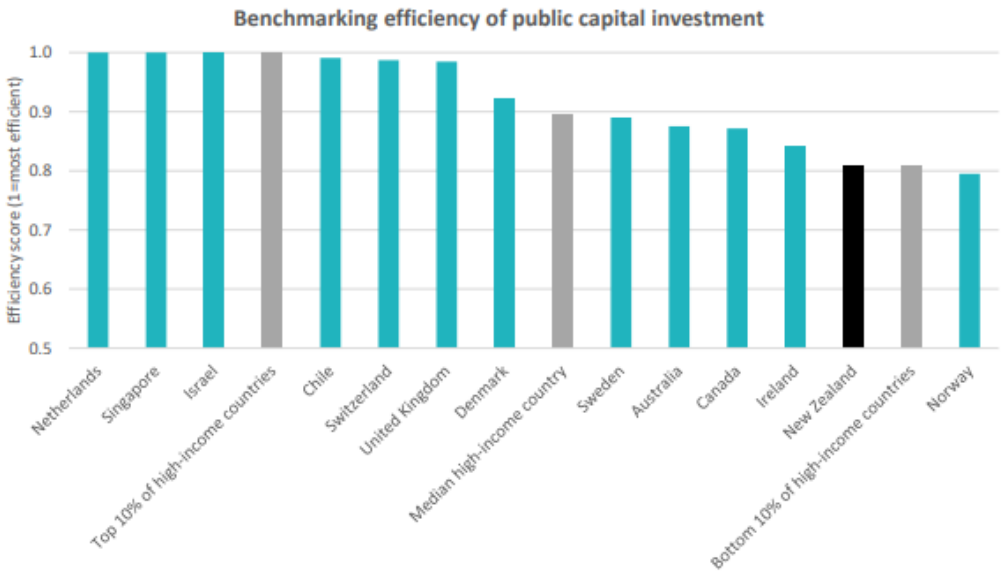


Figure 9. Benchmarking efficiency of public capital investment. Source: New Zealand Infrastructure Commission (2024)[49]

Infrastructure Ownership

New Zealand's transport infrastructure is held between the government and private sector ranging from full direct control and operation (local roads), control and operation through crown entities and council-controlled organisations (the state highway network, many ports) and full private sector ownership (some with government shareholdings) airports, and private freight hubs.

A key driver behind the economic reforms of the 1980s that saw formerly government-owned infrastructure and services corporatised and eventually moved into private ownership was that governments are generally inefficient owners and operators leading to lower rates of investment, innovation and returns to shareholders (public or private). These concerns have continued with the Infrastructure Commission work illustrating that those infrastructures that had either been corporatised or privatised generally were more efficient users of capital than sectors that had remained in public ownership. (See Figure 10)

[49] Infrastructure Commission (2024, op. cit., p 5.

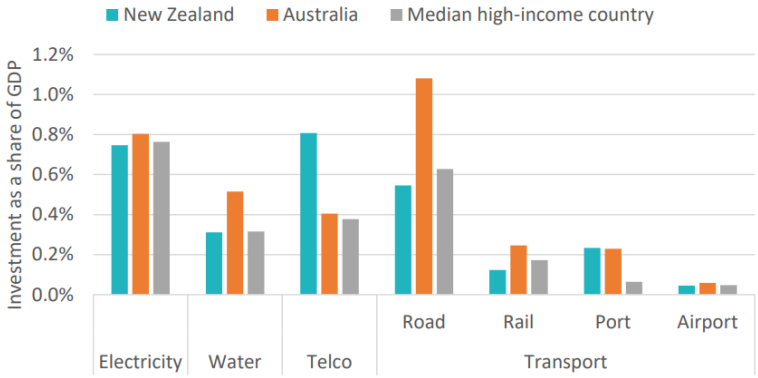


Figure 10 – Comparing investment in different infrastructure networks, 2007-2020[50]

Overseas experience has shown that private ownership models for long-distance transport links can lead to higher levels of service (Melbourne's CityLink and EastLink networks are one example). The extent to which this is true and delivers public outcomes is, however, open to debate. One example is the influence of Wall Street on four of the five major US Class 1 railroads that have focused on operating ratios at the expense of market growth that have allowed or forced long distance road freight to grow when that industry itself faces significant labour shortages. In contrast, the one class-1 railroad that is fully privately owned has grown its market share significantly since 2019[51].

Within New Zealand and more broadly Australia, there have been a variety of initiatives around private sector involvement ranging from full sale or operating leases of key pieces of infrastructure such as ports through variations of private-public partnerships (PPP) to reduce the call on public funds and drive efficiencies when constructing new infrastructure, and more recently the use of "alliances" to either deliver or operate infrastructure. The success of these is subject to much debate with successive governments favouring public or private ownership with arguments for and against these models. Of particular concern, is the relatively poor return (and levels of innovation) of publicly held assets. A recent Forsyth Barr report commented on this with respect to the ports[52]. Closer to home, the "cost blowouts" associated with the construction of Transmission Gully have been widely commented on[53], which have raised broader questions about the effectiveness of the

[50] Infrastructure Commission (2020), Investment gap or efficiency gap? Benchmarking New Zealand's investment in infrastructure, p 5.
[51] Freightwaves (2019), Commentary: The good and bad of precision scheduled railroading, accessed on 23 January 2019.
[52] NZ Herald (2025), Port pricing the remedy for 'alarming' decline in sector's returns on capital: Forsyth Barr, accessed on 22 January 2025.
[53] The overall cost increase was reporting as a change from an initial cost of $850 m to $1.25 billion. New Zealand Herald (2022), Analysis: Taxpayers in the dark over final cost of Transmission Gully.

PPP model itself with some evidence suggesting that the gains of a PPP over traditional contracting models may be marginal[54].

Done well, private ownership and/or operation leads to higher return on capital, in part due to the ability to amortise and recover costs over the life of an asset and introduce innovation. Done poorly, ownership costs can rise with no discernible benefit to the user and can sometimes drive up operational costs through decreased levels of service and loss of competitive edge. Political changes of direction can also have a significant impact effectively stranding investments before they have the opportunity to deliver a meaningful return, leading to sunk costs and significant delays in service improvements.

The evidence for private sector ownership models in the Wellington region is mixed. On the positive side of the ledger, successful examples include the construction of Transmission Gully (PPP) that has led to increased resilience for Lower North Island freight and the Lower North Island Transport Alliance where levels of service have increased on the state highway network under the alliance model, but there are questions over their ultimate cost. On the negative side, the cancellation of the iRex ferry project has delayed the much needed replacement of KiwRail's interisland ferries. Deferred maintenance meant temporary closure of rail access to the Waitoa dairy factory and the inability to use the northern Wairarapa rail line to reroute logging traffic during the 2024-25 summer closure of the Remutaka tunnel, which saw traffic move to the state highway network. And finally, both GW and Hutt City withdrew from the Riverlink Alliance citing concerns around cost increases[55].

A final aspect of infrastructure ownership in the transport sector is how well does it work for a network. Corporate or private ownership of facilities such as airports and ports appears to work relatively well. The issue becomes more problematic with networks and what commercial return might be generated from that network versus the concept of public good. A good example is the rail network. Its owner and operator, KiwiRail, is required as a State-Owned Enterprise to generate a profit. However, it is also a network provider to Metlink and AT and therefore more akin to a Crown entity such as NZTA and the State Highway Network, which is not required to deliver a commercial return. Similar issues surround port ownership and operation.

[54] World Bank (2024), Government Objectives: Benefits and Risks of PPPs Public Private Partnership, accessed on 23 January 2025.
[55] GW (2024), Greater Wellington to deliver affordable Lower Hutt flood defences; and Hutt City (2024) Hutt City Council adopts new approach to deliver key infrastructure projects both accessed on 31 January 2025.

INSIGHTS	What	So What?	So What Now?
	Larger vehicles offer greater fuel efficiency on a tonne-kilometre basis but may not be the most cost effective option for an operator. Freight operators and government operators think about efficiency differently. New Zealand has a poor investment efficiency in its transport infrastructure. Investments are not considered on a regional or national basis. Government has a poor capital utilisation record. Benefits from the use of PPP, Alliance and private ownership of transport networks are not clear.	Benefits from investment in the freight rail network are not being realised. The freight network is being planned without fully understanding the requirements of the operators or users. New Zealand's freight sector could be more effective and potentially more cost effective if the efficiency was increased and anticipated benefits realised. Corporate or private ownership structures are likely to improve capital utilisation. Infrastructure renewals are lagging behind demand. Economic benefits from use of private sector models may not be there.	Transport policy should support consolidation of freight onto larger vehicles, particularly where options such as underutilised modes such as rail exist. Infrastructure should consider the needs of the users while integrating into the broader Transport Outcomes Framework. Adoption of a pan-regional approach to freight working with the freight sector through a pan-regional process. Policy makers should carefully weigh the best ownership and operator models for delivering public good. Further work is required to understand the best model.

Externalities

Externalities occur in an economy when the production of a specific good or service impacts a third party that is not directly related to the production or consumption of that good or service (Investopedia, 2025[56]) As the successive Wellington Regional Land Transport Plans, GPSs and international literature have indicated, transport generates significant externalities. The prime benefit is that goods or people get to where they want to or are needed. Disbenefits include the well traversed fields of harmful emissions, noise pollution, environmental degradation, negative health benefits on population health and competition with other users for road and land space. Freight moves not only through rural areas but also urban spaces that are designed for occupation and use by people. This is compounded by the increase in local delivery driven by population increase and the rise of e-commerce. Failure to accommodate the needs and impact of freight in urban areas detracts from the benefits of urbanisation [57].

[56] Investopedia (2025), Externality: What It Means in Economics, With Positive and Negative Examples accessed on 17 January 2025.
[57] OECD (2024), The Freight Space Race: Curbing the Impact of Freight Deliveries in Cities, p 9.

Disruptions caused by prolonged construction projects or planning delay investments also carry significant opportunity costs either in the local economy they were supposed to support or elsewhere in the economy. Two recent New Zealand examples include the Let's Get Wellington Moving Programme where the final reported spend in December 2023 was $165.7 million against released funding of $492.0 million[58] and the Auckland City Rail Link project. Uncertainty over the pace of project delivery has affected business confidence in both cities with significant business closures in the affected areas[59]. These costs of these projects carry significant opportunity costs when money is spent with no immediate benefit as the money could have been used elsewhere. New Zealand can, however, build at comparably more efficient rates. The Kaikoura Earthquakes and SH25 rebuilds are examples where projects can be delivered at pace and within budget.

Taking a broader approach to externalities and the wider cost of heavy trucking will have significant broader economic and other benefits to New Zealand. Glasson's analysis has indicated that not only is the heavy truck industry heavily subsidised by other road users to the tune of $1.4 billion annually, a cost which is borne by other road users, there is a wider c. $8.4 billion in social costs due to accidents and emissions. The analysis suggest that each billion tonne-kilometre of freight diverted from heavy vehicles to rail and sea will save land transport users an estimated $43 million in avoided direct subsidies and $230 million in social and environmental costs per year by 2027. In addition to the $43 million figure, Glasson's analysis suggest that this will also save local councils $20 million per year[60]. The infrastructure in the form of a national rail network and ports already exists and is arguably underutilised. Making use of this infrastructure rather than cross-subsidisation of heavy freight users by other road users would reduce the direct economic costs as well as generate the wider benefits. The role of government in shaping the market is discussed in a later section.

The NZTA business casing process considers externalities in the development of business cases. As noted, however, in GW's 2023 paper[61] on improving the RLTP prioritisation process, this process is limited by its point in time nature and would benefit from taking into the broader effects of investments through the use of techniques such as strategic foresighting and systems thinking, as well as taking a broader inter-regional network approach. The introduction of regional spatial planning through resource management reforms will better align land use and transport planning. An immediate area where a change in approach would benefit freight is moving thinking beyond immediate regional boundaries to take a system view of freight.

---

[58] LGWM (2023) Programme Financial Report.
[59] NZ Herald (2024) Bordeaux Bakery closing all three of its Wellington cafes after 30 years, 40 staff to lose jobs; and Radio New Zealand (2021), City Rail Link impact on businesses: hardship fund to provide payments
[60] Glasson, M. (2024), op. cit.
[61] GW (2023), Improving the RLTP Prioritisation Process.

The two maps in Figure 11 below (taken from NZTA's Arataki[62] and the 2021 Wellington RLTP[63]) demonstrating how the regional strategic networks fit into a larger national picture with regional view showing the location of airports and freight hubs and that freight can only be considered and planned for in a broader strategic context.

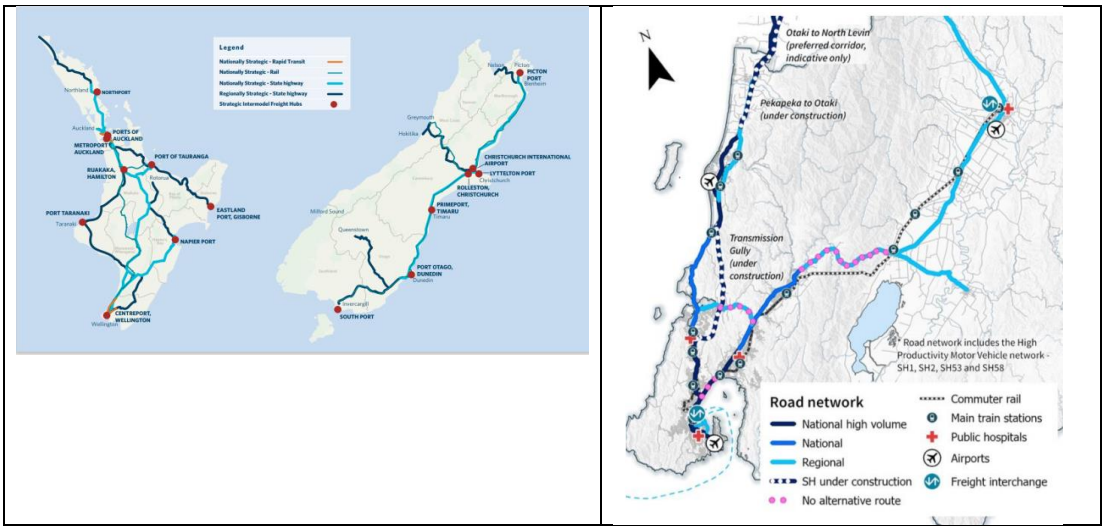


Figure 11 – Strategic Networks. Sources : NZTA Arataki and Wellington 2021 RLTP

	What	So What?	So What Now?
INSIGHTS	Transport infrastructure imposes externalities beyond immediate investments. Current investment decision making does not fully consider broader benefits and is undertaken on a region-by-region basis	The current planning system and approach imposes significant opportunity cost on the sector reducing available funds for investment.	Conduct freight strategy and planning on a pan- or national-regional basis. Ensure that regional planning is connected to NZTA's Arataki and system planning view. Link transport planning and land use through better spatial planning. Adopt a systems view for network planning.

