


OC240532

17 June 2024



Tēnā koe 

I refer to your email dated 17 May 2024, requesting the following briefings under the Official Information Act 1982 (the Act):

“MOT’s briefing for the Minister of Transport Simeon Brown for his meeting with Strait NZ on February 15.

MOT’s briefing for the Associate Minister of Transport Matt Doocey for his meeting with the Maritime NZ chair on 28 February.

Brown OC240332 4/04/2024 Dinner with the Wellington Chamber of Commerce - 8 April 2024

Doocey, cc Brown NA 15/04/2024 New Zealand’s Search and Rescue System

Brown OC240374 17/04/2024 Aide Memoire: Expectations on KiwiRail and the Rail Network

Brown OC240362 18/04/2024 Meeting with Wellington International Airport

Brown OC240378 19/04/2024 Aide Memoire: Meeting with Kirstie Hewlett, Chief Executive, Maritime New Zealand

Brown OC240416 24/04/2024 Aide Memoire: Technical Advice on the Lower North Island Rail Integrated Mobility Programme”

Of the eight briefings requested, three are released with some information withheld or refused, two are withheld and two are refused. One briefing (OC240079) has already been released to you on 21 May 2024, therefore it is not included in this response.

Certain information is withheld or refused under the following sections of the Act:

- | | |
|-------------|---|
| 9(2)(a) | to protect the privacy of natural persons |
| 9(2)(ba)(i) | to protect information which is subject to an obligation of confidence or which any person has been or could be compelled to provide under the authority of any enactment, where the making available of the information would be likely to prejudice the supply of similar information, or information from the same source, and it is in the public interest that such information should continue to be supplied |

- | | |
|-------------|---|
| 9(2)(f)(iv) | to maintain the constitutional conventions for the time being which protect the confidentiality of advice tendered by Ministers of the Crown and officials |
| 9(2)(g)(i) | to maintain the effective conduct of public affairs through the free and frank expression of opinions by or between or to Ministers of the Crown or members of an organisation or officers and employees of any public service agency or organisation in the course of their duty |
| 9(2)(i) | to enable a Minister of the Crown or any public service agency or organisation holding the information to carry out, without prejudice or disadvantage, commercial activities |
| 18(d) | the information requested is or will soon be publicly available |

With regard to the information that has been withheld under section 9 of the Act, I am satisfied that the reasons for withholding the information at this time are not outweighed by public interest considerations that would make it desirable to make the information available.

You have the right to seek an investigation and review of this response by the Ombudsman, in accordance with section 28(3) of the Act. The relevant details can be found on the Ombudsman's website www.ombudsman.parliament.nz

The Ministry publishes our Official Information Act responses and the information contained in our reply to you may be published on the Ministry website. Before publishing we will remove any personal or identifiable information.

Nāku noa, nā



Hilary Penman
Manager, Accountability and Correspondence

Annex 1: Document Schedule

Doc #	Reference Number	Title Of Document	Decision On Request
1	OC240065	Meeting with the CEO and Chair of STRAITNZ, 15 February 2024	Refused under Section 18(d). It is available here (refer to page 17) https://www.transport.govt.nz/assets/Uploads/17BriefingsfromFebruary2024.pdf
2	OC240079	Meeting with the Maritime New Zealand Chair and Chief Executive - 28 February 2024	Previously released to you under OC240466 on 21 May 2024.
3	OC240332	Dinner with the Wellington Chamber of Commerce - 8 April 2024	Released with some information withheld under Sections 9(2)(a) and 9(2)(f)(iv).
4	N/A	New Zealand's Search and Rescue System	Released with some information withheld under Section 9(2)(a). The Annual report attached is refused under Section 18(d) as it is available here: https://nzsar.govt.nz/about-us-2/annual-reports/
5	OC240374	Aide Memoire: Expectations on KiwiRail and the Rail Network	Refused under Section 18(d). Once published, it will be available here: https://www.transport.govt.nz/about-us/what-we-do/proactive-releases/SearchForm
6	OC240362	Meeting with Wellington International Airport	Released with some information withheld under Section 9(2)(a), 9(2)(ba)(i) and 9(2)(g)(i).
7	OC240378	Aide Memoire: Meeting with Kirstie Hewlett, Chief Executive, Maritime New Zealand	Withheld under Section 9(2)(f)(iv).
8	OC240416	Aide Memoire: Technical Advice on the Lower North Island Rail Integrated Mobility Programme	Withheld under Sections 9(2)(f)(iv) and 9(2)(i). Although the briefing has been withheld in full. It contains some information from the Detailed business case released by Greater Wellington Regional Council: https://www.gw.govt.nz/document/19521/detailed-business-case-lower-north-island-rail-integrated-mobility-2021/



EVENT BRIEFING

4 April 2024

OC240332

Hon Simeon Brown
Minister of Transport

DINNER WITH THE WELLINGTON CHAMBER OF COMMERCE - 8 APRIL 2024

Snapshot

You are attending a private dinner hosted by the Wellington Chamber of Commerce on Monday, 8 April 2024. The Wellington Chamber of Commerce has requested that you give a speech on issues relating to your Ministerial portfolios, focused on the changes implemented as part of the Government's 100-Day Plan, next steps, and how these initiatives will affect businesses. Following your speech, there will be a half hour question and answer session and discussion during dinner.

Time and date	7pm – 8pm, 8 April 2024
Venue	Anteroom (Level 5), Wellington Club Building, 88 the Terrace
Attendees	Simon Arcus, CEO of the Wellington Chamber of Commerce and of Business Central, and approximately 30 business owners, CEOs, and senior leaders
Officials attending	N/A
Run sheet	7:00 – 7:20pm – Arrive and give speech 7:20 – 7:50pm – Q&A with guests (mains to be served throughout) 8pm - Depart
Media	No media has been invited to attend
Speaking notes	Speaking notes are attached

Contacts

Name	Telephone	First contact
Paul O'Connell, Deputy Chief Executive, Sector Strategy	s 9(2)(a)	
Tessa Ayson, Manager, Strategy		
Benedict Goodchild, Principal Advisor, Strategy		✓

DINNER WITH THE WELLINGTON CHAMBER OF COMMERCE - 8 APRIL 2024

Purpose

- 1 This briefing provides you with speaking notes and background information for your attendance at a dinner event hosted by the Wellington Chamber of Commerce (the Chamber) and Business Central on Monday, 8 April, 2024. It includes:
 - background information on the Chamber, Business Central, and the dinner event
 - further detail on Business Central's and the Chamber's interests and priorities, as related to your portfolios
 - profiles of key attendees (**Appendix 1**)
 - speaking notes for the event (**Appendix 2**), and
 - a full list of attendees (**Appendix 3**).
- 2 We have worked with the Ministry of Business, Innovation and Employment and the Department of Internal Affairs to prepare this material

Background information on the Chamber, Business Central, and the dinner event

- 3 The Chamber is a business membership association. Services it provides to its members include lobbying and advocacy, events, training, and supporting with export and trade opportunities through the Global Chamber network.
- 4 The Chamber is affiliated with Business Central. Business Central is a not-for-profit that offers business support and advocacy for central New Zealand organisations. Together with Export NZ, the Chamber and Business Central represent over 3,000 member businesses throughout the Wellington region. Simon Arcus, who will greet you upon your arrival at the event, is the Chief Executive of both the Chamber and Business Central.
- 5 The purpose of the dinner is to discuss members' priorities, explore areas of mutual interest, and consider how you can work together. Attendees include representatives from member businesses. The Chamber has requested a particular focus on the Government's 100-Day Plan actions, as well as how future Government initiatives will affect businesses.
- 6 Minister Bishop gave a speech to the Chamber at a morning event on 27 February which mainly focused on housing. The attached speaking notes therefore do not cover those areas.

Further detail on Business Central's and the Chamber's interests and priorities, as related to your portfolios

- 7 The Chamber's advocacy reflects the interests of its members, which are identified through regular surveying. Both the Chamber and Business Central frequently make public submissions on proposed policy and regulatory changes.

