

Briefing to the Incoming Minister of Transport

October 2017



*Enabling
New Zealanders
to flourish*



Foreword

Congratulations and welcome to your new role as Minister of Transport.

It is a challenging time for transport in New Zealand. Infrastructure in high-growth areas, particularly Auckland, is under pressure. It is becoming increasingly difficult and costly to manage traffic congestion solely by expanding transport corridors. The road toll has increased in recent years, after decades of decline. Transport infrastructure is still recovering from damage caused by the November 2016 earthquakes, and we face ongoing natural hazards. Many eyes are also on the transport sector to help New Zealand meet its climate commitments, with emissions reductions in transport likely to be more straightforward than for other sectors but still very challenging.

It is also an exciting time to be in this role, as the transport sector is on the cusp of extraordinary changes. Decisions that you make over the next three years will have impacts for decades.

New technologies are transforming how people and products travel. Electric vehicles are starting to become more common. Businesses are developing new models for ride-sharing and vehicle-sharing. Vehicles will become smarter, safer, and increasingly automated. Everything will become capable of connecting digitally and sharing data, from buses and trucks to State highways and traffic lights. Technologies will offer many opportunities. Your regulatory and funding decisions will help to realise them.

The combination of new technologies, increasing movements of people and freight, road safety concerns, and environmental pressures will drive many changes. The speed and extent of changes will be shaped by society's values. Some new technologies and initiatives, such as road pricing, will be difficult to adopt without a strong social licence.

While the transport sector as a whole is changing, the basic needs for transport won't change any time soon. Transport enables children to get to school safely, workers to get to their jobs on time, farmers and other business people to get their goods to market swiftly, citizens of all ages to access social services like healthcare and education, and tourists to enjoy all the treasures that our country has to offer. Transport is a great social and economic enabler. That's why we see our purpose as enabling New Zealanders to flourish.

This document is here to introduce you to your role. It highlights areas that will need your attention in your first 100 days in office. It also identifies major strategic transport issues in New Zealand, now and for the next decade. An accompanying *Overview of the transport sector* briefing explains the roles and responsibilities of government agencies in the transport sector.

The Ministry of Transport provides you with advice on all aspects of transport policy. We work across the whole transport system. We look forward to working with you to deliver on the government's objectives. We would welcome an early opportunity to meet with you to understand your objectives for the transport sector, and to support you in your role.

I look forward to hearing more about your own vision and priorities for the transport sector, and assisting you to make your mark in the months and years ahead.



Peter Mersi
Chief Executive
Ministry of Transport



The Ministry of Transport's role in the transport system

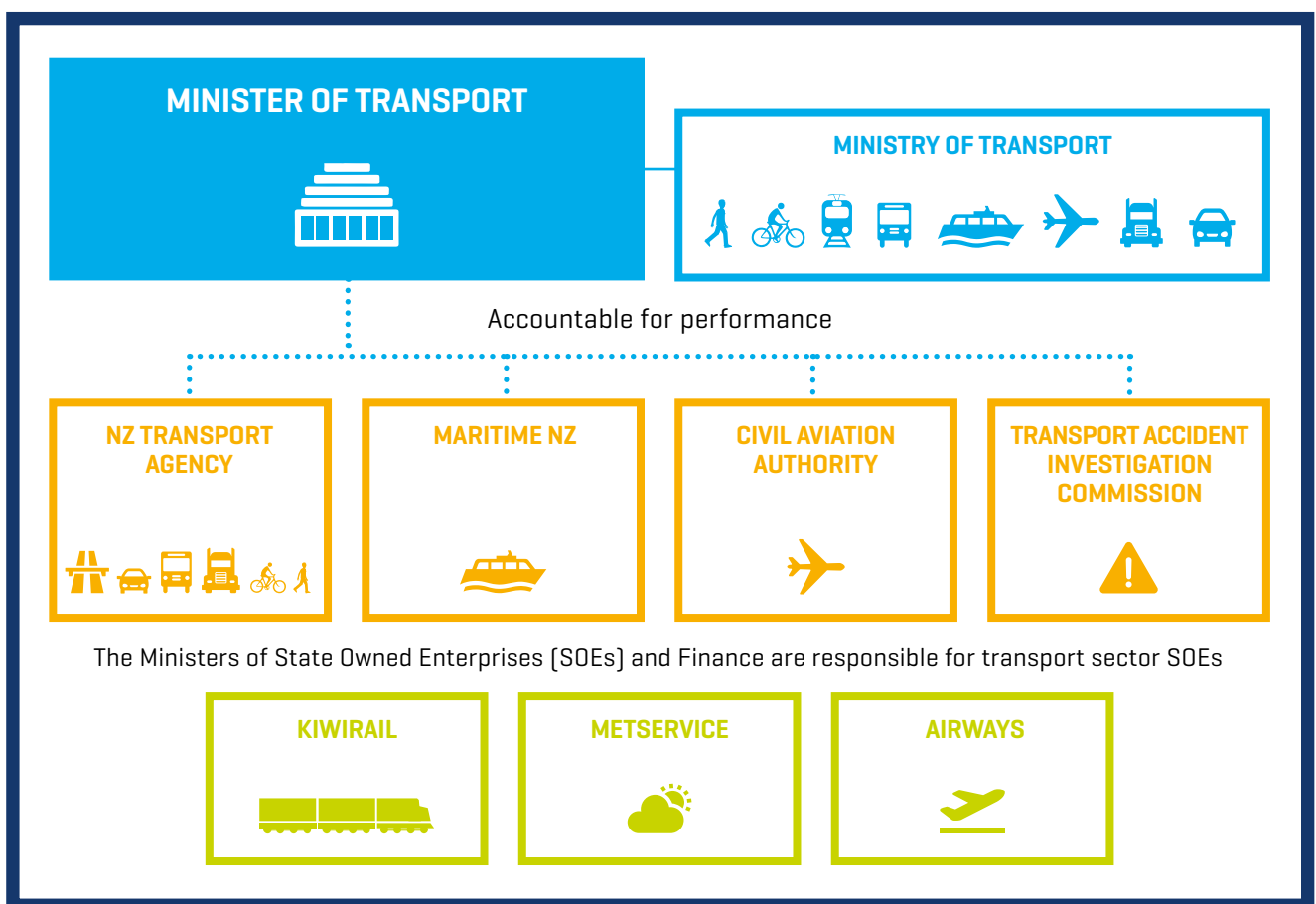
Our purpose

Enabling New Zealanders to flourish.

Our role

We are your principal adviser on transport policy, on all issues relating to transport and the regulatory framework that supports it. We also advise on the funding and governance of transport Crown entities.

The diagram below identifies where we fit in the transport sector. Information on all these agencies is covered in an accompanying *Overview of the transport sector* briefing.



Our team

Approximately 150 people work at the Ministry. Members of the Ministry's Senior Leadership Team are identified in the Appendix.

Contents

This briefing is here to support you in your role. We are available to discuss with you any matters that it raises. There are three main parts to this briefing.

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Transport today

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An overview of transport's contribution to New Zealand, and its relationship with other sectors.

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Actions ahead

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Decisions and initiatives that will need your attention in your first 100 days in office.

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Strategic challenges and opportunities

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Pressures facing the transport system, what is driving or limiting change, and potential opportunities.

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The Ministry's senior leadership team

Key people in the Ministry who you will be interacting with.

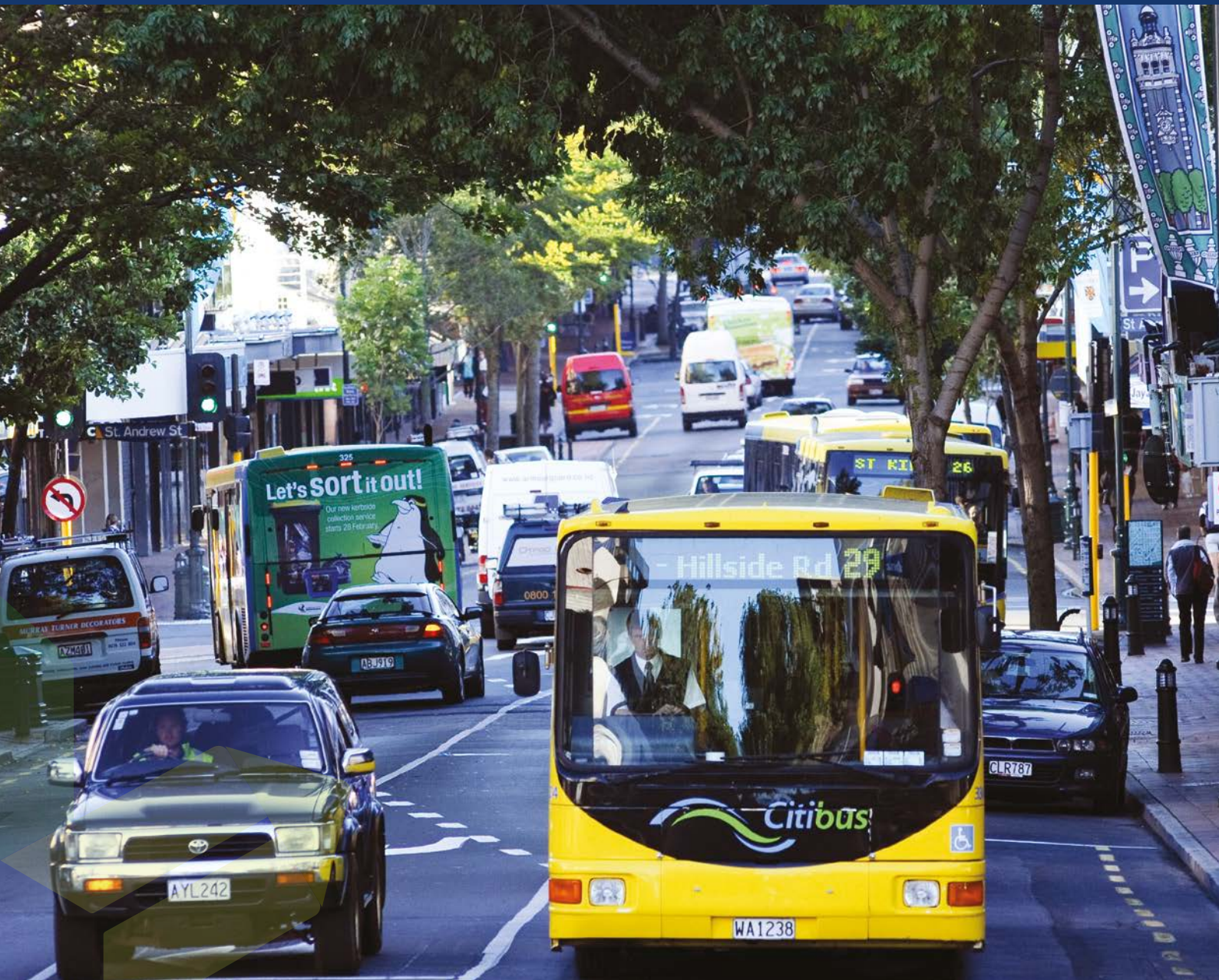
Accompanying briefing: Overview of the transport sector

A separate briefing gives an overview of the transport sector. It explains the roles of different public agencies with transport responsibilities, how we work together, your main responsibilities, and opportunities to influence the transport system.

