Engineering New Zealand
hello@engineeringnz.org
www.engineeringnz.org

04 473 9444
L6, 40 Taranaki Street
Wellington 6011

PO Box 12 241
Wellington 6144

2 April 2024

GPS Team
Ministry of Transport

Email: GPS@transport.govt.nz

Tēnā koutou

RE: DRAFT GOVERNMENT POLICY STATEMENT ON LAND TRANSPORT 2024-34

Thank you for the opportunity to provide feedback on the Ministry of Transport's consultation on the Draft Government Policy Statement on Land Transport 2024-34 (GPS – LT 2024/34). We are pleased to see the release of the draft GPS as it provides a steer for industry on the path ahead. We acknowledge the work of the Government and officials to produce this substantive policy document so quickly in the new Government's term of office.

Engineering New Zealand (formerly IPENZ) is New Zealand's professional home for engineers, as well as the regulator of chartered professional engineers. We have more than 23,000 members who want to help shape the public policy agenda and engineer better lives for New Zealanders.

In developing this submission we worked with two of our technical groups, the Transportation Group and the New Zealand Chapter of the Railway Technical Society of Australasia. Both groups will be submitting separately to the Ministry of Transport, and we endorse their submissions. The submissions of these groups have informed the drafting of this submission.

GENERAL COMMENTS

The draft GPS – LT 2024/34 signals a significant shift in the Government's transport policy. While we support the GPS outcomes expected (economic growth/productivity, increased maintenance/resilience, safety and value for money), the profession is concerned that industry will not achieve these outcomes, for the following reasons:

1. **Transport is multi-modal**: Transport is a complex, integrated system covering multiple modes with each mode best suited for specific parts of end-to-end journeys for people and freight. Hence policy, funding, operation and investment planning also need holistic consideration and should not be done in isolation as decisions made regarding one mode can have implications, for other modes. Instead, decision making should enable all modes to be sustainably funded so that they can be used to their best effect.

2. **Long term planning:** The draft GPS responds to today's challenges (motorway development and maintenance), without appropriately addressing future challenges. One example of this is the signalled underinvestment in rail. New Zealand has only just started addressing historic underinvestment in rail infrastructure. It is our view that this is short-sighted. Further in our submission, we expand on this point.
3. **Evidence based interventions**: There is a lack of evidence-based analysis in the draft GPS. An example of this is the policy's focus on safety. One of the policy's desired outcomes is improved safety, however this is contracted by the signalled activity. Evidence clearly indicates that increasing speed limits and removing raised platforms will increase injuries and fatalities.

   Another example of poorly evidenced intervention is the policy's connection between the development of greenfield sites and congestion. We agree that housing and transport are intrinsically linked. However, evidence shows that intensification and multi-modal transportation options (right mode, right time) decrease congestion, not the development of remote suburbs and further motorways that increase urban sprawl.
4. **Retention of specialist engineering skills**: Frequent changes to priorities within the transport sector cause New Zealand to lose engineering talent. We are in a competitive global market for specialist engineering skills and significant changes to direction mean we will again lose talent overseas. While the draft GPS provides certainty for some parts of the industry, others, such as rail, will experience attrition because of significant funding changes.

OPERATIONAL CHALLENGES

Funding allocation is separated by mode

Transport projects traditionally address several modes. As outlined in the Transportation Group's submission, the best value for money is achieved through multi-modal projects. The Transportation Group gives examples of projects that have achieved good value for money across several modes. Ring-fencing and restrictions on funding for different modes will result in complex funding arrangements and missed opportunities, requiring expensive retrofits or rebuilds. This goes against another proposed outcome of the draft GPS – economic growth and productivity.

Activity classes should be mode neutral, measuring performance outcomes.

There is no pathway for addressing climate targets

The GPS – LT 2024/34 pulls away from work underway to reduce transport emissions. We are concerned that previous work on emissions reduction planning is being lost. The engineering profession supported this work, and we see no clear path within the draft GPS for meeting emissions targets. Reducing emissions is an ongoing operational challenge for the sector.

RAIL

Rail is a highly efficient and safe mode for linehaul transport of both freight and people without delays from road congestion, complementing other modes including road and active transport for first/last mile legs. It is unsurpassed in connecting ports for the import and export of cargo. The **EY Value of Rail** report from 2015 and updated in 2021 set out the broader economic, safety and

environmental benefits of rail transport to New Zealand, but this has not been acknowledged in the draft GPS.

New Zealand's rail network is a substantial backbone that can support changing economic activities and transport flows serving New Zealand's major centres, ports and industries. Sustainable funding is an essential requirement to maintain this capability. Most of the rail network has significant unused capacity that could take more trains but has suffered from many decades of inadequate and stop-start funding leading to declining service quality, asset deterioration and reduced network resilience. The funding for rail through the first Rail Network Improvement Plan from 2021-24, as well as other investments in the Auckland and Wellington urban areas, was a key initial step to addressing the condition and capability of the rail system to enable it to better contribute to New Zealand's transport task, but it is critical that sustainable funding levels continue to arrest further loss of value/decline.

Transport networks take a long time in planning and construction and are in place for many decades. By comparison, changes in economic activity tend to be shorter term fluctuations that can result in significant changes to transport flows and volumes. Train services can easily adapt to accommodate the likes of shipping port changes, so to best meet unpredictable future demands we need to maintain our national rail network and expand it appropriately, for example completing the rail link to the port at Marsden Point. It is critical to take a long-term view to retain flexibility and keep options open so that future economic opportunities are not compromised.

International consumers and buyers of New Zealand's main export products are increasingly demanding evidence of environmentally sustainable supply chains. At its most basic, rails steel on steel rail provides a low-friction energy efficient transport solution, therefore in an environment where renewable energy sources are in high demand and scarce/limited, rail has a fundamental, natural energy advantage compared to other land transport modes. Current and emerging developments in rail infrastructure and train technologies will continue to enhance and maintain this advantage.

The levels of funding for rail proposed in the draft GPS will not only halt the work that is underway to renew the railway's assets but is likely to mean that large sections of the rail network will not be able to be sustained, in time leading to service decline, loss of competitiveness and eventual closure. Consequences of this will be significant increases in roading maintenance costs, increased road congestion, reduced road safety levels, increased transport energy use and loss of flexibility as a country to respond to changing circumstances. New Zealand cannot afford the risk of losing a valuable transport asset through short-term decisions and funding allocations.

CONCLUSION

Engineers are the backbone of the transport sector and natural problem solvers. The challenges the Government, Ministry and industry are facing are significant. We welcome ongoing dialogue with all parties on how to support evidence-informed outcomes. Many of our goals are the same.

We support the outcomes sought by the draft GPS LT – 2024/34 but have significant concerns with how the GPS will achieve these. As above, we refer to the submissions of the Transportation Group and the New Zealand Chapter of the Railway Technical Society of Australasia for further detail on

many of the points raised in this submission. We are available at your convenience to discuss. Thank you for your consideration and for the work you do for the transport industry.

Nāku, na

Dr Richard Templer, FEngNZ
Chief Executive Officer