Transport

The Chamber supports investment in Wellington's transport network (particularly roading, public transport, and regional transport links), which is consistent with the direction of the draft Government Policy Statement on Land Transport 2024

- 8 In its submissions on Let's Get Wellington Moving (LGWM), the Chamber supported making it easier and safer for goods and people to get around, noting that well-developed public transport is vital for the Wellington region. However, the Chamber opposed certain aspects of LGWM, including its overall cost and the Golden Mile Traffic Resolutions. It also questioned LGWM's proposed balance of investment between roads, public transport, walking, and cycling.
- 9 Several projects included in the draft Government Policy Statement on Land Transport 2024 (the GPS 2024) would support the Chamber's goals for Wellington by reducing congestion, improving connectivity, and supporting economic growth. These include:
- progress on the second Mt Victoria tunnel and improvements to the Basin Reserve roundabout
 - building the Petone to Grenada Link Road and Cross Valley Link improvements in Lower Hutt, and
 - progressing the Lower North Island Rail Investment Programme.
- 10 Public consultation on the GPS 2024 closed on 2 April 2024. The Chamber did not make a submission. The GPS 2024 will be finalised and released by June 2024.

Business Central's transport priorities are also broadly aligned with the GPS 2024

- 11 In its 2023 pre-election report *What Business Needs*, Business Central noted the importance of defining roads of strategic economic importance, strengthening the resilience of key regional infrastructure, and investing in domestic supply chains. These priorities are reflected in the GPS 2024.
- 12 Business Central also called for the use of new funding sources for infrastructure development, including Foreign Direct Investment and local investors such as ACC. They supported the use of new financing tools, including tolling and infrastructure bonds.
- 13 s 9(2)(f)(iv) [REDACTED] Wider proposals to improve the revenue system (including the fleet-wide transition to road user charges) are due in June 2024.
- 14 Business Central did not make a submission on the GPS 2024.

The Government's plans to accelerate the electrification of the vehicle fleet align with Business Central's call for the Government to facilitate market-led electrification

- 15 In *What Business Needs*, Business Central called for the Government to facilitate a market-led transition, enabling businesses to explore options for reducing emissions and removing regulatory barriers that inhibit investment and innovation.
- 16 The electrification of the vehicle fleet is expected to bring a range of benefits for individuals and businesses, including reduced fuel and vehicle maintenance costs. The Supercharging EV Infrastructure work aims to ensure that the charging infrastructure is in place to allow these benefits to be realised.
- 17 Officials are also reviewing the CO₂ targets in the Clean Car Importer Standard. Officials are currently consulting with the vehicle industry s 9(2)(f)(iv)

Local Government

City and Regional Deals are likely to be a focus

- 18 Business Central has expressed a particular interest in the City and Regional Deals. If attendees ask about this, you could note that:
 - the Department of Internal Affairs is currently leading the development of the City and Regional Deals Framework (the Framework), intended to ensure the Government's full range of tools is available to support deals that align with infrastructure, housing, and economic growth objectives, and
 - several City and Regional Deal proposals have already been put to you, and the Government will formally consider these once the Framework has been finalised.

Attendees might also be interested in discussing approaches to investing in essential infrastructure

- 19 Regional businesses may be interested in the funding and financing tools available to councils to alleviate fiscal pressures and how the Government is ensuring they are used. You could note that:
 - the Government wants to ensure councils have access to a range of funding and financing tools so that they can meet their regulatory requirements and make the long-term investments necessary to provide essential infrastructure without putting undue pressure on their finances
 - one example is the potential establishment of regional water council-controlled organisations (CCOs). CCOs could help to reduce the cost of servicing debt by allowing councils to borrow more relative to their revenue and to spread the debt over a longer timeframe. This would both allow modest increases in water charges over time and retain support for essential assets, and
 - you expect that councils are currently having conversations about these funding and financing options and working with stakeholders on how best to take advantage of them.

Energy

20 In *What Business Needs*, Business Central noted that decarbonisation will require significant investment in energy infrastructure. Business Central advocates for the development and deployment of technologies to reduce emissions intensity. It considers the Emissions Trading Scheme to be the core driver of energy sector emissions reductions.

21 Business Central's specific recommendations to the Government include reducing uncertainty and intervention in the energy sector, and setting policies that encourage market investment in an efficient and affordable generation mix to ensure secure access to energy.

22 You could note that:

- the Government has introduced the Electrify NZ programme to fast-track resource consenting for new and upgraded renewable power generation projects. The Electrify NZ programme also includes scrapping upgrade consents to existing and most new infrastructure, to increase investment in transmission and distribution
- the Fast-track Approvals Bill was introduced to Parliament for Select Committee review on 7 March 2024. The Bill will enable a fast-track decision-making process for infrastructure and development projects, including consents. Submissions on the Bill close on 19 April 2024, and
- the Government is focused on developing policies to unlock private sector investment in offshore wind energy. This, along with fast-track consenting, will support the energy sector's confidence to invest.

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Appendix 1: Profiles of key attendants

Simon Arcus, Chief Executive, Business Central NZ and Chief Executive Wellington Chamber?



Simon Arcus assumed the Chief Executive role in February 2021. He also currently serves as a Member on the New Zealand Taiwan Business Council and BusinessNZ Boards.

Prior to assuming his current role, Simon served as a Senior Governance Advisor at Mercer Australia. Simon has also served as Chair of the Wellington Cancer Society and on the Scots College Board of Governors.

During his time as Chief Executive at the Institute of Directors NZ (2014-2016), Simon authored the Four Pillars of Governance Best Practice and contributed to the development of the Chartered Membership programme.

Seby Reeves, Investment Adviser and Wellington Manager, Forsyth Barr



Seby Reeves joined Forsyth Barr in March 2018. As well as being an Investment Adviser, he is also the Manager of the Wellington office. Currently, Seby also serves as Chairman of the Scots College Foundation and as a Committee member of The Wellington Club.

Seby previously worked for ANZ Bank for seven years, holding senior roles across its legal, corporate banking and private banking functions.

Seby holds a Bachelor of Laws and Bachelor of Commerce and has been admitted as a Barrister and Solicitor of the High Court of New Zealand and as a Solicitor of the Supreme Court of England and Wales.

Appendix 2: Speaking Notes

Speech to Business Central – April 2024

Event:	Dinner event hosted by Wellington Chamber of Commerce
Date and time	8 April 2024, 7pm – 8pm
Audience	Wellington business owners, senior executives and leaders
Length	20 minute speech

Introduction

- Thank you, Simon, for that warm welcome and for inviting me this evening. It's great to be here.
- Tonight, I'll outline some of my key priorities as Transport Minister, Minister of Local Government and Minister for Energy. I'll also outline how this Government has been hard at work to improve productivity and economic potential, and to deliver the changes New Zealand needs.
- The Wellington Chamber of Commerce has a long-standing reputation as a thought leader and advocate for business here in our capital city.
- I'd like to take this opportunity to acknowledge your contribution in shaping this city. I want to also acknowledge the contribution of all of you here today in growing the economy and creating job opportunities.

Transport priorities and solutions for Wellington

- Since being sworn in, this coalition Government has hit the ground running with our 100-Day Plan, delivering the changes that New Zealanders expect of us.
- I am proud to have delivered 7 of the priorities stated in the 100-day plan. One of those – which I know you will have heard about - was ending Let's Get Wellington Moving.
- As Minister of Transport, I'm focused on delivering transport solutions and infrastructure for the people and businesses of Wellington, so that at long last we can get this city moving.
- We are also making progress on the second Mt Victoria tunnel and improvements to the Basin Reserve roundabout. which I know has been a priority for region for some time now. These were included in the Roads of National Significance in the draft Government Policy Statement (GPS) on Land Transport.
- Also included are the Petone to Granada Link Road and Cross Valley Link in Lower Hutt.
- This is an example of how I'm focused on real solutions for Wellington and the region – solutions that will reduce congestion while improving the city's connectivity, economic growth and public transport.

Government Policy Statement on land transport

- The Government's priorities for transport are outlined in the recently released draft Government Policy Statement on land transport – or GPS. This was another one of the Coalition Government's key transport commitments.

- I'm sure many of you are familiar with the role of the GPS. The GPS clearly states the Government's vision for transport over the next 10 years, and is the guiding document for the Ministry of Transport, NZTA, and local authorities.
- The draft GPS outlines the Coalition Government's ambitious agenda to get transport back on track, by investing more than \$20 billion dollars over the next three years.
- This Government is prioritising economic growth and productivity, maintenance and resilience, safety, and delivering better value for money from our transport agencies and delivery partners.
- We are re-introducing the successful Roads of National Significance programme, with 15 projects across New Zealand, to enable people and freight to move as quickly and safely as possible.
- Investing in these corridors will make it easier for Kiwis to get where they need to go, create a more productive and resilient transport network, drive economic growth, and unlock land for thousands of new houses.
- Delivering reliable public transport is also a priority. The draft GPS commits up to \$2.3 billion dollars for public transport services, and up to \$2.1 billion dollars for public transport infrastructure, over the next three years.
- The Government is committed to progressing the Lower North Island Rail Integrated Mobility Project. It has been identified as a key priority for this Government through the GPS.
- Increasing maintenance and improving resilience is crucial, which is why we're increasing investment in road maintenance by \$640 million compared to the draft GPS released by the previous Government in 2023.
- Our investment in maintenance includes a new \$500 million Pothole Prevention Fund to tackle the record number of potholes on our roads.
- Consultation on the draft GPS has now closed and I will finalise the GPS for release by June 2024.

