NZ CHAMBERS OF COMMERCE
WAIKATO
Business Vitality

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Te Huia report highlights financial, environmental failings

A report on the financial and environmental viability of the Hamilton-Auckland commuter train, Te Huia, shows the service costs considerably more than it does to drive and it creates more carbon emissions.

The analysis was produced by final year Waikato University student Nicholas Farrell for the Waikato Chamber of Commerce. Nicholas was studying for a Bachelor of Management Studies, majoring in economics and finance.

It shows that per trip from Hamilton to Auckland, driving costs $48 compared to $294 on Te Huia – made up of a $12 fare and a $282 subsidy. And based on the assumption of one person per vehicle, carbon emissions for the same trip are 20kg per person driving, but 31.5kg per person on Te Huia.

Other key findings include: patronage KPIs are just half of year one predictions in the Te Huia business case, with an overall load factor of 26 per cent; journey times are 91 minutes driving compared with 145 minutes on Te Huia; and the implementation of the train service has seen a congestion reduction of just 0.13 per cent.

Chamber chief executive Don Good said the analysis was important so that central and local government decision makers had a better understanding of the viability of Te Huia's future and whether the sizeable funding was realistic long-term.

"The Regional Council are introducing significant upgrades to the service this year to attract a great deal more patronage but given Te Huia's $100million price tag, there needs to be real accountability from those who strongly supported and advocated for its implementation," Good said.

"And I would imagine that ratepayers and businesses will have some serious questions in the lead up to local body elections later this year about whether the service is justified and whether it's a good use of taxpayers and ratepayers' hard-earned cash."

Good said the service contributed significantly more carbon emissions and questioned whether the government would be better to invest in other technologies.

"We're going to start seeing more and more electric and hydrogen vehicles on our road in the next few years so would it be more sensible to invest in improving roading and EV charging sites?"

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