



## Submission of the Campaign for Better Transport on The Land Transport Management Amendment Bill

### Introduction

The Campaign for Better Transport (CBT) is an incorporated society consisting of approximately 80 financial members. We advocate for the betterment of public transport and other modes of transport that offer choice in society.

We are a purely voluntary organisation and are politically independent.

### Submission Points

#### **PTOM Model**

The CBT supports the introduction and aims of the PTOM model for contracting public transport services. We envisage that the proposed changes will result more consistent and higher quality public transport services than those offered by operators through the current contracting model.

#### **Repeal of Provision for Regional Fuel Taxes**

The CBT opposes the repeal of the provision for regional fuel taxes. There is absolutely no need for the regional fuel tax provisions to be removed as the government already has the ability to say no to a scheme (or to even cancel a scheme already in place). The stated rationale for repeal is that "This will avoid the likely costs of such a tax in a single region being spread across all regions within our nationwide fuel market, and will ensure that the additional costs of a refund system for non-transport fuel use are not imposed on productive areas of the economy."

A report by Ascari and BERL Economics contained in the Auckland Council Transport Committee agenda for August 2012 rebuts these arguments with the following findings:

- The imposition of a regional fuel tax now would be much less likely to result in price spreading to other regions.
- There are ways to address spreading such as penalties and a targeted monitoring programme.
- Avoidance of a regional fuel tax by consumers is likely to be a minor issue.
- Administration of a regional fuel tax at the wholesale level would be straightforward.
- If a regional fuel tax is imposed at the retail level, the administration costs are likely to be significantly lower than previously identified.
- The costs to commercial operators seeking a refund are estimated to be between \$25 and \$50 per firm and could be minimised further.
- The spatial form and vehicle travel patterns in Auckland are both well matched to the requirements of an effective regional fuel tax.

It is our belief that central Government simply wishes to deny local councils any ability to raise revenue from alternative funding sources, without any solid rationale for doing so. It would be in the best interests of central Government and the economy in general to work with local councils, in particular Auckland Council, to discuss this issue in a meaningful way.



# The Campaign For Better Transport

<http://www.aucklandcouncil.govt.nz/SiteCollectionDocuments/aboutcouncil/committees/transportcommittee/meetings/transportcomagitem1to1020120801.pdf>

## **Section 96 NZTA Operating Principles**

The CBT supports the retention of this clause, in particular 96(1)(a)(ii)(B), which means that the Agency must “give land transport options and alternatives an early and full consideration.” Particularly in the Auckland context, there are numerous transport solutions to issues such as peak time traffic congestion that must be considered in order to deliver optimal transport outcomes.

**We wish to attend an oral hearing in support of our submission.**

Cameron Pitches

Convenor

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