Balancing the budget

- Ensuring that investment in transport delivers good value for money and better outcomes is a key focus of the GPS 2024.
- The Government recognises the increasing pressures on the National Land Transport Fund, and the need to increase revenue.
- We have had to make some tough calls to deliver the investments signalled in the GPS.
- To balance the transport budget, we are proposing an increase to the Motor Vehicle Licencing Fee by \$25 in January 2025 and a further \$25 in January 2026.
- We will also provide a Crown grant of \$3.1 billion, a Crown loan of \$3.1 billion, and a 12 cent, six cent, and annual ongoing four cent per litre increase in Fuel Excise Duty (FED) and Road User Charge (RUC) equivalent, in January 2027, 2028, and 2029, respectively. We will not be raising FED and RUC this term.

- We will take a holistic approach to the delivery of transport infrastructure, combining traditional and innovative funding and financing models to ensure sustainable and effective project delivery.
- The Government has signalled that New Zealand is open for business. We are encouraging the private sector to invest its capital to deliver high quality transport infrastructure for New Zealanders.
- We want to make use of Public-Private Partnerships that include whole-of-life asset management, with discipline that drives optimisation.
- These are performance-based contracts that define infrastructure success by its service delivery, not just its construction.
- The GPS makes it clear that I expect NZTA to consider different ways of funding and delivering major transport projects. This includes 'Build, Own, Operate, Transfer' equity finance schemes, and value capture to generate additional revenue and deliver infrastructure in a more efficient manner.
- We're also progressing time of use charging legislation and looking at how we can use tolling to support funding the building and ongoing maintenance of new infrastructure.
- The Ministry of Transport and NZTA are due to report back to me in early June on changes needed to the revenue system.

Reforming transport policy settings

- Addressing New Zealand's infrastructure deficit requires structural changes to our transport system. Investing in infrastructure must not only meet today's needs, but also anticipate the needs of tomorrow.
- Alongside the draft GPS, the Government is planning some major system reforms.
- These reforms include a new National Infrastructure Agency and the Infrastructure Commission working with NZTA to develop a 30-year plan for transport infrastructure, connecting local and offshore investors.
- We will fast-track consents for major infrastructure projects to make it easier to support major projects outlined in the GPS – on the 3rd of April, my colleagues Ministers Bishop and Jones announced that applications are open for projects to be included in the Bill that will make that possible. We will also make it easier to sell land no longer needed for transport projects.
- We will rapidly advance reforms to the revenue system for transport, the first steps of which are already underway with light electric vehicles required to pay RUC from April 2024.
- Further steps will require all road vehicles to move from FED to RUC, we will be reforming tolling legislation and allowing for time-of-use charging on the most congested parts of New Zealand's road network to help reduce congestion and maximise use of existing assets.
- Other planned reforms include amending the Land Transport Management Act to require future Government Policy Statements on land transport to adopt a 10-year investment plan, and we intend to have a much stronger focus on the credibility of the Emissions Trading Scheme in our emissions policy.

City and regional deals

- As we look to the future of Wellington's transport solutions, we're also looking forward to helping local government to provide the critical community assets and infrastructure needed to support prosperity and growth for Wellington city and the region.
- Addressing New Zealand's infrastructure deficit is key to unlocking economic development and generating better opportunities for our communities.
- We cannot address this without an effective partnership between local and central government: a partnership that recognises critical shared priorities and objectives, and strives to deliver positive outcomes for all New Zealanders. We will achieve this through City and Regional Deals.
- City and Regional Deals are instruments aimed primarily at integrating central government policy and regulatory decisions with local government's funding and planning processes, so they better enable long-term public and private-sector commitments for infrastructure development, economic growth, and housing in New Zealand.
- The Department of Internal Affairs is currently leading the development of a City and Regional Deals framework that will ensure the Government's full range of tools is available to support deals that align with the Government's infrastructure, housing and economic growth objectives.
- Once the framework is ready, the Government looks forward working alongside the local government sector to progress a range of deals.

Local Government priorities and next steps

- Another area where our Government is taking rapid steps to address an area of concern for Wellington communities and businesses is in water infrastructure.
- We have repealed the previous Government's divisive and unpopular Three Waters Legislation, as a necessary first step in implementing our Local Water Done Well Policy.
- The policy settings under Local Water Done Well will help to relieve cost pressures on councils by providing greater flexibility to spread costs, realise efficiencies, and extend borrowing.
- The evidence is clear that water-related cost pressures on councils, and in turn ratepayers, can be significantly reduced by changing the way these services are funded and delivered.
- The key to assisting cost pressures faced by councils is implementing structures such as Council Controlled Organisations.
- CCOs can borrow more money for long-term investment in water infrastructure and spread the cost of this borrowing over a longer period rather than front-loading the cost of these long-life assets on to current ratepayers.
- Moving water services into these structures would also provide additional borrowing capacity for councils' other capital expenditure activity, further spreading the cost of these projects more fairly across current and future ratepayers, and easing current upward pressure on rates.

- Under Local Water Done Well we expect to see:
 - regional water CCOs set up in a way that results in more modest increases in water charges over time that are more in line with Inflation, balancing affordability, future investment needs and longer-term debt, and
 - if set up appropriately, financially independent CCOs that could borrow approximately five to seven times more than what a council would be able to borrow, by spreading the debt over a longer timeframe to keep prices affordable for ratepayers, while still having assets under community ownership.
- Local Water Done Well is about setting the policy framework and providing councils with the tools they need to achieve financial sustainability. This includes ringfencing revenue that can be used to access long-term debt to undertake investment in water infrastructure.

Energy portfolio

- Finally, I want to touch on the Coalition Government's priorities in the energy sector, and how we will be delivering on our commitment to drive a surge of investment in renewable electricity generation.
- Since becoming Minister, I have delivered on the immediate actions we promised under Electrify NZ, including scrapping the costly Lake Onslow pumped hydro scheme, removing the 100% renewable electricity target and reversing the ban on oil and gas exploration put in place by the last Government.
- Achieving net zero emissions by 2050 is something we fully support. This is why we have set a goal of doubling New Zealand's renewable electricity generation by 2050.
- I am focused on achievable solutions to keep the lights on and ensure that Kiwis can access an affordable and reliable supply of clean energy.
- To do this, our approach is focussed on working closely with New Zealand's energy sector to implement policies that will unlock private sector investment and speed up consents to support a least-cost transition.
- As noted above, we're moving swiftly to introduce a permanent fast-track one-stop shop process for consenting nationally significant infrastructure projects.
- National policy statements for renewable electricity generation, transmission and distribution will also make it easier to consent the new renewable generation plant and infrastructure needed to supply our communities in a consistent way.
- These fast-track proposals will also lift New Zealand's living standards, lift productivity and grow our economy.

Conclusion

- As the Minister of Transport, Local Government and Energy I am committed to addressing the challenges we face.
- I'm looking forward to working in partnership with you, the Wellington business community, to help us design and implement workable solutions that make it easier to get things done, and get things moving again, in New Zealand.
- The plans I have outlined today will put this country back on track to having world-class transport and infrastructure that make it easier for goods and people to move around

while also delivering economic growth and productivity gains that make a real difference to New Zealanders.

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Appendix 3: Confirmed list of attendees for dinner event on 8 April 2024

Name	Company
Simon Arcus	Business Central
Seby Reeves	Forsyth Barr
Neil Paviour-Smith	Forsyth Barr
Hayden Blucher	Business Central
Nick Leggett	InfrastructureNZ
Nick Nightingale	Resene
Tony Clifford	PanPac
David McGuinness	Willis & Bond
Billie Moore	NZ Airports Association
Anthony Delaney	CentrePort
Ed Menzies	StraitNZ
Chris Dunlop	Beca Limited
Eyal Aharoni	Prime Property
Te Rau Kupenga	Te Amokura
Matt Clarke	Wellington Airport
Sean Keaney	FCB
Greg O'Connor	VTNZ
Rachel Taulelei	Kono
Brigitte Morton	Franks Ogilvie
Richard Stone	JacksonStone & Partners
Anna Lillis	Lillis Clark
Jason Boyes	HRL Morrison & Co
Mike Roan	Meridian Energy
Andrew Bascand	Harbour Asset Management
Mark Peterson	NZX
Mark Troughear	Freightways
Malcolm Johns	Genesis Energy
Rob Buchanan	Channel Infrastructure NZ

11 April 2024

Hon Matt Doocoy

Associate Minister of Transport

Cc Hon Simeon Brown

Minister of Transport

NEW ZEALAND'S SEARCH AND RESCUE SYSTEM

Purpose

This brief is for your information. It sets out your roles and responsibilities for search and rescue as the Associate Minister of Transport. It also provides an overview of the New Zealand Search and Rescue and front-line safety service system and the key trends and issues affecting the sectors.

