

Meat Industry Association of New Zealand (Inc)

Submission to the New Zealand Transport
Agency on

Land Transport Rule: Vehicle Dimensions and
Mass Amendment [(no 2) 2009]

July 2009

**Meat Industry Association Submission on the Land Transport Rule: Vehicle Dimensions and
Mass Amendment [(No 2) 2009]**

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I: About the Meat Industry Association

1. The Meat Industry Association of New Zealand Incorporated ('MIA') is a voluntary trade association representing New Zealand meat processors, marketers and exporters. It is an Incorporated Society (owned by members) that represents companies supplying virtually all of New Zealand sheepmeat exports and all beef exports, producing 15 per cent of our nation's exports by value (26 percent of New Zealand's primary sector export revenue). The New Zealand meat industry earned \$5.5 billion in export revenue in the year ended May 2008.
2. MIA member companies operate approximately 80 processing plants dispersed throughout the country. The plants slaughter and process approximately 27 million lambs, 5.1 million sheep and 3.7 million cattle and calves each year. Ninety percent of this production is processed into value-added products. Approximately 1,200,000 tonnes or 86% of the production is exported to overseas destinations. Our affiliate members add to the depth of expertise available from the membership, with representation throughout the meat supply chain, including road and rail transport, shipping lines, ports, packaging firms, specialist product exporters, research and technology.
3. The Association advocates on behalf of its members and provides advice on economic, trade policy, market access, employment relations, business compliance costs and technical and regulatory issues facing the industry, with a particular focus on:
 - Food safety trends and developments in importing countries
 - Economic and trade aspects of market access to key overseas markets
 - Major public policy proposals that could impact on industry operations
4. The MIA is also the interface between the meat industry and government (i.e., it is the consultative body referred to in various New Zealand statutes, such as the Meat Board Act 2004, Meat Act 1981 and the Animal Products Act 1999).
5. The Association's mission is to:
 - Provide a forum for consideration of industry-wide commercial, human resource, marketing, and sanitary and zoosanitary issues; and
 - Provide the means of formulating a collective view on issues of industry wide interest, and of conveying that position to government, departments of state, trade bodies, and other appropriate external agencies and organisations.
6. A list of Association members is attached as Appendix 1.

II: Background

7. This submission is in response to the proposal by the New Zealand Transport Agency (NZTA) to make changes under the Act to Land Transport Rule: Vehicle Dimensions and Mass Amendment [(No 2) 2009]. This rule sets standards and requirements for vehicles, including their mass and dimensions.
8. In summary the proposals for change are to:
 - Increase maximum mass and certain dimension limits for vehicles operating up to 44 tonnes without the need for a permit.

- Allow road controlling authorities to issue “high productivity” motor vehicle permits for standard size vehicles to operate above 44 tonnes and up to 53 tonnes on specified routes that have been assessed by the road controlling authorities, with conditions of operation specified in the permits.
 - Allow high productivity motor vehicle permits for increased overall vehicle length and associated dimensions for vehicles to operate above or below 53 tonnes.
9. In developing the submission all MIA members and affiliate members were consulted and asked for input, although individual members may also make their own submissions specific to the view of their operations.

III: Executive Summary

10. The MIA supports the proposed changes to dimension and mass limits as they will have a positive effect on the meat industry through the decrease in costs and the increases in productivity that the new limits will allow.
11. The MIA supports the requirement for the trucks to have additional safety features and further training for the drivers operating under the proposed changes.
12. The MIA recommends that prescriptive routes are not defined on permits and consideration is given to an alternative system for instances where the max weight permitted is not carried for the whole journey.
13. The MIA recommends that permits be flexible and available from a centralised web based system and that users be consulted on the setting of (and changes to) fees.

IV: Submission

14. The MIA supports the proposed amendments as the proposed changes will improve operating efficiencies of our members by requiring fewer trucks to transport product, which in turn will decrease transport costs per tonne of product.
15. In particular cost savings to the export meat industry will be realised through being able to pack a greater volume of product into a container. This would reduce the number of containers required and thus the costs for; transport within New Zealand, sea freight, and transport in the importing country.
16. In addition there is the potential for the meat industry to make savings on compliance costs (per tonne of product) where documentation and inspection fees are per container.
17. The MIA supports the requirement for trucks operating with increased mass to have additional safety features as needed.
18. The MIA commends the NZTA for their commitment to work with the transport sector to ensure any driver education or training issues are addressed.
19. The MIA notes that permits may be route specific and that the road user charges would be paid upon the max weight permitted to be carried for the whole journey. For vehicles on what is a one way trip and with potentially multiple pick-ups or off-loadings, the additional road user charges could quickly erode the desirability / benefits of the programme (i.e. additional weight may be carried for only a very small portion of the journey).

