



Hon Grant Robertson
Minister for Infrastructure

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Increased infrastructure investments secure economic recovery

Increased infrastructure investment will play a critical part in Aotearoa New Zealand's recovery from the COVID-19 pandemic.

"We will build back better from COVID-19. We have the opportunity to build the houses, schools, hospitals and transport networks our country needs, while adding momentum to our economic recovery," Grant Robertson said.

"Budget 2021 sees a 50 percent increase in the Government's multi-year capital allowance to maintain momentum around job creation and to build the critical infrastructure needed to come out of COVID-19 stronger.

"Even before COVID-19 we were determined to address the long-term under investment in infrastructure. When we came to power we inherited neglected infrastructure, including run down hospitals, roads that had been announced but not paid for, overcrowded classrooms and a state housing shortage.

"Investing in infrastructure is at the core of the Government's economic recovery plan. On top of addressing the infrastructure deficit, these ongoing investments grow jobs and boost economic growth both nationally and regionally," Grant Robertson said.

"They also provide certainty for the construction sector, so it can better prepare and invest in the capacity and capability needed to deliver projects on time and on budget.

"At the beginning of this Parliamentary term we already had \$42.2 billion on the books for infrastructure investment over the next four years.

"Budget 2021 lifts that investment to \$57.3 billion of Crown spending on infrastructure from 2021 to 2025," Grant Robertson said.

The Government is also increasing the multi-year capital allowance from \$8 billion to \$12 billion over the forecast period. Budget 2021 will invest \$3.9 billion of that \$12 billion allowance including:

- \$810 million for KiwiRail to purchase new locomotives and wagons and complete upgrades to mechanical facilities, as well as invest in maintenance of its existing assets such as locomotives, wagons, ferries, and IT.
- \$761 million of capital for Education including \$634.1 million for school property.
- \$700 million for District Health Boards to invest in new assets.
- \$306 million to support the much needed redevelopment of Scott Base to ensure it remains operational.
- \$300 million of additional capital for New Zealand Green Investment Finance Ltd to continue to invest in climate change mitigation.

\$4.5 billion per year is also invested in transport services and infrastructure through the National Land Transport Fund, which comes from petrol excise duty and road user charges. It funds public transport, roads, cycle ways, rail and safety improvements all over Aotearoa New Zealand.

Media contact: Chris Bramwell 021 581 149