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# **BRIEFING TO THE INCOMING MINISTER OF TRANSPORT 2020**

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## **Road Transport Forum NZ**

## Introduction

Road Transport Forum New Zealand (RTF) provides unified national representation for several regional trucking associations. RTF members include Road Transport Association NZ, National Road Carriers, and NZ Trucking Association. The affiliated representation of the RTF is about 3,000 individual road transport companies which in turn, operate 16-18,000 trucks involved in road freight transport, as well as companies that provide services allied to road freight transport.

The road freight transport industry employs 32,868 people (2.0% of the workforce), has a gross annual turnover of \$6 billion, and transports 93% of the total tonnes of freight moved in New Zealand.

In this briefing we outline the key issues and opportunities for the part of the supply chain the trucking industry contributes to, as pertains to the Transport portfolio. These include:

- Road freight transport's contribution to the economy
- An industry accord, as per the Construction Sector Accord
- A Freight Strategy for New Zealand
- Road freight and the environment
- Infrastructure and road maintenance
- A better relationship between Government and business to ensure an evidence-base for decision making

We believe the trucking industry will be a strong contributor to recovery from the impacts of Covid-19, both globally and within the context of the New Zealand economy.

## Road freight transport's contribution to the economy

Roads are the lifeblood of the economy. All road users pay for them and we all benefit from them.

In New Zealand, the *National Freight Demand Study*<sup>1</sup>, commissioned by the Ministry of Transport and released in October 2019, showed that freight delivered by road was 93% of the freight task, up 16% since 2012, while rail was 5.6% of the freight task, down 17% since 2012.

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<sup>1</sup> National Freight Demand Study 2017/18 <https://www.transport.govt.nz/mot-resources/freight-resources/nationalfreightdemandsstudy/>

In the response to Covid-19, as with previous disasters in New Zealand, the value of trucks on the road became apparent to all. A coordinated, functioning supply chain is essential at all times, but is especially reassuring in times of disaster.

Covid-19 has seen people move to ordering more of their goods online and expecting them to be delivered to their door as soon as possible.

There are going to be challenges with that in the next few years if the goods are coming from overseas because supply chain issues, such as New Zealand's closed border, are restricting imports.

As a nation dependent on the export-import supply chain, we believe this is an issue that deserves immediate attention. We do not produce everything in New Zealand and we rely on the global supply chain.

Some of the Government's Covid-19 response measures created significant issues within the supply chain and we hope as the response continues, greater consideration will be given to moving goods around New Zealand, as well as to and from ports and airports.

We believe the Covid-19 experience has highlighted the need for a formalised Freight Strategy for New Zealand and we would welcome the opportunity to work with the Government on this. If, or when, there is a Covid-19 vaccine to be rolled out across New Zealand, there will need to be a high-functioning supply chain to facilitate that.

While there is a push for trains and coastal shipping to take a greater load of the freight task, it must be remembered that a truck is still needed to move the freight to and from the secondary form of transport. This can create three-steps to the supply chain in place of just the one required to move goods by truck.

Ultimately, the market will decide which is the best mode for transporting their goods. Road offers door-to-door delivery, even in the remote parts of the country; is more resilient in weather events, natural disasters, and Covid-19; and is reliable for time-sensitive perishable goods.

Covid-19 created greater demand for door-to-door deliveries and we expect to see this trend continue, as evidenced in retailers like The Warehouse closing retail stores and turning them into online shopping hubs.

It is interesting to note, again from Ministry of Transport data, the tonnage of dairy being transported on the rail network has dropped from about 3.9 million tonnes in 2013 to 2.3 million tonnes at the beginning of 2020.

Most freight carried by train can get to its destination faster by road, but the reverse does not apply. One of the few exceptions would be coal being transported across the Southern Alps – because of its weight, train is the better option for that type of load.

We have noted in recent months that KiwiRail has not been able to deliver capacity to the supply chain, causing issues for container movement in the upper North Island. This has caused exporters to miss cut-offs for ships during the import-export peak season.

We believe the Government needs to be realistic about the contribution KiwiRail can make to freight movement around New Zealand.

