

## **INQUIRY INTO ROAD TOLLING**

**Organisation:** Motorcycle Council of NSW

**Date received:** 18 April 2017

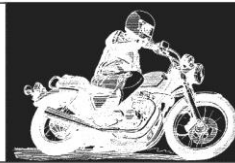
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# General Purpose Standing Committee No 2

## Inquiry into Road Tolling

April 2017

MOTORCYCLE COUNCIL  
OF NEW SOUTH WALES  
INCORPORATED



General Purpose Standing Committee No 2  
Parliament House  
Macquarie St Sydney NSW 2000

Motorcycle Council of NSW  
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## **Explanation for late submission**

The Motorcycle Council of NSW (MCC) only became aware of the inquiry into road tolling as a result of reports in the general media about the hearing held on 11<sup>th</sup> April 2017.

The MCC was surprised that it was not notified of the inquiry as:-

- it has for many years been lobbying for a motorcycle specific toll to be reintroduced, see appendix for letters referring to meetings as far back as 2003,
- other standing committees such as Staysafe and Law and Justice advise the MCC of relevant inquiries,
- in 2012 the Minister for Roads announced at the launch of Motorcycle Awareness Week that he was looking into fixing the issues with motorcycle tolls.

The MCC hopes that General Purpose Standing Committee No 2 will accept this late submission

## **About the Motorcycle Council of NSW Inc.**

The Motorcycle Council of NSW Inc. is an internationally recognised umbrella group for motorcycle clubs, associations and ride groups, in the state of New South Wales, representing over 50 clubs, with more than 41,000 riders.

Established in 1981, MCC is recognised as the peak motorcycle representative body in NSW and subject matter experts on many complex issues dealing with motorcycling including crash data and statistics, traffic data and congestion information.

MCC has published documentation that has been referenced worldwide by motorcycling and transport organisations and has produced video training films that have been utilised and referred to by many overseas trainers, researchers and ride associations.

Should you require further information on the information contained within this submission please feel free to contact the MCC at [enquiries@mccofnsw.org.au](mailto:enquiries@mccofnsw.org.au) or 1300 NSW MCC

Regards,

Brian Wood  
Secretary

## Terms of Reference

### **(a) review of the tolling regimes in place on different roads and an explanation for the differences between each**

Currently the toll for motorcycles is set at the same rate as for cars, this is inequitable as there are a number of reasons why motorcycles should be charged less.

These differences are recognised in other jurisdictions, notably Queensland and Victoria where the motorcycle toll is a fraction of the car toll.

#### Road Damage

The American Association of State Highway Officials' (AASHO) equation for road wear, called the 'Generalised Fourth Power Law' is often used to compare the damage caused by vehicles of different weights.

The 2003 Interim Report of the Ministerial Inquiry into Public Passenger Transport which was released by the NSW Minister for Transport Services, has used an equation to determine that the road wear and tear caused by a heavy goods vehicle with an axle load of 40 tonnes would be about 60,000 times as higher than that caused by a passenger car (Section E.3, 'Distance and load related charging').

Using the same calculation, a passenger car that has an axle load of 800kg compared to a motorcycle with an axle load of 100kg, the passenger car would cause 4,000 times the road wear and tear as a motorcycle.

#### Infrastructure costs

Given the size and weight of a motorcycle the cost of providing infrastructure for motorcycles would be less than that for cars. Lane width, pavement strength would be more akin to that of providing cycleways than it would be to provide a tollway for cars.

This would suggest that the toll for a motorcyclist should be somewhere between that of a bicycle and that of a car. Bicycle riders are not charged to use cycleway facilities on or beside tollways.

#### Road space

On an uncongested tollway the Passenger Car Equivalent (pcu)\* would be similar to that of a car due to following distance requirements at such travel speeds being far larger than either a car or a motorcycle. However, as the tollway becomes congested, the pcu for a motorcycle will decrease. Motorcycles being smaller than cars, the pcu reduces to around half that of a car.

As of the 1<sup>st</sup> July 2014, motorcycles are able to legally lane filter at speeds of less than 30kph. Under these conditions, the pcu for the motorcycle is zero.

