

BRIEFING TO THE INCOMING ASSOCIATE MINISTER OF TRANSPORT

JANUARY 2013

Part one: Introduction to the Transport Portfolio



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Section 1: Purpose

This briefing is designed to give you an overview of what the Ministry of Transport (the Ministry) does, and how the transport portfolio is structured and funded. When your delegated responsibilities are confirmed by the Minister of Transport, we will be able to provide you with further information to support you in your role as Associate Minister of Transport.

This briefing does not set out the Ministry's work programme. We will provide you with a copy of our Output Plan which reflects work agreed with the Minister of Transport. We look forward to discussions with you about how we can support you to achieve your responsibilities as Associate Minister of Transport.

A responsive Ministry — serving the needs of Ministers and the government

The Ministry's role is to support Ministers by providing advice that ensures the transport system helps New Zealand thrive. This includes ensuring we have a safe, efficient, effective and resilient transport system.

As the government's principal transport adviser, the Ministry of Transport's primary function is as a policy adviser to Ministers and the government. The Ministry also provides strategic transport leadership for the sector, transport Crown entity monitoring, and developing and administering legislation, rules and regulations.

We will strive to provide you with our best advice at all times, and once you have taken your policy decisions, we will work conscientiously to implement those to the best of our ability.

The Ministry operates as a professional services organisation. This means that we utilise all of the Ministry's staff as a single resource (avoiding silos within the Ministry) and will focus staff on your highest priority initiatives. It also means that we are able to respond immediately to new issues or changed priorities by shifting people and other resources to where they are needed. Our staff are used to working in this way and look forward to the opportunities and challenges that this brings.

We have lifted our capability over the last years to provide you (and future Ministers) with advice on the longer-term policy issues for transport. In addition to advice that we will provide you on current policy issues, we also have a focus on the broader issues for transport, through, for example, our sector reports that prompt new thinking and seek to identify future opportunities or challenges.

Section 2: The Ministry of Transport and the government transport sector

Ministry functions

As the government's principal adviser on transport policy, the vast majority of the Ministry's work is in providing advice and ongoing support to the Minister and Associate Minister of Transport. The Ministry provides advice in two core areas:

1. Advice on transport issues and how you can achieve your goals through policy, funding and regulatory settings.
2. Advice on how to get the best out of the transport Crown entities, which play a key role in the implementation of government policy.

In addition to our core policy and Crown entity oversight roles, the Ministry also has responsibility for other functions, including:

- administration of transport legislation, rules and regulations
- oversight of the fuel excise duty, road user charges and vehicle licensing systems
- revenue forecasting and advice for fuel excise duty and road user charges
- representing New Zealand at international fora
- ensuring collaboration and coordination within the parts of the public sector that affect the transport sector
- licensing all international airlines operating to and from New Zealand
- managing the Milford Sound/Piopiotahi Aerodrome
- overseeing the Crown's interest in joint venture airports¹
- administering a contract with the Meteorological Service of New Zealand Limited (MetService) for the provision of a public weather warning and forecast service

Ministry operation and staffing

Ministry staff are located in the larger Head Office in Wellington and a small office in Auckland.

The Ministry has a staff complement of 150 full-time equivalents. As at 31 January 2013, the Ministry had a 16 percent annual turnover.

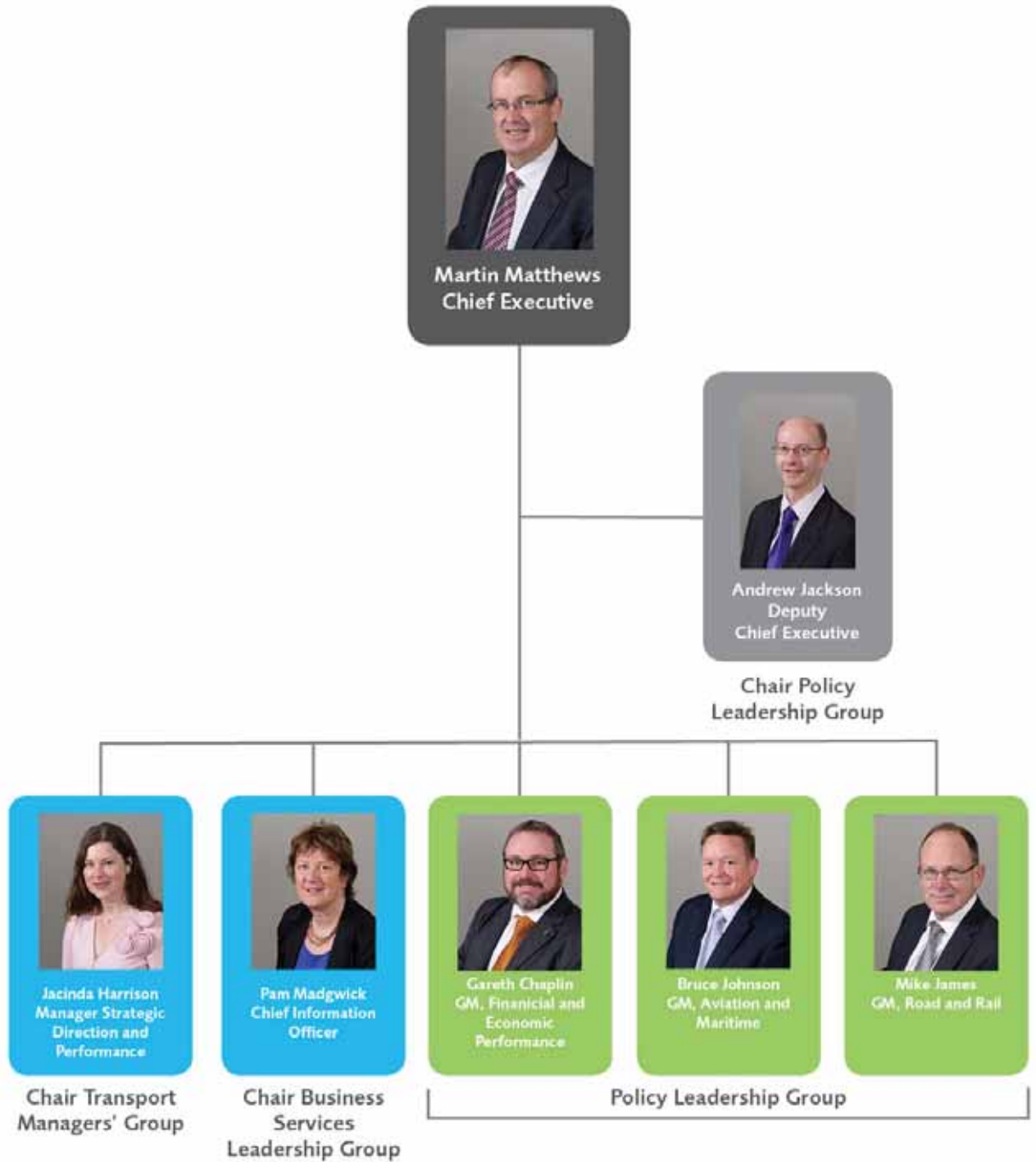
The Ministry has recognised a need to reduce its costs. In line with other departments its baseline was reduced by 3 percent (\$957,000) from 2012/13 and it must meet any additional operating costs from this reduced funding. The Ministry has been actively managing down its staffing level. We have reduced our headcount by 20 percent (from 182) since December 2008. The most important thing for the Ministry, however, has been ensuring our flexibility to focus resources on the highest priority initiatives for the government while also reducing staffing levels.

