1 Executive Summary

1.1 Introduction

This Auckland Regional Freight Strategy (ARFS) aims to promote the efficient, safe and environmentally sustainable distribution of freight within the Auckland region and contribute to the aims and objectives of the Regional Land Transport Strategy (RLTS) and the New Zealand Transport Strategy (NZTS).

The ARFS has been developed in consultation with an Industry Reference Group (IRG) recognising the important role that freight transport plays in sustaining the regional economy and aiding economic growth.

The strategy details the current situation and trends for freight in the region. It then sets out the vision, objectives, policies, actions and priorities for freight movement across the region, both to address current issues and concerns and, over the longer term, to deal with the evolving pattern of development in the region.

This document has been prepared following feedback from public, industry and community stakeholders.

1.2 Relationship with Regional Land Transport Strategy

The ARFS forms part of, informs, and is consistent with, the Auckland RLTS.

A key purpose in developing the ARFS was to inform and underpin the freight policies contained in the RLTS. The key policy outcomes and priority actions of this strategy are outlined in the RLTS, with the ARFS presenting the details behind those policies and actions (see Appendix 2). The ARFS also refers to various other policies and actions that have not been allocated priority status in the RLTS. Although not presented in the RLTS, these are an important component of the overall freight strategy. Hence, the RLTS presents the main thrust of the freight strategy

for the region, whereas the ARFS fully details that strategy and proposed actions, and therefore must be read in conjunction with the RLTS.

1.3 What is Freight?

By definition, freight describes the process of transporting goods, the transported goods themselves, or the associated charge for goods transport. Freight is a key indicator of the wealth of a society. It represents all the materials produced, purchased, consumed, exported, discarded or recycled, that support homes and businesses in the region. Physical transport is only one element in the myriad of processes and activities that are involved in moving goods around, to and through the region.

The Regional Freight Strategy is primarily concerned with the movement of goods of any kind, generally as part of a commercial transport arrangement. A separate plan being developed by the Auckland Regional Council (ARC) will provide guidance on the location of future industrial and commercial developments. The Auckland Region Business Land Strategy (ARBLS) will affect the pattern of freight movement in the region over the longer term. However the ARFS has been developed to respond to these developments.

The storage of goods is not directly part of the strategy but in the same way that households, workplaces and other activities form the basis of passenger travel demand, so too are freight terminals, warehousing and retail centres closely associated with freight demand. Their size, location and access arrangements are of significant interest to the freight strategy.

As with other infrastructure that is mainly unseen, such as power, water and sewerage, it is only when problems or conflicts with other activities arise, that the community takes notice. The community may be largely oblivious of the support that freight systems provide to the smooth functioning of a modern society and the role these systems play in creating wealth.

It is therefore essential that the importance of efficient freight movement to the economic, social, cultural and environmental well-being of the region and its inhabitants is better understood, and that freight needs are recognised and incorporated into planning and decision-making.

1.4 Freight and the Region

Freight transport is fundamental to successful and healthy growth of both the region and nation, with around a quarter of all freight traffic in the country estimated to occur within the region. Freight traffic is also an important economic sector in its own right, accounting for 6 per cent of regional Gross Domestic Product (GDP) and 5 per cent of regional employment. Efficiency of movement and storage, timeliness and safety of delivery of essential elements of production and consumption is key to supporting that growth.

Regional forecasts suggest that strong population and economic growth will continue over the next 50 years. Auckland has been, and will continue to be, a focus of economic activity and a main international gateway for freight transport. When regional growth is overlaid with the rapid evolution of highly integrated freight and logistics services, the demands on the region's freight transport infrastructure will more than double over this period. The demand for an increased range of products, increased import and export trade, 'just-in-time' deliveries, reduced product inventories and e-business tools underpin the expectation by freight transport users of cost-efficient and high levels of freight service.

Manufacturing, finance and business services, and wholesale and distribution account for almost half of regional economic activity, and their dominance reflects Auckland's role as the most important commercial centre in New Zealand. The Ports of Auckland (POAL) handle around two thirds (by value) of the country's imports, emphasising why Auckland is such an important centre for wholesaling and distribution activities. POAL also handles substantial volumes of export cargo and Auckland International Airport is also a significant import and export port, based on the values of the commodities transported.

