

## **Domestic Transport Costs and Charges Study**

The Domestic Transport Costs and Charges Study aims to improve our understanding of the costs of New Zealand's transport system - road, rail, coastal shipping and domestic passenger aviation - on the country's economy, environment and population, and to what extent those costs are met by transport users.

Costs involved in the New Zealand domestic transport system are mainly public sector costs for the infrastructure development, operation and maintenance of the system; the costs and charges incurred by transport users; and the external (social) costs resulting from the transport system and its use on the environment (including climate change), and on deaths, injuries and suffering resulting from transport accidents.

The Study will provide an assessment and quantification of these costs and charges. The outputs will include the development of assessment methodologies and a report detailing the application of those methodologies to existing data.

The Study is not a policy review and will not deliver any conclusions about how costs or charges can or should be changes in the future. However, the study's outputs will provide a valuable input to future policy development by improving our understanding of the economic, environmental and social costs imposed by different transport modes, and the extent to which those costs are currently 'met' by charges paid by transport users. This will inform policy development in areas such as charging and revenue management, internalising externalities, and travel demand management.

The Study is part of the Ministry's work programme to improve transport assessment and evaluation. The system-wide approach would establish consistent, clear and comprehensive approaches for assessments and evaluation and modelling across all transport modes. It will help the Ministry monitor the overall performance of the transport system against desired outcomes as set out in the Transport Outcomes Framework.

The Study is being conducted by a consultancy team led by Ian Wallis Associates, and is scheduled for completion in early 2021.