

TRANSPORT

Building a Stronger Economy



Building world-class transport infrastructure

Building a better transport system is vital to transform New Zealand's future, and to create more jobs with higher incomes.

Economic growth is our top priority in transport. After taking office, we reallocated transport funding to boost investment on state highway construction by more than \$1 billion over three years. This is helping to build a stronger economy, relieve congestion, and improve safety.

During the recession, we accelerated \$400 million worth of "shovel ready" road projects. We've also substantially boosted funding for public transport.

Building better roads and rail

New Zealand has 700 kilometres of 'high-use highways' – just over six per cent of the state highway network. They carry 35 per cent of total vehicle kilometres on highways and 19 per cent of freight volume kilometres across the whole road network.

The Roads of National Significance will tackle the chokepoints on these high-use highways. They will improve links between our regional economies, ports, and cities and encourage business, tourism, and jobs.

Supporting the repair of Christchurch's roads is another top priority, to help rebuild Canterbury.

The \$4.6 billion KiwiRail Turnaround Plan and investment in upgrading the Auckland and Wellington networks means National is investing almost \$7 billion in rail. We're improving the rail-freight network, helping KiwiRail become commercially viable, and supporting modern, reliable commuter services.

"National will invest \$9 billion over the next 10 years to remove bottlenecks and reduce congestion on our high-use highways through the Roads of National Significance. We'll also invest in key regional routes to provincial centres to improve route security, reliability, and safety."

Key facts

- Significantly boosted investment in state highways.
- Lifted investment in public transport:
 - \$1.6 billion to upgrade and electrify Auckland's commuter rail system.
 - \$485 million to upgrade Wellington's commuter rail network.
- Approved KiwiRail's \$4.6b turnaround plan.
- Several big projects in our Roads of National Significance have opened early.
- Public transport patronage is increasing.
- KiwiRail revenue is growing.
- The road toll is coming down.
- We're investing \$12.2 billion in state highways over the next 10 years.
- Our plan involves making further progress on the Roads of National Significance.

National has...



Boosted investment in our roading network

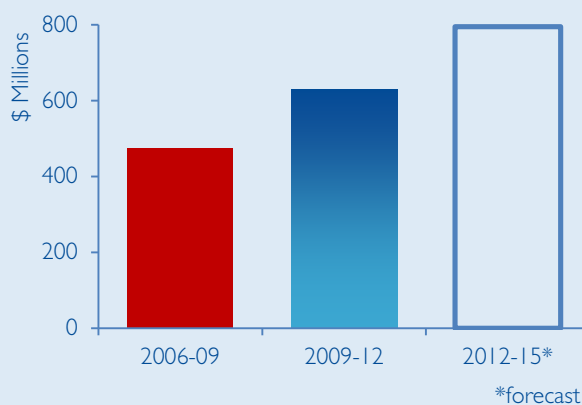
- ✓ Increased investment in state highway projects by more than \$1 billion over three years to promote economic growth and productivity.
- ✓ Created a new category of infrastructure project called Roads of National Significance (RONS) and fast-tracked work on these, including:
 - Puhoi to Wellsford
 - Auckland's Western Ring Route
 - Victoria Park Tunnel
 - Waikato Expressway
 - Tauranga Eastern Link
 - Wellington's Northern Corridor
 - Christchurch motorways.
- ✓ Accelerated the completion of important regional roading projects such as:
 - The Hawkes Bay Expressway Southern Extension
 - The Matahorea Gorge Realignment
 - Kopu Bridge Replacement
 - Muldoon's Corner Realignment
 - The Kamo Bypass Extension
 - Caversham Highway Improvements.
- ✓ Fast-tracked other roading projects to provide economic stimulus during the recession as part of our *Jobs & Growth Plan*.
- ✓ Released a State Highway Classification that categorises state highways by volumes of traffic, freight, and tourism. This has helped identify roads suitable to be designated as future RONS.



Boosted investment in public transport

- ✓ Investing \$1.6 billion to upgrade and electrify Auckland's commuter rail system and \$485 million to upgrade Wellington's commuter rail network.
- ✓ Signed off new agreements with councils in Auckland and Wellington to complete the refurbishment of the network and rolling stock in both cities. This includes funding the purchase of an all-electric train fleet for the core Auckland network.
- ✓ Responded to increases in demand for public transport with more subsidy funding (see chart below) in combination with a value-for-money drive.

