

# New Zealand on a new journey

The Australasian Railway Association has released the Aotearoa Strategy 2023-2028 – its five-year strategic plan to foster a productive, efficient and thriving New Zealand rail industry.



Caroline Wilkie, Chief Executive Officer, Australasian Railway Association

The blueprint centres on five strategic objectives and complements the Government's New Zealand Rail Plan 2021 and the increased investment in both freight and passenger rail.

The ARA is committed to working with the NZ Government and industry to increase the use of freight and passenger rail by providing a deeper understanding of customer expectations, and supporting reforms to improve the safety outcomes and the regulatory environment for rail.

Our Strategy was launched in Auckland in November 2023, and offers a great opportunity to bring industry together to further collaborate on ways to increase rail's share of the broader transport network.

It is a vision for where the New Zealand rail industry would like to position itself by 2028, with several key milestones identified for 2023-24 to support progress towards this goal.

The Strategy will underpin efforts to promote the significant benefits rail has to offer the New Zealand community and economy, and support the important role it plays in the decarbonisation of transport.

The ARA is focused on the issues that are a priority for the entire rail industry, whether in freight, passenger or construction.

Over the past two years, we have benefited from more New Zealand rail businesses joining and actively participating in the ARA, which has provided an opportunity for deeper engagement on key issues facing the local industry.

The Strategy was developed following a workshop held in June 2023, involving almost 40 leaders from across industry and government on how to better coordinate and unite the industry to improve the long-term future for rail.

There was considerable enthusiasm and sharing of information at this very valuable workshop, which then led to the formation of the Strategy.

Historically, the New Zealand rail industry faces a multifaceted set of challenges, ranging from geographical constraints and competition to infrastructure maintenance requirements and regulatory complexities.

Its rugged terrain, which increases the cost of construction, and small population has made it harder to expand the rail network.

It also faces many of the same issues as Australia, such as a critical need to increase diversity in its workforce.

Infrastructure resilience is key to a strong rail industry for the future, which is essential to meeting the country's transport needs.

Much of the rail network in New Zealand dates back several decades. Continuing to modernise the rail system to support the country's growth is essential to enhance the industry's efficiency, safety, and overall competitiveness over time.

New Zealand is in the midst of a transformation of its rail network, supported by an unprecedented level of investment to help achieve this goal.

The ARA was pleased to see the 2023 Budget deliver KiwiRail NZ\$569.2 million to upgrade, modernise and improve resilience

of NZ rail infrastructure, up to NZ\$200m for rebuilding damaged North Island rail lines, and NZ\$10m for further rail electrification in the North Island.

The City Rail Link in Auckland, due to be completed in November 2025, will also be a game-changer for Auckland and help ease traffic congestion in the city.

As this period of investment continues, the Strategy will guide the development of an evidence base to support ongoing investment, highlighting the importance of infrastructure resilience, as well as look at ways to strengthen career pathways into rail, grow capability and improve diversity.

The five strategic objectives under the Aotearoa Strategy are:

1. A compelling mode of choice for passenger and freight
2. Customer focused by providing safe, seamless and connected journeys
3. A recognised and valued contributor to transport decarbonisation
4. Strengthened industry with a clear infrastructure investment pipeline, balancing urban and regional requirements
5. An innovative and dynamic industry, supporting a growing, skilled, and diverse workforce

To support the Strategy, the ARA will establish a new committee for the New Zealand rail industry, headed by KiwiRail Chief Executive Officer Peter Reidy and Transdev Chief Operations Officer Australia and NZ Peter Lensink, who are both ARA Board members. We

have also established an industry group that will be open to all stakeholders.

The work of the ARA is more important than ever in demonstrating the value of rail and to support continued investment in the industry, with a focus on mode shift and sustainability.

The ARA plans to conduct further research to highlight the significant economic and community benefits rail has to offer New Zealand, as well as explore the future skills, diversity, and capability requirements needed to support the local industry.

We will also do more research on the skills environment in 2024 to get a better understanding of the New Zealand rail workforce's skills profile and capability.

In addition, the ARA hopes to expand its Rail Industry Worker (RIW) program into New Zealand to assist in the harmonisation of the Australian and New Zealand rail industry.

RIW has been very successful in Australia and now has more than 97,000 cardholders, many of which are from companies that also operate in NZ.

The RIW program is the only national program of its kind in the Australian rail industry, making it easier for rail workers to move between projects and across state borders.

It provides a single source of truth to record an employee's qualifications, access requirements and fitness to work.

We have started discussions with NZ companies on the RIW program and we look forward to seeing how we can offer this support to them to boost efficiency and productivity.

The ARA will also contribute to reforms to

improve the safety outcomes and regulatory environment in the New Zealand rail industry.

This will include consultation with Waka Kotahi and industry, including shared learnings from Australia's regulatory arrangements.

The New Zealand rail industry faces several other challenges.

It will be critical that the industry has a long-term and transparent pipeline of rail projects for the supply chain to invest.

This should be shaped by collaboration between industry and government, be informed by data to support a long term focus, and appropriately balance urban and regional needs.

There is also a growing focus within the industry to reduce its carbon footprint further, implement sustainable practices and invest in cleaner technologies.

Rail has long been a sustainability leader, providing low emissions transport options and supporting the sustainable development of our cities and towns.

Highlighting the industry's ongoing work to further build on these efforts will remain a key focus.

We are optimistic that the Aotearoa Strategy 2023-2028 will be the starting point for a new journey in rail for New Zealand for improved resilience and efficiency and a more modernised industry for the future.

We look forward to working with the NZ Government and industry to ensure the infrastructure pipeline is fit for purpose and supports a sustainable local supply chain for a future-proofed rail industry.



The Strategy will be the starting point for improved resilience and efficiency in New Zealand rail.



The ARA plans to expand its Rail Industry Worker program into New Zealand.