¹ Joint venture airports (JVAs) are airports operated by local authorities in partnership with the government.

Ministry Leadership Team

The structure of the Ministry Leadership Team is set out in Figure 1 below.

Figure 1: The Ministry Leadership Team



The government transport sector

Overview of the transport sector

The New Zealand government transport sector includes the Minister and Associate Minister of Transport, the Ministry, four Crown entities, three state-owned enterprises. The functions and responsibilities are briefly outlined in Figure 2.

Each of the transport Crown entities has a Board, appointed by the Minister of Transport, to administer its functions as set out in legislation. These entities are primarily responsible for the delivery of government activities in the transport sector. More detailed descriptions of each of the Crown entity's operations will be found in their respective briefings to you.

Working with the Crown entities

The Minister of Transport has responsibility for the Crown's relationship with the transport Crown entities. The Minister has a statutory role in participating in setting the strategic direction for each entity and in appointing a Board to deliver the entity's functions in line with government expectations. The Board of each entity is responsible for the entity's overall performance. There are a range of functions that the entities exercise independently from the government.

The Minister's primary relationship with the Crown entities is with the Board, generally through the Chair. The most direct levers that he has available to influence entity performance are through the annual letters of expectations, decisions on the funding level of the organisation and the appointment of Board members. Our view is that a carefully selected and well-run Board, appropriate levels of funding and a clear steer from the Minister on strategic direction should result in a high-performing organisation.

The Ministry assists Ministers to engage with each Crown entity in setting its strategic direction and targets, reviewing each Crown entity's draft Statement of Intent and assessing its progress against agreed objectives. The Ministry also provides advice on the entity performance and capability.

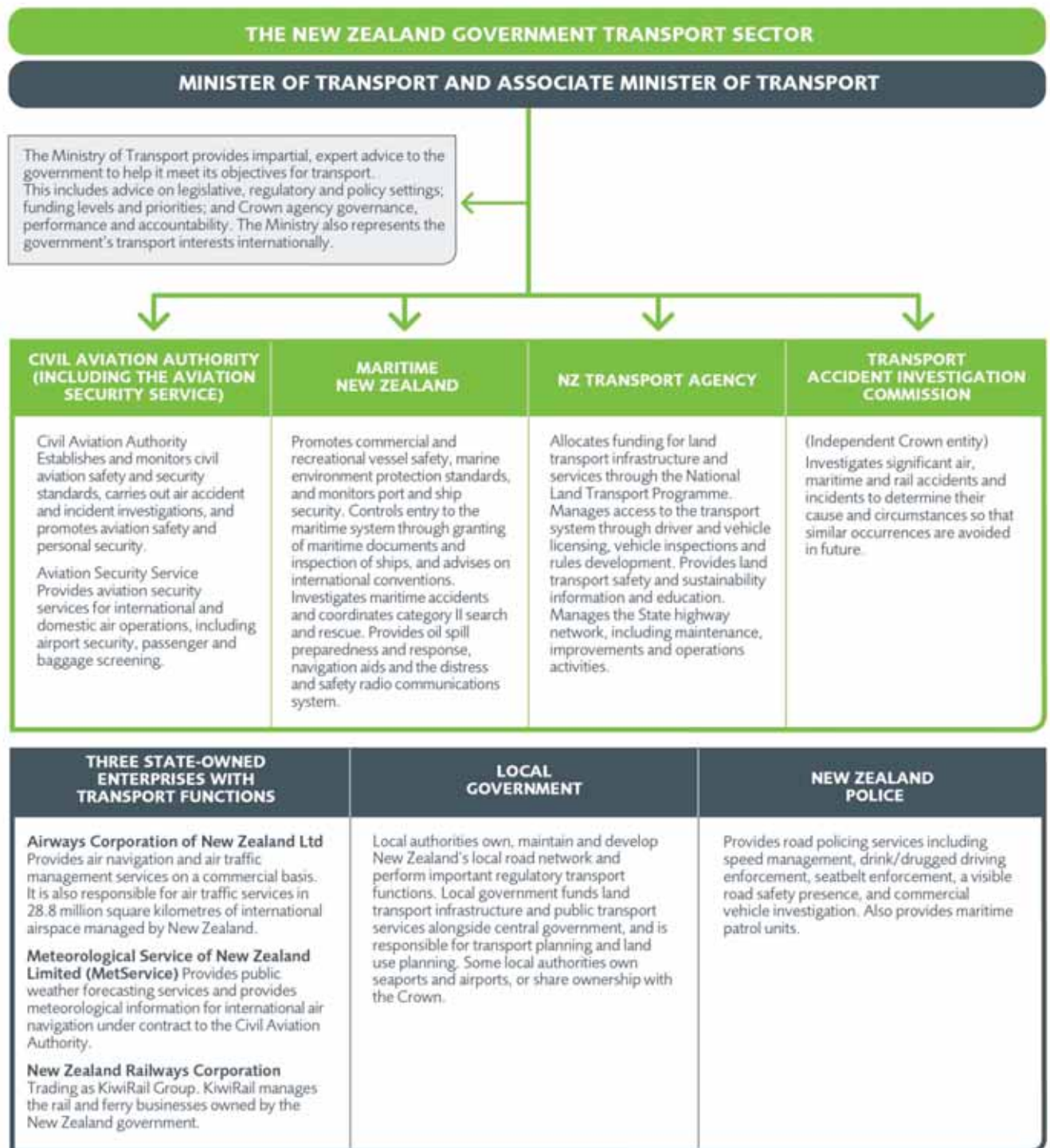
Given the significant influence of Crown entities in the Transport portfolio, particularly the NZ Transport Agency, we encourage regular engagement with the Chair of each Board. Notwithstanding this, the Minister has several formal mechanisms for managing this engagement.

