Hon Chris Bishop

Attorney-General
Minister of Housing
Minister for Infrastructure
Minister Responsible for RMA Reform
Minister of Transport
Associate Minister of Finance

TCB26-0962

Cr Daran Ponter and Cr Ros Connelly
Greater Wellington Regional Council
Daran.Ponter@gw.govt.nz

Dear Daran and Ros,

Thank you for copying me in on your letter of 10 June 2026 to Wellington Region Mayors about the financial pressures facing public transport.

I would note that in response to your letter of 19 March 2026, I organised a meeting with public transport authorities (PTAs) on 23 March to discuss the concerns raised, which your officials attended.

I previously advised that the Government had not ruled any actions in or out in terms of providing financial support to maintain public transport services, as we were in the middle of confidential Budget discussions. You are hopefully now aware of the Public Transport Fuel Costs Support that has been provided through Budget 2026.

A Crown allocation has been made available for Financial Year 2025/26 to support PTAs to meet additional fuel costs in 2025/26. The Ministry of Transport is working with the NZ Transport Agency (NZTA) to roll this funding out. I have been advised that detailed information about this funding support has been provided to your officials. The funding will be provided via NZTA, and for the Financial Year 2025/26 the application process is intended to be a light touch process given the short timeframes.

The Government will consider the need for any further support, subject to how fuel prices move over the coming months. Funding has been set aside in 2026/27 for this purpose, with more details to come following the distribution of the 2025/26 funding. At this point, I can confirm that the Public Transport Fuel Costs Support will be available until 30 June 2027 or until the retail price of diesel drops below $2.50 per litre for four weeks, whichever comes first.

In terms of other central government support, NZTA has moved to publishing monthly public transport diesel index values to enable PTAs and operators to move to a system of more regular monthly indexation payments to help manage short term cash flow pressures for contracted operators. Further, NZTA has confirmed that it would exercise its flexibility and discretion with regard to the maximum bus age rule in the *Requirements for Urban Buses*, which will enable PTAs to more quickly put on additional services in response to rising patronage.

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Officials advise me that NZTA has been meeting regularly with PTAs to develop a national public transport response to the National Fuel Response Plan 2026. This is being finalised at present but will comprise a series of NZTA and PTA-led actions that can be delivered with existing resources, with the purpose of creating a nationally consistent way for public transport to adapt and respond to the different fuel response plan phases.

The 2024-27 National Land Transport Programme focuses on building greater resilience into the network and improvements to the road network system. In the Wellington region, it delivers a forecast total investment in public transport of $1.3 billion – $100 million more than was allocated at the beginning of the 2021-24 National Land Transport Programme. Investment in public transport in the Wellington region covers significant central government investment in improving Wellington's public transport network, such as the Lower North Island Rail Integrated Mobility project, and the National Ticketing Solution.

With regards to private share targets, my expectation and specific requirement is that PTAs actively work towards increasing their private share on an annual basis. I am advised that based on what Greater Wellington has reported to date, NZTA is satisfied this is happening. Attainment of targets in and of themselves is not the requirement.

Thank you again for copying me in on your letter.

Yours sincerely,

Hon Chris Bishop
Minister of Transport

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