

Taking us places!

A Free Fares report on
public transport

September 2026



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Please note that this report has been written by a team of researchers, on the request of the Free Fares national organising team. It has been written in support of Free Fares, but it has not been endorsed by the Free Fares Coalition.

Introduction

Free Fares NZ (officially called the Aotearoa Collective for Public Transport Equity) was formed in late 2021. We call for central government funding to make public transport free for tertiary students, under-25s, Community Service Card holders and Total Mobility Card holders and their support people.

Our campaign grew out of the very real struggle that we, and our communities, are facing. With the high cost of public transport, many people can only afford to travel by private car, causing congestion and harmful carbon emissions. Some people don't travel at all, and their wellbeing and communities suffer as a result.

Over 100 organisations have joined our coalition, including student unions, trade unions, the Council of Trade Unions, some local councils, LGNZ, disability organisations, student groups, community centres, anti-poverty groups, faith organisations, climate action organisations, health groups and more.¹

¹ freefares.nz

Of course, there are all sorts of transport improvements we need to see. We often hear people in the transport space say, we need more frequent services and more reliable services too. Yes, we need all three! Affordable, frequent, reliable. But our mahi is to speak up for free fares! If you cannot afford to get on in the first place, it doesn't matter how good the service is, nor whether it comes twice as often as last year. More users will lead to more people clamouring for other improvements in public transport, as well as improving users' lives in a myriad of ways. Because our campaign was born out of a concern for equity as well as for the climate, fares have always been our focus.

During the Covid-19 pandemic, we were pleased the government delivered half-price fares for all. We petitioned for this to be made permanent. Unfortunately, this was not to be, but the then Labour-led government kept half-price fares for Community Service Card holders, through Community Connect. And half-price for young people, and free for kids!

When the Coalition government got in, we petitioned again for them to keep the then-current discounts. They chose to remove the age-based discounts, but they kept Community Connect! So, we have permanent half-price fares for Community Service Card holders. We continue with our advocacy, and our coalition-building, to win permanent free fares for the four target groups.

While our campaign pre-dates the current fuel crisis, the rising cost of fuel has added to the urgency of our campaign. There has been extensive advocacy from communities across the motu to increase transport affordability. We applaud those councils who

have listened to their communities and implemented specific fare reductions. However, we call for central government funding to make fares free across the motu.

In 2026, we supported calls for free school transport for all, including rural school buses. We opposed the 1 July 2026 cuts to Total Mobility Card (TMC) discounts. We believe TMC travel should be free, regardless of service. It is unfair that TMC holders, who already pay the most for transport in the country, are facing three price increases at once: decreased central government discount which has led to a 40% price hike for users, decreased claim cap under many local governments, and rising fuel prices.

This report presents our evidence-informed case for greater investment in public transport—not only on free fares for our four target groups, but also on infrastructure, services, and other improvements. First, we demonstrate the tangible benefits that free fares would provide to those who need it most, including greater mobility, reduced household costs, and being able to access opportunities that would otherwise be out of reach. Second, we argue why having more people use public transport benefits all of us, including from reduced carbon emissions, lower transport poverty, and less traffic congestion. Third, we explain why our asks for free fares are not only feasible, but also necessary.

Thank you for reading, and we hope you will join the call for free fares — for climate justice, for reducing our cost of living, and for increasing social connection.

The national organising team
Free Fares NZ, September 2026

2 Free Fares benefits those who need it most

Free public transport would be a significant benefit for communities in Aotearoa New Zealand who are struggling with the cost of living and our car-centric transport system. In this section, we draw on evidence from both Aotearoa New Zealand and overseas to demonstrate the benefit of more affordable public transport for our four target groups: **Community Service Card holders, Total Mobility Card holders, Tertiary Students and Under 25s.**

2.1

Community Service Card (CSC) holders

“Free public transport for Community Services Card holders is a health issue. No one should have to choose between paying for the bus or paying for food, rent, power and trying to keep up with the cost of living. Removing transport costs helps people get to doctors and other healthcare appointments, and stay well. It helps people to stay connected, be able to take part in their communities, and helps children go to school. Health should not depend on whether you can afford the bus or not.”

Debbie Leyland, Chairperson,
United Community Action Network Aotearoa NZ

² Matthew Scott, 1 June 2022, “Campaign seeks permanent free fares,” *Newsroom*. newsroom.co.nz

³ Ministry of Social Development. (2025). *Number of Community Services Card holders nationwide during 2022 to 2024*. fyi.org.nz

³ Ministry of Social Development. (accessed 9-08-2026). *Community Services Card*. workandincome.govt.nz

⁴ Employment New Zealand. (accessed 9-08-2026). *Minimum wage rates and types*. employment.govt.nz

After extensive advocacy from Free Fares and others, the Labour-led Government introduced permanent half-price fares for CSC holders in Budget 2022. This is called ‘Community Connect.’²

Many Community Services Card holders face significant challenges, including transport accessibility. This group of over 1 million people,³ representing around one-fifth of the population, includes beneficiaries, those receiving the Accommodation Supplement or Supported Living Payment, many people not in paid work, low-income households, and social housing residents. Financial barriers, such as unaffordable transport, prevent many CSC holders from being able to live the lives that they deserve.

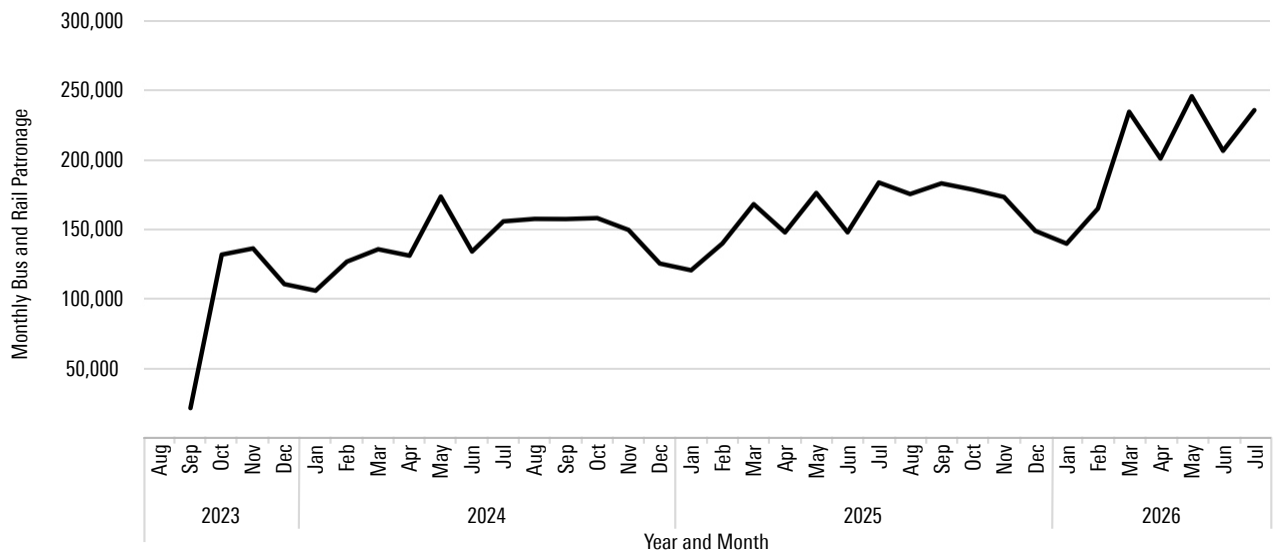
We call for CSC applications to be made less cumbersome, CSC eligibility to last for longer, and for the income threshold to be raised. For example, many students may not be aware that they qualify for a CSC, and may not complete all the administrative steps to apply for one each year. The cut-off for a single person living alone takes effect at a pre-tax annual income of \$37,116 and below (ca. \$17.84/hour)⁴ — far below minimum wage, and often insufficient to meet basic living costs.⁵ It is of note that SuperGold Cards, which also entitle holders to a significant public transport concession, require no such administrative burden.

⁶ Wang, J.Y.T. (2009). Appraisal of factors influencing public transport patronage in New Zealand. Proceedings of the 32nd Australasian transport research forum (ATRF). australasiantransportresearchforum.org.au

Patronage

Households without access to a car are more likely to use public transport, specifically buses in Auckland and rail in Wellington.⁶ Patronage of public transport by CSC holders has been steadily increasing in Wellington (Figure 1).

Monthly Community Services Card Bus and Rail Patronage in Wellington



⁷ Wellington Transport Analytics Unit. (2026). Public Transport Volumes Dashboard. wellingtontransportanalytics.co.nz

Figure 1. Rising monthly Community Services Card bus and rail boardings in Wellington.⁷

Between 2011 and 2014, more than 50% of New Zealanders without access to a car travelled by public transport more than once a month, compared with $\leq 25\%$ for households with one or more cars.⁸ Twenty-eight percent of people with no cars in the household travel by public transport ≥ 10 days a month, while 17% use public transport ≥ 20 days per month. For those who lack access to a car, public transport is an important or even their main mode of transport. Notably, more recent data on the link between private vehicle access and dependence on other transport modes is sparse, making it difficult to assess the impacts of Covid-19, half-price fares, Community Connect, or network changes on those without a car.

Low-income households in Christchurch are much more likely to use public transport more than once a month.⁹ Higher rates of public transport use in Christchurch have also been associated with high social deprivation (especially Māori and Pasifika) and lack of access to vehicles.¹⁰

Tallinn, Estonia, introduced fare-free public transport for residents in 2013. An evaluation of its fare reductions found that public transport usage increased by 14% soon after the introduction of fare-free public transport;¹¹ while lower than patronage increases from fare-free public transport elsewhere, due

⁸ Ministry of Transport. (2015). *Comparing travel modes. New Zealand Household Travel Survey 2011 - 2014* transport.govt.nz

⁹ Christchurch City Council. (2025). *Transport 2024: Feedback on travel and transport related issues in Christchurch*. ccc.govt.nz

¹⁰ Wright, E.P.N. (2010). *The Influence of sociodemographic and land use patterns on public transport use in Christchurch, New Zealand*. ir.canterbury.ac.nz

¹¹ Cats, O., Susilo, Y.O., & Reimal, T. (2016). The prospects of fare-free public transport: evidence from Tallinn. *Transportation*, 44, 1083–1104. [doi.org](https://doi.org/10.1007/s11116-016-9588-1)

¹² Living Streets Aotearoa livingstreets.org.nz

¹³ Curl, A., Coppens, A., Dares, C., Williman, J., Fitt, H., & Kingham, S. (2024). Accessibility and Affordability Impacts of Half Price Public Transport Fares in Aotearoa New Zealand. *Transport Findings*. [doi.org](https://doi.org/10.1007/s11116-024-1000-0)

¹⁴ Ogilvie, D., Mitchell, R., Mutrie, N., Petticrew, M., & Platt, S. (2008). Personal and environmental correlates of active travel and physical activity in a deprived urban population. *International Journal of Behavioral Nutrition and Physical Activity*, 5. [link.springer.com](https://link.springer.com/10.1186/1475-2875-5-1)

¹⁵ Curl et al. (2024).

