

Hon Simeon Brown
Minister of Transport
Minister for Auckland



9 February 2024

Check against delivery.

Speech to the Committee for Auckland

Good afternoon

It is great to be here today at this event as Minister for Auckland and Minister of Transport.

Let me start by acknowledging each one of you and thanking the Committee for Auckland for hosting this event and inviting me to speak here today.

The Committee for Auckland has been a symbol of thought leadership for almost two decades. Your contributions, particularly to the Royal Commission on Auckland Governance and the Future Auckland Leaders programme, have played a crucial role in shaping our city's path.

Addressing the challenges

Our Coalition Government was elected on a clear mandate: to get our country, and Auckland, back on track.

The last six years of Labour have been tough for this city. Many promises were made by the previous Government, but their absolute failure to actually deliver anything meaningful has left Auckland worse off.

Whilst the state of the city report includes some notable achievements in the space of work-life balance, economic sustainability, and student appeal, it also contains some sobering reading about the severe challenges facing our communities.

When it comes to crime, health outcomes, traffic congestion, and attracting investment and innovation, Auckland has been going backwards.

Our plan for Auckland is focussed on the issues which matter most to Aucklanders. We will lower the cost of living, we will restore law and order, and we will focus investment on growing Auckland's economy and increasing productivity, particularly through our investments in transport.

To deliver this we need to work together with Auckland's key stakeholders so that we can make the most for Auckland and for New Zealand. We know that when Auckland succeeds, New Zealand succeeds.

Our Plan to Turn Things Around

The task ahead of us is monumental, but we are determined.

Under the leadership of Prime Minister Christopher Luxon our government has moved at pace to deliver on our 100-day plan.

We're making great progress to deliver cost of living relief, return fiscal discipline and common sense back into the public service, and refocus government on addressing the issues that really matter to New Zealanders.

Cost of Living

First, I want to touch on an important issue that I know has been raised by many businesses, families, and communities across this city, and that is the cost of living.

The Coalition Government is committed to delivering tax relief for New Zealanders. We are progressing work to deliver meaningful income tax reduction in this year's Budget, relieving some of the financial pressure facing families and businesses by allowing them to keep more of what they've earned.

For Auckland, as you would have seen yesterday, the Prime Minister and I announced that we are axing the Auckland Regional Fuel Tax by 30 June 2024. This is about reducing the cost of living for Aucklanders who have had to pay an extra 11.5 cents per litre on fuel since the previous government introduced this tax in 2018.

We've also acted to fight inflation by restoring the Reserve Bank's single focus on price stability, reducing the regulatory burden on businesses that can drive cost increases and by restoring discipline to government spending.

Finance Minister Nicola Willis delivered a mini budget in December last year that set the foundations of how our government is drawing a line under six years of mismanagement and beginning to spend public money carefully and with a clear purpose.

It set out immediate Government decisions delivering \$7.47 billion of operating savings and additional revenue over the forecast period; reductions to potential fiscal risks and work to drive future savings, revenue, and reprioritisation.

We know Kiwis are doing it tough as inflation and higher average tax-rates erode household incomes. We're determined to bring down inflation and let people keep more of what they earn.

Economy

On the wider economy, Auckland is home to 34 per cent of New Zealand's population and delivers 38 per cent of our GDP. It is our most culturally and economically diverse city, playing a pivotal role in New Zealand's economic success.

The State of the City report rightly highlights that Auckland needs to have strong outreach to the world and visibility in international markets. Trade Minister Todd McClay has made important first steps in advancing key relationships with Singapore, our most significant trading partner in South-East Asia and critical hub for New Zealand supply lines, as well as India, a strategic priority for the Coalition Government.

New Zealand has also moved closer to ratifying the New Zealand-European Union Free Trade Agreement, with the first reading to bring the agreement into force taking place in Parliament at the end of last month.

This free trade agreement will see an immediate \$100m in annual tariff savings upon entry in to force as well as an annual boost to GDP of up to \$1.4b, and an increase of exports to the EU by up to \$1.8b.

We are going to be an outwardly looking Government, renewing relationships with our existing partners, and building new relationships to help grow our economy. This is all critical to the growth and success of Auckland.

Crime

Secondly, the State of the City report particularly acknowledges safety as an area where Auckland is lagging, showing that crime is a concern that needs to be addressed.

Sadly, under the previous government's soft on crime policies, we have seen a 33 per cent increase in violent crime. All too often we see it on the news, and on streets, and in our communities. We've become numb to the statistics and that must change.

Every New Zealander deserves to feel safe in their own home, community, and workplace.

And that starts with tackling the grip that gangs have on this city.

In our first 100 days, my colleagues Mark Mitchell and Paul Goldsmith are making progress on dealing with gangs by introducing legislation to ban gang patches, stop gang members gathering in public, and stop known gang offenders from communicating with one another.