Key points

- You have an important role in the stewardship of New Zealand's Search and Rescue system. This responsibility is enshrined in domestic legislation that upholds our commitments under international conventions.
- New Zealand takes an integrated approach to search and rescue with national governance of all classes (land, sea and air) sitting with the New Zealand Search and Rescue (NZSAR) Council.
- The search and rescue sector has bases, units and groups across much of New Zealand. Non-government search and rescue sector organisations would be pleased to host a visit to bases or exercises as and when your programme allows.
- In the 2022/23 year, over 11,000 people were involved in the search and rescue sector, 89 percent of whom were volunteers.
- During 2022/23, the search and rescue sector responded to nearly 3,500 incidents resulting in 137 lives saved, 744 people rescued, and 1,130 people assisted. This is a 20 percent increase in incidents from the 2021/22 year.
- The sector faces a range of challenges affecting its capacity to provide safe and effective frontline services, including funding sufficiency and volatility, increasing costs, and sustaining the long-term future of the volunteer model.
- Government funding is critical for the sustainability of the sector. The Ministry of Transport will be seeking investment to support the systems financial sustainability through a Fuel Excise Duty funding round in late 2024.
- A particular concern for the sector is the future of the Fuel Excise Duty, a portion of which is ring-fenced for New Zealand's search and rescue system. As the Government discontinues this critical funding source, alternate sources must be found to sustain the search and rescue system.

- The total cost for the search and rescue sector to exist and operate is difficult to discern as personnel/ equipment and assets are typically shared across an organisation's responsibilities. The total Government investment also varies year-on-year as the operational costs change according to the number, length and type of search and rescue operations undertaken. For 2022/23 we estimated that the total Government investment was \$53.6m broken down by:
 - \$21.6m for the NZ Police (known operational costs)
 - \$12.1m for Maritime NZ's business unit the Rescue Coordination Centre NZ (operational costs)
 - \$10.3m for search and rescue service agreements with the search and rescue non-government organisations
 - \$5.6m for running the NZSAR Secretariat
 - \$2.2m for NZ Defence (known operational costs)
 - \$1.3m Tertiary Education Commission (training costs)
 - \$0.5m for specific search and rescue support activities undertaken by the Department of Conservation.
- The distress radio network infrastructure, operated by Kordia under contract by Maritime NZ, which is legally required to be maintained by the Government, is over thirty years old, has reached its end of life, and requires replacement. With the Kordia contract finishing soon funding decisions need to be made shortly to enable a new contract to be negotiated

The NZSAR Council and Secretariat are ready to support you in progressing your portfolio priorities.



Duncan Ferner
 Director NZSAR Secretariat

11 / 04 / 2024

- Minister's office to complete:**
- Approved
 - Declined
 - Seen by Minister
 - Not seen by Minister
 - Overtaken by events

Contacts

Name	Telephone	First contact
Kirstie Hewlett, Acting Chair, New Zealand Search and Rescue Council	s 9(2)(a)	
Duncan Ferner, Director, New Zealand Search and Rescue Secretariat		✓

NEW ZEALAND'S SEARCH AND RESCUE SYSTEM

You have a stewardship role in search and rescue

1. New Zealand's search and rescue (SAR) responsibilities are bound by international conventions New Zealand is a signatory to.¹ Under these conventions, New Zealand's Search and Rescue Region (NZSRR) is one of the largest SAR regions in the world covering the mid-Tasman Sea, halfway to Chile, and from the South Pole almost to the equator, a total of 30 million km² (illustrated in Annex 1).
2. To meet these obligations, New Zealand legislation, through the Civil Aviation Act 2023 and the Maritime Transport Act 1994, make the Minister of Transport (the Minister) responsible for the establishment, maintenance, and operation of a rescue coordination centre to coordinate and conduct aviation and maritime SAR operations (SAROPs) and any other SAROP the Minister considers appropriate.
3. The Acts provide that the Minister can direct a relevant crown entity or government agency for which the Minister is responsible to undertake these responsibilities. In 2004, Maritime NZ received a Ministerial Direction to operate and maintain the Rescue Coordination Centre New Zealand (RCCNZ).
4. Your delegation also includes the term 'Recreational Safety' You can discharge your responsibilities for recreational boating through Maritime NZ and recreational aviation through the Civil Aviation Authority. There are, however, no current mechanisms for you to be responsible for recreational safety in the water or on the land. There are also no current governance arrangements that coalesces, guides and prioritises the collective recreational safety efforts made by a range of non-government and Government agencies. The Hon Chris Bishop as Minister for Sport and Recreation will also have interests in this area.

Portfolio linkages

5. SAR and recreational safety have links to all your other portfolios:

Youth. The NZSAR Council supports (\$375k in 2023/24) the Youth Search and Rescue (YSAR) Trust which trains and prepares the next generation of SAR and Emergency Management practitioners. YSAR is in the process of increasing its number of groups across New Zealand.

ACC. We collaborate with ACC on a range of recreational safety initiatives. Although, we are not formally one of ACC's injury prevention partners, we actively seek to reduce the number and severity of SAR incidents.

Health and Mental Health. We undertake hundreds of SAROPs each year for people with cognitive impairments. Often these are in urban areas. We also undertake reduction / prevention activities in partnership with Health and associated agencies which serve to reduce the need for or improve the efficiency of this type of SAR response.

¹ These include the Convention on International Civil Aviation, the International Convention for the Safety of Life at Sea, the International Convention on Maritime Search and Rescue and the United Nations Convention on the Law of the Sea.

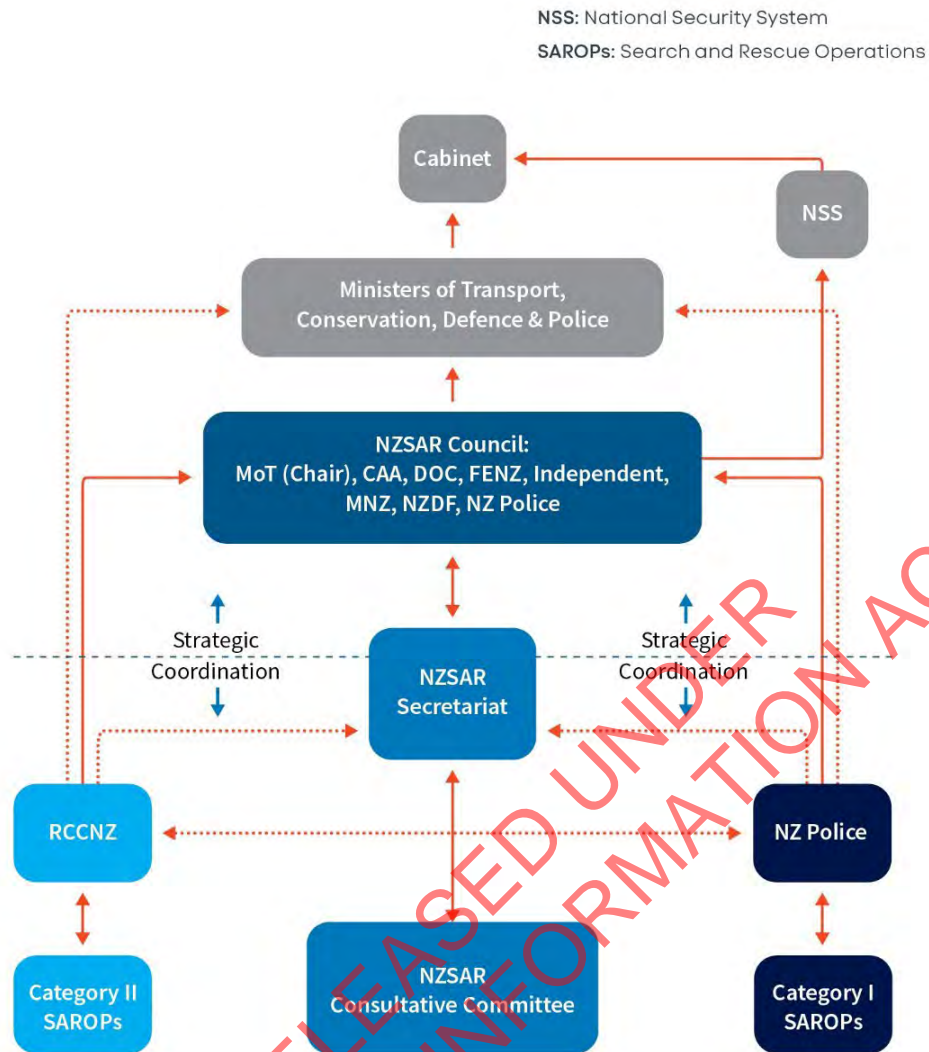
We also share the use of rescue helicopters with the health system, though changes over the past few years have made access for SAR more difficult and costly.

