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Submitted to New Zealand freight and supply chain issues paper | Te rautaki ueā me te rautaki whakawhiwhinga o Aotearoa
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What is your organisation?

Organisation:
Platform 8 Limited

Part 1: Understanding the freight and supply chain system in New Zealand

1 Do you agree with the outlined description of the freight and supply chain system?

Please explain in the box below. :

At a high level yes, there are many complexities to this system, and the notion it is one system is flawed. It is a system of system, so attempts to standardise at a movement level would end up being so high level they would lack value.

2 Do you have any views on the outlined role of government in the freight and supply chain system?

Please leave your comment in the box below::

In general these are correct, I think the role of government should be one of industry enablement - that means ensuring the infrastructure is suitable for the supply chain, and providing regulation for the mentioned actions - H&S, disaster recovery etc. My experience however that in these cases such as COVID response for example, the government should not be leading and making decisions on before of industry, there is not enough industry experience to the required depth to do this, governments role should be a role of facilitation to bring industry together and validation (to government regulation). As such, the role of government should be enablement only - and there is significant work to do here.

Part 2: The strategic context for change

3 Do you agree with the outlined strategic context and key opportunities and challenges?

Please explain in the box below. :

At a high level yes:
1. Climate change impact it state "It will increase the risk of damage to infrastructure and supply chain disruption". I just don't understand this statement at all.

2. The section that states ".There may be scope to better integrate data streams and improve data access across government and industry to increase efficiencies in freight movements and build resilience. Improved access to freight data could allow better monitoring and evaluation of how the freight and supply chain system is performing."

This is the most underserved statement in the paper - it is not "there may be" or "it could" - unless there is a fundamental cultural and technical industry shift to share and collaborate data - there will not be an efficient and green supply chain. This is proven world wide. This paper should have a keen focus on the need for industry to share data in the same way that it does non digitally today - but the paper not the MOT should be advising on technology (i.e block chain is not the only way to do this).

4 Are there any trends missing that we should consider?

If "yes", please write the trends we are missing in the box below. :

1. Climate change and the changes in supply chains should consider 3D printing more than as a side note under technology. This, if invested in properly will have the ability to have major impacts on the international import market.

2. The paper does not speak enough to the need for investment in Automation - both from a perspective of carbon resilience, but for safety and productivity reasons.

3. Blockchain is mentioned - there should be a better understanding of blockchain if its mentioned as it is just a basic technology its not a system not a data sharing solution, its just a lock type. the notion of industry moving to a 'blockchain' only serves to lessen the understanding and awareness of industry on how to use technology.

4. Culture & Leadership - the traditional cultures and leadership styles that have served industry well in the past need transformation to respond to the major themes of this strategic context - technology & climate change.

5 Which of the opportunities and challenges do you believe will be most important in shaping the future of the freight and supply chain system in New Zealand and why?

Please explain in the box below. :

1. Data sharing - we must help industry to share and learn from its data to have the visibility and adaptability to both make big changes, and response to expectations - there is no resilience in the system today.
2. Coastal Shipping - we should be looking at this leveraging electric or green fuelled vessels.
3. Education & Culture of Industry - this is not called out in the paper - but I believe that once there is clarity on the governments role (which I believe is industry enablement), a key focus should be on education, capability building and talent.

Part 3: Current vulnerabilities of the freight and supply chain system

6 Do you agree with the outlined vulnerabilities of the current system?

If not, please explain why:

The operating environment pre covid was already at a breaking point - the lack of co-operation and adaptability to change was simply amplified by covid - bit it was already at an inflection point. There was already queues at ports, delays everywhere.

Furthermore productivity issues were already showing up, as industry has a very slow response to leverage technologies like automation to improve productivity.

7 Is there any key information missing in understanding the vulnerabilities of the current system?

If 'Yes' please explain here:

Culture, leadership and mindsets - we need to see change across leaders and boards with more digital and sustainability capabilities, and new ways of working and leading.

Part 4: Our proposal for developing a freight and supply chain strategy

8 Do you agree with the proposed outcomes? If not, please explain why.

Do you agree with the proposed outcome 1. Low emissions? - 1. Low Emissions - New Zealand's freight and supply chain system is underpinned by a low emissions freight transport system:
Strongly agree

If you have answered "Disagree" or "Strongly disagree" please explain why:

We must prioritise this and support industry to achieve it.

Do you agree with the proposed outcome 2. Resilience? - 2. Resilience - New Zealand's freight and supply chain system is resilient, reliable, and prepared for potential disruptions:
Strongly agree

If you have answered "Disagree" or "Strongly disagree" please explain why:

I would add it is resilient, reliable, SAFE

Do you agree with the proposed outcome 3. Productivity and Innovation? - 3. Productivity and Innovation - New Zealand's freight and supply chain system is highly productive and innovative, and performs well when measured against global standards:
Strongly agree

If you have answered "Disagree" or "Strongly disagree" please explain why:

We must make a fundamental shift as an industry.