The development and implementation of a well-coordinated regional freight strategy is therefore timely and indeed of vital importance to the future economic health of the region.

1.5 Key Issues Facing Freight Transport

Within the Auckland region, there are two main modes used for the movement of freight, rail and road, each of which are affected by different issues.

Rail currently has a small but important role moving freight in the region. The limited extent of the rail network means that, in most cases, cargoes would have to be transferred to trucks at either end of their trip, resulting in double handling and hence additional time and cost. However, rail does have a strong role in handling longer distance inter-regional traffic, particularly of heavy bulk commodities; the greater efficiencies of rail over the long haul portion of the trip make this cost effective. Furthermore, rail has a particular role in serving the port. It has the ability to move large volumes of containers efficiently to locations away from the port, avoiding the use of a congested road network where it would be difficult to provide additional roading capacity.

In addition, within the region, smaller volumes of goods are moved by sea, especially on the ferry services to the islands in the Hauraki Gulf. Longer distance coastal shipping and barging also contributes to the overall movement of goods and, for example, there is growing movement of building materials from quarries in the Coromandel to sites in Auckland, by barge.

There is also movement of fuels by pipeline, from Marsden Point to Wiri.

The vast majority of freight, however, is transported by road and it is likely that this will continue to be the dominant mode in the future, because of the limited availability of alternatives. However, the ability to accommodate freight movements on the roading system, particularly during peak periods, is severely limited by growing traffic congestion, reflecting the substantial growth in the region. In this, freight shares in the problems faced by all road users. Congestion is a key problem facing transport as a whole in the Auckland region and this is recognised in the RLTS and in the ARFS.

The key issues identified in this strategy include:

- Increasing road congestion slows freight deliveries and reduces reliability of delivery times
- More freight vehicles are required to undertake the same amount of work, giving increased costs that feed through to the wider regional and national economy
- The increased freight vehicle numbers then further compound road traffic congestion
- Congestion places stress on freight drivers trying to meet schedules and can lead to unsafe practices and problems of recruitment and retention
- Rail freight transport within and through the region has an important role to play, but rail struggles to be commercially competitive over short distances. The recent development of 'freight hubs' served by rail, as well as road, offers potential scope for growth
- A balance must be achieved in managing freight impacts through strategic planning and informed decision-making
- Any Travel Demand Management (TDM) measures put in place need to ensure that the needs of freight travel, with its limited ability to change route or time of journey, are recognised
- Many freight issues result from regional growth in population and employment. Freight considerations therefore need to be integrated into land-use planning
- Funding mechanisms historically have not adequately catered for infrastructure demand, or provided the right incentives to encourage optimal mode choice and travel demand decisions

- Knowledge about freight movement and freight logistics methods is fragmented and not well understood within the community or, to some extent, within Government. Consequently, there is a lack of public visibility about freight transport and its needs

- There are environmental concerns, both locally and regionally, about the impacts of noise, emissions, visual intrusion and physical vibration from large vehicles.

In the future, population growth and densification of the urban area will add to the scarcity of road space and, potentially, to the environmental pressures caused by a juxtaposition of freight operations and other light vehicle traffic, including cyclists and pedestrians.

1.6 Vision and Objectives

This freight strategy forms a sub-strategy of the RLTS and falls within the wider national policy framework.

The vision for this strategy is to raise awareness of the importance of freight to the long-term economic, social, cultural and environmental well-being of the region, consistent with RLTS and the NZTS. Freight movement is recognised as an essential contributor to the economic, social and cultural well-being of all Aucklanders and is facilitated by a transport system where:

- People and goods are able to move when necessary

- Transport supports vibrant town centres

- Streets are important civic spaces

- Getting around by all modes is integrated, safe and effective

- People have choices which enable them to participate in society

- The environment and human health are protected.

The objectives of the strategy are to:

- Assist economic development

- Assist safety and personal security

- Improve access and mobility

- Protect and promote public health

- Ensure environmental sustainability

- Support the Auckland Regional Growth Strategy (RGS)

- Achieve economic efficiency.

