

# MEDIA RELEASE

## ARA Welcomes NZ Rail Budget

ARA welcomes the New Zealand Government's substantial investment in rail in Budget 2019.

The Government announced a \$1 Billion boost for rail in New Zealand, which includes:

- \$331m for KiwiRail towards maintenance of existing tracks, signals, bridges, tunnels, new freight handling equipment and a new freight reservation and tracking system.
- \$375m for KiwiRail towards replacing ageing container wagons and start replacing the fleet of 48 South Island locomotives and some shunt engines, which are up to 50 years old; and improving the major maintenance depots at Hutt and Waltham.
- \$35m for KiwiRail to progress procurement of two new, large rail enabled ferries that will replace Interislander's ageing Aratere, Kaitaki, and Kaiarahi ferries.
- Potential to access up to \$300m from the Provincial Growth Fund for regional rail projects.

The Government also allocated funding Auckland City Rail link, increasing access to the city, easing congestion, and doubling the capacity on the Auckland rail network.

ARA CEO Danny Broad said "These investments in freight and passenger rail will improve the reliability and competitiveness of rail services in New Zealand."

"We are seeing an investment boom in rail right across Australasia as governments are recognising the contribution of rail to ease congestion, add to economic productivity, reduce carbon emissions and improve road safety.

"We are particularly pleased with the announcement of the development of the New Zealand Rail Plan."

Rail needs to be fully incorporated into regional and national transport planning, with appropriate funding mechanisms. The plan is expected to be released later this year," he said.

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