1

Transport today

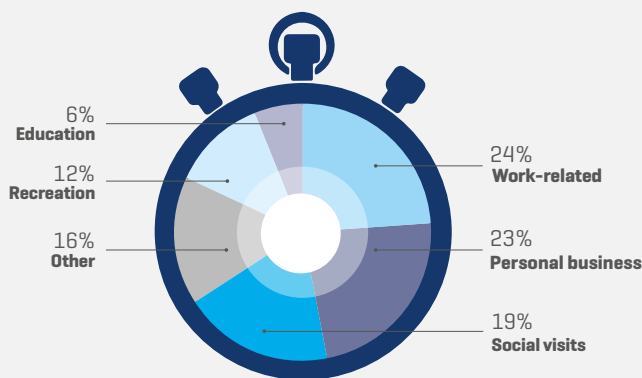
This section provides an overview of transport's contribution to New Zealand, and its relationship with other sectors. It also identifies transport trends over the last ten years.



Transport enables social and economic development, and is integral to many other sectors

SOCIAL DEVELOPMENT

Transport gives New Zealanders access to work, education, recreation, and communities.



Why people travel (household travel time)

TOURISM

Transport connects people globally and enables economic development.



\$12.9 billion

contribution of tourism to GDP in 2016

88



number of air service relationships New Zealand has with other countries, including 39 new arrangements negotiated over the last ten years

TRADE

Transport takes New Zealand's products to the world, and brings a world of goods to us, feeding economic development.



\$50.5 billion

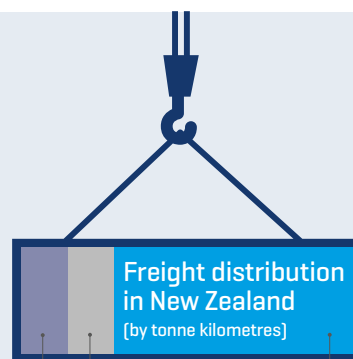
value of cargo exports in 2016

16%

of exports by value travel by air, representing 1% of exports by volume

99%

of our exports and imports by volume come through 13 sea ports



14% Coastal shipping



14% Rail



72% Road

HOUSING

Transport infrastructure enables new housing developments. Travel options and costs affect household wellbeing. High transport costs can be a driver of material hardship for low income households.



\$195

average weekly household expenditure on transport in 2015/16 (up \$37 from 2012/13)



13%

Proportion of household income spent on transport (around \$25 billion per year)

HEALTH

Road crashes hurt families and communities, and add costs to our health system. Active travel, including walking and cycling, can benefit health.



8062

people were hospitalised due to road crashes in 2016/17



\$3.79 billion

the social cost of motor vehicle injury crashes in 2015

373 +

people died on New Zealand's roads in the year to 19 October 2017, including



273
in cars



45
motorcycle
riders



37
pedestrians



16
cyclists



2
other

JUSTICE

Transport-related offences add burdens to our justice system.



41,758

charges for traffic and vehicle regulatory offences through the New Zealand court system in 2016

\$940 million



per year: the social cost from vehicle emissions contributing to respiratory and cardiac illness, causing up to 255 premature deaths per year

ENVIRONMENT

Reducing greenhouse gas emissions in the transport sector will help us meet our climate commitments.



18%

of New Zealand's domestic greenhouse gas emissions are from transport



90%

of New Zealand's domestic transport emissions come from road transport



68%

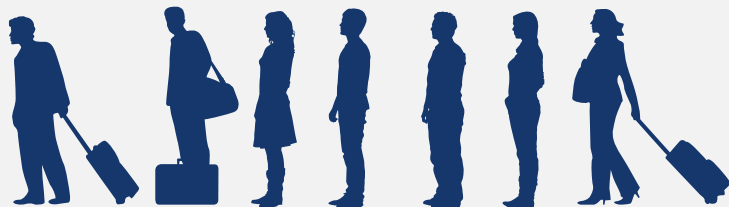
increase in New Zealand's domestic transport emissions since 1990

NATIONAL SECURITY

Border sector agencies work together to manage the risk of people, goods, and craft moving in and out of New Zealand.

12.5million

passengers were screened at international and domestic airports in 2015/16



CIVIL DEFENCE

Well-functioning transport systems are essential for the movement of people, food, and emergency supplies following natural disasters.

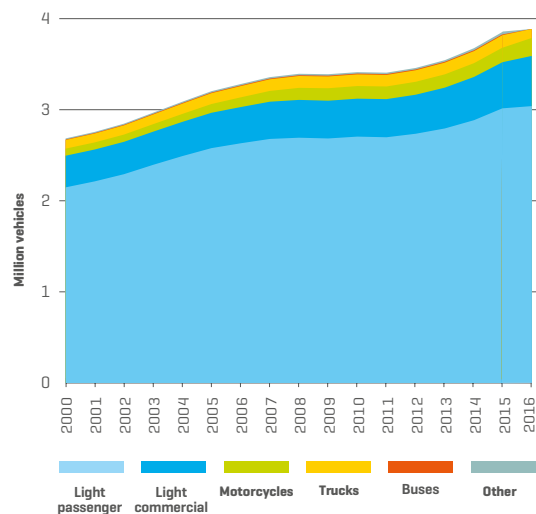
\$450-500million

the estimated economic impact of infrastructure damage and road and rail closures over the first 18 months following the November 2016 earthquakes



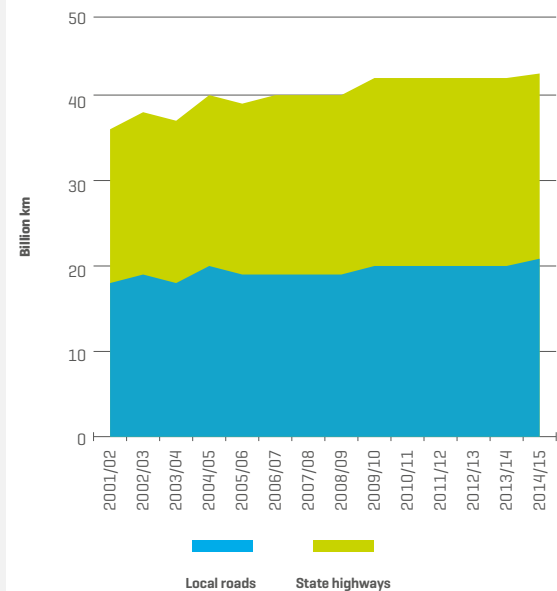
Movements of people and freight are increasing

New Zealand vehicle fleet



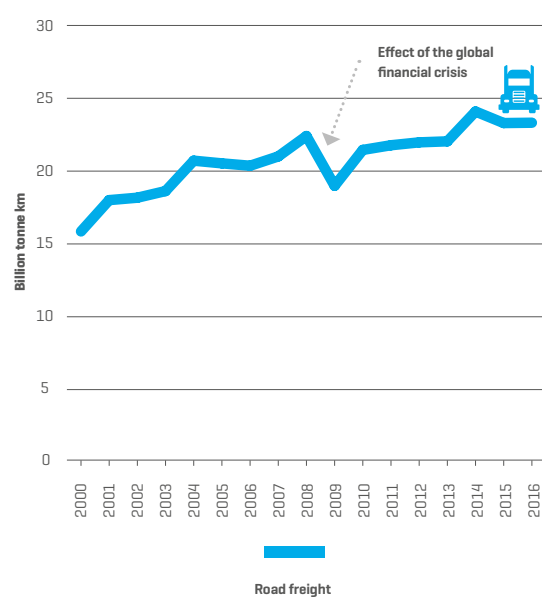
There were 3.9 million vehicles in 2016, an increase of **21%** over ten years. New Zealand has one of the highest rates of vehicle ownership in the world, and one of the oldest vehicle fleets.

Vehicle distance travelled on New Zealand roads



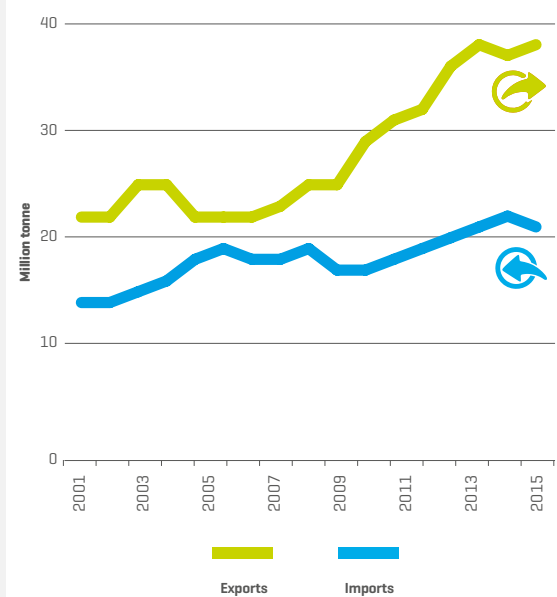
The total distance travelled on our roads in 2014/15 was 42.5 billion km, an increase of **8%** over ten years.