Technology and Data

[62] NZTA (2023), Arataki Transport modes and strategic networks, accessed on 10 April 2025.
[63] GW (2021), op. cit, p 152.

Reliable data enables the sector to understand what is occurring, predict future trends and invest appropriately. New Zealand's Freight and Supply Chain Strategy echoes similar calls from overseas jurisdictions and the OECD to make better use of technology in order to improve the effectiveness of daily operations, identify where action is required to maintain and improve freight outcomes and evaluate the effectiveness of investments made[64]. New Zealand currently lags well behind other jurisdictions in the quality and availability of data to enable effective transport planning. The last comprehensive dataset available is the 2017-18 National Freight Demand Study[65]. While data from KiwiRail and the ports is readily available through the Ministry of Transport's Freight Information Gathering System, data from the rest of the sector is harder to access due to its proprietary nature. Furthermore, much of the data that is available through other sources such as e-Road or from hubometer readings is either fragmented, in that it only reflects when a truck is active rather than point of origin-destination data, or does not collect data about loads and tonnage.

Specific gaps include:

- Limited origin-destination and route-level data, especially for road freight.
- Proprietary commercial data that is not easily shared across agencies.
- Incomplete visibility of freight movements across modes and "first mile/last mile" delivery networks.
- Reliance on proxies like hubometers, road user charges (RUC)s, and E-Road, which do not comprehensively capture freight journeys, load, and mode transitions.

Opportunities to improve the evidence base include:

- Supporting a new national freight demand study, preferable with the establishment of an "evergreen," near real-time evidence base for planners to use.
- Partnering with freight operators to harness GPS-based tracking of freight movements.
- Advocating for anonymised access to commercial logistics data to inform regional planning.
- Integrating data across road, rail, coastal shipping, and air to build a clearer multimodal picture.

Improving freight data would support the region's broader goals for resilience, emissions reduction, and efficient use of transport infrastructure.

---

[64] Commonwealth of Australia (2019), op. cit., p 23; and UK Department of Transport (2022), Future of Freight, p 10.
[65] Ministry of Transport (2019,) op. cit.

Literature reviewed for this paper pointed towards the gains to be made from technology enabling supply chains to be more efficient, reliable, resilient and sustainable (UK Department of Transport 2022[66]). These included use of predictive, geospatial and AI technologies that could improve the reliability of supply chain forecasting enabling more efficient operations and longer term planning. As an example, Radio-Frequency Identification (RFID) technologies are now routinely used to track food exports from New Zealand from point of supply to the end user (Soon 2010[67]). Increased automation is also seen as a way to increase efficiency and to address workforce shortages, but the local experience has been mixed (the failure of the Ports of Auckland automation project[68]) and views on how and where it would be applied are still developing[69].

	What	So What?	So What Now?
INSIGHTS	New Zealand's knowledge of the freight sector and movements is fragmented, and in many cases dated. Technology offers significant productivity gains through automation and smarter logistics but understanding of what and how to apply it is variable.	Ability to plan an effective network and target investments to support freight are compromised without a national "ever-green" picture.	Support MoT, NZTA in bids for comprehensive national-level data. Interrogate existing data to answer specific questions. Advocate for the adoption of more advanced data collection and analytic technologies such as telemetrics[70] and AI.

Workforce

Internationally, the freight sector has identified workforce issues as a significant concern for them with both an aging workforce and diminishing labour pool[71]. The New Zealand sector reflected this in its submissions during the development of the National Freight and Supply Chain sector with concern that current policy settings are not generating sufficient staff with right skills. Opinions were mixed on how to close this gap with options including renewed focus in New Zealand's vocational training sector, immigration and automation.

[66] UK Department of Transport (2022), op. cit., p 96.
[67] Soon Chin Fhong (2010), RFID Technology Adoption in New Zealand's Supply Chains: A Case Study Approach published in Pacifica Asia Journal of the Association of Information Systems.
[68] Ports of Auckland (2022), Ports of Auckland Ends Automation Project | Port of Auckland, accessed on 17 April 2025.
[69] Ministry of Transport (2022), New Zealand Freight and Supply Chain Issues Paper Te Rautaki Ueā me te Rautaki Whakawhiwhinga o Aotearoa Summary of Public Submissions, p 8.
[70] Telemetrics in this case includes the automated collection of point of origin-destination, and load data for freight vehicles as well as specific loads such as individual containers.
[71] Ministry of Transport (2023), op cit., p 17, Ministry of Transport (2022), .

INSIGHTS	What	So What?	So What Now?
	New Zealand's freight and supply chain sector is experiencing significant skills shortages.	The sector and economy will be hampered in its ability to operate and evolve.	Regional councils consider advocacy for national policy for a long-term supply of vocational skills and to support rapid uptake of technology is required as was done to address the bus driver shortage or in the context of regional economic development.

Government role in the sector

The New Zealand Freight and Supply Chain study indicated support from the sector for Government's roles as investor, system steward and regulator[72]. These views reflect the reality that the physical transport network is predominantly in Government hands (local or central) with mixed ownership models for freight hubs, ports and airports. The Government also shapes the market through its policy and regulation settings including foreign investment settings for attracting capital, import regulations that affect the type of vehicles, funding decisions about the type of transport infrastructure through the LTMA and its instruments, and economic policy.

The transport sector underwent the same economic liberalisation as most of the economy under the market-led reforms of the Lange-Douglas era including the progressive removal of protections for rail freight and removal of cabotage in 1983 and 1994 respectively. The result is a highly competitive sector among the freight operators[73] but one which has been subject to significant funding swings over the last decade between Roads of National Significance and investment in rail. As the 2024 GPS pointed out, the investment in rail did not lead to an increase in market share for rail: heavy road freight movements increased while the level of service on the road network fell[74]. It can be argued that changes in Government policy are leading to sub-optimal results for the freight sector with users choosing the cheapest and often only viable option which may be available, as policy uncertainty makes investment in, or use of other modes economically unattractive. The result is an environment that favours road over other modes even if those other modes have other long-term advantages.

Local government also has a role to play in setting expectations for the networks in their areas through setting the long-term strategies in their RLTPs and the prioritised investment bids into the NLTP. At times central and local government goals will not always align. Nevertheless, there is a

[72] Ministry of Transport (2022), ibid.
[73] MWR Research (2025), New Zealand Freight and Logistics Market Analysis, accessed in March 2025.
[74] Ministry of Transport (2024), Government Policy Statement on Land Transport 2024.

need for clear consistent long-term policy at central and local government levels to determine the shape and nature of the transport network and provide certainty for investment.

This long-term uncertainty has led to a rise in heavy road freight traffic as the level of service across the network has degraded.

Regulatory

Regulatory settings and their impact on the economy attract frequent comment. Unduly complex settings under the Resource Management Act (RMA) have been criticised for inducing significant delay in the construction of much needed infrastructure [75]; and the failure of the heavy vehicle inspection regime undermined confidence in the freight sector and its regulators[76].

Yet regulation has its place. In a theoretical sense, regulations are used to address specific instances of market failure or to deliver policy outcomes. Yet the overall effect of a series of regulations can add up to significant disbenefit and added cost that outweighs the intended benefits. A good example is the temporary road safety regulations updated in 2019[77] following the deaths of construction workers in the Bay of Plenty leading to the so-called "road cone problem" which can comprise up to the 50 per cent of the total construction cost – a significant opportunity cost. Government has identified the impact of excessive regulation in the transport sector and more broadly the impact on its economy. The 2024 GPS has identified the need to reduce expenditure on temporary traffic management as part of an overall focus on "value for money"[78], while the Government more broadly is introducing its Regulatory Standards Bill (CAB-24-SUB-0437[79]) that seeks to establish regulatory principles including examination of the costs of proposed regulation balanced against the benefit.

Separate regulatory choice by the Government can also have the effect of favouring one mode over another. The cross-subsidisation of heavy road freight by other users has been discussed earlier in this paper. The shift of NLTF funding towards paying for the upkeep of the national road system continues to place rail and coastal shipping at a competitive disadvantage while increasing the numbers of trucks beyond the point where the roads can be maintained to support them[80]. From a regional land transport planning perspective, where maintaining existing roads is increasingly challenging as road freight volumes grow, not using already existing viable alternatives which would offer economies of scale, better use of capital through using alternative modes, and reduce harmful externalities makes little sense. Regional transport planners will not be able to use these

---

[75] Bishop, C. (2024), Replacement for the Resource Management Act takes shape , published on www.beehive.govt.nz.
[76] Martin Jenkins (2019), Review of NZTA Regulatory Capability and Performance.
[77] NZTA (2018), Code of practice for temporary traffic management (CoPTTM) 4th ed, amendment 3 2018 : Sections A to H combined SUPERSEDED.
[78] Ministry of Transport (2024) Government-Policy-Statement-on-land-transport-2024-FINAL, p 17
[79] Office of the Minister for Regulation (2024), Cabinet Paper Approval to consult on a proposed approach to the Regulatory Standards Bill COMBINED.
[80] Glasson, M. (2024), op. cit.

assets, however, if Government policy and regulation favour one mode over another through cross-subsidisation.

INSIGHTS	What	So What?	So What Now?
	Government plays a significant role in the sector as regulator, owner operator and through policy settings. Current regulatory settings favour road transport over other modes.	Done well, government's role (central and local) provide the settings for an efficient and effective freight network with the broader public good benefits of better safety, minimised environmental impacts. Done poorly, deadweight effects increase costs on the industry and reduce public good.	Advocate for an effective national freight chain strategy and action plan laying out clearly Government expectations and its role is required. Advocate for long-term policy and regulatory certainty that supports selection of the most appropriate mode for specific freight types. At local government level, better planning and coordination between the RCAs, KiwiRail, the ports and the sector will contribute to public good outcomes and support the sector.

Environmental

The level of impact that transport has on the broader environment can be seen in the considerable effort to manage those effects in the environmental focuses in the four regional RLTPs, and significant policy commentary about the need to better integrate land-use and transport planning[81]. The negative impacts of freight that various planning and guidance documents seek to mitigate include noise pollution, emissions, vibration (causing pavement degradation), and congestion[82]. Transport is a significant contributor to New Zealand's overall greenhouse gas emissions (17 per cent of the total)[83] and has been targeted as a sector capable of making early and significant reductions. While viable solutions exist for passenger traffic including hybrid and electric vehicles, enhanced PT, and urban intensification, the issue is more problematic for the freight sector. While overall per capita CO_2 emissions in the Wellington region have remained relatively static over the

[81] GW (2021) op. cit., p 14; and NZTA (2025) Integrated planning and design, accessed on 23 January 2025.
[82] OECD (2022), The Freight Space Race: Curbing the Impact of Freight Deliveries in Cities.
[83] Ministry for the Environment (2022), Aotearoa New Zealand's first emissions reduction plan: Chapter 10: Transport.

last ten years (see Table I below from GW RLTP Annual Monitoring Report), overall emissions are growing, driven primarily by an increase in freight traffic.

Indicator	Latest Result	Trend	Comment
Transport CO_2 emissions	2.16 tonnes of CO_2 per capita	5-year change indicates an 8% decrease, and one-year change indicates a 4% increase	Increase in emissions in the past year likely reflects the increase in traffic volumes post-COVID-19
Ambient air quality (nitrogen dioxide and black carbon matter)	Nitrogen dioxide is 17.1 µg/m³ (5-year average to Dec 2022)	Nitrogen dioxide has decreased by 18% over the last five years	
Percentage of the private car fleet that are EV and hybrid vehicles	56% of new registrations are hybrid or electric	Five-year change indicates a 44% increase, and one-year change indicates an 18% increase	Indicator includes light private vehicles only
Percentage of the bus fleet that are EV and hybrid vehicles	23% of the bus fleet are EVs (as at June 2023)	Up from 18% in FY 2021/22	Five-year absolute change is 21%

Table I. Updated Indicator on environmental sustainability. Source: GWRC (2024)[84]

While solutions exist to lower emissions in the local distribution market, they remain more elusive for the heavy freight sector. California has recently scrapped a rule that required the use of zero-emission diesel locomotives and trucks in the state by 2030[85] in part due to the non-availability of technical solutions. Nevertheless, progress is being made in New Zealand to reduce overall freight emissions through the use of dual-fuel technology truck trials by Richardson's in the South Island 2025[86] and the introduction of KiwiRail's new DM locomotives that will reduce emissions by 20-25 per cent over the existing fleet [87].

A separate issue for New Zealand in converting the freight network to lower or zero emissions targets relates to energy supply and reticulation. New Zealand consumed 599 petajoules (PJ) of energy in 2020 from a total energy supply of 901 PJ. Although New Zealand has the third highest proportion of energy supply globally from renewables (with on some days the country's entire electricity generation coming from renewables), this leaves roughly 60 per cent of that energy coming from oil, gas and coal[88]. The first challenge is whether the country can generate sufficient electricity to decarbonise its energy needs [89]. The second is a distribution challenge both getting the electricity from the generators to the retail market and then local distribution. Battery-powered

[84] GWRC (2024), op. cit
[85] Stephens, B. (2025), California gives up on zero-emissions locomotive regulation. Trains.com accessed on 16 January 2025; and Mitchell, R. (2025), Biden EPA didn't give California green light to adopt zero-emission truck rules, Los Angeles Times, accessed on 16 January 2025.
[86] HWR (2025), Driving Change, Driving Hydrogen, accessed on 16 January 2025.
[87] KiwiRail (2024), New locomotives for the South Island unveiled , accessed on 16 January 2025.
[88] Energy Resources Aotearoa (2025) Our Consumption - Energy Mix, derived from MBIE data, accessed on 14 April 2025.
[89] Brent, A. (2024), NZ energy crisis: electricity demand will jump as NZ decarbonises – can renewable generation keep up, The Conversation, accessed on 14 April 2025

freight vehicles have significant charging demands that the experience of PT operators suggest that the local lines networks are not well set up to meet.

