

TE MATAU A MĀUI HAWKE'S BAY

AT A GLANCE

Our focus in Hawke's Bay is to help create a safer, more resilient land transport system. One that supports economic recovery and regional growth, maintains critical connections, encourages increased use of public transport, walking and cycling in Napier and Hastings and provides appropriate levels of service across all transport networks.

COVID-19 INSIGHTS AND IMPACTS

This section sets out the how the current pandemic might impact on land transport in Hawke's Bay. Significant levels of uncertainty remain regarding the scale and duration of COVID-19 impacts, particularly in the medium to long-term. We will continue to monitor and update as things change.

POTENTIAL IMPACTS ON KEY SECTORS

- Hawke's Bay regional economy is comparatively well-placed to recover from the pandemic, because of the scale of the primary production, healthcare and manufacturing sectors.
- The region is less reliant than others on international visitors, with domestic tourism contributing over ¾ of total tourism spend.
- The Hawke's Bay/Gisborne economies rely on temporary migrant employment, with above average use of migrant labour in the agriculture, horticulture and admin support sectors.

POTENTIAL IMPACTS ON EMPLOYMENT AND COMMUNITIES

- Under the slower recovery scenario:
 - Hawke's Bay's forecast fall in employment to 2021 (relative to BAU) is -5.3%, significantly lower than the national average of -6.7%³⁵
 - forecasts suggest employment in key sectors will return to close to BAU levels by 2025³⁵
 - impacts likely to be greater in urban centres because of greater focus on retail and service industries.³⁵
- Reduced international migration may impact on labour supply for some sectors, particularly primary production. This may create opportunities to re-deploy local labour.
- Population growth expected to slow, at least in the short to medium-term, given the region's reliance on net migration to drive growth.

- Hawke's Bay's economic performance comparative to other regions may lead to increased inward internal migration.
- Māori, Pasifika and youth are likely to experience the greatest impacts, particularly those in urban centres. An increase in youth not in employment, education or training (NEETs) is expected.

POTENTIAL IMPACTS ON THE LAND TRANSPORT SYSTEM

- Given the relative resilience of the Hawke's Bay economy, no significant changes are expected in the nature, scale and location of transport demand over the medium to long-term. The 10 year outlook remains largely unchanged.
- Maintaining safe and reliable connections to Napier Port and between Napier and Palmerston North remain critical to supporting recovery.
- There will be an ongoing need for transport services to support the COVID-19 recovery by improving access to employment and essential services for vulnerable communities.
- There will be ongoing pressure on transport revenue as a result of the COVID-19 lockdown levels.

REGION STEP CHANGES

IMPROVE URBAN FORM

Napier and Hastings are forecast to receive moderate levels of growth over the coming decades.

TRANSFORM URBAN MOBILITY

There are significant commuter trips between Napier and Hastings daily, with 93% of journeys to work being by private vehicle.⁵²

SIGNIFICANTLY REDUCE HARMS

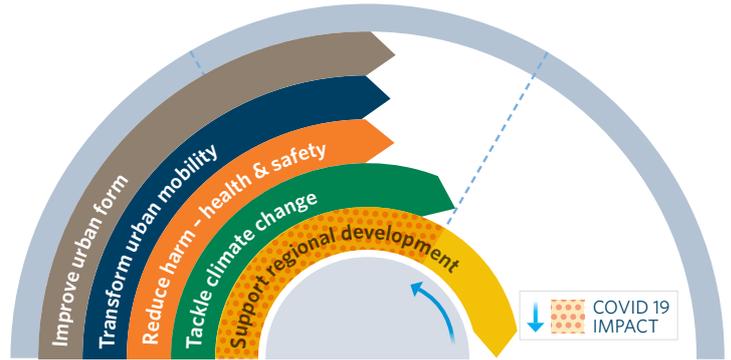
Hawke's Bay has a relatively poor safety record. Run-off road crashes, speeding, impairment and not wearing seatbelts are primary contributors.⁴⁷ Forecast growth in freight traffic could increase this. Focus is needed on the Napier to Hastings urban areas, SH2 between Napier and Waipukurau, and high-risk rural roads. In 2019 Wairoa District had New Zealand's highest levels of personal risk (measured as DSI/100MVKT) with particular issues around impairment and speeding.