Tourism. We undertake SAROPs for a significant number of domestic and inbound tourists each year. Together with our recreational safety partners, we engage with Tourism agencies as we seek to provide tourists with basic safety information so that they may enjoy safe recreational activities in and around New Zealand.

New Zealand's integrated approach to search and rescue

6. New Zealand's SAR system is designed to provide effective SAR services to people in distress throughout the NZSRR to save lives. It is guided by international best practice and the unique characteristics of New Zealand's geography, government structures and funding capabilities.
7. The current governance arrangements has its origins in 2003 when Cabinet established the New Zealand Search and Rescue (NZSAR) Council, its Secretariat, and the NZSAR Consultative Committee to provide a national level, cross-sector view on the New Zealand SAR system (see Diagram 1 below).
8. The NZSAR Council provides strategic direction, governance, and leadership to the SAR sector. Its membership is the chief executives or senior representatives of the Ministry of Transport (the Ministry), Maritime NZ, the Civil Aviation Authority, the NZ Police, Fire and Emergency NZ, the Department of Conservation and the NZ Defence Force and an independent member who represents the voice of the SAR non-government organisations (NGOs). The Council is supported by a small Secretariat which implements measures to effect sector leadership and strong strategic coordination across the SAR sector.
9. The Council has responsibility to maintain New Zealand's SAR Framework. Its strategic goals are:
 - **A robust and integrated SAR system.** We seek a collective, cross sector culture of being 'one SAR body' within an integrated SAR system.
 - **Efficient and sustainable SAR organisations.** We seek high performing, efficient and sustainable SAR organisations with adequate, secure funding.
 - **Capable SAR people.** We seek to maximise the potential of our SAR people. We will work to ensure our people have access to appropriate training and ensure we conduct SAR activities competently and safely.
 - **SAR Prevention.** We seek an informed, responsible, adequately equipped and appropriately skilled public who are able to either avoid distress situations or survive them should they occur.
10. The SAR sector is also an integrated component of New Zealand's wider emergency management framework. During the North Island weather events in early 2023, SAR agencies made significant contributions to the coordination and rescue of many people urgently requiring life saving assistance. (See Annex 2 for the location of our SAR resources).

Diagram 1: Collective governance and leadership arrangements for SAR



Cabinet and Ministers	Overall responsibility for SAR policy in New Zealand.
NZSAR Council	Provides national strategic governance and leadership to New Zealand's SAR sector. Reports to Government through the National Security System (NSS) or the Officials' Domestic and External Security Coordination Group (ODESC) via the Hazard Risk Board.
NZSAR Secretariat	Supports the Council achieve its purpose and objectives. Provides the NZSAR Council with information, services, policy advice and actions to realise the Councils goals. Implements, monitors and reports on Council directed funding arrangements. Provides systemic assurance by reporting sector risks, capabilities, preparedness, finances, and service performance.
NZSAR Consultative Committee²	Serves as a link between the Council, Secretariat and SAR providers (including volunteer groups). The Committee provides a forum through which issues and opportunities identified at the functional level can be fed into the governance process.

² Ambulance NZ; Australian Maritime Safety Authority; Antarctica NZ; Amateur Radio Emergency Centre; Aviation NZ; Civil Aviation Authority; Coastguard NZ; Department of Conservation; Fire and Emergency NZ; Land Search and Rescue; Marine Operations Centre; Maritime NZ; Ministry of Transport; Mountain Safety Council; National Emergency Management Agency; NZ Defence Force; NZ Police; St John Air Desk; Surf Life Saving NZ; Water Safety NZ; Te Whatu Ora; Youth Search and Rescue.

The Search and Rescue Sector

11. The role of the SAR sector is to locate and recover people in distress, potential distress or missing, and deliver them to a place of safety. People typically requiring SAR services are boating, flying, or undertaking activities on (or under) the land and water. The sector also assists with locating missing persons with cognitive impairments (such as dementia) or mental health issues.
12. In 2022/23, the sector included over 11,000 participants, 89 percent of whom are volunteers, a high proportion compared to international norms. Most of these skilled volunteers are members of the four key SAR NGOs: Coastguard NZ, Surf Life Saving NZ, NZ Land Search and Rescue, and Amateur Radio Emergency Communications.
13. During the same year, the sector responded to nearly 3,500 incidents resulting in 137 lives saved, 744 people rescued and 1,130 people assisted (see Annex 3 for the location of the SAR incidents).

How search and rescue works

14. NZ Police and Maritime NZ's business unit RCCNZ have the responsibility to coordinate SAR operations and are the two SAR Coordinating Authorities. They routinely work with each other, other Government agencies (including Fire and Emergency NZ and the Department of Conservation), commercial operators (including helicopter operators) and members of the four key SAR NGOs.
15. The Coordinating Authorities may also request the assistance of assets of opportunity (such as a foreign flagged vessel) as part of their response. The Coordinating Authorities may also request NZ Defence Force aviation and other capabilities in support of SAR operations. These capabilities help support our ability to conduct operations throughout our very large NZSRR and in support of neighbouring SAR regions. Likewise, we can and occasionally do, request support from neighbouring SAR regions.
16. The Coordinating Authorities are responsible for distinct categories of SAROPs:
 - **Category I SAROPs** are coordinated by the NZ Police at the local level and include land search, subterranean operations, river, lake and inland waterways and close to shore marine operations.
 - **Category II SAROPs** are coordinated by the RCCNZ at the national level and include operations associated with missing aircraft or aircraft in distress and offshore marine operations.
17. Organisations tasked by the Coordinating Authorities to undertake SAROPs have responsibilities to ensure their people are appropriately trained and equipped. This includes formal skill acquisition training and collective training via multi-agency exercises. The sector would welcome visits or your attendance at multi-agency SAR exercises. There are pre-programmed, and this can be arranged via the NZSAR Secretariat.
18. The sector also prepares for nationally significant SAR incidents. Whilst fortunately rare, they present significant risks to New Zealand should they occur. Historical examples of a nationally significant SAR incidents include the 1968 Wahine disaster where 58 people lost their lives, and the search for MH370, the Malaysian airliner that disappeared in 2014 sparking a massive international search effort.

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19. Frontline safety services (such as Surf Life Saving NZ beach patrols) are also a critical component of the overall system. While their operations are not formally 'search and rescue', they play a critical SAR reduction and recreational safety role. Additionally, SAR agencies inform and work with several recreational safety organisations such as Water Safety New Zealand and the Mountain Safety Council to prevent the need for SAR operations or improve SAR outcomes through public information and advice.

Government investment into search and rescue

20. Fuel Excise Duty (FED) is a critical source of income for the SAR sector. Section 9(1) of the Land Transport Management Act 2003 allows the Ministers of Transport and Finance to allocate revenue collected from FED paid by recreational boat users for "*search and rescue activities, whether in relation to pleasure craft or otherwise*" and "*administration by the Secretary...*". Crown expenditure on SAR is also part funded through Votes Transport, Police, Defence and Conservation.

21. The four key SAR volunteer NGOs are part funded from FED sources. This is managed through service level agreements monitored by the NZSAR Secretariat. They also remain heavily reliant on increasingly volatile and uncertain funding streams including grants, fundraising, donations and sponsorship. These organisations have little ability to absorb increasing cost pressures nor adapt to increasing regulatory burdens or the impacts of climate change.

22. The total cost for the sector to exist and operate is difficult to discern due to the sectors 'shared use' model. SAR is typically only one of several roles an organisation may undertake, and the separation of roles are often not well defined in financial systems. The estimated total Governmental expenditure on SAR in the 2022/23 year was \$53.6m. Of that \$18.147m was funded from FED of which \$10.332m went to the four key SAR NGOs.

