



2 Strategy Development and Context

This section describes the over-arching legislative and policy context of the ARFS, and the process by which it has been developed.

2.1 Institutional Framework

Central Government

At a national level, the legal, institutional and policy framework for all modes of transport is under the jurisdiction of the Minister of Transport, who relies on the Ministry of Transport (MoT) for policy advice. Other organisations with transport responsibilities include:

- **Land Transport New Zealand (Land Transport NZ)** – Formed through the amalgamation of Transfund NZ and the Land Transport Safety Authority (LTSA), Land Transport NZ has responsibility for the allocation of revenue from the

National Land Transport Fund for annual roading maintenance and transportation projects, along with the responsibility for promoting safe operation of road and rail transport, including vehicles, drivers and infrastructure safety

- **Maritime Safety Authority (MSA) and Civil Aviation Authority (CAA)** – Establishes standards and monitors adherence to those standards in the maritime and aviation sectors respectively
- **Transit New Zealand (TNZ)** – Plans and manages the state highway network on behalf of the Crown. Responsible for all aspects of design, construction, procurement and maintenance of the national state highway network
- **ONTRACK** – Following the return to public control of the rail network, ONTRACK, as the owner of rail infrastructure, has responsibility for operation, maintenance and development of this network



- **Transport Accident Investigation Commission (TAIC)** – Investigates and reports on rail, marine and aviation incidents.

Regional and Local Government

The ARC has responsibility for physical and environmental planning at regional level. The ARC is responsible for the RGS, which provides the framework for managing the expected growth in the region over the next 50 years and preparing the RLTS, which sets the strategic direction for development of the road and passenger transport networks.

District level transport infrastructure planning must take into account the guidance provided by the RLTS.

In respect of freight transport, the ARC's interest and role is indirect through its land use, transport planning and environmental management responsibilities. However, it does have power to set standards for emissions to land, water and air and therefore has an interest in emissions from road and rail transport.

The Auckland Regional Transport Authority (ARTA) is a wholly-owned subsidiary organisation of the ARC and is responsible for planning, funding and developing Auckland's transport infrastructure in conjunction with the Territorial Authorities (TAs) and TNZ. ARTA receives funding from the National Land Transport Fund (through Land Transport NZ) and from the ARC through rates and funds held by Auckland Regional Holdings (ARH), also a subsidiary organisation of the ARC.

Auckland Regional Holdings (ARH) is responsible for managing assets and investments on behalf of the ARC, primarily those transferred from Infrastructure Auckland (now disestablished).

Territorial Authorities (TAs), or your local councils, are responsible for planning transport investment and regular maintenance at the local level for input into ARTA's land transport programme. They are also responsible for district plans that shape local development.

Regional Councils and TAs outside Auckland whose activities impact on the Auckland region or are affected by developments in the Auckland region, help inform the development of regional policy; their interests and needs must be taken into consideration.

Industry Groups

The movement of goods is the business of freight transport operators and freight forwarders, but all industry is to some extent reliant on the despatch and delivery of goods and mail. Industry groups with a specific interest in the development of freight include:

- **Transport industry associations** – The Road Transport Forum, Road Transport Association (Northern Region) and the National Road Carrier's Association – between them representing transport companies and owner/operators
- **Other representatives of the road haulage industry**
- **Representatives of the rail industry** – ONTRACK/Toll
- **General business associations** – Chambers of Commerce
- **New Zealand Shipping Agents' Association and New Zealand Shippers' Council.**

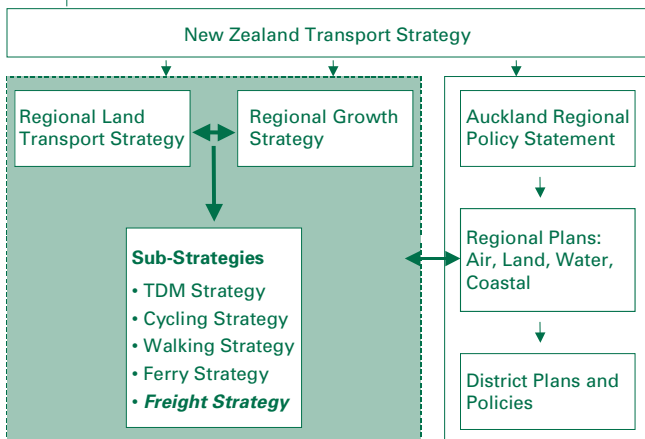
2.2 Policy Framework

New Zealand Transport Strategy

The freight strategy has been developed within the context of the wider national and regional transportation and land use policy framework and can be seen to be part of a hierarchy of strategies shown in the following diagram.

The NZTS provides an overall policy framework for transportation policy in New Zealand. It sets a vision of an affordable, integrated, safe, responsive and





sustainable transport system by 2010 and is focussed around the following objectives:

- Assisting economic development
- Assisting safety and personal security
- Improving access and mobility
- Protecting and promoting public health
- Ensuring environmental sustainability.

These objectives are embodied in the Land Transport Management Act 2003 (LTMA) and the statutory objectives of both TNZ and Land Transport NZ.