TACKLE CLIMATE CHANGE

Sea level rise and more extreme weather events will increasingly impact communities and infrastructure, particularly in low-lying coastal areas. Already a low-carbon emitter, Hawke's Bay is well placed to focus on plans for a low-emissions economy.

SUPPORT REGIONAL DEVELOPMENT

The distribution of economic opportunities and growth is uneven across the region, with declining populations, high unemployment and low incomes in the north particularly.



SIGNIFICANCE OF STEP CHANGE TO REGION 2021-31

KEY

166,368
REGIONAL POPULATION²⁵

4%
OF NATIONAL VEHICLE EMISSIONS⁴⁸

10%
REGIONAL POPULATION GROWTH 2013-18²⁵

2.8%
OF NATIONAL GROSS DOMESTIC PRODUCT YEAR END MARCH 2018²⁶

3.5%
OF NATIONAL POPULATION²⁵ 2018

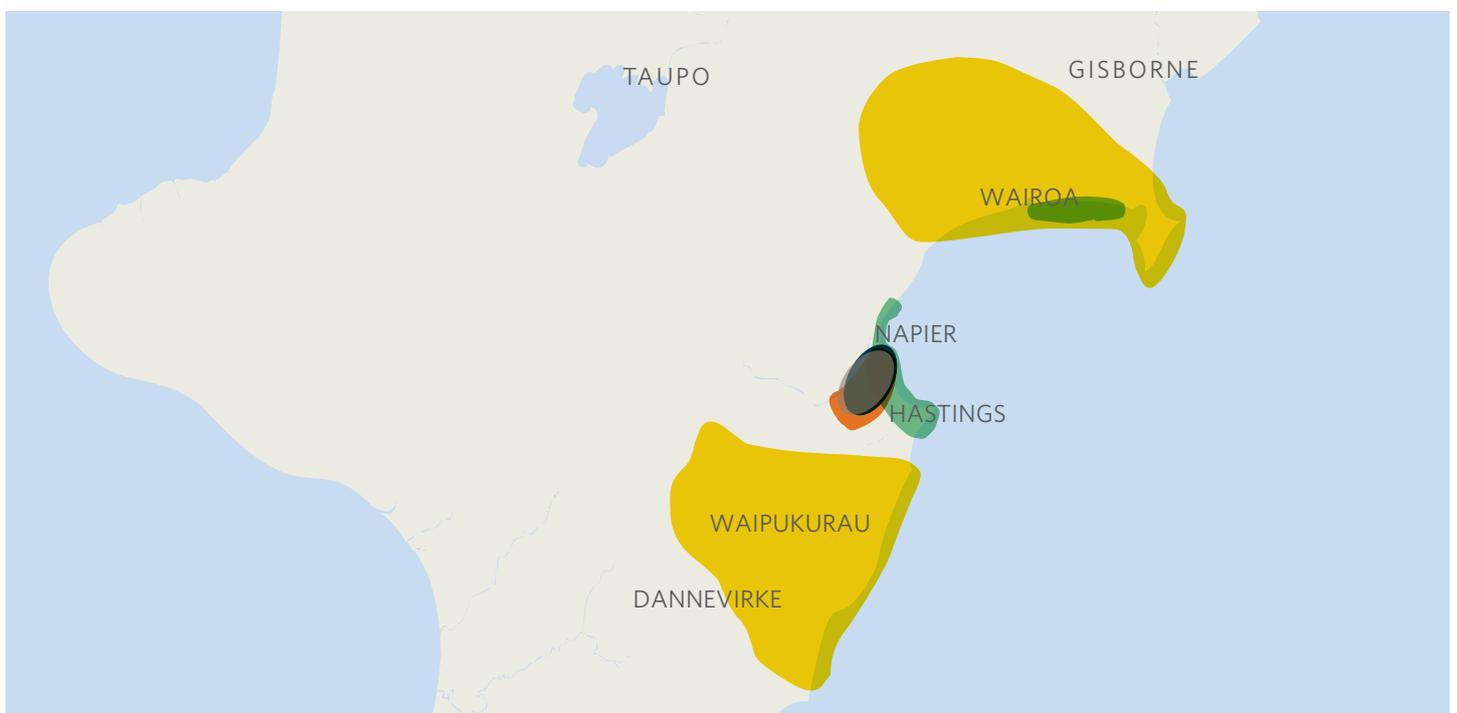
4.8%
REGIONAL UNEMPLOYMENT RATE

4.0%
OF NATIONAL DEATHS & SERIOUS INJURIES (DSI)⁴⁷

4.1%
NATIONAL RATE YEAR END JUNE 2019⁴⁹

120
TOTAL DSI⁴⁷ ANNUAL AVERAGE FOR PERIOD 2016-19

Pre COVID-19 data



HAWKE'S BAY TODAY

Because of the level of uncertainty of population and economic trends, *Hawke's Bay Today* has not been reviewed in detail for Arataki V2