Road freight



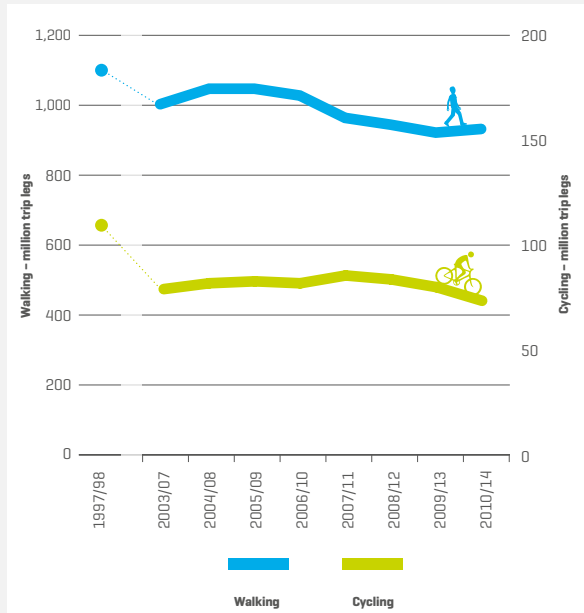
Road freight has increased by **15%** over the last ten years.

Merchandise imports and exports by sea



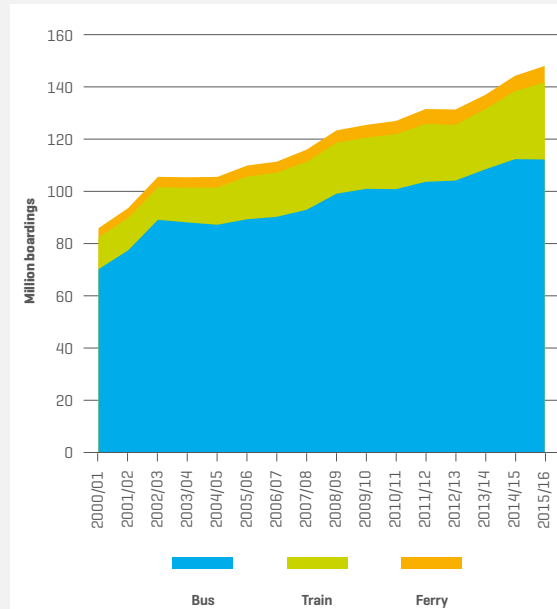
Imports have increased by **17%** and exports by **74%** over the last ten years.

Walking and cycling trips (aged 5+)



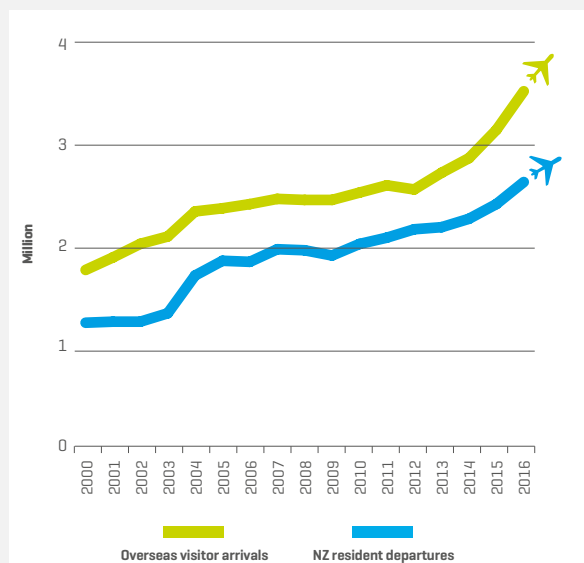
The number of walking trips fell 15% since 1997/98, and cycling trips fell by **33%**.

Public transport boardings



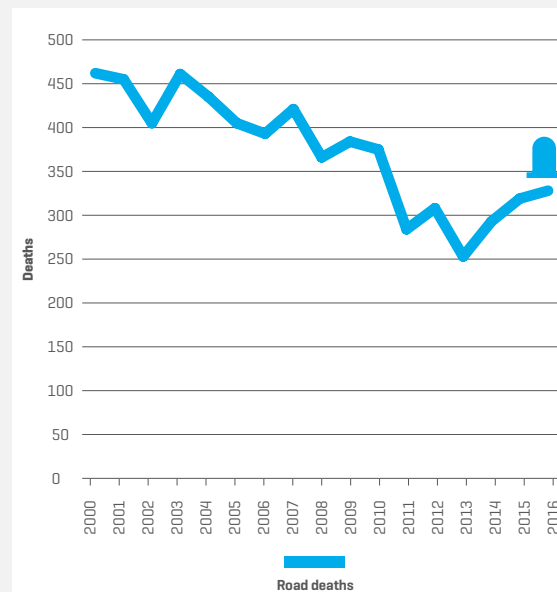
Total boardings have increased by **35%** over the last ten years. 3% of trips are by public transport.

Overseas visitor arrivals and New Zealand resident departures



3.5 million people visited New Zealand in 2016, a **45%** increase over the last ten years.

Annual road deaths



The road toll had been in decline for decades, and fell by **17%** over the last ten years. However, it has been rising since 2013.

2

Actions ahead

This section identifies decisions that will need attention in your first 100 days in office. It also identifies additional areas that we will brief you on.



Timeline

This is an indicative timeline of matters that will need your attention during your first 100 days. We will provide you with detailed briefings on all these matters in the weeks ahead.

November

Government Policy Statement (GPS) on land transport 2018	Strategic
Auckland's transport funding gap	Strategic
Auckland Smarter Transport Pricing project	Strategic
Metropolitan Rail Operating Model review	Strategic
Reducing road trauma in New Zealand	Strategic
Enhancing mobility, accessibility, and wellbeing	Strategic
International air service negotiations	International
Delegations for the Associate Ministers of Transport	Governance
City Rail Link draft Statements of Intent and Performance Expectations	Governance
Ministry of Transport's annual report	Reporting
Transport Crown entity annual reports	Reporting
Financial reporting	Reporting
Transport Outlook Future State report	Reporting
Speaking opportunities	Engagement

December

Fuel excise duties and road user charges	Strategic
Budget bids	Strategic
City Rail Link governance structure	Governance
Board appointments	Governance
Legislation bids	Legislation and Rules
Select Committee Inquiry into the Future of New Zealand's Mobility	Reporting

January/February

Taupō Airport development	Strategic
MARPOL convention to prevent pollution from shipping	International
Reducing greenhouse gas emissions from shipping	International
Expectations for transport Crown entities	Governance
Maritime Rules amendments	Legislation and Rules

Matters for your attention

These items are grouped into the following categories:

1. Strategic decisions to shape the transport system
2. International issues and approaches
3. Governance

4. Legislation and Rules

5. Reporting

6. Public engagement

As noted on the previous page, we will provide you with detailed briefings on all these items in the weeks ahead.

1. Strategic decisions to shape the transport system

Government Policy Statement (GPS) on land transport 2018

This is your key lever to influence how approximately \$40 billion of land transport funding is invested over the next decade.

We publicly consulted on a draft GPS in February 2017. A final GPS needs to be completed and released as soon as practical to guide transport planning by local government and the New Zealand Transport Agency.

We welcome opportunities to hear your priorities for the GPS. We can also advise you on how the GPS can be used to meet your priorities, and conduct further public consultation if needed.

 **Timing:**
November [immediate priority]

Auckland's transport funding gap

Government and Auckland Council have been working together to develop Auckland's transport system. A \$5.9 billion gap exists between budgeted expenditure and the cost for delivering an indicative package of investments over the next decade.

Auckland Council is seeking an agreed funding solution with the government by the end of November 2017, before the Mayor releases his proposal for wider Council consultation. However, discussions between government and Auckland Council on a funding solution could continue in December if necessary.

We are available to discuss whether/how you wish to move forward on this funding issue.

 **Timing:**
November [immediate priority]

Fuel excise duties and road user charges

Decisions on the GPS and Auckland's transport funding gap could affect how much land transport revenue needs to be raised for transport funding via fuel excise duties and road user charges. Any changes will require Cabinet agreement and legislative amendment.

We can advise you on possible changes to these duties, charges, and/or Crown funding.

 **Timing:**
December

Auckland Smarter Transport Pricing project

This is a joint initiative between government and Auckland Council to investigate whether or not to introduce smarter transport pricing (including road pricing) in Auckland to reduce congestion. It is investigating different pricing options, potential benefits for managing congestion, and impacts on households and businesses.

The first phase of this project will be completed in November 2017. We will brief you on this initiative and seek your views on whether to proceed to the second phase of this project.

 **Timing:**
November [flexible]

Metropolitan Rail Operating Model review

Central and local government agencies have identified a pressing need to review the operating model for metropolitan rail in Auckland and Wellington. This is to ensure that ownership, funding and operating models for metropolitan rail are durable.

This review will deliver you advice on funding arrangements for metropolitan rail, and the ownership and operating arrangements for Auckland's City Rail Link. It can commence after Terms of Reference have been agreed on by the Chief Executives of central and local government agencies involved in this review, as well as KiwiRail.

We will brief you on this review and the agencies involved, and provide you with a copy of the Terms of Reference to ensure that you are satisfied with its scope.



Timing:
November [immediate priority]

Reducing road trauma in New Zealand

The rising level of deaths and serious injuries on New Zealand roads over the last four years is of serious concern. The Ministry of Transport, along with its road safety partners, is responsible for developing and implementing the government's approach to reducing road trauma.

We would welcome an opportunity to discuss with you the key factors contributing to the rising road toll, and what interventions you would like to prioritise to make travel safer.



Timing:
November [initial briefing]

Enhancing mobility, accessibility, and wellbeing

Rapid changes in technologies, urban design, and social expectations are creating opportunities to shape a truly multi-modal transport system that improves mobility, inclusion, accessibility, and wellbeing.