INSIGHTS	What	So What?	So What Now?
	Zero-carbon emission technologies for heavy freight do not yet exist on a meaningful scale – but more efficient including hybrid technologies do. Zero-carbon options exist for local distribution networks. The country does not have sufficient renewable electricity generation or reticulation networks to support a full transition of freight to renewable energy sources.	Significant steps towards a lower carbon emission freight network are possible. Freight can be moved more efficiently when it is aggregated into large shipments.	Regional transport policy should encourage a move to lower-emission technologies with lower CO_2 emitted per tonne-kilometre as a first step towards decarbonisation. Lobby for national levers to support use of lower emission technologies and modes. Spatial planning should look to optimise freight network efficiencies as a way of reducing emissions and other environmental harms.

Perceptions of Freight

The opening statement in the Australian National Freight and Supply Chain Strategy "Every time you go to the shops, overtake a truck on the highway, have a parcel delivered, pass a construction site or see Australian produce overseas, you are seeing Australia's freight and supply chain networks in action"[90] is reflected in New Zealand's own government and by the public[91]. A poor perception of the sector affects its long-term ability to function effectively and efficiently. As the New Zealand Strategy notes, poor perception can affect its attractiveness as an employer, policies that would support better freight movement can be opposed and there can be opposition to its use of land and location of facilities.

INSIGHTS	What	So What?	So What Now?
	Freight is seen by some users as an encumbrance or nuisance.	Poor perceptions may hamper the sector's ability to make useful improvements or operate safely and effectively.	The freight story needs to be better told and represented through the RLTP processes.

[90] Ministry of Transport (2024), National Freight and Supply Chain Strategy p 4.
[91] Ministry of Transport (2024), op. cit., p 47.

Safety

The road freight industry has made significant safety gains over the last 30 years. The number of deaths involving crashes has fallen from a high of 121 deaths in 1994 to 57 in 2023 [92], and data from 2004 showed a significant reduction in rollover accidents involving logging trucks falling from 44.4 rollovers/100 million km travelled in 1999 to 2004 following the establishment of the Log Transport Safety Council[93]. However, the truck associated deaths still represented 17 per cent of all road deaths in 2023, down from 20 per cent in 1994. The cost to the economy, let alone the personal cost of road trauma, is still high as KiwiRail's Value of Rail report indicate.

In the latest update from August 2024, the avoided economic harm of using rail over road transport was estimated at $161 million[94]. As noted in KiwiRail's reporting the proportion of deaths or serious injuries is "far greater" than for trucks than light vehicles[95]. The numbers of avoided deaths through the use of rail freight in 2023 were 14, serious injuries 53 and minor injuries 210[96].

As the KiwiRail reports note, the causes of these deaths are not explored. However, the poor understanding of the physical properties of freight operations particularly when they interact with light vehicles will generate adverse safety outcomes. Freight vehicles take longer to stop, and when they are involved in crashes the energy involved can lead to significantly greater physical damage and personal trauma.

Rail also suffers in this respect. KiwiRail's sponsorship of TrackSafe and Rail Safety Week echo the long-standing North American Operation Lifesaver which aims to keep people safe around trains. Even emergency services themselves do not always understand the risks as evidenced when a fire truck was hit by a Brightline train in Florida which passed lowered crossing barriers and was hit by the oncoming train[97].

INSIGHTS	What	So What?	So What Now?
	Deaths and serious injuries are declining but when crashes do occur, they are likely to cause significantly great trauma and higher costs compared to crashes involving light vehicles.	The physical attributes of freight transport are generally poorly understood.	Through the RLTP processes, continue to advocate for road safety outcomes, including planning to separate key freight routes where possible.

[92] Ministry of Transport (2025), Safety — Annual statistics | Ministry of Transport, accessed on 22 April 2025.
[93] Pont, J., Baas, P., and Wilshier W., (2006), Safety Gains in Log Transport in New Zealand.
[94] Australasian Railway Association (2024), ARA_Benefit_of_Rail_New_Zealand_Report_August_2024.
[95] Kiwirail (2016), The-Value-of-the-Rail-in-New-Zealand, p.23.
[96] Kiwirail (2021), The Value of Rail in New Zealand.
[97] ABC News (2025), 15 injured after Brightline train collides with fire truck in Florida , accessed on 17 January 2025.

National Problems, Fragmentation and the Case for Inter-regional cooperation

A stated goal of Government is to grow the economy. This has been reflected over time through the Ministry of Transport's Outcomes Framework Outcome 5 "Economic Prosperity," and in the Wellington Region's RLTP thirty-year vision and strategic objectives seen its strategic framework, integrated with objectives to create a safe, accessible, well-connected region.

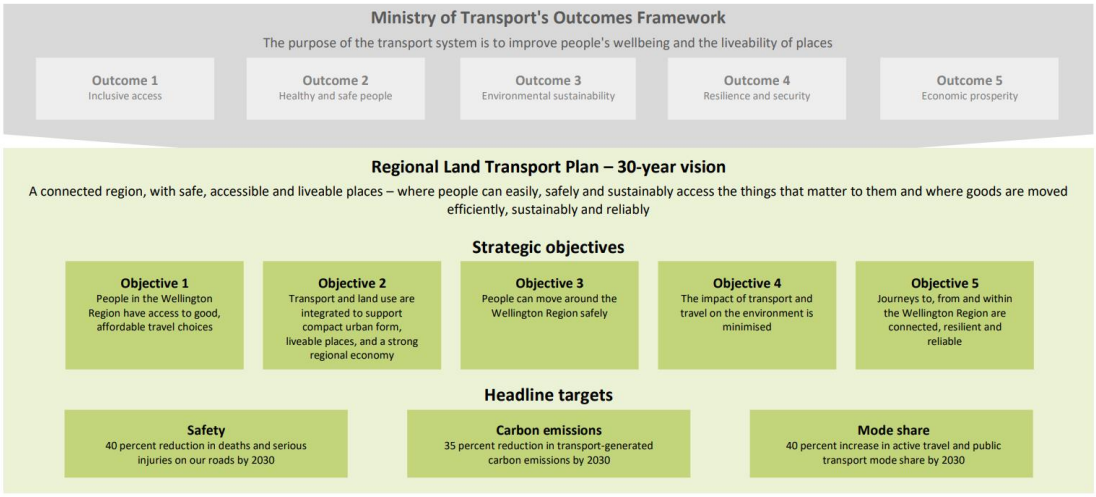


Figure 12 – RLTP 2021 Strategic Framework[98]

The initial driver behind this paper was to establish if there was a case for change in the approach towards freight for the RLTP 2027 and if so, what would that be? This curiosity was driven by the increasing level of emissions from freight transport as the principal contributor to the increase in transport-related CO_2 emissions. Participation by GW staff in the Ministry of Transport-led workshops held as part of developing the National Freight and Supply Chain Strategy also confirmed that the freight sector's needs and wants of the sector were not well represented in regional land transport planning. In considering the nature of freight in the Wellington region, it became evident that a significant amount of freight traffic in the region was being generated outside the region and that to understand that traffic and plan for it required a broader pan-regional approach similar to that adopted for the Upper North Island[99] and more recently the South Island[100].

Further analysis indicated the variations in the nature of the freight flows between the four ports across the Lower North Island handling international shipping and their connectivity to the national land transport network. Only two of them handle containers and one of them only exports bulk commodities and handles no imports. Three of the ports are connected by both the national rail

[98] GW (2021), op. cit., p14.
[99] Sapaere (2020), op. cit.; and West Coast Regional Council (2024) op. cit.
[100] Environment Canterbury, Stantec (2025), Op cit.

and state highway networks (the rail network to Gisborne has been closed since storm damage in 2012 except for a brief reopening of the Napier-Wairoa section). Additionally, significant freight hubs and supporting infrastructure has been proposed, planned or under construction across the four regions.

Initial discussion at the officer level between councils indicated mutual concerns about the ability of the state highway network to handle existing levels of heavy freight while the rail network which has seen significant reinvestment remains underutilised. Anecdotal evidence also suggests that the freight sector's needs are not well considered in the design of the transport network. An example is inter-island live-stock transport where the last opportunity to discharge effluent prior to ferry embarkation is at Waikanae, about 60 minutes north of the Wellington ferry terminals generating tight transport times for stock trucks to embark on ferries for the Cook Strait crossing. Given the issues discussed earlier in this section, the question arose as what opportunities exist to create a more efficient and effective freight system across the Lower North Island if the efforts of the five regions were coordinated. The five Lower North Island regions accounted for approximately 28 per cent of New Zealand's sea exports by volume in 2018 which by itself suggests there is a significant freight system in the Lower North Island. The picture is, however, more complicated with significant southbound flows of intermodal traffic flowing south from the ports of Auckland and Tauranga and significant outbound flows of export (particularly dairy traffic from Taranaki and some logging traffic) headed for export. There is, therefore, a case for greater coordination, and a change away from the current fragmented approach to a network approach.

Some of the areas which would benefit the Lower North Island freight network cover but not exclusively:

a. Acknowledging and making use of the fact that not all port have the same facilities e.g., there is only one inter-island port, and only two ports have container terminals Dependencies between the five regions with certain facilities;
b. Better coordination between the inland freight hubs and export ports to reduce haulage costs to ports and airports;
c. Inefficiencies generated if common issues are not addressed at scale and represented into national network plans such as the State Highway or Rail Investment Plans; and
d. Duplicated capacity between modes such as road and rail.

There are also wider issues which sit outside the immediate area that Regional Land Transport Plans address but which affect the operation of the transport network. These include regulatory issues handled at a national level such as safety and emissions standards and labour issues such as the ageing workforce. A combined pan-regional voice would add weight to advocacy on issues

which sit outside the respective councils' ability to directly affect, particularly if combined with a national approach coordinated through Te Ura Kahika and its Transport Special Interest Group[101].

The conclusion of this section is that there is fragmentation in our knowledge and understanding of the freight system in the Lower North Island. A more coordinated approach across the regions is likely to lead to better investment and a more effective freight sector, particularly given that freight movement occurs across, not within regional boundaries. A Lower North Island coordinated approach would enable effective discussion and interaction with the two other geographic areas that have already undertaken or are working on a coordinated approach.

INSIGHTS	What	So What?	So What Now?
	Transport planning is fragmented and lacks a system view.	There may be over investment in duplicated infrastructure or under-investment in needed infrastructure. Common issues may not be identified or acted on. Common dependencies are not recognised Better coordination would drive efficiencies and increase productivity.	Adopt a network approach for considering freight movements and issues across the Lower North Island. Develop a coordinated policy approach. Obtain network data for intra- and inter-regional freight across the Lower North Island

[101] Te Ura Kahika is a network of regional and unitary councils that assists in coordinated delivery across the regional sector.

VIII. Potential for Change

The Government has set an overarching strategic priority of economic growth and productivity for the transport system. Freight is in essence the lifeblood of the economy moving goods to export and distributing goods and supplies throughout New Zealand. There is strong interest in developing an effective national approach towards freight, mirrored in international strategies. In the absence of strong national plan, the regional sector is considering what an effective approach might be.

This section discusses the opportunity and reasons for change, identifies potential focus areas for regional government working in partnership with central government and the private sector, and considers options and the levers for changes available.

Opportunity

While this issues paper is not intended as a critique of the National Freight and Supply Chain Strategy, the fact that the five Lower North Island and South Island regional councils are looking to develop pan-regional approaches suggests that the national strategy is missing something. A quick comparison with the Australian strategy reveals a more action-oriented document with a clear vision, four well defined action areas, an action plan and implementation reporting and oversight that has translated into investment and action. This suggests that the current New Zealand approach and strategy is not meeting the objectives of the Government in delivering a freight system optimised to support economic growth, the freight operators themselves, or the interests of the regions.

Across the Lower North Island, the four regional councils have identified in their RLTPs the importance of freight. The four regions contain significant primary producing areas, the second largest urban area by population, and three export ports all connected by the rail and state highway network, with a fourth connected by state highway.

The opportunity exists therefore for a more coordinated approach to freight that would support the freight industry become more productive, support economic growth and deliver on broader agreed outcomes including safety, and environmental.

A final opportunity for change is the proposed revised approach that GW is proposing to take towards developing RLTP 2027. GW has identified the need for an overarching vision and strategy for the region's transport network against which investment decisions can be made. GW's current intention is that the next RLTP will be based on this vision and strategy which will be evidence and policy based. The approach starts from understanding how, why and where people and freight travels, where it is likely to travel, the agreed future shape of the region and designing a network to reflect those needs and desires. The future network can be planned with these needs at its heart but also by understanding the externalities, how to best plan for these, and other policy objectives that may be sought. A Lower North Island strategic approach to freight would be a key input to this process.

Reason for Change

There are five reasons for change: economic reasons, resilience, environmental reasons, integration and changing nature of freight. These reasons for change are summarised in Table J below.

Reason	Rationale
Economic	New Zealand is a small trading nation with limited financial resources. The current "piecemeal" approach to infrastructure has led to a low capital efficiency. While the operators themselves are by and large competitive, the provision of the infrastructure on and through which they operate is not. This represents at best poor use of taxpayer and ratepayer funds and in turn can lead to lower productivity and effectiveness in the sector with a knock-on effect of increase transport charges for end users
Resilience	New Zealand's supply chain network is vulnerable to disruption often with sudden and significant economic costs. While significant steps continue to be taken to address these, the lack of a coordinated approach including maximising use of existing connections and alternatives reduce the overall effectiveness of the land transport network.
Environmental	New Zealand has committed to "zero carbon" as part of the Paris Climate Accords. While the technologies exist for the local distribution market, they are someway off for the heavy freight sector. Solutions are available for the industry that will lower emissions on tonne-kilometre basis as an intermediate. Additionally, the movement of freight itself particularly in urban areas has significant localised impacts that if addressed more wholistically can lead to improved efficiency for the sector as well as improved urban habitability
Integration	The transport network within the Wellington region and more broadly is multi-modal by nature. Within the Wellington region, the focus of planning has been predominantly on the movement of people rather than freight. The strategic network within the region sees most movement moving along two corridors combining at the bottom of the Ngāuranga Gorge. Unless freight is incorporated into transport planning the resultant networks will fail to optimise the movement of freight and people leading to competition for a finite resource. Additionally, there is significant benefit to be gained by approaching freight from an inter-regional perspective given it nature.
Changing nature of freight	The nature of the freight market has changed markedly since the last national freight demand study conducted in 2017/18. The rise of e-commerce has significantly shifted the nature of demand, while internationally, the geopolitical challenges to New Zealand's long supply chains have affected how the local sector operates with changes to shipping schedules affecting local networks and storage requirements.

