

Submission: Draft GPS on Land Transport 2024

Business South welcomes the opportunity to submit on the draft Government Policy Statement on Land Transport 2024.

Our key role is to advocate for over 1,300 business members to give the Otago and Southland region an influential voice on important issues. We are proud to be the voice of business in the south, for businesses of across sectors and districts, and all sizes, a considerable number of whom are small and medium enterprises (SMEs) and start-ups.

We support the proposed investment in major projects in Appendix B in the region for the:

- Queenstown Package
- Otago and Southland bridge upgrades and replacements
- Queenstown transport connections

It was positive to see the Government encouraging alternative funding and financing arrangements, which we believe is necessary to ensure continued investment in reducing New Zealand's infrastructure deficit.

We are supportive of the approach outlined and particularly welcome the prioritisation of economic growth and productivity – something we have long advocated for. Although we are seeking further recognition of the significant role that the transport corridors in the South Island play in the New Zealand economic context.

The South Island is home to well over 1,000,000 Kiwis and contributes nearly a quarter of our national GDP. We want to ensure that the roading and infrastructure pipeline which underpins that activity is being considered in relation to the South Island's population base and contribution to GDP.

We would like to see an integrated plan for Otago and Southland, and the South Island, covering all transportation across road, rail, shipping, and air. The connectivity, efficiencies and challenges of distance involved for businesses to operate in the south can create pain points and increased transport costs not incurred in other parts of the country. Getting product to and from farms, horticultural, viticultural, and rural businesses for export needs to be efficient. When there are break downs in these transport network costs, these can be acutely felt by businesses.

Our members in the Otago and Southland regions have raised several issues relating to the Draft GPS:

- Road User Charges (RUC) and petrol excise duty (PED) which help pay for the land transport system are collected from Otago and Southland are not coming back to the region be redistributed to reflect inputs and need.
- Funding assistance rates (FARs) for co-investment from the National Land Transport Fund (NLTF) for the region has decreased in the last 10 years.



- Regional Land Transport Plans (RLTP) are not built with the finger on the pulse for the regions, and demand growth is inaccurate e.g. Central Otago and Queenstown Lakes districts growth statistics are residence numbers and not population.
- Rural networks are deteriorating in Otago and Southland, including weight restricted bridges not fit for purpose and extra kilometres required to be travelled by businesses due to failed investment.
- The rail networks are not working for Otago and Southland, with rail not suited to current needs e.g. mass transport when moving biomass to demand points such as Dunedin hospital and key dairy factories. A more nuanced approach is needed to efficiently to load and unload freight on rail. Lines need activity to take the pressure off roads.

We do have several significant transport priorities across Otago and Southland that require investment we would like to raise with the Government and would welcome the opportunity to do so.

On behalf of our members, thank you for considering this submission and we look forward to being kept informed of further work in this area.

For further information, contact the Chief Executive Officer, Mike Collins, 03 479 0181.