

media release

NZ Council for
Infrastructure Development

Level 20, ASB Bank Centre
135 Albert St
Auckland
New Zealand

+64 9 358 7353

nzcid.org.nz

time for tangible government leadership on transmission and tolls

27 JANUARY 2006

It is time the Government transformed their economic aspirations into tangible leadership on transport funding and the national transmission upgrade, according to the NZ Council for Infrastructure Development.

"The Prime Minister has clearly signalled her intention to focus on economic transformation. Business confidence and security in the areas of transport and energy infrastructure are key to this. Timely decisions on key issues like the national transmission upgrade path and funding for land transport infrastructure should be top of that agenda," says NZCID CEO Stephen Selwood.

"The headline grabbing debate over the transmission upgrade path has gone on for far too long. Not only is this unfair on the communities affected, it has serious flow on effects on business investment decision making."

"Without a viable transmission network, critical decisions on future power generation are put at risk and the viability of the electricity market is undermined."

"There's not much point in investing in a power plant if you can't get your electricity to market."

"Likewise, continued uncertainty about security of energy supply and pricing forces industry to hold back on business investment."

"Meanwhile, over \$1b per year is the cost of traffic congestion in Auckland alone. A substantial funding gap is holding up public transport and roading projects across the country, prompting calls from the mayors of Auckland, Manukau and Waitakere cities to allow for tolls on existing roads to bridge the shortfall."

"Government must make a decision as to whether it will invest more of the fuel excise tax into the road and public transport systems, or allow tolls as an alternative funding mechanism."

"The Ministry of Transport has been investigating both tolls and road pricing for the best part of two years, but the Government has yet to announce any outcome from this work."

"In such an environment, its little wonder that business confidence is lacking, and economic growth is being stifled."

"Prime Ministerial focus on these key issues is imperative," Selwood says.

further information

Stephen Selwood, Chief Executive

m: +64 21 791 209

e: stephen.selwood@nzcid.org.nz