The Minister communicates the government's expectation of strategic direction through an annual letter of expectation. The Ministry provide advice on these letters following the Minister's initial discussions with the entities.

Crown entity Boards report quarterly to the Minister on the entity's performance. The Minister is also able to commission the Ministry to conduct reviews of the Crown entities' capability, funding, and performance on his behalf.

The Ministry has a central role in ensuring collaboration and coordination within the transport sector. We seek to ensure that the sector is aligned to delivering government objectives.

Figure 2: Overview of the New Zealand government transport sector



Other key stakeholders

Regional councils and territorial authorities own and manage transport infrastructure, develop local transport policy, and provide public transport services within their own areas of responsibility. As such, they are important players in the transport sector and it is important that central and local government work together in the planning, funding and delivery of transportation throughout New Zealand.

The private sector is a major contributor to the operation of the transport modes and it has a significant impact on the achievement of the government's policy outcomes. Businesses have direct interests in a safe, reliable and sustainable transport system. They make choices that have a significant impact on the nature and direction of the demand for transport infrastructure and services.

The transport modes

This section is intended to provide you with an understanding of the government's role in each of the transport modes.

Aviation

The government's role in the aviation sector is largely as the policy maker and regulator of the safety and security aspects of the sector. The government also seeks to enable the adoption of new technology that has safety and economic benefits. The Ministry is responsible for aviation policy, negotiation of international air services agreements, and licensing of international airlines. It also administers the Crown's interest in six regional airports (New Plymouth, Taupō, Westport, Whakatāne, Wanganui, and Whangārei) and currently operates the Milford Sound/Piopiotahi aerodrome in the Fiordland National Park. The Civil Aviation Authority is responsible for safety and security oversight and the Aviation Security Service provides security functions at airports.

International air services are governed by treaty-level bilateral and multilateral air services agreements with other countries. New Zealand has a liberal approach. International Air Service Licences are a statutory requirement and primarily prescribe the routes and capacity that may be operated by the airline concerned. The Minister of Transport is the licensing authority for New Zealand international airlines, and the Chief Executive of the Ministry is the licensing authority for services to and from countries with which open aviation market arrangements have been negotiated.

Ownership of, and investment in, aviation infrastructure and air services is a mixture of private, State-owned enterprises and council or Crown shareholdings or interests. The air-traffic system and most airports have been corporatised or placed into council-controlled organisations. The Crown has 100 percent shareholding in the air traffic services provided by the Airways Corporation of New Zealand Ltd, and the majority shareholding (74 percent) in Air New Zealand Ltd (the government has signalled its intention to reduce its shareholding to 51 percent in the future). The Crown retains up to 50 percent shareholdings in Christchurch International Airport Ltd, Dunedin Airport Ltd, Hawke's Bay Airport Ltd and Invercargill Airport Ltd. These Crown interests are all managed by the Treasury.

Maritime

The government's key role in the maritime sector is as the policy maker and safety regulator of all maritime activity that occurs in New Zealand. Maritime New Zealand has responsibility for this regulatory oversight. Port ownership is largely the preserve of local authorities with limited private-sector ownership in some port companies. The Southport (Bluff), Lyttelton and Tauranga port companies are traded on the New Zealand Stock Exchange. The efficient operation of the port sector is critical to New Zealand's export and import industries, and therefore to economic performance.

Domestic sea freight is moved through a mix of New Zealand operated and internationally operated ships. Coastal shipping is regulated by the Maritime Transport Act. Section 198 of this Act restricts the services that foreign ships can provide in coastal shipping.

Rail

Freight

New Zealand Railways Corporation (KiwiRail) is a State-owned enterprise consisting of the rail freight business, the infrastructure group, the passenger group (such as Tranz Metro, Tranz Scenic) and the ferry group (Interislander).

KiwiRail is implementing a 10 year Turnaround Plan, to become a sustainable freight business. The government committed seed funding of \$750 million for the first 3 years of the \$4.6 billion plan, with the majority of the investment coming from business revenues.