¹⁶ Badland, H.M., Garrett, N., & Schofield, G.M. (2010) How does car parking availability and public transport accessibility influence work-related travel behaviors? *Sustainability*, 2(2). [doi.org](https://doi.org/10.3390/s2020002)

¹⁷ Badland, H.M., Schofield, G.M., & Garrett, N. (2008). Travel behavior and objectively measured urban design variables: Associations for adults traveling to work. *Health & Place*, 14. [doi.org](https://doi.org/10.1016/j.healthplace.2008.05.001)

¹⁸ Badland, H.M., Schofield, G.M., & Schluter, P.J. (2007). Objectively measured commute distance: Associations with actual travel modes and perceptions to place of work or study in Auckland, New Zealand. *Journal of Physical Activity and Health*, 4. [doi.org](https://doi.org/10.1186/1555-4155-4-1)

¹⁹ MRC Agency. (2020).

to already good service provision, high public transport usage, and public transport affordability in Tallinn, fare reductions helped to improve mobility for low-income residents. Notably, in Aotearoa New Zealand, there is much room for improvement in all three of these areas—service provision, public transport usage, and public transport fares—and so the impacts of fare concessions are likely to be greater here. Free Fares believes in an accessible public transport network that all people can access, regardless as to their income. This requires investment in active transport, so people can safely access public transport nodes.¹²

Mode shift

While half-price fares resulted in greater mode shift to public transport from cars for non-social housing residents (likely due to greater capacity to shift and higher baseline car usage), half-price fares helped to meet unmet transport needs among social housing residents by enabling mode shift from active transport modes.¹³ This is sometimes used as an argument against fare reductions, as the mode shift figures are shaped by those who move from active transport as well as those who move from private transport. However, people living in deprived areas may rely on walking due to an inability to afford other modes.¹⁴ With this framing, mode shift to public transport from active transport for low-income households represents an increase in options and access. Sixteen percent of social housing residents reported such a shift under the half-price fares scheme in New Zealand, compared with none from other respondents.¹⁵

Research shows that the lowest (<\$40,000/y) and highest (>\$120,000) income households in Auckland use public transport to commute to work more than other households (12 and 17% public transport use respectively).¹⁶ Free fares for low-income households would unlock significant accessibility for low-income households who depend significantly on walking and cycling to commute (up to 22.6% for households <\$20,000 and 20.5% for households on \$20,000-40,000).^{17, 18}

Accessibility of opportunities

Low-income households often cannot afford to live in high-amenity areas and thus must pay additional transport costs to access these amenities (a “transport disadvantage”).¹⁹ These households are also limited by being able to afford fewer transport options which in turn defines the range of available and accessible services. For instance, low-income households may be locked into more expensive food from a dairy or local shop because they do

²⁰ Currie, G. & Delbosc, A. (2011). Chapter 2.1: Transport Disadvantage: A Review. In G. Currie & A. Delbosc (Eds.), *New Perspectives and Methods in Transport and Social Exclusion Research*. [doi.org](https://doi.org/10.1007/978-94-007-2888-8_2)

²¹ Mavoa, S., Witten, K., McCreanor, T., & O'Sullivan, D. (2012). GIS based destination accessibility via public transit and walking in Auckland, New Zealand. *Journal of Transport Geography*, 20. [doi.org](https://doi.org/10.1016/j.jtrge.2012.05.005)

²² Adli, S.N., Chowdhury, S., & Shiftan, Y. (2019). Justice in public transport systems: A comparative study of Auckland, Brisbane, Perth and Vancouver. *Cities*, 90. [doi.org](https://doi.org/10.1016/j.cities.2019.05.010)

²³ Daniel, J. & Ovenden, K. (2025). *A geospatial comparison of driving with non-driving transport modes in Tāmaki Makaurau / Auckland* knowledgeauckland.org.nz

²⁴ Mattingly, K. & Morrissey, J. (2014). Housing and transport expenditure: Socio-spatial indicators of affordability in Auckland. *Cities*, 38. [dx.doi.org](https://doi.org/10.1016/j.cities.2014.05.005)

²⁵ Adli et al. (2019).

²⁶ Mattingly & Morrissey. (2014).

²⁷ Daniel & Ovenden. (2025).

²⁸ Shaw, C., Gage, R., McLeod, M., Jones, R., Mizdrak, A., & Woodward, A. (2024). Socioeconomic inequalities in greenhouse gas emissions from household travel in Aotearoa/New Zealand. *Travel Behaviour and Society*, 37. [doi.org](https://doi.org/10.1016/j.tbs.2024.100788)

²⁹ Joynt, J.L.R. (2021). *Defining a well-functioning urban environment. A systematic literature review*. knowledgeauckland.org.nz

not have transport access to a more affordable supermarket. Where public transport is limited, people can be locked into car dependence they cannot easily afford.²⁰ While this cannot be wholly solved by free fares and significantly depends on transport systems and infrastructure, free fares would go a long way towards offering other options.

Auckland is our biggest city, with the highest total number of public transport users. However, access to public transport (and levels of public transport service) is not shared equally. A study using 2006 census data and 2008 land use data found that only 5% of the urban population had more than four services an hour, and the authors concluded that Auckland's system is designed for peak hour commuting rather than non-work travel.²¹

Central Auckland has the best public transport connectivity and higher levels of job opportunities compared to other parts of Auckland, and higher income households are more likely to live nearby.^{22,23} Higher value (central) Auckland property is also compensated by lower commuting costs.²⁴ In contrast, lower income people tended to live further from job opportunities, have poorer bus and train connectivity to those opportunities,²⁵ and pay more for their transport.²⁶

In more distant areas such as Pukekohe and Franklin trips by public transport may take up to 8 times longer than an equivalent driven trip.²⁷

As a result, people in deprived areas travel less. Individuals in the most deprived areas of Aotearoa New Zealand travel on average 120 fewer kilometres per week than those in the least deprived areas, including 30 fewer kilometres for education and paid employment and 20 fewer kilometres for leisure purposes.²⁸

This is a substantial challenge to the efficacy of free fares for CSC holders in Auckland as suitable public transport services may not exist for them to mode shift onto. However, where suitable services exist, the cost savings may be significant.

Equitable access to public transport and opportunities requires a holistic set of improvements—including infrastructure development²⁹ like higher density housing in proximity to public transport, higher frequency services, and new routes—alongside free fares. Together, these would play a part in reducing barriers to mobility for many low-income people.

Cost relief

³⁰ New Zealand Infrastructure Commission (2023). How much do we pay for infrastructure? Household expenditure on infrastructure services. Wellington: New Zealand Infrastructure Commission / Te Waihanga. media.umbraco.io

³¹ Curl et al. (2024).

³² Waka Kotahi NZTA. (2023).

³³ Christchurch City Council. (2018).

³⁴ Ministry of Health. (2007). *Tracking Disparity: Trends in ethnic and socioeconomic inequalities in mortality, 1981 - 2004*. thehub.sia.govt.nz

³⁵ Hosking, J., Ameratunga, S., Exeter, D., Stewart, J., & Bell, A. (2013). Ethnic, socioeconomic and geographical inequalities in road traffic injury rates in the Auckland region. *Australian and New Zealand Journal of Public Health*, 37(2). doi.org

³⁶ Hartley, M., Curl, A., Crossin, R., & McKerchar, C. (2021). Access to primary care services using public transport in Ōtautahi Christchurch. *New Zealand Medical Journal Te Ara Tika o te Hauora Hapori*, 134(1546). nzmj.org.nz

Low-income households spend 15.3% of their after-tax income on transport.³⁰ In addition to costs of housing, especially when renting, this leaves very little income for other costs of living (power, food, internet) and savings. The benefits of subsidised public transport, and in particular the substantial benefits for low-income households, have been demonstrated by the universal half-price fares scheme put in place in 2022-23.

In one study, 45% of respondents living in social housing stated that half-price fares enabled trips that would not have been able to be made otherwise, compared with 16% of other respondents.³¹ Thirty-six percent of social housing respondents were able to reallocate transport money to other things such as food because of the scheme, compared with 8% of other respondents. Twenty-five percent of social housing respondents would not have made their last trip with full price fares.

Other research also showed that cost of living was a key driver of uptake of new journeys under half-price fares. Forty-five percent of respondents described using public transport because of fuel costs and 52% because of increased costs of living.³² Twenty-nine percent of respondents to Christchurch's annual transport survey suggested that cheaper fares would make public transport more accessible.³³

Other wellbeing

People in lower income communities suffer disproportionately high rates of road trauma^{34, 35} and air pollution possibly due to higher exposure to traffic as pedestrians, and higher likelihood of traveling in a vehicle with fewer safety features.

Access to public transport is critical for health outcomes in deprived areas. However, only 70% of Greater Christchurch residents could reach their nearest GP in under 30 minutes, compared with 99.5% of England's urban population.³⁶

2.2

Total Mobility Card holders

“Total Mobility isn't a nice-to-have; it's not a discount scheme for people who could find another way if they tried harder. For thousands of disabled and elderly New Zealanders, it is the only practical means of getting to work, to medical appointments, to visit family, and to participate in community life.

Public transport, for all its merits, doesn't work for everyone. Buses don't reach every street. Stations aren't always accessible. For many disabled people, the choice has never been between a subsidised taxi and the number 2 bus — it's between a subsidised taxi and not going at all.

That's what makes Total Mobility different from almost anything else the government funds. Total Mobility isn't just about taxi rides. It's about connection: connecting people to employment and healthcare, and facilitating participation. Every trip is a person turning up — to a job that keeps them in employment, to an appointment that keeps them out of hospital, and in the community that keeps them connected. Cut the subsidy, and those trips don't become cheaper. They simply stop happening.

When they stop happening, the costs don't just disappear. They shift—onto the health system, the welfare system, and families already stretched. We will pay either way. The only question is whether we pay a small amount now for independence, or a much larger amount later for the consequences of taking it away. Total Mobility is not just a transport policy, it is an Accessibility and Inclusion policy.”

Nick Ruane, Disability Advocate

Free Fares NZ calls for free Total Mobility Card travel. We also call for free travel for TMC holders and their support people on buses, trains and ferries.

"Total Mobility dates back to the 1982 Telethon and the money raised following the International Year of Disabled Persons the previous year in 1981, when grants were handed out. The scheme originated as a Disabled Persons Assembly-initiated, locally-run community program, with fare subsidies varying by region (roughly 50% in most places from early on, informally). The government continued with Total Mobility from 1984, and it has been an essential accessibility tool for people with disabilities ever since."³⁷

³⁷ Nick Ruane, personal communication, 25 August 2026.

The 50% rate was only formally standardised nationwide in 2005: a government-commissioned review (the Total Mobility Scheme Review, completed August 2005) recommended that "the fare subsidy should be nationally consistent and fixed at a minimum of 50%, since most authorities already provided roughly that level." This recommendation was tied to a funding change where "central government increased its funding share (Financial Assistance Rate) to 50%, effective from the 2005/06 financial year (1 July 2005), on the condition that councils implemented the recommended reforms."³⁸

³⁸ Jan Mackay and Lyndal Peters, *Total Mobility Scheme Review*, 4 August 2005, transport.govt.nz

From April - June 2020, during the first Covid lockdown, central government funded free taxis and public transport for Total Mobility Card holders. For many card holders, this was transformative. The 2021 Ombudsman report "Making Disability Rights Real in a Pandemic" comments on this:

*"Article 20 of the Disability Convention states that disabled people have the right to move about their communities and be independent, and that governments have an obligation to help them to do so. Lack of access to public transport and unaffordable transport alternatives are barriers for disabled people in New Zealand. The full Total Mobility subsidy scheme during Alert Levels 3 and 4 gave disabled people the freedom and independence to move about their communities. However, permanent changes are required to ensure disabled people have ongoing personal mobility independence in New Zealand." [emphasis added]*³⁹

³⁹ Office of the Ombudsman. (2021). *Making Disability Rights Real in a Pandemic*. ombudsman.parliament.nz, p. 32

Advocates formed Free Fares to Freedom in July 2020 to call for free Total Mobility Card transport to be reinstated. When Free Fares NZ was formed, Free Fares to Freedom and other disability organisations joined the Coalition. The Free Fares campaign calls for all Total Mobility Card travel on driver-services to be free, as well as for free TMC travel on buses, ferries and trains. The campaign also calls for free fares for TMC holders' support people.

“A lot of [disabled] people rely on assistance from friends, whānau, and support workers, and would not be making trips without them. Everybody deserves what they need to have access to public transport, as a matter of equity.”

Ari Kerssens, Free Fares to Freedom

The Government then increased the Total Mobility Card subsidy to 75% of trip cost, and made this permanent in December 2022.⁴⁰ However, in 2026, the Government announced that they would be reducing the fare subsidy from 75% to 65%, a relative increase of 40% for users. They also wanted councils to reduce regional fare caps and maximum subsidies by approximately 10%.⁴¹ In the face of rising fuel-costs for all, this represented three price increases for TMC holders, who already pay the most for transport in the country. CCS Disability Action wrote at the time:

“We also strongly support the idea of a national public transport concession for disabled people – but only as an addition, not a substitute, for a robust Total Mobility scheme.”

Phoebe Eden-Mann, CCS Disability Action⁴²

Patronage

Where suitable systems and infrastructure are in place, public transport concessions are a highly effective way to support mobility for disabled people. While disabled people travel less than non-disabled people overall,⁴³ each trip is likely to be important. This highlights the importance of access to mobility for disabled people, enabling both essential trips and social trips that build wellbeing.

In Wellington, while total bus patronage has plateaued at pre-Covid levels and total rail patronage has been falling since 2019, travel by accessibility concession users has nearly tripled in a 7-year period (Figure 2).⁴⁴ The introduction of the half-price fares scheme in April 2022 re-initiated the rapid growth of 2019. If the temporary implementation of half-price fares had this much sustained influence, free fares could do more.

The rapid growth of accessibility concessions suggests that disabled people in Wellington have been highly underserved in their mobility needs and public transport has met some of this demand. While this does not represent the entire disability community, as public transport remains inaccessible for many due to a variety of reasons, this represents a significant quality of life improvement for those who can access public transport to get to where they want to go.

