



**Local Government New Zealand**

*te pūtahi matakokiri*

MEDIA RELEASE

## **Local Government New Zealand Welcomes Government's Revised Road Funding Plan, But More Money Still Needed**

**For immediate release on 30 June 2003**

Transit's final 10 year State Highway Plan is welcomed by *Local Government New Zealand*, but there is still insufficient funding to meet the country's roading needs, President Basil Morrison said today.

Commenting on the release of Transit's final plan today, accompanied by Transfund's first 10-year financial forecast for the National Land Transport Programme (NLTP), Mr Morrison says the sector will be pleased to see the changes made to the draft plan which recognise the importance of a number of roading projects outside of Auckland.

"I am sure that our members will be gratified to see that a number of regional projects such as the Normanby Realignment in South Canterbury, the MacKays Overbridge in Wellington and the Awatere Bridge replacement, are on the list.

"But the programme leaves major State Highway projects with high benefit to cost ratios until 2010/11. These are projects like the Bell Block bypass in Taranaki, the Nelson Southern Link, the Kopu Bridge replacement and key work on State Highway 1 through the Waikato, all of which are much more important than that.

“The revised plan definitely better reflects national roading priorities, while still recognising Auckland’s special needs, but the key issue of insufficient overall funding is still to be addressed.

“The programme is based on current taxation and revenue sources. If the entire programme is funded, at the end of the 10 years Transfund will have a deficit of \$300 million. But the real gap is that apart from the delays to key projects, strategic projects that are still in the planning stages have no chance of being started, let alone completed, over the next decade. What’s announced today will be what gets done, nothing more and nothing less,” says Mr Morrison.

He says the local government sector, which is a key partner with central government in the roading network, are encouraged by recent Government indications that alternative funding options are being considered to meet the shortfall.

“We want to work with central government to find an enduring solution, one that provides enough money to ensure we have a robust transport infrastructure. We urge them to continue looking for solutions to the long-term funding issues and will continue to work with them on this issue,” he said.

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