Annual government public transport service subsidy¹



¹NZTA public transport service subsidy data



Started to turn around KiwiRail

- ✓ Approved KiwiRail's \$4.6 billion 10-year turnaround plan.
- ✓ Provided \$750 million in new seed capital to support the KiwiRail Turnaround Plan. This will be invested in new track, rolling stock, and locomotives to improve the reliability of the freight network.



Made roads safer

- ✓ Passed new legislation to tackle:
 - Cell phone use in cars
 - Drugged driving
 - Illegal street racing
 - Reckless young drivers
 - Recidivist drink drivers.

See our [Road Safety policy](#) for more details.



Made the SuperGold Card sustainable

- ✓ Increased funding by \$9 million over the next two years and maintained transport entitlements for SuperGold Card holders.



Improved maritime transport

- ✓ Conducting a value-for-money review with Maritime NZ to improve services and reduce costs.
- ✓ Developed the Qualifications and Operational Limits framework.
- ✓ Investigating feasibility of new interisland ferry terminal at Clifford Bay.
- ✓ Published port productivity data to improve the flow of exports through ports.



Enhanced aviation services

- ✓ Put in place the SmartGate system with Australia to make trans-Tasman airline travel easier.
- ✓ Reduced Aviation Security passenger levies.
- ✓ Conducting a value-for-money review with the Civil Aviation Authority to improve services and reduce costs.
- ✓ Furthered negotiations for international air traffic rights.
- ✓ Passed legislation to implement the Cape Town Convention.

Our results so far



Big progress on Roads of National Significance

Five of the seven RONS are currently under construction, employing around 1500 people directly. Highlights include:

- Hobsonville Motorway on Auckland's Western Ring Route opened six months early.
- Victoria Park Tunnel completed.
- Construction underway on Waikato Expressway, Tauranga Eastern Link, and the Christchurch Southern Motorway.
- Wellington's Transmission Gully project referred to a Board of Inquiry for a nine-month fast-track consenting process.
- Investigation work underway on the Puhoi to Wellsford motorway extension.



Better roads

- Completed major projects including the Hobsonville Deviation, Manukau Extension, Taupo Bypass, Pyes Pa Bypass, Hawke's Bay expressway extension, Dowse to Petone upgrade, and Dunedin's SH88 upgrade.
- Created 550 jobs directly and 1200 in associated trades by fast-tracking roading projects in our *Jobs & Growth Plan*.
- In 2010, the second-lowest death toll on the roads was recorded.



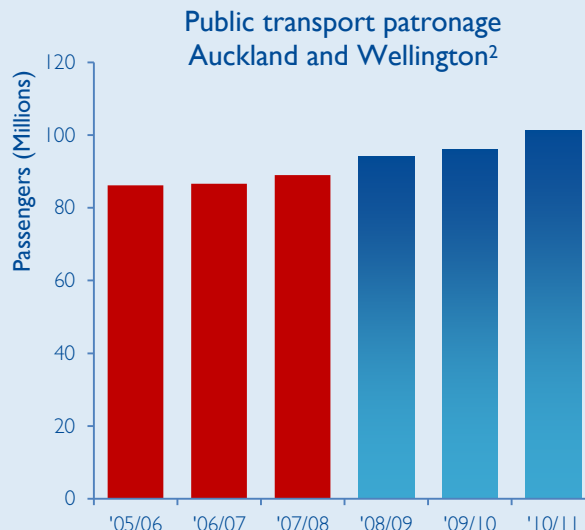
Better rail

- KiwiRail revenue grew \$17 million in the 2010/11 year.



More passengers using public transport

- Public transport patronage in Auckland and Wellington increased by almost 14 per cent between 2007/08 and 2010/11.



²NZTA public transport patronage data

What we will do next...



