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SUBMISSION TO THE DRAFT REGIONAL LAND TRANSPORT PLAN 2021-2031 AND REGIONAL FUEL TAX

The Greater East Tamaki Business Association ('Association') welcomes the opportunity to make this submission to the draft Regional Land Transport Plan ('RLTP').

Greater East Tamaki Business Association Inc (GETBA)

GETBA is the Business Improvement District business association for the greater East Tamaki business precinct. GETBA advocates for business and property owners in the economic development of East Tamaki; provides a conduit to business support, education, resources and networking; enhances the safety and security of East Tamaki; and promotes the area as a great place to do business and to work.

East Tamaki is situated in a key strategic location with links to the airport, port, CBD and other business areas within the region. The precinct has developed from greenfield origins and the availability and relative cost of land has, in the past, made the precinct attractive to businesses. As such, the area has a number of nationally and internationally significant companies, some of which are involved in developing innovative technologies. It is a dynamic and highly successful production and export zone, contributing \$3 billion to the New Zealand economy and 19 million in rates each year. It is predominantly a manufacturing and distribution hub and includes the world class Highbrook Business Park.

Of critical importance to the Association and its members is transport through our business precinct, with the efficiency and effectiveness of the arterial roads (and their connections to motorways) being of paramount importance. Also of importance is that the Precinct be well served by public transport.

Our feedback will cover:

- (1) Ongoing concerns regarding the impact of COVID-19
- (2) Summary of our Feedback
- (3) Feedback on the Regional Land Transport Plan
- (4) Feedback on the Regional Fuel Tax
- (5) Climate Change
- (6) Our Priorities

(1) Ongoing concerns regarding the impact of the COVID-19

We have ongoing serious concerns expressed from our local business members that COVID-19 is having a significant impact on their businesses.

The impacts include direct financial impacts on businesses (especially hospitality businesses), supply chain and market disruption as well as effects on production. More particularly, COVID-19 has had major impacts on exporters to China and those relying on international visitors and students. For hospitality and event organisers, the ongoing lockdowns have been devastating. Many firms relying on imported intermediate or final inputs from China are also being affected, particularly in manufacturing. Small and

medium-sized businesses have had their business models turned upside down. Businesses tied to travel, tourism and hospitality have experienced losses that will not be recoverable. We still do not know how long this will continue. We have lost many businesses already, with the outlook for some businesses now dire.

We have welcomed the responses from Mayor Phil Goff through the crisis, especially the need to respond calmly, but we ask for more focus in the RLTP on that can be taken to assist businesses.

(2) Summary of our Feedback

Your on-line form sets out two key questions relating to the Draft Regional Land Transport Plan and the Regional Fuel Tax ('RFT').¹ Our feedback on these questions is set out below. In summary:

- we agree that rapid population growth in Auckland has brought with it significant transport challenges and we support the focus in your proposals on public and active transport, which will free up road capacity.
- our preference is that demand management of our existing transport network be a key solution (following 'user pays' approaches, such as congestion charging).
- while we support a regional fuel tax as an interim solution, the tax is placing a further financial burden on business and we are concerned it is being underspent.
- we hold concerns that the significant works planned (such as cycleways), will result in harmful disruption to businesses and we ask that any disruption be properly mitigated (and transparently funded).
- road corridor improvements together with enhancing network capacity are a priority for us to make better use of the existing transport network and increase travel times through key routes and corridors for freight and business-related transport.

(3) Feedback on the Draft Regional Land Transport Plan

Your on-line consultation says that Auckland is growing and our transport system faces significant challenges now and into the future. To meet the directives set by central and local government policies and strategies, the draft RLTP aims to contribute solutions to the following challenges: climate change and the environment; travel choices; safety; better transport connections and roading; Auckland's growth; and managing transport assets.

While we agree overall with the challenges you have identified (climate change, travel choices, better transport connections and roading, Auckland's growth and managing transport assets), we believe improving network capacity and performance by making the most of the existing transport system is key to addressing Auckland's growth and managing transport assets.

