



SUBMISSION

Submission: SH1 Belfast to Pegasus Motorway and Woodend Bypass (B2P) tolling proposal

To: NZ Transport Agency Waka Kotahi
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About Ia Ara Aotearoa Transporting New Zealand

Ia Ara Aotearoa Transporting New Zealand (Transporting New Zealand) is a national membership association representing the road freight transport industry. Our 1,200 members (with a combined fleet of 14,000 heavy vehicles) operate urban, rural and inter-regional commercial freight transport services throughout the country.

As the peak body and authoritative voice of the road freight sector, Transporting New Zealand helps trucking operators drive successful, safe, sustainable businesses. Our strategic priorities are:

- Providing one industry voice for advocacy
- Promoting the road freight transport industry
- Attracting talent and promoting workforce development
- Supporting our members and customers
- Sustainability, safety and responsible emissions reduction

New Zealand's road freight transport industry employs 33,000 people (1.2% of the total workforce), and has a gross annual turnover in the order of \$6 billion. This is part of a wider transport sector that employs 108,000 people and contributes 4.8 percent of New Zealand's GDP. Road freight transport accounts for 93% of the total tonnage of freight moved in New Zealand (MoT National Freight Demands Study 2018).

Transporting New Zealand submission on the SH1 Belfast to Pegasus Motorway and Woodend Bypass (B2P) tolling proposal

- 1 Transporting New Zealand appreciates the opportunity to provide a submission on NZTA's proposal to toll the 10 kilometre section of SH1 north of SH1/SH71 Lineside Road interchange to the Pegasus roundabout, comprising a new 4-laned section of the SH1 Belfast to Pegasus Motorway and the new Woodend Bypass (B2P).
- 2 There is nothing confidential in our submission and we permit it to be published in full.

Submission Summary

- 3 Transporting New Zealand supports the tolling proposal, including splitting the entire route into two toll zones with two toll gantries but each charging half the toll 'rate'. However, we do query the rationale for heavy vehicles to pay double the toll of light vehicles, as we consider that toll revenue should be allocated for use on implementation and construction of roads, rather than maintenance and operation, on the basis that the latter two should be funded through traditional NLTF revenue sources. Therefore, we suggest NZTA consider lowering the toll rate for heavy vehicles to maximise safety and efficiency benefits.

Transporting New Zealand's general policy position on road tolling

- 4 Transporting New Zealand is supportive of NZTA considering the use of tolling as a supplementary revenue-raising tool to support much needed improvements to the State Highway network, and particularly the Government's Roads of National Significance programme.
- 5 This is subject to our position that funds paid by road users through Road User Charges (RUC), fuel excise and vehicle registration fees should predominantly be used to pay for road construction and maintenance, Commercial Vehicle Safety Team enforcement, and low-level subsidies of public transport operating costs.
- 6 Tolling must be used sparingly, and only on roads with appropriate tolling assessments, given the substantial contribution that motorists, and particularly heavy vehicle users make to roading upkeep and construction through user charges. Heavy trucks already make the highest proportional contribution to their public sector costs out of all travel modes.¹
- 7 Transporting New Zealand is committed to considering tolling proposals on their merits, applying a rigorous cost-benefit analysis. We also acknowledge that Transporting New Zealand's diverse membership may make submissions on tolling proposals that do not align with our position as a national membership association. We encourage our members to submit individually.

¹ Ministry of Transport, *Domestic Transport Costs and Charges Study Main Report*, June 2023, p7: <https://www.transport.govt.nz/assets/Uploads/DTCC-Main-Report-June-2023.pdf>.

B2P tolling proposal

- 8 Transporting New Zealand supports the proposal to toll the new SH1 Belfast to Pegasus Motorway and Woodend Bypass to support activities associated with the planning, design, supervision and construction of the new highway.
- 9 Regarding the proposal to split B2P into two tolling points, Transporting NZ supports the rationale to effectively halve the estimated toll fee (to \$1.25 for light vehicles and \$2.50 for heavy vehicles, notwithstanding our comments in paragraph 3 above that there should be one fee for all vehicles) for each section in order to maximise utilisation (reduce diversion rates), meaning those travelling the entire route would ultimately pay the standard toll amount (\$2.50/\$5.00).
- 10 Transporting New Zealand considers that B2P is an appropriate candidate for tolling, on the basis that:
 - a. The tolled road will reduce traffic volumes on local roads, including heavy traffic, to the benefit of the local community, whilst delivering safety benefits from median barriers and reduced crash risk at intersections, and travel time savings.
 - b. Estimated vehicles per day (VPD) on the Woodend Bypass alone are 18,400 by 2041, well in excess of NZTA's minimum 10,000 VPD threshold for tolling projects.
 - c. The proposal, part of the Roads of National Significance programme, has been well signalled, with the bypass first designated in 2015, and the road not scheduled to be completed until 2030.
 - d. It will improve the resilience of this key freight route and the connection to Christchurch city, Christchurch International Airport, and Lyttleton Port, an essential freight hub.
 - e. Utilising tolling on this road will enable timely delivery of other much needed roading improvements and maintenance, including Roads of National and Regional Significance.
 - f. While the southern section of this proposal, from SH71 Lineside Road interchange to William Street interchange, is an existing State Highway, it will be significantly upgraded from its existing two lanes into a four-lane median-divided motorway, and there are two local road alternatives. The northern Woodend Bypass section on the other hand is an entirely new road, with an alternative being Main North Road (the current SH1). Thus, the proposal meets the test that tolling should only be considered for new roads where there are free alternative routes.

Additional comments

- 11 Transporting New Zealand sought feedback from our members, and included in that was feedback on the scope of the proposed B2P route, specifically that the bypass should be extended a further 5 kilometres to rejoin SH1 at Saltwater Creek. The reasons for this are that:
 - finishing at Pegasus will create a bottleneck in Waikuku;

- the Ashley River bridge is one of the narrowest two-lane bridges on SH1. There is no room to pass cyclists, and so traffic has to slow right down to follow them;
 - the bends in the road just south of Saltwater Creek are some of the most dangerous corners in Canterbury with multiple crashes occurring in this area.
- 12 Extending the bypass so that it re-joins the road at Saltwater Creek would mean that it links into a straight section of SH1 and the transition would be seamless and cause less issues with a change of speed zone. Building a new bridge across the Ashley River would improve safety significantly by providing a larger shoulder, and it would mean the bulk of traffic is not going through Waikuku and around the corners south of Saltwater Creek, thus reducing crash risk.
- 13 Transporting New Zealand would welcome the opportunity to input into the design of B2P and facilitate feedback from members who are regular users of the current route.

ENDS