



Hon Chris Bishop Minister for Infrastructure

30 May 2024

Fixing New Zealand's infrastructure deficit

Budget 2024 lays the foundations for a better performing infrastructure system, with investments to ensure Kiwis spend less time waiting in traffic, that improve our climate resilience, and in modern classrooms that support our kids to achieve at school, Infrastructure Minister Chris Bishop says.

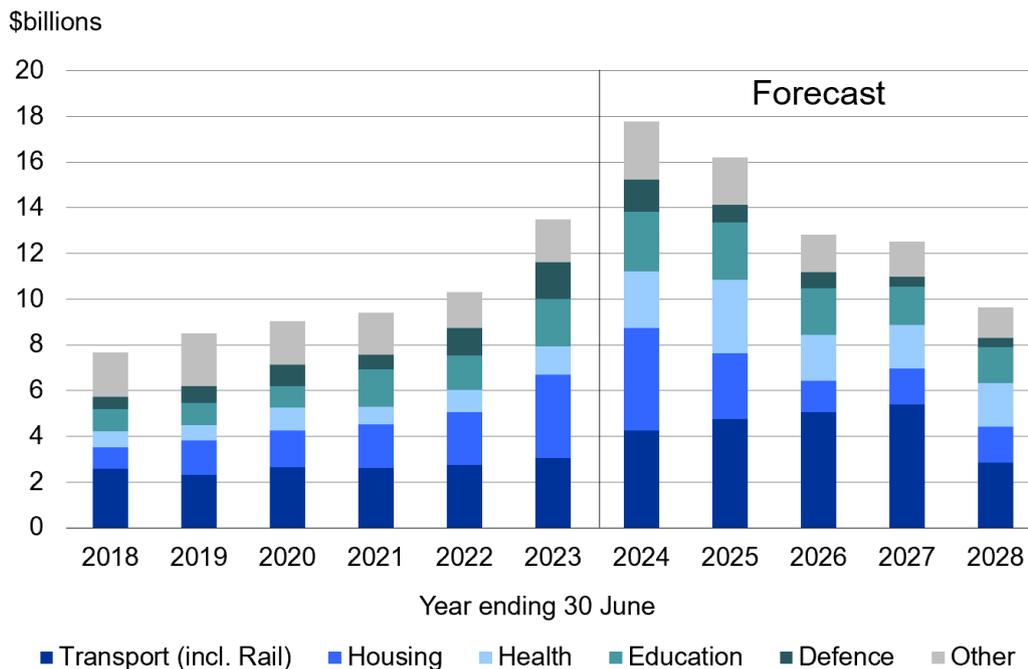
“The Government is determined to address New Zealand's infrastructure deficit, while responsibly managing the public finances. Developing a coherent pipeline of infrastructure projects is a key part of our plan to rebuild the economy and make New Zealand a better place to live.”

Key infrastructure investments in Budget 2024 build on the existing capital pipeline, including programmes already in delivery:

- \$1.2 billion for the Regional Infrastructure Fund to support our regional economies to grow. This includes an initial investment of \$200 million into flood resilience infrastructure.
- \$2.68 billion in roads, rail, and public transport to unlock economic growth and enable Kiwis and freight to get to where they want to go quickly and safely, including 17 new Roads of National Significance and funding for the Rail Network Investment Programme. This Budget boosts the Land Transport Fund with an additional \$1 billion in capital funding, over that previously signalled, to accelerate construction of the Roads of National Significance.
- \$1.48 billion in school and kura property so kids can learn in safe, warm and dry schools, and the school property portfolio can expand to accommodate more students.
- \$2.1 billion for Law and Order, including funding for an 810-bed expansion of Waikeria Prison to support stronger sentencing and capital costs associated with delivering 500 new police officers.
- \$408 million to upgrade Defence equipment and infrastructure.
- \$140 million to deliver 1,500 new social housing places.
- \$103 million to meet emerging cost-pressures in Health NZ's infrastructure pipeline, which includes \$11.6 billion of investments over the forecast period.

“Our Government is investing a record amount in modern infrastructure that Kiwis can rely on, and which helps to rebuild the economy. Delivering a coherent pipeline of infrastructure projects is a key part of that plan.

The Treasury graph below shows the significant increase in infrastructure spending over time:



“In addition, data from the Infrastructure Commission shows that across central government, local government and the private sector there are around \$44 billion of projects under construction, and over \$15 billion more of projects which are either in procurement now or are expected to be within the next twelve months.

“A comprehensive programme of work is underway to establish a 30-year National Infrastructure Plan, develop a new consenting framework to get infrastructure built faster, and utilise new funding tools like tolls, PPPs and value capture so we can make that pipeline of projects even bigger.

“Budget 2024 includes \$5 million for the creation of the new National Infrastructure Agency, to act as our infrastructure investment ‘front door’ to connect domestic and offshore capital to New Zealand’s infrastructure opportunities.

“The previous Government committed funding towards a National Resilience Plan without any detail behind it. Budget 2024 returns funding to Budget allowances so that decisions over climate and resilience investments can be made through the normal Budget processes, to ensure greater transparency and that funding is going to the highest value proposals.

“The Government has ensured it has plenty of room in its fiscal plan to fund emerging infrastructure needs. Budget 2024 tops up the Multi-Year Capital Allowance by \$7.0 billion. This means a total of \$7.5 billion remains in the MYCA to be allocated for future investment ready projects.

“Budget 2024 is just the start of the coalition Government’s commitment to fixing New Zealand’s infrastructure system and addressing our massive infrastructure deficit,” Chris Bishop says.

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