20. The MIA recommends that permits need to be flexible to allow for variations when there are multiple pick-ups or off-loadings or regular route changes, such as in the case of livestock transport. Permit flexibility would minimise costs (for issuers and users) by decreasing the administration required and the number of permits.
21. The MIA recommends that consideration be given to a system that provides equitable road user charges in instances where the max weight permitted is not carried for the whole journey.
22. The MIA recommends that permits should be available electronically from a web based system as many transport operators serving the meat industry are not based in major urban areas.
23. The MIA recommends that permits be available from a centralised authority to avoid the requirement for multiple permits when journeys traverse the boundaries of issuing authorities.
24. MIA note that the proposal expects overall costs for the permit-issuing process and route assessments will be covered by the fees charged (user-pays). To ensure that these charges are transparent, fair and equitable to those incurring the costs, MIA recommends that the New Zealand Transport Agency (or appropriate government agency) consults on the setting and changing of fees with the representatives of transport operators. (Note that this is the mechanism used for setting cost recovery fees by the New Zealand Food Safety Authority.)

V: Concluding Remarks

25. The MIA supports the proposed changes to dimension and mass limits as they will have a positive effect on the meat industry through the decrease in costs and the increases in productivity that the new limits will allow.
26. The Meat Industry Association thanks NZTA for the opportunity to comment on this submission paper.

VI: Contact Details

27. For any queries relating to this submission, please contact Kevin Cresswell DDI 04 495 8377 or email Kevin.cresswell@mia.co.nz

Meat Industry Association of New Zealand (Inc)

24 July 2009

VII: Appendix 1: Association Members and Affiliate Members as at 1 September 2008

Members
Advance Marketing Ltd
AFFCO New Zealand Ltd
Alliance Group Ltd
ANZCO Foods Ltd
ANZCO Green Island Ltd (ANZCO group)
ANZPAC Foods Ltd
APJ Meats Ltd
Auckland Meat Processors Ltd
Ballande New Zealand Ltd
Bernard Matthews New Zealand Ltd
Blue Sky Meats (NZ) Ltd
Canterbury Meat Packers Ltd (ANZCO group)
Columbia Exports Ltd
Crown Marketing Ltd (ANZCO group)
Crusader Meats New Zealand Ltd
Davmet New Zealand Ltd
Fern Ridge Ltd
Frasertown Meat Company Ltd
Garra International Ltd
Greenlea Premier Meats Ltd
Harrier Exports Ltd
Horizon Meats New Zealand Ltd (wholly owned subsidiary of Blue Sky Meats (NZ) Ltd)
Lamb Packers Feilding Ltd (wholly owned subsidiary of Bernard Matthews NZ Ltd)
Land Meat (NZ) Ltd (AFFCO group)
Lanexco Ltd
Lean Meats Oamaru Ltd
Lowe Corporation Ltd
Mathias International (Mathias Meats NZ Ltd)
New Zealand By-Products
Pilot (NZ) Ltd
Progressive Gisborne Ltd (wholly owned subsidiary of Bernard Matthews NZ Ltd)
Progressive Meats Ltd
Riverlands Ltd (ANZCO group)
Silver Fern Farms Limited (previously PPCS LTD)
South Pacific Meats Ltd (AFFCO group)
South Pacific Meats - Malvern (AFFCO group)
Tara Exports Ltd
Taylor Preston Ltd
Te Kuiti Meat Processors Ltd
Towers Thompson (New Zealand) Ltd
Universal Beef Packers Ltd (UBP)
Wallace Corporation Ltd

Affiliate Members
AgResearch-MIRINZ Centre
Aon New Zealand Limited
Axis Intermodal (Ports of Auckland Ltd)
CentrePort Wellington
DeLaval Cleaning Solutions
Energy for Industry (ex Meridian Solutions)
GHD International
Hamburg-Sud New Zealand Ltd
Hapag-Lloyd (New Zealand) Ltd
Intralox Ltd
Maersk New Zealand Ltd
Millers Mechanical NZ Ltd
NZI Marine
Oceanic Navigation Ltd
Port of Napier
Port Otago Ltd
Port Taranaki Ltd (previously Westgate Transport Ltd)
Sealed Air (New Zealand), Cryovac Division
Vero Marine Insurance