23. In 2022, Joint Ministers agreed to a two-year increase in FED sourced funding, \$21.375m FY23/24, \$22.376m FY 24/25. This drops to an unviable \$9.939m in outyears should no further decisions be taken to sustain the sector. The Ministry plans to undertake an FED funding round in late 2024.

24. The Secretariat also manages the Governments investment into frontline safety services. Budget 2020 approved \$15.145m ongoing to sustain the frontline safety services provided by Surf Life Saving New Zealand and Coastguard New Zealand at 2019 levels.

25. Government funding from either FED or Budgets is critical for the sustainability of the sector and provides a strong return on investment (see paragraph 26). Alternate funding sources will need to be found as and when the decision is made to move away from FED to distance charging.

Benefits of the system

26. The current Ministry assessment of the willingness-to-pay based value of statistical life (VOSL) is \$13.3 million. With the SAR sector saving 137 lives during 2022/23, the benefit to cost ratio of the Governments investment for that year was approximately 34:1. Work is underway to better understand the benefit to cost ratio for frontline safety services.

27. The direct and indirect benefits to New Zealand of fit-for-purpose SAR and frontline safety systems are significant including:

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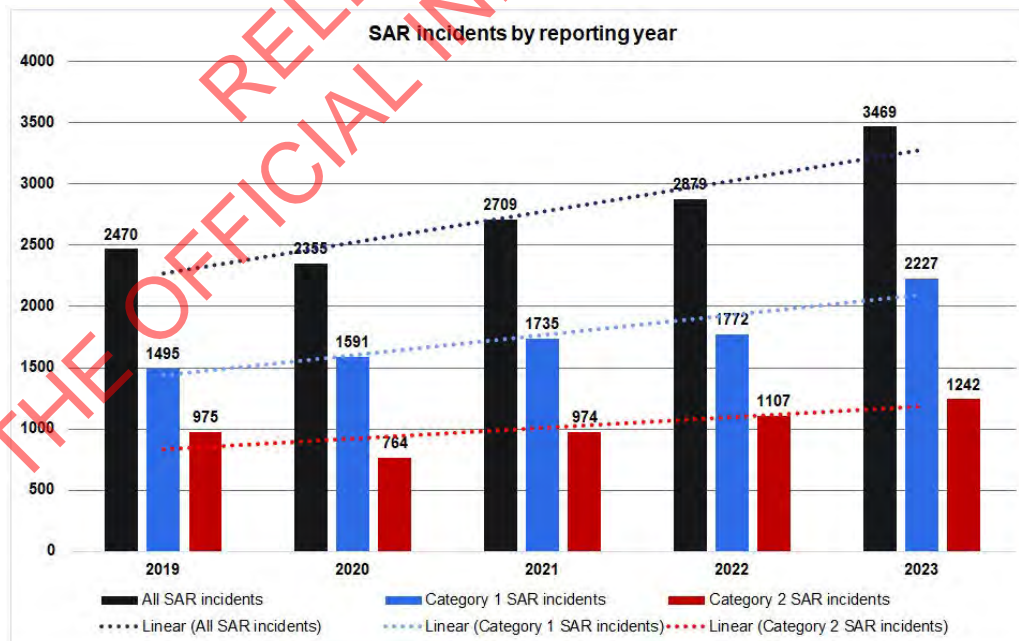
- Supporting the health and wellness of New Zealanders and visitors to the NZSRR.
- Supporting the prosperity of the recreational tourism sector.
- Reducing the cost to New Zealand of preventable injuries and deaths.
- Ensuring New Zealand effectively contributes to the global SAR system, which is critical in the interests of the safety of New Zealand citizens who travel or live abroad and is also consistent with New Zealand’s humanitarian goals.
- Providing critical support to adjacent systems including the emergency management system and the health system.

28. The North Island weather events in early 2023 also emphasised the criticality of the SAR system and organisations for emergency management. The four keys SAR NGOs provided 4,600 volunteer hours in support of central and local government emergency management rescue and response efforts. During these events, the Coordinating Authorities coordinated rescue responses including the tasking of over 250 helicopter missions in support of the National Emergency Management Agency (NEMA) and local Civil Defence organisations.

Key trends

29. The sector is experiencing a sustained increase in the number of SAR incidents year on year. A range of factors are contributing to this increase including more people undertaking recreational activities, the recent return of international tourists and improved methods to request SAR assistance. This increase in operational demand is straining the sector.

Diagram 2: SAR Incidents by Year and Coordinating Authority



NZSAR Awards

30. Each year, excellence in SAR is formally recognised at the NZSAR Awards. The Awards acknowledge the dedication, achievements and sacrifices made by paid professionals and volunteers throughout the NZSRR.
31. You have agreed to host the NZSAR Awards for 2023 in the Parliamentary Grand Hall on Tuesday 21 May. A separate paper will brief you on the Awards function, the recipients and provide you with speaking notes.

Recreational Safety and Search and Rescue Systems Review

32. The Ministry undertook a review of the recreational safety and search and rescue systems during 2021/23³. The previous Associate Minister of Transport agreed that the Ministry is to finalise the proposed System Strategy – Haumarū Tāngata Ki Uta Ki Tai, which includes the implementation of the Volunteer Strategy through the Volunteer Plan. The Ministry intends to develop advice to you about a proposed implementation plan regarding possible revised governance and leadership arrangements.

Issues

33. The sector is experiencing a range of issues including:

Issue	Description
Funding	As above, the SAR system, both NGOs and agencies, rely on FED funding which will become increasingly uncertain if the way in which revenue for the transport system is collected changes. There are also significant calls on the National Land Transport Fund that is also funded from FED. NGOs also face uncertainty in other funding streams like donations and sponsorship that are increasingly volatile and competitive. Increasing search and rescue numbers resulting from people recreating more, and weather events, is also placing pressures on capacity with additional and different resources needed. All of this, along with outdated safety systems, like marine distress radio, means there is greater need of funding at a time when all funding sources are under pressure.
Technology	The SAR sector is increasingly expected to have access to, and be proficient with, advanced SAR technologies (such as drones, night vision equipment, thermal imaging equipment, satellite imagery etc). These capabilities are typically expensive to acquire and sustain but can have significant search and rescue benefits.
Health, Safety and Wellbeing	Effective application of the Health and Safety at Work Act 2015 (HSWA) across all people and organisations involved in SAR is challenging. Many SAROPs are undertaken in very dangerous locations and circumstances. We continue to make progress on fit for purpose health and safety in these dynamic environments.

³ Haumarū Tāngata Ki Uta Ki Tai – Recreational Safety and Search and Rescue Review

Issue	Description
Nationally Significant Search and Rescue Events	Nationally Significant SAR events can have the potential to overwhelm normal SAR capabilities and may trigger the involvement of the National Security System. These incidents typically require considerable resources to resolve; involve significant numbers of people and/or fatalities; and attract substantial domestic and international attention. There can also be challenges responding in a timely manner across the full length and breadth of our SAR region due to its immense size. The Council continues to learn from nationally significant events and to consider potential actions to ensure we are best placed to respond.
Volunteer reliance	Risks exist around the long-term sustainability of the SAR volunteer model. The long-term viability of New Zealand's volunteer model is challenged by demographic changes, lifestyle changes and changes to the way New Zealanders are choosing to volunteer. The Council is implementing a Volunteer strategy to encourage a diverse range of volunteers over time.
Distress radio network	Distress radio network infrastructure, some of which is over thirty years old, has reached its end of life and requires replacement. Additionally, a critical system for the provision of this network will no longer be supported by the supplier after 2024. Funding for a replacement system will be required. Maritime NZ will be providing a business case to Ministers shortly to address these issues.

Distress radio network

34. Distress radio network infrastructure, which enables vessels to call for rescue, some of which is over thirty years old, has reached its end of life and requires replacement. Additionally, a critical system for the provision of this network will no longer be supported by the supplier after 2024. A replacement for this system will be required.
35. The Maritime NZ contract with the vendor who runs the Maritime Operations Centre (MOC) and maintains our radio equipment across New Zealand expires and will be renegotiated in the coming months. The Maritime NZ contract with the vendor expires in June 2025. The vendor has signalled significant cost escalation and is seeking an uplift across all aspects of the contract to meet these inflationary pressures. Maritime NZ will need additional funding to meet the increased cost of the contract.
36. In addition, the Department of Conservation has signalled that they will start charging concession fees for safety infrastructure Maritime NZ maintains on DOC land which is not something Maritime NZ can fund out of current baseline. The Government, via Maritime NZ, is required by international and domestic law to deliver critical safety services, specifically distress radio services which underpin recreational and transport activities.⁴ Failure to do so would:

⁴ (United Nations' International Convention on Search and Rescue; International Convention for Safety of Life at Sea (SOLAS) Chapter V – Regulation 5 – Provision of Radio Communication Services, and Chapter IV – Regulation 4 – Navigational Warnings and Regulation, 7 – Search and Rescue Services; Maritime Transport Act 1994, section 431 Functions of the Authority – (1)(e), Section 200 Navigational Aids – (1), and Section 435 Contracting out of Functions; Civil Aviation Act 1990 section 14b.)

