

23 March 2018

Transport Policy Team
Bay of Plenty Regional Council
PO Box 364
Whakatāne 3158

Via email to info@boprc.govt.nz

Dear Sir/Madam,

Re: Bay of Plenty Regional Council Proposed Regional Land Transport Plan 2018

Please find attached a submission on the Bay of Plenty Regional Council's Proposed Regional Land Transport Plan 2018. This submission is on behalf of kiwifruit growers in the Bay of Plenty Region.

Please do not hesitate to contact me if you require any further information on this submission.

Kind regards,



Nikki Johnson
Chief Executive Officer

SUBMISSION IN RESPECT OF THE BAY OF PLENTY REGIONAL COUNCIL'S PROPOSED REGIONAL LAND TRANSPORT PLAN 2018

TO: Bay of Plenty Regional Council

SUBMISSION ON: Bay of Plenty Regional Council's Proposed Regional Land Transport Plan 2018

NAME: New Zealand Kiwifruit Growers Incorporated (NZKGI)

ADDRESS: PO Box 4246
Mount Maunganui South 3149

1. NZKGI's submission is detailed in the following sections:

- A. Overall Comments
- B. Chapter 3: Problems, Benefits and Objectives
- C. Chapter 4: Strategic Response
- D. Chapter 5: Policies
- E. Transport routes of significance for the Kiwifruit Industry in the Bay of Plenty Region;
- F. Conclusion.

2. NZKGI wishes to be heard in support of this this submission.

3. NZKGI will not gain an advantage in trade competition in making this submission.

4. Background to NZKGI

NZKGI was formed in 1993 to give kiwifruit growers their own organisation to develop a secure and stable kiwifruit industry. NZKGI represents 2,600 kiwifruit growers and gives growers their own voice in industry and government decision making. NZKGI works to advocate, protect and enhance the commercial & political interests of New Zealand kiwifruit growers.

5. The Kiwifruit Industry in the Bay of Plenty Region

Approximately 80% of New Zealand's kiwifruit crop is grown in the Bay of Plenty providing a significant contribution to the Bay of Plenty regional economy, with \$1.97 billion in revenue being generated for the region in 2015/2016.¹ The industry provides significant employment to the Bay of Plenty Region employing 10,762 FTE in the year 2015/2016.²

Zespri, the kiwifruit marketer, have committed to more than double global sales revenue to \$4.5 billion by 2025. The projected growth of the industry will contribute significantly to the Bay of Plenty GDP increasing it by 135% from 867 million to 2.04 billion by 2029/2030.³

¹ Institute of Business Research, University of Waikato - The Economic Contribution of Kiwifruit Industry Expansion to the Bay of Plenty, Northland and New Zealand.

² Institute of Business Research, University of Waikato - The Economic Contribution of Kiwifruit Industry Expansion to the Bay of Plenty, Northland and New Zealand.

³ Institute of Business Research, University of Waikato - The Economic Contribution of Kiwifruit Industry Expansion to the Bay of Plenty, Northland and New Zealand.

Employment in the kiwifruit industry is also expected to increase by 133% to 25,091 FTE by 2029/2030.⁴

A. Overall comments

NZKGI are generally supportive of the strategy and reiterates the important of good transport links to industry and the community.

The kiwifruit industry is highly dependent on the transport network, including sea freight and land transport as almost all kiwifruit grown in New Zealand is exported. Transport must be reliable to achieve consistent food quality, supply the market at the right time and obtain equitable returns. Growth figures indicate that this dependency will increase, and it is imperative that the industry has reliable and efficient transport networks in the Bay of Plenty.

A reliable and efficient transport network is vital to not just the regional economy, but also the New Zealand economy. The kiwifruit industry has a growth strategy that will see it double in size in the next 10 years further increasing the value that the industry brings to the regional and national economy. Access to effective transport is critical to achieving the growth targets. The regional strategy for transport needs to consider priority projects in the context of future growth.

B. Chapter 3: Problems, Benefits and Objectives

Chapter 3 sets out eight objectives that contribute to the purpose of the Land Transport Management Act that guide the Plan and highlight the areas of focus over the coming years for the Region's land transport decision makers.

- Safety (30%)
Deaths and serious injuries on the region's transport system are reduced
- Economic efficiency (20%)
The transport system is integrated with well planned development, enabling the efficient and reliable movement of people and goods to, from and throughout the region.
- Access and resilience (15%)
Communities have access to resilient and reliable transport system that provides them with a range of travel choices to meet their social, economic, health and cultural needs
- Environmental sustainability (10%)
The social and environmental effects arising from use of transport systems are minimised
- Land use and transport integration (10%)
Long term planning ensures regional growth patterns and urban form reduce travel demand, support public transport and encourage walking and cycling
- Energy efficiency (5%)
People choose the best way to travel to improve energy efficiency and reduce reliance on non-renewable resources

⁴ Institute of Business Research, University of Waikato - The Economic Contribution of Kiwifruit Industry Expansion to the Bay of Plenty, Northland and New Zealand.

- Public health (5%)
The transport system minimises the health damaging effects of transport for all members of society
- Affordability (5%)
Investment in the transport system maximises use of available resources and achieve value for money

NZKGI supports the high-level objectives however submits that greater emphasis needs to be placed on the safety objective in setting the proposed regional activities. NZKGI believes that the weighting given to the various benefits and objectives needs to be reconsidered (refer comments on Chapter 5).

C. Chapter 4: Strategic Response

Chapter four describes the Bay of Plenty's strategic response for the long-term management of the transport system to address the identified problems, benefits and objectives.

