

Deferring Puhoi-Wellsford highway puts Northland's economic potential at stake

**Media Statement
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"Scuttling the Puhoi to Wellsford highway will put Northland's economy at risk and have serious road safety implications in the future", says New Zealand Council for Infrastructure Development Chief Executive Stephen Selwood.

Commenting on Labour leader Phil Goff's reported announcement that the inappropriately named "holiday highway" project would be shelved indefinitely Selwood says the party would be better to look at more innovative ways to fund this and other roading and public transport projects across the country.

"The upgrade of State Highway One from Puhoi to Wellsford is key to unlocking the economic potential of the Northland region which currently ranks as the most economically deprived region in the country.

"The simple fact is that Northland will remain the poorest region if connectivity to and from New Zealand's largest city continues to be throttled.

"The route carries over 16,500 vehicles on an average day, but carries dramatically higher volumes in the holiday season. By 2026 traffic volumes are expected to rise by 30% with a high concentration of heavy traffic and tourist trips. Figures from the National Freight Demands Study suggest that road freight traffic between Northland and Auckland will increase by over 250 per cent over the 25 year period from 2006-07 to 2031.

"Analysis indicates that with the predicted traffic volumes and with no improvements to the corridor, by 2020 the section of SH1 between Puhoi and Warkworth will be heavily congested, with the section between Warkworth and Wellsford also under pressure.

"In the last five years 19 people have lost their lives on the road and hundreds have been seriously injured. This will continue to get worse if timely investment is not made.

"The answer to these problems is not continuing to defer projects that are clearly needed. Rather we need to find new and more innovative ways to fund investment that will lift New Zealand's economic performance, improve the safety of our road networks and improve social outcomes for the regions that need it most.

"For example, a low level toll on Auckland motorways and on the new 38km Puhoi Wellsford highway would raise sufficient capital to enable the project to proceed along with other key transport projects in the region such as the inner city rail loop, key arterial upgrades, and an additional harbour crossing. Tolling has the potential to raise large amounts of revenue to fund capital improvements across the region and enable better management of traffic volumes through variable pricing. It would also

enable other nationally important projects to be funded through the National Transport Fund that would otherwise need to be deferred.

"One of the reasons New Zealand is struggling to keep pace with comparative nations is continual deferral of investment in our economic infrastructure. There is scarcely any developed country in the world, other than New Zealand, that does not make wide use of tolling to fund investment in transport. It's time New Zealand started to look more widely at innovative approaches to transport funding, rather than continually deferring needed investment", Selwood says.