Table J. Reasons for Change

Areas of Focus

The current New Zealand approach to freight lacks specific tangible actions. The overall description of the future system, strategic goals for it and focus areas provide a direction of travel when coupled with the current GPS. However, it lacks the focus and specificity of the Australian approach.

The question for the regional sector is where should it focus its attention? The research in this paper suggests five main areas: resilience, capital utilisation and targeted investment, data and technology, economic growth and prosperity, and externalities. These potential focus areas are discussed in Table K below.

Potential Focus Area	Rationale
Resilience	New Zealand is a long thin, geologically unstable island. Its transport routes are long, vulnerable to disruption. When disruptions occur, they incurs significant immediate economic cost as transit times and lengths increase as well as downstream opportunity cost as infrastructure is rebuilt. Improving resilience reduces long-term cost and fosters confidence in economic growth as users know that transport routes will remain open or reopen quickly.
Capital utilisation and targeted investment	Parts of the infrastructure sector are demonstrating poor returns on capital including land transport and ports. Additionally, significant investment in transport infrastructure has yet to yield significant returns on their investment. Improving capital utilisation will ensure that a better overall return is delivered from capital investment as well as providing a platform for growth in the sector and more efficient operations. Ensuring that investment is also smartly targeted to the areas not just with the most need but the most potential to deliver benefits ensures we make the best use of a finite resource.
Data and Technology	In an information age, the freight sector and government lacks the data and information to make timely decisions at speed. New Zealand's freight and supply chain data is variously fragmented and uses now dated technologies. Access to updated reliable information allows more timely and effective decision making including where to invest in transport infrastructure. Greater use of technologies such as automation could also address labour shortages, and increase safety and productivity
Economic Growth and Prosperity	Transport at its heart is an induced demand. Transport occurs because people and freight need to move somewhere. The freight networks and supply chain have underpinned New Zealand's economic growth from the time of first settlement. As a trading nation, we rely on effective networks. If transport networks are compromised, our growth and prosperity are affected as it takes longer and costs more to deliver goods. Effective and efficient transport network enables growth – the opposite impairs growth and prosperity.

Potential Focus Area	Rationale
Externalities	Movement of freight and people affects the environment taking land that could be used for other purposes, generating emissions, noise and vibrational pollution, or generating congestion. Movement of freight and people in the same place are often in conflict with each other and as the nature of freight changes particularly the impact of e-commerce on local delivery, this conflict is increasing. Understanding the impact of transport, and planning to minimise those impacts if done well benefits both freight and the environments in which they operate.

Table K. Potential Focus Areas

These focus areas compare well with the Australia Freight and Supply Chain Strategy of 2019 and its revised focus areas:

Australian Focus Areas 2019	Proposed regional focus areas	Proposed regional focus areas
Smarter and targeted infrastructure	Decarbonisation	Resilience
Enable improved supply chain efficiency	Productivity	Capital Utilisation and targeted investment
Better planning coordination and regulation	Resilience	Data and Technology
Better freight location and performance data	Data	Economic Growth and Prosperity

Table L. Comparison between Australian Freight and Supply Chain Strategy 2019 and 2023 Revision and proposed regional focuses

Comparison of the five potential focus areas with those in the Australian and New Zealand national freight and supply chain strategies suggests that the proposed focus areas for a regional approach are likely to make a material difference and should form the basis of a regional approach.

Potential Outcomes of a strategic approach

Table M summarises the attributes of, and benefits that a more strategic approach to freight in regional land transport planning could achieve.

Attribute	Benefit	Opportunities
More efficient use of capital	Released capital can be invested elsewhere in transport or broader infrastructure	Use of fast-track legislation. Refined business casing processes. Using evidence-based strategies for investment.
Smarter and targeted infrastructure	Infrastructure supports growing freight needs, ensuring freight is moved in the most efficient and effective manner	Spatial planning RMA reforms Better use of existing infrastructure across all modes.
Integrated transport and land use planning	Integrated transport and land use planning recognises freight's importance is and balances it with other needs in transport and land use planning across all levels of government.	Develop agreed regional or inter-regional freight strategy.
Accounting for externalities	Planning supports freight interests while meeting community expectations for safety, security and environmental outcomes.	Better use of spatial planning.

Table M. Attributes, benefits and opportunities of a more strategic approach

Levers for Change

When considering change, governments can:

a. Direct or implement change itself e.g. through building infrastructure, setting policy and making regulations;
b. Advocate for change to those who can make change e.g. regions bidding for funding through the RLTP process or lobbying for policy or regulation; or
c. Accept that desired change may well be out of the hands of government to influence and that in many instances, New Zealand is a net taker of change e.g. technology.

A more efficient and effective freight system will require action at national and local government levels working in partnership with the infrastructure and service providers and operators and customers. Regional and unitary councils have specific role in setting the strategic direction for their regional system within the national context through the regional land transport planning process. In the absence of a nationally coordinated approach, change must be led at the regional level while recognising the limitations in being able to effect change, without more central Government leadership. As noted earlier in this paper, benefit can be gained by working together

across the Lower North Island addressing common issues, avoiding duplication of effort and taking a network approach. Assuming no change to the current legislative framework, the current levers are available to the five regional councils.

Lever	Benefit	Who
Coordinate development with NZTA Arataki refresh and System Design	The regional sector's and NZTA's strategic documents used for investment planning are aligned leading to increased confidence by investors	Regional Councils NZTA
Integrate transport planning with land use using spatial planning, including proposed spatial plans, FDS and District Plans to develop an agreed inter-regional freight network	The region's transport network will support regional ambitions allowing smarter targeting of infrastructure	Regional Councils Territorial Authorities Regional Economic Development Agencies
Establish a coordinating mechanism to oversee implementation of the agreed plan.	Transport investment is coordinated leading to better return on investment	Regional Councils NZTA KiwiRail Freight Industry
Partnership with key freight industry players in development of strategic freight approach	Higher likelihood of acceptance and success	Regional Councils Freight Industry
Collectively work with NZTA and MoT for the establishment of a comprehensive view of freight and national strategy	The pan-regional network is operating as part of a national network contributing to overall efficiencies, growth and outcomes	Regional Council NZTA MoT
Sector advocacy	A united voice on clearly defined goals is more likely to lead to change	Regional Council, TSIG and Te Ura Kahika

Table N: Levers for change

Options for Change

There are five options for action discussed below:

a. Do nothing;
b. Coordinate inter-regionally;
c. Develop an agreed strategic approach between the councils;
d. Develop a pan-regional strategy; and
e. Lobby for new freight demand study and (re)development of a national strategy and action plan.

These are discussed briefly in the table below with advantages and disadvantages of both:

Option	Advantage	Disadvantage
Do nothing continue with informal discussion between the regions and identify the requirement for a pan-regional or national approach	Requires little further investment other than light-touch coordination.	Does not address the issues identified including economic, resilience and environmental.
Coordinate inter-regionally Develop an agreed understanding of the problem and opportunity, agreed policy position and agreed action plan	Recognises the interconnected nature of the freight networks across the regions and nationally. Allows a coordinated approach to be taken by the regions permitting more effective use of the existing network. Would permit better targeting of capital investment.	Does not contain any real levers for ensuring change.
Develop a pan-regional strategy Develop a Lower North Island Freight and supply chain strategy with NZTA and key stakeholders with an agreed implementation plan and governance.	Would provide a common knowledge base. Would provide an agreed action plan and governance plan. Would permit better targeting of capital investment.	Requires as yet unidentified funding. Would be better supported with a rerun Transport Demand Study
Lobby for new freight demand study and (re)development of a national strategy and action plan	The demand study would provide the common evidence at a national level on which to make informed decisions regarding policy and investment. A renewed strategy with a focused action plan would provide the investment	No funding currently unavailable. Regions do not have sufficient resource.

Table O. Options for Lower North Island Regional Councils

IX. Next Steps

This paper has provided a brief overview of the freight network across the Lower North Island, identified reasons for change and potential benefits, areas for focus and options to achieve that change. This paper is, however, primarily a literature review. There are gaps within GW's and the other councils' knowledge that should be filled. These are both quantitative in nature due to the fragmented nature of data in the sector and qualitative as information has been gleaned through limited informal discussions with some freight sector actors and the published material from the Ministry of Transport used in development of the 2023 National Freight and Supply Chain Strategy. A list of knowledge gaps is attached at Annex A.

Beyond closing these knowledge gaps, there will be limits to what each regional council and the four Lower North Island councils collectively can achieve. Ultimately, an updated national freight and supply chain strategy with an agreed action plan with assigned responsibilities offers the best route for meaningful and long-term change.

Short of this, a number of options exist:

a. Collaborative working with NZTA Waka Kotahi on the development of their State Highway Strategic Plan scheduled for later in 2025, and updating the freight and strategic networks components of *Arataki*, which is being developed as a shared sector view of the land transport system during the next 30 years;
b. Engagement with KiwiRail, the ports, the road freight industry and freight user organisations to obtain their viewpoints and agree the problem and a joint way forward;
c. Development of an agreed policy position and actions between the four regional councils for incorporation into their 2027 RLTPs and coordinated lobbying;
d. Development of agreed national TSIG policy position incorporation into their 2027 RLTPs and coordinated lobbying, including coordination with the South Island Freight initiative; and
e. Development of and commitment to an agreed inter-regional Lower North Island freight strategy provided funding can be obtained for its development.

The following next steps for action over the first half of 2025 are proposed:

a. agreement at officer-level between the four regional councils on the way ahead;
b. Development and implementation of a plan to close the identified knowledge gaps;
c. Engagement with freight sector operators;
d. formal agreement between the four respective RTCs on the way ahead; and
e. agreement with NZTA to review and co-develop the relevant sections of *Arataki*.

Annex A – Key Findings and Supporting Detail

Transport planning in the freight sector is currently constrained by limited data availability and the lack of a comprehensive system-wide view, which in turn has run-on effects for economic growth and productivity.

1. Freight is the lifeblood of the economy carrying over 80 per cent of the country's export earnings to market.
2. Freight patterns are likely to have changed significantly since the last national Freight Demand Study in 2017 including the local distribution market.
3. However, New Zealand's transport planners lack a comprehensive view of the movement of freight across the country's land transport networks making informed decision making difficult.
4. A lack of benefits realisation and monitoring is compounding the impact of fragmented planning.
5. Fragmentation in planning is contributing to poor return on investment, including poor use of existing infrastructure which detracts from the Government's priority of economic growth and productivity.

New Zealand's freight sector is hampered by poor strategic goal use of infrastructure and investment.

6. While New Zealand's freight sector operators are highly competitive, poor use of infrastructure and capital reduces the effectiveness of the sector.
7. There is evidence of ongoing cross-subsidisation between modes which reduces the effectiveness of investment and operating expenses.
8. The ongoing transport sector focus on revenue rather than cost continues to hamper effective investment.

New Zealand has unique characteristics that challenge the resilience and efficiency of the freight sector, particularly geology and population size.

9. New Zealand's freight sector is asymmetric with very different flows between export and import markets.
10. New Zealand's long, thin unstable geology coupled with a small GDP relative to other similarly sized countries makes it challenging to fund and build a resilient transport network.

Current technologies mean that the freight sector is unlikely to meet the carbon zero goal by 2050.

11. Technologies for freight to transition to carbon zero by 2050 are not yet available.
12. Options exist to move to more efficient modes of transportation.
13. Current regulatory settings do not support this shift.

There are opportunities in the regional system to work with national agencies to develop effective long-term approaches with the freight sector that would lead to a more productive sector with reduced negative impacts.

14. In the absence of an effective national strategy, pan-regional approaches offer the best avenue for effective action to deliver on shared policy objectives.

Annex B – Knowledge Gaps

This annex summarises known knowledge gaps that if addressed would improve the evidence base for a pan-regional approach for freight in the RLTP process.

Specific Data Questions:

a. What has been the change in local freight movements as a result of e-commerce, and household trip generation since the freight demand study of 2017 and how can this be correlated?

b. What is the current picture of freight flows across the Lower North Island, and can this be modelled for the future?

c. What are the flows along the SH1, SH2 and SH3 corridors by mode?

d. What are the import and export flows from the three ports (Wellington, Napier and New Plymouth?

e. What would the demand for alternative energy sources be if the heavy and light freight ICE fleets were replaced with alternative sources such as electricity?

f. Do we have supply and reticulation to meet this anticipated demand?

Source Questions:

a. How do we close the gap on a lack of comprehensive data on the movement of freight in New Zealand post the 2017 Freight Demand Study?

b. Can we access heavy and light freight vehicle leases and sales data across the region and how does this compare against economic activity. Can this be broken down by sector e.g. primary, freight distribution?

Qualitative Questions

a. How do the current users perceive the freight system?

b. What improvements would they like to see made to it?

c. What are the obstacles you see to improving your business (for operators and users?)

d. How could the system cater for future demand?

Date: 28 August 2025

Subject: **Regional Land Transport Plan implementation update**

Author: F Ritson, Senior Policy Analyst - Transport

Approved by: M J Nield, Director - Corporate Services

Document: TRCID-1492626864-1036

Purpose

1. The purpose of this memorandum is to provide an update on implementing the Regional Land Transport Plan (RLTP). An update will be received from each of the four councils on progress with implementing their respective transport programme and their forward planning of transport activities. Additionally, this item advises of a minor variation to the current RLTP to bring forward a culvert replacement.

Recommendations

That the Taranaki Regional Council:

a) receives the update from the New Plymouth District Council on its transport activities

b) receives the update from the South Taranaki District Council on its transport activities

c) receives the update from the Stratford District Council on its transport activities

d) receives the update from the Taranaki Regional Council on its transport activities.

e) notes the minor variation to the Regional Land Transport Plan 2024 to bring forward an end-of-life culvert replacement and that this does not require a formal variation process.

