Media Statement
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Health Infrastructure Plan Can be Supported by Private Investment

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Infrastructure New Zealand welcomes the emphasis on innovation and asset management in the Government's Health Infrastructure Plan but wants to see greater use of private investment to help deliver it.

"The Government's plan signals a fundamental shift in how New Zealand builds and looks after our health infrastructure and incorporates a number of key innovations Infrastructure New Zealand has been advocating for, including the use of staged builds and standardised designs, and the greater use of private sector delivery models," says Policy Director Michelle McCormick.

"With $20 billion of capital investment required to deliver this plan, and the Government's capacity to fund it limited, the big question is, where does the money come from?"

"We see this as an opportunity for the Government to expand its approach to using private capital in the provision of health infrastructure, while still ensuring ownership of the assets remains with the Crown."

"Infrastructure New Zealand has long advocated for delivery and financing models that bring the best of both public and private sector capability to the table," says McCormick. "Whether through lease-based arrangements or PPPs tailored to scale, the use of these innovative approaches can accelerate delivery, spread cost over time, and ensure the delivery of high-performing assets that meet community needs."

"The greater use of standardised designs and staged builds will also enable infrastructure to be delivered faster and cheaper, and scaled over time as the assets reflect changing demographic and clinical requirements."

Infrastructure New Zealand is pleased to see the plan include a focus on better asset management.

"When we consider multi-billion-dollar multi-generational assets such as hospitals, it is important that we optimise the taxpayer's investment and get the most out of what we have," says McCormick. "Many of our existing health assets have suffered from a lack or very poor asset management which has resulted in severely degraded facilities, higher lifecycle costs and service failures that impact our communities."

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Infrastructure New Zealand is Aotearoa’s peak membership organisation for the infrastructure sector. We promote best practice in national infrastructure development through research, advocacy, and public and private sector collaboration. We promote public and media discussion on issues of importance to the infrastructure sector. Our membership is comprised of around 140 organisations, including government agencies, consultants, contractors, financiers, utilities, and academics. These organisations employ approximately 150,000 people in infrastructure-related roles and are united in their commitment to creating a better New Zealand through outstanding infrastructure.

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