

Chair  
Cabinet Economic Growth and Infrastructure Committee

## **CONNECTING NEW ZEALAND – A SUMMARY FOR STAKEHOLDERS OF THE GOVERNMENT'S POLICY DIRECTION FOR TRANSPORT**

### **Proposal**

1. This paper seeks Cabinet agreement to the public release of 'Connecting New Zealand – a summary for stakeholders of the government's policy direction for transport' (Connecting New Zealand). A copy of Connecting New Zealand is attached (appendix A refers).

### **Executive summary**

2. The government's initial transport focus when it came to office in late 2008 was to quickly change the direction for transport to achieve a much greater focus on economic growth and productivity through the Government Policy Statement on Land Transport Funding (GPS) 2009.
3. GPS 2009 included a commitment to develop a document over time that I intended would replace the New Zealand Transport Strategy (NZTS) 2008. Replacing the NZTS 2008 is necessary as there are significant differences between this government's transport policy approach and that of the previous government.
4. The government is seeking an effective, efficient, safe, secure, accessible and resilient transport system that supports the growth of our economy in order to deliver greater prosperity, security and opportunities for all New Zealanders.
5. The role of Connecting New Zealand is to summarise the high level themes of the government's transport direction as a summary document for the transport sector for the next 10 years. These themes are economic growth and productivity, value for money, and safety. Connecting New Zealand will assist the decision making of transport sector stakeholders, as it provides greater clarity about the government's direction and priorities for transport.
6. Connecting New Zealand does not introduce any new policy and is consistent with the government's approach to growing the economy through its focus on infrastructure and value for money. It reflects my priorities for the transport portfolio as agreed with the Prime Minister. I propose that Connecting New Zealand be released (as a non-statutory document) around the end of August 2011.

## **Background**

7. Connecting New Zealand will replace the previous government's non-statutory NZTS 2008. The NZTS 2008 provided a direction for the transport sector over 30 years, gave defined targets, set out actions for achieving those targets, and provided context for funding decisions.
8. The GPS 2009 made a commitment by the government to develop a forward plan for transport during the first three years of the GPS 2009. Connecting New Zealand is this forward plan, and gives a multi modal, summary of the government's transport policy for the next decade.

## **Comment**

### *Development*

9. I believe the replacement of the NZTS 2008 is necessary as there are significant differences between this government's transport policy and that of the previous government, and these have become more obvious as time has moved on and the economic environment has changed. In particular, our strategic direction for transport is shaped largely by our infrastructure and investment policy. Some transport stakeholders are still referring to the NZTS 2008, and including it in documents, despite its lack of statutory backing.
10. The need for Connecting New Zealand has become apparent in feedback received from stakeholders on the proposed GPS 2012, National Infrastructure Plan (NIP), and the New Zealand Energy Strategy (NZES). A summary document making the government's transport plans clear would guide the transport sector and assist transport stakeholders in developing their future work programmes.
11. Connecting New Zealand is not a new plan for transport and will not require any new commitments from the government. It is evidence based and draws together and summarises the government's priorities in transport and how they will continue over the next 10 years. It is part of a package of direction setting documents for the transport sector and will supersede the NZTS 2008.
12. Connecting New Zealand is consistent with the government's approach to growing the economy through its focus on infrastructure, value-for-money and safety, and reflects my priorities for the transport portfolio as agreed with the Prime Minister.
13. The title "Connecting New Zealand" reflects transport as being multi-modal and enabling the connection of people, goods and services in New Zealand to each other, and to the world.

### *Approach*

14. Connecting New Zealand does not set out new targets for the transport system. Connecting New Zealand aligns with, and reflects the direction of other documents, including the NIP, the NZES, GPS 2012, and Safer Journeys: New Zealand's Road Safety Strategy.

15. Within the document, each mode is considered individually and trends and or data are presented that explain the government's policy direction and actions. The government's actions, including those of the transport Crown entities, are then described.
16. Although Connecting New Zealand covers all modes, it has a clear emphasis on land transport, which reflects the economic growth and productivity gains within these modes and the level of funding they receive, and involvement the government has in the road and rail sectors.

### *Overarching objective and key themes*

17. Connecting New Zealand reflects the overarching objective of an effective, efficient, safe, secure, accessible, and resilient transport system that supports the growth of our economy in order to deliver greater prosperity, security and opportunities for all New Zealanders. This objective has been agreed to in the GPS 2012 Cabinet paper and document, and I have agreed to this goal as part of the Ministry of Transport's 2011-2014 Statement of Intent.
18. This objective is underpinned by three themes, which set the direction for the development of the transport system over the next 10 years. These themes are explained below.