**Our position:**

- We believe given the contribution to the economy made by road freight transport, the Government should be working with our industry to ensure the supply chain can work efficiently and effectively at all times and is future proofed by correct understanding and investment decisions.
- We propose the formation of a Freight Strategy for New Zealand. This will assist in forming transport investment priorities and identifying long-term challenges and risks for the supply chain. It is imperative that New Zealand builds “freight literacy” among the public and decision makers and a focused strategy would be a way to start this.
- We are completely opposed to the Government heavily subsidising KiwiRail in an attempt to manipulate the freight market and negatively impact privately run businesses. As noted above, we believe the Government needs to be realistic about the contribution KiwiRail can make to freight movement around New Zealand. Realistically, only 10% of the freight task is contestable by rail (currently 5.6% of freight travels on rail). We question - how much should be spent on shifting such a small proportion of freight? What is the cost benefit of doing this?
- We are concerned that under decisions made during the most recent term of Government, money from the National Land Transport Fund (NLTF) can now be used to fund the rail network owned by KiwiRail. This sets in place an opportunity to reduce funding available to support roading improvements – which are vital – by siphoning off the NLTF to prop up rail which currently makes no contribution to the fund and is heavily subsidised by Government. We are very keen to see track user fees implemented and there to be transparency over the contribution of such fees versus the draw down from the total NLTF for rail.
- Given the ongoing subsidisation of rail, we would like to see transparency for the National Land Transport Fund with an annual breakdown of the money received from road user charges and fuel excise duty and where it has been spent – year-on-year; as well as money allocated to rail versus recoveries from track user charges.
- We would also like to see urgent transparency for the Provincial Growth Fund spend on KiwiRail and a breakdown of where the funds have been spent, as well as the return on investment.

## **Moving forward with an industry accord**

At the 2019 Road Transport Forum Conference in Taupō, the then Transport Minister Phil Twyford spoke about the Government's relationship with the construction sector via the Construction Sector Accord – a shared commitment between government and industry to transform the construction sector. The Minister invited the industry to work on a similar accord for road freight transport.

RTF would like to remind the Government of the Minister's statement to us in correspondence that such an accord would be pursued in this term of Government, particularly around the regulatory environment.

For our part, we have spoken to some of those involved in setting up the Construction Sector Accord and we have been actively working on workforce supply and people development in our own industry, with the development of our industry traineeship programme *Te ara ki tua Road to success*.

We surveyed more than 600 industry operators (more than 12% of businesses in the industry) during the Covid-19 lockdown in 2020 and 37 percent of responding operators said they had trucks parked up due to a shortage of drivers. We know from Census 2018 data that the average age of a truck driver is 54 and that 29 percent of drivers are over 60. The industry is committed to attracting new entrants with an attractive offering of a career that can take you wherever you want to go.

### **Industry traineeship**

The Road Transport Forum has partnered with government to assist employers to attract staff to meet a defined industry shortage. Driver shortage is a global concern because it endangers mobility, supply and trade.

We have created *Te ara ki tua Road to success*, that meshes together on-the-job practical training with theoretical components leading to qualifications and employment in the industry. We are taking a broad approach that includes first careers, people changing careers, and qualifications and recognition for those who have been working in the industry but have not had that endorsement. Trainees will be paid a liveable wage.

This traineeship is evidence of the industry taking control of its own challenges and it provides the basis for a strong platform for an industry accord.

We are working with MITO, Ministry of Social Development, Tertiary Education Commission, Waka Kotahi NZ Transport Agency, and Ministry of Education on this traineeship and hope to launch it publicly in February/March 2021.

RTF has led the development of specific micro-credentials to assist trainees gain skills and competencies for their careers. These have the added advantage of being transferable to the existing driver workforce which will improve training and safety over time. Micro-credentials will improve truck driving skills and safety immediately for those trainees progressing through them.

The Government's fees free scheme that includes road transport qualifications aligns with the goals of *Road to success*.

We are awaiting the outcome of discussions with Waka Kotahi around an accelerated licencing programme as part of the traineeship. This will assist us in enhancing the experience of on-the-job training for all parties.

### **Driver licencing**

RTF is disappointed that the Driver Licencing Rule Amendment hasn't seen the light of day following the last submission process in 2016. While the Amendment included some beneficial changes to the graduated heavy vehicle licencing regime, it was still below industry expectations.

There are two aspects in particular that concern the freight transport sector - these can be summed up as the premature withdrawal of the Accelerated Licencing Programme (ALP), and the removal of the special vehicle endorsement for wheels, track and rollers as well as forklift.

NZTA argued the former was poorly supported and the latter endorsements were no longer justified given they were essentially occupational skills and therefore, fell within the auspices of another agency's purview.