- mean significant risk to life
- be a breach of domestic and international law and
- damage New Zealand's international reputation

How you can assist

37. As the SAR sector operates often without need for Ministerial intervention, it can risk being under Ministers' radar. It is important that both the Associate Minister and Minister of Transport are key advocates for the sector, ensuring that defence, ambulance, and other assets can be used for SAR purposes, ensuring appropriate funding, and in the case of larger SAR incidents knowing and conveying how the sector operates.

38. Important decisions will be considered in the coming months regarding the Emergency Management sector, including the SAR sector's role in it. SAR funding will be considered later this year and the source of the sectors funding the following year. These decisions will be critical to the ongoing viability of the sector.

39. We also see opportunities for more productive relationships with ACC, Tourism and Health.

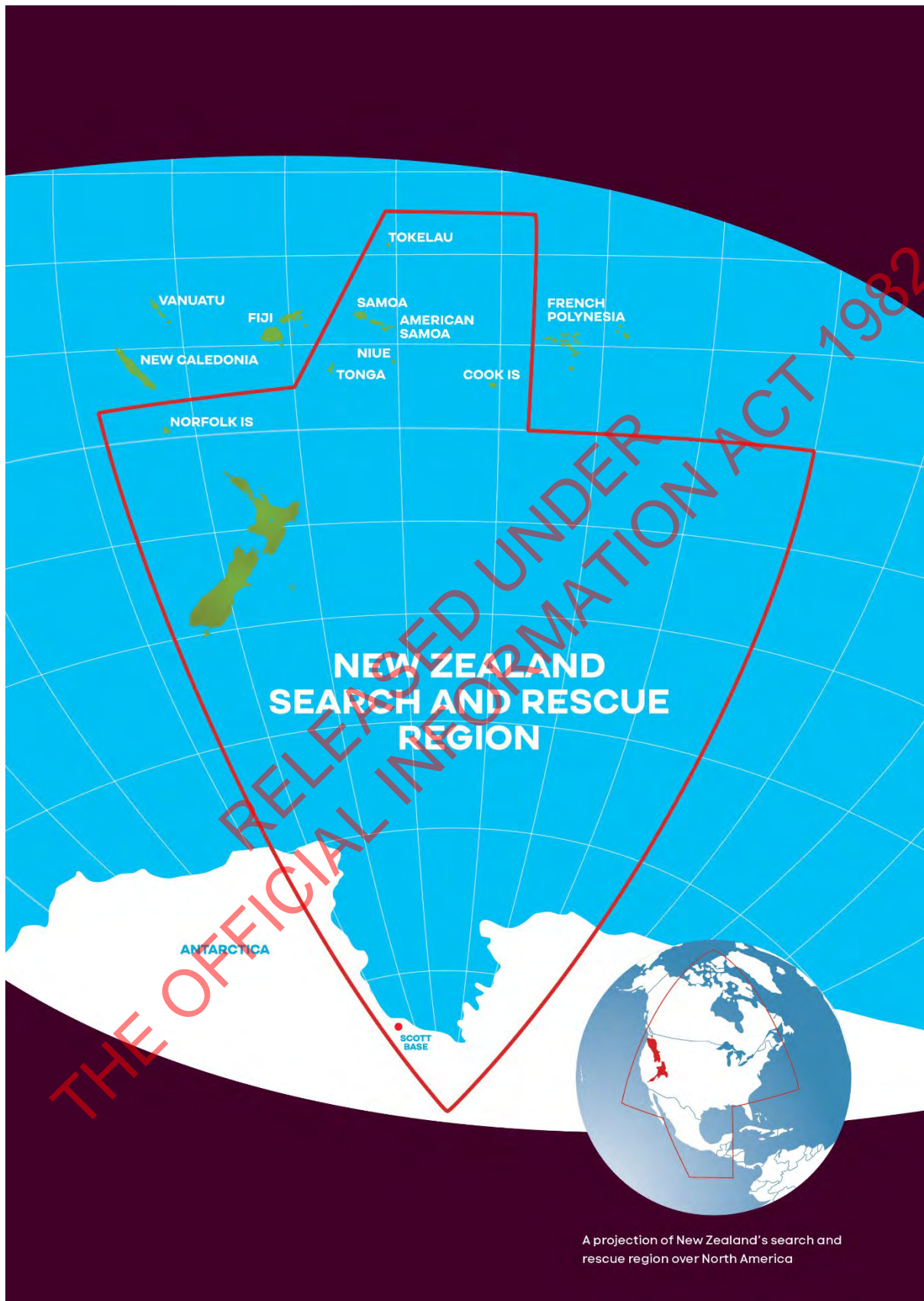
Annexes:

1. New Zealand's search and rescue region
2. SAR resources by location
3. SAR incidents across New Zealand 2022/23

Attachment: New Zealand Search and Rescue Annual Report 2022/2023

Attachment is publicly available here <https://nzsar.govt.nz/about-us-2/annual-reports/>

Annex 1. New Zealand's search and rescue region



Annex 2. SAR resources by location



Annex 3. 3,469 SAR incidents across New Zealand 2022/23

Where we do it

SAR incidents across New Zealand



1,870
On land

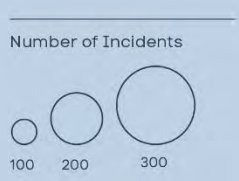
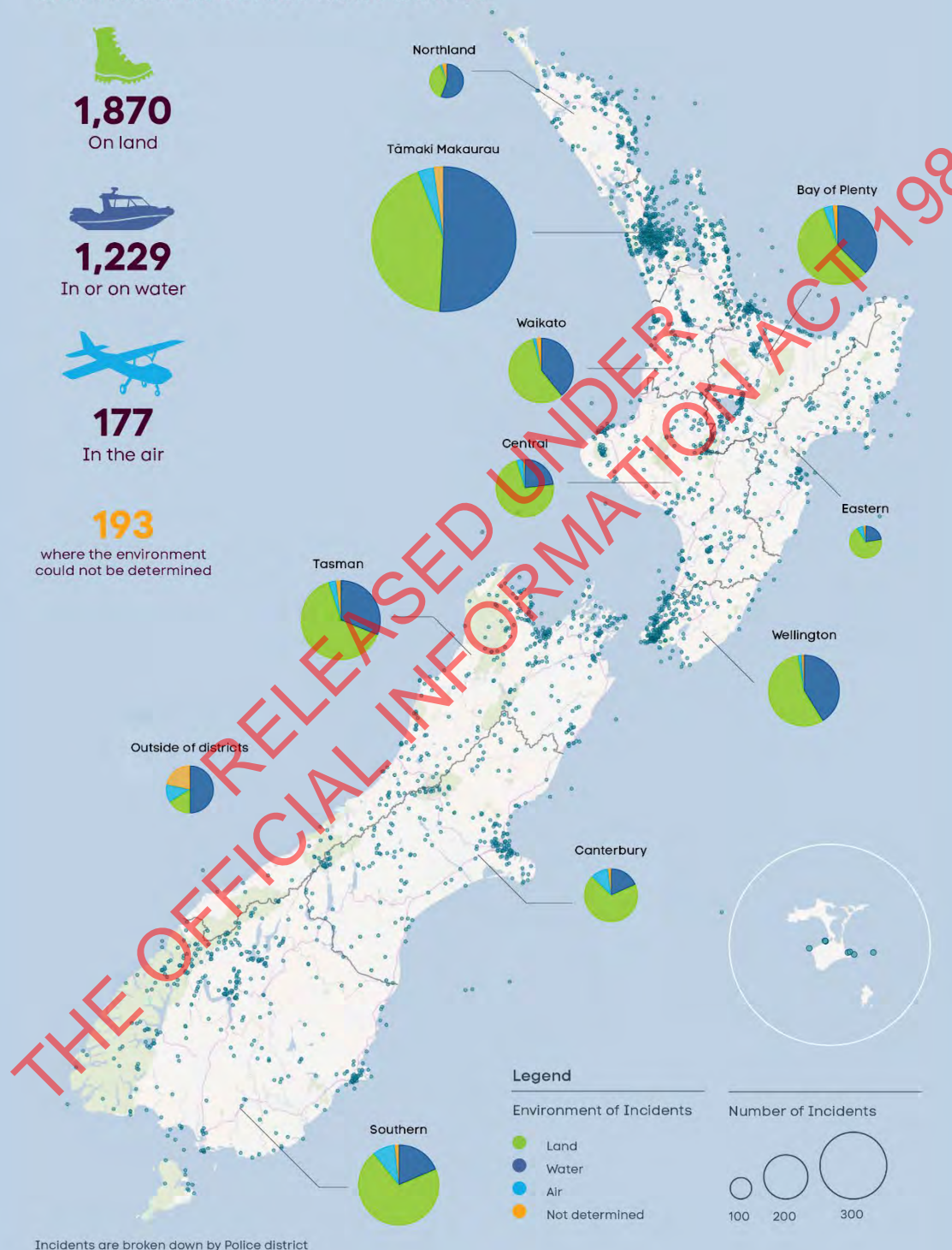