#### *18.1. Economic growth and productivity*

The government's overall goal for New Zealand is to grow the economy to deliver greater prosperity, security and opportunities. Transport's role in this is to move people and freight as safely and efficiently as possible. Better transport links and services can lower costs and enhance accessibility of businesses by expanding markets and improving access to supplier inputs and labour. Increased access and connectivity provides opportunities for enhanced trade, competition, and specialisation, which can lead to long-term productivity gains.

#### *18.2. Value-for-money*

Improving performance and productivity across the public sector is a high priority for the government. To achieve this, we need to focus on lifting the performance of transport Crown entities and ensuring the regulatory transport framework is fit-for-purpose (and supports the delivery of the results we want). The individual components of the transport system also need to be efficient and effective. Achieving this requires a greater focus not only on what infrastructure and services are provided, but also on how activities and projects are delivered, how assets are managed and the extent to which costs are minimised over time.

### 18.3. *Safety*

The government is committed to reducing the road toll and its impact on communities and families. A safer roading system will benefit businesses as well as individuals and their families. However, achieving significant improvements in the safety of the roading system will take time and ongoing commitment by central government, local government, and the community.

#### **Consultation**

19. The following agencies have been consulted on this paper: the Ministry of Agriculture and Forestry, Ministry for the Environment, Ministry of Health, Ministry of Social Development, the Treasury, Department of Internal Affairs, Energy Efficiency and Conservation Authority, Accident Compensation Corporation, Ministry of Education, Ministry of Economic Development, Department of Prime Minister and Cabinet, Department of Labour, Department of Conservation, New Zealand Transport Agency, Maritime New Zealand, Aviation Security Service, Civil Aviation Authority, KiwiRail and The Transport Accident Investigation Commission. OEGI has also been consulted.

#### **Financial implications**

20. There are no financial implications associated with this paper.

#### **Human rights implications**

21. There are no human rights implications associated with this paper.

#### **Legislative implications**

22. There are no legislative implications associated with this paper.

#### **Regulatory Impact Analysis**

23. A regulatory impact analysis is not required for this paper as it does not propose any regulatory change.

#### **Gender implications**

24. There are no gender implications associated with this paper.

#### **Disability perspective**

25. There are no disability implications associated with this paper.

## Publicity

26. I propose to release Connecting New Zealand around the end of August 2011.
27. The key points I am communicating through Connecting New Zealand are as follows:
  - 27.1. a concerted effort to fix congestion points in the transport system is being undertaken, especially in areas where congestion is limiting economic growth
  - 27.2. major investments are being made around the country, especially in Auckland
  - 27.3. significant investments are also being made to improve safety
  - 27.4. a focus on improving value-for-money to enhance outcomes
  - 27.5. the government is looking towards the future and considering the impacts of the ageing population, new fuel technologies and telecommunications.
28. As Connecting New Zealand does not set out any new government policy, I do not believe that there is a need for public consultation on the document prior to its release. Stakeholders will not be surprised by the contents of Connecting New Zealand.

## Recommendations

29. It is recommended that the Committee:
  - a. **note** that Connecting New Zealand replaces the New Zealand Transport Strategy 2008
  - b. **agree** that Connecting New Zealand is the government's summary policy document for the transport sector for the next 10 years
  - c. **note** Connecting New Zealand's objective of an 'effective, efficient, safe, secure, accessible and resilient transport system that supports the growth of our economy in order to deliver greater prosperity, security and opportunities for all New Zealanders' is the same as agreed for the Government Policy Statement on Land Transport Funding 2012 (EGI Min (11) 15/4 refers).
  - d. **note** Connecting New Zealand's three key themes that set the direction for transport over the next 10 years
    - o economic growth and productivity
    - o value for money
    - o safety
  - e. **note** that Connecting New Zealand complements other government documents and strategies, including the Government Policy on Land Transport Funding 2012, Safer Journeys: New Zealand's Road Safety Strategy, the National Infrastructure Plan and the New Zealand Energy Strategy

- f. **authorise** the Minister of Transport to release Connecting New Zealand and to make any minor or technical amendments to the document that may be required prior to publication

Hon Steven Joyce  
**Minister of Transport**

Dated: \_\_\_\_\_