⁴⁰ Disabled Persons Assembly, 15 December 2022. *DPA welcomes news of permanent increase of total mobility subsidy.* scoop.co.nz

⁴¹ Ministry of Transport. (Dec, 2025). *Total Mobility scheme: Proposals to strengthen the scheme. Discussion document.* transport.govt.nz

⁴² Phoebe Eden-Mann, Policy Analyst, CCS Disability Action. (2026). *Cuts, caps, and community access: The future of Total Mobility is on the table. CCS Disability Action: Including all people.* ccsdisabilityaction.org.nz

⁴³ Locke, S., Scrimgeour, F., & Burdett, B. (2016). *The economics of enhancing accessibility: Estimating the benefits and costs of participation.* researchgate.net

⁴⁴ Wellington Transport Analytics Unit. (2026). *Public Transport Volumes Dashboard.* wellingtontransportanalytics.co.nz

Monthly Accessible Concession Bus and Rail Patronage in Wellington

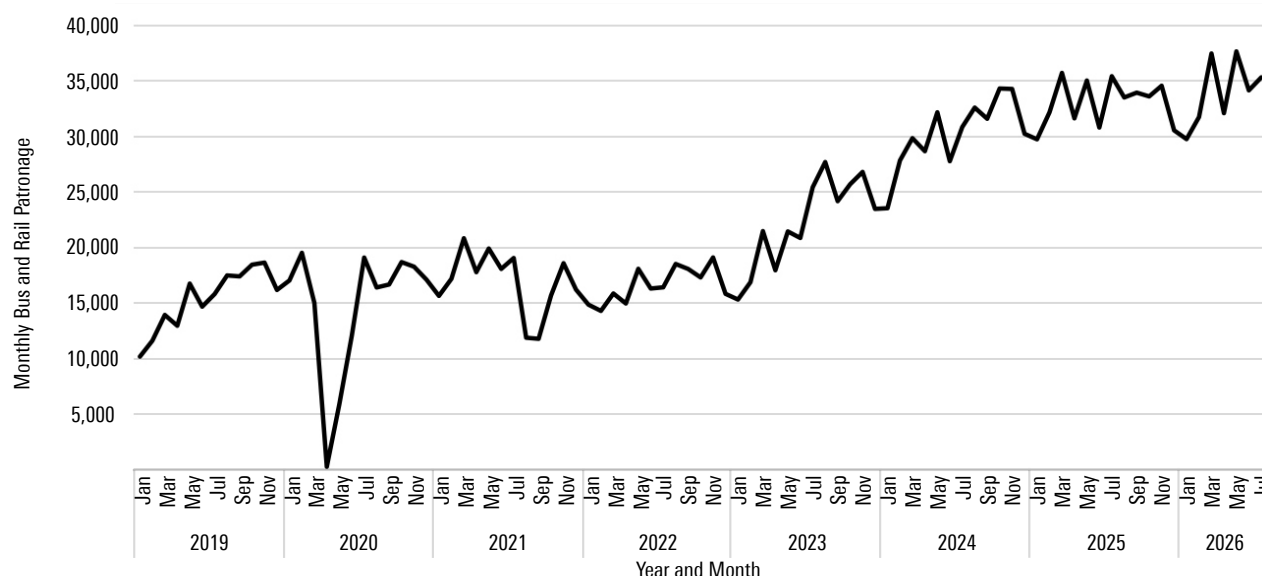


Figure 2. Monthly Accessible Concession bus and rail boardings in Wellington have tripled relative to January 2019 levels, and nearly doubled from July 2020 levels.⁴⁵

⁴⁵ Wellington Transport Analytics Unit. (2026). Public Transport Volumes Dashboard. wellingtontransportanalytics.co.nz

Mode shift

On-demand public transport services such as MyWay in Timaru could offer meaningful, affordable transport choices for disabled people otherwise dependent on taxis for on-demand, door to door transport.

In Timaru, 60% of MyWay vehicles have step-free access for wheelchairs and prams⁴⁶ and will come to a customer's driveway when Total Mobility journeys are requested (rather than a nearby pick up point). For a similar convenience value to a taxi and a \$3 adult fare, this offers significant value for money to the user. Hamilton also offers an on-demand public transport service but this is limited to Friday and Saturday nights, limiting its usefulness for accessibility.⁴⁷

Where on-demand public transport could substitute for taxis for accessibility journeys, this would reduce costs per journey to the Total Mobility Scheme. The accessible per journey cost could be further subsidised by the presence of other passengers in the vehicle. If this was the case, money saved could be redirected towards increased transport supports for disabled people and/or universal design upgrades to make public transport networks more accessible to everyone.

Other regions have discontinued highly successful on-demand public transport due to council cost pressures (e.g. Metlink Tawa⁴⁸ and BayBus on Demand⁴⁹). While this is outside the scope of Free Fares, the social value of these programs should invite government funding.

⁴⁶ Environment Canterbury. (2026). *Timaru MyWay by Metro to go fully electric*. ecan.govt.nz

⁴⁷ Busit. (n.d.). *Flex*. busit.co.nz

⁴⁸ Metlink. (n.d.). *Metlink on Demand*. metlink.org.nz

⁴⁹ Blake. (2026). Baybus OnDemand to end in Tauranga despite early success. *Bay of Plenty Times*. nzherald.co.nz

Accessibility of opportunities

Transport is one of the biggest challenges faced by many disabled people due to urban design, vehicle accessibility and driver attitudes.⁵⁰ Disabled people are more often disadvantaged by critical gaps in infrastructure than by physical or mental conditions. Inaccessible entrances, rooms up flights of stairs, and streets without curb cuts or pedestrian crossings can render essential services inaccessible for activities that could otherwise be managed independently. This is the social model of disability, where inaccessibility is defined as a shortfall in infrastructure provision or support rather than a failing or limitation of an individual.⁵¹

Accessibility accommodations for the most mobility-challenged often support access for others. The ‘curb cut’ effect describes the positive benefits from curb cuts that extend beyond the disability sector — for example, on people pushing prams, carrying or pulling luggage, skateboarding, or making heavy deliveries. However, potential benefits of these interventions are not well quantified in New Zealand.⁵² Universal design is more intentional, designing from the ground up to make systems accessible and usable for all.

Seventeen percent of New Zealanders are disabled,⁵³ with higher rates of disability for females, seniors, some regions (Northland, Manawatū-Whanganui, and Taranaki), and some ethnicities when adjusted for population age structure (Māori and Pacific peoples). If almost one in five New Zealanders is disabled (and many more New Zealanders experience temporary mobility limitations relative to a ‘non-disabled’ adult, such as childhood, old age, pregnancy, parents of young children, illness and injury), then New Zealand needs to take accessibility seriously at all levels in our transportation systems and infrastructure.

Transport needs vary within the disabled community. In the 2010 Cost of Disability report people with hearing impairments did not identify specific transport needs or costs different to the general population. People with moderate intellectual impairments said they were dependent on public transport or private vehicles while those with high needs relied on taxis.⁵⁴

People in New Zealand with vision impairments described affordable public transport as a priority for making buildings accessible.⁵⁵ Tangata whaikaha Māori and their whānau may also depend on public transport, walking, and cycling due to the unaffordability of taxis or running a car.⁵⁶

While accessibility in New Zealand public transport has progressed since the Human Rights Commission report in 2005,⁵⁷ barriers remain, especially where people face multiple challenges. Use of a support person is a flexible ‘accessibility aid’ that can

⁵⁰ Waka Kotahi NZTA. (2020). *Social impact assessment of mode shift*. nzta.govt.nz

⁵¹ Union of the Physically Impaired Against Segregation. (1976). *Fundamental Principles of Disability*. disability-studies.leeds.ac.uk

⁵² Loveless, R., Pomeroy, G., & Mellsopp, S. (2016). Planning for Universal Access to Transport Services and Infrastructure. *IPENZ Transportation Group Conference, Auckland 7 - 9 March 2016*. transportationgroup.nz

⁵³ Stats NZ (2025). *Household Disability Survey 2023 – findings, definitions, and design summary*. stats.govt.nz

⁵⁴ Disability Resource Centre. (2010). *The Cost of Disability*. carers.net.nz

⁵⁵ Flemmer, C. & McIntosh, A. (2025). Perceptions of people with disabilities on the accessibility of New Zealand’s built environment. *Disabilities*, 5(3). mdpi.com

⁵⁶ Katoa Ltd. (2024). *In-depth study to understand costs and income support for Tangata Whaikaha Māori me o rātou whānau, and Māori living with long-term health conditions*. msd.govt.nz

⁵⁷ Human Rights Commission. (2005). *The accessibility journey: Report of the inquiry into accessible public land transport*. thehub.sia.govt.nz

overcome a range of shortfalls in systems and built infrastructure. Some regions (e.g. Wellington) offer reduced public transport fare concessions for support people. All regions should provide full concessions for support people, as mobility should not depend on a support person's ability to pay.

Free fares for Total Mobility Card holders and support people would afford greater dignity and self-determination for disabled or mobility-impaired people to decide when, where, and how to travel.

Cost relief

Only 23% of disabled people in New Zealand are formally employed, compared with 70% of non-disabled.⁵⁸ Disabled people in New Zealand are also less likely than other people to be employed fulltime.⁵⁹ This is reflected in the median income for disabled adults, which in 2025 was 46% of the median weekly income of non-disabled adults.⁶⁰ Transport costs for disabled people are thus proportionally much more expensive, especially where specialised transport is required.

Similarly, a 2009 study found it difficult to estimate additional transport costs of disability as actual transport spending was capped by affordability rather than desired transport levels.⁶¹ In other words, disabled New Zealanders would travel more (and spend more on travel) if they could afford it.⁶² Disabled youth describe having to carefully budget their social interactions based on available taxi funding.⁶³

Other wellbeing

Transport is key to accessing destinations and social connections that are important for wellbeing. These include employment, education, health services, food, civic society, places of identity and belonging, and community activities.⁶⁴ We note the need for more granular reporting tools to measure transport disadvantage for public transport users with disabilities.

⁵⁸ Park, J. & Chowdhury, S. (2022). Towards an enabled journey: barriers encountered by public transport riders with disabilities for the whole journey chain. *Transport Reviews*, 42. [doi.org](https://doi.org/10.1080/03097249.2022.2088888)

⁵⁹ Whaikaha Ministry of Disabled People. (2024). whaikaha.govt.nz

⁶⁰ Stats NZ. (2026). *An overview of disability data in Aotearoa New Zealand*. stats.govt.nz

⁶¹ Godfrey, A.J.R. & Brunning, D.M. (2009). *Reconciling true and incurred costs of blindness in New Zealand*. msd.govt.nz

⁶² Waka Kotahi NZTA. (2022) *Transport experiences of disabled people in Aotearoa New Zealand*. nzta.govt.nz

⁶³ Smith et al. (2021)

⁶⁴ Curl, A. (2024). *Why does transport poverty matter for health?* pha.org.nz

“Tertiary students are facing an increased financial crisis every year, being forced to balance heavy study loads, employment, and soaring cost-of-living pressures and sustainability constraints, all while a significant portion of the national student body lives below the poverty line. In this climate, public transport is a fundamental lifeline to students. Mobility should not be made inaccessible as it dictates our access to education, employment, and basic wellbeing. The heightened fares and compromised subsidies directly threaten students’ mobility, forcing them into impossible trade-offs between attending classes, buying groceries, or paying rent.”

Lincoln University Students Association

Patronage

Students are strong public transport users in Aotearoa New Zealand. Across the country, almost 10% of all journeys to education occur by public transport (rising to nearly 20% if school buses are included), compared to just over 5% of trips to work being by public transport.⁶⁵ This is nearly universal across the country, with education trips being more likely to be taken by public transport than work trips in nearly every region (Figure 3).

While data on the fare effect on student patronage in New Zealand is generally sparse, students’ current use of public transport could indicate high responsiveness to fare levels. In Greater Wellington, bus patronage by tertiary concession holders increased significantly between 2022 and 2023,⁶⁶ possibly in line with fare reductions during this period. Since then, bus patronage by tertiary concession holders has recovered from pre-Covid levels, even despite fare increases; this could illustrate the high degree to which students rely upon and prefer public transport as a travel mode, and therefore the benefit of targeting this group for further fare subsidies.