RTF considers the removal of the ALP was never justifiable. This is especially so with the onset of the post Covid-19 economic downturn. Removal of special vehicle endorsements is equally unjustified as it disenfranchises individuals who have held those quasi-driving qualifications for many years.

We acknowledge that employers will still have to substantiate the appropriate skills are held by the individual licence holder to operate the specific vehicles approved under the specialist licences. Therefore, we request NZTA be required to reconsider its position on the two points above and bring forward the Driver Licencing Rule Amendment as soon as practical.

### **Health and safety**

Health and safety will be an important part of any industry accord and is also part of the traineeship outlined above and reinforced at the core of our micro-credentials development.

Vehicle technology has had a significant impact on truck safety and truck-related fatal accidents continue to reduce with the use of the best and most modern equipment.

Only around one-third of accidents involving a heavy vehicle are found to be the fault of the heavy vehicle driver.

RTF and our constituent associations invest a tremendous amount of resources into providing safety advice to drivers and operators as well as members of the public.

The Rollover Prevention Safer Journey's Programme, which is a partnership with Waka Kotahi NZ Transport Agency, has seen 10 workshops and 240 participants in 2020, despite the issues that Covid-19 lockdowns presented. This programme is also supported by ACC and the New Zealand Police.

Since the programme began in 2016, more than 6,500 people have participated across more than 170 meetings from the Far North to Invercargill. An important message and a key theme of the programme is that more is expected of professional drivers than of other drivers.

We are utilising components of this programme as foundations for some of our traineeship micro-credentials to continue to improve safety and competency among our driver workforce.

As a safety sensitive industry, the RTF does not support the legalisation of recreational cannabis. We would continue to oppose the Cannabis Legalisation and Control Bill.

Our perspective is that there has not been enough consideration given to workplace and road safety. The companies we represent will also face increased liabilities and insurance premiums as risk on the road increases.

While those who employ professional drivers can reduce risk by drug and alcohol testing, and training and development, those drivers share their workplace – the public road – with all the other New Zealanders using the road. Therefore, there is no way our employers can account for the behaviour of those sharing the road, or their levels of impairment. The law of physics means that if a truck hits a cyclist, motorcyclist, or car, those smaller vehicles are going to come off second best, often through no fault of the truck driver.

With that in mind, the RTF is keen to see the Land Transport (Drug Driving) Amendment Bill passed. The Bill was introduced to the House just prior to the 2020 General Election.

The RTF is also opposed to the blanket reduction of speeds on state highways and main roads used in the supply chain as a default for addressing the poor state of the road, and therefore, its road safety risk. We address this further under Infrastructure.

### **Employment laws**

Road freight transport has a unique working environment that is well suited to the task. A diverse group of people work in the industry and enjoy the flexibility it gives them. Drivers want choices about how and when they work. Freedom is one of the big attractions of the industry.

One of the RTF's principal goals is to improve working conditions in the road freight transport industry. Hence, our traineeship and interest in an industry accord.

We have no desire to hold wages down, or reduce productivity. Our comments around employment law are very much in line with what our industry needs to remain a high functioning cog in the supply chain.

### ***Contracts***

We are concerned about any recalibration of contracting relationships, given the nature of the road freight transport industry. A large part of the industry are small businesses with owner operators who contract out their services. This suits their lifestyle and offers flexibility, for example, to manage family demands.

Based on Statistics NZ data (2019) there are an estimated 3,318 owner-driver geographic units and their businesses represent in excess of 65% of the transport service licence (TSL) road freight businesses in New Zealand.

A change to the status quo relationship between contractors (owner-drivers) and principals in the trucking industry has the potential to totally up-end the commercial equilibrium. This will have unintended consequences for the freight consumer markets, and the country's economic performance.

The present owner-driver arrangements are the best arrangement for the road freight transport sector. We don't see any merit in importing employee rights into the types of independent contracting relationships that exist now in the road transport sector.

### ***Minimum wage***

Regarding the minimum wage increase to \$20/hour by 1 April 2021, we believe there should be some reconsideration given the economic hit from Covid-19, particularly to small and medium sized businesses.

We also support the submission by others in the business community that a tax cut for lower income workers has more benefits than a wage increase.