A broad range of work is underway across the transport sector that will influence future forms of mobility in New Zealand. This includes proposed Rule changes to boost cycling, reviewing funding arrangements for the SuperGold Card, implementing a Mobility as a Service [MaaS] trial in Queenstown, and a planned evaluation of the Public Transport Operating Model.

We would welcome a broad discussion with you about the changing context for mobility in New Zealand.



Timing:
November [flexible]

Budget bids

As part of the usual Budget process, transport agencies put forward bids for funding. KiwiRail and Councils put forward bids for rail projects. We will collate these proposals and provide them to you by December, for you to consider including in next year's Budget process.

We will advise you on the relative costs, benefits, and risks of these bids. We can also work with you to ensure that they fit with government's transport objectives.



Timing:
December

Taupō Airport development

Taupō Airport is a joint venture between Taupō District Council and central government. The District Council is requesting \$5 million of Crown funding to support a \$10 million development of the airport. If supported, this would require a Budget bid for 2018/19.

We would like to discuss this bid with you, including the work to date, and whether you wish to support it.



Timing:
January/February [flexible]

2. International issues and approaches

International air service negotiations

This is an opportunity to expand New Zealand's air services linkages with other countries. The annual International Civil Aviation Negotiation [ICAN] meeting brings government delegates from around the world to negotiate agreements. This year's meeting is scheduled for 4-8 December 2017. We will need your agreement to a negotiating mandate before we attend the meeting.

We will provide you with an overview of New Zealand's existing air services agreements, and seek your views on negotiations.



Timing:
November [to establish a mandate before the December meeting]

MARPOL convention to prevent pollution from shipping

We are preparing advice on whether New Zealand should become party to MARPOL Annex VI, an International Maritime Organization convention to prevent air pollution from international shipping.

We would like to discuss your views on progressing this work, and whether to formally consult stakeholders.



Timing:
January/February [flexible]

Reducing greenhouse gas emissions from shipping

The International Maritime Organization (IMO) is developing a strategy to reduce greenhouse gases from shipping. The strategy will be signed in April 2018.

New Zealand participated at the most recent IMO meeting on 23–26 October 2017, involving initial negotiations on this strategy. As the incoming government was still being established at this time, officials followed the approaches taken by our international counterparts.

We will brief you on the outcome of this meeting, and seek your views on a negotiating position for New Zealand.



Timing:
January/February [flexible]

3. Governance

Delegations for the Associate Ministers of Transport

You will need to recommend a set of delegations for the Associate Ministers of Transport to the Prime Minister.

We will seek your views on functions and responsibilities of the transport portfolio to delegate to the Associate Ministers. We will then prepare a draft letter of delegations on your behalf for the Prime Minister to consider.



Timing:
November [flexible]

City Rail Link draft Statements of Intent and Performance Expectations

City Rail Link Ltd is a newly-established company owned 51 percent by the Crown and 49 percent by Auckland Council. It is responsible for delivering the City Rail Link project in Auckland. City Rail Link Ltd will provide you with its initial draft Statement of Intent and Statement of Performance Expectations for consideration by 31 October 2017. You will have 15 working days to comment on the draft, before the documents are finalised.



Timing:
November [high priority]

City Rail Link governance structure

We have been working through ways to implement decision-making arrangements through City Rail Link Ltd, including who should make key decisions for the Crown and how we work together with Auckland Council.

We will seek your views on a proposed structure for approving decisions and delegating authority.



Timing:
December [high priority]

Board appointments

A Board vacancy currently exists [Deputy Chair of the Civil Aviation Authority] and the terms of four current Board members expire in the first half of 2018. These are the Chair of the New Zealand Transport Agency, a Board member of the Civil Aviation Authority, a Board member of Maritime New Zealand, and the Deputy Medical Convenor in the aviation sector.

You will need to appoint a member to the vacancy, and decide whether to reappoint or replace these members whose terms expire. We will advise you on the current members, and run an appointment process on your behalf.



Timing:
December [to enable processes to be completed in early 2018]

Expectations for transport Crown entities

This is an opportunity to influence the strategic direction of the four transport Crown entities: the New Zealand Transport Agency, Civil Aviation Authority, Maritime New Zealand, and the Transport Accident Investigation Commission. An annual Minister's letter of expectations for each of these agencies guides them in developing their Statement of Intent and Statement of Performance Expectations. These letters need to be provided by early 2018.

We would like to discuss your expectations of these agencies for 2018/19 and beyond. We will then support you in preparing the letters.



Timing:
January/February [due early 2018]

4. Legislation and rules

Legislation bids

Each year Ministers are required to submit legislation bids and priorities to enable time in the House and the Parliamentary Counsel Office to be well-managed. We will need to discuss possible legislation bids with you prior to Christmas. These will include any priorities you wish to progress that have legislative impacts.

We will also brief you on two pieces of legislation currently on the programme, to establish whether you would like these to proceed: the Civil Aviation Reform Bill, and the Maritime Transport Amendment bill.



Timing:
December

Maritime Rules amendments

Maritime Rules will need to be amended as a result of changes in International Maritime Organization conventions that New Zealand is party to. This is to ensure that we are up to date with meeting our international treaty obligations. Updated conventions cover the safety of life at sea, the prevention of pollution from ships, standards for seafarers, and ship load lines.

We will discuss implications of these amendments with you, and seek your views on whether you wish to sign them.



Timing:
January/February [flexible]

5. Reporting

Ministry of Transport's Annual Report

Under the Public Finance Act, you are required to table the Ministry's Annual Report in Parliament within three weeks of receiving an audit report.



Timing:
November [legal requirement]

Transport Crown entity annual reports

Under the Crown Entities Act, you are required to present the annual reports of the transport Crown entities [New Zealand Transport Agency, Civil Aviation Authority, Maritime New Zealand, and the Transport Accident Investigation Commission] in Parliament within five working days of receipt, or as soon as possible after the commencement of the next session of Parliament.



Timing:
November [legal requirement]

Financial reporting

You will receive two financial updates for Vote Transport in October: the October Baseline Update and the Half Year Economic and Fiscal Update. The October Baseline Update identifies appropriations and decisions affecting baseline funding since Budget 2017. The Half Year Economic and Fiscal Update identifies forecast expenditure and revenue for the current year and the next four years. Under the Public Finance Act this information is required to be published.

We will provide you with these updates. We will then ask you to approve them and pass them to the Minister of Finance for their approval. The due date for this exercise will be set by the Treasury, and is expected to be early November.



Timing:
November [legal requirement]

Transport Outlook Future State report

A report on the future of New Zealand's transport system has been prepared, which we had previously planned to release at a conference in November. This report looks ahead at potential 30-year scenarios for transport.

We will seek your views on this report and, if you agree to release it, whether you wish to speak at a public event.



Timing:
November

Select Committee inquiry into the future of mobility

The previous Transport and Industrial Relations Select Committee produced a report on its Inquiry into the Future of New Zealand's Mobility with 14 recommendations. Government is required to respond to these recommendations within 55 days of the formation of a new government.

We will brief you on this report and assist you in preparing a response.



Timing:
December [legal requirement]

6. Public engagement

Speaking opportunities

There are opportunities to speak at the following events in November/December.

- A combined Transport Knowledge Conference and Australasian Transport Research Forum in Auckland.
- The OECD/International Transport Forum roundtable meeting in Auckland.
- A forum in Wellington on disruption in the transport and energy sectors, with Tony Seba [an American author, educator, and entrepreneur].



Timing:
November/December [optional]

3

Strategic challenges and opportunities

This section identifies key strategic issues for transport over the next few years and in the decades ahead. It primarily focuses on land transport, where the vast majority of personal travel and domestic freight movements occur.

People and freight regularly switch travel modes, and move between the land, air, and maritime sectors. Changes in any part of the system therefore affect other parts of the whole system. Some key relationships between land transport and the aviation and maritime sectors are also discussed here.



Population changes are creating transport pressures

Key challenges: Delivering great access to jobs, education, and services in our growing cities.

Key opportunities: Enabling better use of existing transport networks and new technologies, and targeting investments to where they will make the most difference at a reasonable cost.

New Zealand's population is growing, but this growth is distributed unevenly.

In areas with high population growth, transport infrastructure is under increasing pressure. In areas with stable or declining populations, some local authorities are struggling to maintain existing roads.

Over the next 25 years, Auckland's population is projected to increase by more than the rest of New Zealand's population growth combined.

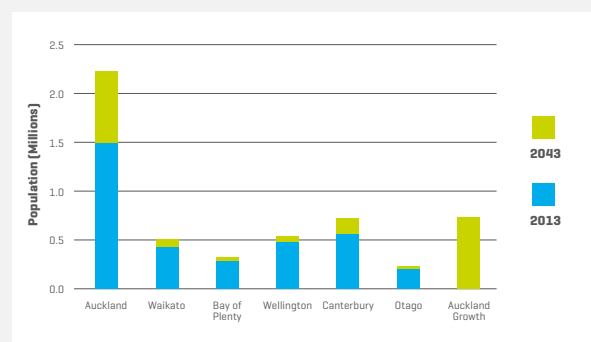
This growth needs to be accompanied by improvements in access and productivity. Auckland is not currently performing well for its size, in comparison to other major cities around the world. Traditionally Auckland has been more productive than other regions of New Zealand, but on a per capita basis this productivity premium has been shrinking over time.

Accessible cities are crucial to New Zealand's economic and social prosperity.

City residents need ready and reliable access to jobs, education, and other social/economic opportunities. Access is affected by urban planning, transport, and the volume of vehicles and people travelling.

Congestion reduces access, by lengthening journey times. It affects people's quality of life, making cities less attractive places to live and work. Congestion also slows freight movements, creating costs for businesses.

Regional Population Growth Projections 2013-43



It will become increasingly difficult to manage congestion in built-up urban areas by expanding roads.