Background

2. As part of maintaining oversight of land transport activities in the region, including implementation of the Taranaki RLTP, the quarterly Regional Transport Committee meeting receives an update from each of the four councils.

3. Together with the separate update provided by Waka Kotahi NZ Transport Agency, this means that each Approved Organisation within the current RLTP (except for the Department of Conservation whose transport activities in the region are too minor to warrant such regular updates) regularly report on their progress with implementation and forward planning of transport activities.

Discussion

4. The following members of the Regional Transport Advisory Group (RTAG) have provided written updates (attached) which they will speak to at the meeting and answer any queries from Members:

Organisation	RTAG Member
New Plymouth District Council (NPDC)	To be advised
South Taranaki District Council (STDC)	Vincent Lim, Roading Team Leader
Stratford District Council (SDC)	Steve Bowden, Roading Asset Manager
Taranaki Regional Council (TRC)	Cheryl Gazley, Transport Engagement Manager

Minor change to RLTP 2024

5. Members' attention is directed to the 31 July 2025 RTAG meeting minutes in the agenda, that discusses the bringing forward of a culvert replacement project into the current RLTP period.

6. The Commitee may recall that the 'business as usual' (BAU) activities (Table 6) of the RLTP 2024 included the following project:

Organisation		NZTA
Activity name		SH3 Mangapepeke No.2 Culvert End of Life Replacement
Phase		Implementation
Activity Class		13 - State highway improvements
Expected start & duration		July 2024 (24 months)
Cost estimate	2024/25	$1,526,000
	2025/26	$3,052,000
	2026/27	-
	3-year RLTP	$4,578,000
Expected funding sources		N funds (100%)
Contribution to regional policies		R1, R2, I3, A1, G2

7. At the time of developing the RLTP 2024, the decision was made to include this project under the BAU activities table (for automatic inclusion rather than being prioritised by the Committee), because it is an essential end-of-life replacement required to keep the corridor open.

8. A separate project to replace another culvert (Mangapepeke No.1) was planned for delivery in the next NLTP period of 2027-2030. However, Waka Kotahi NZ Transport Agency have advised that the No.1 culvert has deteriorated faster than anticipated so it has become important to replace it sooner than originally scheduled.

9. While it is a less significant project in both complexity and cost, there is real advantage to delivering these culvert replacements together given that they are both in the Mangapepeke Stream and are also near each other on State Highway 3 – refer to Figure 1. Discussions are underway with stakeholders on traffic management options to enable these works to progress in 2026 with the least disruption of access to the northern corridor.

10. The SH3 Mangapepeke No.1 Culvert End of Life Replacement comes under the same criteria of automatic inclusion within the RLTP and therefore does not trigger the RLTP 2024 Significance Policy for needing a formal variation process to be undertaken.

Figure 1: Location of Mangapepeke culvert replacement projects

Appendices/Attachments

TRCID-1351577652-262: NPDC update

TRCID-1351577652-257: STDC update

TRCID-1351577652-260: SDC update

TRCID-1351577652-252: TRC update

Approved Organisation Update to Taranaki Regional Transport Committee	
Organisation name:	**New Plymouth District Council**
RTAG representative:	**Stuart Knarston / Tony Hellier**
RTC representative:	**Councillor Harry Duynhoven**
Date:	**July 2025**

1. MAINTENANCE, OPERATIONS AND RENEWALS

The overall delivery of the transport programme has progressed well. In relation to the forecast expenditure for the 2024/25 financial year it is tracking close to 100 per cent of the $80.4M budget.

Projects completed during Q3 of 2024/25 include:

TAC & SAC Sites

- Devon Street & Mangorei Intersection
- Princess & Richmond Street Intersection
- High & Grey Street Intersection
- Wallace & Tukapa Intersection

Surrey Road Pavement Overlays

A series of overlays continuing into this year on Surrey Road:

Picture – Surrey Road Overlay

Tarata Road

Our greatest risk area for the year ahead and the next 10-years will continue to be the impact of forestry haulage on our network, in particular Tarata Road. Resilience funding (from NZTA) and matched funding from the Junction Road Endowment Fund has allowed planning to proceed in bringing forward a number of granular rehabilitations and road improvements along Tarata Road over the next 2 years.

There are six sites that have been prioritised, and design is moving ahead on these with a planned construction start in October this year.

Picture – Tarata Road Resilience Sites

2. ROAD IMPROVEMENTS

Huatoki Pedestrian Crossing Improvements

Alterations were made to the original raised platform and raised crossing to improve safety on this busy intersection next to a school.

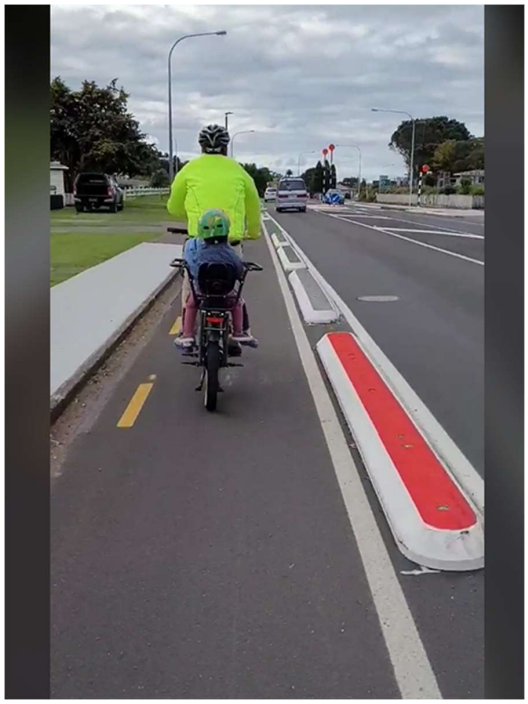
Picture – Huatoki Pedestrian Crossing Improvements

Mā Ake – Your Way

Construction is now complete on the safety improvements along the 3.9km length of South Road / Devon St West SH45. It includes:

- 4 crossing improvements across the state highway,
- 11 side road intersection treatments,
- 1km of shared path,
- 2.8km of protected cycle lanes.

We are currently completing the post-construction safety audit and given the high level of community interest in the project we also have a design review underway. We will be presenting these to the steering group in August and discuss how to present the findings of these to our wider community. link here



3. WALKING AND CYCLING

Let's Go programme

Work Category 432 Road Safety Promotion has been heavily affected by the reduction of NZTA funding. The Council decided to retain the NPDC LTP for the Let's Go Programme (but limited to the education programme only).

The key focus for the Let's Go programme in 2024/25 was in school settings. Highlights included:

- Delivery of cycling and scooter skills training to 1,997 tamariki in our district's primary and intermediate schools. In 2025, this training delivery was focused on the schools adjacent to the separated cycle lanes on Devon Street West to give students at these schools the skills to use this new infrastructure.
- Another successful Fresh Air Challenge (refer attachment) in schools. This campaign is designed to signal a change in season to spring, and a 'call to action' for trying more active travel. The 2024 challenge was held from 2-13 September with 18 schools, and during the challenge a total of 46,520 active and shared transport trips were recorded.

Te Pe o te Rangi - Walkway extension Bell Block to Waitara

Construction of Stage 1a at Otipaiia/Marine Park, Waitara is complete, while all land purchases for the rest of Stage 1 has been completed. Land purchases on Stage 2 are progressing well. Land purchases for stage 3 will be done as part of the Puketapu growth area. link here

4. TRANSPORT PLANNING

Integrated Transport Framework (ITF)

The ITF was adopted by the Council in December 2024. The ITF and supporting technical documents (i.e., the programme business case, transport model forecast report, consultation research) are being prepared for uploading to the NPDC website. This will include a link to GIS maps for a range of outputs from the Strategic Transport Model comparing performance of the network between the base year (2018), 2035 and 2053.

Airport Drive intersection project

The single stage business case for the proposed intersection between Airport Drive and the Parklands Rd extension has been finalised. The new intersection on Airport Drive will connect with the NZTA-led SH3 / De Havilland roundabout safety improvement project and the Council-led Parklands Avenue extension, which will serves as a collector route from the east for the Puketapu Growth Area. Additional funding will be required to construct the proposed intersection. link here

High Frequency Bus trial

NPDC / TRC have identified two options for the high frequency bus trial. These are Fitzroy – CBD – Blagdon or Fitzroy – CBD – Hospital, operated as a 20-minute frequency, weekday service from 7am – 7pm. If additional funding is approved, the final route will be presented to the Taranaki Passenger Transport Joint Committee and confirmed by the NPDC mayor, deputy mayor and chair of Audit and Risk. A proposed start date for the trial would be in the 2nd quarter of 2026.

Strategic Planning

NPDC needs around 368 houses more houses per year (on average) over the next 30 years to meet projected rates of growth. A tweak to the District Plan provisions around urban housing delivery rules is being done to make it easier to provide residential housing and make planning for it more efficient, likely to be notified in October 2025.

The impending RMA reforms (link here) propose one single region-wide plan for regions commencing in 2027, including the standardisation of land use zones and other provisions across NZ, which will reduce the need for further operative District Plan changes before then. The Minister is proposing to stop further plan changes until the new planning system is in place.

The draft Waitara Spatial Plan was approved by the Council for community consultation. The community consultation period will be 14 July to 31 August 2026.

The Bell Block Spatial Plan has been initiated and governance set up. A procurement plan is being developed to secure a consultant to run the spatial planning process, expected to be in place by September 2026. It will follow a similar process to the Waitara Spatial Plan.

NPDC link here

Longer term land supply

The total number of subdivision applications and estimated new lots created over the past five years is shown in Figure 1 below. This shows a relatively steady number of applications lodged, with fluctuation in the number of lots enabled from these. There is a clear peak in estimated new lots within 2024, with application made for 634 residential lots.

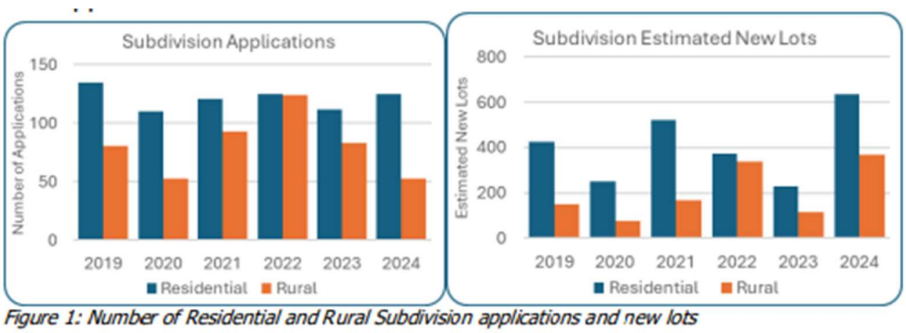


Figure 1: Number of Residential and Rural Subdivision applications and new lots

New Plymouth Central City Strategy projects

There are three projects in the strategy implementation programme prioritised for Year 1and 2. They are the West End Crossing, Huatoki Master Plan and daylighting and the replacement of the Devon St trees. All projects are on track:

- Designs for the West End (Queen St shared space) are completed. Provision for buses has been allowed for as part of the West End project, including the bus park on Powderham street. The Strategy and Operations Committee will consider the project at its August meeting.
- the Huatoki Master Plan is completed, and preliminary work has commenced on Huatoki daylighting (which will be pursued through a PPP process). Further technical reports are required.
- Eleven alder trees have been selected for removal from Devon St West, followed by replacement greening which will occur later in 2025. The second phase will take place in 2026.


LET'S GO
Mā Ake
Fresh Air Challenge
Te Wero Hauhau
NPDC
LET'S GO
Mā Ake
SCHOOLS/KURA
STUDENTS/ĀKONGA
SUSTAINABLE TRIPS
16
Participated across NP
13 primary schools
5 intermediates
5,055
Participated with daily class trips counted
46,520
Active & shared travel trips were taken over 10 days!
WALKING
MODE SHARE
BIKING
19,410
Walking trips were taken all the way to or from school
* excludes park & walk
69%
Sustainable Transport achieved across the wero!
5,697
Bike trips were taken

Approved Organisation Update to Taranaki Regional Transport Committee	
Organisation name:	**South Taranaki District Council**
RTAG representative:	**Vincent Lim**
RTC representative:	**Mayor Phil Nixon**
Date:	**17 July 2025**

Maintenance, Operations, and Renewals – 30 June 2025

Maintenance

- All roading engineers are actively inspecting and programming work under new contracts, which have now commenced. Start-up meetings were positive, with contractors committed to using RAMM for planning and claims.
- **Expenditure to 30 June 2025:**
    - **Local Road Pothole Prevention:**
        - Spent: $10,615,437 of $11,554,224 (92%)
        - Savings due to reduced drainage and unsealed pavement maintenance, attributed to favourable weather.
    - **Local Road Operations:**
        - Spent: $4,828,808 of $5,694,780 (85%)
        - Underspending in bridge replacement (committed) and resilience work (in progress).
    - **Local Road Improvements:**
        - Approved (2024–27): $4,481,805
        - Budgeted (2024–25): $1,540,000
        - Spent to date: Over $850,000

- **Walking and Cycling:**
    - Spent: $338,582 of $347,667 (99%)
- **Community Road Safety Programme:**
    - Spent: $413,000 (exceeds approved $247,333)
    - Excess funded as unsubsidised work by three Councils.

Renewals

- Covers planned periodic renewal of sealed/unsealed pavements, drainage, and structures.

