

**“It was a big job, and it required men that could think a mile high and three thousand miles long”**

**Johnny Cash, Riding the Rails, 1974**

**“There is more to be done than to make figures to show whether the railways are paying or not. You have to take into account consideration the areas to be tapped and the development of the country through which the railway passes ... instead of that, people bought and sold land and they got rich: and it was almost painted on the clouds the railways were not paying.”**

**Michael Joseph Savage – Evening Post 10 June 1938, 10.**

## **1. Introduction**

This submission to the Transport and Infrastructure Committee of the New Zealand Parliament on the **Inquiry into the future of inter-regional passenger rail in New Zealand** is from Heriot-Edievale Limited and has been prepared by its Director, Michael van Drogenbroek. The submission in its totality looks at a framework for development of inter-regional passenger rail across all of New Zealand. This submission is to be read in conjunction with the PDF file:

***“Inter-Regional Rail Inquiry Submission (Heriot-Edievale October 2022)”***

Heriot-Edievale is strongly supportive of the terms of references as outlined on the Parliamentary Select Committee website. We emphasise that any in-principle support for options outlined in our submission does not mean we expect passenger rail services to be delivered without going through a robust business case process to ensure value and delivery risk assessment that includes a comparison of all delivery models.

As in any transport project, this is critical to success of economic, and ultimately the sustained social wellbeing of the nations people. This is especially the case in an uncertain World that is subject to major Climate Change risks (Climate Emergency), Covid-19 that is still in its pandemic phase, one with rapidly changing Geo-political risks, and at a time of rapid technological progress that results in material uncertainty as to what New Zealand’s future is. However, despite these aforementioned risks, we believe it is time for New Zealand to stand up and have a vision as an ambitious nation. We see inter-regional rail as a key part of that ambition and a way of mitigating some of the systemic national and international risks we face.

**Important Note:** This submission also contains a technical case study *“Rail and Infrastructure Changes to Make Rail Work (Tauranga - Hamilton – Auckland)”* on pages 41-53 of the attached document that is to be read in conjunction with this submission. This case study has been developed in concert with a group of community-focussed professionals who are interested in investigating a co-operative approach as a potential delivery model for planning, funding and operating a passenger rail service, specifically between Tauranga and Hamilton (with onward connections into Auckland via the Te Huia service).

The technical case study relates to matters that impact implementation requirements on introducing passenger rail services to the Auckland-Waikato-Bay of Plenty corridor and can be read as a standalone document; however, we would encourage the committee to consider its

contents in conjunction with submissions from **Tarakin Global** and **Making Rail Work**. The principals of these organisations have been key partners in this specific case study undertaken.

The **Tarakin Global** work offers a potential framework (Cooperative model) for delivery of the service. The **Making Rail Work** submission discusses Community Engagement and Empowerment matters to take this forward.

Primarily the work of all three organisations in relation to their own submissions that includes the **Heriot-Edievale** case study sub section submission, unlike Heriot-Edievale’s overall submission, is focused on a specific rail proposition just for the Golden Triangle (Auckland-Waikato-Bay of Plenty). However, it does have scope and growth potential for wider application across Aotearoa New Zealand.

## **2. Inquiry Terms of Reference**

Below are the Inquiries terms of reference as outlined on the parliamentary website. To see our submissions comments on each of these terms, kindly refer to the page references that relate to the attached file:

“Inter-RegionalRailInquirySubmission(Heriot-EdievaleOctober 2022)”

1. Investigating possibilities and viability of passenger rail in underserved communities, those with prior rail links that have been disestablished, and those currently advocating for improved rail links;  
*Refer pages 25-35 of attached presentation document*
2. Gaining insights into viability of passenger rail sitting alongside KiwiRail’s freight network;  
*Refer pages 50-51 of attached presentation document*
3. Evaluating existing inter-regional passenger rail, such as the Capital Connection, and how these services work between local and regional councils and central government;  
*Refer pages 21-23, 46-47, 50-51, 55 of attached presentation document*
4. Gaining insights into the integration of regional rail into existing local public transport networks;  
*Pages 39-40, 46-47, 50-51, 55 of attached presentation document*
5. Investigating the climate and emissions reductions possibilities of passenger rail, and how this links to VKT (vehicle kilometres travelled) reduction targets in the Emissions Reduction Plan, and including electrification between regions; and  
*Pages 18-20, 45 of attached presentation document and point 10 below under Key points of submission*
6. Investigating potential rail expansions and investments in specific areas, such as Tauranga (following a recent report on the re-introduction of passenger rail) and the Lower North Island (following a business case funded at Budget 2021).  
*Pages 24-35, 41-56 of attached presentation document*

### 3. General Comment on Further Development of Inter-Regional Passenger Rail

The attached presentation, with embedded articles, provides clear evidence that there are plenty of opportunities for regions to pursue inter-regional passenger rail, if there is strong political and senior officer leadership coupled with a willingness to work across regional borders.