The financial performance of KiwiRail is the responsibility of the Ministers of Finance and State-owned enterprises. Advice on KiwiRail's financial performance is provided by the Crown Ownership Monitoring Unit within the Treasury, with the Ministry providing a second opinion and supporting advice. The Minister of Transport, however, is responsible for monitoring the economic impact of investment in KiwiRail under the Turnaround Plan, and the Ministry takes the lead in providing this advice.

Metro rail

Wellington and Auckland regions run metro rail services as part of their public transport network. Central government, through KiwiRail, owns and maintains the network. Currently, the Crown is also funding significant infrastructure upgrades in both Wellington and Auckland.

Cabinet agreed in 2009 to fund metro rail capital projects directly from Crown funds rather than the National Land Transport Fund. Consequently, consideration of major new metro rail capital projects is primarily a role for the Ministry, not the NZ Transport Agency.

During 2011, metro rail ownership, funding and operating issues were agreed with Greater Wellington Regional Council and Auckland Council.

Each agreement included government funding for infrastructure (including Auckland electrification) and rolling-stock upgrades. Ownership of rolling stock is now vested with the region with core infrastructure remaining with KiwiRail. An operating subsidy from the National Land Transport Fund ensures the regions pay an appropriate track access charge as part of operating costs to KiwiRail.

These arrangements ensure that the responsibilities for metro rail are clearly defined and operating and capital costs are appropriately funded by passengers, local government, the National Land Transport Fund and central government.

In the future, the government's involvement in metro rail will be focused on funding and evaluating new metro rail capital project bids for Crown funding.

The Ministry's oversight of KiwiRail includes the management of capital bids through the Budget process and the overview of the metro operations to ensure that they are being managed on a sustainable business basis.

Road

The government owns and fully funds the State highway network. The NZ Transport Agency is the Crown entity responsible for the allocation of central government funding through the National Land Transport Fund and for construction and maintenance of the State highways. Most other roads (local roads) are owned by local councils and funded jointly by local and central government.²

The Government also sets the rules by which all users can access and use the roading network. This includes determining road user requirements, including driver and operator licensing standards, and motor vehicle safety and environmental standards.

The Land Transport Management Act 2003

The Land Transport Management Act 2003 is the main transport planning and funding statute. Two other relevant key Acts are the Local Government Act 2002 and the Resource Management Act 1991.

The Land Transport Management Act 2003 provides the framework for the allocation of central government funding for State highways, local roads and public transport services, and the associated planning processes. These activities are delivered by regional councils, city/district councils and the NZ Transport Agency (using private-sector contractors). The NZ Transport Agency is statutorily independent in relation to making individual project and procurement decisions.

The revenue for land transport comes mostly from road users through fuel excise duty (petrol tax), charges on diesel and heavy vehicles (road user charges) and vehicle licensing and registration charges. The Land Transport Management Act 2003 hypothecates, or reserves, this revenue for land transport purposes in the National Land Transport Fund. Local government also contributes an average of 50 percent of the cost of its land transport activities from rates and borrowing. This contribution is known as the local share. Other sources of revenue, including tolling, are also available under the Land Transport Management Act 2003.

² There are some Crown-owned roads, such as those providing access to ski fields, on Department of Conservation land.

Government Policy Statement

The Government Policy Statement on Land Transport Funding (Government Policy Statement) is the major lever available to government for influencing how and where investment in the land transport system is made by the NZ Transport Agency and local government, and how revenue will be raised. The Government Policy Statement is the Minister's document. When the Minister issues the Government Policy Statement he can decide how much to allocate to activities such as new and improved infrastructure for State highways, and public transport.

The Government Policy Statement is issued every 3 years on a time frame which enables it to inform local governments' 3-year planning cycle. The current Government Policy Statement 2012 will continue to be in force until 30 June 2015.

The NZ Transport Agency must give effect to the Government Policy Statement as it administers the National Land Transport Fund. To do so, the NZ Transport Agency develops a 3-yearly National Land Transport Programme.

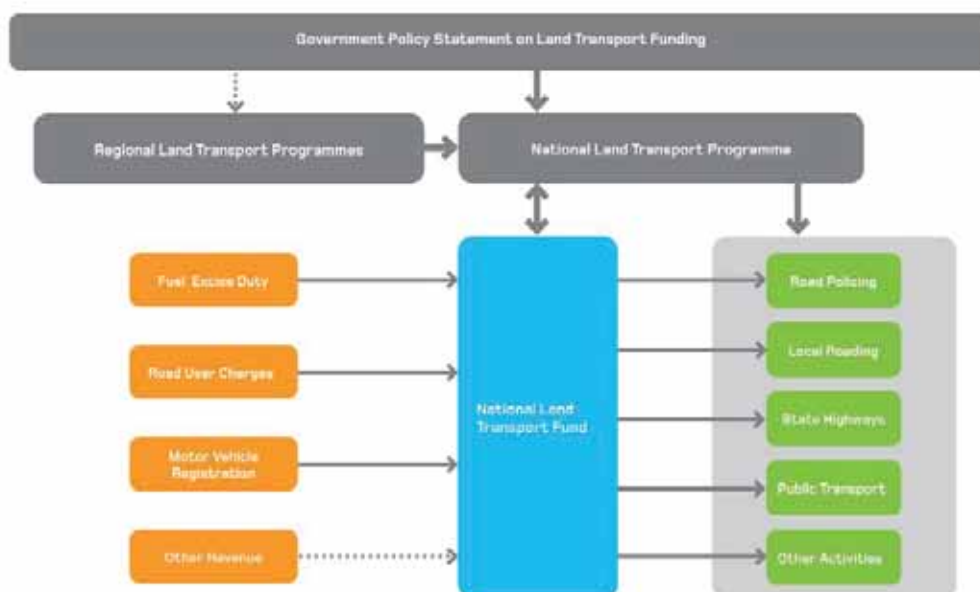
The Government Policy Statement makes around \$2.95 billion available in 2012/13 for investment in the land transport sector, rising to \$3.25 billion in 2014/15. Over a 10-year period, the Government Policy Statement makes around \$36 billion available for land transport.

