

MINISTERIAL BRIEFING NOTE

Subject	CPI increases in toll road charges
Date	25 January 2019
Briefing number	BRI-1561

Contact(s) for telephone discussion (if required)				
Name	Position	Direct line	Cell phone	1 st contact
Howard Cattermole	General Manager Investment and Finance	s 9(2)(a)		✓
John Coulter	Senior Manager, Operational Policy, Planning & Performance			

Action taken by Office of the Minister

- Noted
- Seen by Minister
- Agreed
- Feedback provided
- Forwarded to
- Needs change [please specify]
- Withdrawn
- Overtaken by events

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25 January 2019

Minister of Transport

CPI INCREASES IN TOLL ROAD CHARGES

Purpose

1. This briefing is to inform you that the cost of toll charges on New Zealand's 3 toll roads are to increase from 1 March 2019.
2. The increases are as follows:

	Cars/Motorcycles		Trucks	
	From	To	From	To
Out of Scope				
Tauranga Eastern Link (Bay of Plenty)	\$2.00	\$2.10	\$5.00	\$5.20
Out of Scope				

Background

3. The NZ Transport Agency (NZTA) Board approved these increases in October 2018.
4. By convention, the NZTA reviews and increases the level of tolls every 3 years. The increases are rounded to the nearest ten cents. The last increases were made in 2015.
5. The current increases are in line with movements in CPI since 2015 and are necessary to repay the debts the NZTA used to finance the roads.
6. Taking into account these increases and forecast traffic volumes, we expect to repay the debts in line with the original borrowing assumptions. Without making the increases based on CPI, there would be a need to draw on the National Land Transport Fund to cover the loan costs.
7. We are making the increases in accordance with the existing orders in council that provide for the adjustment of toll rates.

8. The Transport Agency will issue media releases to advise the public of the increases on 1 February 2019, to give the required one month's notice ahead of the price increases taking effect on 1 March 2019.

It is recommended that you:

1. **Note** the contents of this briefing.

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Howard Cattermole

General Manager Investment and Finance

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Hon Phil Twyford, Minister of Transport

Date: 2019

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