NZKGI support the high level strategic response and comments on the following features identified under the Optimised Transport System.

- Road Network
NZKGI support the recommended investment focus areas including strategic freight networks, safety improvements, connectivity improvements and network resilience.
- Rail Network
NZKGI support the recommended investment focus areas including investigating the feasibility of increasing the use of rail for freight, resilience improvements, reliability improvements, rail capacity improvements and inter-modal facilities and hubs.
- Public Transport
NZKGI support increased investment in public transport and suggest a key consideration should be the provision of public transport for seasonal employees in sub-regional areas such as Katikati and Te Puke. Public transport routes enabling seasonal employees to access facilities in larger centres is essential. The Bay of Plenty Region attracts approximately 8,000 seasonal employees each year with most people required in the region from April until June. This figure includes 2,000 recognised seasonal employees (RSE) from the Pacific Islands.

D. Chapter 5: Policies

Chapter five of the plan sets out the policies that are designed to guide the actions of organisation responsible for implementing the plan and are organised according to the primary regional transport objective they support.

The summary document advises that 45% of the benefits and objectives of the Transport Plan should be based around quality of life considerations. NZKGI submits that safety is in itself a critical part of quality of life and that the impacts of road accidents have a serious impact on the quality of life of victims. Therefore, safety should attract a higher priority than proposed - safety of roads should be considered the primary focus. Secondly, economic performance is also a driver of quality of life. Satisfactory employment is a key factor in achieving quality of life and economic performance drives job availability. NZKGI submits

that the weighting given to the importance of safety and economic performance needs to be reconsidered.

E. Transport routes of significance for the Kiwifruit Industry in the Bay of Plenty Region

NZKGI acknowledge that the Draft Regional Land Transport Plan 2018 identifies the importance of transport to the region and beyond and sets out the objectives and strategic priorities for the region. The following comments refer to the top 15 proposed regional activities identified by the Bay of Plenty Regional Council and propose changes to better reflect the importance and role of the kiwifruit industry in the region.

The industry is reliant on freight trucks to transport kiwifruit from orchards to post-harvest facilities where the fruit is packed and then to the Port of Tauranga for shipping. 996,000 tonnes of Kiwifruit were exported from the Port of Tauranga in 2016.⁵ The Kiwifruit harvest begins in mid-March and transport routes are utilised by high volumes of trucks transporting kiwifruit to the Port of Tauranga through to December.

The transport routes of significance for the kiwifruit industry that should be given priority in the Bay of Plenty Region are as follows:

- **W2T Waihi to Omokoroa & W2T Omokoroa to Te Puna**

There are approximately 750 orchards between Waihi and Te Puna and it is a crucial transport route for transporting kiwifruit from orchard to post-harvest facilities of which there are around seven and then onto the Port of Tauranga.

This route is highly utilised by the wider kiwifruit community with employees and their families driving on it daily. New developments and population growth have meant that high volumes of traffic are utilising this road daily. The volume and speed of traffic on this road is an area of key concern lamented by the regular serious accidents occurring in this area. Residents and members of the wider kiwifruit industry ‘think twice’ before choosing to use this road.

Key areas of concern for this transport route are the sections of road outside Aongatete Coolstore and Apatia Group Limited. The volume and speed of traffic on the road between Katikati and Tauranga makes it dangerous for traffic entering and leaving the main road to/from side roads. There is significant concern about the frequency of serious accidents at intersections on this road.

This transport route is currently prioritised at number six and number 11 of 15 which is inconsistent with the objective of safety and the reduction of death and serious injury on the region’s transport system. NZKGI submit that safety improvements to this roading corridor are prioritised at a level which enables work to begin immediately. NZKGI submits that the number of serious accidents on this road mean that it should be prioritised above other projects. It is a critical issue that puts people’s lives and wellbeing at risk every day - further delays to fixing this are unacceptable.

- **SH2 Wainui Road to Opotiki, NSRRP**

There are approximately 225 orchards in Opotiki with three post-harvest facilities in the area. SH2 Wainui Road is a major transport link between Opotiki and the Port of Tauranga while this route is also highly utilised by employees and their families travelling to and from work daily.

⁵ <https://www.port-tauranga.co.nz/about-port-of-tauranga/commodities/>

NZKGI support the activity class proposed for this transport route in its investments to state highways to improve capacity and/or service levels and agrees that this meets the primary objective of safety.

- **SH2 Opotiki to Gisborne**

There are approximately 68 kiwifruit orchards in Gisborne producing 250 hectares of kiwifruit annually. SH2 between Gisborne and Opotiki is regularly used by the industry to transport kiwifruit from orchards in Gisborne to post-harvest facilities in Opotiki to be packed. A resilient transport route between these towns and beyond is essential for growth targets to be met and for this sub-region to prosper.

NKZGI generally agree with the primary objective of access and resilience however submit that economic efficiency should be a key consideration for this road and its importance in transporting kiwifruit from Gisborne to Opotiki.

F. Conclusion

NZKGI support the Bay of Plenty Regional Council and New Zealand Transport Agency in continuing to maintain and improve the transport network and in doing so, taking a holistic view of the critical freight journeys across the region.

NZTA must continue to fund transport projects in the region, as a reliable and efficient transport network is vital to not just the regional economy but also the New Zealand economy.

NZKGI submits that improvements to State Highway 2 should be prioritised as a matter of urgency to protect the safety and quality of life of the community and in recognition of the contribution to the economy of this road. Across the kiwifruit industry and the wider community, there is a widespread view that the frequency of accidents on this road is unacceptable and there is no question that improvements are a priority.