We will give Police more powers to search gang members for firearms, make gang membership an aggravating factor at sentencing, and we've already abolished the previous government's prisoner reduction target.

We'll begin work to crack down on serious youth offending, strengthen policing in our communities and continue to back the frontline of Police. We're committed to giving our cops the tools and resources they need to get the job done.

Addressing the long-term causes of crime is a big task, but our government is determined to put public safety back at the heart of the criminal justice system. That means ensuring there are real consequences for crime and keeping serious violent offenders from creating more victims. These changes will mean a safer and more prosperous Auckland.

Transport: Setting a New Direction for Auckland

Thirdly, transport is pivotal in unlocking Auckland's economic potential and enhancing the quality of life for its residents. The city's economic prosperity relies heavily on a robust transport network that facilitates the easy, efficient, and safe movement of people and freight across the region. This system is the backbone of our urban environment, supporting daily activities and contributing significantly to Auckland's vibrancy and dynamism.

However, recent findings have highlighted a critical area of concern. Connectivity, as detailed in the State of the City Report, ranks as one of the lowest scoring domains, underscoring a pressing need for improvement.

Unfortunately, this comes as no surprise. The previous government failed to start and complete one single major infrastructure project while in office. There was a lot of focus on projects like Auckland Light Rail, which did not deliver a single metre of track despite over \$220 million spent on the project, while there was very little focus on the projects that we actually need.

Mill Road is a perfect example. This project has been started, rescoped, and cancelled in more ways than one can count. In 2018, funding plans were allocated so Auckland Transport could progress parts of the Mill Road corridor. The whole corridor was announced as part of NZUP in 2020, it was then rescoped in 2021, before being cancelled and funding diverted in 2023. This level of uncertainty for critical road infrastructure, while projects like Auckland Light Rail went no-where, does not benefit anyone.

As the Minister for Transport, I am acutely aware of the importance of this issue. My focus is on now delivering the infrastructure that Auckland needs, allowing Aucklanders to get to where they want to go, quickly and safely. This commitment isn't just about improving travel times; it's about enriching the lives of Auckland residents by improving our transport network to make it more accessible and reliable.

While Labour talked big on transport in Auckland, they delivered very little. Previous National Governments have a track record of delivery. National delivered

the Waterview Tunnel and the Victoria Park Tunnel, we electrified the Auckland rail network, and started – and will finish the City Rail Link. We are proud of our track record of delivering both the roading and public transport infrastructure that Auckland needs.

Acknowledging the essential role of transport in Auckland's ongoing development, our Government will prioritise the delivery of key infrastructure projects aimed at alleviating congestion, boosting productivity, and building a transport network that is not only more reliable but also resilient.

These efforts are not just investments in roads and rails; they are investments in Auckland's future, ensuring that our city can continue to grow and thrive sustainably. By focusing on these critical areas, we are laying the groundwork for a transport system that meets the needs of Aucklanders today, while also anticipating the demands of tomorrow.

Upcoming Government Policy Statement on Land Transport

To make this happen, I am currently writing a new draft Government Policy Statement on land transport as part of our 100-day plan, which will be focused on building and maintaining New Zealand's transport network.

This GPS is not just a document; it's a blueprint for refocusing the New Zealand Transport Agency (NZTA) and, by extension, Auckland Transport (AT), on the basics: building and maintaining the roading network to support economic growth, reliable public transport and delivering a safe network which makes efficient use of every dollar spent. We are moving away from the previous government's untargeted approach to a targeted strategy that addresses the core needs of our transport network.

The Roads of National Significance are back on the agenda, underscoring our commitment to critical infrastructure that supports economic growth and regional development. Our directive to refocus NZTA and AT is clear: we are prioritising projects that deliver real value to commuters and businesses alike, ensuring that our cities and regions are well-connected and that our economy thrives.

A Comprehensive Pipeline of Work

Our transport strategy encompasses a broad pipeline of work, focusing on both immediate improvements and long-term developments. Maintenance and fixing potholes are immediate priorities, ensuring that our roads are safe and reliable. But our vision extends far beyond these basics. We are laying the groundwork for a future where transport infrastructure supports and enhances our way of life, rather than detracts from it.

I'll be shifting our focus for transport investment from the current narrow, 3-year, short term thinking, to a more ambitious and aspirational 10-year framework. This will help give certainty and stability to our delivery partners both in the local government and construction sectors.

Priority projects we have identified include Mill Road, East West Link, a Northwestern Rapid Transit network and setting a vision for a four-lane connection between Whangarei and Tauranga to unlock economic growth in the upper north island.

Introducing New Investment in Transport Infrastructure

The heart of our transport policy is the investment in infrastructure that meets today's needs and anticipates those of tomorrow. But to do this, we need to be open to alternative ways of funding and financing infrastructure.

