



14 December 2021

Portfolio Committee No.6 (Transport and Customer Service)
Parliament of NSW
Macquarie Street
SYDNEY NSW 2000

To the Committee,

NSW Parliamentary Inquiry into Road Tolling Regimes – Questions on Notice

I refer to the NRMA's appearance on 25 October 2021 for the purpose of providing comment in relation to the NSW Parliamentary Inquiry into Road Tolling Regimes.

Please find attached responses to questions taken on notice at the hearing.

I trust this information is of further assistance.

Yours faithfully,

A handwritten signature in black ink, appearing to read "R. Giltinan". The signature is fluid and cursive, with a large loop at the end.

Robert Giltinan
Director of Policy & Public Affairs



**NSW PARLIAMENTARY INQUIRY INTO ROAD TOLLING REGIMES
NATIONAL ROADS AND MOTORISTS' ASSOCIATION (NRMA)**

QUESTIONS TAKEN ON NOTICE AT HEARING 25 OCTOBER 2021

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QUESTION:

The CHAIR: You talked in your opening statement about the views from your membership. Could you talk to us a little bit more about that? You said that was a survey a few years ago. How many people responded to that survey?

Mr GILTINAN: I believe the survey that we were referencing by majority in the opening statement was conducted around mid-2018. I can take it on notice if you would like an exact number, but I think it was around 2,500 responses.

ANSWER:

The survey referred to in the NRMA's opening statement was conducted in the first half of 2018.

2,353 NRMA Members from NSW and the ACT participated in the survey through an online platform.



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QUESTION:

The CHAIR: When you said that the overwhelming majority support tolling reform, was a particular question asked with a particular model for that tolling reform? Were there any more specifics around that question that you asked?

Mr GILTINAN: I am happy to take that on notice. I assume that there would have been some models proposed, certainly. Otherwise there would not have been too much context behind that question.

ANSWER:

The survey referred to in the NRMA's opening statement was conducted in the first half of 2018.

2,353 NRMA Members from NSW and the ACT participated in the survey through an online platform.

- Participants feel the fairest and most equitable mechanism for applying road charges is a combination of vehicle mass, distance travelled and location (19%). The highest levels of support for this mechanism are seen in Sydney's North West (28%) and the Blue Mountains (27%).

- Overall, 53% of participants support applying road charges based on either vehicle mass, distance travelled or location, with a further 18% supporting charges based on emissions and trip caps.

- Participants using toll roads in the Sydney area (1,099) once a week or more feel unfairly disadvantaged by how many toll roads they have to use because of where they live:

- Once or twice a week toll road usage (51%).
- Several times a week toll road usage (61%).
- Every day toll road usage (72%).

- Participants using toll roads in the Sydney area (1,099) feel unfairly disadvantaged because of where they live:

- Western Sydney (69%).
- Sydney's South West (62%).
- The Blue Mountains (54%).
- Sydney's North West (51%).



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QUESTION:

The Hon. JOHN GRAHAM: Is there a good example of where that is used in an overseas jurisdiction, where it has been used effectively to drive or shape congestion or the way traffic moves around a city?

Mr GILTINAN: I know there are some good examples in Europe. I am happy to take that on notice and provide a detailed response.

ANSWER:

To support individualised road pricing, technology companies focused on European road networks are leveraging Global Navigation Satellite System (GNSS) technology and the European Electronic Toll Service (EETS) to develop aggregated systems, which include features such as detailed mapping, time-based vehicle recognition, tariff implementation and trip analyses.

GNSS-based tolling took effect in Belgium on 1 April 2016 for heavy goods vehicles of more than 3.5 tonnes. 'Viapass' charges heavy goods vehicles based on exact distance travelled (as opposed to gantries), road type, maximum weight and emissions class.

In Europe, the use of GNSS technology is expanding and is becoming increasingly necessary to price road use for heavy goods vehicles.

For light vehicles, the tolled motorway network in Spain – one of the largest in Europe – charges users based on distance travelled, motorway location, time of travel, season of travel and vehicle category.

'VIA-T' electronic tolling in Spain can also be used to access and pay for car parks.

In Ireland, the Electric Vehicle Toll Incentive Scheme was recently broadened to further reduce toll charges for low emissions vehicles. The Scheme is funded through the Department of Transport.



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QUESTION:

The Hon. WES FANG: Thank you. I have two questions that I really was hoping to get addressed. I noted the questions from the Opposition about the 4 per cent and, as my colleague the Hon. Shayne Mallard mentioned, the 4 per cent indexing on tolls. When that was first introduced by the New South Wales Government a number of years ago was the NRMA critical of that and were representations made to the Government of the day around that issue? Are you aware? Mr Giltinan, I think you are on mute.

Mr GILTINAN: Sorry, Mr Fang, I was just going to refer that question to my learned colleague, given that I was not at the NRMA at the time.

Mr SETKIEWICZ: I need to take it on notice. The NRMA had concerns about the indexation, how it is calculated. That has always been an issue and, yes, there have been discussions with government about it.

ANSWER:

A four per cent escalation rate for major road projects was set from 2003, including for the Lane Cove Tunnel, Cross City Tunnel and M7 Motorway.

In 2003, the NRMA supported an escalation rate in line with the Consumer Price Index (CPI).

While an escalation rate in line with CPI would most likely be accepted by the majority of users as the fairest escalation rate, finance packages to realise new road projects also consider capital contributions (government or private), concession length and initial toll price.

The NRMA believes that more transparency around the conditions for price setting and independent oversight of concessions would improve public knowledge and confidence.