⁶⁵ Statistics New Zealand. (2025). Work, education, transport, and population structure: 2023 Census. stats.govt.nz

⁶⁶ Wellington Transport Analytics Unit. (2026). Public Transport Volumes Dashboard. wellingtontransportanalytics.co.nz

Public Transport as Main Means of Travel by Region, 2023

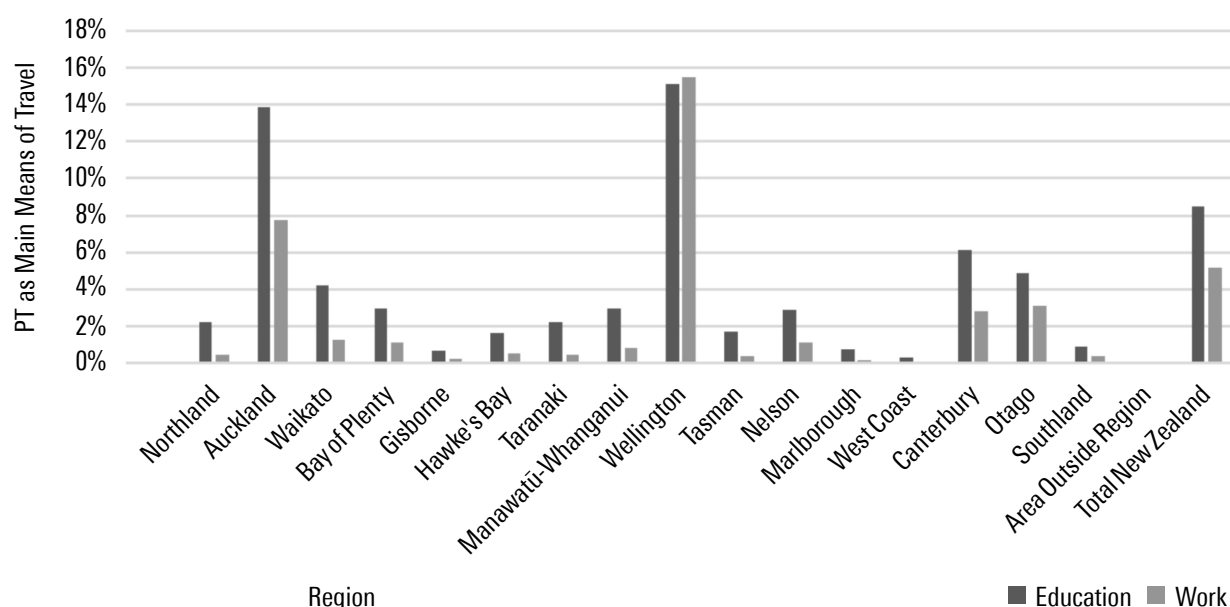


Figure 3. Public transport (bus, train, ferry) as the main means of travel to education and work by region, as recorded in the 2023 Census. Education trips are more likely to be taken by public transport than work trips both nationally and across regions.⁶⁷

⁶⁷ Statistics New Zealand. (2025). Work, education, transport, and population structure: 2023 Census. stats.govt.nz

⁶⁸ Auckland Transport. (2018). Tertiary student travel survey 2018. at.govt.nz

⁶⁹ NZUSA et al. (2022). People's Inquiry into Student Wellbeing. point.co.nz

Similarly, in Auckland, more than half of tertiary students used public transport as their main mode of accessing campus, and approximately 75% used public transport at least occasionally in 2016 and 2018.⁶⁸ More than three quarters of Auckland students stated that they would recommend public transport to other students, highlighting many students' mode preference for public transport. In the 2022 People's Inquiry into Student Wellbeing report, 91% of students surveyed said they would use public transport more if it was free.⁶⁹ Again, this highlights the potential for fare reductions to raise student patronage of public transport.

Mode shift

Similar to patronage responsiveness to fares, data on students' mode shift behaviour in New Zealand is sparse. A stated preference experiment indicated that students may be more likely than other groups to take up public transport in response to incentives like reduced fares.⁷⁰

⁷⁰ O'Fallon, C., Sullivan, C., & Hensher, D.A. (2004). Constraints affecting mode choices by morning car commuters. *Transport Policy*, 11. doi.org

Accessibility of opportunities

Auckland tertiary students may have limited access to a private vehicle, requiring use of public transport or active modes in order to access education and other opportunities.⁷¹ Access to regular bus services may also determine where students live in

⁷¹ Mohammadzadeh, M. (2020). Exploring tertiary students' travel mode choices in Auckland: Insights and policy implications. *Journal of Transport Geography*, 87. doi.org

⁷² Imran, M., Abusidou, S., & Pearce, J. (2016). Middle Eastern communities' public transport needs and aspirations in Auckland. *IPENZ Transportation Group Conference, Auckland 7 - 9 March 2016*. transportationgroup.nz

⁷³ Ministry of Social Development. (2007). How does investment in tertiary education improve outcomes for New Zealanders? *Social Policy Journal of New Zealand, Te Puna Whakaaro*, 31. msd.govt.nz

⁷⁴ Horizon Research. 2023. Public Transport Fare Discounts November 2023 Survey. Prepared for Free Fares NZ.

⁷⁵ Khan & Mohammadzadeh. (2011).

⁷⁶ Mohammadzadeh, M. (2020). Exploring tertiary students' travel mode choices in Auckland: Insights and policy implications. *Journal of Transport Geography*, 87. [doi.org](https://doi.org/10.1016/j.jtrangeo.2020.102688)

⁷⁷ Nair, S. (2025). *Fares and future sustainability: Exploring the relationship between public transport pricing and commuting practices in Wellington, New Zealand*.

⁷⁸ Statistics NZ. (2020). *Wellbeing statistics: September 2020 quarter* stats.govt.nz

⁷⁹ Green Party. (2022). *People's Inquiry into Student Wellbeing*. point.co.nz

Auckland,⁷² especially for students without access to a car who might end up paying higher rent for access to campus.

Having a well-educated population benefits society (e.g. through graduates' specialist skills, or tax revenues from productive university-educated workers),⁷³ therefore unaffordable transport for students imposes costs on society. The status quo is both inefficient and clearly unfair.

Making public transport free for students would be an important step towards creating a more equitable transport system. A poll commissioned by Free Fares showed that students were particularly likely to strongly support retaining current public transport discounts (71% strongly agreeing), highlighting the importance of more affordable public transport for reducing their cost of living.⁷⁴

Cost relief

In Auckland, students on lower incomes used public transport more⁷⁵ with key drivers being cost and limited access to a private vehicle.⁷⁶ Recent fare increases (and concessions removal) in Wellington have disproportionately affected students and parents of children who travel to school via public transport.⁷⁷

Tertiary students are a highly financially disadvantaged group in New Zealand. In 2020, 43.7% of people in education or training said that they either had "not enough money" or "only just enough money" to meet their everyday needs (cf. 31.4% for total population), with 3.9% needing assistance from organisations like churches and food banks at least once in the previous 12 months.⁷⁸

Other wellbeing

Subsistence living means that many students sacrifice transport, with the 2022 People's Inquiry Into Student Wellbeing identifying that two-thirds of survey respondents were unable to pay for public transport, petrol, car insurance, car registration, or a warrant of fitness in the previous 12 months. This reduces students' ability to focus on education by limiting their access to academic settings (e.g. classes, libraries, laboratories), often harming their academic success.⁷⁹

2.4 Under 25s

“School Strike 4 Climate always has and always will be in support of the Free Fares scheme. Affordable public transport for all students is vital in ensuring equal access to education and in breaking down barriers for rangatahi within the broader fight for climate justice.”

Miki Inoue-Palmer
Wellington School Strike 4 Climate

The under-25 cohort includes infants and pre-schoolers, school-age dependents, around half of tertiary students, and many young workers. There are three rationales for prioritising this age group for public transport concessions: maximising public transport patronage, increasing mode shift - potentially for many years into the future, and providing cost of living relief.

Patronage

⁸⁰ Rive, G., Thomas, J., Jones, C., Frith, B., & Chang, J. (2015). *Public transport and the next generation*. nzta.govt.nzpoint.co.nz

⁸¹ Ward, A.L., Baggett, T., Orsini, A., Angelo, J., & Weiss, H. (2016). Participatory photography gives voice to young non-drivers in New Zealand. *Health Promotion International*, 31. [doi.org](https://doi.org/10.1093/hpi/fpy001)

⁸² Christchurch City Council. (2025). *Transport 2024: Feedback on travel and transport related issues in Christchurch*. ccc.govt.nz

⁸³ Christchurch City Council. (2024). *Life in Christchurch: Feedback on travel and transport related issues in Christchurch* ccc.govt.nz

⁸⁴ Ministry of Transport. (2015).

⁸⁵ MCERT. Household Travel. transport.govt.nz

Public transport usage collapsed during the 20th century following the widespread adoption of cars and changes in transport planning priorities. During the public transport lows of the 1990s and early 2000s, public transport usage was largely limited to users who had no other options. Among these were young people who had limited access to vehicles and/or ability to afford to run a vehicle.

Millennials (15-35 in 2014) were the first to begin reversing the trend of falling public transport usage. NZTA research showed that they were more likely than older generations to use public transport as a main mode of transport, less likely to have access to a car, and more likely to be dependent on public transport.⁸⁰ Rates of Millennials attaining drivers licences also dropped by as much as 1% per year since 2005,⁸¹ though the decline appears to have started earlier.

Since then, young people have continued to demonstrate higher public transport usage than other demographics.^{82, 83} Eighteen percent of 13-17 year olds and 10% of 18-29 year olds travelled by public transport for at least 20 days per month between 2011 and 2014.⁸⁴ In 2019-2022, 9% of 5-14 year olds and 15% of 15-24 year olds travelled by public transport, compared to around 3% in other age groups.⁸⁵ Young people (15-34) also reported the highest rates of new journeys because of the half-

⁸⁶ Waka Kotahi NZTA. (2023). *RN 009A – Impact of half-price public transport fares – a research note*. nzta.govt.nz

price fares scheme,⁸⁶ suggesting that young people still face affordability barriers to travel. Targeting this age group for fare discounts would help maximise the expected increase in patronage and mode shift.

Mode shift

Young people, often on lower incomes, are more sensitive to changes in transport costs than other groups. Under the half-price fares scheme, 15-34 year olds were among those most likely to shift to public transport use from cars and taxis⁸⁷ compared to other age groups. A literature review noted that several studies identified cost as a barrier to using public transport, particularly when travelling as a family group. Therefore fare subsidies are an opportunity to encourage sustainable travel behaviours in families with young children by addressing the factors that discourage them from using alternative modes of travel.⁸⁸

⁸⁷ Waka Kotahi NZTA. (2023).

⁸⁸ McCarthy, L., Delbosc, A., Currie, G., & Molloy, A. (2017). Factors influencing travel mode choice among families with young children (aged 0–4): a review of the literature. *Transport Reviews*, 37(6), 767–781. [doi.org](https://doi.org/10.1080/03081060.2017.1345555)

Accessibility of opportunities

Mobility plays an important role in the wellbeing of young people - access to work and study, access to nature, access to social, cultural and spiritual activities.⁸⁹ This is true in both rural and urban contexts. While some young people in Auckland described public transport as cheap, convenient, safe, and social,⁹⁰ this is not the case for everyone. Other Auckland young people are being priced out of travelling across the city for work, study, or social activities.⁹¹ Rural and semi-rural public transport is also important with falling rates of drivers licences among semi-rural young people potentially limiting wellbeing and access to opportunities.⁹²

⁸⁹ Hodgson, R-M. (2023). *How are you going? The marginal daily mobility of young people who have been excluded from education, employment or training*. ourarchive.otago.ac.nz

⁹⁰ Ward et al. (2016).

⁹¹ Gilbertson, A., Wildish, B., Fergusson, E., Terruhn, J., & Ovenden, K. (2016). *Youth mobilities in the Southern Initiative, Auckland: transport practices and experiences of 15-24* knowledgeauckland.org.nz

⁹² Ward, A.L., McGee, R., Freeman, C., Gendall, P.J., & Cameron, C. (2018). Transport behaviours among older teenagers from semi-rural New Zealand. *Australian and New Zealand Journal of Public Health*, 42(4). [doi.org](https://doi.org/10.1016/j.anzjph.2018.05.005)

Cost relief

Young people have mixed perceptions around the cost of public transport. While some young people described public transport as affordable, many found the cost of all forms of transport (including public transport) a barrier to social participation.

In 2014, public transport users aged 15-35 were significantly more likely than other age groups to use public transport to avoid parking and fuel costs. Half of all Millennials surveyed had no access to a private vehicle with a further 15% only able to access a private vehicle as a passenger.⁹³

In 2016 the costs of transport for young people aged 15-24 in Auckland (both by private car and public transport) were described as prohibitive.⁹⁴ Participants had to save up for transport expenses, traveled more around pay day, and walked when money was

⁹³ Rive et al. (2015)

⁹⁴ Gilbertson et al. (2016)

limited. More than two-thirds of participants described spending more than a third of their income on transport.