The strategy puts considerable emphasis on the need to incorporate environmental costs in transport pricing, so that transport managers and users are faced with the full costs of transport, rather than being able to ignore externality costs such as environmental effects and safety impacts.

Specific initiatives that affect freight transport include:

- Taking an integrated approach in land transport revenue and funding
- Investigation of electronic road user charges (RUC) for diesel vehicles
- Skills development within the transport industry and Government

- Development of policies for the long-term management and growth of the New Zealand rail network
- A new safety regime for rail transport and a heavy vehicle safety strategy for road.

National Energy Efficiency and Conservation Strategy

The National Energy Efficiency and Conservation Strategy (NEECS) promotes energy efficiency, energy conservation and renewable energy, and a move towards a more sustainable energy future. The overall aim of the NEECS is to improve New Zealand's energy efficiency by 20 per cent by 2012. Transport is identified as one of the five sectors in which action should be taken. As freight transport makes up a significant portion of the transport sector, actions taken to improve energy efficiency in freight transport will assist in achieving the objectives of the NEECS.

Closely aligned with the NEECS is the New Zealand Vehicle Emissions Policy, resulting from work undertaken as part of the Vehicle Fleet Emissions Control Strategy (VFECS). This policy package focuses on managing the impacts of vehicle emissions on local air quality, consistent with New Zealand's wider air quality policy and its obligations under the Kyoto Protocol.

Auckland Regional Policy Statement 1999

The Auckland Regional Policy Statement (RPS) sets down the broad resource management issues, objectives, and policies for the Auckland region to achieve integrated and sustainable management of its natural and physical resources, and provides the policy framework for all other regional strategies, plans and policies. The RPS provides high-level direction for transportation in the region; this direction is developed more fully in the plans and policies that sit underneath the RPS such as the RLTS and this freight strategy.



Auckland Regional Growth Strategy

The Auckland RGS provides the strategic framework for the growth of the region to 2050. It identifies the need to manage population and employment growth, focussing on the intensification of selected urban areas and along transport corridors. Sub-regional sector agreements outline the more detailed changes in development capacity and its sequencing and timing to 2021.

Intensification around identified transport nodes and corridors can support reduced vehicle demand and support the use of other modes of transport, enabling the best use of limited roading capacity. The RGS was developed in close liaison with the RLTS, reflecting the importance of integrated land use and transport planning.

The RGS identifies the crucial link between transport improvements and the attainment of the desired urban form for the region.

The importance of integrating freight considerations with land use and transport plans is a key focus of this strategy.

The linkage between economic activity and transport needs is considered in the ARBLS. The ARBLS, endorsed by the ARC and under consideration by the Regional Growth Forum at the time of writing, provides a strategic framework to ensure the future provision of business land and the infrastructure to support economic growth.

The resultant policies in the ARBLS will therefore potentially affect future patterns of development and the freight movements that are generated. The ARFS has been developed to respond to these changing demands.

Auckland Regional Land Transport Strategy

The Auckland RLTS is prepared as a requirement of the Land Transport Act 1998. The current RLTS 2005 updates the RLTS 2003 to take into account the aims and objectives of the NZTS, as reflected in the LTMA.

The goal of the RLTS is to achieve a transport system which enhances the Auckland region as a great place to live, work, and play.

Whilst the RLTS does not specify particular projects, all proposed transportation projects and programs that receive Land Transport NZ funding must take into account the aims, objectives and policies it contains.

As a sub-strategy of the RLTS, the key policy outcomes of the freight strategy are also included in the RLTS (see Appendix 2).

State Highway Strategy

TNZ's Auckland State Highway Strategy describes the strategy, policies and plans for motorway and other state highway infrastructure development.

The strategy acknowledges the importance that "full consideration is given to the growing demand of commercial vehicle travel to meet the needs of industry and commerce" and that there be balance between the various demands on the transport network.

The strategy contains a number of policies with direct relevance to freight.

TNZ is proposing to review this document in the light of legislative and other changes.

National Rail Strategy to 2015

The National Rail Strategy sets out the Government's rail policy objectives and priorities for action for the next 10 years to 2015 and outlines key initiatives. There are two main areas of emphasis where rail is considered to be able to make the most important contribution to achieving the outcomes sought by the NZTS:

- Bulk and containerised freight
- Passenger transport in key urban areas.



The relatively fast low-cost movement of large amounts of uniform freight is seen as an area where New Zealand's rail network is at its most efficient.

District Plans and Strategies

District plans and strategies are prepared by Local Authorities to manage land-use development within city or district boundaries. These plans must not be inconsistent with the RPS and must take into account the RGS through various sector agreements.

Whilst many of the region's district plans are largely silent with respect to freight activities, Auckland City has acknowledged the importance of freight traffic within plan policies by giving priority to service traffic where appropriate. The plan also recognises the presence of the Port, the importance of efficient functioning of traffic in the central area, and its consequent implications on the regional and national economy by providing for transportation activities which are related to the efficient operation of the commercial port.