The Government Policy Statement builds on and advances the long-term programme of change put in place by the government. It has three focus areas or priorities, which are to direct land transport investment into activities that:

- support economic growth and productivity
- achieve strong value for money
- improve road safety.

Figure 3 below illustrates how the Government Policy Statement provides direction for investment in land transport.

Figure 3: New Zealand's land transport planning and funding regime



Public transport, walking and cycling

The government has a role in regulating how public transport services are provided and funded in New Zealand, and provides funding for public transport services and infrastructure through the National Land Transport Fund. The government also provides funding for other related initiatives such as the SuperGold Card off-peak travel scheme.

Public transport services are currently regulated under the Public Transport Management Act 2008. The Act gave regional councils significant powers to impose controls over public transport services operating in their region. However the government was concerned it did not provide incentives for operators to invest in bus and ferry assets or support innovation. In addition, government spending on public transport over the previous decade has not been met with commensurate increases in public transport patronage.

The Ministry has worked with the public transport sector to develop a new public transport operating model (known as PTOM) to help address these issues. The model provides a framework for building a long term partnership between regional councils and operators for the development of public transport services. Under the model, all public transport services that are core to the region's network will be provided under unit contracts. Inter-regional services and some stand alone services operating within regions that do not receive any public subsidy, will be exempted.

The model is currently being implemented, mainly through changes to the NZ Transport Agency's procurement manual and guidelines in consultation with operators and regional councils. The legislative changes necessary to support the new model are being implemented through the Land Transport Management Amendment Bill which is currently before the Transport and Industrial Relations Select Committee, and is due to be reported back in March 2013.

At present, walking is a key part of most transport journeys in New Zealand, with cycling making a relatively small contribution. Both walking and cycling can make a significant contribution to initiatives that aim to improve health and physical activity and reduce emissions. The government currently supports walking and cycling through National Land Transport Fund investment in initiatives that contribute to congestion relief, improve pedestrian and cyclist safety, and walking and cycling infrastructure.

Section 3: Legislative responsibilities

The Ministry administers more than 20 pieces of primary legislation, many regulations, land transport, civil aviation, maritime, and marine protection rules.

The Minister of Transport has various functions and powers under primary legislation; including the appointment of members of Crown entity Boards, approval of plans, approval of forms, and approval of equipment. Many of the Minister's powers may be delegated in accordance with section 28 of the State Sector Act 1988.

Other legislative powers and functions

The Minister of Transport has:

- powers in relation to the transportation of coastal cargo (Maritime Transport Act)
- power to notify a major maritime event where special enforcement powers are exercisable (Maritime Transport Act)
- power to give directions to Maritime New Zealand, a regional council, or an on-scene commander if expedient to do so in the circumstances (Maritime Transport Act)
- the ability to amend, replace, or disallow bylaws if they are inconsistent with an enactment or are unreasonable or undesirable in so far as a bylaw relates to, or may affect, traffic (Land Transport Act)
- power to require screening, searching, and seizing to enhance aviation security (Civil Aviation Act)
- power to grant scheduled international air service licences, and to suspend or revoke licences (Civil Aviation Act)
- powers in respect of the establishment, maintenance and operation of aerodromes and facilities (Civil Aviation Act)
- power to establish, maintain, and operate a search and rescue co-ordination centre (Civil Aviation Act)
- full powers of control of all government roads (Government Roding Powers Act 1989)
- screening and searching powers to enhance maritime security (Maritime Security Act 2004)
- powers of investigation and direction in relation to unfair practices (Shipping Act 1987)
- responsibility for completing a national land transport strategy and for issuing a new government policy statement in advance of the expiry of the current National Land Transport Programme (Land Transport Management Act 2003)

A full list of current transport Acts, and regulations is attached as Appendix 1.

Transport rules

Transport rules are delegated legislation, developed under contract to the Ministry by the NZ Transport Agency, the Civil Aviation Authority, and Maritime New Zealand with assistance from the Ministry. They are a key means of legislating in the transport sector.

Under the Land Transport Act 1998, the Civil Aviation Act 1990, the Maritime Transport Act 1994 and the Railways Act 2005, the Minister may make 'ordinary' rules (as opposed to emergency rules). The Minister may not delegate this power. An annual rules programme is prepared by the Ministry with input from the relevant transport agencies each year and the Minister's agreement is sought in March for the following year. The programme is also referred to Cabinet for its agreement although this is not a statutory requirement.

Appendix 2 lists the Acts, regulations and rules that were made during the 2011/12 year and the 2012/13 year to date.

Bills currently being considered by Parliament

There are currently two transport Bills in the legislative process. Both are being considered by the Transport and Industrial Relations Select Committee and both are due to be reported back to the House on 11 March 2013.

The Marine Legislation Bill will give effect to four international maritime conventions, including the convention that doubles the current limitation on ship owners' liability for maritime claims for bunker oil pollution and other damage caused by shipping casualties. It will also amend the Maritime Transport Act 1994 to address regulatory, environmental and operational issues that have emerged since 1999. The Bill will also amend the Exclusive Economic Zone and Continental Shelf (Environmental Effects) Act 2012 to address the need for a single regulator of dumping and some discharge activities in the Exclusive Economic Zone.

The Land Transport Management Amendment Bill will streamline the planning and funding system for land transport. It will also bring into effect the new Public Transport Operating Model and repeal the Public Transport Management Act.

Section 4: Vote Transport

Overview

The Minister of Transport is accountable for appropriations in Vote Transport totalling \$4.7 billion in 2012/13 (including any adjustment approved since the Estimates 2012).