Around 30% of 15-18 year olds surveyed in Christchurch reported that cost of fares was a key issue influencing their public transport use. Cost was a particular issue for people in the lower-income eastern suburbs and they highlighted that public transport became unaffordable when students aged out of under 18 concessions (and did not yet qualify for tertiary concessions). In contrast, for young people travelling from Christchurch's outer suburbs, existing costs of public transport compared favourably with the costs of running a car.⁹⁵

Providing free fares for under-25s would provide cost of living relief for families with dependent children. In 2023 the Government estimated that providing free public transport for under-13s could save \$30 per week for a family with two children;⁹⁶ extending these discounts to include all school-age children would bring these savings to even more families.

Providing free fares for under-25s would also provide cost of living relief for young people who are no longer financially dependent (including students, recent graduates, and young professionals). It is clear that many young people are undergoing hardship. Free Fares polling showing that 82% of young adults aged 18-24 years support retaining current public transport discounts,⁹⁷ highlighting how important these discounts have been for young people.

Other wellbeing

Access to friends and family members decreases social isolation and improves wellbeing, happiness, and autonomy. However, New Zealand children (and youth) are highly car dependent for after school and other social activities (e.g. birthday parties).^{98,99}

Use of public transport is also linked to increased physical activity and overall physical wellbeing.^{100,101}

In order to access public education, under-25s need reliable, affordable methods of transport. This need has become acute as access to school buses has reduced, and the cost of transport has increased in addition to other living cost pressures.¹⁰²

⁹⁵ Coultas, E., Greene, G., Huang, D., Stokes, A., & Walters, B. (2020). *Youth perceptions of public transport: What would encourage 15 - 18 year olds in Christchurch to use the bus more?* canterbury.ac.nz

⁹⁶ Government Press Release, 18 May 2023. *Targeting transport costs: Free public transport for children.* beehive.govt.nz

⁹⁷ Free Fares Survey, Nov 2023. *Public Transport discounts.* view.officeapps.live.com

⁹⁸ Freeman, C. & Quigg, R. (2009). Commuting lives: Children's mobility and energy use. *Journal of Environmental Planning and Management*, 52(3). [doi.org](https://doi.org/10.1080/09694420903048888)

⁹⁹ Mitchell, H., Kearns, R.A., & Collins, D.C.A. (2007). Nuances of neighbourhood: Children's perceptions of the space between home and school in Auckland, New Zealand. *Geoforum*, 38(4). [doi.org](https://doi.org/10.1016/j.geoforum.2007.05.008)

¹⁰⁰ Evans, J.T., Stanesby, O., Blizzard, L. et al. (2024). Is public transport a promising strategy for increasing physical activity? Evidence from a study of objectively measured public transport use and physical activity. *Int J Behav Nutr Phys Act* 21, 91. [doi.org](https://doi.org/10.1186/s12942-024-01000-0)

¹⁰¹ Freeman, C. & Quigg, R. (2009).

¹⁰² Alicia Hall, Parents for Climate Aotearoa. (2026). Open Letter: Free Public Transport for ALL Students under-25 to keep every young person in education. *ActionStation*. our.actionstation.org.nz

2.5

SuperGold Card holders

“Making transport more affordable is an important part of any cost-of-living strategy. Critics sometimes argue that free buses are wasteful because some passengers could afford to pay. But public transport can be viewed the same way we view parks, libraries, and public schools: as public goods that improve life for everyone.

Plus, eliminating on-board fare collection speeds up bus services by reducing the time spent loading and unloading passengers. Faster buses make public transport more attractive. When more people choose buses over private cars, taxis, or rideshares, cities benefit from reduced congestion, lower emissions, and cleaner air. There are also potential benefits related to safety and security. When bus operators don’t need to enforce fare collection, there are fewer opportunities for altercations between drivers and passengers.

Free public transport benefits entire cities, not just individual riders. Queensland, Australia recently reduced public transport fares to just fifty cents as part of a trial designed to ease congestion and reduce cost-of-living pressures. After the success of the six-month trial, the policy was made permanent. A single bus can remove between 50 and 100 cars from the road, while a train can replace up to 1,000 cars. Public transport supports economic activity, creates jobs, and reduces pollution and emissions. Free public transport changes lives. It reduces transport poverty, improves access to education and healthcare, cuts congestion and emissions, and helps create more connected, accessible cities. Local stories, global experiments, and ongoing campaigns highlight the immense social and economic impacts of free fares. Free public transport is an investment in better cities for everyone.”

JoEllen Duckworth

Free Fares supporter, SuperGold Card holder

SuperGold Cards are explored in this report, as there is extensive evidence of their impact on patronage, mode shift, accessibility of opportunity, cost relief, and other wellbeing impacts.

SuperGold Cards are accepted as a given – even a right – for people 65+. SuperGold Cards are a useful example of a nationwide, central government-funded fare concession. They enable free travel (at many points in the week). They apply near-universally to the category of people (65 and over), and people are not required to re-apply or re-prove their eligibility (in contrast to, for example, Community Service Cards). SuperGold Cards are funded through the Ministry of Social Development, which points to government recognition that accessing transport has broad benefits.

Historically, Free Fares has not campaigned for free fares for over-65s. The SuperGold Card appears secure. However, in many regions, SuperGold Card holders pay full fares at peak times, so there is room for improvement.

Patronage

¹⁰³ RNZ. (2009). Pensioners take to public transport in droves. rnz.co.nz

¹⁰⁴ NZ Transport Agency. (2013). Econometric models for public transport forecasting. nzta.govt.nz

¹⁰⁵ Treasury. (2026). The Estimates of Appropriations 2026/27 - Economic Development and Infrastructure Sector: Vote Transport. budget.govt.nz

The introduction of the SuperGold Card clearly highlights the effect of fare subsidies at increasing public transport patronage. Fare subsidies for over-65s contributed to around 2.5 million SuperGold trips in just 4 months soon after their introduction,¹⁰³ and the introduction of the SuperGold Card is estimated to have singlehandedly increased weekday interpeak Auckland bus patronage by about 11%.¹⁰⁴ Now, SuperGold boardings are around 15 million per year nationally, a clear success.¹⁰⁵

Mode shift

¹⁰⁶ T Spoonley, P., Imran M., Jackson, N., Peace, R., & Cain, T. (2016). *Transport demand implications of changing population age and ethnic diversity in Auckland: A thought piece*. aucklandforecastingcentre.org.nz

¹⁰⁷ Rosenbloom, S. & Herbel, S. (2009). The safety and mobility patterns of older women: Do current patterns foretell the future? *Public Works Management Policy*, 13(4). [doi.org](https://doi.org/10.1080/15372530903061111)

As New Zealand ages, more people will rely on public transport for their travel. Increased life expectancy means that many seniors will become increasingly reliant on public transport as their capacity to drive diminishes. This transition—from driving, to being a passenger, to public transport dependency—is often associated with significant falls in travel activity overall, especially for women and single seniors, with negative downstream impacts on wellbeing.¹⁰⁶ Continued car dependency increases the risk of age-related car accidents.¹⁰⁷ Ensuring that older people continue to have mobility as they age therefore requires access to safe, reliable, and affordable public transport that they can mode shift onto—and free fares are a critical part of this.

Accessibility of opportunities

Seniors are more likely to use public transport for well-being purposes (social activities, accessing support, medical care) than commuting to and from work, and their public transport usage depends on increasing accessibility as they age. Access to public transport also supports the ability of seniors to remain in their own homes. For example, research shows that access to public transport both enables seniors' access to diabetes health care¹⁰⁸ and supports their ability to remain in their own homes, reducing the social costs of rest home subsidies.¹⁰⁹

Rural and semi-rural public transport connector services are also important as rural New Zealand is both aging and living below the national median income.¹¹⁰ This was especially true in the context of post-earthquake Canterbury, where mobility challenges (especially lack of public transport) significantly contributed to a sense of isolation for semi-rural seniors, making social participation and accessing support difficult.¹¹¹

Older people are very diverse, including due to income inequality and the different age structures of different ethnic populations. This diversity among older people means that policies targeted as 'age-friendly' may not meet all age-related needs.¹¹² This supports our call for free fares for Total Mobility and Community Services Card holders, since these can help ensure that older people get the support that they need.

Cost relief

Poverty and hardship among older persons is widespread. The Older Persons Poverty Monitor report outlined the necessities that many older people cut back on due to cost, with 25,000 New Zealanders aged over 65 (just under 3% of over-65s) living without essentials like food or heating, 51,000 (6%) citing cost as a barrier to seeing a GP, and 102,000 (12%) living in income poverty after housing costs.¹¹³ Around 40% of people aged over 65 have essentially no income other than NZ Superannuation.¹¹⁴ This hardship and financial vulnerability prevents many older people from living with dignity as they deserve. While cheaper public transport fares do not fully address issues of material hardship among older people, they nonetheless still make a difference by reducing the transport costs that many need to pay.

¹⁰⁸ Silwal, P.R., Pirouzi, M., Murphy, R., Harwood, M., Grey, C., Squirrell, D., & Ramke, J. (2025). Barriers and enablers of access to diabetes eye care in Auckland, New Zealand: a qualitative study. *BMJ Open*, 15. [doi.org](https://doi.org/10.1136/bmjopen-2025-029111)

¹⁰⁹ Van der Pas, S. (2009). Living arrangements, ageing in place and wellbeing among older New Zealanders. *Enhancing wellbeing in an ageing society*, 65-84.

¹¹⁰ NZTA. (2010). *Attitudes and behaviour in relation to public transport in New Zealand's non-metropolitan regions*. nzta.govt.nz

¹¹¹ Wylie, S. (2012). *Social isolation and older people in Canterbury*. ageconcerncan.org.nz

¹¹² MRCagency. (2020). *Equity in Auckland's transport system: Summary report*. transport.govt.nz

¹¹³ NZ Council of Christian Social Services. (2026). The Older Persons Poverty Monitor. nzccss.org.nz

¹¹⁴ Retirement Commission. (2022). New research highlights how reliant older New Zealanders are on NZ Super. retirement.govt.nz

Other wellbeing

Among New Zealand seniors without access to private vehicles, while alternative means may be found for 'serious' transport needs, discretionary trips that significantly contribute to quality of life largely rely on access to public transport.¹¹⁵

¹¹⁵ Davey, J.A. (2007). Older people and transport: coping without a car. *Aging and Society*, 27(1). [doi.org](https://doi.org/10.1177/0268619007305555)

Access to public transport is also a protective factor for preventing elder abuse and neglect. Lack of transport can contribute to isolation, while accessible public transport strengthens social connectedness.¹¹⁶

¹¹⁶ Families Commission Kōmihana ā whānau. (2008). *Elder abuse and neglect: Exploration of risk and protective factors*. thehub.sia.govt.nz

For those over-65s who rely on a TMC due to mobility needs, those prices have risen by 40% and more, from 1 July 2026. We are also concerned about changes to the purpose statement of the Total Mobility scheme, and how it could negatively affect older people with accessibility needs. The TMC scheme's goal was: "to increase mobility for people with serious mobility constraints, encourage participation in society, provide for personal independence, reduce pressure on caregivers and allow people to continue to live for longer in their own homes."¹¹⁷ However, the new purpose statement (August 2026) is: "To provide subsidised, accessible transport options to disabled people, and people living with long-term impairments, who are unable to access public transport, to live their lives and participate in work, education, and their community."¹¹⁸

¹¹⁷ Ministry for Cities, Environment, Regions and Transport. (2026). Total Mobility Scheme | Te Kaupapa Nekeneke. transport.govt.nz

¹¹⁸ Ministry for Cities, Environment, Regions and Transport. (2026). Review of the Total Mobility Scheme. transport.govt.nz

According to advocate Nick Ruane, "The old statement used the language 'serious mobility constraints' which was inclusive of elderly people. The new statement is quite restrictive, as it only describes disabled people and people with long term health conditions. Additionally, the new statement doesn't follow the Wash Short Set definition on Disability,¹¹⁹ and its definition leans heavily toward the Medical Model of Disability. This is why I am concerned that the new statement will exclude elderly people from the scheme." Free Fares NZ shares this concern. We call for the old purpose statement to be reinstated, as well as for TMC travel to be fully free.