HAWKE'S BAY IS HOME TO APPROXIMATELY 166,000 PEOPLE OR 3.5% OF NEW ZEALAND'S POPULATION.²⁵

Napier and Hastings together are home to nearly 80% of the region's population.³⁴ They are the main employment centres with primary production and processing jobs significant in the surrounding areas. Primary industries such as horticulture, wine, sheep and beef farming and processing are important for the region. Prior to the COVID-19 pandemic, tourism and export log volumes at Napier Port were forecast to grow, including cruise ships in summer and cycle tourism.

Hawke's Bay is a surge region, identified by the government as needing investment to support regional economic development. While Napier and Hastings are projected to experience some limited growth, Wairoa District in the north, and communities in the south of the region face ongoing challenges with static and declining populations. Communities in the north of the region have high unemployment and low incomes and face challenges accessing specialist

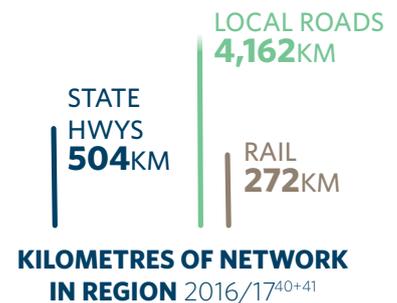
services located in Napier and Hastings. These are a number of natural hazard risks in the Hawke's Bay related to landslip, flooding, coastal inundation/erosion and earthquake/liquefaction. Significant rockfall issues along the entirety of Waioeka Gorge for both the Bay of Plenty and Gisborne/Hawke's Bay. The transport system across Hawke's Bay is dominated by private vehicle trips. While public transport usage is low, use of walking and cycling is slightly above the national average in the urban areas.⁶⁴

While the existing transport system has capacity to accommodate forecast growth, there is likely to be growing pressure on networks immediately surrounding the port because of increased heavy vehicle trips. The construction of Te Ahu a Turanga: Manawatū-Tararua highway project, the alternate road between Manawatū and Hawke's Bay, is important to supporting the safe, reliable and efficient movement of people and freight into the future.

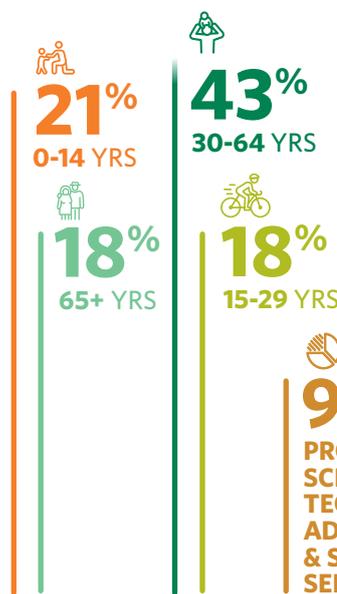
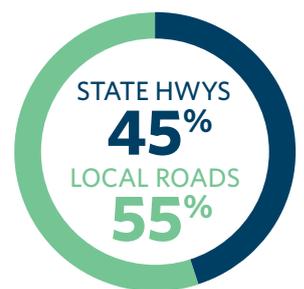
The rail network connects Napier Port to distribution hubs in Palmerston North and extends north to Wairoa. At present rail services are focused on freight movements, with container movements between Palmerston North and Napier Port. The line north to Wairoa is focused on transporting logs to Napier Port.

Matariki – Hawke's Bay Regional Economic Development Strategy and Action Plan has identified several areas where transport can help regional social and economic development. These include:

- supporting tourism: including potential improvements to SH38 through to Lake Waikaremoana to open up this key natural asset and improve the safety of tourists travelling through the area
- driver licensing and mentoring to support access to training and jobs.