Appendix 3 provides a detailed breakdown of the Vote by appropriation type.

Below is an explanation of the breakdown of the Vote by purpose:

Funding for	2012/13 \$000
Road	3,500,938
Rail	1,120,722
Crown entities	21,569
SuperGold Card transport concession	22,605
MetService for weather forecasting	18,574
Other*	35,526
	\$4,719,934

Departmental funding	
Output	32,986
Capital	500

* Other outputs' mainly comprises - \$18 million for road user charges activity mainly funded from fees, \$6 million as a non cash expense for the recognition of bad debts and \$4 million from road tax revenue for search and rescue activity and other contractual obligations.

Road tax revenue

Road tax revenue is forecast to be \$2.8 billion in 2012/13. Road tax revenue (\$2.5 billion) is hypothecated to the National Land Transport Fund. Once agreed by Ministers, on the recommendation of the NZ Transport Agency, funding for Road Policing is re-allocated and appropriated through Vote Police. In 2012/13, \$298 million of road tax revenue is allocated to Vote Police for road policing and \$7 million is allocated to search and rescue activities.

National Land Transport Programme and other road funding

The road tax revenue collected is allocated by permanent legislative authority (PLA) as required to deliver the National Land Transport Programme in line with the current

Government Policy Statement. In addition, there is some short-term funding from the Crown for particular projects. The 2012/13 funding is shown below.

Appropriation	\$000	\$000
National Land Transport Programme PLAs		
Operating	1,836,000	
Capital	716,438	2,552,438
Crown funding to the National Land Transport Programme		
Canterbury roading reinstatement	57,000	
National War Memorial Park	20,000	
Loan for Tauranga Eastern link road	20,000	
Napier Gisborne passing opportunities	1,500	98,500
Sub total		\$2,650,938
Short-term loan facilities		850,000
Tauranga Eastern Link loan		20,000
Total funding		\$3,500,938

To allow the NZ Transport Agency flexibility to manage cash flow pressures and large contracts over the year, the Crown has currently approved two short-term loan facilities, to be repaid from future road tax revenue.

The short-term loan facilities above represent facilities of \$250 million (ongoing in out years) and \$100 million respectively (2012/13 only). These two loans have a maximum balance at any point in time of \$350 million. However the appropriation for one loan is \$750 million to allow that loan to be repaid and redrawn over time.

The Tauranga Eastern Link loan (total \$137 million over 2012/13-14/15) is to be repaid from future tolling revenue from that road.

Rail

Funding for rail is to both KiwiRail and Auckland Council for metro rail projects. A significant portion of the 2012/13 funding is loan or equity

	\$000
KiwiRail Turnaround Plan	250,000
KiwiRail – debt to equity swap	322,500
KiwiRail – loan rollover	107,500
Auckland Council – Electric Multiple Unit loan	240,000
Total of loans and equity	920,000
KiwiRail – finite project funding	196,952
KiwiRail – safety and public good projects (ongoing funding)	3,770
	1,120,722

Turnaround Plan

The government has appropriated \$750 million over 2010/11- 2012/13 to the KiwiRail Turnaround Plan. The Plan is a 10 year programme and funding of \$1.1 billion in total is sought from the Crown.

Debt to Equity Swap and Loan Rollover

KiwiRail had loans of \$498 million from the Crown. As part of the review of the KiwiRail balance sheet, \$322 million was converted to equity in 2012/13. The remaining loans are planned to be rolled over so that KiwiRail can use all of its cash to support the Turnaround Plan.

Auckland Council – Electric Multiple Unit loan

The Crown has appropriated a loan of \$500 million and a grant of \$90 million to assist with the purchase of new electric trains and related facilities.

Project funding

The largest ongoing project is Auckland metro electrification. This project is currently forecast to be completed in 2013/14.

Crown entities

Appropriation	2012/13 \$000
Maritime New Zealand	10,161
NZ Transport Agency	5,179
Transport Accident Investigation Commission	3,865
Civil Aviation Authority	2,219
Aviation Security Service	145
Total	21,569

The Vote Transport funding noted above is only a small proportion of Crown entity revenue as they are mainly funded from third party fees and levies. Only the Transport Accident Investigation Commission is fully funded by the Crown.

Other

Appropriation	2011/12 \$000
Road user charges collection/ refund and investigation	20,002
Bad debt provision — Vehicle Register and road user charges	6,000
Search and rescue activity	4,473
Membership of international organisations	743
Joint venture airport funding	947
Rena/ Maritime oil response	3,361
Total	35,526

Departmental outputs

Appropriations	2012/13 \$000
Policy advice MCOA	
Policy advice	26,991
Governance and performance advice for Crown agencies	700
Ministerial serving	2,800
Clifford Bay terminal implementation	700
Search and Rescue activities PLA	1,136
Milford Sound/ Piopiotahi aerodrome operation	230
Sub total	32,557
Fuel excise duty refund administration (contracted to NZ Transport Agency)	429
Total	\$32,986

Section 5: Participation in international fora

The Minister of Transport and the Ministry have involvement in a range of international organisations and fora, including those listed below.

The Minister may choose to attend, or ask the Associate Minister of Transport to do so on his behalf, the following forums/conventions.

International Transport Forum

The International Transport Forum is an inter-governmental organisation within the Organisation for Economic Co-operation and Development family. Its aim is to foster a deeper understanding of the essential role played by transport in the economy and society. There is an annual meeting of Transport Ministers in Leipzig, Germany (22-24 May 2013).

Standing Council on Transport and Infrastructure

The Standing Council on Transport and Infrastructure is a forum of Transport Ministers from Federal and Commonwealth governments in Australia. New Zealand has member status, but does not vote on matters pertaining to Australian domestic issues. The next meeting is scheduled for 10 May 2013 in Brisbane.