This suggests that as the pcu for a motorcycle is somewhere between one and zero, the 'road space' component of a toll should reflect this.

\* Note for further explanation of pcu's for motorcycles see Wigan, M. 2000. Motorcycle Transport, Powered Two Wheelers in Victoria.

#### Value of travel time

The explanation given to the MCC as to why the motorcycle toll is the same as that for a car has been that the benefit of using a tollway is the same for a motorcyclist as it is for a car driver. No supporting information has been provided to support this assertion.

As a result of Transurban's submission to the inquiry into road tolling, the MCC is now aware of Transport for NSW's "Principles and Guidelines for Economic Appraisal of Transport Investment and Initiatives, 2013". Table 1 of Appendix 4 lists the Value of Travel Time for a number of road transport modes which does not include motorcycles.

Employing the method of calculation as laid out in the above Table 1 of Appendix 4, it is apparent that the Value of Travel Time for a motorcycle would be less than that of a private car.

The sole argument for motorcycle tolls being equivalent to that of cars is the Value of Time Travel. This fatuous argument is not applied elsewhere and highlights an inconsistent approach to tolling. When the Value of Time Travel calculation is applied to passengers on a bus, then buses should be paying considerably more to better reflect their Occupancy Rates.

**(b) the process for determining how tolls are set for all types of vehicles, the length of tolling concession periods, the rationale for extending these concession periods and opportunities to increase transparency for the public, particularly given the absence in some instances of any competitive process**

The explanation given to the MCC as to how motorcycle tolls are set, is that the benefit to a motorcyclist using a tollway is the same as that for a car driver so the motorcycle toll is set the same as that for a car. Again, this so-called explanation is fatuous and inconsistent, shifting the goal posts from cars to drivers, ignoring the passenger carrying capacity of any vehicle and in fact, being based on the low rates of car occupancy in traffic on toll roads. Further, it ignores the fact that T2 and T3 lanes are provided as an incentive to carry passengers in cars on main feeder roads in Sydney.

Given that the setting of tolls is based on Transport for NSW's "Principles and Guidelines for Economic Appraisal of Transport Investment and Initiatives, 2013" and that Table 1 of Appendix 4, the Value of Travel Time does not include motorcycles, then this method is flawed.

The method of determining a motorcycle toll should take into consideration not only the Value of Time travel but also:-

- significantly reduced road damage when compared to other vehicles

- reduced infrastructure requirement costs
- reduced road space usage

These differences are recognised in other jurisdictions, notably Queensland and Victoria where the motorcycle toll is a fraction of the car toll.

Before the opening of the Sydney Harbour Tunnel the tolls on the Harbour Bridge were 20 cents for cars and 5 cents for motorcycles. That time-proven formula was simply ignored in establishing tolls for the Harbour Tunnel. Motorcycle rider complaints have been rejected since that time, on the basis that the NSW Government had made signed off commercial arrangements with toll operators without consideration of motorcycles at all and is “unable” to amend this oversight. This oversight needs to be revisited to remove this enduring imposition placed upon motorcycle riders.

It is perfectly reasonable that a motorcycle toll should be a quarter of that of a car.

**(c) how tolling contracts are negotiated and varied and opportunities to increase public scrutiny and accountability of the negotiations that take place between private tolling companies and the NSW Government**

When the MCC has questioned the provisions of Private Public Partnership contracts for tollways that set motorcycle tolls equivalent to cars, the response has always been that these are “Commercial In Confidence”.

The contracts for the M2 and M5 were rewritten when these tollways were widened, these were missed opportunities for the introduction of a specific motorcycle toll.

The MCC wrote to the Minister for Roads in 2014 when the contracts for WestConnex and NorthConnex were being written suggesting that provision be made for a specific motorcycle toll.

As there has been no response to these suggestions, there has been no opportunity for public scrutiny and accountability of the negotiations that have taken place.

**(d) the rationale for allowing higher than CPI increases on certain tolls**

The MCC offers no comment regarding increases in tolls greater than CPI.