### ***Fair Pay Agreements***

The RTF recognises and supports the need for road freight businesses to have flexibility on labour costs in a changing marketplace and with changing technologies. We are strongly opposed to any form of centralised wage fixing, such as Fair Pay Agreements, or any other forms of labour market regulation that pre-sets the remuneration and work conditions of professional drivers.

The RTF genuinely believes the Fair Pay Agreement (FPA) proposals will distort the market and create undesirable outcomes.

FPA's will be complex and slow to negotiate. Trucking varies tremendously between different companies, regions, freight types and vehicles used. National, or even regional awards, are not going to be flexible enough to allow for that variation, or to meet driver needs. With driver shortages, good drivers have flexibility and are well paid.

Unionising the workforce will not alleviate a worker shortage or improve working conditions. Quite the opposite will occur; it will make the road freight industry less attractive to people who want flexibility, including women who are enjoying working in trucking because they can start early and get home in time for the after-school run for their children.

There is no interest in the wider road freight transport sector for Multi-Employer Collective Agreements because this model does not suit the makeup of the industry.

### **Regulatory environment**

Clearly, with the Construction Sector Accord, consideration was given to a regulatory environment that allows its transformation plan. RTF would be seeking regulatory support in the following areas:

- The development of the joint industry RTF/NZTA operator compliance rating assessment plan, presently referred to as Operator Rating System (ORS) 2
- To rationalise the relationship between NZTA and industry, RTF has proposed formation of a regulatory affairs forum.

Regarding operator compliance rating, we see the joint approach and recalibration of the principle elements will embody a mechanism for recognising those who operate above compliance by investing in their own safety and staff skill development programmes. This would internalise compliance management processes that would otherwise fall upon the external Waka Kotahi NZ Transport Agency audit function and commercial vehicle safety teams.

The recent review of the function of NZTA hasn't heralded any significant changes for RTF. However, it has shown NZTA still lacks capability and consistency of purpose in a number of areas. Regrettably this has led to multilevel regional forums between industry and officials resulting in diverse and inconsistent industry views on important pan-industry topics. Most disappointing from a purely regulatory administrative functionality perspective, was the demise of the dedicated Rules Team which had the legal skills and knowledge to complete rule developments and amendments within a formally managed and coherent process.

Regarding a regulatory affairs forum, this is particularly timely because the Land Transport Act (LTA) will have undergone significant amendment from late 2020.

The most dramatic changes impacting the transport services sector will take place from April 2021, where a new provision requires NZTA to appoint a Director of Land Transport. This role separates, to a large degree, the functions of NZTA under its CE from the functions of the Director, whose role is to manage the participants and take the lead on regulatory matters, which are RTF's area of interest.

The two functions cross over because NZTA can issue enforceable undertakings, another relevant aspect of interest to RTF and its members.

The CE undoubtedly has an important role in making these work, but the actual process is likely to be overseen by the Director or their nominee. Subsequently, many regulatory functions presently in the Land Transport Act 1998 where the current text refers to the agency, fall under the jurisdiction of the “Director”.

Without doubt these changes will invigorate NZTA’s operator auditing and safety management role and it is essential for the industry that RTF is involved in the development phases of this change in audit functionality and its ongoing implementation.

### **Our position:**

- We are keen to get started on a Road Freight Transport Accord that will allow the industry to thrive and offer careers and employment for New Zealanders.
- We have been proactive in addressing workforce supply, but will need assistance in health and safety and creating the right regulatory environment to balance rules and growth opportunities.
- The RTF will continue to submit the concerns and issues raised by road transport companies to ensure that staff, customers, and members of the public do not have their safety compromised by the legalisation of recreational cannabis.
- We fully support the Land Transport (Drug Driving) Amendment Bill and hope to see it passed as soon as possible to improve road safety.
- The RTF would like the Government to acknowledge the unique operating environment of road freight transport, being largely made up of small and medium sized businesses with a lot of owner-operators. We do not support any recalibration of contracting arrangements, nor do we support Fair Pay Agreements or other attempts at unionisation of an industry that is not heavily unionised. We are interested in stepping forward, not backwards.
- Given the economic impacts of Covid-19, we would ask for consideration of deferment of an increase to the minimum wage.
- We are seeking Ministerial direction that Waka Kotahi NZ Transport Agency be required to bring forward the Driver Licencing Amendment Rule as soon as practical.
- We propose the formation of a regulatory affairs forum to rationalise the relationship between Waka Kotahi NZ Transport Agency and the industry in regards to the regulatory environment within a sector accord.