Auckland City Council (ACC) has also developed a dedicated freight strategy and implementation plan to improve the understanding of the importance of the efficient movement of freight to Auckland. More recently, the ACC has convened a freight forum to further the debate of freight issues and facilitate industry input into policy making.

2.3 Legal Framework

Land Transport Management Act

The LTMA governs the way land transport in New Zealand is funded and managed. The act incorporates the vision and objectives of the NZTS and ensures alignment of purpose of transport planning and funding agencies. In conjunction with the Land Transport Act 1998 which stipulates the production of land transport strategies, the LTMA provides the overall legislative framework for transport policy in New Zealand.

The Act emphasises a longer-term focus to planning and funding land transport infrastructure, and requires stronger integration of land use and transportation planning than in the past.

Carriage of Goods

The Carriage of Goods Act (1979) and the Carriage by Air Act (1967) together govern the legal arrangements and responsibilities for the commercial transport of goods within New Zealand.

Heavy Transport

The Land Transport Act (1998), together with the earlier Transport Act (1962), governs the general requirements for vehicle registration, vehicle and driver-licensing, the regulation of road traffic and road transport services.

The Transport Services Licensing Act (1989) requires that a licence be obtained to operate a service carrying goods on any road in a vehicle over six-tonne gross laden weight, whether or not for hire or reward. The introduction of quality licensing in the mid-1980s, saw an end to quantity licensing and restrictions in competition with rail, and since then, the main requirement for holding a transport service licence has been to be "a fit and proper person." The Act also governs the operation of a rail service, and sets up the safety regime required of rail operators.

Increasingly, details of road transport regulation are being legislated through Land Transport Rules, with a good degree of trans-Tasman and international harmonisation. Land Transport Rule 41001: Vehicle Dimensions and Mass 2002 now specifies the legal requirements for normal maximum weights and dimensions and the provisions for vehicles and loads that exceed these limits. The rules are detailed, covering many facets of vehicle construction. However, the leading dimension and weight limits are:

- For all vehicles with four wheels or more, the maximum width is 2.5m and maximum height is 4.25m



- The maximum length for semi-trailers is 18m and for other articulated combinations, 20m
- The maximum weight for an articulated combination is 44 tonnes, with various requirements for maximum axle group loads and axle spacing that must also be observed.

Overweight and Over-dimension Permitting

Overweight (OW) permits are issued by the Road Controlling Authorities (RCAs), that is TNZ and the City/District Councils, under provisions of the Heavy Motor Vehicle Regulations (1974) with due regard to the load capacity and durability of road and bridge structures, and to safety considerations, provided that the vehicle combination does not exceed the manufacturer's gross vehicle weight (GVW) or gross cargo weight (GCW).

TNZ operates a national policy and procedures for OW-permitting, which most local authorities subscribe to, including all those in the Auckland region. This provides for consistency in the overweight-permitting process. The fees payable are contained in regulation.

The RCAs are responsible for determining the structural capacity of routes (bridges often being critical in this respect) and where diversions are required for loads of various configuration and weight.

The overweight-permitting rules provide a good deal of discretion to the RCA regarding the extent to which overweight loads are allowed on an exceptional or regular basis. Manufacturer's GVW for a heavily-constructed powerful rig (up to 400 hp) can easily exceed 44 tonnes – loads of 55 to 60 tonnes are possible and occasionally much heavier loads have to be shifted.

In general, overweight loads up to 10 per cent above the legal mass limits can be permitted to use the motorway network, provided these can be safely moved at highway speeds. Slow-moving loads may be required to take alternative routes involving city streets, and all slow-moving heavy loads require escorts.

Over-dimension (O/D) permits are issued by the Land Transport NZ through the Transport Registry Centre at Palmerston North, and require vehicles to use a prescribed route or to avoid the use of certain prescribed routes. ONTRACK issues permits for O/D loads to cross level crossings and under-railway bridges.

TNZ has taken the initiative of mapping recognised O/D routes across the country. In general, the State highway system can be used for O/D loads with some exceptions. Within Auckland, with the exception of the Harbour Bridge, height restrictions at motorway over bridges restrict the movement of over-height loads to the local road network. This confines O/D loads to local roads that are not always the most suitable in respect of adjoining land use, but are defined more by their width and height clearance. Many O/D loads are required to move at night to limit the disruption caused.

2.4 Development of the Freight Strategy

Three technical papers¹ produced during the strategy development process underpin this freight strategy. These are:

- State of the Region Report – Setting the scene for the development of the strategy by describing the current regional freight volumes, infrastructure, trends and its economic significance
- Regional Freight Strategy – Issues Paper – Capturing the views of industry and stakeholders as to the key freight-related issues facing the region
- Regional Freight Strategy - Options Paper - Identifying policy options and actions for inclusion in the freight strategy.

This document, including responses to consultation on the earlier ARFS, represents the culmination of this work into the development of a strategy framework, prior to formal adoption.

¹ These papers are available on request from the ARC.



The establishment of an IRG consisting of local government representatives and key members of industry and industry organisations was a key component of the development process.

It is anticipated that this group will continue in some form as a champion for the implementation and future development of the freight strategy.



