

## **Public Private Infrastructure Advisory Board Needed**

Urgency is required to appoint a public and private sector advisory board reporting to the Infrastructure Minister to prioritise investment in national infrastructure and optimise value for money from its capital investment programme, says the New Zealand Council for Infrastructure Development.

"Contractors across the country, particularly sub contractors are already feeling the effects of a downturn in work", says NZCID Chief Executive Stephen Selwood.

"While there's no shortage of work that can be kick started to address the immediate problem, effective prioritisation of projects is critical so that they can be brought to market as soon as possible.

"The first task for the advisory board must be to take stock and advise government on priorities for public works projects that are already consented and have a demonstrated high benefit cost ratio. Examples include road safety projects and local road improvements across the country, a backlog of work on the national rail network, and a combination of maintenance and capital investment across housing, health, education, electricity transmission, water, defence and corrections. This work needs to be given the green light as soon as possible.

"The next task is to ensure a start on major capital works that are already consented and that will give greatest stimulus to economic growth. For example in excess of \$1 billion of roading projects including Victoria Park Tunnel, the Newmarket Viaduct and Penlink in Auckland, the Waikato Expressway, Te Rapa Bypass in Hamilton, Christchurch Southern Motorway are among a range of projects that are ready to start or which can be advanced.

"Overarching this immediate work, the advisory Board should be charged with the responsibility of coordinating a whole of government 20 year infrastructure plan and recommending the policy changes necessary to drive economic growth in the medium term.

"Constraints on public funds mean that a combination of public and private sector finance will be needed to fund all of the work required. Leveraging private sector investment, and improving value for money through private sector innovation and risk transfer will be critical success factors for any such capital investment programme.

A joint public and private sector approach is required that capitalises on the expertise of all sectors and advances best practise in project delivery.

"We are aware the government is considering options for an infrastructure unit to support the Minister for Infrastructure. We think private sector participation is an essential element in this mix.

"The fact is there's no shortage of works that need doing, but coordinated government and private sector engagement is essential to ensure a prioritised investment programme is committed as soon as possible to provide a much needed confidence boost to the market", Selwood says.