International governing organisations

International Civil Aviation Organization

The International Civil Aviation Organization sets standards and recommended practices in 18 Annexes to the Convention on International Civil Aviation (Chicago Convention) to achieve global uniformity. The Ministry is the State representative and pays New Zealand's annual assessment. The International Civil Aviation Organization creates many rules and sets standards for international aviation.

International Maritime Organization

The International Maritime Organization is a specialised agency of the United Nations with 168 member States. The International Maritime Organization's main task has been to develop and maintain a comprehensive regulatory framework for shipping. The International Maritime Organization sets the rules for how shipping operates internationally.

Other international organisations

General Agreement on Trade in Services/World Trade Organization

The General Agreement on Trade in Services has limited coverage of the land transport sector. However, under the Annex on Air Transport Services, the General Agreement on Trade in Services principles can apply to computer reservation systems, aircraft repair and maintenance, and the sale and marketing of airline services.

Asia-Pacific Economic Cooperation

The Transportation Working Group of the Asia-Pacific Economic Cooperation usually meets biannually to work towards trade liberalisation and facilitation in the transport sector, economic and technical assistance, and capacity building.

Appendix 1: Legislation

Major Acts

The Airport Authorities Act 1966
The Auckland Airport Act 1987
The Wellington Airport Act 1990
Civil Aviation Act 1990
Customs Law Act 1908
Land Transport Act 1998
Land Transport Management Act 2003
Maritime Security Act 2004
Maritime Transport Act 1994
Meteorological Services Act 1990
Port Companies Act 1998
Public Transport Management Act 2008
Railways Act 2005
Road User Charges Act 2012
Ship Registration Act 1992
Shipping Act 1987
Submarine Cables and Pipelines Protection Act 1996
Taranaki Harbours Act 1965
Government Rounding Powers Act 1989 (called Transit New Zealand Act until 1 August 2008)
Transport Accident Investigation Commission Act 1990
Waterfront Industry Restructuring Act 1989

Major statutory regulations

Airport Authorities (Airport Companies Information Disclosure) Regulations 1999
Carriage by Air (New Zealand Currency Equivalents) Notice (No 2) 1998
Civil Aviation (Cape Town Convention and Aircraft Protocol Declarations) Order 2010
Civil Aviation Charges Regulations (No 2) 1991
Civil Aviation (ANZA Mutual Recognition Agreement) Order 2007
Civil Aviation (Offences) Regulations 2006
Civil Aviation (Safety) Levies Order 2002
Direction to Require Screening Notice 2007
Engine Drivers' Examination Regulations 1952
Foreshore Licence Regulations 1960
Heavy Motor Vehicle Regulations 1974
Land Transport (Administrative Fees for Recovery of Unpaid Tolls) Regulations 2008
Land Transport (Alcohol Interlocks) Regulations 2012
Land Transport (Approved Laboratory and Analyst in Charge) Notice 2000
Land Transport (Assessment Centre and Accident Report Fees) Regulations 1998
Land Transport (Blood Specimen Collecting Procedure) Notice 2011
Land Transport (Blood Test Fee) Notice 2010
Land Transport (Breath Tests) Notice 2009
Land Transport (Certification and Other Fees) Regulations 1999
Land Transport (Driver Licensing and Driver Testing Fees) Regulations 1999
Land Transport (Driver Licensing) Rule 1999
Land Transport (Infringement and Reminder Notices) Regulations 2012
Land Transport (Motor Vehicle Registration and Licensing) Regulations 2011
Land Transport (Offences and Penalties) Regulations 1999
Land Transport (Ordering a Vehicle off the Road) Notice 1999

Land Transport (Requirements for Storage and Towage of Impounded Vehicles) Regulations 1999
Land Transport (Road User) Rule 2004
Land Transport (Storage and Towage Fees for Impounded Vehicles) Regulations 1999
Land Transport (Trade Plates) Notice 2011
Land Transport Management (Apportionment and Refund of Excise Duty and Excise-Equivalent Duty) Regulations 2004
Land Transport Management (Road Tolling Scheme for ALPURT B2) Order 2005
Marine Protection (Offences) Regulations 1998
Marine Safety Charges Regulations 2000
Maritime (Offences) Regulations 1998
Maritime Security Regulations 2004
Maritime Security (Designated Authority) Order 2004
Maritime Security (Maritime Security Organisations) Order 2004
Maritime Transport Act (Conventions) Order 1994
Maritime Transport (Certificates of Insurance) Regulations 2005
Maritime Transport (Fund Convention) Levies Order 1996
Maritime Transport (Infringement Fees for Offences Relating to Major Maritime Events) Regulations 1999
Maritime Transport (Marine Protection Conventions) Order 1999
Maritime Transport (Maximum Amounts of Liability for Pollution Damage) Order 2003
New Zealand Railways Corporation (Staff) Regulations 1982
Notice of Direction to Require Screening 2002
Oil Pollution Levies Order 1998
Railways Regulations 2008
Road User Charges (Administration Fees) Regulations 2012
Road User Charges (Classes of RUC Vehicles) Exemption Order 2012
Road User Charges (Exemption Period for Light Electric RUC Vehicles) Order 2012
Road User Charges (Infringement Offences) Regulations 2012
Road User Charges (Rates) Order 1996
Road User Charges (Rates) Regulations 2012
Road User Charges Regulations 2012
Road User Charges (RUC Collector) Order 2012
Road User Charges (Transitional Matters) Regulations 2012
Ship Registration (Fees) Regulations 1992
Shipping (Charges) Regulations 2000
Submarine Cables and Pipelines Protection Order 2006
Submarine Cables and Pipelines Protection (Tui Area Development) Order 2007
Submarine Cables and Pipelines Protection (Kupe Gas Project) Order 2008
Submarine Cables and Pipelines Protection (Maari Development) Order 2008
Submarine Cables and Pipelines Protection Order 2009
Traffic Regulations 1976
Transport (Vehicular Traffic Road Closure) Regulations 1965
Transport (Towage Fees) Notice 2004
Transport Services Licensing Regulations 1989

Appendix 2: Legislation changes

The following Acts were passed during the 2011/12 year.