We must focus on optimising the transport network through targeted changes, such as improving the coordination of traffic lights, the use of dynamic lanes at peak times, and removing bottlenecks to mitigate congestion. Maximising the benefits from new technology and taking opportunities to influence travel demand are also important, as well as introducing pricing to address congestion as soon as possible. Improving network capacity and performance to addressing Auckland's growth and better manage our existing transport assets are our highest priority transport challenges, followed closely by the other factors outlined in the Plan.

With regard to your specific questions -

- We do not think you have correctly identified the most important transport challenges facing Auckland because you have not prioritised these challenges from the perspective of small and medium sized businesses;
- Addressing Auckland's growth and better managing our existing transport assets are our highest priority transport challenges, followed closely by the others outlined in the Plan (climate change & the environment, safety, travel choices, better public transport connections and roading, and walking and cycling);
- We think congestion charging is a very important policy change and removing the Fringe Benefit Tax for employers who subsidise public transport for their employees an important policy change to deliver an effective and efficient transport system (followed closely by road safety policy changes, environment and climate change policies).

¹ https://akhaveyoursay.aucklandcouncil.govt.nz/regional-fuel-tax/survey_tools/have-your-say

(3) Feedback on the Regional Fuel Tax

Your on-line consultation says that a key source of funding for transport projects in Auckland is the Regional Fuel Tax (RFT). You say that Auckland Council is proposing to change details of projects funded in their current RFT scheme in response to funding decisions made by the government and to align with the draft RLTP. The amount of fuel tax is not planned to change.

Our preference is to introduce initiatives that both manage demand and raise funding equitably as soon as possible, balanced with investment into affordable and more frequent public transport in order to effect sustainable behavioral change. We support the technical work on 'The Congestion Question' project that has been examining the potential to apply congestion charging in Auckland. In particular, we support the technical work on the introduction of congestion pricing when the CRL opens and the delivery of productivity benefits for the freight industry.

In the interim, while we have supported a regional fuel tax of 10 cents per litre (plus GST), we ask for greater transparency regarding the spending of this tax on specific transport projects and services. We wish to avoid the regional fuel tax, which is the equivalent of a significant rates increase (especially for transport operators), being used as a 'top up' for overall transport budgets. We ask that wasteful spending be cut and operational efficiencies be found to reduce the size of the regional fuel tax.

We are also concerned about the ongoing underspend of the Regional Fuel Tax.² We are worried that businesses are being over-taxed with the RFT is being underspent or that infrastructure is not being built at the required pace.

(5) Climate Change

We note the RLTP's emphasis on climate change with actions like electrification of the rail line to Pukekohe, increasing the number of electric/hydrogen buses, de-carbonising the ferry fleet and supporting the uptake of electric cars

We are involved with a variety of initiatives relating to climate change, such as supporting mode shift in transport, encouraging electrification of the vehicle fleet and sustainable waste initiatives.

As the majority of businesses in our precinct are small to medium sized. We would welcome more initiatives to support these businesses to make the necessary changes. Funding for business education on low carbon transport options is particularly important to raise awareness and drive change.

(6) Our Priorities

With specific reference to our business precinct, we ask that urgent consideration be given to the points below.

- Continued planning for east west connections between the Airport, Onehunga, Otahuhu, Mt Wellington through to East Tamaki to enable more efficient movement of people and freight and is key to the ability of local businesses to improve productivity and attract and retain staff.
- The timely completion of the AMETI Eastern Busway and for the Airport to Botany Rapid Transit Network are priorities for GETBA. With suitable connections into and across our business precinct the latter will improve the commute of East Tamaki employees who reside in the south west, and employment prospects for job seekers residing in the south west.
- The realignment of the intersection of Preston, Ormiston and East Tamaki Roads. The efficient movement of people and freight is crucial for enabling local economic prosperity.

Conclusions

Finally, as we enter another very uncertain year, especially for small and medium sized businesses, we ask that the approach to the draft RLTP focus more on how transport initiatives can grow the economy and support job creation.

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² <https://www.nzherald.co.nz/nz/half-of-auckland-councils-regional-fuel-tax-has-not-been-spent/XTFNMLCAPDH4HFFBQQKUSUIN4/>