1,229
In or on water



177
In the air

193
where the environment
could not be determined



THE OFFICIAL INFORMATION ACT 1982

18 April 2024

OC240362

Hon Simeon Brown
 Minister of Transport

MEETING WITH WELLINGTON INTERNATIONAL AIRPORT

Snapshot

You are meeting with Wellington International Airport's Chief Executive, Matt Clarke. This briefing covers issues Wellington International Airport has put on the agenda for the meeting.

Time and date	11-11.30am, 23 April 2024.
Venue	Wellington International Airport.
Attendees	Matt Clarke, Chief Executive.
Officials attending	Tom Forster, Manager, Aviation and Maritime.
Agenda	Mount Victora/Basin Reserve roading improvements, airfares and decarbonising aviation.
Talking points	Talking points are attached.

Contacts

Name	Telephone	First contact
Bronwyn Turley, Deputy Chief Executive, Regulatory	s 9(2)(a)	✓
Ken Hopper, Senior Licensing Adviser		

Meeting with Wellington International Airport

Key background

- Wellington International Airport Limited (the Airport) is jointly owned by Infratil (66 per cent) and Wellington City Council (34 per cent).
- In the 2023 financial year, the Airport handled close to 4.7 million domestic passengers and 563,500 international passengers.
- In the same period, the Airport made a net profit after tax of \$25.2 million.
- The Airport reports that it generates economic output of around \$2 billion, supporting 11,000 jobs.

The Airport supports an additional Mount Victoria tunnel and improvements to the Basin Reserve

- 1 The Airport has continually expressed support for an additional Mt Victoria tunnel and improvements at the Basin Reserve, as supported by its polling which showed strong local support for these at 76 per cent and 81 per cent in favour respectively.

2

s 9(2)(ba)(i)

3

4

s 9(2)(g)(i)

The Airport supports more transparency and monitoring of airfares

- 5 In his post-election letter to you, Mr Clarke noted the need for more transparency and monitoring of airfares for consumers, given airfares have increased notably in recent years. Mr Clarke further noted that unlike other countries, there is very little data available to the public on this in New Zealand.

- 6 The New Zealand Airports Association (NZ Airports), the representative body for New Zealand's airports, has noted that the greatest growth constraint on domestic connectivity is the domination of Air New Zealand, with 86 per cent of the market. Although smaller airlines operate on niche routes, NZ Airports has commented that the commercial practices and sheer scale of Air New Zealand makes it difficult for them to grow beyond these.

- 7 NZ Airports argues this lack of competition in the domestic market has contributed to increasing airfares (up an average of 34 per cent compared to last year)¹ which has a dampening effect on demand, particularly in the regions. Cancellations and a deterioration in on-time performance have also contributed to lower confidence from regional travellers.
- 8 NZ Airports is calling for domestic airfares and airline performance to be disclosed to provide greater transparency for consumers, amid record-high domestic fares.
- 9 The Civil Aviation Act 2023 enables regulations to be made requiring information disclosure by aviation sector participants, including passenger rights and performance data. Disclosing data could help increase transparency to aid consumer choice and place downward pressure on airfares. However, given limited competition in the domestic market, many customers will not be able to make alternative choices. Airlines, including Air New Zealand, have previously raised concerns about disclosure of this type of information as they view it as commercially sensitive.
- 10 The Ministry will report to you on options for aviation sector performance data, and the potential for airfare disclosure, as part of your aviation priority programme.

Aviation decarbonisation

- 11 Domestic aviation accounts for approximately six per cent of New Zealand's CO₂ emissions. A collaborative effort from government and industry will be necessary to decarbonise this sector.
- 12 Several different new technologies are being explored by the industry to reduce emissions. It is likely that a combination of technologies will be needed. This includes Sustainable and Synthetic Aviation Fuels (most likely targeting long-haul flights), liquid hydrogen (most likely targeting main domestic and potential trans-Tasman routes), battery-electric (only likely to be appropriate for short haul/regional flights due to power to weight limits of batteries), and hybrid approaches.
- 13 Airport infrastructure requirements to account for these technologies will be many and varied. They might include onsite charging infrastructure (and associated connections to the electricity system), fuelling and fuel transport infrastructure for new fuels like hydrogen, and potentially onsite energy and fuel generation.
- 14 The Airport is working closely with airlines on plans for electric aircraft and alternative fuels. The Airport recently partnered with three businesses to trial using hydrogen in an aviation setting for the first time in New Zealand.
- 15 The trial saw the three businesses² join forces with the Airport to trial using hydrogen to charge Air New Zealand's electric tugs and service vehicles at the Airport.
- 16 The trial will help assess the viability of hydrogen for charging and give a good insight into the operational challenges and opportunities for all involved.
- 17 The Airport participates in Sustainable Aviation Aotearoa which is examining the potential future infrastructure requirements for zero carbon aviation.

¹ Air New Zealand dispute this figure as not including online and Grabaseat airfares.

² Air New Zealand, Toyota New Zealand and Hiringa Energy.

- 18 On 17 April 2024, Air New Zealand, the Airport and Marlborough Airport jointly announced that the airline will commence, in 2026, cargo-only flights for NZ Post between Wellington and Blenheim using an all-electric ALIA CTOL aircraft. Mr Clarke is quoted:

Partnering with Air New Zealand to host the commercial demonstrator is a giant leap for sustainable aviation, providing the basis for all airports to prepare for the next generation of aircraft technology. Our team put their heart and soul into the hosting bid and that same energy will now be focussed on getting this service off the ground.

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Biography



Matt Clarke, Chief Executive

Matt has over 20 years' experience in the airport industry, during which time he served as the Chief Executive of Rotorua Airport, before joining Infratil's airport team in Europe. He has been at Wellington Airport since 2010 as Chief Commercial Officer, before taking over as Chief Executive in 2022. Matt holds a Bachelor of Commerce degree from the University of Canterbury, and has completed post-graduate studies at Melbourne Business School and the New Zealand Institute of Directors. Matt is also Chair of the New Zealand Airports Association.

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Annex 1: Talking Points

MEETING WITH WELLINGTON INTERNATIONAL AIRPORT

Mount Victoria / Basin Reserve roading improvements

- I appreciate your support for the additional Mt Victoria tunnel and Basin Reserve improvements. It is also good to see the level of local support your polling has demonstrated for these projects.
- You will have seen my recent announcement that, while planning continues on the duplicate Mt Victoria tunnel and Basin Reserve project, the Government has also asked NZTA to consider and provide advice on a Long Tunnel option.
- The Long Tunnel option has the potential to deliver up to 15-minute travel time savings between the region and Wellington airport, compared to around 2-3 minutes for the current parallel or diagonal tunnel proposals at Mt Victoria and the Basin.
- I'm looking forward to receiving advice from NZTA on the technical feasibility, cost, and funding and financing options for all tunnel options.
- NZTA will seek Wellington Airport's input once further work on the project begins in the second half of 2024.
- I welcome your thoughts on these projects, and on how we could improve public transport to the airport.

Airfares

- When the Civil Aviation Act 2023 comes into force next April it will enable regulations to be made requiring information disclosure by aviation sector participants, including airfares, passenger rights and performance data.
- I am interested in your views about the priority and likely impact of disclosure of airfares, given the limited competition in the domestic market.

Decarbonising aviation

- I am particularly interested in the hydrogen trial that was undertaken at Wellington Airport
- What are the key findings of the trial?
- What are the challenges and opportunities that were identified?