PERCENTAGE OF KILOMETRES TRAVELLED 2016/17⁵¹



TOP 5 EMPLOYMENT SECTORS YEAR END MARCH 2018⁵³



HAWKE'S BAY TOMORROW

Prior to COVID-19, the region's population was projected to increase to almost 171,000 in 2043, with most of this growth in Napier and Hastings.²⁷ The majority of this growth was expected to come from net migration (rather than natural increase), so growth rates are likely to slow in the short to medium-term because of border restrictions. The Heretaunga Plains Urban Development Strategy provides for future growth and outlines a compact development plan as the preferred neighbourhood design in Napier and Hastings, which will help reduce long distance travel to access employment and essential services. The remainder of the region is forecast to experience low, static or declining population growth.²⁷

The percentage of people under 15 and over 65 is expected to increase by 2043. By 2043 over 30% of the populations of Napier and Central Hawke's Bay districts are projected to be older than 65 years, well ahead of the national average of 23%.²⁷ This shift is driving changing patterns of housing, support services and travel needs to help ensure that seniors remain socially connected and able to actively participate in their communities.

Coastal inundation and erosion which will be exacerbated by climate change and sea level rise along the coast. Whirinaki Bluff and Hawke's Bay Airport access subject to coastal erosion and long-term effects of climate change. The region provides important connections to the north and inland Palmerston North. There are several risks from land slips along these routes that could worsen over time with changing weather patterns.

The primary sector (and associated processing) is expected to provide the base for the Hawke's Bay region's COVID-19 recovery. Over the coming decade growth in production volumes is forecast for forestry, horticulture and viticulture. Sheep and beef farming and manufacturing are also important to the region's economy and expected to remain relatively stable during the recovery. Over the medium-long term this will lead to an increase in heavy truck volumes on the region's transport networks, particularly to the Port of Napier, which will experience increased freight volumes. Employment in services is growing in Napier-Hastings although this may slow in the short-term because of the impacts of the pandemic.

Napier Port is the largest port in the lower North Island and receives significant volumes of export goods from within the region and across the lower North Island. Maintaining safe and reliable access to the port will be important to supporting the economic recovery in the Hawke's Bay, Gisborne and Manawatu -Whanganui.

Rural communities will look for improved connections to Napier and Hastings for access to education, employment, and essential services.

Emerging technologies, such as on-demand shuttles, could provide a feasible shared transport option in the future to help people get around smaller towns and rural communities, and improve access to services in Napier and Hastings. Improved access to high-quality data and information will enable better management of the existing transport system to get the most out of existing infrastructure.

KEY SYSTEM INSIGHTS

- It is important that forecast urban growth in Napier and Hastings is managed in a way that reduces the need to travel to jobs and essential services, supports emission reductions and reduces dependency on private vehicles.
- There are opportunities to support walking and cycling. Rates of walking and cycling to work are above average, but public transport accounts for only 1% of trips.
- Expected growth of Napier Port over the medium-long term will place additional pressure on 'first and last mile' connections to the port gate, increase issues of safety, noise, dust and community relationships for areas near the port and adjacent to key access routes.
- The impacts of sea level rise are forecast to increase, while drier conditions, potentially combined with more intense storm events, could lead to increased problems with erosion and flooding. There are growing issues around stormwater management in low lying areas as a result of rising sea levels.
- Safe and reliable road and rail connections between Napier and Palmerston North are critical to supporting the region's economy.
- Transport can support improvements in regional development by improving access to employment, education, training and essential services for remote communities in the north and south of the region, and by supporting industry growth and access to visitor destinations.

FOCUS OF EFFORT: 2018-21

This section represents the existing commitments (eg the NLTP and NZUP). V2 has not been updated to include economic stimulus packages as that space continues to evolve.

Investment in the 2018-21 National Land Transport Programme is based around the importance of a transport system that is safe, well-connected and resilient, to enable the movement of goods, including to Napier Port and support growth in tourism.

In urban areas, investment is targeted to build on past walking and cycling investment in Hastings and encourage shifts from the use of private vehicles towards public transport and more active travel options. We will co-invest with our partners to provide safer and improved access to schools and training institutes, employment and essential services to create cities where people of all ages want to live, work and play.

Other highlights include investment in:

- Hawke's Bay Expressway
- SH2 Wairoa to SH5
- Watchman Road Hawke's Bay intersection upgrade
- SH5 Tarawera to SH2
- SH2 Pakipaki to Waipukurau
- SH2 College Road to Silverstream
- SH2 Tahaenui Bridge.



