

New Zealand Land Transport Sector

Next Steps Review and other Transport Initiatives

Briefing for Road Controlling Authorities
Forum
10 August 2007

August 2007

Next Steps Review - Background

- Review led by State Services Commission
- Partly a response to MAG* and EXG** findings
- Report completed April 2007
- Cabinet decisions announced on 25 May 2007

* Ministerial Advisory Group Report on Rooding Costs - 2006

** Review of Value for Money in the Land Transport Sector - 2007



Next Steps - main recommendations & decisions: Planning & Funding

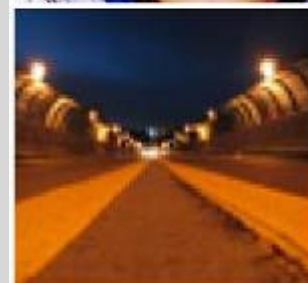
- Maintain arms-length decisions on project funding
- New INZTS* to fill “strategic gap”
- Increase Government direction through a three yearly Government Policy Statement (GPS)
- Move towards full hypothecation of FED, RUC and MVR into National Land Transport Fund (NLTF) (*Budget announcement*)

* Implementing the New Zealand Transport Strategy



Next Steps - main recommendations & decisions: Structure

- The Ministry still needs to lift its capability
- Certain functions such as preparing the GPS and a review function for projects should belong with the Ministry
- Transit NZ should be merged with Land Transport NZ



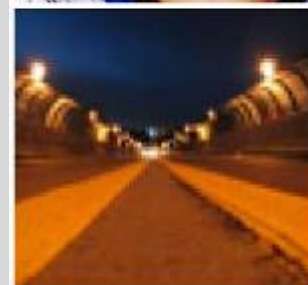
Government Policy Statement (GPS)

- GPS will set Government's investment priorities for
 - State Highways)
 - Local Roads)
 - PT)*in silo accounts*
 - Walking & Cycling) (called "activity classes")
 -*probably with further segregation into*
 - *Capital*
 - *Operations (& Education)*
 - *Maintenance*
- *GPS updated every 3 years with 6 year outlook*



Next Steps – further proposals re Planning & Funding

- Regional Land Transport Programmes (RLTP) to be developedevery 3 years
- Each RLTP to be consistent with GPS
- Each RLTP to include:
 - All land transport programmes and projects for region
.....but will exclude local road maintenance from prioritisation



Next Steps – Broad timetable

- Draft legislation - September 2007
- Enactment - Autumn 2008
- New Crown Entity - Mid 2008



Some other important Transport projects (1)

- Regional Fuel Tax initiative
- Implementing the New Zealand Transport Strategy

.....to cover all transport modes

.....more specific targets than existing NZTS

.....*but will not replace regional or sector-specific strategies*



Some other important Transport projects (2)

- Transport and the environment
 -Biofuels initiative
 -Harmful emissions proposals
 -Proposals for increased fuel economy
 -Encouraging passenger transport growth



Questions & Discussion