Title
Road User Charges Act 2012

The following regulations were made during the 2011/12 year.

Title
Civil Aviation (Offences) Amendment Regulations 2011
Civil Aviation (Offences) Amendment Regulations 2012
Land Transport (Blood Specimen Collecting Procedure) Notice 2011
Land Transport (Breath Tests) Amendment Notice 2011
Land Transport (Driver Licensing) Amendment Rule 2011
Land Transport (Driver Licensing and Driver Testing Fees) Amendment Regulations 2011
Land Transport (Driver Licensing and Driver Testing Fees) Amendment Regulations 2012
Land Transport (Infringement and Reminder Notices) Amendment Regulations 2011
Land Transport (Infringement and Reminder Notices) Regulations 2012
Land Transport (Road User) Amendment Rule 2011
Land Transport (Offences and Penalties) Amendment Regulations 2011
Land Transport (Offences and Penalties) Amendment Regulations (No 2) 2011
Land Transport (Offences and Penalties) Amendment Regulations (No 3) 2011
Land Transport Management (Apportionment and Refund of Excise Duty and Excise-Equivalent Duty) Amendment Regulations 2012
Road User Charges Act Commencement Order 2012
Road User Charges (Administration Fees) Regulations 2012
Road User Charges (Classes of RUC Vehicles) Exemption Order 2012
Road User Charges (Exemption Period for Light Electric RUC Vehicles) Order 2012
Road User Charges (Infringement Offences) Regulations 2012
Road User Charges (Rates) Regulations 2012
Road User Charges Regulations 2012
Road User Charges (RUC Collector) Order 2012
Road User Charges (Transitional Matters) Regulations 2012
Shipping (Charges) Amendment Regulations 2012

The following rules were made during the 2011/12 or the 2012/13 years.

Land transport rules

Title	Minister signed	In-force date
Rules made during the 2011/12 year		
Driver Licensing Amendment Rule 2011	26 August 2011	1 October 2011
Driver Licensing Amendment Rule (No.2) 2011	3 October 2011	6 October 2011
Part 1 Omnibus Amendment Rule (2011)	22 August 2011	1 October 2011
Road User Amendment Rule 2011	29 August 2011	1 October 2011
Rules made during the 2011/12 year to come into force during 2012/13 year		
Road User Amendment Rule – Give way changes	29 August 2011	25 March 2012

Civil Aviation rules

Title	Minister signed	In-force date
Rules made during the 2011/12 year		
Part 125 ICAO Amendments	18 August 2011	1 October 2011
Part 115 – Adventure Aviation	11 October 2011	10 November 2011

Maritime and Marine Protection rules

Title	Minister signed	In-force date
Rules made during the 2011/12 year		
Part 24B Carrige of Cargo	16 April 2012	May 2012
Parts 31A & 32 Standards of Training, Certification and Watch-keeping	16 April 2012	May 2012

Appendix 3: Vote Transport non-departmental appropriations 2012/13

Non-departmental appropriations 2012/13 as at January 2013	\$000
Annual appropriations	
<i>Outputs from organisations other than department</i>	
Accident or incident investigation reporting	3,865
Crash analysis	775
Licensing activities	3,761
Maritime security port screening	145
Ministerial servicing by the NZTA	548
Napier Gisborne road passing opportunities	1,500
Policy advice - Civil Aviation MCOA	
Policy advice - Civil Aviation	663
Ministerial servicing - Civil Aviation	431
International relations and ICAO obligations	685
Health and safety in employment activities - Civil Aviation	440
Policy Advice – Maritime MCOA	
Policy advice - Maritime	3,613
Maritime safety and marine protection services	2,078
Health and safety in employment activities - Maritime	954
Reinstatement of local roads in Canterbury	57,000
Road User Charges collection	15,773
Road User Charges investigation and enforcement	3,779
Road User Charges refunds	450
Search and rescue activities	3,316
SuperGold card administration	95
Waikato rail funding	1,591
Weather forecasts and warnings	18,574
Sub-total	120,036
Other expenses	
Memberships of international organisations	743
New Zealand Railways Corporation — public policy projects	3,270
Railway safety	500
Bad debt provision motor vehicle registry and road user charges	6,000
SuperGold Card enhanced transport concessions	22,605
Tauranga maritime incident response costs	3,361
Rail: metro rail rolling stock and infrastructure (Wellington)	5,415
Sub-total	41,894
Capital investment in organisations other than depts.	
Aviation Security Service	200
National War Memorial Park	20,000
New Zealand Railways Corporation loans	107,500
KiwiRail Turnaround Plan	250,000
KiwiRail equity injection	322,500
Wellington rail metro upgrade costs	14,243
NLTF borrowing facility for short term advances	750,000
NLTF borrowing facility for 2012/13	100,000
Rail: Auckland EMU loan	240,000
Tauranga Eastern Link road	20,000
Sub-total	1,824,443

Other appropriations	
<i>Outputs to be supplied by other than the departments</i>	
Search and Rescue and Recreational Boating (perm legisl authority)	4,473
National Land Transport Programme (perm legisl authority)	1,836,000
Sub-total	1,840,473
Other expenses	
Auckland rail development (multi-year appropriation)	175,703
Sub-total	175,703
Capital investment in organisations other than departments	
New infrastructure for and renewal of State highways (perm legisl authority)	716,438
Joint venture airports Crown contribution (multi-year appropriation)	947
Sub-total	717,385
Total non-departmental appropriations	\$4,719,934