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Exclusive National NSW Roads

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'Financial shark bite': the Sydney suburbs slugged hardest by tolls

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By Matt Wade and Anna Patty

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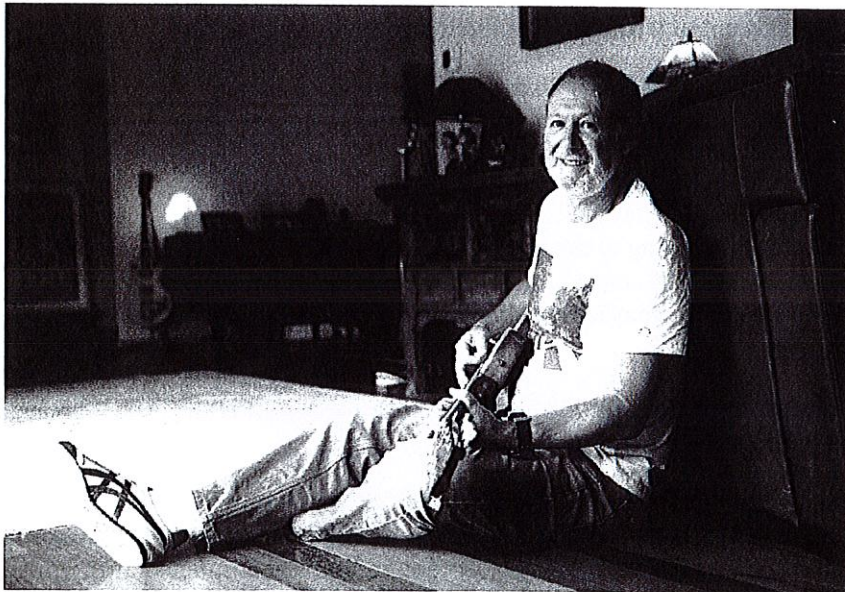
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A big gap in toll road spending has emerged across Sydney with many households in the south-west forking out more than double the amount in tolls each year than those in inner-metropolitan areas.

Analysis of commuter spending reveals the highest 10 per cent of toll-paying households in seven Sydney council areas are paying an average of more than \$6000 annually to use tollways.



Chris Smith has saved toll money and has more time at home since he stopped his daily commute from the Blue Mountains to Chatswood. EDWINA PICKLES

The figures come as NorthConnex is set to further increase Sydney's spending on motorways. The new nine kilometre tunnel from Wahroonga to West Pennant

Hills is expected to open later this month and will cost cars \$7.99 and trucks \$23.97 each way.

Camden council area has the highest average household toll spending at \$793 per year, which is 117 per cent more than the inner-metropolitan average. Wollondilly Shire on the south-western fringe is the next highest with \$774 per year (112 per cent more than inner suburbs).

The study by analytics firm Alpha Beta, a part of Accenture, and credit bureau illion scanned the anonymous transactions of millions of commuters to calculate average spending on tolls by households in Sydney between May and September.

AlphaBeta director, economist Andrew Charlton, said tolls on the daily commute are a major annual expense for many families, especially in the western suburbs.

"This data shows the slow creep of toll roads in Sydney; nibble by nibble they have turned into a financial shark-bite for commuters in some parts of the city," he said.

"Because many of the higher paid jobs are in the city, people in the west face an effective tax on getting those jobs. Some of them will be wondering if it's worth it."

Where people are spending the most on road tolls

Shows average weekly and annual (where available) expenditure per household on road tolls by local government area May and September 2020.

Source: AlphaBeta (a part of Accenture) and illion. Includes average spending for all households, not just those that commute.

Sales manager Chris Smith normally leaves as early as 5am to commute by car from Leura to his office at Chatswood via the M4, M7 and M2. But he's been working from home during the pandemic which has meant savings of up to \$150 each week on tolls.

"Financially it's better, there's more money in the pocket," he said. "Business-wise, it's not as good because you need the face-to-face interaction and the off-the-cuff conversations you have in the office."

Mr Smith is preparing to return to the office up to two days a week.

Dr Charlton said the regional discrepancy in toll spending speaks to growing inequities in Sydney. Some of the city's lowest income areas are among the hardest hit.

In Fairfield council, which had the lowest median weekly income among Sydney's local council areas according to the last census, households pay an average of \$574 a year which is 57 per cent more than inner metropolitan suburbs. The highest 10 per cent of toll-paying households in Fairfield are spending an average of \$6046 per year.

But in Ku-ring-gai, one of Sydney's wealthiest areas, households spent an average of \$7.13 per week or \$371 a year on tolls.

Other parts of west and north-west Sydney with high average annual household toll spending were The Hills Shire (\$611 per year or 67 per cent more than inner suburbs), Liverpool (\$608 a year or 66 per cent more than inner suburbs) and Penrith (\$539 a year 47 per cent more in tolls than inner suburbs).

Professor David Hensher, director of Sydney University's Institute of Transport and Logistics Studies, said commuters are willing to spend large amounts on tolls to save time.

“At the end of the day people are looking for travel time savings and convenience,” he said. “They are not so price sensitive as compared with being time sensitive.”

Households with the lowest average toll spending are in Sydney City Council (\$296 a year), Ryde (\$344) and Northern Beaches (\$354).

One of Sydney's busiest roads will see a toll decrease.

But the top 10 per cent of toll-payers spent more than \$6000 a year in Woollahra (\$6684), Burwood (\$6523), Lane Cove (\$6472), Hornsby (\$6344), Mosman (\$6225), Liverpool (\$6098) and Fairfield (\$6046).

A spokeswoman for Transurban which operates the bulk of Sydney's tollways said it had provided \$1.5 million in toll credits to eligible drivers since the pandemic started.

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