



The Campaign For Better Transport

Cr. Norm Barker
Chair Regional Land Transport Committee
Environment Waikato
PO Box 4010
Hamilton East
Hamilton 3247

13th May 2010

Dear Cr. Barker

Re Waikato Rail Service

I am unable to appear in person before you on Monday of next week for the Campaign for Better Transport's scheduled hearing of our submission on Environment Waikato's Annual Plan. However, I am writing to you in an effort to bring some sort of conclusion to what has been a long running, passionate campaign for a commuter rail service between Auckland and Hamilton.

As we are at a critical decision point, I think it is useful to document what I understand are the current positions of the parties involved.

KiwiRail

I met with KiwiRail CEO Jim Quinn yesterday to discuss KiwiRail's position. Jim made it clear that he would welcome any further approach from Environment Waikato or other interested councils in relation to revisiting the costings already provided.

I also asked if KiwiRail was willing to accept more of a commercial risk than the currently proposed costings, which to me appear to be almost risk free for KiwiRail. Although he did not take part in formulating KiwiRail's current proposal, Jim did imply that it was put together in a somewhat ad-hoc manner and reiterated again that the costings could be revisited. It may also be timely to do so as the new General Manager for the Rail Passenger Group, Debbie Hume, takes up her appointment in June. Debbie takes over from Ross Hayward, who has recently left KiwiRail.

I broached other options, including a shorter duration trial over the Rugby World Cup, but he was of the personal opinion that any Waikato rail service would have to be at least three times a day and also be at least a year in duration to have any realistic chance of building patronage and continuing on a more permanent basis. (As an aside, KiwiRail will probably be providing trains between Hamilton and Auckland specifically for the Rugby World Cup.)

Finally I thought that there could be a risk that a Waikato rail service could become too popular, with a consequent possible shortage of rolling stock. However, Jim thought there could be a number of options in the medium term. In particular, more rolling stock from the Capital Connection service could become available as electrification extends north to Waikanae.

Hamilton City Council

Led by Cr. Dave Macpherson, Hamilton City Council have stated their support for Waikato Rail, and submissions are being taken as part of their Annual Plan hearings.



The Campaign For Better Transport

Waikato District Council

I understand that the Waikato District Council are open to the idea of a commuter rail service and can see considerable merit for the smaller towns that this council serves.

NZTA and Local Government MPs

Having slashed NZTA public transport funding by \$250m over three years, the Government view that investment in Roads of National Significance is a better economic investment than public transport continues to persist.

Local National MPs apparently do not even support the principle of a Waikato commuter rail service.

Environment Waikato

As the agency responsible for contracting passenger services, Environment Waikato is no doubt aware of the fallacies behind the Government's position.

International studies show that cities with well developed public transport options spend up to four times less of their economic wealth on transport than other cities. A double standard exists when LTNZ and ratepayers pay for roading projects without any expectation of profit, yet for public transport projects an outright profit must apparently be achieved from the outset. Roading based solutions never factor in private costs of vehicle ownership but, for public transport, vehicular costs always form part of the cost benefit equation. High oil prices are damaging to the economy and we need transport solutions that are less dependent on oil, yet the risk of high oil prices is never factored in to transport project evaluations. I could go on but, like I said, you know all this.

I do note, however, you make reference in a recent article to a metric of "passenger trips" when comparing public transport options across different modes. This may be valid when comparing trips of a similar duration, however it is more meaningful to compare passenger kilometres since the objective of any public transport system is to maximise the overall usage of services. Recently the ARC undertook such a study and found that rail services offered comparable value when compared to bus and ferry modes.

In conclusion, it is heartening to read that EW remains genuinely open to the idea of a Hamilton – Auckland rail service. As with all transport projects, key political champions are essential and we look forward to Environment Waikato working through the issues to bring about a Waikato rail service.

Yours sincerely

Cameron Pitches

Convenor

Campaign for Better Transport