



Hon. Christopher Bishop  
Minister for Infrastructure  
Parliament Buildings  
Wellington 6011

CC: Simon Court MP, Parliamentary Under-Secretary for Infrastructure

7 May 2026

Dear Minister Bishop,

### **Inquiry into City Rail Link Cost of Delivery**

1. Systemic failures to control the cost of the City Rail Link (CRL) project saw a cost blowout from an initial estimate of \$3.4 billion to \$5.5 billion. Each New Zealand household's share is more than \$2,700.
2. In 2018, the Labour Government took the decision to increase network capacity to 9-car trains, driven by political anxiety about future capacity rather than sound engineering judgement. In today's The Herald, former City Rail Link CEO Dr Sean Sweeney claimed that the project could have been delivered for "half the cost" without this overengineering.
3. There is a clear need for accountability when a major infrastructure project overspends its budget by 62 percent. Rather than hearing estimates in the news, New Zealanders need solid, reliable answers. However, there has never been any proper public scrutiny of this project or most similar major capital project overspends.
4. The CRL's failure is not an isolated incident. The New Zealand Infrastructure Commission shows that the country spends 5.5 percent of GDP on public infrastructure. This is well above the OECD median, and yet New Zealand ranks near the bottom 10 percent of developed countries for the efficiency of that investment.
5. New Zealand is paying top-shelf prices for bottom-tier outcomes, and the CRL is just one symptom of this systemic failure. We request a formal ministerial inquiry with the following terms of reference:
  - (a) The original decision to proceed with the City Rail Link project and the adequacy of the initial business case.
  - (b) The decision to expand the scale of the project to accommodate nine-car trains, and the cost implications of that choice.
  - (c) Governance failures which allowed a \$2.1 billion overspend without proper public scrutiny.
  - (d) What systemic reforms are required to ensure future infrastructure investment delivers clearer value for taxpayers' money.

6. If Dr Sweeney's claims are accurate, taxpayers deserve clear answers as to why this project cost them twice what it needed to. With Treasury estimating an infrastructure deficit of \$210 billion, there is no chance of closing the gap without far better cost control.
7. We look forward to your response.

Yours sincerely,

**New Zealand Taxpayers' Union Ltd.**



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