

11 July 2025

Committee Secretariat
Transport and Infrastructure Committee
Parliament Buildings
Wellington
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Retail NZ submission: Inquiry into Ports and the Maritime Sector

1. Retail NZ is a membership organisation that represents the views and interests of New Zealand's retail sector. We are the peak body representing retailers across Aotearoa, with our membership accounting for nearly 70% of all domestic retail turnover. New Zealand's retail sector comprises approximately 30,000 businesses and employs around 227,000 Kiwis.
2. Retail NZ is pleased that the Committee is conducting this inquiry into ports and the maritime sector. Efficient and reliable ports and maritime activity are essential to the success of New Zealand's retail sector. High quality and reliable infrastructure, including ports and shipping, play an important role in delivering productivity growth and improving the general wellbeing of New Zealanders.

Retail supply chain challenges

3. New Zealand is a remote and isolated country. New Zealand retailers are highly reliant on imported products, from food to fashion, hardware to electronics.
4. The costs and supply of imported products are impacted by rising freight costs and international influences on shipping such as the conflicts in Ukraine and the Middle East.
5. Within New Zealand, retailers need to move imported and New Zealand products to stores around the country efficiently and quickly, especially when they are dealing with short shelf-life products such as fruit, vegetables and flowers.
6. New Zealand has distinctive challenges in distributing goods nationwide due to its geographical makeup, being:
 - long and thin, with large and treacherous straits between the three main islands
 - reliant on aging ferries to get items across those straits
 - subject to increasing costs at the ports
 - spread out and sparsely populated regions
 - mountainous, with hilly terrain between many populations
 - affected by weather events, which are becoming more extreme and frequent due to climate change.

All these factors cause supply chain challenges and price pressures.

7. Our most recent Retail Radar survey of Retail NZ members, released on 17 April 2025, found that 41% of respondents listed freight costs among their top five issues.
8. The Covid-19 border closures and consequent major disruptions to supply chains demonstrated the fragility of our supply chains. They also caused considerable stress and

financial hardship to retailers who were unable to provide their customers with essential items and everyday retail products from both New Zealand and overseas.

Importance of ports and maritime in NZ's resilience

9. We recommend that the Committee considers the ports and maritime sectors' role in emergency response and improving New Zealand's resilience. The Kaikoura earthquake showed the vulnerability of our roading network to natural disasters and the vital need to be able to provide alternative options for freight movement.
10. We also request that the Committee focuses on examining the ports and maritime sectors' role in supply chain continuity, especially for the Cook Strait ferry connection.
11. Ferries are an integral part of State Highway 1, in that they carry large volumes of freight. Therefore, intermodal connectivity, including reliable road and rail links to inland distribution hubs, is essential for efficient freight movement. Port infrastructure must be fit for purpose.
12. This inquiry comes as the port companies in Auckland and Tauranga, New Zealand's biggest ports, are planning significant price increases. These will inevitably be passed on to consumers, exacerbating the cost-of-living crisis being felt by many. This is of serious concern to retailers who can do little to avoid these cost increases.

Conclusion

13. Thank you for the opportunity to make a submission.
14. Retail NZ wants New Zealand's ports and maritime system to be effective, efficient, safe, secure, accessible and resilient, so they can support the economy, delivering growth and prosperity for all New Zealanders.
15. Retail NZ is happy to discuss any aspect of this submission further.
16. No part of this submission should be withheld under the OIA.

Sincerely,



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