



Dear

The Future of the Port of Auckland

We are concerned at the direction the Port of Auckland is being forced to take by its shareholder. The current focus on return to Council set by the Council and being implemented by the Board of the Port, means we will miss out on a range of benefits the Port should be delivering to the City.

We have a vision for a triple bottom line approach to the Port – this vision includes;

1. A Port that meets the needs of both those onshore (the importers and exporters of New Zealand) and offshore (the shipping companies) now and in the future;
2. A Port that shares its land with the public, protects its environment and sees itself as part of the development of Auckland including encouraging use of the waterfront and harbour for recreation; and
3. A Port that adopts a modern approach to employment relations which maintains an efficient and productive Port including retaining decent jobs and is not part of a “race to the bottom” in employment practice.

The current approach means the Port Board is being forced to cut costs and capital expenditure. This impacts on us all. Now is the time to put up a new vision for the Port that recognises its primary role as a service to this City and New Zealand and its return to the Council must be based on a longer term understanding of its unique role in the City. A triple bottom line approach does not remove the need for a return on investment, but it shapes that around the needs of all stakeholders in the long term, and balances it with other bottom line considerations.

Cutting costs to meet dividend targets will mean an underinvestment in new plant and IT infrastructure essential to maintain a modern and competitive Port. Business in Auckland want continued investment to meet their needs. They want the Port to be a service to them – part of the supply chain, integrated into their business and meeting their needs.

The Port needs to expand to meet the needs of the importers and exporters of New Zealand. To this extent we encourage a cooperative relationship with Port of Tauranga to avoid duplication and minimise the increasing movement of containers within New Zealand. The expansion of the Port needs to be in harmony with preserving and developing our world class harbour for the benefit of the people of Auckland and tourists.

The need to increase earnings is being used to justify the current plans to reduce working conditions on the Port including by contracting out the labour. We support decent work and oppose casualisation in the manner being proposed by the Port. Not only is it unnecessary but it could cause major disruption to its customers in Auckland and contribute to increasing inequality in the City. This is another example of how a return at any cost is a bad policy for a key strategic service such as the Port.

This letter is to invite you to a meeting to discuss a new organisation to seek a change in Port policy from the Council. **Our vision** is consistent with the Council's purported triple bottom line vision for the city – an export

driven, vibrant inner city with reduced inequality. However, the decision to increase its demands for a return from the Port are part of the problem and contrary to its vision.

We are proposing a triple bottom line charter for the Port, a draft of which will be circulated prior to the meeting.

We are a diverse group who find ourselves on common ground on an issue we care deeply about. The Port is about to stop for a full week due to this policy. The impact on the people of Auckland (Business, public and workers at the Port) will be profound. The focus of the media and public will be significant – we want to build support for a new approach and believe the time is right now to achieve this.

We are inviting you to join us to agree this Port of Auckland Charter and participate in our group for change to Port development.

Kind regards,



Michael Lorimer

Director

Grant Samuel & Associates

Meeting Date: 6 March 2012

Time: 12.30 pm

Place: Level 31 Vero Centre
48 Shortland St

Contact: Michael Lorimer
Grant Samuel & Associates
09 912 7777
m.lorimer@grantsamuel.co.nz