

12. SUBMISSION ON THE NATIONAL RAIL FREIGHT STRATEGY 2014

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PURPOSE OF REPORT

The purpose of this report is to seek approval of a submission on the Draft National Rail Strategy 2014, September 2004.

The Draft National Rail Strategy is currently being consulted on by the Ministry of Transport and the closing date for submissions was 30 November 2004. The Ministry of Transport have authorised an extension for this submission.

EXECUTIVE SUMMARY

The Draft National Rail Strategy (NRS) has been prepared under the New Zealand Transport Strategy and sets out the Government's rail policy objectives and priorities for action over the next 10 years and outlines key initiatives that are intended to achieve the outcomes sought.

The use of rail for the transportation of freight is promoted in the NRS to increase. Rail provides a strategic link for the transportation of freight through Christchurch City and is an important service to the Port of Lyttelton. This aspect of the strategy should be supported. The other main focus of the NRS is to increase the number of people traveling by rail. Support is given in the strategy to the established networks in both Wellington and Auckland but does not indicate specific funding or intentions to consider rail in other centres. Opportunities to develop and manage a commuter rail system for Christchurch should not be excluded under this strategy and more emphasis should be given to allowing funding for investigation and development of new commuter rail services in other centres such as Christchurch.

The submission to the NRS includes these main points (attached).

STAFF RECOMMENDATIONS

That the submission be adopted and forwarded to the Ministry of Transport.

BACKGROUND

The Government was the sole owner and operator of virtually all of New Zealand's rail infrastructure, passenger and freight operations until 1993 when the rail network and operations were sold to Tranz Rail Holdings Limited. (Toll Holdings, as majority shareholder from 2003, renamed the company Toll NZ Limited.) The Government retained ownership of the land on which the rail assets were situated and leased to the rail operator.

The Government repurchased the Auckland rail infrastructure in 2001, and the rest of the national rail network in 2004, to secure a vital part of New Zealand's transport infrastructure in the national interest. There had been low and declining investment in the rail network over a number of years which lead to problems with deferred maintenance and associated safety concerns, and declining service capability.

Crown ownership of the rail infrastructure provides the Government with the capacity to ensure that the rail system is maintained and developed in accordance with its vision for an affordable, integrated, safe, responsive and sustainable transport system, as set out in the New Zealand Transport Strategy (NZTS).

The National Rail Strategy (NRS) provides a framework for strategic planning across the rail sector. It attempts to provide a structure for planning the development of the rail network in a way that recognises the Government's focus on shifting commuter and freight traffic onto rail, where appropriate, to ease road traffic congestion.

Priorities and objectives for the next 10 years focus on growth in two areas:

- Freight, both bulk and containerised and;
- Urban passenger transport