The Government is looking at a holistic approach to the delivery of transport infrastructure, combining traditional and innovative funding and financing models to ensure sustainable and effective project delivery.

We are a government that is open to road pricing – both tolling and time of use charging. We are committed to working with Auckland Council to deliver a time of use charging framework that will improve travel times and network efficiency in our city.

Another critical enabler of delivering transport infrastructure is leveraging private sector involvement in project development. This promises to bring about a new era of efficiency and innovation in how we build and maintain our transport network.

The Government will establish a new National Infrastructure Agency (NIA) to connect local and offshore investors to transport projects, including our new Roads of National Significance and major public transport infrastructure projects. Options for alternative funding and financing arrangements should be considered for all major new infrastructure projects.

Infrastructure Minister Chris Bishop is working hard alongside other Ministers to get this key agency set up so it can work closely with our infrastructure delivery agencies, including the NZ Transport Agency.

Work is also underway to fast-track consents, which have previously been a long-standing issue in delaying the delivery of projects. Fast tracking consents is a significant step change which will provide certainty and confidence to the sector, enabling it to invest in the capacity and capability needed to deliver these infrastructure projects.

Rapid Transit on SH16: A Priority Project

This Government's significant transport plan for Auckland builds on the success of the Northern Busway, with rapid transit busways planned for the North West, East, and a connection between the Airport and Botany, linking in with the existing rail network at Puhinui.

A strong majority of 93% of people who provided feedback to the NZ Transport Agency last year expressed their support for rapid transit along SH16 in the northwest. That is why this government is prioritising this project. A dedicated

corridor for rapid transit on SH16 will revolutionise public transport in the northwest, providing fast, reliable connections that support the region's growth.

The Government will be considering alternative funding sources to deliver these major public transport investments, including 'Build, Own, Operate, Transfer' schemes and value capture. Delivering this critical infrastructure for Auckland requires new ways of thinking and different delivery models to increase the speed of delivery.

Our vision for public transport in Auckland is based on a joined-up approach that will improve choices for Auckland commuters and enable them to travel more efficiently. This approach will incorporate the completion of the City Rail Link, started by the previous National Government, with these new world class rapid transit corridors.

Leveraging private sector involvement and utilising alternative funding and financing arrangements will be critical to the delivery of this vision.

The Need for a New Harbour Crossing

The concept of an additional harbour crossing has long been a topic of discussion, with the understanding that enhancing connections to Auckland's North Shore is crucial for the city's development. The Government recognises the importance of this project for Auckland's future and is committed to supporting additional vehicle lanes to create a more robust harbour connection.

The previous government's eye-watering \$56 billion plan for a secondary harbour crossing was fraught with impracticalities, leading to more questions than solutions. In contrast, this Government's focus on delivery and action. The draft Indicative Business Case (IBC) for the Waitematā Harbour Connections project, developed by NZTA, represents the most significant land transport proposal in New Zealand's history. As such, it demands a careful, measured approach to ensure its success.

That last government's project was unachievable.

That is why in my communications with NZTA, I have emphasised the importance of pursuing options that enhance the Northern Busway and overall harbour resilience.

However, consistent with our commitment to getting back to basics, we have decided not to continue work on active mode options or the proposed light rail connection.

Auckland Council, through previous local Councils have built a well utilised Northern Busway, and we intend to build on its success.

Our focus remains on delivering practical, achievable projects that benefit Aucklanders and contribute to the city's long-term connectivity.

City and Regional Deals

The Coalition Government agrees that exploring how central government partners with local governments on infrastructure delivery is essential, and that's why the Government will be developing national, city and regional deals.

There is already strong interest from local councils, infrastructure developers and business groups on their potential.

We need to make sure that city and region deals are fit for purpose and deliver for our communities. They also need to build on the partnerships central government already has with councils, businesses, and others.

Already we have begun constructive conversations with the Auckland Mayor on how Auckland Council and central government can work together to deliver for Aucklanders. Maintaining this constructive relationship will be key to Auckland's success.

We have committed to working with Auckland Council to deliver a time of use charging framework that will improve travel times and network efficiency in our city; we will continue to work closely with the Mayor and Auckland Council on an Integrated Transport Plan that delivers key infrastructure for Aucklanders; and we will be reviewing the way in which parking fees and traffic offences are set in our cities.

Commitment to Delivery

This Government is all about delivery. We are committed to not just planning but executing these plans to bring about real, positive change in Auckland and across New Zealand. The challenges we face are significant, but we are up for it. We are making the tough calls, prioritising the well-being of our communities, and focusing on long-term solutions to deliver economic growth and prosperity.

In conclusion, the significance of Auckland to New Zealand's future cannot be overstated. As Minister for Auckland, I am fully committed to addressing the challenges we face, in partnership with you, the business community, and all Aucklanders. Together, we can get Auckland back on track.

Thank you.