## **Road freight and the environment**

The RTF has been engaged with the Ministry of Transport on the *Green Freight Project*<sup>2</sup>. As the road freight transport sector’s representative organisation, we are on board with the Government’s strategic approach to reduce greenhouse gas

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<sup>2</sup> Ministry of Transport Green Freight Project <https://www.transport.govt.nz/multi-modal/climatechange/green-freight-project/>

(GHG) emissions from road freight in New Zealand. We also champion overall sustainability measures by road freight transport companies.

Some things we would note are:

- New Zealand does not manufacture heavy trucks and therefore, we are reliant on the global manufacturers to come up with trucks that use alternative fuels that are affordable, and can run in the New Zealand terrain.
- We run a watching brief on progress on electricity, green hydrogen and biofuels to power heavy vehicles. To date there have been issues in regards to electricity and green hydrogen and we are always happy to engage with Government with industry intelligence.
- The road freight industry has focused on truck technology and fuel efficiency to mitigate GHG emissions – this being the only available tool at this stage.
- Diesel engines operating to European emissions standards (Euro 6) are 20-30% more fuel efficient than petrol engines. Outstanding improvements have occurred over the past 30 years with emissions from heavy duty diesel engines significantly lower, as per the below table, from the International Road Transport Union (IRU).
- The international trucking industry has committed to reducing fuel consumption and thus CO<sub>2</sub> emissions even further through technological innovation and energy-efficient driving.
- The Government should give serious consideration in this term to incentivising the purchase of lower emission or alternative energy trucks. This will assist in signalling to the market that change is expected and supported.

**Table 1: Noxious emissions reduction for heavy commercial vehicles 1990 (Euro 0) to 2013 (Euro V1)**

|     |                                     |
|-----|-------------------------------------|
| 88% | reduction CO <sub>2</sub> emissions |
| 97% | reduction in NO <sub>x</sub>        |
| 98% | reduction in particulate matter     |
| 95% | reduction in hydrocarbons           |

Many commentators and community groups argue that a higher proportion of the freight task should be undertaken by coastal shipping and rail because of lower carbon footprints.

These arguments are largely illusional. A fully laden diesel train for example, can transport bulk freight between two rail heads with a significantly lower carbon footprint than a fleet of trucks performing the same task.

However, this is an artificial scenario as the typical freight task is from many points of origin to multiple destinations. Trains are reliant on trucks to consolidate their loads at origin and to distribute from the point of destination.

When the carbon emissions associated with consolidation, trans-shipping, train building and distribution to users are included on a life cycle analysis of the freight task any emissions advantage of rail or coastal shipping is substantially neutralised.

### **Our position:**

- We are open to, and actively following, technology advances that will enable freight to be moved in volume, via the road, using affordable fossil fuel alternatives.
- Trucks built today are much more fuel efficient than their predecessors. In the absence of a reliable and robust power and drive system alternative to the internal combustion diesel engine, we would like to see Government incentives such as an accelerated depreciation scheme where the capital investment costs can be written off over one year, enabling trucking operators to more readily purchase Euro 6 engine trucks as an initial step toward reducing current emissions attributable to truck operations.
- We believe the Government should also give serious consideration in this term to incentivising the purchase of low or zero emission alternative energy trucks. Introduction of an asset write-off incentive where 100% of new truck asset value could be written off within year one of its life would incentivise trucking operators to explore the benefits of low/zero emission technology and would assist in signalling to the market that change is supported and expected. This is an economic stimulant, but also one that actively incentivises safer, lower emission vehicles on our roads.
- These two options are each incentive-based and it worth noting Australia has recently offered a similar scheme and it is being well utilised by the road transport industry.
- Rail and coastal shipping cannot contest the current road freight task. Road is faster, more efficient, and door-to-door. There is a place for both, but investment should be in the future, which is road not rail.

## **Infrastructure and road maintenance**

As outlined above, road freight transport has a critical role to play in the economy of New Zealand. We are only seeing growth and we need the roading network to match the supply chain task that allows the fastest, most efficient and most cost-effective movement of imports and exports, and the goods every New Zealander needs every day.

The commercial trucking industry is entirely reliant on a safe, reliable and resilient roading environment to conduct its business in harmony with other road users.