1. Keep building better roads

- Invest \$12 Billion over 10 years in State Highway construction.
- Complete construction on:
 - Christchurch's Southern Motorway Stage 1.
 - The Ngaruawahia and Te Rapa sections of the Waikato Expressway.
 - The Tauranga Eastern link.
- Construct New Zealand's largest-ever roading project, the Waterview Connection on Auckland's Western Ring Route, including two three-laned tunnels bored under Avondale.
- Start construction on:
 - The Christchurch Western Bypass and the Southern Motorway Stage 2.
 - The Basin Reserve Flyover and the Mackays to Peka Peka Expressway on the Wellington Northern Corridor.
 - The Cambridge and Rangiriri sections of the Waikato Expressway.
- Design and consent the Transmission Gully section of Wellington's Northern Corridor (construction due to start in 2015/16).
- Finalise the design and consenting of the Puhoi to Warkworth section of the Puhoi to Wellsford RONS, and prepare for a construction start in 2014/15.
- Construct replacement Waitaki River bridges on State Highway 82 at Kurow.
- Evaluate four new RONS projects for development following final completion of the first three RONS projects (Victoria Park, Waterview, and Tauranga Eastern Link):
 - State Highway 29 between Hamilton and Tauranga.
 - State Highway 1 between Cambridge and Tirau.
 - Further development of the Hawke's Bay Expressway.
 - State Highway 1 North and South of the current Christchurch motorway projects.
- Continue to develop key regional roading projects that will enhance productivity and economic growth, including the Rotorua Eastern Arterial and the Waiwakaiho Bridge in New Plymouth.
- Improve the resilience of key inter-regional freight routes like Mt Messenger on State Highway 3, and the Manawatu Gorge.



2. Rebuild Canterbury

- Provide funds from the natural disaster contingency in the Land Transport Fund to help rebuild Canterbury's roading infrastructure.
- Work with the Canterbury Earthquake Recovery Authority Horizontal Infrastructure Alliance to accelerate the co-ordinated rebuild of crucial Christchurch infrastructure.



3. Boost funding for public transport

- Continue to improve public transport with investments in infrastructure and service subsidies.



4. Continue the KiwiRail Turnaround Plan

- Continue to support KiwiRail's 10-year Turnaround Plan. National will encourage KiwiRail to make sensible commercial decisions to build a strong, reliable rail-freight system.
- Assess the proposal for a ferry terminal at Clifford Bay. This has the potential to cut road travel times to Christchurch from Wellington and Auckland by over an hour, and rail times by an hour-and-a-half.



5. Improve maritime shipping

- Work with the Productivity Commission on its review of international freight transport costs, and evaluate and put in place practical recommendations that flow from that.
- Pass legislation to update the Maritime Transport Act, including for the International Convention on Civil Liability.
- Complete and introduce the new Maritime Operator Safety System to improve the safety management of domestic commercial maritime operators.

- Complete the development of the new seafarer qualifications and operational limits framework. This will provide a greater emphasis on competence and proven ability.

- Complete the funding review of Maritime New Zealand, and ensure its funding continues to be adequate, and reflects the costs imposed on it by different types of maritime operators.



6. Enhance aviation services

- Negotiate air service agreements with key Asian and South American markets to boost tourism and trade.
- Continue to improve safety regulations, particularly for the agriculture and adventure-tourism sectors.
- Develop a new National Airspace Policy to take advantage of new navigation tools and to improve safety.
- Improve services and value-for-money provided by the Civil Aviation Authority and the Aviation Security Service.

Labour would take New Zealand backwards

Labour:

- ✘ Would dramatically reduce State Highway construction spending, abandoning projects that will increase economic growth.
- ✘ Would reverse hypothecation of fuel taxes. This would see the money you pay at the pump diverted to non-transport projects.
- ✘ Unwind investment on the Roads of National Significance, cancelling the Kapiti Expressway and the Puhoi to Wellsford project.
- ✘ Has called for Auckland commuter rail to be expanded to the North Shore and the Auckland Airport without any cost-benefit analysis.
- ✘ Would sabotage KiwiRail's financial turnaround plan by expecting KiwiRail to purchase rolling stock at a 25 per cent premium to the tendered price.

New Zealand can't afford Labour's plans.

National has made great progress on highway construction, investing in public transport, and turning around KiwiRail.

Labour would put that all at risk.