THE WATERVIEW CONNECTION

LOCALS OPPOSE IT • IWI OPPOSE IT • ECONOMISTS OPPOSE IT

HERE'S WHY

REASON ONE: IT COSTS MORE THAN $1.4 BILLION (OR *$350 PER NEW ZEALANDER*)

Some things we could do with the interest income alone *and still have $1.4 billion at the end*…

- ✓ **Halve Auckland bus fares**
- ✓ **Cut Council rates by more than 10%**
- ✓ **Cut road user charges by 20% for Auckland truckies**

REASON TWO: NEW ZEALANDERS ARE PAYING $350 PER HEAD TO SAVE AUCKLANDERS 15 MINUTES

Over 95% of the benefit in the business case is the 15 minutes of time saved per trip. According to Professor David Metz of the London School of Economics, the notion that travel time saving has any economic value is a transport planning myth.[i] Even if 15 minutes of (some) Aucklanders' time are so important for the nation, here are a few other things we could do to save 15 minutes with $1.4 billion…

- ✓ **Give every Auckland household a dishwasher ($1.4 billion equates to $2,500 per Auckland household)**
- ✓ **Implement integrated ticketing for buses and trains at the cost of $19 per New Zealander**

REASON THREE: THE BENEFITS ARE BASED ON OUT-OF-DATE TRAFFIC DATA

The business case for the Waterview connection is based on very old traffic patterns.[ii] These ignore the unprecedented recent surge in the use of public transport, which hit a 25 year high in 2009.

REASON FOUR: THE WATERVIEW CONNECTION WILL BE COMPLETED IN 2015 – A MERE FIVE YEARS BEFORE "PEAK OIL"

The IEA predicts that "peak oil" will be reached in 2020. We need a transport strategy that future-proofs Auckland; not an expensive White Elephant.

REASON FIVE: CYNICAL AND MISLEADING COST–BENEFIT ANALYSIS

- **Massive impacts on the environment and community are completely ignored.**

- **Financing cost attributed to the tunnel option: $500 million**
  Financing costs attributed to other options: Zero
  This contradicts common sense and any sound cost-benefit methodology.

- **The costing of the tunnel option contravenes the NZTA's own guidelines for cost-benefit analysis.[iii]**

- **The Ministry of Transport advised the Minister that the project should be delayed.[iv]**

- **The Waterview connection does not complete the Western Ring Route, which now requires additional extensive road widening – at almost $1 billion in extra cost.[v] Not included in the cost-benefit. Not yet consulted upon.**

- **NZTA advises that if mitigation costs are too large, then the tunnel option is preferred. Yet NZTA Board plans to approve Waterview *before* mitigation costs are fully calculated.**

REASON SIX: LOCAL IWI STRONGLY OPPOSE IT

Ngati Whatua have expressed grave concerns at the effect of the project on the environment.

REASON SEVEN: LOCAL COMMUNITIES STRONGLY OPPOSE IT

- **Waterview school faces potential closure.**

- **Hundreds of homes will be destroyed; community ruined.**

- ✖ Major impact on Oakley Creek and the environment and loss of land at Hendon Park, Alan Wood Reserve and Waterview Park. Lost amenity value may exceed $100 million.[vi]

REASON EIGHT: LOBBYING BY PRO-ROAD ADVOCATES IS DISTORTING THE EVIDENCE

- ✖ The AA's Allen Report calculates large benefits based on "computable general equilibrium models" – a flawed methodology. Ignores environmental impact. Assumes travel time savings translate directly into economic growth. (How much economic growth did we experience when the speed limit was raised from 80kph to 100kph?) [vii]

- ✖ Road building is a hugely profitable enterprise and the promise of infrastructure contracts is driving increased forecast profits for many firms.[viii]

- ☑ Visit www.tunnelornothing.org.nz
- ☑ Lobby your MP
- ☑ Write to the Newspaper

[i] See Metz, D., "The Myth of Travel Time Saving", *Transport Reviews* (2008).
[ii] The predicted traffic patterns are based on an old version of the NZTA's traffic model (ART 2), which uses 2001 data. The ART 2 model is unable to accurately predict demand 25 years after completion of the Waterview project, as required by the NZTA's own cost-benefit methodology.
[iii] The NZTA Manual explicitly requires that financing costs be excluded. See Transfund Project Evaluation Manual (Manual Number PFM2, Ammendment No. 8, §3.3.5)
[iv] http://www.nzherald.co.nz/nz/news/article.cfm?c_id=1&objectid=10594880
[v] http://www.nzherald.co.nz/nz/news/article.cfm?c_id=1&objectid=10594654
[vi] See http://www.isf.uts.edu.au/publications/fametal2008irrigationgreenspace.pdf for a valuation. The under-grounding of a surface motorway through Boston created $350 million in restored amenity value: Tajima, K., "New Estimates of the Demand for Urban Green Spaces: Implications for Valuing the Environmental Benefits of Boston's Big Dig Project", *Journal of Urban Affairs* (2003).
[vii] See http://www.theaa.com/public_affairs/reports/going_underground.pdf for a recent discussion of why the UK AA now advocates tunnels.
[viii] See the increased profit forecast for Fletcher Building based on infrastructure spending promises: http://www.nzherald.co.nz/building-construction/news/article.cfm?c_id=24&objectid=10590416