

Media Statement

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Review of the Land Transport Management Act long overdue

The government's decision to review the Land Transport Management Act is a key step towards improving transport planning funding and delivery transport in New Zealand says NZ Council for Infrastructure Development, Stephen Selwood.

Transport Minister Steven Joyce announced the review yesterday aimed at increasing the effectiveness of planning, funding and accountability under the LTMA.

In its current form, the Act fails to require effective integration of the component parts of the transport system into one coherent plan, supported by detailed and fully funded implementation programmes at both the national and regional level.

Hence regional land transport plans, such as the Auckland Regional Transport Strategy to be launched tomorrow, can and do run completely counter to Government priorities for transport investment.

The commitment to reduce barriers to using tolling, borrowing and public private partnerships to fund transport projects is also much needed.

One of the stated purposes of the Act when passed in 2003 was to "improve the flexibility of land transport funding, including provisions enabling new roads to be built on a tolled or concession basis".

The reality has been that the Act is extremely complex in its administration involving repetitive consultation and approval processes. There are too many unnecessary restrictions surrounding tolling and concession agreements. Consequently no PPP concessions have proceeded since it was passed over six years ago and only one public toll road has been completed.

There is a need for a sense of urgency in undertaking this long awaited review and getting legislation into the house aimed at lifting New Zealand's productive capacity through improved transport planning funding and implementation.