¹¹⁹ Washington Group on Disability Statistics. (2026). Short Set. washingtongroup-disability.com

3

Free Fares benefits people and planet

“New Zealand’s transport cost modelling shows fuel consumption rises from about 7.7 L/100km under free-flow conditions to 10.4 litres in stop-start traffic. That is a 35% increase in fuel burned just from sitting in queues. In Auckland alone, avoidable congestion costs an estimated \$400 million a year – \$100 million more than public transportation passenger fare revenue, nationally. This should resonate with people who may never set foot on a bus, ferry or train. Tradespeople, caregivers, freight operators, and rural drivers all burn more fuel when urban roads are clogged. Every car shifted to public transport is one less car slowing everyone else down. Free fares is a policy that benefits drivers, too. In New Zealand, light passenger vehicles consume 95% of all petrol, and most of those kilometres are driven in Auckland, Wellington and Christchurch, where public transport is relatively extensive. Reducing urban petrol consumption preserves fuel stocks for the communities and industries that have no alternative.”

Dr Timothy Welch¹²⁰

3.1 Reducing transport poverty and increasing access to social and economic opportunities

¹²⁰ Dr Timothy Welch, 27 March 2026, “Free public transport the fuel crisis response that makes sense,” *Newsroom*. [newsroom.co.nz](https://www.newsroom.co.nz)

Improving the affordability and accessibility of public transport would bring a host of economic benefits. Two key mechanisms towards achieving this would be by reducing transport poverty, and by improving access to social and economic opportunities.

Both of these would result in increased productivity and improved wellbeing outcomes — not just for public transport users, but for wider society.

Transport-related poverty is a large, and often overlooked, social cost in New Zealand. Transport is key to accessing numerous social and economic opportunities — from education, to healthcare, to employment, to social connection. However, transport has grown prohibitively expensive for many households, now representing over 15% of household costs on average, or \$250 per week.¹²¹ About one-fifth of New Zealanders reported missing out on journeys that would have been beneficial; a fifth of these, in turn, were due to cost.¹²² Among those who missed journeys, 11% of people missed out on shopping, groceries, or food; 8% on work or education; and 4% on medical appointments.¹²³ By being unable to access reliable, affordable transport, a large number of New Zealanders in turn face barriers towards accessing many opportunities to live a good, fulfilling life.

This is not just a problem for the transport-disadvantaged, but also an economic opportunity cost for all of us. While the full extent and impacts of transport poverty in New Zealand is not known, it is well-established that poverty itself is costly; child poverty, for example, is estimated to cost the New Zealand economy \$17.7 billion per year (over 4% of GDP) in lost productivity, consequently reducing Government tax revenues by \$5.1 billion per year.¹²⁴ Similarly, the Productivity Commission estimated that the 10,000 highest-cost clients of the social services system are each expected to generate lifetime budgetary costs of \$500,000 or more, for a total cost of \$6.5 billion.¹²⁵ Furthermore, transport accessibility is linked to improved employment outcomes; a study in the UK, for example, found that a 10% increase in public transport job accessibility was associated with a 0.13% increase in the employment rate.¹²⁶ Transport accessibility also improves households' access to economic opportunities and encourages travel to city centres; this was seen with the City Loop underground rail system in Melbourne, which was estimated to have raised labour productivity by \$1.2 billion and helped create 74,000 new jobs.¹²⁷ By creating a more inclusive transport system, not only can we help some of the most vulnerable in our communities, but we can also create economic gain for all of us.

¹²¹ Curl, A. & Kiddle, R. (2026). *Transport poverty in Aotearoa NZ: A healthy and sustainable transport system is needed*. phcc.org.nz

¹²² NZ Transport Agency Waka Kotahi. (2026). *Journey Experience Monitor: Quarterly Report Q1 (Jan-Mar) 2026*. nzta.govt.nz

¹²³ NZ Transport Agency Waka Kotahi. (2026). *Journey Experience Monitor: Quarterly Report Q1 (Jan-Mar) 2026*. nzta.govt.nz

¹²⁴ Laura Walters, 26 November 2024. "Child poverty costs economy \$17.7b a year," *Newsroom*. newsroom.co.nz

¹²⁵ Productivity Commission. (2015). *More effective social services - Productivity Commission inquiry material 2014 - 2015*. treasury.govt.nz

¹²⁶ Bastiaanssen, J., Johnson, D., & Lucas, K. (2021). Does better job accessibility help people gain employment? The role of public transport in Great Britain. *Urban studies*, 59, 2. doi.org

¹²⁷ Department of Infrastructure and Regional Development. (2015). *State of Australian Cities 2014-2015: Progress in Australian Regions*. infrastructure.gov.au

3.2

Reducing greenhouse gas emissions

One of the most significant benefits of more affordable public transport is reducing New Zealand's greenhouse gas emissions and helping to mitigate climate change. Outside of agriculture, transport is currently one of our most greenhouse gas emission-intensive activities, constituting 90% of household emissions in the December 2025 quarter¹²⁸ and 18% of overall emissions in 2024.¹²⁹ The growth in road transportation was among the largest contributors to the 24% growth in overall greenhouse gas emissions between 1990 and 2024.

Greater public transport use would reduce greenhouse gas emissions because public transport tends to release less emissions per passenger per kilometre than private vehicles. Per kilometre of travel, a petrol car emits approximately 0.24 kg CO₂-equivalent, a diesel car 0.26 kg CO₂-e, and an electric car 0.019 kg CO₂-e.¹³⁰ In comparison, a >12-tonne diesel bus emits approximately 1.08 kg CO₂-e per kilometre, and an electric bus 0.094 kg CO₂-e per kilometre. With private vehicle occupancy being merely 1.54 people per vehicle on average,¹³¹ a diesel bus becomes comparatively less emissions intensive per passenger per kilometre at an occupancy of only around 6-8 passengers, improving further with increased patronage and electrification (Figure 4).

Emissions Intensity of Transport Modes

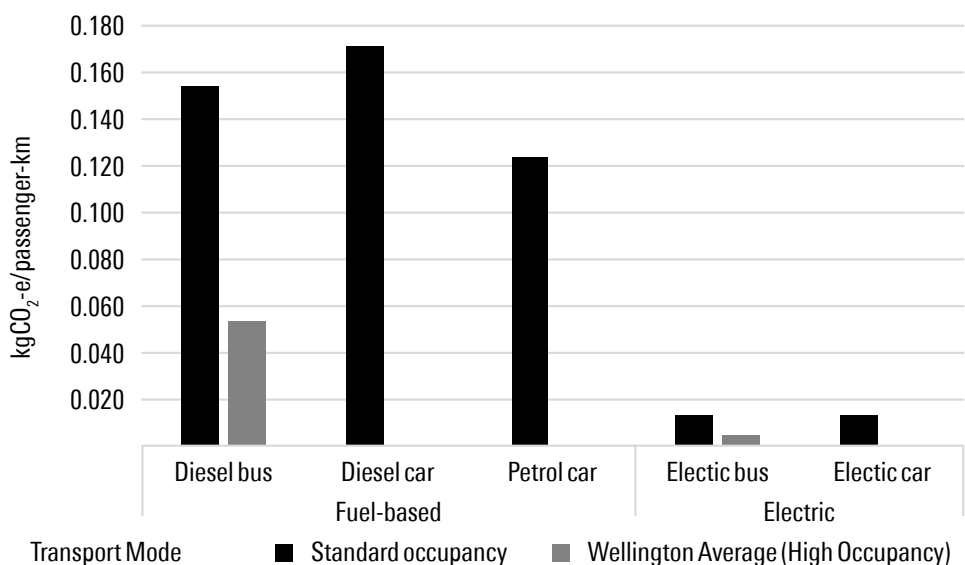


Figure 4. Emissions intensity (per passenger per kilometre) of various road transport modes.¹³² Public transport, especially when electrified, has significantly lower emissions intensity than private vehicles. For cars, an occupancy of 1.54 is presented;¹³³ for buses, 7 (standard) and 20 (Wellington).¹³⁴

¹²⁸ Statistics New Zealand. (2026). *Greenhouse gas emissions (industry and household): December 2025 quarter*. stats.govt.nz

¹²⁹ Ministry for the Environment. (2026). *New Zealand's Greenhouse Gas Inventory 1990–2024*. environment.govt.nz

¹³⁰ Ministry for the Environment. (2026). *Measuring Emissions Catalogue 2026*. measuringemissionsguide.environment.govt.nz

¹³¹ NZ Transport Agency. (2010). *Research report 399 Kilometres travelled and vehicle occupancy in urban areas: improving evaluation and monitoring*. nzta.govt.nz

¹³² Ministry for the Environment. (2026). *Measuring Emissions Catalogue 2026*. measuringemissionsguide.environment.govt.nz

¹³³ NZ Transport Agency. (2010). *Research report 399 Kilometres travelled and vehicle occupancy in urban areas: improving evaluation and monitoring*. nzta.govt.nz

¹³⁴ Ministry for the Environment. (2026). *Measuring Emissions Catalogue 2026*. measuringemissionsguide.environment.govt.nz

The emissions reduction from greater public transport use adds up. As part of the 2022-2025 Emissions Reduction Plan, the Ministry for the Environment estimated that even fairly limited mode shift from private vehicles and towards public and active transport would reduce emissions by about 6 megatonnes CO₂-e between 2026 and 2030, and by about 8-10 Mt CO₂-e between 2031 and 2035.¹³⁵ In addition, each step to electrify the public transport network further reduces emissions, while also providing co-benefits like reduced operator costs, air pollution, and vulnerability towards fuel supply shocks.¹³⁶ Mode shift from private vehicles therefore has great potential to help decarbonise the transport sector and help mitigate climate change.

¹³⁵ Ministry for Cities, Environment, Regions & Transport. (2022). *Aotearoa New Zealand's first emissions reduction plan, Chapter 10: Transport*. environment.govt.nz

¹³⁶ Metlink. (2025). *En route to electric: 16 new electric buses join Metlink fleet*. metlink.org.nz

3.3 Reducing air pollution

Air pollution is an often overlooked issue in our transport system, harming public health and creating significant social and economic costs. In 2016, exposure to particulate matter and nitrogen dioxide from motor vehicles (largely from vehicle exhausts) contributed to an estimated 2,247 New Zealanders dying prematurely, 13,229 cases of childhood asthma, and 9,375 hospitalisations for cardiovascular and respiratory illness.¹³⁷ The social cost of these air pollution-linked premature deaths, hospitalisations, asthma, and restricted activity was estimated at over \$10.5 billion in 2016 alone.¹³⁸

Higher public transport use has the potential to reduce air pollution because public transport generates less air pollution per passenger per kilometre of travel compared to private vehicles, especially when electrified. While buses — which are mostly diesel-fuelled — currently release about 10 times as much nitrogen oxides and particulate matter per kilometre as the average car,¹³⁹ they can also carry significantly more passengers, thus having the potential to reduce pollution intensity overall. Furthermore, the bus fleet is being steadily electrified, with only the procurement of zero-emission buses being allowed from 1 July 2025,¹⁴⁰ and a quarter of Wellington's¹⁴¹ and a third of Auckland's¹⁴² bus fleet currently being electric. Mode shift away from private vehicles and towards public transport will thus deliver not only economic or climate benefits, but also benefits to public health.

¹³⁷ Kuschel et al. (2022). *Health and air pollution in New Zealand 2016 (HAPINZ 3.0): Volume 1 – Finding and implications*. ehinz.ac.nz

¹³⁸ Kuschel et al. (2022). *Health and air pollution in New Zealand 2016 (HAPINZ 3.0): Volume 1 – Finding and implications*. ehinz.ac.nz

¹³⁹ NZ Transport Agency. (2026). *Vehicle emissions prediction model*. vepm.co.nz

¹⁴⁰ Ministry of Transport. (2025). *Public transport decarbonisation*. transport.govt.nz

¹⁴¹ Metlink. (2025). *En route to electric: 16 new electric buses join Metlink fleet*. metlink.org.nz

¹⁴² Auckland Transport. (2025). *Mission Electric*. at.govt.nz

3.4

Reduction in traffic congestion

¹⁴³ Knowledge Auckland. (2025). Auckland's cost of congestion. knowledgeauckland.org.nz and knowledgeauckland.org.nz

¹⁴⁴ Knowledge Auckland. (2025). Auckland's cost of congestion. knowledgeauckland.org.nz

¹⁴⁵ Ministry of Transport. (2023). Domestic Transport Costs and Charges Study: Working Paper D2 Road Congestion Costs. transport.govt.nz

¹⁴⁶ Anderson, M.L. (2014). Subways, Strikes, and Slowdowns: The Impacts of Public Transit on Traffic Congestion. *American Economic Review*, 104, 9, 2763–2796. [dx.doi.org](https://doi.org/10.1257/aer.104.9.2763)

¹⁴⁷ Nguyen-Phoc et al. (2018). Congestion relief and public transport: An enhanced method using disaggregate mode shift evidence. *Case Studies on Transport Policy*, 6, 4, 518–528. [doi.org](https://doi.org/10.1016/j.cstp.2018.04.001)

¹⁴⁸ Ministry of Transport, NZ Transport Agency, KiwiRail, & Greater Wellington Regional Council. (2013). The transport impacts of the 20 June 2013 storm: The effects of closing the Hutt Valley rail line between Petone and Wellington for multiple days. transport.govt.nz

¹⁴⁹ Greenaway-McGrevy, R. & Jones, J.A. (2022). Agglomeration, Congestion, and the Effects of Rapid Transit Improvements on Cities. cdn.auckland.ac.nz

Traffic congestion is a costly and persistent problem in our transport system, particularly in our cities. Aucklanders are estimated to spend 17 hours in traffic each year on average, generating economic costs of \$1.9 billion in lost time from additional delays, \$117 million in vehicle maintenance and operation costs, and \$9 million in carbon emissions per year.¹⁴³ Beyond these core costs, traffic congestion in Auckland is estimated to generate macroeconomic costs of over \$700 million per year, including from lost productivity, lower tax revenues, and less consumer spending.¹⁴⁴ Similarly, a working paper by the Ministry of Transport estimated the direct annual costs of congestion to be \$39 million for Wellington and \$4 million for Christchurch.¹⁴⁵ While congestion is already expected to worsen due to pressures like population growth, it is exacerbated by over-reliance on private vehicles for travel.

