

# Submission to NZ Transport Agency Waka Kotahi (NZTA)

*Toll proposal for Belfast to Pegasus Motorway and Woodend Bypass – Released 12 August 2025.*

08/09/2025

## Introduction

The Timaru District Council (TDC) thanks the New Zealand Transport Agency Waka Kotahi (NZTA) for the opportunity to provide feedback on the proposal to toll the new Belfast to Pegasus Motorway and Woodend Bypass. This submission reflects our commitment to supporting infrastructure that enhances regional connectivity, safety, and economic resilience.

TDC serves over 49,500 residents across South Canterbury, with settlements including Timaru, Geraldine, Pleasant Point, and Temuka. SH1 is a critical transport corridor for our district, linking us to Christchurch and the wider South Island. The Timaru District hosts strategic assets such as PrimePort Timaru and Timaru Airport, which heavily rely on efficient road networks to support freight, tourism, and business operations.

This submission is made by the Timaru District Council, 2 King George Place, Timaru. The contact person is Suzy Ratahi, General Manager of Land Transport, Timaru District Council. Suzy can be contacted on (03) 687 7200.

This submission is endorsed by the elected members of Timaru District Council.

## General Feedback

TDC supports the tolling proposal and acknowledges the following benefits:

**Improved Journey Reliability:** The B2P upgrade will reduce travel times and congestion, particularly during peak and holiday periods, enhancing freight efficiency and commuter experience.

**Economic Growth Enablement:** A high-performing SH1 corridor between Christchurch and North Canterbury strengthens trade and tourism flows, indirectly benefiting Timaru's \$600 million manufacturing sector and broader economic base.

**Safety Enhancements:** Diverting traffic from local roads in Woodend will reduce crash risks and improve community access and mobility.

**Fair and Sustainable Funding:** TDC endorses the proposed toll charges (\$1.25 per toll point for light vehicles and \$2.50 for heavy vehicles) as reasonable and consistent with other toll schemes in New

Zealand. The user-pays model ensures that those who benefit most from the infrastructure contribute to its upkeep.

**Smarter Funding Tools:** We believe the current transport funding model is unsustainable. Tolling and congestion charging are essential to unlock future growth, reduce reliance on NLTP funding, and deliver safer, more reliable journeys. Without these measures, we risk being constrained by ongoing network limitations and congestion.

## **Recommendations and Future Considerations**

**SH1 Corridor Four Lane Expansion:** Timaru District Council encourages NZTA to assess the feasibility of a similar user-pay system to support four-laning State Highway 1 through Selwyn, Ashburton, and Timaru Districts. This approach aligns with the Government Policy Statement on Land Transport 2024's tolling approach. Doing so supports priorities for economic growth and productivity, and would further enhance regional connectivity, improve freight efficiency, and strengthen the resilience of the national transport network.

Four-laning the south-bound corridor through these districts is particularly critical to unlocking the economic potential of South Canterbury and the wider South Island. In 2022, South Canterbury's total exports were valued at \$4.004 billion, with food and fibre products accounting for \$3.894 billion, with a sector growth of 82% since 2017. Efficient transport infrastructure is essential to sustaining this growth. In 2021, \$1.1 billion in exports moved through Primeport Timaru, representing 28% of South Canterbury's total exports.

Additionally, this section of the SH1 corridor is the primary freight route linking South Canterbury's producers to Christchurch and Lyttelton ports. In 2022 alone, heavy vehicles travelled nearly 80 million kilometres on South Canterbury state highways, generating \$35 million in Road User Charges.

Expanding this corridor to four lanes would help freight move more quickly and reliably, reduce transport costs for businesses, and make it easier for exporters to get goods to market on time, which is especially important for industries like food and fibre that rely on tight delivery schedules.

It would also improve safety, accommodate population and freight growth in Rolleston, Ashburton, and Timaru, and ensure long-term resilience for one of New Zealand's most productive export regions.

**Fostering Understanding and Acceptance of Tolling through Strategic Communication:** TDC acknowledges the psychological resistance many individuals experience toward direct user charges such as tolls, which are often perceived as an additional financial burden. This often stems from the visibility of tolls compared to indirect charges like fuel taxes and rates that are embedded in broader systems and less consciously felt.

However, tolling offers a more transparent and equitable funding mechanism—one where users directly contribute to the infrastructure they benefit from. Unlike indirect charges that may fund infrastructure in areas they may never visit, tolls ensure that investment is targeted and responsive to local needs.

By introducing tolling locally, communities are empowered to contribute to upgrades that directly improve the infrastructure they use every day. This shift in funding approach can be seen as a fairer and more efficient solution.

To support public understanding and acceptance, TDC recommends that NZTA adopt a change management approach that clearly communicates how tolling reallocates existing costs rather than introducing new ones. While some may view this as a negative, if NZTA invests in educating communities about the tangible benefits of tolling, such as accelerated infrastructure delivery and improved transport outcomes, it can help mitigate resistance and build support for tolling as a fair and effective funding tool.

**Protecting NLTF Resources:** Tolling new infrastructure helps safeguard existing NLTF funding for maintaining current roads. This is particularly critical for local Road Controlling Authorities (RCAs) such as Timaru District Council, where local roads are increasingly absorbing diverted traffic due to deterioration on State Highway 1. Over the past decade, traffic volumes on Timaru’s local network have grown at an average of 2.7% annually, driven by freight movements and detours from SH1. Without alternative funding tools like tolling, the pressure on local networks will continue to escalate, compromising asset condition, safety, and service levels.

**Equity and Strategic Investment:** TDC supports tolling as a fair and strategic mechanism to fund high-impact infrastructure while ensuring that rural and regional communities continue to receive adequate investment in maintenance and resilience.

## Conclusion

TDC supports the tolling proposal for the Belfast to Pegasus Motorway and Woodend Bypass. We view tolling as a fair, sustainable funding mechanism that enables high-quality infrastructure while freeing up resources for other priority projects. We encourage NZTA to proceed and to consider similar tolling initiatives that support the growth and efficiency of New Zealand’s transport network.

Sincerely,



Nigel Bowen  
**Mayor**