

# Hon Michael Wood

MP for Mt Roskill

Minister of Immigration

Minister of Transport

Minister for Auckland

Minister for Workplace Relations and Safety

Associate Minister of Finance



4 April 2023

Harris Leigh

**[fyi-request-22024-18450452@requests.fyi.org.nz](mailto:fyi-request-22024-18450452@requests.fyi.org.nz)**

Dear Harris

Thank you for your email of 7 March 2023 requesting information under the Official Information Act 1982 (the Act) relating to the importance of contractors in delivering road maintenance in Aotearoa.

For the sake of clarity, I will respond to each of your questions in turn:

- 1) *Whether the structure of the road maintenance industry means it relies heavily on the use of contractors*

Since the 1980's, legislation changes required road maintenance to be tendered competitively across local roads (usually managed by local councils) and state highways managed by Waka Kotahi NZ Transport Agency (and its predecessors, Transit NZ and the National Roads Board). This legislation has been fully enabled since 1991, so for the delivery of the physical works, contractors are critical in delivering road maintenance in Aotearoa.

- 2) *Whether the geographical spread of demand for road maintenance means that local contractors are best placed to do urgent maintenance*

I have been advised by Waka Kotahi that urgent maintenance (emergency response) is almost always provided by local contractors either working as the main contractor and/or as a sub-contractor. The exception to this is when the recovery (such as the Kaikoura Earthquakes) is of such a size and complexity that it requires a response that needs skills and capability that are not available locally. However, in these situations, local contractors will continue to provide services in this environment as well.

- 3) *Whether it would be possible to replace the use of local contractors with directly employed public servants as proposed by the Leader of the Opposition.*

As Waka Kotahi is required to ensure all road maintenance delivery is supplied by the private sector under a competitive procurement method, the possibility of replacing local contractors with directly employed public servants has not been considered. However, I am aware that there are still council owned trading enterprises that contract and compete against privately owned contractors for road maintenance works (typically in the local roading environment) as

the main supplier and often as a sub-contractor in the state highway environment.

I trust this responds to all of your questions.

Yours sincerely

A handwritten signature in blue ink that reads "M. Wood". The signature is written in a cursive style with a small flourish at the end.

Hon Minister Wood  
**Minister of Transport**