

6 August 2025

Ruth Fairhall
Acting Secretary for Transport
Ministry of Transport
PO Box 3175
Wellington 6140

Emailed to: LTIBconsultation@transport.govt.nz

Dear Ms Fairhall

Feedback on the Ministry of Transport's Long-term Insights Briefing titled "Moving people in 2055"

The Manawātū District Council (MDC) thanks the Ministry of Transport (MoT) for the opportunity to provide feedback on its Long-term Insights Briefing (LTIB) titled "Moving people in 2055." MDC commends the Ministry on thinking ahead and considering the potential implications of population pressures and technological changes to the transport system.

This letter provides some general feedback on those matters that the Ministry has sought feedback, as well as raising some other matters that we urge MoT to consider in future iterations of its National Transport Model ('Monty').

About the Manawātū District

The Manawātū District covers an area of 256,300 hectares and stretches from Rangiwahia in the north, to Himatangi Beach and Palmerston North City in the south. The western boundary of the District follows the Rangitikei River and the eastern boundary is the Ruahine Ranges. An estimated 33,700 people live in our District (March 2024), with 52% of our residents living in Feilding.

The Manawātū District is uniquely placed in its central location as the gateway to four other regions: Hawke's Bay, Wairarapa, Rangitikei and Horowhenua. This central location gives the District strategic economic advantages. With easy access to four seaports, seven airports and major Defence Force bases, it is an accessible and centralised cargo, transport, and business hub for the lower North Island and the country.

Primary industry (agriculture and forestry) comprises our biggest economic sector, making up nearly 18% of District GDP. Manufacturing and Defence (primarily the Royal New Zealand Airforce Base Ōhakea) also contributes strongly to the local economy. The Linton Military Camp is New Zealand's largest army base, with over 2,000 personnel, many of whom live in the Manawātū District. RNZAF Base Ōhakea has 1,200 personnel, many of whom are required to live within 20 minutes of the base for short notice deployment in times of emergency. This includes Squadron 5, the P8 Airborne Surveillance and Maritime Patrol, and Squadron 3 the

helicopter division. Many of these personnel live in the Manawatū District and require direct and reliable roading routes to get to base within this timeframe.

MDC's roading network includes 1,373km of roads, of which approximately 1,002km (73%) is sealed and 369km (27%) is unsealed. The district's total traffic volume has increased by 22% between 2018 and 2022, with rural road traffic increasing by 23%, and urban road traffic 16%. Furthermore, traffic demand associated with forestry activities on the network is predicted to continue at peak levels until 2029.

Key Drivers and Trends Influencing Land-based Transport over the next 30 years

When looking at how people are transported around the Manawatū District, the 2023 census data suggests that 75.5% of people use a vehicle as their main means of travel to work, and 0.4% travel on public transport. The 2023 census data also suggests that the main travel mode to education is by vehicle (58.4%) with 14% travelling by school bus and 1.5% by other public transport.

Transport disadvantaged

MDC agrees with MoT that certain groups and communities are transport disadvantaged compared to others. The Manawatū District Council advocated for many years for the establishment of a rural bus services for our rural villages who did not have access to public transport services. Rural Bus Manawatū was launched in November 2024 as an on-demand public transport service. However, this services currently relies on on-going support from local government for its financial sustainability.

Population projections

We understand that Monty considers future population based on the medium population growth projections from Statistics New Zealand. Statistics New Zealand traditionally underestimates population growth for the Manawatū District.

New housing growth targets currently being consulted on as part of the *'Going for Housing Growth'* programme as part of the Resource Management Reforms requires Tier 1 and 2 Councils to enable 30 years of feasible housing capacity in their district plans using 'high' household growth projections + 20%. MDC seeks clarification as to why councils are required to use 'high' population projections + 20% for their growth planning when the MoT's growth planning is based on 'medium' population projections.

For reasons of consistency, MDC advocates for a nationally consistent approach with respect to population projections that must be used for future growth planning by all central and local government agencies.

Other Factors Influencing the Transport System

Based on the information contained in the discussion document, we consider 'Monty' to be an overly simplified tool for predicting future travel demand patterns. In addition to population growth forecasts from Statistics New Zealand, consideration needs to be given to other drivers influencing travel demand and travel, including investment in transport infrastructure as a driver of economic growth and development.

MDC has identified the following factors that are expected to influence transport patterns and network use that are currently not factored into MoT's modelling:

- Legislative reform and national direction

- Roothing and other transport projects that have been endorsed by government through the Infrastructure Priorities Programme (IPP)
- Increasing cost for local authorities to maintain the roading network at current levels of service

Legislative reform and national direction

Current national direction and legislative reform is focussed on ‘going for growth.’ The Local Government (Systems Improvements) Amendment Bill proposes to amend the purpose of local government to provide ‘good quality local infrastructure’ to ‘support local economic growth and development.’ Recent discussion documents released by central government indicate, from 2026 or 2027, the replacement RMA planning system will have a stronger focus on urban growth and the provision of infrastructure to support it.

The combined effect of this legislative change and new national direction is expected to be an acceleration of housing support and increased domestic and international investment.

While this discussion document considers how technology could re-shape travel behaviour, it does not account for how legislative reforms (e.g. fast-tracked development or intensification policies) might affect transport demand or spatial structure.