Both international and New Zealand evidence show that public transport is critical towards reducing traffic congestion, often despite carrying only a small proportion of traffic. In Los Angeles, United States, a 2003 public transport strike was found to increase average highway delays by 47% — precisely because those taking public transport were more likely to be those commuting along delayed routes and taking pressure off the road.¹⁴⁶ Similarly, the provision of public transport in Melbourne, Australia is estimated to reduce the number of severely congested links by over 63% and reduce vehicle travel time by 56%.¹⁴⁷ In 2013, the closure of the Hutt Valley rail line in Wellington due to a storm resulted in severe congestion along State Highway 2, as 45% of typical rail commuters opted to drive instead; in the ensuing gridlock, 80% of surveyed commuters from the Hutt Valley and Wairarapa reported longer trip times than usual, and 32% reported delays of over an hour.¹⁴⁸ A working paper from the University of Auckland's Economic Policy Centre modelled that improving the rapid transit system, when paired with congestion charging of road traffic, could significantly reduce vehicle kilometres travelled and increase road speed.¹⁴⁹ By incentivising greater public transport use, we can reduce traffic congestion and improve the transport system for everybody — even for non-users of public transport.

3.5 Fuel conservation

The 2026 fuel crisis highlights the vulnerabilities of our fossil fuel- and car-centric transport system. With nearly 90% of travel kilometres being taken by car or van,¹⁵⁰ and nearly all of this using petrol- or diesel-fuelled vehicles,¹⁵¹ our transport system heavily depends on the availability of fossil fuels. Disruptions in the supply of oil from the Middle East have resulted in the retail price of petrol being over 20% higher, and the retail price of diesel being over 50% higher, throughout the fuel crisis than during the equivalent period in 2025.¹⁵² The increasing price of fuel has created significant hardship for many New Zealanders,¹⁵³ as well as contributing to higher inflation¹⁵⁴ and possibly weaker economic growth.¹⁵⁵

Greater public transport use can help conserve valuable fuel stocks during a shortage. A bus consumes about 40 L of fuel per 100 kilometres,¹⁵⁶ whereas a car consumes about 8.4 L per 100 kilometres.¹⁵⁷ However, buses can fit significantly more passengers; at just 7 passengers, a bus becomes more fuel efficient at transporting people than a car at standard occupancy. This efficiency increases further when considering that much of the public transport network is electrified; for example, in Wellington, about a quarter of the bus fleet is electric and almost all rail trips are via electric train.¹⁵⁸ Greater public transport use can also aid in conserving fuel stocks by reducing traffic congestion, and therefore reducing fuel wastage from stop-start driving conditions.¹⁵⁹ Encouraging public transport use can help ensure that more fuel is available to those who need it most, and also improves our transport system's resilience towards changes in supply of fossil fuels.

¹⁵⁰ Ministry of Transport. (2026). Household travel. transport.govt.nz

¹⁵¹ Ministry of Transport. (2026). Fleet statistics. transport.govt.nz

¹⁵² Ministry of Business, Innovation and Employment. (2026). Weekly fuel price monitoring. mbie.govt.nz

¹⁵³ Curl, A. & Kiddle, R. (2026). *Transport poverty in Aotearoa NZ: A healthy and sustainable transport system is needed*. phcc.org.nz

¹⁵⁴ Stats NZ. (2026). Consumers price index: June 2026 quarter. stats.govt.nz

¹⁵⁵ NZ Institute of Economic Research. (2026). Fuel crisis throws New Zealand recovery off track, Quarterly Predictions - June 2026. nzier.org.nz

¹⁵⁶ Ministry for the Environment. (2026). Measuring Emissions Catalogue 2026: Travel emission factors. measuringemissionsguide.environment.govt.nz

¹⁵⁷ Ministry of Transport. (2023). Domestic Transport Costs and Charges Study: C5 Road Vehicle Operating Costs. transport.govt.nz

¹⁵⁸ Greater Wellington Regional Council. (2026). Wellington Regional Public Transport Plan. gw.govt.nz

¹⁵⁹ Knowledge Auckland. (2025). Auckland's cost of congestion. knowledgeauckland.org.nz

4 Implementation

A Fully Electrified and Affordable Public Transport System. Many workers are forced to use private cars for transport due to a lack of affordable public transport options. The Government should kick-start a just transition to a fully electrified and affordable public transport system, together with a more equitable public transport funding mechanism. As a first step, the Government should invest in a fully electrified passenger bus fleet.

Council of Trade Unions,
Reimagining Aotearoa Together¹⁶⁰

4.1 Cost

¹⁶⁰ Reimagining Aotearoa Together. *Building Infrastructure*. reimagineaotearoa.nz

The Free Fares Campaign calls on central Government to fully subsidise public transport fares for the following four target groups, many of whom overlap:

- Community Services Card holders
- Total Mobility Card holders and their support people
- Under-25s
- Tertiary students

While difficult to precisely estimate the cost of this policy, we anticipate this proposal to cost the Government approximately \$300-400 million per year (in the form of lost fare revenue) based on the cost of similar policies. We note that these costings are based on a number of assumptions (e.g. on the responsiveness of patronage to fare changes, or on the demand for Total Mobility services).

At its peak, prior to the current Government taking office, the Community Connect programme was budgeted to cost the Government \$109 million in the financial year 2023/24.¹⁶¹ At the time, Community Connect provided free fares for under-13s and half-price fares for Community Services Card holders, 13-to-24 year olds, and Total Mobility scheme users.

¹⁶¹ Treasury. (2023). *The Estimates of Appropriations 2023/24 - Budget 2023*. treasury.govt.nz

¹⁶² Treasury. (2023). *The Estimates of Appropriations 2023/24 - Budget 2023*. treasury.govt.nz

A further breakdown of this costing within Budget 2023 indicated that:¹⁶²

- half-price fares for Community Services Card holders were expected to cost \$25 million
- half-price fares for 13-to-24 year olds and free fares for under-13s were expected to cost \$70 million
- half-price fares for Total Mobility services were expected to cost \$12 million

¹⁶³ Ministry of Transport. (2023, September 11). *Budget 2023 Submission for Invited New Spending Priorities and CERF Initiatives*. transport.govt.nz

A policy paper for Budget 2023 further estimated that:¹⁶³

- universal half-price fares, including for Total Mobility services, would cost up to \$152 million per year
- free fares for under-15s would cost \$40-42 million per year
- free fares for under-20s would cost \$102-106 million per year

¹⁶⁴ Treasury. (2023). *The Supplementary Estimates of Appropriations for the Government of New Zealand for the Year Ending 30 June 2023 - 18 May 2023 - Budget 2023*. treasury.govt.nz

The cost of providing universal half-price fares in 2022-23 is also informative. During the period 1 April 2022 until 30 June 2023, fares were half-price for all users—at an estimated cost of \$169 million for the 2022/23 financial year.¹⁶⁴

¹⁶⁵ Wellington Transport Analytics Unit. (2026). *Public Transport Volumes Dashboard*. wellingtontransportanalytics.co.nz

Given sparse data on the prevalence and fare recovery from student concessions, the cost from our proposed tertiary student fare subsidies is especially difficult to estimate, but is expected to be small compared to other costs. For example, in Greater Wellington, tertiary concession holders represent only about 5-6% of boardings,¹⁶⁵ and many would be already covered by Community Services Cards or youth fare subsidies.

4.2 Distributional impact

¹⁶⁶ Ministry of Transport. (2026). *Household travel*. transport.govt.nz

A recurring critique of public transport subsidies and investment is that they are unfair to non-users of public transport because they do not directly benefit.

¹⁶⁷ Treasury. (2026). *The Estimates of Appropriations 2026/27 - Economic Development and Infrastructure Sector: Vote Transport*. budget.govt.nz

From a purely monetary standpoint, public transport is indeed subsidised by non-users. Public transport represents under 3% of trips taken by New Zealanders,¹⁶⁶ and is expected to cost the Crown \$93 million in fare concessions, \$348 million in infrastructure, and \$456 million in service provision in 2025/26.¹⁶⁷ Public transport use is concentrated in New Zealand's urban centres, with far lower usage and service provision in rural areas.¹⁶⁸

¹⁶⁸ Ministry of Transport. (2026). *Household travel*. transport.govt.nz

However, as we previously established (Free Fares benefits people and planet), public transport benefits wider society — even those who do not use it. Public transport is critical to reducing

¹⁶⁹ Rizzi, L.I. & De La Mazza, C. (2017). The external costs of private versus public road transport in the Metropolitan Area of Santiago, Chile. *Transportation Research Part A: Policy and Practice*, 98, 123-140. [doi.org](https://doi.org/10.1016/j.tra.2017.05.010)

¹⁷⁰ Independent Pricing and Regulatory Tribunal New South Wales. (2020). Opal fares 2020-2024: External Benefits and Costs. [ipart.nsw.gov.au](https://ipart.nsw.gov.au/reports-and-publications/external-benefits-and-costs-of-opal-fares-2020-2024)

¹⁷¹ Jakob, A., Craig, J.L., & Fisher, G. (2006). Transport cost analysis: a case study of the total costs of private and public transport in Auckland. *Environmental Science & Policy*, 9, 1, 55-66. [doi.org](https://doi.org/10.1016/j.envsci.2006.01.001)

¹⁷² Treasury. (2026). The Estimates of Appropriations 2026/27 - Economic Development and Infrastructure Sector: Vote Transport. [budget.govt.nz](https://budget.govt.nz/2026/27/estimates-of-appropriations-2026-27-economic-development-and-infrastructure-sector-vote-transport)

¹⁷³ Edmunds, S. (2026). How much of NZ's tax is your region paying?. [rnz.co.nz](https://rnz.co.nz/2026/01/01/how-much-of-nz-s-tax-is-your-region-paying/)

¹⁷⁴ Environmental Health Intelligence New Zealand. (2025). Urban–rural profile. [ehinz.ac.nz](https://ehinz.ac.nz/urban-rural-profile/)

¹⁷⁵ Ministry of Transport. (2023). Domestic Transport Costs and Charges Study: Working Paper C1.2 Road Infrastructure - Total and Average Costs. [transport.govt.nz](https://transport.govt.nz/assets/Uploads/Domestic-Transport-Costs-and-Charges-Study-Working-Paper-C1.2-Road-Infrastructure-Total-and-Average-Costs.pdf)

¹⁷⁶ Infrastructure Commission. (2024). Buying time: toll roads, congestion charges, and transport investment. [tewaihanga.govt.nz](https://tewaihanga.govt.nz/assets/Uploads/Buying-time-toll-roads-congestion-charges-and-transport-investment.pdf)

¹⁷⁷ Pickford, M. (2013). State highway investment in New Zealand: the decline and fall of economic efficiency. *Policy Quarterly*, 9, 3, 28-35. [doi.org](https://doi.org/10.1080/00959947.2013.788888)

transport poverty, greenhouse gas emissions, air pollution, traffic congestion, and fuel consumption; public transport helps reduce the costs (so-called negative externalities) that these impose on everyone. Both international and New Zealand evidence show that, when expressed monetarily, the reduction in external costs from using public transport rather than driving is significant. In Santiago, Chile, buses were estimated to generate 10 times less external costs than private vehicles during peak times due to reducing congestion, air pollution, accidents, noise, and road maintenance.¹⁶⁹ In New South Wales, Australia, opting to take the bus rather than driving during peak periods is estimated to reduce congestion costs by \$0.38 (95%) and pollution costs by \$0.05 (71%) per passenger per kilometre.¹⁷⁰ While New Zealand-specific studies quantifying transport externalities are sparse, a study by the University of Auckland and NIWA found that private vehicle travel generated double the external costs of public transport per passenger per kilometre, including from road fatalities, accidents, air pollution, and greenhouse gas emissions; negative transport externalities accounted for over 2% of Auckland's GDP.¹⁷¹ Encouraging greater public transport use is therefore a net benefit to society, even with subsidisation.