Do you agree with the proposed outcome 4. Equity and Safety? - 4. Equity and safety - We transition to a low emission, resilient, productive and innovative freight and supply chain system in a way that is equitable and safe for all:
Agree

If you have selected "Disagree" or "Strongly disagree" please explain why here:

As a fundamental pillar yes - but we need to acknowledge there must be investment for equal access - thats the role of government to help those companies that need it gain access to the technology, systems etc..

9 Are there more outcomes the strategy should focus on? If so, please explain what they are.

Please explain here:

I would be separating SAFETY out - I think we've had enough workplace events to have a specific focus on safety, perhaps combining safety & productivity to help industry move to more automation for safer work. If we do not put safety & productivity together - we will create safety issues as the supply chain that measures on productive along creates poor safety cultures.

10 Do you agree with the potential areas of focus for the strategy?

If not, please explain why:

Yes, however, the focus should be pinpointing what aspects within the high level strategic goals. E.g making system wide change is a HUGE task - so what is the high value impact that should be focused on - I,e move away from trying to may system wide change, and solve real problems in meaningful ways.

11 Which of these areas of focus would be most important to prioritise?

Type your answer here:

Low emissions and Productivity & Innovation

12 What would successful stakeholder engagement on the development of the strategy look like from your perspective?

Type your answer here :

I would be considering for each focus area having two groups that come together for the outcome:

Industry enablement:
lead by the government and representation from execs across industry, and workers from industry, and leadership/culture coaches, iwi, Pacifica leadership

Technology enablement: lead by independents specialised in each focus area (i.e green technologies)

13 How could we best engage with Māori on the strategy?

Type your answer here :

Include iwi from the start, ensure this is a key pillar. I would not make this a seperate work stream, it should be inclusive from the start. I would have all stakeholder sign a charter for each work stream from the start.

Provide further feedback

14 Any general feedback on the consultation

Add your comments, ideas, and feedback here:

Outside of the detail in the paper, I am drawn to the overarching paper statement, being "a more strategic and coordinated approach to the freight and supply chain system is needed to deliver change of the magnitude and in the time required". Yes yes yes… I wholeheartedly agree, however I suspect many readers will be thinking that this has been a relevant statement for decades yet as an industry not much is changed, promoting the old 'so what?' mentality.

Therefore, I would like to tension this consultation paper to consider asking a different question 'what's different today that could shift the problems', as these differences are the opportunities we should be seeking to exploit, rather than the audacious and slow moving goal of trying to co-ordinate a whole system.

For me, what do I see as 'what's different' and this paper and government should exploit;

1. Legislation driving carbon zero,
2. Technology and innovation is available

Responding to carbon zero requires funding to shift fleets to bio fuels, and this is a very obvious and tangible initiative the government could support. However this alone will not get us there, the systemic issue that must be addressed that will prevent us getting to 'carbon zero' is the lack of optimisation of the supply chain as a foundational requirement for any of these strategic responses.

The same need for optimisation for carbon zero, will also enable the outcomes related productivity and collaboration. This paper needs to amplify the need for greater technology enablement, specifically data sharing and intelligence applications and platforms to create value.

This would enable:

Improve co-operation
With good data, roles, and accountability, all trading partners can respond more effectively and work together when disruptions occur.

Improve efficiency
Better data ensures all trading partners are aware of conditions throughout the supply chain. This enables optimised operations, continuous supply chain flow by intelligence driven planning to drive safe, compliant and productive business – while reducing CO_2.

Lower risk through visibility
Visibility into the supply chain helps companies proactively manage risk, ensuring all people, physical assets, the environment, and the wider social license of operators are being handled with excellence.

Increase Trust
Data sharing and standards concerning quality, safety, and ethical conduct inspire trust in companies doing business together and lead to higher consumer trust when companies willingly share and explain relevant materials, sources, and procedures that go into making and delivering their products.

Of course the challenge facing industry is how to consume these technologies – having the talent to understand technology and the effect on the ways of working, having the time to invest in such readiness with the ongoing pressure of the supply chain, and having the funding to invest.

To that end, as part of exploiting these opportunities, I believe the role of the government should not be to 'facilitate and co-ordinate the supply chain' at all, but should be the major contributor to the industry enablement; the education, awareness, and funding to support industry to act on these opportunities, combined with the more traditional function of government around future fit infrastructure

15 Upload supporting documentation

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