The road transport industry is fully supportive of projects that improve New Zealand's roading infrastructure. The Waterview Connection, Tauranga Eastern Link and the Kapiti Expressway are good examples of projects that have significantly improved our roading network.

We can't solve our infrastructure deficit in three years but progress needs to be made on both roading and public transport projects that will improve the ability of trucking operators to go about their work safely and more efficiently. We consider the East-West Link in Auckland, Christchurch Southern Motorway, and State Highway One from Wellington to Levin must be priority projects.

We are equally concerned to make sure our regional roading infrastructure is improved and maintained as it is these roads that are critical to transporting our primary products from the farm gate to processing, and the inter-connectivity of regional New Zealand.

We have noted particular concern about State Highway 5 from Napier to Taupō. There is a high death toll on this road and it requires immediate attention.

We commend the pre-election commitment by the Government to increase the State Highway maintenance budget by \$100 million per annum for five years. This was in response to a joint letter sent to the Minister from ourselves and five other advocacy groups, including AA. We do not believe this injection will be enough of a catch up and road users will not notice an improvement in roading conditions within three years. We believe that the increased amount should have been \$300 million for three years.

### **Speed and road safety**

There is a clear Government objective to reduce speeds across large tranches of roads and highways in New Zealand. The road freight transport industry recognises that some sections of highway may require speed reduction to improve safety however, we believe it is better to invest in good design of our roads and an improvement of quality, as well as driver skills.

The blanket approach to speed reductions will impact on productivity. We operate on real time, not computer modelling. Slowing down journeys has knock-on effects through a supply chain. For trucks, it may mean adding an extra shift or keeping drivers at a destination overnight as they would not meet their work time provisions on a return journey. This all adds cost and the end consumer is the one who pays most. With volatile export markets New Zealand cannot afford to price itself off the market.

The Kāpiti Expressway is an example where improved road and an increased speed limit have, in fact, reduced the number of accidents, injuries and deaths in this area, see below.

It's worth noting that the speed limit on the former SH1 both today and in 2015 and 2016 was between 60km-80km per hour and the new expressway is 100km per hour from start to finish.

Lower speeds don't equal lower accidents. Better quality roads do.

### **Kāpiti Expressway (MacKays to Peka Peka), March 2017 - February 2019**

0 fatal crashes - 1 serious injury crash and 8 minor injury crashes

### **Old State Highway 1 route, March 2017 - February 2019**

0 fatal crashes - 3 serious injury crashes and 12 minor injury crashes

### **Old State Highway 1 route, 2015 and 2016**

1 fatal crash - 7 serious injury crashes and 26 minor injury crashes

Simply adding longitudinal median barriers and acoustic edge treatments do not compare to investing in more foundational road design improvements.

Often, it is better to invest in new roads than in aftermarket treatments, especially on a section of road where the carriageway and wearing surface might have a limited life. Patching techniques used on some State Highways have the potential to disturb the trajectory of trucks and cars, leading to possible run-off-the-road accidents.

We fear inadequate carriageway repairs will continue as more money is fed into the median crash barrier policy objective. Safety treatments must be suitable to the road environment and based on evidence (accident history).

### **Funding and transparency**

A lot of money has been allocated and promised for roading, which the RTF is very happy about.

However, we have concerns about both the consultation process and the transparency around funding allocations which we would like to see improve in the next term of Government.

We would like to see regular and ongoing breakdowns on spending in the following programmes, including outcomes:

- \$1.4 billion Safe Network Programme – where has the spending gone since 2018 and how many accidents, injuries and deaths have been prevented
- National Land Transport Fund – breakdown of the money received from road user charges and fuel excise duty and where it has been spent – year-on-year; money allocated to rail versus recoveries from track user charges
- \$708 million of the \$3 billion Covid Response and Recovery Fund earmarked for transport – projects and number of jobs created; over what timeframe
- The \$6.8 billion for new transport projects, with a significant portion for roads and rail announced by the Government in December 2019 as part of its \$12 billion in extra infrastructure investment – which roads and rail projects; timeframes on starting and completion

- Provincial Growth Fund contributions to KiwiRail – how many individual grants; what project; has the money been spent; timeframes on starting and completion

### **Pressure, fatigue and mental health**

Professional commercial drivers are held to a higher level of account than other drivers in that their compliance and enforcement can result in job loss and prohibition from driving heavy vehicles under the “fit and proper person” criteria of the Land Transport Act 1998.