We are reaching the stage where expensive land acquisitions or tunnels would be required to expand major transport corridors, making these developments prohibitively expensive or disruptive. In Auckland, there are few opportunities to build or expand transport corridors due to its challenging geography. Auckland's motorway network will be largely complete once the Western Ring Route is constructed.

This leads to the need to make better use of existing infrastructure, by increasing the number of people or goods that can travel through key routes, and by looking for opportunities to influence travel demand.

New approaches will be needed to respond to population growth while creating thriving cities.

Investment decisions need to maximise the number of opportunities – including jobs, education, and public services such as health – that each city resident and business can access. We also need to make better use of existing networks, and take advantage of new technologies.

Road pricing [charging motorists to use busy roads, based on time, location, and/or distance travelled] could play a pivotal role in managing congestion in urban areas. Road pricing enables more efficient use of infrastructure by encouraging people to adapt their behaviour. International experience shows that, where road pricing has been successfully introduced, people will choose to change their travel modes, times, or routes, to avoid paying more for travel at peak periods or through designated areas.

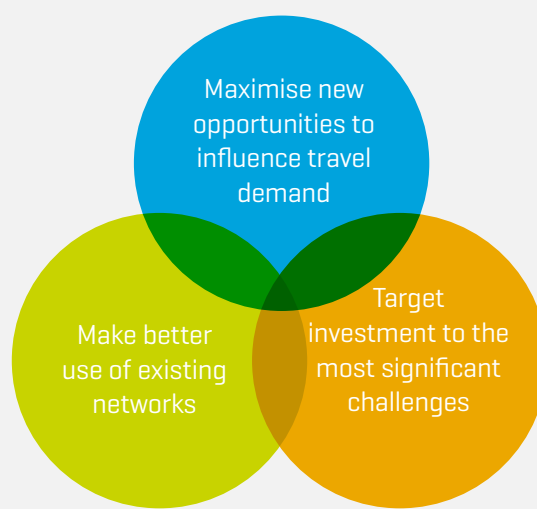
Road pricing systems only work if sufficient people can shift their travel without significantly limiting access to jobs and other opportunities. To increase people's ability to adapt, and society's willingness for road pricing to be implemented, good quality alternatives to private car travel [e.g. public transport and ride-sharing] need to be available.

Transport and urban planning also need to be better integrated to improve access and safety. High density urban developments tend to enable more travel choices, as people can more readily access what they need by walking, cycling, and by using public/shared transport services as well as travelling by car. Urban planning also needs to ensure that these different transport modes can co-exist in shared spaces safely.

For new urban growth areas on the outer edges of cities, it is important to consider a mix of transport infrastructure. Otherwise residents can become entirely dependent on cars for travel, leading to increased vehicle movements across the whole road network. Over time, this pattern of development can reinforce 'path dependency', with growing pressures to expand road capacity to deal with increasing traffic.

The Auckland Transport Alignment Project

Auckland will continue to need special attention from government, to ensure its transport system evolves in a way that enables Auckland to flourish. The Auckland Transport Alignment Project [ATAP] set a direction for Auckland's transport system over the next 30 years. It recommended a strategic approach with three connected elements:



ATAP recommended a 'step change' in transport planning: "we need to better balance transport demand with the capacity of our infrastructure and services. This requires a fundamental shift to a greater focus on influencing travel demand through smarter transport pricing, and accelerating the uptake and implementation of new technologies, alongside substantial ongoing transport investment, and getting more out of our existing networks." ~ ATAP Recommended Strategic Approach [2016]

Partners in ATAP were Auckland Council, the Ministry of Transport, Auckland Transport, the New Zealand Transport Agency, the Treasury, and the State Services Commission.

Roads in regions with low or declining populations are facing different kinds of pressures.

Local authorities in rural areas spend a much higher proportion of their budgets maintaining local roads than their urban counterparts. Rural areas also have a smaller ratepayer base to fund local transport infrastructure. Some regions, such as the West Coast and the Central North Island, have declining ratepayer populations. The different pressures local authorities face are reflected in how the New Zealand Transport Agency sets funding assistance rates, with a higher level of subsidy going to those communities with less ability to meet the cost of maintaining roads that meet national standards.

Growing numbers of tourists are also travelling to and through New Zealand.

New Zealand now receives over 3.5 million international visitors each year. The number of international visitors increased nearly 40 percent from 2012 to 2016. This growth has been driven by New Zealand's popularity as a tourist destination, international marketing, relatively low fuel prices, and by the global rise in middle class consumers. It has also been enabled by New Zealand's 'open skies' approach to negotiating air services agreements with other countries.

Tourism has been a key driver of economic growth, and is now New Zealand's largest export earner. The unprecedented pace of growth is now putting pressure on tourism infrastructure, including parts of our transport network.

New Zealanders are sometimes concerned about the safety of visiting drivers. The number of crashes involving international tourists has remained relatively steady over the last decade, at around six percent of all crashes, despite significant increases in tourist numbers.

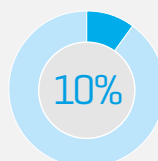
Generally regions with high tourist numbers and small local populations have a greater proportion of crashes involving overseas drivers. Auckland has by far the highest number of crashes involving overseas drivers, but these drivers are only involved in five percent of crashes in this region overall. In contrast, overseas drivers are involved in 23–40 percent of all crashes in Westland, Queenstown-Lakes, and Southland.

Local roads

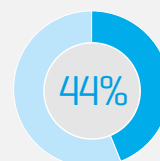
Roading represents **17 percent** of local government expenditure.

However, this can vary by region. In some regions **75 percent** of local roads by lane kilometres are rural.

Example: Council spend on roading and transport:

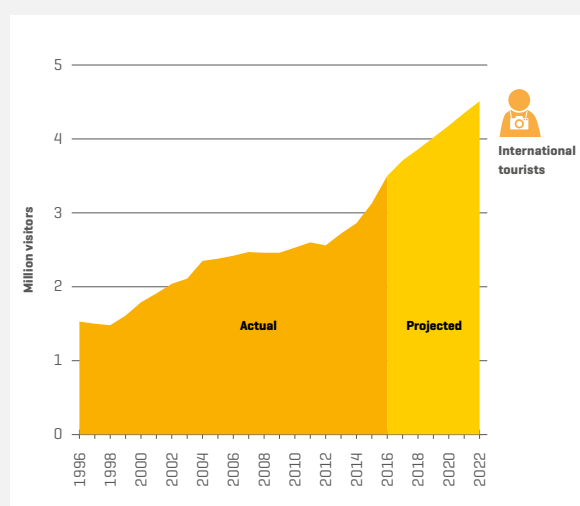


Wellington City Council:
10% of budget



Clutha District Council:
44% of budget

International visitors to New Zealand



Technologies are rapidly evolving

Key challenges: Balancing innovation and risks, integrating different technologies, and maintaining the social licence for change.

Key opportunities: Creating a 'next generation' transport system that is safer, cleaner, and more productive.

The transport sector is going through an unprecedented period of innovation in vehicles, infrastructure, and services. Transport could be at the forefront of a 'fourth industrial revolution' – a fusion of the physical and digital worlds that is transforming how people live and work. This is being driven by breakthroughs in fields such as artificial intelligence, robotics, the Internet of Things [i.e. everyday objects becoming digitally connected], and energy storage.

The scale and pace of change make it an exciting time to be involved with transport.

Our transport system will become increasingly connected, automated, shared, and electric. New technologies will create many opportunities to boost the safety, efficiency, reliability, and convenience of travel while reducing environmental impacts.

Technology is also enabling new business models.

Vehicle-sharing and ride-sharing services are on the rise in New Zealand and internationally. This has been enabled by the spread of smartphones, which are making it increasingly easy to plan and pay for travel on the go.

Most major car makers are re-aligning their business models to sell 'mobility as a service', instead of only selling vehicles. Fully autonomous vehicles, when they become widely available, are more likely to be operated as shared fleets instead of all individually-owned, making travel cheaper and more convenient, while requiring less infrastructure.

Automation driving change

Vehicle functions are likely to become increasingly automated over time, with ever more-advanced systems to assist or control driving.

Internationally, cars capable of fully driving themselves at least some of the time are expected to be commercially available by the early 2020s. Some trains are already fully automated, and trials of fully automated buses are under way. In New Zealand, the first self-driving shuttle began trials at Christchurch airport in 2017.

Automated trucks, ships, and unmanned aerial vehicles ('drones') are also advancing rapidly, and could transform freight logistics and movements.



New technologies could make our transport system much safer, but risks and side-effects will need to be addressed.

Fully-autonomous vehicles are expected to be much safer than human-driven vehicles in many settings. Until this technology matures, the greatest technological safety benefits are likely to come from advanced driver-assistance systems such as automated emergency braking and collision avoidance systems. Connected vehicle-to-infrastructure technologies could also assist people to drive more safely, providing drivers with real-time information about road risks, speed limits, and current road conditions.

Technologies that encourage higher use of public transport could improve safety further, as public transport is the safest form of travel.

The role of government in enabling and/or regulating new technologies and services needs ongoing consideration. The government will need to pursue an approach that both protects safety and enables innovation.

Government responses will shape the speed and smoothness of technological transitions.

New standards will be required for digitally connected and autonomous vehicles, to ensure that different systems are compatible. Infrastructure will need to be modernised. Data privacy and cyber-security issues will become increasingly important. Accessibility issues will also need to be addressed, with technologies creating both opportunities and barriers to people who find it difficult to travel due to disabilities, age, or financial hardship.

New Zealanders' attitudes towards new transport technologies and services will also affect the speed of any transitions. New Zealanders are often quick to embrace new technologies, but also tend to prefer buying used vehicles. The average age of motorised vehicles in New Zealand is 14 years old. The widespread availability of shared vehicle fleets could accelerate the modernisation of vehicles, but only if attitudes towards vehicle ownership also change.

Government could choose from a broad range of levers to influence the uptake of new technologies, including regulations, funding, demonstration projects, incentive schemes, and promotional marketing.

New Zealand could be in a strong position to move faster than others in creating a 'next generation' transport system.