Resealing (2024/25):

- Total area: 392,452 m²
- Total length: 71.969 km
- Achievement: 5.08% (Target: 4.5%)

Pavement Rehabilitation:

Road	Cost	Length (km)
Ohangai Road RP 2000–3380	$475,000	1.38
Kohi Road RP 835–1914	$790,000	1.08
Rotokare Road RP 180–1734	$865,000	1.55
Mountain Road RP 6084–6850	$442,000	0.77
Total	**$2,572,000**	**4.78 km**

Footpath Renewal:

- Programme completed
- Total cost: $231,583

Emergency Works

- No events recorded for 2024/25 until:
- Flood Event – 3–4 July 2025
    - Estimated cost: $800,000
    - Torrential rain caused widespread damage, slips, and road closures.
    - Contractors responded promptly despite challenges from waterlogged roads and unstable slopes.
    - Residents were advised to avoid non-essential travel.
    - Flood Statistics:
        - Tangahoe River: 1-in-20-year event (349 m^3/sec vs. average 164.3 m^3/sec)
        - Waitotara River: 1-in-11-year event

Low-Cost, Low-Risk & Targeted Fund Projects

- **Resilience Projects Approved by NZTA:**
    - Severn Street (completed)
    - Waitotara Valley Road (to be done in 2025/26 year)
    - Total: $780,000 (83% funded)
- **Additional NZTA Funding:**
    - Total: $3,176,000

- 2024/25: $1,860,000 for Rawhitiroa Road, Wingrove Road, and bridge abutment protection
- 2025/26: $1,316,000 for various improvements

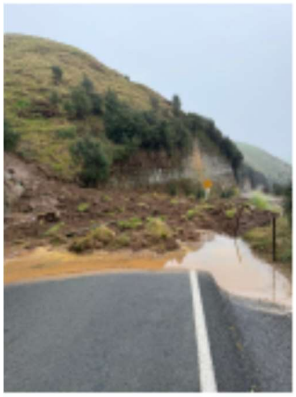
Transport Planning

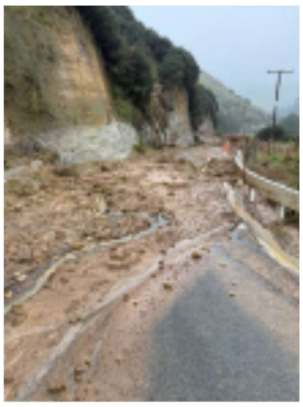
- **Asset Management Data Standard (AMDS) Project:**
  - Expenditure to date: $170,000
  - Funded separately from LTP at 65% FAR

Flood Damage Photos

Ararata Road – Slips at RP 12.71, RP 12.39, 12.71 and 12.80







Ngutuwera Road – Slips at RP 5.44 and RP 1.28


Okahutiria Road – Slips at RP 6.30 and RP 10.77

Rawhitiroa Road – Underslip at RP 35.94, RP37.52, RP 45.15

Approved Organisation Update to Taranaki Regional Transport Committee	
Organisation name:	**Stratford District Council**
RTAG representative:	**Steve Bowden**
RTC representative:	**Mayor Neil Volzke**
Date:	**July 2025**

1. MAINTENANCE, OPERATIONS AND RENEWALS

'Maintenance' work provides for the routine care of pavements, drainage and structures to maintain their structural integrity and serviceability. 'Renewals' work provides for non-routine planned periodic renewal of sealed and unsealed road pavements, drainage, and structures.

Maintenance and Operations.

Our approved funding allocation for Maintenance, Operations and Renewals for the 2024/25 year is $8,506,081. At the end of June we had spent $7,695,948 or 90% of the approved allocation. The reason for the underspend is associated with Professional Services and renewals associated with our structures.

The table below provides an overview of the typical works undertaken in June 2025:

Item	Activity Class	Completed Works
1	Unsealed Roads	• **Potholes** filled on Arnold Road, Kirai Road, Kohuratahi Road, Mangaehu Road, Puniwhakau Road, Upper Mangaehu Road, Mangaoapa Road & Vera Road • **Grading** completed on Kota Road, Soldiers Road, Mangaehu Road, Puniwhakau Road and Upper Mangaehu Road • **Aggregate Loss**: Junction Road spot spread metal along various locations where needed. Mangaoapa Road RP 3959 – 4494 Spread AP65 over areas of the road with little to no metal. RP 8740 – 8790 Removed metal from road scratched corner down to level up then spread AP65 back over. Matau North Road, Perry Road, Raupuha Road, Tauwharenikau Road, Upper Mangaehu Road and Whitianga Road • **Dig out** Whitianga Road RP 5225 – 5238 and Junction Road RP 13150 – 13185 • **Scouring** sorted on Upper Mangaehu Road, Mangaehu Road, Whitianga Road and Soldiers Road
2	Signs/Furniture & Structures	• **Signs reinstated** on Manaia Road SPR • **Sign Straightening** done 2 x Beaconsfield Road, Cardiff Road, Cloten Road, 2 x Finnerty Road, 2 x Hamlet Street South, Hastie Road, Mangapapa Road, 7 x Opunake Road, Pembroke Road East, Pembroke Road West, 2 x Regan Street West, Ronald Road, Salisbury Road, Skinner Road, 2 x Swansea Road and Victoria Road • **Missing signs** replaced on Cloten Road, Crown Road and Cardiff Road • **Post Down or repaired** on Ahuroa Road, Fenton Street, Regan Street West, Cardiff Road, Cordelia Street North. • **New Installation** 2 x bus stop signs on Miranda Street North, Reverse curve sign with supplementary on Opunake Road • **Dirty Post/Signs** cleaned on SH43 (1 Regan Street East), 2 on Mauku Road, Romeo Street • **Damaged Post/Sign** fixed on Opunake Road and Manaia Road North • **Edge Marker Posts** 38 Installed on both sides of Opunake Road • **Graffiti** removed from signs on Warwick Road East and Kelly Street
3	Environmental	• **General Debris** Juliet Street railway underpass Door Repaired • **Illegal Dumping** collected on Finnerty Road, Skinner Road and Portia Street Central • **Detritus cleared** on Manaia Road North, Brookes Road and Pembroke Road East • **Tree Removal** completed on Matau North Road by bridge

		• **Minor Slips** cleared on Matau Road and Mangaotuku Road
4	Pavement	• **Potholes Sealed Various sites.** • **Digout – Depression 2 completed on Salisbury Rd**
6	Surface Water Channels	• **Cleared Detritus** Gutters cleared from weeds, debris, silt and leaves on Celia Street West, Celia Street East, Essex Street, Fenton Street, Juliet Street, Manaia Road South, Margaret Street, Miranda Street North, Miranda Street South, Orlando Street North, SH3 (2 Broadway), SH43 (1 Regan Street East) Swansea Road • **Surface Water Channels** Cleared on Miranda Street North • **Watertables Cleaned** on Upper Mangaehu Road and Mangare Road
7	Shoulders	• **Edge Break** repairs done on Cardiff Road, Opunake Road and Oru Road • **Prep and Seal 200- 400mm** 4 sites on Salisbury Road
8	Drainage	• Blocked drainage sorted on Achilles Street Hammerhead, Arnold Road, Celia Street West, Cordelia Stret South, Curtis Street, Essex Street, Juliet Street, Opunake Road, Regan Street West, 2 x Seyton Street, 6 x SH 3 (2 Broadway) & Stanley Road • **Cleared inlet/Outlets** Bird Road, Salisbury Road, 6 x Arnold Road, Salisbury Road, 4 x Opunake Road, 3 x Sole Road, 3 x Cornwall Road • **New/Upgrade Culverts** 375mm Culvert on Sole Road • **Sump** – Clear grate Juliet Street • **Sump** – Clear whole sump SH3 (2 Broadway) and Curtis Street • **Sump** – Missing grate Juliet Street • **Culvert Damaged** – Mangaoapa Road - Extended this culvert and tidied up area with boulders and metal. • **Clear Water tables** Arnold Road, Junction Road, Kent Terrace, Perry Road, Raupuha Road, Salisbury Road, Soldiers Road, Upper Mangaehu Road • **Cleared Debris** Cornwall Road, Croydon Road, Sole Road • **Culverts cleared** – Sole Road, Cornwall Road and Miranda Street South
9	Emergency Work	• **Fallen Trees** Croydon Road, Junction Road, 3 x Manaia Road SPR and 2x Putikituna Road • **Flood** Juliet Street, Seyton Street, Swansea Road, Ulysses Street, Vera Road • **Road Drop** out Mangaoapa Road in bend alignment scratched back existing metal filled road with clay and compacted. Filled with clean 150 spread ap65 and removed bend from road. Junction Road replaced the 375mm culvert with a 450mm civil boss. Matau Road and Matau North Road • **Snowfall** cleared on 7 June • **Land Slips** Cleared on Mangaehu Road, 2 x Upper Mangaehu Road and Croydon Road
10	Bridges	• **Routine Repair** done on 2 x Ahuroa Road, Finnerty Road, Skinner Road, Stanley Road • **Debris Clearing** Bird Road, Brookes Road, Cardiff Road, Climie Road, Croydon Road, Douglas Road, Finnerty Road, Kohuratahi Road, Lower Kohuratahi Road, Wingrove Road, Mauku Road, Monmouth Road West, Opunake Road, Palmer Road South, Pembroke Road West, Prospect Road, Radnor Road, 2 x Skinner Road, Sole Road, 3 x Stanley Road, Swansea Road and 2 x Toko Road. • **Maintained Painted Surfaces** Stanley Road
11	Footpath	• **Depression –** AC Cordelia Street North Inspected low concrete section • **Uneven Surface** Hazardous section coned off and monitored on Miranda Street North
12	Markings	• **New Bus stops** 2 x Miranda Street North and 2 x Miranda Street South, Mobility Park and hatching on Miranda Street North, Romeo Street West 2 parks repainted, and hatching keep clear zone across driveway. SH 3 (2 Broadway) yellow hatching extended over 2 parks
13	Railings	• **Painted** 6 x Denbigh Road, 4 x Finnerty Road, 3 x Radnor Road, 5 x Stanley Road, 8 x Toko Road, 2 x Toko Station Road, and 2 x Wawiri Road • **Repaired and painted** 8 x Douglas North Road, Radnor Road, 4 x Skinner Road and Stanley Road • **Timber Post** replaced on Opunake Road
14	Vegetation	• **Reach Mowing** Completed on Puniwhakau Road and Tauwharenikau Road • **Hazardous tree/limb** removed on Kupe Rd

Illegal Dumping

Illegal dumping or "fly tipping" continues to be an issues, that said, some months are worse than others.

Figure 1: Images of dumped rubbish.

Structures and Bridge Renewals.

SDC has advertised a contract on GETS for the repairs to Buchanan's Bridge, a 53m long wooden suspension bridge. Tenders close on 31 July

EMERGENCY WORKS – IF APPLICABLE

On Friday 27 June a heavy rainfall event caused some localized flooding and a slip on Mangaotuku Road, shown in figure 2 below. A further rainfall event from 3rd to 5th July has caused widespread damage across the network. An Emergency Works package has been created in TIO to combine both events. At this time we have estimated the clean-up and remedial repairs will cost in the order of $1.5m - $2.0m.

Figure 2: *Mangaotuku Road under slip.*

Figure 3: Mangaehu Road Slip.

2. ROAD IMPROVEMENTS

This work provides for improvements to or upgrading of existing roads within the existing or widened road reserve. This includes projects of less than $2M, which come within the Council's Low Cost Low Risk (LCLR) programme.

General Roading Improvements

The construction of a new retaining wall on Opunake Road was completed at the end of June. Some minor works remain, comprising of seeding and topping up the berm with topsoil.

***Figure 1**: The steel piles being installed on Opunake Road.*

Targeted Funds.

With the release of the *Targeted Fund* by NZTA, the seal widening on Salisbury Road has been completed at a total cost this year of $225,000. This comprises NZTA's share of $150,000 and the remainder from SDC's unsubsidised LCLR fund. There is an NZTA allocation of $150,000 to this project for the next financial year. **Figure 3** shows some photographs of work undertaken so far.

Figure 2: Seal widening of Sailsbury Road

ACTIVE MODES – WALKING AND CYCLING – No funding for the current NLTP period.

ROAD SAFETY

Stratford Primary School Safety Improvements.

A contract has been awarded to Fulton Hogan for the safety improvements at the Brecon Road/Regan Street intersection (a mini roundabout and central island) as well as a kerb extension on Portia Street, adjacent to the entrance to Wai o Rua Stratford Aquatic Centre.

Work is likely to begin during the school summer holidays.

TRANSPORT PLANNING

At present, Stratford is experiencing a down-turn in local development that effect the local roading network. Whilst development hasn't stopped, many of the application received are for one or two lot subdivisions which have a minimal impact on the roading network.

Regional Transport Advisory Group	
Organisation name:	**TRC**
RTAG representative:	**Cheryl Gazley**
Date:	**31 July 2025**

This report provides a Public Transport Services Year in Review for 2024/25.

2024/2025 marked a significant step forward for public transport in Taranaki, through collaborative planning, targeted service improvements and a renewed focus on accessibility and user experience. These efforts reflect our commitment to making public transport (PT) more reliable, inclusive and easy to use for all members of our community.

Transport Planning

This past year, we have been involved in finalising the joint Regional Public Transport Plan (RPTP) and the Better Travel Choices integrated mode shift strategy (BTCS), titled Better Travel Choices for Taranaki. The RPTP component was adopted by Council on 1 April 2025 and now provides direction for future PT investment in Taranaki.

The RLTP underwent a mid-term review, enhancing the plan's focus on reducing emissions and signalling the importance of a transformative shift in PT. The updated RLTP was submitted to NZTA in August 2025.

The Single Stage Business Case (SSBC) was completed and adopted in October 2024. Throughout the process, the community and our funding partner (NZ Transport Agency) expressed a desire for a step-change in public transport. The SSBC presents the case for investment in improved public transport services and infrastructure in Taranaki, outlining a phased increase in service frequency, and investment in low-emission vehicles and infrastructure. However, given current Government policy and funding constraints, a staged approach to improving services over time is the only viable option.

Procurement

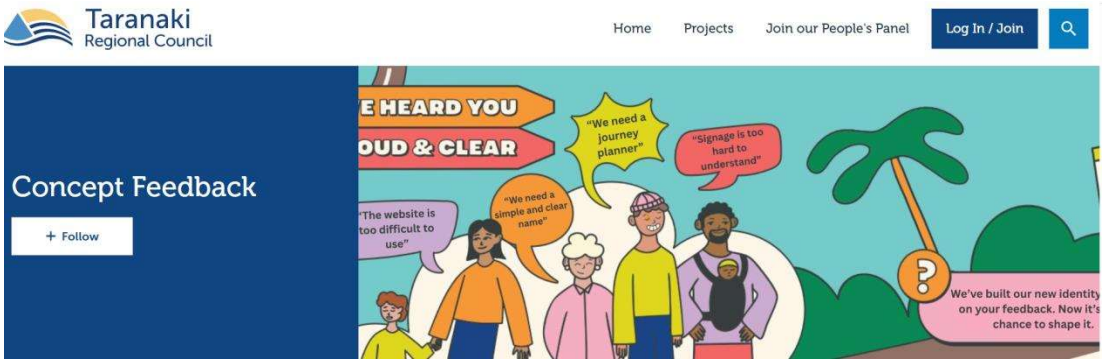
The procurement for both the new urban and regional services was completed, and operations will commence on 6 April 2026. The finalisation of both contracts is currently underway. The new contract specifications included a fleet with the lowest possible greenhouse gas emissions and/or a clear strategy to transition to zero emission vehicles.