AREAS OF FOCUS: HAWKE'S BAY 2021-31

SUPPORT REGIONAL DEVELOPMENT (MEDIUM)

Hawke's Bay is a priority for regional development support because of the long-term challenges it faces, such as high unemployment and low incomes. It is a surge region identified by the government as needing investment to support regional economic development, particularly in Wairoa and Central Hawke's Bay. To support regional growth, improved access to education and employment, and to help raise living standards, we will:

- support the development of regeneration plans for towns and villages in Wairoa and the Central Hawke's Bay making them a great place to live, work and play
- support transport interventions that maximise industry development
- support freight initiatives that are multi-modal, efficient and safe
- support initiatives to increase visitor numbers, particularly in the north of the region
- support improvements in social and economic outcomes in areas of high deprivation, particularly improving access to employment, education and essential services for isolated communities.

TACKLE CLIMATE CHANGE (MEDIUM)

We will continue to work to understand the opportunities to support climate change adaptation and mitigation.

ADAPTATION

We will focus on:

- working with our partners and communities to prioritise interventions and responses to natural hazards in high-risk areas
- engaging in local planning processes to avoid infrastructure and development in areas at increased risk of natural hazards and effects of climate change
- enabling continuous improvement in network resilience through maintenance and renewals, and 'low cost/low risk' investments
- enabling quick recovery following disruption to the land transport system. Investigate options for alternate routes that are less likely to be impacted by sea level rise.

MITIGATION

We will focus on:

- engaging in local planning processes to ensure urban form and transport planning supports reductions in emissions, private vehicle travel and average trip length
- ensuring network design and operation makes the best use of existing transport systems to manage demand and reduce emissions by prioritising the move to public transport and low emission options, and actively managing speed, urban freight and congestion.

IMPROVE URBAN FORM (MEDIUM)

While our focus is on multi-agency partnerships in the largest and fastest growing urban centres, we recognise the potential for growth in and around Napier and Hastings to support safe and thriving cities, with increased access to public transport, walking and cycling options and reduced carbon emissions.

We will focus on:

- supporting delivery of the Heretaunga Plains Urban Development Strategy, particularly the target of locating 60% of growth within existing urban areas
- engaging in planning processes to ensure that new development:
 - enhances existing communities, making them a better place to work, live and play
 - supports an increase in active modes, including trips by foot, bike and e-scooter etc
 - reduces the need to travel long distances to access employment and services
 - results in lower emissions per capita
 - maintains or improves the safety and efficiency of the transport system and appropriately manages noise issues along the Hawke's Bay Expressway.

TRANSFORM URBAN MOBILITY (MEDIUM)

Projected population growth in the region will increase travel demand on the region's networks over the medium to long-term and provides opportunities to support increased use of public transport, walking and cycling. Our focus will be on supporting:

- improvements to walking and cycling networks, with a focus on providing safe and efficient access to and within activity centres and to schools, and linking existing infrastructure to provide connected networks
- public transport services, including on-demand services, where they give access to employment and essential services, are a more affordable transport option and help shape a more thriving city
- proposals to address the increasing need for services targeting mobility for senior residents
- exploration of opportunities for shared transport by employers and cycling because of good weather and terrain.

SIGNIFICANTLY REDUCE HARMS (MEDIUM)

SAFETY

Support implementation of *Road to Zero: New Zealand's road safety strategy 2020-2030* and associated *Action plan 2020-22*, and regional safety strategies, with a particular emphasis on:

- safety interventions targeting run-off road and head-on crashes on high-risk rural roads (rural roads are roads with speed limits >80km/h)
- target road policing and behaviour change programmes with a focus on alcohol and drug impairment, not wearing seatbelts and speeding
- speed management to provide safe and appropriate speeds on high-risk rural roads. Targeted use of safety cameras to reduce speeding.

HEALTH

Our approach to delivering better health outcomes, particularly the reduction of harmful emissions, will primarily be through initiatives that target other step changes, including improved urban form, increasing access to and use of public transport, walking and cycling, and efforts to reduce carbon emissions.

We will support future pandemic planning by drawing on our COVID-19 experience and initiative such as low-cost and temporary street calming and active transport projects that enable social distance while bringing health benefits from increased physical activity and reduced air emissions.

We will also continue to work to ensure that the noise impacts of transport are appropriately managed through a mix of land-use planning and mitigation works.

