Annex A

CITY RAIL LINK: MONITORING OF THRESHOLDS FOR CONSIDERING AN EARLY BUSINESS CASE AND CONSTRUCTION START DATE

This report monitors Auckland CBD employment and rail patronage growth in relation to the key triggers, announced by the Prime Minister on 28 June 2013, for considering an earlier start date for construction of the City Rail Link.

Background

On 28 June 2013, the Prime Minister announced the government’s commitment to a joint business case for the City Rail Link in 2017 and to provide its share of funding for a construction start in 2020.

The Prime Minister also stated that the government would consider an earlier business case and construction start date if it becomes clear that Auckland’s CBD employment and rail patronage hit thresholds faster than current rates of growth suggest. The two thresholds are:

- an increase in Auckland CBD employment of 25 percent over current levels, which is half of the increase to 2021 predicted in the 2012 City Centre Future Access Study
- rail patronage is on track to hit 20 million trips a year well before 2020

CBD employment growth

The best measure of CBD employment growth is provided by the Statistics New Zealand Demographic Database1. The Database, which covers all of New Zealand, is published annually in early November and provides estimates of employment over the month of February in the same year.

At the time of the Prime Minister’s announcement, there were estimated to be 98,140 employees2 in the five Census Area Units comprising the Auckland CBD3. The estimate of 98,140 employees therefore becomes the baseline for measuring the growth of the CBD and the threshold for an early consideration of the City Rail Link is 122,675 employees.

Statistics New Zealand published the Business Demographic Database for February 2013 in November 2013. This showed employment for the five CBD Census Area Units as 100,170, which is an increase of 2,030 employees or 2.1 percent.

---

1 The 2013 report Monitoring Employment Growth in the Auckland CBD: A Proposed Approach, by Richard Paling Consulting, considered approaches to measuring CBD employment growth and concluded that the Database provides the best source of annual employment statistics for the CBD.
2 This is based on the 2012 estimate.
3 These Census Area Units are Auckland Harbourside, Auckland Central West, Auckland Central East, Grafton West and Newton.
Rail patronage

Auckland Transport’s Public Transport Monthly Patronage Report for October 2013 shows rail patronage for the 12 months to October 2013 as 10,309,102 passengers. This compares to 10,238,208 passengers for the 12 months to October 2012.

Assessment

CBD employment levels and rail patronage are some way from reaching the thresholds set by the government for considering an earlier start date for construction of the City Rail Link.

Future monitoring

Future monitoring will be scheduled to coincide with Auckland Transport’s reporting of rail patronage for the calendar year and financial year. Increases in employment, which are available annually, will be recorded at the same time as the rail patronage for the calendar year.