Rebrand

A key takeaway from our community engagement over the past 18 months is that our current public transport brand lacks visibility, recognition and ease of use - making it harder for people to access the service.

In response, we're undertaking a full rebrand, including a new name, visual identity, and marketing materials, with accessibility at the forefront. This is more than just a refresh - it's a brand shaped by the people, for the people, reflecting the values and needs of our users. Public workshops and digital feedback tools have ensured the new identity is grounded in real user experiences.

The proposed name, Te Pahi Taranaki, along with logo and design concepts, is currently being shared with the public through both in-person engagement events and online platforms. Community feedback will inform the final decision, which we'll present to Council in September 2025 before progressing to full concept development.



New Website

A new, user-friendly website will support the brand and provide a seamless experience across the national ticketing system and other digital platforms. Features will include

- Real-time schedules
- Journey planning tools
- Total Mobility applications
- Accessibility-focused design

We are currently running a Request for Proposal (RFP) process to select an experienced digital vendor to design and build the new public transport website. Final evaluations and vendor presentations will take place in August, with the contract to be awarded in September. The rebrand and website will be launched on 6 April 2026, alongside the new public transport network.

Private Share

The Government Policy Statement for Land Transport 2024 (GPS) set an expectation for Public Transport Authorities (PTAs) to increase the private share of revenue to offset rising public transport operating costs. We met the private share target for 2024/25 of 19.2%.

Fare Increase

To meet the requirements set by NZTA and achieve the private share target in 2025/2026 of 21.7%, a fare increase was necessary. The transport team knows every cent counts, so we worked hard to keep the increase as fair and equitable as possible:

- Adult fares increased by 25%
- A new youth concession was introduced, with a smaller 13.5% increase
- Community Connect remains at 50% of the adult fare
- Super Gold Card holders still travel between 9am – 3pm with a registered Bee Card
- Children under 5 continue to travel free

Regional PT Committee

In New Plymouth's urban centre, PT services will be critical to achieving more sustainable travel. To that end a Regional PT Committee has been created to better align local strategies and coordinate 'push-pull' levers, parking supply management, urban growth and behaviour change initiatives.

Operations

Looking back at 2024/2025, public transport in Taranaki continues to experience steady patronage despite the loss of the half-priced fare subsidy for 16-24-year-olds, we even saw regional increases in patronage.

PT Patronage Summary:

Route	2023/2024	2024/2025	Change	% Change
Citylink	688,003	681,869	-6,134	-0.9%
Connector	81,708	83,462	1,754	2.1%
Opunake to New Plymouth	1,758	4,730	2,972	169%
Opunake to Hawera	456	469	13	2.9%
Waverley to Hawera	843	873	30	3.6%
Total	**772,768**	**771,403**	**-1,365**	

Improvements

We remained committed to short-term improvements; examples include:

- An additional bus service between South Taranaki and New Plymouth launched in February 2025, to meet growing demand and offer a fully accessible service
- We partnered with South Taranaki District Council to relocate bus stops and install a bus shelter to support the Green Space initiative
- A comprehensive overhaul of the school bus service improving punctuality and efficiency.

Total Mobility

Complementing PT is the Total Mobility Scheme, which ensures people with impairments can meet their daily transport needs in a safe and dignified manner. One family member shared, *"It's such a great scheme. I'm so grateful my mum can get out and do things for herself"*. This highlights the real-life impact and value the programme has on individuals and their families.

This year we focused on expanding coverage of this service around the region and making the scheme more accessible by offering additional assessors as a low-cost alternative to doctors.

Co-Funding Challenges – 2025/2027

National funding settings and constrained co-investment from NZTA Waka Kotahi are expected to place increasing pressure on the delivery and planning of PT services in Taranaki. Key implications for service delivery and Council decision making are outlined as follows:

- The SSBC outlines a phased uplift in service quality, bronze – silver – gold, however, due to constrained co-funding, this vision will need to be rolled out at a slower staged pace. This delay risks community dissatisfaction, particularly after strong engagement which voiced a clear public desire to experience improved services.
- Projects focused on service enhancements including increased frequency, expanded coverage, new trial services, and infrastructure improvements will need to be paused or reprioritised depending on the available funding.
- National policy settings have required public transport authorities lift private share resulting in fare increases. Fare increases must be carefully managed and must be balanced with community impact, particularly among youth, low-income and rural users.

- Costs under new contracts are significantly higher, reflecting inflation and improved fleet quality. Maintaining current service levels without additional funding may require service rationalisation such as service reduction and even cancellation of lesser-used routes.
- Uncertainty in funding has made strategic planning difficult, transport staff cannot confidently prepare for future growth or future travel demand without long-term funding stability.

The transport team hopes that whilst balancing current financial realities we can continue taking steps toward a more accessible and equitable PT service that not only serves today's community well, but also the next generation of PT users.

Date: 28 August 2025

Subject: **Waka Kotahi New Zealand Transport Agency Update**

Author: L Stewart, Waka Kotahi

Approved by: M J Nield, Director - Corporate Services

Document: TRCID-1492626864-719

Purpose

1. The purpose of this memorandum is to provide the Committee with an update on the Waka Kotahi New Zealand Transport Agency's activities nationally and regionally.

Recommendations

That the Regional Transport Committee:

a) receives the updates and presentations provided by Waka Kotahi New Zealand Transport Agency.

Appendices/Attachments

TRCID-1492626864-1119: Presentation - Waka Kotahi

Taranaki Regional Transport Committee

NZ Transport Agency Update

August 2025

National update

NZ TRANSPORT AGENCY
WAKA KOTAHI

Te Kāwanatanga o Aotearoa
New Zealand Government

2027-30 NLTP development

Key milestones for RTCs through to 2026

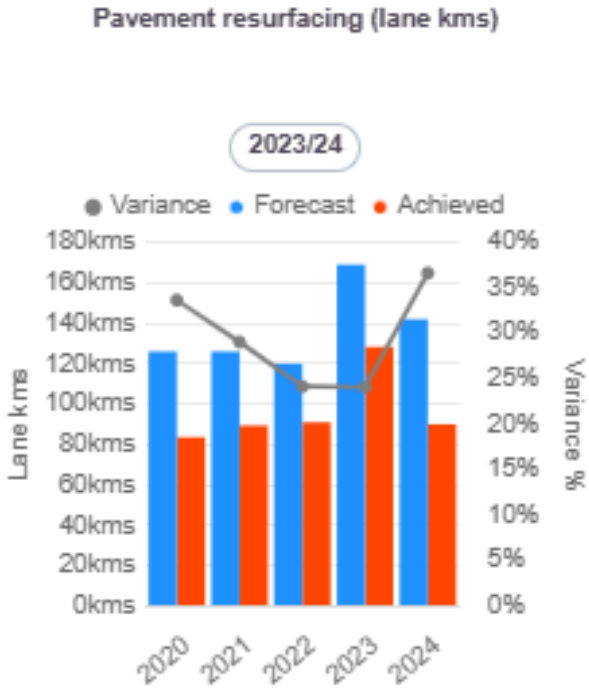
- **April 2026:** State Highway Investment Proposal (SHIP) and State Highway Activity Management Plan (SHAMP)will go to the NZTA board for final approval
- **1 May-31 July 2026:** Draft Government Policy Statement on land transport (GPS) released for consultation by the Ministry of Transport
- **May 2026:** Draft Funding Assistance Rates (FAR) go to the NZTA board for approval
- **September 2026:** Draft Investment Prioritisation Method (IPM) released for consultation
- **Before 15 November 2026:** Draft Continuous Programmes in Transport Investment Online (TIO)
- **Before 15 December 2026:** Draft Improvement Activities in TIO

NZ Transport Agency

Milestone	Dates
NZTA – Evidence Pack (Strategic sections of RLTP)	**1 July 2025**
NZTA – Evidence Pack (Continuous Programme submission)	**15 February 2026**
NZTA – Evidence Improvement (Activities submission)	**15 June 2026**
Ministry of Transport – Draft GPS released for consultation	Between **1 May 2026 to 31 July 2026**
NZTA and Approved Organisations – Draft Continuous Programmes in TIO (LRO, LRPP, PTI, PTS, Safety, SHO, SHPP)	Before **15 November 2026**
NZTA and Approved Organisations – Draft Improvement Activities in TIO	Before **15 December 2026**
NZTA – Initial Assessment and Prioritisation of Continuous Programmes and Improvement Activities	From **December 2026 to April 2027**
ALL – Final Continuous Programmes in TIO (LRO, LRPP, PTI, PTS, Safety, SHO, SHPP)	Before **15 April 2027**
ALL – Final Improvement Activities in TIO	Before **31 March 2027**
NZTA Board Decision – Indicative allocations for continuous programmes	Before **31 May 2027**
NZTA – Final Assessment and Prioritisation of Continuous Programmes and Improvement Activities	From **April 2027 to 1 August 2027**
Local Government (Regional, District and City Council) Decision – Long Term Plan Adoption	Before **30 June 2027**
Regional Council Decision – Approve the RLTP and submits it to NZTA	Before **31 July 2027**
NZTA Board Decision – Adoption of entire 2027–30 NLTP (including NDAs) + Year 1 Funding Approvals	Before **31 August 2027**

Road Efficiency Group – RCA Insights

- The Road Efficiency Group (REG) has launched a new initiative to share insights directly with council leadership.
- The first RCA Insights on pavement resurfacing was sent in early July to council chief executives and copied to roading teams and mayors.
- Endorsed by the LGNZ Transport Reference Group, these RCA Insights focus on a key network performance metric, with each RCA's statistics alongside peer group, regional and national data.
- It recommends council management connect with their roading teams to understand this performance data, compare their data with peers and support roading improvement plans.



NZ Transport Agency

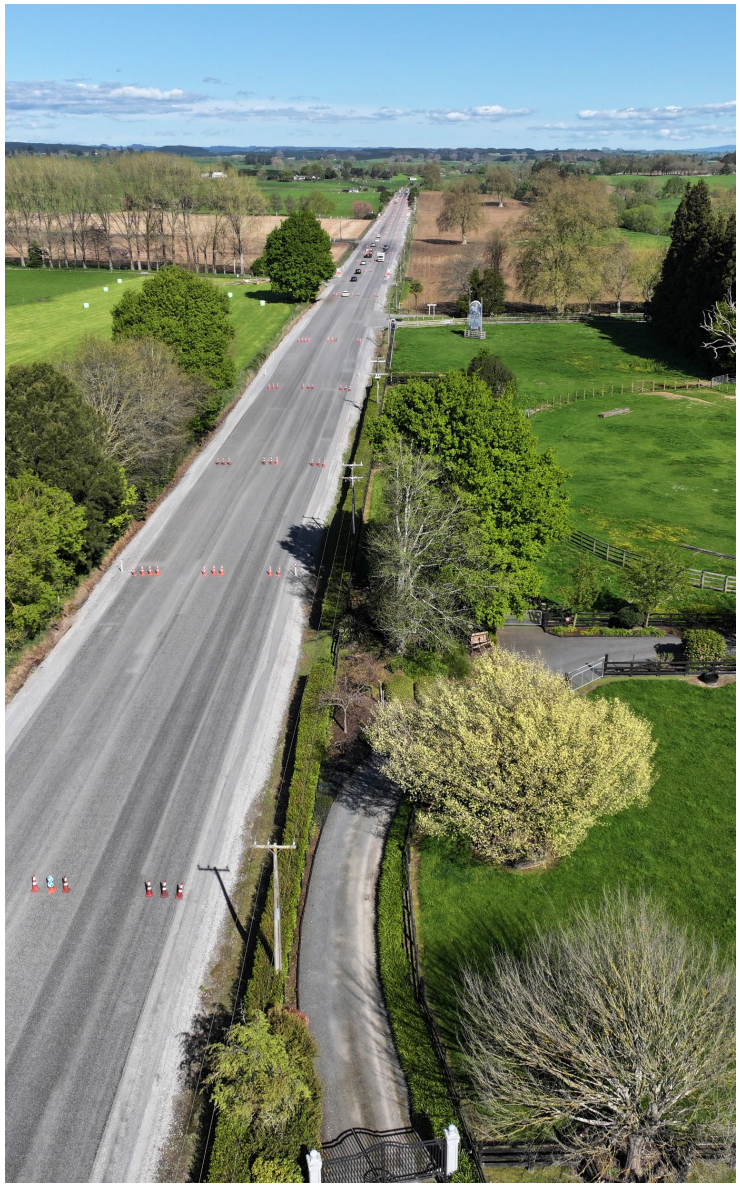
Maintenance

- Significant renewal achievement across the country, with over 2200 lane kilometres delivered. We are now planning for the 2025/26 renewal season.
- Our focus on pavement rehabilitation (300+ lane kms) has resulted in more disruptive works, but long-term improvement in network condition.
- Winter sees us switch to a reactive approach, monitoring and maintaining a safe and accessible state highway network.
- The rollout of a risk-based traffic management approach across Network Outcomes Contracts is taking place prior to the 2025/26 renewal season.
- Integrated Delivery Contract procurement is now in the evaluation stage, and we remain on track to award contracts prior to Christmas.

NZ Transport Agency

National transition to the NZGTTM

- Government expectation to accelerate the transition to the risk-based approach to TTM has increased.
- In response:
    - NZTA is moving at pace - all NZTA supplier contracts will convert by 1 September 2025 – see ‘Maintenance’ slide for operational details.
    - In addition, the NZTA Board has put in place new requirements for temporary traffic management (TTM) and forward works programmes (FWP) for all RCAs.



NZ Transport Agency

RCAs - temporary traffic management

- All RCAs, including NZTA, will have to progressively apply the New Zealand guide to temporary traffic management (NZGTTM) to all relevant activities funded out of the National Land Transport Fund (NLTF).
- **The new requirements mean all RCAs must:**
    - plan for the application of the NZGTTM to their relevant contracts, with a plan to be completed by 20 December 2025
    - apply NZGTTM to their new relevant contracts by no later than 1 July 2026
    - incorporate NZGTTM into any existing relevant contracts no later than 1 July 2027.