New technologies will challenge how and what we regulate. At a time when technologies are developing rapidly, countries with a responsive regulatory environment will increasingly enjoy a premium compared to those which are slow to adapt.

New Zealand has fewer layers of government, and flatter bureaucracies, than other larger countries. Our small size can be a strength.

However, changes can still be slow to pass through the hierarchy of legislation, regulations, and rules. We need to explore ways to improve our regulatory agility.

With the right support, New Zealand could become a centre for testing and developing global transport innovations, attracting international talent and significant investments. We could then export some of this expertise to the rest of the world.

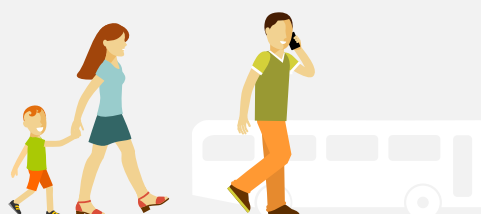
Mobility as a Service (MaaS)

MaaS platforms connect travellers with service providers, such as public transport, taxis, car-sharing, ride-sharing, and bike-sharing. Some systems allow all payments to be made through a unified system.

Users identify where they want to go via their smartphones or other web-connected devices, and then choose a preferred option from competing providers.

MaaS platforms benefit both travellers and service providers. They could also enable better transport planning, by using data on travel demand, capacity, and congestion to actively manage transport networks. For example, recommended travel routes and/or pricing could vary according to anticipated demand.

Two trials of MaaS platforms are under way or being planned in New Zealand. The first was launched at Queenstown in August 2017. The second is being planned for Auckland International Airport.



Transport will be a key contributor to achieving our climate commitments

Key challenges: Reducing emissions while improving access and productivity.

Key opportunities: Electric vehicles, and integrated transport and urban planning.

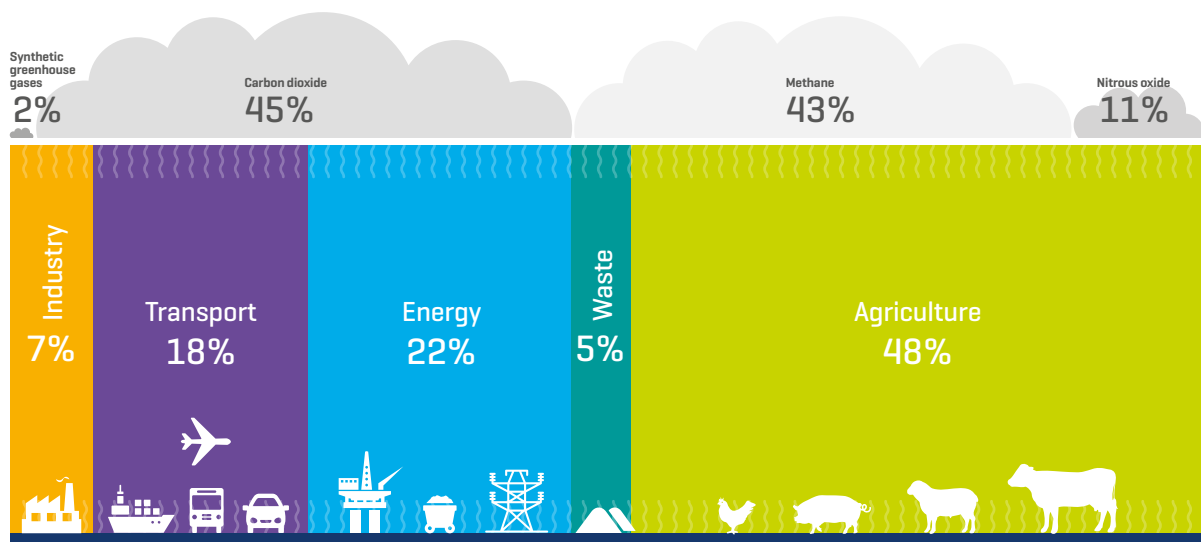
New Zealand is committed under the Paris Agreement on Climate Change to reduce greenhouse gas emissions by 30 percent below 2005 levels by 2030.

The transport sector produces 18 percent of New Zealand's domestic greenhouse gas emissions. The vast majority (90 percent) of these come from road transport. Domestic aviation is the next highest source, producing six percent of transport emissions.

Transport emissions increased 68 percent from 1990 to 2015. Emissions were relatively steady from 2007 to 2012, but have risen since then. Between 2014 and 2015 (the most recent year for data) transport emissions increased almost four percent. This was due to increasing vehicle movements associated with growth in our population, tourism, and exports. It also reflects changing consumer preferences towards purchasing vehicles with larger engines.

New Zealand is likely to meet its climate commitments by a combination of reducing domestic emissions, planting more trees to remove carbon dioxide, and by purchasing credits in international carbon markets.

New Zealand's greenhouse gas emissions



Percentages may not add up to 100 percent, as they are rounded to the nearest percent.

Source: New Zealand's Greenhouse Gas Inventory 1990–2015 (Ministry for the Environment, 2017).

Emissions reductions are likely to be more straightforward in the transport sector than in other parts of the economy, but will still be very challenging.

Agricultural emissions reductions will be more difficult than for transport, as a lack of technologies exist to substantially reduce emissions from livestock. Emissions from electricity generation will fall with further renewable energy developments, but 80 percent of our electricity already comes from renewable sources. The agriculture and energy sectors are therefore relying on significant emissions reductions from transport to meet our national target.

As an export-oriented economy, New Zealand also needs to keep engaging with international developments in the maritime and aviation sectors to reduce the carbon intensity of international freight movements and flights.

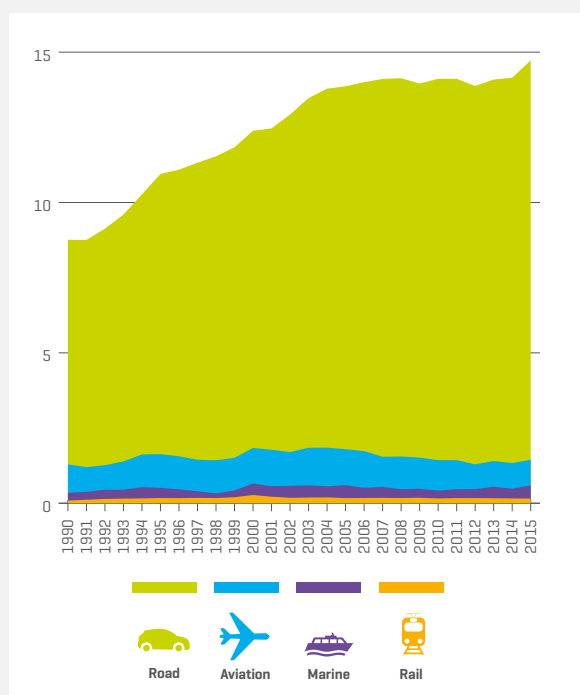
Widespread adoption of electric cars and other light vehicles would make the largest impact on transport emissions to 2030.

Few countries have the same natural advantages that New Zealand has to electrify our vehicle fleet, with such a high proportion of renewably generated electricity. However, the slow turnover of New Zealand's vehicle fleet may temper the speed of the transition to electric vehicles. We have one of the oldest vehicle fleets among developed nations, with light vehicles averaging 14 years old. Many New Zealanders may be slow, or financially unable, to replace their current cars with modern electric vehicles. They are likely to wait until cheaper second-hand electric vehicles are available.

The main barriers to the uptake of electric vehicles are battery range limits, the upfront cost of new vehicles, battery replacement/disposal costs, and the lack of widespread recharging infrastructure. These barriers will fall as battery capacities improve, vehicles become cheaper, and charging stations spread further afield.

For domestic freight, heavy vehicles such as trucks contribute about 24 percent of transport emissions and are more difficult to electrify, with battery weights being a major barrier. Switching freight from road transport to rail or coastal shipping could be a cost-effective way to reduce emissions for freight movements where suitable infrastructure exists. However, most businesses currently favour road freight due to its higher flexibility and speed compared with coastal shipping and rail. Many freight movements also occur within urban areas, where deliveries largely need to be made by road.

Domestic transport emissions by mode



Transport emissions could be further reduced by a combination of approaches.

Emissions could fall further if the fuel efficiency of the vehicle fleet improves, and with greater use of bio-fuels in petrol and diesel vehicles.

Additional future emissions could be avoided by making it easier to access places by walking, cycling, or using public transport as alternatives to private car travel.

Going electric, internationally

Internationally, an increasing number of governments (including the United Kingdom, France, Norway, Germany, and India) have recently issued declarations to phase out sales of new petrol and diesel powered cars, by dates ranging from 2025 to 2050. Major car makers including General Motors and Volvo have also announced plans to make all their models fully-electric in the future.



High private car use has become ingrained

Key challenges: The convenience and popularity of travelling by car at an individual level often creates unpopular side-effects for society as a whole [e.g. congestion, pollution].

Key opportunities: Making alternatives to private car travel more attractive, and boosting health through more active travel.

Transport choices tend to be 'sticky'. People develop relatively stable habits, based on the perceived convenience and cost of available travel options.

New Zealanders travel in many different ways, but the most common method is by private car. Almost 80 percent of household trips are made by car.

Over the last twenty years car use has grown, while the share of trips made by walking, cycling, and public transport has fallen.

Even for short trips of two kilometres or less, which represent a third of vehicle trips, people use cars over 75 percent of the time.

New Zealand's vehicle fleet has grown significantly since 2000, increasing almost 50 percent. New car sales hit a record in 2016, and we are on track to exceed this in 2017. We now have one of the highest car ownership rates in the world. Approximately 60 percent of cars added to the fleet each year are imported used vehicles.