The road is their workplace and we believe they are in an increasingly difficult environment as road conditions worsen and business pressure increases.

Covid-19 and other such disaster situations put enormous pressure on those working on the vital supply chain. As mentioned above, a greater understanding of the workings of the supply chain and the pressures faced by truck drivers would have gone a long way in the Covid-19 response by Government.

The road barriers around Auckland during the Level 3 lockdown were a disaster for the supply chain and there should have been greater consultation with industry experts on how that could have worked better.

We are also concerned about a running government narrative that there is a need to “get dangerous trucks off the road”. There is no evidence that trucks are dangerous or a menace on the roads. In fact, quite the contrary. If the regulator is doing their job, ours is a highly regulated industry and there is no way that unsafe trucks are allowed to use the public roads. This narrative puts undue stress on truck drivers who are, after all, carrying the economy on the back of their trucks.

We support use of in-cab technology to prevent and deal with fatigue and would be keen to work with Government in addressing the mental health impacts for drivers presented by the current economic environment.

### **Our position:**

- The road transport industry is fully supportive of projects that improve New Zealand’s roading infrastructure.
- We don’t believe slowing speeds carte blanche across New Zealand is the way to improve road safety – we want to see more investment in road surface and design to create a safe environment for a critical part of New Zealand’s supply chain – trucks – to operate.
- We believe there should be greater engagement by Government with industry and we want to see greater transparency in infrastructure and road maintenance spending.
- There is a lot of pressure on the supply chain and the workers within it. We would like to see greater support of the road freight transport industry by Government, particularly in the areas of mental health and wellness.

## Conclusion

In conclusion, we welcome the opportunity to work with your Government to ensure the best, most efficient and most effective supply chain.

We believe there are many opportunities for us to work together to do this. We are keen to have Ministerial involvement in the launch of our industry traineeship (February/March 2021); as well as in Truck Driver Appreciation Week, 22-28 February 2021; and the Road Transport Forum Conference, 24-26 September 2021 at the Ascot Park Hotel in Invercargill.

The things we would like to work with the incoming Government on include:

- Understanding how the supply chain relates to New Zealand's economic recovery from Covid-19 – better engagement from Government with industry representatives, particularly in times of crisis
- A Freight Strategy for New Zealand to assist in forming transport investment priorities and identifying long-term challenges and risks for the supply chain
- Supporting the Land Transport (Drug Driving) Amendment Bill
- Developing an industry accord
- The formation of a regulatory affairs forum to rationalise the relationship between Waka Kotahi NZ Transport Agency and the industry in regards to the regulatory environment within a sector accord
- Developing an engaged workforce with access to vocational training, ensuring safer drivers
- That Waka Kotahi NZ Transport Agency be required to bring forward the Driver Licencing Rule Amendment as soon as practical to support shortage of drivers
- Sustainable business practices in our industry and development of "green freight" options – better support from Government and better understanding of the realistic timeframes for fossil fuel replacement technology for heavy vehicles
- Introduction of incentive-based schemes to support purchase of low or zero emissions and alternative energy trucks, signalling to the market that change is supported and expected
- Essential road maintenance
- Lifting the standard of regional highways
- Roading infrastructure projects that will enhance the network and enable New Zealand export goods to get to market in the fastest, most efficient, and cost-effective way
- Engagement on road speed changes – we feel that the decisions are made before the engagement begins and computer modelling in Wellington doesn't match the reality of moving goods from A to B on slower roads
- We would like to see regular and ongoing breakdowns on spending in the following programmes, including outcomes:

- \$1.4 billion Safe Network Programme – where has the spending gone since 2018 and how many accidents, injuries and deaths have been prevented
- National Land Transport Fund – breakdown of the money received from road user charges and fuel excise duty and where it has been spent – year-on-year; money allocated to rail versus recoveries from track user charges
- \$708 million of the \$3 billion Covid Response and Recovery Fund earmarked for transport – projects and number of jobs created; over what timeframe
- The \$6.8 billion for new transport projects, with a significant portion for roads and rail announced by the Government in December 2019 as part of its \$12 billion in extra infrastructure investment – which roads and rail projects; timeframes on starting and completion
- Provincial Growth Fund contributions to KiwiRail – how many individual grants; what project; has the money been spent; timeframes on starting and completion

We would love to meet with you at your earliest convenience to discuss the road forward.

**Nick Leggett**  
**CEO, Road Transport Forum**