

[www.beehive.govt.nz/Print/PrintDocument.aspx?DocumentID=23581](http://www.beehive.govt.nz/Print/PrintDocument.aspx?DocumentID=23581)

Printed from <http://www.beehive.govt.nz>

## Hon Pete Hodgson

5/07/2005

### **\$660 million Wellington transport investment**

5 July 2005

Embargoed, 1:15 pm, Tuesday 5 July 2005

Wellington's transport solution

Speech to announce the second phase of the Wellington Transport package, funding for the western transport corridor, Duxton Hotel, Wellington, Tuesday 5 July 2005 at 1:15 pm.

Good afternoon everyone. Thank you for coming. I want to get to the business end of my remarks quickly, but the right place to begin is with some acknowledgements.

Addressing the infrastructure deficit in Wellington has been consuming the leaders of this region for years. In May 2004 Margaret Shields and I met and began a process which takes its biggest step today.

It had become clear that Wellington could not address its infrastructure deficit under current policy settings. Instead the Crown would need to make a special contribution. A joint officials group began two stage process to identify what additional crown funding would be needed.

That has required a lot of hard work from national and regional officials, and I want to thank them for their months of effort.

It has required leadership regionally and I want to thank Ian Buchanan who now chairs the Greater Wellington Regional Council, every mayor in the region and every councillor.

The Wellington region has eight MPs, four of whom happen to be in Cabinet and seven of whom happen to be in the Labour Party. Their attention to this issue has been close. Their attention to me, and to Dr Cullen has been close. I want to thank my colleagues for their close attention and acknowledge that without that attention we would not be here. I want to acknowledge Peter Dunne, whose role in this issue has been public and longstanding, as the eighth MP with whom the Government has interacted over recent times.

Finally I want to thank the Prime Minister and Dr Cullen. Without their leadership this, and the many other infrastructure issues facing the country, would simply not be tackled. In particular these issues cannot be tackled in the presence of unsustainable tax cuts. It is one or it is the other.

In January we announced a \$225 million package, the details of which are well known to you.

Today I have two further announcements. The first is a \$255 million package to deal with the highest priorities identified in the western Corridor Transportation study. There are four such priorities.

1. Enhanced passenger transport. This involves some double tracking, and electrification to Kapiti, along with additional rolling stock. Improved bus/rail interchanges and park and ride facilities will be built in Kapiti and in Porirua. The result will be a 15 minute peak frequency level of service from Kapiti.
2. Better traffic demand management. Variable message signs for motorists advising of delays, closures and alternatives.
3. Intersection safety and bottleneck improvements Flyovers and underpasses are needed at major intersections, as is a completed median barrier from Pukerua Bay to Paekakariki, and a possible two lane bypass of Pukerua Bay.

4. Two new roads. Petone-Grenada, which will very significantly relieve congestion, and the Kapiti Western Link Road for the same reason.

---

These four improvements will deliver the greatest initial benefits. It is important they get underway and the \$255 million is now on the table unconditionally.

The second announcement is a \$405 million package, in addition to the \$255 million package, to address the issue of a four lane highway between Paremata and McKays crossing.

This second announcement is conditional on two things. Firstly, Transit and appropriate local authorities reporting by December this year on a detailed implementation plan for the western corridor including a consenting strategy for the coastal option. Secondly; there being regional agreement as to the preferred option.

These two conditions warrant further explanation. Both options, the coastal route and transmission gully, are amongst the more challenging in the land transport landscape. Bluntly, that is why neither has been progressed to date. The latest estimates are that the low road will cost \$710 million and the high road will cost \$1.14 billion. Clearly both are expensive, but Transmission Gully is more expensive. The low road can be built in stages. The high road is a job lot. The low road, the coastal route, is clearly attractive for both those reasons. Both roads present resource consent challenges, but the low road is somewhat more challenging, especially around the coastal strip north of Pukerua Bay, and beyond 10 years, Mana.

It is this consenting challenge that leads to the first condition, a detailed implementation plan for the western corridor including a consenting strategy for the coastal route. This report, due in December will inform, and be informed, by the Wellington Regional Strategy, due for completion in a year. The implications of the proposed Regional Strategy for the western corridor are likely to be clear by Christmas.

The second condition, that there is regional agreement, simply reflects that regional disagreement will see neither option proceed. History helps us understand that. The Regional Strategy will be one avenue by which that agreement is secured. Certainly the quest for agreement in the region is obvious. People want resolution.

I want to be clear that the Government doesn't decide which option should proceed; the region does. For those who thought that today was the day we decided which road to build that was never going to be the case. Today was the day we answered another question – what special funding contribution might the Government make to a western corridor solution.

Today's announcement is clearly the most significant in recent land transport history for Wellington. The \$660 million total is larger than had been expected and is larger than we initially anticipated. However, it will not, by itself, build Transmission Gully. That option would need additional revenue streams. Similarly, the Mana bypass is beyond the like of this 10 year package.

We embarked on a process. The process, having delivered five options initially, winnowed and narrowed the logical way forward. Once we had determined the need, we funded it. Fully.

If one adds January's commitment the total is \$885 million. All figures are GST exclusive, which is a shame because otherwise one could label it a billion dollar package. The main costings include allowances for inflation and for scope creep. They are the best we have.

This ten year funding package starts in a little under two years and peaks in 2009 through to 2012. The expenditure is meshed with the substantial increase in expenditure in the National Land Transport Programme, announced last Thursday.

Now, for the first time, the money is to hand. The baton now passes to the region, and to the region's leaders. You have some planning to do, a forthcoming report to read in December, a

Regional Strategy to complete and agreement to secure.

I'm sure you are equal to that.