

TRANSIT NEW ZEALAND STATE HIGHWAY FORECAST 2005/06–2014/15 UPDATE at August 2005

Foreword

This Update to Transit's 10-year State Highway Forecast 2005/06–2014/15 increases our planned spending by \$390 million over the next four years.

This follows additional funding for state highways allocated by Land Transport New Zealand on 28 July. Of those extra funds, \$340 million over the next four years result from the Government's announcement on 23 June of an extra \$500 million for land transport. There is a further \$25 million allocated to state highways in each of 2009/10 and 2010/11.

Transit's increased spending of \$390 million in the next four years includes our proposal to borrow up to \$50 million starting in 2006/07, for repayment in 2009–2011 from the additional funding provided by Land Transport New Zealand. Borrowing and tolling are also expected to be part of the funding packages to complete three key projects – SH20 Avondale Extension, SH20 Manukau Harbour Crossing and SH1 Te Rapa Bypass. Expenditure in this Update excludes the value of debt-funded activity associated with those projects.

Completion of Auckland's Western Ring Route of State Highways 18, 16 and 20 is our top priority.

In this Update:

- › SH18 Hobsonville Deviation starts construction in 2005/06
- › SH16 Waterview to Rosebank eight-laning starts construction in 2008/09
- › SH16 Te Atatu to Royal six-laning has investigation and design brought forward two years
- › SH20 Avondale Extension and Manukau Harbour Crossing have investigation and design phases accelerated. Their construction starts are planned for 2009/10, using borrowing and tolling to help meet their cost.

This Update also signals faster progress on the Waikato Expressway, which is Transit's next highest priority. Design and construction of the SH1 Te Rapa Bypass is advanced in the expectation that borrowing and tolling will be part of its funding package. Design of the SH1 Ngaruawahia Bypass has also been advanced. Additional construction funding for these and other projects may result from the review recently commissioned by the Minister of Transport. Another key Waikato project to be advanced in this Update is SH1 Piarere to Oak Tree Bend Realignment. It has significant safety benefits and will now start construction in 2006/07.

In Wellington, the SH2 Dowse to Petone Interchange project will now start in 2005/06. Around the country, an extra \$10 million will be spent in 2005/06 on identified small and medium-sized projects with a construction cost of less than \$3 million. Nationally, an extra \$5 million a year for the following three years is set aside for similar projects, which will be identified as our overall programme progresses. Many of these projects deliver significant safety improvements, and the result will be faster achievement of *Road Safety 2010* targets.

Achieving this heightened level of activity will require an extraordinary level of collaboration and coordination with our transport partners. We at Transit look forward to the challenge.



David Stubbs
Chairperson