



## **Transport Unions say sole focus on road building in infrastructure package the wrong focus for New Zealand**

**Maritime Union of New Zealand/Rail and Maritime Transport Union joint media release**

**FOR IMMEDIATE RELEASE Wednesday 11 February 2009**

New Zealand's two leading transport unions say that pouring public money only into roading and ignoring other transport infrastructure is a mistake. The Maritime Union of New Zealand, representing seafarers and waterfront workers, and the Rail and Maritime Transport Union, representing rail and port workers, are concerned that economic stimulus plans focus transport investment exclusively on roading.

The transport unions say that while the Government is correct in investing in infrastructure as a stimulus for the economy, it's sole focus on investing in roads is wrong.

Rail and Maritime Transport Union General Secretary Wayne Butson says that Government announcements on infrastructure investment since the election have been focussed on roading and this is a major concern for all New Zealanders. He says in a time when we need to lower our reliance on fossil fuel powered vehicles and reduce greenhouse gas emissions, leaving out urgent rail and ports infrastructure investment is a mistake.

"We need to get goods and passengers out of gas guzzling, congestion creating road transport, and use high quality, low impact transport options like rail and coastal shipping."

Mr Butson says rail was privatised by the last National Government and it appears that this ideological anti-rail approach is still around.

"Around the world, Government is investing in upgrading their rail industry, and we are noticing we are losing our skilled New Zealand workers overseas as rail operators expand their operations to meet the demand of growing business opportunities."

He says the previous Government gave strong support to rail, retaining vital skills in New Zealand, but the negative message now was that rail was not part of the picture for the new Government.

"The Rudd Government in Australia has shown strong support for rail in its economic rejuvenation package, and that is an example we should be following." Mr Butson says that yet more roading projects created more problems down the track, as it was obvious the world was facing an energy crisis and an environmental crisis.

"The Government seems to be stuck in a George W. Bush type reality, where peak oil and climate change don't exist."

Maritime Union General Secretary Trevor Hanson says as an island nation and a maritime nation, New Zealand should be developing a coastal fleet for domestic shipping, but had struggled for any recognition from Government.

"The cash for roading is the opposite of what the Government should be investing in. The vast majority of goods in and out of New Zealand are carried by shipping, but coastal shipping seems to be ignored."

"We lack an integrated plan in New Zealand around ports and shipping, which is remarkable given that we are dependent on our ports for trade. Changes in ports will probably lead to hub ports and feeder ports that require shipping links, but where is the New Zealand owned shipping to service these new developments?"

He says shipping was the most environmentally friendly transport mode and would reduce dependence on fossil fuels.

"The SeaChange strategy announced in 2007 showed how coastal shipping will be an increasingly important part of New Zealand's transport system."

SeaChange identified a goal of moving 30 per cent of domestic freight by coastal shipping by 2040. Mr Hanson says overseas flag of convenience shipping enjoyed unfair advantages over New Zealand shipping under current maritime transport legislation.

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## Fast-tracked public projects give \$500m boost

Prime Minister John Key and Infrastructure Minister Bill English today confirmed almost \$500 million worth of publicly-funded building projects will be accelerated in the latest in a series of initiatives under the Government's Jobs and Growth Plan.

The projects, spanning the housing, transport and education sectors and spread widely around regions, have been fast-tracked to contribute quickly to the Government's economic stimulus programme.

"These projects will get underway quickly – in many cases in the next few months – and they will keep more New Zealanders working as the global economic crisis is felt here," Mr Key said. "They were chosen because they are quality projects, they will make lasting contributions to our economy and they are ready to go.

"They will employ New Zealanders and create work for businesses in regions, whether they are builders, plumbers or electricians. And their benefits will flow through communities by helping keep suppliers and sub-contractors, shopkeepers and sales staff in business."

About \$100 million worth of fast-tracked projects will start before June 30 this year.

The \$483.7 million of infrastructure spending brought forward under today's announcements include:

- **Education** – \$216.7 million of spending, including five new schools, school refurbishments and maintenance and ICT infrastructure improvements.
- **Transport** – \$142.5 million of spending, spanning five large state highway projects and a programme of smaller, regional roading improvement projects.
- **Housing** – \$124.5 million of spending, allowing Housing New Zealand to upgrade and renovate 10,000 more state houses, and build 69 new state houses over the next six months.

The infrastructure announcement today is the latest in a series of Government jobs and growth initiatives, which will ease the sharpest impact of the global recession and prepare New Zealand for future growth.

It follows a \$480 million helping hand of tax and regulatory assistance for small and medium businesses last week, sweeping reforms of the Resource Management Act and a programme of income tax cuts over each of the next three years.

"Infrastructure is an important part of our Jobs and Growth Plan and this is just the first announcement about bringing forward worthwhile projects that will help us through the current economic challenges and contribute to driving up New Zealand's long-term economic competitiveness," Mr English said.

Cabinet will shortly consider the establishment of a small infrastructure unit to manage and plan New Zealand's long-term infrastructure needs and the Budget will include significant infrastructure initiatives.