Planned Roothing and other Transport Projects

This Long-term Insights Briefing does not consider those roading and other transport-related projects that have been endorsed by government through the Infrastructure Priorities Programme. Monty simulates transport network performance based on a “business-as-usual” growth scenario.

The LTIB acknowledges two key limitations with the current modelling, being that:

- *the model does not forecast or integrate land-use or infrastructure investments such as new roads, urban redevelopment or housing development; and*
- *freight scaling is simplified: it scales linearly with population growth, without reflecting changes from major logistics or roading infrastructure investment.*

MDC considers these to be serious limitations in forecasting future land transport trends in the Manawātū-Whanganui Region in particular, given the amount of planned investment in our Region and the expected implications for freight volumes, land development, and commuter patterns. We anticipate that industrial growth in the Manawātū-Whanganui Region will be at a higher rate than population growth, based on location and our focus on logistics.

The New Zealand Infrastructure Commission has endorsed, as part of the draft National Infrastructure Plan, the following infrastructure projects within the Manawātū-Whanganui Region:

- The Manawātū Regional Freight Ring Road (Palmerston North City Council)
- Accommodation, Messing and Dining Modernisation Linton Project (New Zealand Defence Force)
- Ōhakea Infrastructure Programme Remaining Tranches (New Zealand Defence Force).

The Manawātū Regional Freight Ring Road project is essential to enabling Te Utanganui, the Central New Zealand Distribution Hub. Te Utanganui includes KiwiRail’s Regional Freight Hub,

Te Ahu a Turanga Manawatū Tararua Highway, the Palmerston North Integrated Transport Initiative – Regional Freight Ring Road, and the Ōtaki to north of Levin expressway. Collectively, these projects will connect central New Zealand to the capital, and enable the movement of goods, people, and defence capability.¹ Te Utanganui is expected to generate employment and to encourage more distribution companies to the region, further boosting employment and economic growth. These investments are also expected to result in increased freight movements and to alter commuter patterns between Feilding and Palmerston North.

Increasing cost for local authorities to maintain the roading network at current levels of service

MDC's Infrastructure Strategy 2024 evaluates the current condition and performance of the local roading network in the Manawatū District. This Strategy states that while the road network currently performs at an acceptable level, "it is evident that the condition of the roading network is beginning to deteriorate." The reasons stated for deterioration of the network include inflationary pressures, under-investment in maintenance and renewals, impacts on road pavement from ongoing forestry harvest, growth in freight movements and increasing traffic volumes due to population growth.

MDC's infrastructure strategy also notes that the Manawatū roading network is highly susceptible to severe weather events and other natural hazards.

Increased investment in road maintenance and renewal is necessary to combat further pavement deterioration and to increase network resilience to natural hazards. However, the current model of funding local land transport via (declining) New Zealand Transport Agency (NZTA) subsidies and rates is unsustainable. This is particularly concerning given the current directive from central government to local authorities to prioritise spending on core services, while keeping rates low. MDC expects that unless central government and MoT are able to establish new funding tools for land transport infrastructure or boost current levels of subsidies to local government, councils will be forced to make deliberate decisions to reduce roading levels of service.

At the national level, the LTIB acknowledges that pricing influences behaviour in the transport system. However, there is no analysis of the long-term adequacy of funding of the road transport network. Given the model's assumption of increasing electrification and possible decline in petrol-based revenue, there is a missed opportunity to address how the transport revenue base might erode—a key issue in funding road maintenance and development sustainably.

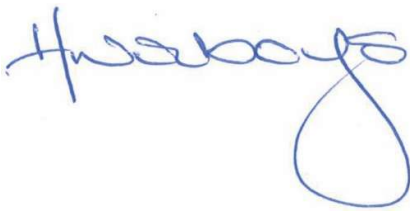
The LTIB addresses declining levels of service in the roading network through the lens of congestion, travel time delays, and the effects of population growth, urban sprawl, and network saturation. However, it does not explicitly discuss physical deterioration of the roading network, or the sustainability of funding for maintaining roads at current levels of service.

¹ (Te Utanganui, 2025)

Recommendations

1. That the Ministry of Transport amend their National Transport Model by replacing the Statistics New Zealand 'medium' population projections with the 'high' population projections to better align with the forecasting that local authorities are required to use when doing their growth planning.
2. That the next iteration of 'Monty' include consideration of those other factors that MDC considers to be absent from the currently modelling, namely:
 - Legislative reform and national direction
 - Roothing and other transport projects, including those that have been endorsed by government through the Infrastructure Priorities Programme (IPP)
 - Increasing cost for local authorities to maintain the roading network at current levels of service
3. That the Ministry of Transport work with Central Government to explore ways of making the funding of land transport affordable and sustainable, including in relation to public transport for the transport disadvantaged, and maintenance and renewal of local roading infrastructure.

Yours sincerely

A handwritten signature in blue ink, appearing to read 'Helen Worboys', with a large loop at the end.

Helen Worboys, JP
Mayor

References

Te Utanganui. (2025, July 22). *Manawatu projects play a central part in New Zealand's future infrastructure strategy*. Retrieved from Te Utanganui:
<https://www.teutanganui.co.nz/updates/manawatu-projects-play-a-central-part-in-te-utanganui-strategy>