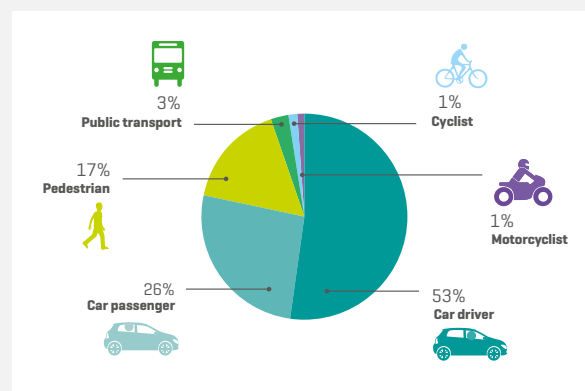
Cars are popular because they are very convenient to use most of the time. They give people access to many social and economic opportunities.

High car use has side effects though. The popularity of car travel often leads to congestion, puts pressure on existing infrastructure, and contributes to air pollution including carbon emissions.

Personal travel patterns tend to change slowly.

Most New Zealanders are now accustomed to travelling by private car, and expect car travel to be convenient even though more and more vehicles are travelling on our roads.

Use of transport modes for trips



New Zealanders spend on average just under one hour a day travelling.

We use our cars for most of our daily trips.

Nonetheless, travel habits can change when alternatives become more attractive. For example, public transport use has increased strongly in Auckland over the last ten years. Bus patronage has increased by 42 percent, and train patronage by 234 percent. Cycling trips in the city centre have also increased over 60 percent since 2013.

Infrastructure improvements, such as improved bus services, a rapid busway, electric trains, and dedicated cycle lanes enabled much of this growth.

The proportion of total trips made by public transport and cycling in Auckland remain very low though, at approximately seven percent of all trips in the morning peak.

There are opportunities to boost health by encouraging more active travel.

Most New Zealanders now walk less than one hour per week beyond their homes or workplaces. A shift towards greater walking and cycling could improve public health, and reduce healthcare costs.

New Zealand has the third highest adult obesity rate in the OECD, partly due to lack of physical activity, and obesity rates are rising. Only 50 percent of adults are regarded as sufficiently active for health benefits.

A five percent increase in cycling and walking for trips of 2km or less in Auckland would bring health benefits of \$225 million per year, as well as reduce traffic.

Active travel can be encouraged through infrastructure investments [e.g. cycleways] and urban design. The availability and quality of public transport is also significant. About half of regular public transport users walk for more than 10 minutes per day, compared with just 13 percent of people who do not use public transport. One of the side effects of free or subsidised public transport for elderly people is that it encourages more active travel, supporting personal and public health.

To encourage a substantive shift in travel patterns, ongoing investments would be needed over decades, as well as measures to manage travel demand, to make alternatives to private car use more compelling.

New technologies and services may also disrupt how people travel. For example, vehicle-sharing and ride-sharing could become more popular, with people using smartphones and Mobility as a Service platforms to organise and pay for trips. Public transport could also become more flexible and convenient, with routes and services responding swiftly to demand. However, it is unclear how readily New Zealanders will embrace these forms of shared transport.

Freight movements have shifted towards roads, away from rail and coastal shipping

This is partly due to improvements in roads and truck designs. Many businesses also favour the flexibility of road freight because it supports just-in-time shipping. 72 percent of freight travelling around New Zealand currently moves by road, measured by tonne kilometres.

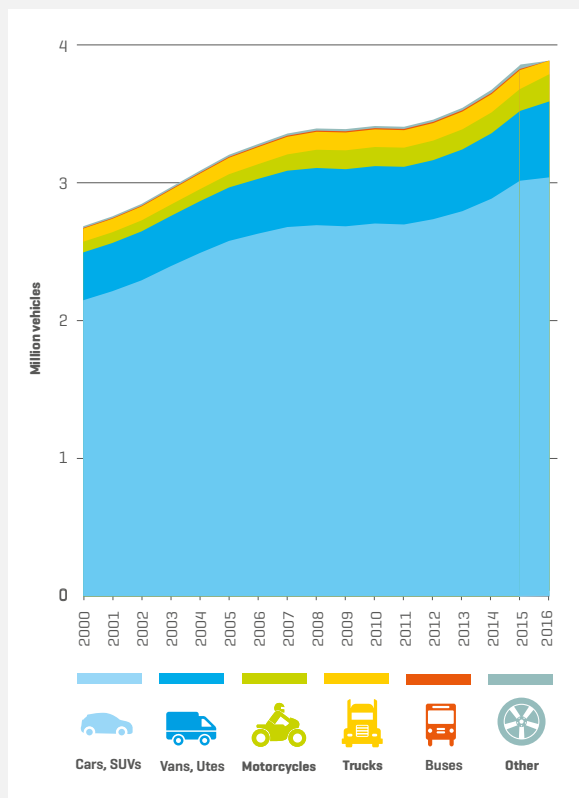
Cycles of change

The Ministry of Health now includes active transport to/from school, and use of a bike, as indicators for reducing childhood obesity.

26 percent of 13-17 year olds were cyclists in 1989/90. By 2014 only six percent cycled.



New Zealand vehicle fleet



There are over 3 million light passenger vehicles in New Zealand. The vehicle fleet has grown by 48 percent since 2000.

The average age of vehicles is 14 years.

Infrastructure leaves a powerful legacy

Key challenges: Anticipating and influencing future travel demand, while avoiding over-investment.

Key opportunities: Investing in ‘infostructure’ as well as physical infrastructure, and influencing travel patterns through investment decisions.

One of the strongest influences on how people and products travel is the availability and quality of infrastructure. This includes transport infrastructure such as roads, railways, ports, and airports, and the location of other infrastructure in the built environment such as houses, shops, offices, industrial sites, hospitals, and schools. Most transport infrastructure is publicly funded and owned. The private sector also plays an important role in building and financing projects, and owns infrastructure such as ports and airports.

Central government’s investments in rail include Auckland and Wellington’s metropolitan rail networks and trains. Government also provides annual funding of approximately \$200 million to KiwiRail to support its capital requirements beyond what the company earns.

Transport infrastructure decisions play a powerful and durable role – not just in transport, but in shaping future social opportunities, trade, urban/regional development, and economic growth.

Previous public and private investments in the rail network, State highways, local roads, airports, and marine ports have endowed New Zealand with well established transport infrastructure. As highlighted above, some infrastructure is under pressure from increasing movements of people and products.

While traffic is increasing on many roads, most of the national State highway network has sufficient capacity to handle substantially increased freight. There are significant pinch-points where congestion is increasing, mainly within urban areas. Regionally, most areas are well served by road infrastructure, which will continue to be maintained and upgraded as required.

KiwiRail has spare capacity on almost all of its network, and would benefit financially from increased freight business.

Transport infrastructure can last for many decades.

For example, the first deep water wharves in Wellington’s port were built in the 1860s, the North Island main trunk railway line was completed in 1908, and Christchurch Airport was established in 1936.



It is challenging and costly to change transport infrastructure after it is built.

In built-up urban areas, transport infrastructure competes for public space. Physical constraints [e.g. buildings for housing people and businesses] limit the ability to widen transport corridors. Different vehicles, such as cars, buses, and bikes all vie for available space. Some transport corridors could be repurposed to create dedicated lanes for public transport or cyclists, but this often comes at the cost of removing road space or parking for cars.

Proposals to expand or repurpose transport corridors often face strong resistance from some community groups, who need to be consulted.

There are also trade-offs between urban amenity and through-movements of traffic, particularly on busy roads that serve local communities while providing access to other parts of the city.

New technologies and tools could play a useful role in expanding capacity in some areas, and spreading traffic more evenly, without building more/larger roads.

To enable this, greater investment would be needed in transport 'infostructure' – sensors and networks for aggregating, analysing, and acting on data. Smart motorways and smart traffic signals are being used to actively manage traffic flows. Internationally, road pricing systems are becoming more dynamic. Singapore, for example, is planning to introduce a satellite-based pricing system from 2020 with the potential to vary prices by time, location, and distance.

In the future, smart vehicle-to-vehicle and vehicle-to-infrastructure technologies could enable more vehicles to travel on existing roads, by travelling more closely and smoothly together.

Rapid technological changes are making it more difficult to estimate future infrastructure demands and benefits.

Growth in New Zealand's population, tourism, and exports will continue to drive increasing movements of people and freight. However, future infrastructure demands are inherently difficult to plan for.

Transport innovations such as autonomous vehicles, ride-sharing, and Mobility as a Service platforms could disrupt how, when, and how much people travel. Automation will also affect freight logistics and vehicles. The high uncertainty created by rapid technological change raises the risk of over-investing in some physical transport infrastructure, providing a poor return on investment.

Travel demand could also be influenced by structural economic changes [e.g. a growth in the service economy, and more emphasis on export value compared with volumes], changes in urban form [e.g. preferences for higher density living], and demographic changes [e.g. younger generations driving less than their parents].

New transport infrastructure does not just play a role in meeting expected travel demand. It also shapes travel patterns and growth, as households and businesses adjust their transport choices according to the convenience and cost of available options.

Our current infrastructure will continue to have a powerful influence, enabling and constraining different choices. We need to work with what we have, while recognising that decisions made over the next few years will continue to influence transport, the lives of New Zealanders, and business activity for decades to come.

Designing infrastructure for resilience

The resilience of New Zealand's transport system has been severely tested this decade. The 2011 Christchurch earthquake, the November 2016 earthquakes, and heavy slips in areas such as the Manawatu Gorge have shown how vital transport infrastructure is for the normal functioning of society.

Substantial work has been done on the resilience of the transport system since 2011. Additional work is needed to ensure that key infrastructure can withstand and/or recover from major and catastrophic events. We also need to avoid over-investing in infrastructure, by prioritising investments according to risks.

The transport system will not just be tested by more natural disasters in the future. It also needs to be resilient to potential energy shocks, cyber attacks, rising sea levels, changing temperatures and weather patterns, terrorism, and accidental damage to vital infrastructure.



Funding decisions face many competing interests

Key challenges: Investment demands are increasing, with many competing interests, and the durability and fairness of future funding sources need to be considered.

Key opportunities: Enabling road pricing.

Funding decisions play a highly influential role in the transport system. Considerations include methods to generate revenue, what projects and activities to prioritise, how to allocate funding, and who makes investment decisions.