We would also like to see much stronger links between transport and spatial planning, with intensive development areas around potential passenger rail stations being given much greater emphasis in the future Regional Spatial Strategies (RSSs) for the Golden Triangle and other regions across New Zealand.

### 4. Key points of submission:

1. That National Public Transport planning, funding and delivery functions need development for better integration with that for Regional Public Transport (Metro) functions where feasible and practical.
2. We recommend **a National Public Transport Planning Agency be formed** to develop integrated Nation-Wide Public Transport plans, in conjunction with current regional transport agencies such as AT (which would retain independence locally as far as practical to meet their regional needs and aspirations). This would make planning, funding and delivery of Inter-Regional rail, buses and ferries nationally cohesive
3. That regional involvement is critical to keep planning attuned to local needs but with a national lens (currently lacking) needed to Connect Communities nationwide with nationally Integrated PT networks – this includes national integrated ticketing currently under delivery
4. That affordable fares are needed to encourage modal shift, user uptake and recognition that this requires direct subsidies to sustain and develop services as in other public transport
5. That continuous staged improvements to inter-regional rail over 10 to 30 years be undertaken as resources permit but with an eye to a Vision of continuous build up – Golden Triangle first followed by Lower North Island, National Connector services, South Island etc. This is especially the case in relation to rail infrastructure development such as line speed / electrifications
6. That Rolling Stock selection, as much as possible, be to national standards with regional adaptation as required e.g. DMU, Bi/Tri Mode new fuel technologies – resulting in procurement benefits and synergies of delivery
7. That a rolling programme of Electrification extension on the Pukekohe - Hamilton - Tauranga be a priority enabling EMU's ultimately on that corridor
8. That a compelling case for stakeholders to get funding approval and delivery is required. Whilst a 10-30 year plus vision there is no better time to start than now
9. That direct capital funding sources, and delivery timeframes, that include international partners, Export financing, wet leasing from rolling stock manufacturers etc be investigated
10. That Funding regimes could include: User farebox based on affordable fares, Land Value Uplift Capture, TOD's, NZLTF, fuel taxes and general taxation, local

body rates as at present, overseas funding partners, Community based partnerships (Co Ops), population growth increasing funding base, capital release by individuals from less private car ownership models significantly reducing car vehicle kilometres as people convert to more PT use as it becomes more viable and attractive

11. That various delivery models incl. franchising, concessions, national operator (like VLine in Vic. Australia), should be explored
12. That Passenger Rail isn't needed on all lines that exist – public buses for many routes should be encouraged as a cost-effective alternative were more practical
13. That Rails key advantages should be leveraged off e.g. More direct routes, faster corridors, key population corridor flows, average speed more important than top
14. That non-partisan political support / consensus building to avoid political football of rail from the past be established as much as possible to ensure national vision sustained
15. That Rail and PT industry delivery / structure reform including further detail on KiwiRail's operating model as it is / accountability / value for money be examined closely
16. That Rail and Infrastructure Construction industry delivery capability, together with Rail delivery knowledge, be developed in New Zealand enabled by a pipeline of projects with certainty for industry participants commitment
17. That an Academy of Rail be established to build rail competency and knowledge that is resident in New Zealand relying less on overseas
18. That this is not just a Here & Now issue and that we need to think outside the box and that ambition and new thinking is required!

*" The railroad track is miles away,  
And the day is loud with voices speaking,  
Yet there isn't a train goes by all day  
But I hear its whistle shrieking.  
All night there isn't a train goes by,  
Though the night is still for sleep and dreaming,  
But I see its cinders red on the sky,  
And hear its engine steaming.  
My heart is warm with the friends I make,  
And better friends I'll not be knowing;  
Yet there isn't a train I wouldn't take,  
No matter where it's going. "*

*Edna St. Vincent Millay in her poem "Travel", 1921*