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## **Let's look at the true cost of abandoning Auckland's port**

Before any decisions are made about shutting down Auckland's port and moving its tasks to Northland, it would be good to look at the facts, says Road Transport Forum (RTF) chief executive Nick Leggett.

Two reviews from economic analysts, released today by Ports of Auckland, show the real costs associated with moving it. In its analysis, Castalia says the cost of moving it is \$6.7 billion in present value terms. That is almost four times higher than EY's predicted net cost of \$1.8 billion that has been used to sell the idea.

"This blows the cost-benefit ratio touted by supporters of the port move out of the water," Leggett says.

"It's clear that making Northport, in Northland, the main port for Auckland, will require massive investment in road and rail, and frankly, it makes little sense from either an economics or a logistics position.

"Everywhere else in the world, cities with major working ports embrace that prime real estate, but not here. For some reason, our Government thinks the port for our largest city should be 140km away at a port that is currently not developed for the task and does not have the road and rail infrastructure to support it.

"The NIMBYs want to keep the economic benefits of having cruise ships and their many passengers shopping and dining in Auckland, so the port has to remain in some capacity. It defies logic.

"Aucklanders are essentially kicking out the 'blue collar' industries because they don't like the look of them.

"But they need to be aware this will result in trucks clogging sub-standard roads from Northport to their ultimate destination – Auckland. That's estimated to be 500 additional truck journeys per day travelling between Auckland and Northport for container traffic only, with more if the car import business uses the road network.

"They also need to be aware that their imported goods might not be delivered when they expect them, because they are being sent to a port far away, to be shipped back to them by road.

"The Government is making promises to Northland that will be very hard to keep without a massive grab from tax payers and that will result in additional costs to every household. These costs will come from the extra journey time it will take

to ship goods for Auckland out of Auckland, and then back via road or rail or a combination of the two, because the 'last kilometre' is always by truck.

"With the billions of dollars that will be required to build the appropriate road between Auckland city and Northport, we are concerned no money would be left to spend on the rest of New Zealand's road network, which is in immediate need of investment.

"This report says the freight task is increasing and that the upper North Island is expected to account for most of New Zealand's population and economic growth over the next 30 years. Ports of Auckland has a 30-year plan, which gives it the capacity to handle the expected freight increases.

"Ports of Auckland is a critical piece of New Zealand's infrastructure and before any moves are made, it is essential to look at all the evidence and for decisions to be based on facts, not politics and empty promises to the people of Northland."

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**About Road Transport Forum New Zealand (RTF)**

RTF provides unified national representation for several regional trucking associations. RTF members include Road Transport Associations NZ, National Road Carriers, and NZ Trucking Association. The affiliated representation of the RTF is about 3,000 individual road transport companies which in turn, operate 16-18,000 trucks involved in road freight transport, as well as companies that provide services allied to road freight transport.

The road freight transport industry employs 26,600 people (3.0% of the workforce), has a gross annual turnover of \$6 billion, and transports about 70% of New Zealand's land-based freight measured on a tonne/kilometre basis.