NZ Transport Agency

RCAs - Forward Works Planning (FWP)

- An additional new funding condition relating to FWPs.
- NZTA requires certain RCAs to progressively publish their full FWP on the National Forward Works Viewer. This change only applies to RCAs that currently publish parts of their FWP, including NZTA.
- **These RCAs will have to:**
    - plan for how they will progressively publish its FWP, with a plan to be completed by 20 December 2025 and publication of its full FWP by 30 September 2027 and
    - by 30 September each year, publish the RCA's planned FWP
    - encourage other organisations that also work on their road network to aim to coordinate timing of work to minimise disruption to the transport network.

NZ Transport Agency

State highway speed management

A targeted approach

- The Speed Rule 2024 supports a targeted approach to speed management, including using Variable Speed Limits (VSLs) outside schools
- Our priority is installing VSLs outside schools with gates on state highways before 1 July 2026
- First installations are expected in August 2025, starting in Waikato
- This timeline also applies to VSLs outside schools on local roads, to be delivered by Councils
- For schools with gates on both state highways and local roads, we're working closely with our partners to ensure integrated treatments.

NZ Transport Agency

Regional update

Taranaki

NZ TRANSPORT AGENCY
WAKA KOTAHI

Te Kāwanatanga o Aotearoa
New Zealand Government

RLTP: Significant related activities

Activity	Activity description	Status	On track
SH3 Te Ara Tūtohu: Waitara to Bell Block Improvements	Safety improvements including roundabouts at four key intersections seeking reduction in DSIs.	• Detailed design for the De Havilland Drive Roundabout and associated improvements, including realignment of Airport Drive, is complete. • Currently tendering for contractor for construction of SH3/De Havilland Drive Roundabout. Expect contractor to be appointed in October. Construction expected to start late October/early November.	
SH3 Te Ara o Te Ata - Mt Messenger Bypass	Offline bypass of Mt Messenger seeking safety, resilience, reliability and environmental outcomes	• Progress continues in the southern and central areas. Tunnel excavations have reached 115m and a temporary staging platform, from which the team will construct a permanent 125m bridge, has been completed.	
SH3 New Plymouth to Hāwera	Standard safety interventions, including median barrier and intersection improvements.	• Mangorei Road Roundabout construction continues, on target for completion this year. • Works wrapping up at Junction St intersection, NP.	
SH43 Sealing the Tāngarākau Gorge	Sealing of the 12km unsealed section of highway through the Tāngarākau Gorge	• Project complete.	
New Plymouth Integrated Transport Framework	New Plymouth District Council (NPDC) Programme Business Case to set out a comprehensive and integrated transportation system for the New Plymouth District over the next 30 years.	• Endorsed by NPDC with next phases identified. • Investment Advisors working with Council Officers to progress	
Coastal Pathway extension to Waitara	Pathway extension from Waitara to Mangati (Bell Block) to be completed in three stages.	• Funding for all phases of project has been approved and is currently being delivered by NPDC.	

NZ Transport Agency

State highway network operations 2025/26 season overview

- Preparations are underway for the 25-26 season with the programme due to be finalised shortly.
- Construction season will start in October.
- We completed 118% of our original 2024/25 renewals programme.

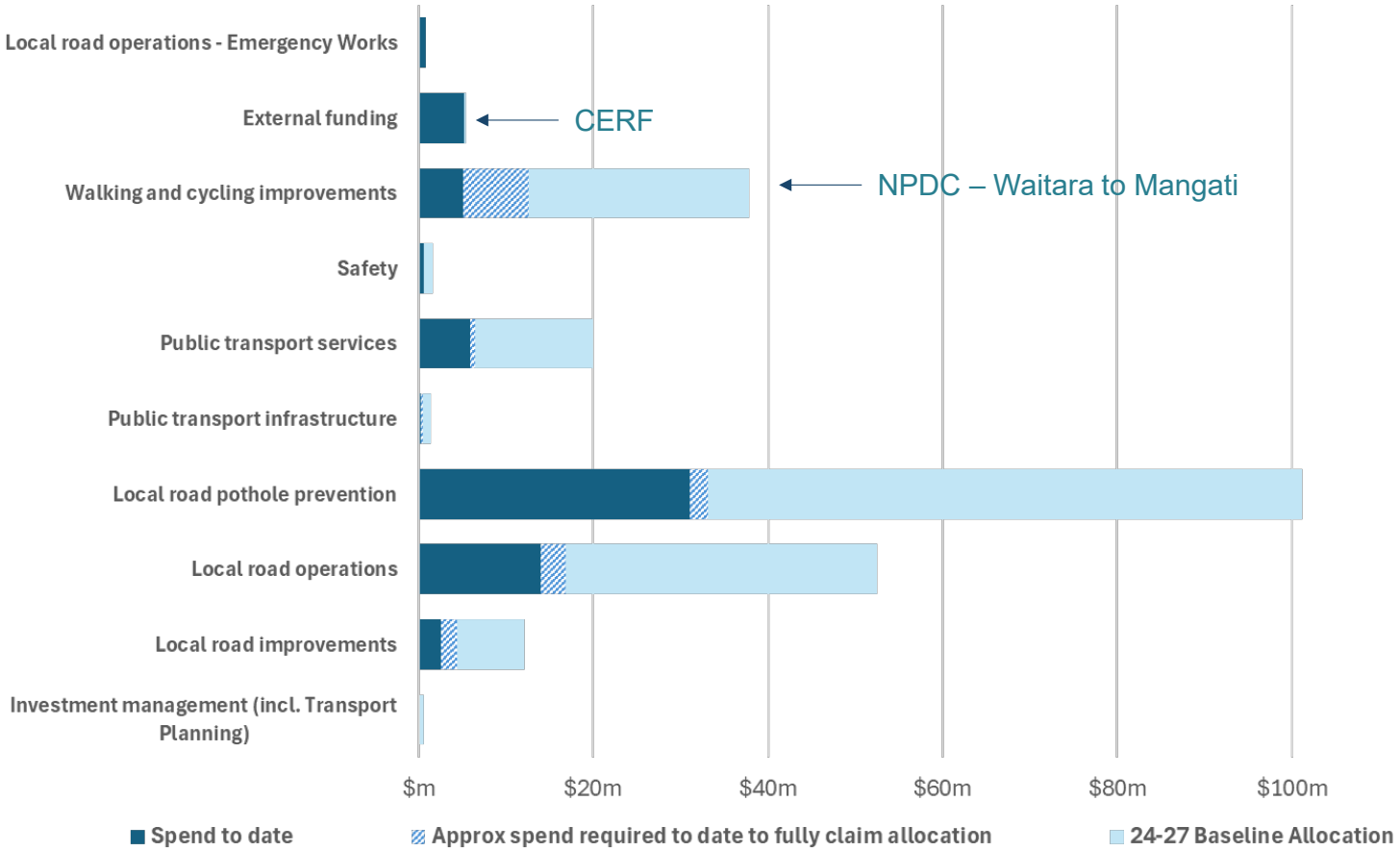
Activity	Completed 2024/25	Target for 25/26
Rehabs	22.05 lane km	25.2 lane km
Reseals	55.1 lane km	69.3 lane km
Rumble strips/ATP	40.5 lane km	15.5 lane km
Drainage	8 sites	12 sites

Note: 25/26 programme is yet to be finalised and is subject to change

NZ Transport Agency

Draw down on funding

Taranaki



- Total spend for 24/25 - $65M

NZ Transport Agency

Note *– For non-EW 24-27 Baseline Allocation is approved and probables at 24-27 NLTP at adoption*

Hei konā mai
Thank you

NZ TRANSPORT AGENCY
WAKA KOTAHI

Te Kāwanatanga o Aotearoa
New Zealand Government

Appendix 1

Detailed project updates

NZ TRANSPORT AGENCY
WAKA KOTAHI

Te Kāwanatanga o Aotearoa
New Zealand Government

Taranaki large capital project updates

Activity	2024 - 27 NLTP ($)	Key date(s)	Status	Commentary
Te Ara o Te Ata: Mt Messenger Bypass	$365.1m approved to date Revised cost estimate to be confirmed in second half of year	Late October 2025 – Completion of tunnel top section excavation and breakthrough to northern portal		• Tunnelling is progressing using a 110-tonne road header. • The road header had drilled 115m into the top layer of the tunnel by end of July. The bottom layer of the tunnel will be excavated once the top layer has been completed. • Construction of a temporary bridge in the south of the project area has been completed (from which the permanent 125m bridge will be built). • Completion date is unconfirmed as court proceedings are still live over the final section of land needed for the project.
Te Ara Tūtohu: Waitara to Bell Block	$84m	Late October/early November – Construction on SH3/De Havilland Drive roundabout to begin,		• Waitara Road Roundabout complete. • Detailed design for the De Havilland Drive Roundabout and associated improvements, including realignment of Airport Drive, is complete. • Currently tendering for contractor for construction of SH3/De Havilland Drive Roundabout. Expect contractor to be appointed in October. Construction expected to start late October/early November. • Working with NPDC to co-ordinate delivery of state highway and local road improvements. • Further funding required for SH3A Mountain Road Roundabout.
SH3 New Plymouth To Hāwera	$60m (approved) $130m (NLTP 2024-27 TBC)	Q4 2025 – completion of Mangorei Road Roundabout		• Good progress being made on the Mangorei Road Roundabout. • Junction St intersection works nearing completion ahead of second coat seal in new season..

NZ Transport Agency

SH3 Te Ara o Te Ata - Mt Messenger Bypass

Project update

- Temporary staging bridge now completed and work underway on permanent 125m bridge in south of the new alignment
- 115m of tunnel top section excavations completed at end of July.
    - On track to break through to the northern side of the tunnel in late October.
- Earthworks paused for winter
- Environmental compliance – at the end of July the project had received 4230 No.1 'Best Practice' scores (comprising 99.3% of all scores received) from the TRC Compliance Team.

Temporary staging bridge is now complete.

NZ Transport Agency

Dumpers at the tunnel portal during night shift

SH3 New Plymouth to Hawera safety improvements

Project update

- Work is progressing well on delivery of a 28m by 24m roundabout at the intersection of SH3 and Mangorei Road.
- We aim to complete the roundabout and associated improvements by end of 2025.
- Junction St intersection works are nearing completion.

NZ Transport Agency

Te Ara Tūtohu: SH3 Waitara to Bell Block

Project update

Waitara Road Roundabout

- Work underway on Raleigh Street and Tate Road due to be completed by end of August.

De Havilland Drive/Airport Drive Roundabout

- Detailed design for De Havilland Drive Roundabout and Airport Drive realignment is complete. Currently tendering for construction contractor. Construction expected to start in late 2025.
- Working with NPDC to co-ordinate delivery with their local road improvements (Airport Drive Roundabout and Parklands Avenue extension road).

Image: Pavement preparation works on Raleigh Street cul-de-sac

NZ Transport Agency

SH43 Forgotten World Highway improvements

Project update

- The cultural narrative, consisting of 5 sculptures, were installed in August.
- Events to bless the sculptures will be held mid- September.
- NZTA, Iwi and Venture Taranaki are working together to promote the narrative though their channels.

Images: sculptures ready for installation

NZ Transport Agency

SH43 Kururau Stream Water Drive

Priority bridge replacement

- Detailed design of new 20-metre bridge to bypass the current ageing Water Drive structure on SH43 near Aukopae is now complete.
- Project is now in consenting and procurement phase. Engagement with iwi and key stakeholders is underway.
- Aiming for construction start in September 2025, pending consent, funding and procurement.
- SH43 Kururau Stream Water Drive is one of 9 priority bridges/culverts across the country which will be replaced in the 2024 – 2027 NLTP.
- Did you know? The current structure is an example of a Papa Drive or Water Drive built in the early 1900s using local papa mudstone and hand tools. Some similar structures have since been replaced with steel or concrete culverts.

NZ Transport Agency

State highway speed management

- Now the reversals programme is complete, NZTA is prioritising project-related and urgent community requested speed reviews that align with the Rule.
- In Taranaki, NZTA is prioritising reviewing the speed limit on the following two sections of highway: SH3 (SH3) Hāwera - north of Kerry Lane to north of Fantham Street and SH3 to Egmont Road intersection- North of Vickers Road to east of Egmont Road.
- Consultation will start in the coming weeks.
- When deciding whether to recommend a new speed limit, NZTA must consider safety, travel time, cost, and serious injury data, alongside community feedback.
- Once a decision is made on whether to set a new speed limit, NZTA will update the National Speed Limit Register (NSLR) and install new signs or make other needed roadside changes.

NZ Transport Agency

Crown Resilience programme

Taranaki resilience projects funded by the Crown Resilience Progamme

State Highway	Location	Activity	Status
SH4	Waterfall Hill	Drainage improvements	Work started 11 August Expected to take 5 weeks
SH3	Rapanui	Retaining wall	Contruction completed
SH3	Tongapōrutu	Scenic Viewpoint	Design and construction 2025/26
SH45	Rahotu	Culvert replacement	Design and construction 2026/27

NZ Transport Agency

Public Excluded Recommendations – Regional Transport Committee 28 August 2025

In accordance with section 48(1) of the Local Government Official Information and Meetings Act 1987, resolves that the public is excluded from the following part of the proceedings of the Regional Transport Committee Meeting on 28 August 2025 for the following reason/s:

The matters to be considered while the public is excluded, the reason for passing this resolution in relation to the matter, and the specific grounds under section 48(1) of the Local Government Official Information and Meetings Act 1987 are as follows:

General subject of each matter to be considered	Reason for passing this resolution in relation to each matter	Ground(s) under section 48(1) for the passing of this resolution	When can the item be released into the public
Item 13: Public Transport Network Update	Commercial sensitivity relating to contract negotiations.	That the public conduct of the whole or the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding exists under section 7(2)(h).	Upon the resolution of the Taranaki Regional Council.
Item 14: Appealing speed limit increases on SH3	Some aspects around the likelihood of success of various appeal options are considered to be legally privileged.	That the public conduct of the whole or the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding exists under section 7(2)(g), (h), (i) and (j).	Upon direction from legal representation.