The processes for planning transport investments are complex, with many different agencies and interests involved.

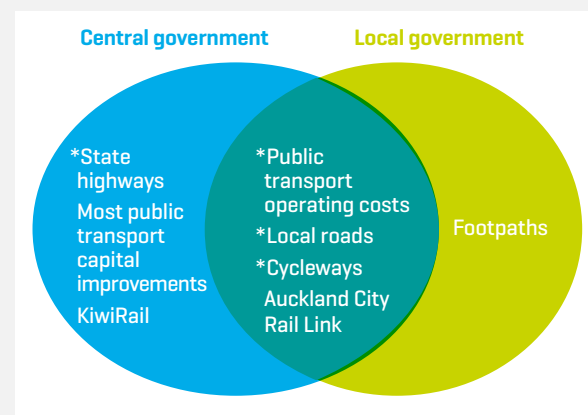
Funding for the land transport system is generated through multiple sources.

Funds are currently contributed by the following groups.

- **Road users** – through fuel excise duties, road user charges, and motor vehicle registration taxes (which all go into the National Land Transport Fund), as well as road tolls.
- **Communities that benefit from local transport networks and services** – through local rates and public transport fares.
- **Taxpayers** – for funding additional transport projects or activities, including rail.

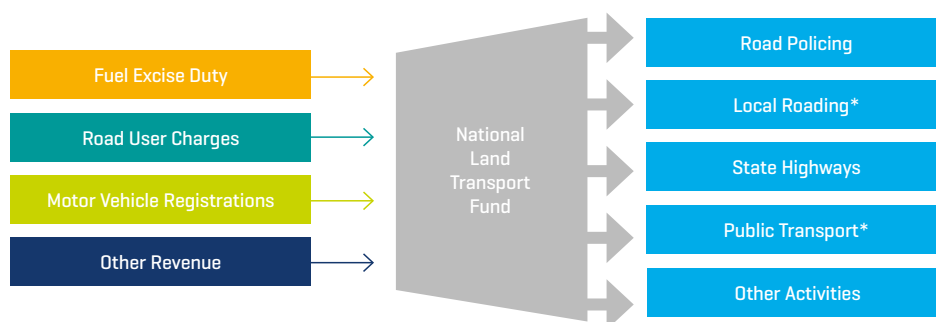
Central government plays a dominant role in collecting and allocating transport funds, through the National Land Transport Fund.

Who currently funds what



*Whole or partly funded through the National Land Transport Fund.

Funding flows for the National Land Transport Fund



Funding flows are for three years.

*Local roads and public transport are currently only partially funded through the National Land Transport Fund.

Central and local government both play roles in land transport planning and investments.

Transport expenditures and investments need to reflect the needs of local communities, while being responsive to the national public interest. New Zealand's multi-layered system for making investment decisions is designed to support this.

This system is explained in the accompanying *Overview of the transport sector* briefing. A key strategic document in this system is the Government Policy Statement (GPS) on land transport. This sets central government's priorities and funding pools for various investments.

Under the current system, government Ministers cannot choose to fund specific projects from the National Land Transport Fund. Funding decisions are made by the New Zealand Transport Agency Board, to give effect to the GPS.

In addition to shaping the GPS, central government can also direct additional funds from the Crown's accounts to specific transport programmes through the usual Budget process. Recent examples of this include capital investments in Wellington and Auckland commuter rail, contributions to the Auckland City Rail Link, re-instating road and rail infrastructure following the November 2016 earthquakes, selected State highway developments, the Urban Cycleways Programme, and the SuperGold Card free off-peak travel scheme.

Investment demands are increasing.

Differences in funding sources, objectives, and accountabilities between different stakeholders can lead to tensions and suboptimal investment decisions.

These tensions will need to keep being worked through, especially as demand grows for more expensive projects in urban areas. Different cities and regions effectively compete for funds from the National Land Transport Fund, so projects selected for funding always come at the cost of alternative projects elsewhere.

There are also competing views on how funds from the National Land Transport Fund should be allocated between different transport activities. For example, motorists may not view investments in public transport or cycleways as a beneficial use of funds raised from motorists.

The durability and fairness of funding systems will be challenged more in the future.

Over half of the revenue in the National Land Transport Fund comes from fuel taxes. Revenue from this source is affected by the distance and type of travel, fuel prices, and vehicle fuel efficiency. The shift to electric vehicles, as well as fuel efficiency improvements for non-electric vehicles and any shifts in distances travelled, will affect the future durability of funding sources.

These changes also raise questions of fairness and economic efficiency. Vehicles that generate similar road costs may have widely differing fuel consumption [affecting their share of fuel levy contributions to the National Land Transport Fund]. A move to more differentiated road pricing systems could address some of these issues, although these systems raise their own issues of fairness and equity.

The Road User Charging system for diesel and heavy vehicles remains world-leading in closely attributing road maintenance costs to the vehicles that cause road wear, as well as the distance that they travel. However, this system does not differentiate charges according to the time and location of travel. New technologies could enable more accurate tracking and charging of vehicles moving freight by road.

Some local authorities are finding it difficult to fund their share of transport.

Some councils are facing debt constraints, limiting their abilities to borrow more money for transport infrastructure investments. In the regions, some local authorities are finding it difficult to maintain and improve road networks with their small ratepayer base, particularly in regions such as the West Coast where tourists use the local road network extensively.

Some local authorities, particularly Auckland Council, are seeking powers to raise local transport revenue directly through tools, such as road pricing and regional fuel taxes. They are also interested in 'value capture' funding mechanisms that capture some of the benefits that landowners receive [i.e. increases in land values] as a result of new transport infrastructure. Funding choices always have social and economic impacts that need consideration. For example, value capture mechanisms can raise housing costs, affecting housing affordability.

Central and local government will need to keep working together to address these funding challenges.



Appendix: The Ministry's senior leadership team

The Ministry's new senior leadership team became fully established on 2 October 2017, when the Ministry's new structure and operating model came into effect.





Peter Mersi
Chief Executive

Peter has been Chief Executive at the Ministry of Transport and Secretary for Transport since July 2016. He was previously Chief Executive of Land Information New Zealand [LINZ].

Before leading LINZ, Peter was the Deputy Commissioner for Business Transformation at Inland Revenue, and Acting Secretary for Internal Affairs and Chief Executive of the Department of Internal Affairs.

From 2003 to 2010 Peter was Deputy Secretary, State Sector Performance Group at The Treasury, providing budget analysis and advice in the areas of education, health, justice, labour markets, defence, social development, and the public sector management system.

Peter holds a Bachelor of Commerce and Administration in Economics from Victoria University, Wellington.



Kirstie Hewlett
**Deputy Chief Executive,
Regulatory and Data**

Kirstie brings strong policy, regulatory and strategy experience to the Ministry, having worked in a number of leadership roles across the public sector.

Kirstie joined the Ministry from WorkSafe NZ, where she was General Manager Strategy and Performance. Prior to this, she led policy, strategy, and research and evaluation functions covering financial sector reform, telecommunications strategy and infrastructure, industry and regional development, employment, and health and safety.

Kirstie has also held senior roles to improve regulatory frameworks and regulatory systems in the public sector.



Bryn Gandy
**Deputy Chief Executive,
Strategy & Investment**

Bryn is an experienced public service leader having held senior roles in the defence, health, internal affairs, justice, and social and children's sectors.

Bryn joined us from the Ministry of Defence where he was Deputy Chief Executive, Strategy, Governance and People. He led that Ministry's transformation to improve its delivery of long-range strategy and policy advice and its \$20 billion capital programme. In prior roles, Bryn has led agency and sector policy and strategy initiatives, including an IPANZ Supreme Award winner for cross-agency collaboration.

Bryn is committed to developing State sector people and leadership. He was a public service Leadership Fellow in 2009 and has co-led the design and delivery of award-winning leadership programmes.



Robyn Smith
**Deputy Chief Executive,
Corporate Services**

Robyn is an experienced senior human resources professional with particular interest and expertise in organisational design, strategy development, leadership development, change management and talent management. Robyn is committed to helping organisations align their people strategy with business strategy, and developing managers to be able to deliver high quality outcomes for their people and their business. Robyn has led a large number of organisational and cultural change programmes including during mergers, sales, and acquisitions.

During her career, Robyn has held executive responsibility for human resources, health, safety and environment, administration and facilities, industrial relations, diversity, talent management, leadership development, culture and employee engagement, and shared services.



Nick Brown
Deputy Chief Executive,
Governance and Engagement

Nick is an experienced senior leader whose career in the public service transport sector began 18 years ago in the United Kingdom.

Nick has been with the Ministry of Transport for the last decade and was appointed to the senior leadership team four years ago as General Manager, Aviation and Maritime. In this role, as well as leading on aviation, maritime, security and freight policy, he was responsible for the Ministry's work supporting the deployment of Intelligent Transport System technologies in New Zealand, including autonomous vehicles.

Nick has built strong stakeholder relationships throughout his career and has achieved a lot across the sector by working across organisational boundaries.



Karen Lyons
Director,
Auckland

Over the last 16 years, Karen has progressed a career in Auckland's local government sector, holding a number of senior positions in economic development, strategy, and governance.

Karen comes to the Ministry from the Local Boards at Auckland Council, where she was General Manager. She established and consolidated the new and unique local governance model for Auckland and supported 149 elected members in their governance roles.

In addition, Karen has managed the Auckland Council's quality advice programme and elected member professional development programme. Before working in Auckland, Karen worked as an economist at the New Zealand Treasury and HM Treasury in London.



Paul Laplanche
Chief Financial Officer

Paul has a wealth of experience in the transport sector following his Chief Financial Officer roles at the New Zealand Transport Agency and the Civil Aviation Authority. Paul is a member of the Ministry's senior leadership team and reports to the Deputy Chief Executive- Corporate Services.

Paul has also held senior finance roles in central and local government and earlier in his career worked in the banking and insurance industry.

Paul has considerable experience in enhancing organisational and financial management frameworks, leading organisational change and being a trusted business partner.





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