1.7 The Strategy

The strategy has, at its core, six over-arching policy headings designed to support the objectives of the RLTS and address identified freight issues. Various policy actions and associated action items then detail how these will be brought into effect. A number of these policy actions have been given priority status (see Section 1.8).

The six core (over-arching) polices include:

Policy 1: Improve Information and Communications

Improve regional understanding of the importance of freight movement through information and communication.

Policy 2: Supportive Funding and Regulatory Framework

Promote and advocate a supportive funding and regulatory framework.

Policy 3: Relief of Congestion

Support investment in the strategic road network and TDM that provides congestion relief for freight traffic.

Policy 4: Strategic Freight Network (SFN)

Support the development of an SFN and encourage alternative modes.

Policy 5: Local Area Freight Management

Develop initiatives to improve local area freight management.

Policy 6: A Clean, Quiet and Safe Freight System

Promote a freight system that is clean, quiet and safe.

1.8 Priority Actions

A number of key policy actions have been identified for priority implementation. These actions address the most pressing concerns identified in the development of this strategy. The strategy identifies the agencies responsible for implementing these key policy actions.

Priority actions, discussed in later sections, include:

- Identifying and developing an SFN for the region, for all modes (Policy Action 4.1)
- Developing guidelines for the preparation of Local Area Freight Management Plans (LAFMP) by way of a case study to improve local freight operation and planning (Policy 5.1)
- Undertaking a review of the future role and potential of rail freight for the region (Policy Action 4.1)
- Identifying measures to encourage and support efficient movement of freight by rail and sea (Policy Action 4.1)
- Encouraging increased use of inland ports/hubs served by both road and rail that may help ease heavy traffic on key routes (Policy Action 4.3)
- Advocating completion of the strategic roading network to ease congestion in Auckland (Policy Action 3.1)
- Improving freight information through the development of a freight data acquisition plan to support better decision-making (Policy Action 1.1)
- Ensuring that freight priority is adequately considered in the development of TDM/road-tolling proposals (Policy Action 4.5)
- Developing a Communications Plan and maintaining an IRG to have an input into decision-making and assist with implementation of this strategy (Policy Action 1.3).

As indicated, the above represent key policy actions identified for priority implementation. The ARFS includes many other policy initiatives for implementation that have not been allocated priority status.

1.9 Implementation of the Strategy

The success of the strategy will depend on establishing and maintaining effective implementation arrangements that involve all interested parties.

As indicated above, a key priority action is to maintain the IRG or forum established during the development of this strategy.

This group, composed of industry, community and local government representatives, will be responsible for coordinating and communicating the progress of the strategy, liaison with the Regional Land Transport Committee (RLTC) and the Regional Transport Executive Group (RTEG), and for advocating and pursuing key issues with Government.

Responsibility for implementing the actions proposed within this strategy has been allocated to specific agencies or groups of agencies from both the private and public sectors.

The plan for implementation is presented in Chapter 8 of this strategy.

1.10 Structure of the Auckland Regional Freight Strategy

The remainder of this document is structured as follows:

- **Chapter 2** describes the legislative and policy context in which this strategy sits, along with the process by which the strategy was developed
- **Chapter 3** defines freight concepts and the regional freight task
- **Chapter 4** outlines the relationship between freight and regional growth
- **Chapter 5** presents a summary of the key issues facing the freight industry and the community out of which the strategy arises
- **Chapter 6** defines the freight strategy vision and objectives
- **Chapter 7** details the specific policies that give effect to the vision
- **Chapter 8** presents an implementation plan for the strategy
- **Chapter 9** outlines a monitoring programme for measuring the success of the strategy.

1.11 Next Steps

This document provides a solid basis for the future development of the freight transport network within the Auckland region. It sets out a vision, underpinned by various objectives, that will be achieved through six prescribed policy areas and associated actions. An Implementation and Monitoring Plan has been outlined. It is crucial that work begins, and is sustained, on implementing the strategy. A key component of that will be for the ARC to action and facilitate the priority work streams identified and to refine and/or develop both the implementation and monitoring plans.