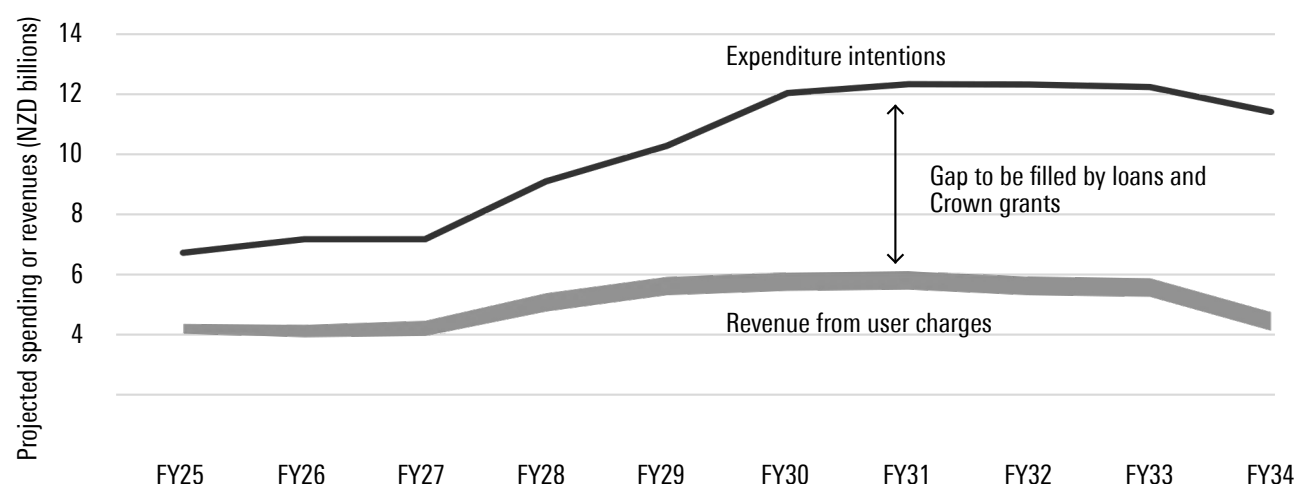
Furthermore, private vehicle use itself is heavily subsidised by spending on roading. Of the \$9.3 billion expected to be spent on road transport in 2026/27—the vast majority of which goes towards roading projects (cf. public transport)—only \$4.9 billion is expected to be collected in revenue from fuel excise, road user charges, and vehicle registration;¹⁷² the remainder is topped up by taxpayers, the bulk of whom live in urban areas.^{173, 174} The Ministry of Transport estimated that a car generates an economic cost of \$109 per 1000 kilometres on road infrastructure (e.g. maintenance), yet is charged merely \$66 per 1000 kilometres (e.g. from fuel taxes)—an implicit subsidy of 40%.¹⁷⁵ This is before even considering the significant negative externalities of private vehicle use (see Free Fares benefits people and planet), which often go underpriced. Many roads fail to recover their costs to build: current toll roads have cost recoveries of only around 25%,¹⁷⁶ and several major roading projects have benefit-cost ratios of less than one.¹⁷⁷ Both public and private transport are subsidised—but given the significant external benefits of the former, its subsidies are much more justified.

4.3 Opportunity costs and value for money

Not investing in our public transport system itself has a cost. As we established earlier (Free Fares benefits people and planet), our current car-centric transport system imposes significant social and economic costs on wider society—including from transport poverty, an inefficient urban form, and poorer public health outcomes. These costs affect everyone, especially the most vulnerable, and hinder our country's economic development. Persisting with the status quo means missing out on many of the substantial, yet often undervalued, benefits of greater public transport use.

Land transport faces a large funding gap under current plans

New Zealand plans to spend much more on land transport than it collects from users



Source: NZTA National Land Transport Programme 2024 - 2027

Figure 5. The land transport funding deficit, exacerbated by heavy spending on roading projects. Reprinted from the NZ Infrastructure Commission.¹⁷⁸

¹⁷⁸ New Zealand Infrastructure Commission. (2026). National Infrastructure Plan: 3.3 Fixing land transport funding and investment. [tewaihangagovt.nz](https://www.tewaihangagovt.nz)

¹⁷⁹ New Zealand Infrastructure Commission. (2026). National Infrastructure Plan: 3.3 Fixing land transport funding and investment. [tewaihangagovt.nz](https://www.tewaihangagovt.nz)

Proceeding with business as usual also has a financial cost—in the form of soaring road spending. The negative externalities of private vehicle use aside, the financial cost of roading is significant and growing. The Infrastructure Commission warns that the gap between land transport expenditure and revenues—in effect, the extent to which land transport is subsidised by general taxes—is set to skyrocket to about \$7 billion per year in the 2030s, up from over \$2 billion currently (Figure 5).¹⁷⁹ Delivering the major roads programme in the National Infrastructure Pipeline is expected to cost \$56 billion over 20 years. Despite these growing costs, the benefits of many

¹⁸⁰ NZ Transport Agency. (2026). Roads of National Significance (RoNS). nzta.govt.nz

¹⁸¹ New Zealand Infrastructure Commission. (2026). National Infrastructure Plan: 3.3 Fixing land transport funding and investment. tewaihanga.govt.nz

¹⁸¹ May, A.D., Kelly, C., & Shepherd, S. (2006). The principles of integration in urban transport strategies. *Transport Policy*, 13, 4, 319-327. doi.org

¹⁸² Buehler, R. & Pucher, J. (2012). Demand for Public Transport in Germany and the USA: An Analysis of Rider Characteristics. *Transport Reviews*, 32, 5, 541-567. doi.org

¹⁸³ Redman, L., Friman, M., Gärling, T., & Hartig, T. (2013). Quality attributes of public transport that attract car users: A research review. *Transport Policy*, 25, 119-127. doi.org

¹⁸⁴ Liu, Y., Wang, S., & Xie, B. (2019). Evaluating the effects of public transport fare policy change together with built and non-built environment features on ridership: The case in South East Queensland, Australia. *Transport Policy*, 76, 78-89. doi.org

¹⁸⁵ State of Queensland Department of Transport and Main Roads. (2025). Annual Report: 2024-2025. tmr.qld.gov.au

new roading projects are expected to be marginal, with several Roads of National Significance having estimated benefit-cost ratios of close to or less than one.¹⁸⁰ Our current car-centric transport system is therefore costly not just in negative externalities, but also monetarily. For a fraction of the funds that regularly go to roads, we can invest in public transport to create a more affordable and inclusive transport system.

Improving the public transport system piecemeal—for example, by forgoing fare reductions to prioritise other improvements, or vice versa—could also generate an opportunity cost. Public transport improvements and related policies can synergise, affecting patronage and mode shift when combined by more than would be expected. In Dortmund, Germany, the combination of increased driving costs, shorter public transport journey times, and cheaper fares together encouraged greater mode shift than each policy did individually, or the sum of each policy's individual effects.¹⁸¹ A comparative analysis of public transport demand in Germany and the US attributed Germany's high usage of public transport to a series of mutually supportive factors, including greater service frequency and provision, discounted fares, good connections to other modes of transport, pricing of car use, and a compact urban form.¹⁸² A review of studies on fare reductions around the world found that cheap fares can entice drivers to mode shift towards public transport, but that entrenching this behaviour change also required high-quality (e.g. frequent, reliable, fast) public transport services.¹⁸³ In Queensland, Australia, the increase in patronage from fare reductions was found to also depend on the density of public transport routes, the accessibility of stations, and the accessibility of workplaces by public transport.¹⁸⁴ The case of Queensland, in particular, highlights the potential of public transport improvements working in concert; the rollout of 50-cent fares from 2024, alongside increases to service frequency, coverage, and other upgrades, resulted in the highest patronage on record.¹⁸⁵ Public transport improvements interact, and together can be greater than the sum of their parts. Our campaign therefore calls on the Government to invest significantly more on public transport overall—including on wider service coverage, better driver working conditions, and improved service reliability—alongside cheaper fares.

5 Take Action

5.1 What you can do

- Contact your MP
- For organisations, join the Free Fares Coalition. Email freefaresnz@gmail.com with your logo to do so
- Follow Free Fares NZ on Facebook or Instagram
- Get involved in the national organising team, who meet online weekly on Tuesdays
- Speak about Free Fares in your communities
- Attend candidate meetings and ask them to give their commitment to Free Fares
- Vote for candidates and parties who support Free Fares

5.2 Existing party positions on public transport

The following information was gathered from the Labour, National, Green, Opportunity, New Zealand First, ACT, and Te Pāti Māori websites up to 17 August 2026. Note this may be liable to change as the parties announce new policy over the course of the election campaign. We will endeavour to post any updates that we receive from the parties on our Facebook page, facebook.com/freefaresnz

Labour

Labour's flagship policy is the \$20 Public Transport Fare Cap. If elected, the party promises to cap weekly public transport fares at \$20 in Auckland, Wellington and Christchurch and at \$10 elsewhere in the country. This includes all buses, (commuter) trains and certain ferries, but does not cover other ferries or interregional or scenic transport. Labour has indicated its intent to fund this by reallocating revenue in the National Land Transport fund.¹⁸⁶

The Free Fares campaign enthusiastically described this policy as a 'step in the right direction,' due to its significant and universal contribution toward public transport affordability. Strictly speaking it remains short of our ultimate goal of free public transport for our four target groups.

¹⁸⁶ Labour Party - Labour's \$20 Public Transport Fare Cap. www.labour.org.nz/farecap

National

“Better Public Transport” is one of the three planks of National’s Transport For the Future policy. National promises “A rapid transit network for Auckland, with public transport corridors in the North West, Airport to Botany, and completion of the Eastern Busway” as well as “Improvements to increase capacity and reliability on Lower North Island train services for passengers and freight.” This policy appears to focus on infrastructure rather than fare caps or reductions.¹⁸⁷ However, Free Fares notes that the Government during the 54th Parliament did not scrap Community Connect for Community Service Card holders, so a 50% concession for CSC holders remains in place.

¹⁸⁷ National Party - Transport for the Future. national.org.nz

Green

The Green Party has a detailed transport policy, only sections of which will be discussed here. The party pledges to make urban public transport fare-free, “starting with young people, students, disabled people and those on low incomes, including beneficiaries.” (2.1.1). This approximately aligns with Free Fare’s target groups, specified as under-25s, tertiary students, Total Mobility Card Holders and their support people, and Community Services card holders.

The party also states its intention to “ensure that transport infrastructure and services provide the highest level of independence for disabled people,” including by “nationalising the Total Mobility Scheme and ensuring it is affordable, accessible and sufficiently resourced to meet demand.” (1.4.3.1).¹⁸⁸

¹⁸⁸ Green Party - Transport Policy. assets.nationbuilder.com

Opportunity

Opportunity calls for “the immediate introduction of permanent, universal, free-to-ride public transport across New Zealand.” Opportunity states that targeting only low-income people would create “complexity, stigma and sharp cut offs that miss many people who need help.”¹⁸⁹ This goes beyond the demands of the Free Fares campaign and would make a significant difference to our communities.

¹⁸⁹ Opportunity - Free Public Transport opportunity.org.nz

ACT

ACT has not yet released any transport policy on their website for 2026.

New Zealand First

New Zealand First has not yet released any transport policy on their website for 2026. They clearly support SuperGold Card, which provides concessions for over-65s.

Te Pāti Māori

Te Pāti Māori has not released a transport policy but does include transport affordability in its Cost of Living policy.¹⁹⁰ Their climate policy states, "Climate justice is about protecting our right to live safely, affordably, and sovereign on our own whenua."¹⁹¹

¹⁹⁰ Te Pāti Māori - Cost of Living Policy. maoriparty.org.nz

¹⁹¹ Te Pāti Māori - Climate Policy. maoriparty.org.nz

5.3 Questions for candidates

If attending candidate meetings during the 2026 general election (or future local and general elections), please consider asking candidates if they will commit to supporting Free Fares. Example questions include:

- Free Fares' target groups are Community Services Card, Total Mobility Card, students, and under-25s. Do you support free public transport for these groups?
- What is your party's plan to address free public transport?
- Will your party commit to prioritising public transport infrastructure over additional roads?

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Contacts



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