**(e) the extent of any consultation undertaken with the trucking industry before changes are made to tolling regimes**

It is disappointing that the peak lobby group for motorcycle clubs, associations and ride groups has not been given the same opportunities to be consulted as the trucking industry before changes are made to tolling regimes.

This repeated oversight is anathema to motorcycle rider in NSW

**(f) the appropriateness of involving the Independent Pricing and Regulatory Tribunal (IPART) in the determination of tolls and their escalation, given the involvement of IPART and other such independent regulators in setting public transport fares and other services such as electricity transmission and distribution charges**

Given there has been a lack of transparency and consultation regarding the setting of motorcycle tolls nor openness about contracts, the MCC would enthusiastically welcome IPART's involvement in the setting of tolls.

**(g) opportunities to increase the assurance to the public that tolling arrangements represent the fairest possible outcome**

Any opportunities to provide assurance to the motorcycle community that tolling arrangements are fair would be an improvement over current arrangement where there is no fairness, no transparency and ongoing rejection of efforts to address the situation.

**(h) an examination of road tolling arrangements in overseas jurisdictions, and**

The MCC is not familiar with road tolling overseas but is aware that motorcycle tolling in Queensland and Victoria is fairer than it is in NSW

**(i) any other related matter**

Widening of M4 from Concord to Parramatta is not a new road requiring a toll, it is simply an expansion of existing infrastructure to reflect increases in the population of Sydney.

There should be no toll levied at all on this section of road. It beggars belief that the NSW government would abandon this road and those who use it to privately owned control. We conclude that this government has taken the view it will sell the sovereignty of the state of NSW.

## **Appendix**

1/ Letter to The Hon. Duncan Gay MLC, Ministerial Motorcycle Advisory Council, - 6<sup>th</sup> January 2012

2/ Letter to The Hon. Duncan Gay MLC, Motorcycle Toll – NorthConnex - 29<sup>th</sup> March 2014

3/ Letter to The Hon. Duncan Gay MLC, Motorcycle Toll – WestConnex 12<sup>th</sup> April 2014

MOTORCYCLE COUNCIL  
OF NEW SOUTH WALES  
INCORPORATED  
*Riders United*



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6<sup>th</sup> January 2012

The Hon. Duncan Gay, MLC  
Minister for Roads and Ports  
Level 35 Governor Macquarie Tower  
1 Farrer Place  
Sydney NSW 2000

**Ministerial Motorcycle Advisory Council**

For many years the Motorcycle Council of NSW (MCC) has maintained that the toll for motorcycles which is currently set at the same rate for cars is inequitable and should be reduced to a quarter of that of a car. This being the ratio of tolls on the Harbour Bridge (6 pence compared to 20 pence) before the Harbour Tunnel was opened.

Motorcycles are smaller and lighter than cars. Cars are smaller and lighter than trucks and pay only a fraction of that of a truck. This difference is recognised in other jurisdictions, notably Queensland and Victoria where the motorcycle toll is a fraction of the car toll.

The MCC has been in discussion with the RTA regarding this inconsistency since at least late 2003 when discussions were held with Brendan White.

The reason given for not being able to adjust the toll is that it is set in the contracts with the tollway operators. In 2010 the contract for the M2 was renegotiated to fund the widening of the tollway. The toll was increased and the period of the contract extended. The renegotiation of the contract was an opportunity to adjust the motorcycle toll. This point was raised at the Ministerial Motorcycle Advisory Council (MMAC) meeting on 15<sup>th</sup> November 2010.

It has just been announced that the M5 is to be widened and the period of the contract extended. Again this would have been an opportunity to introduce a separate motorcycle toll. In the discussions with the operators of the M5 was this a point for discussion? If not, why not, given that it was raised at the Ministerial Motorcycle Advisory Council meeting.

Are these examples of why the MMAC needs to be reconvened so matters affecting motorcyclists can be raised and appropriate action taken?

Summary

Is it possible to arrange a meeting with you discuss the reconvening of the Ministerial Motorcycle Advisory Council and other matters affecting motorcycle riders?

Regards,

Mrs Chris Gilbert, Secretary





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29<sup>th</sup> March 2014

The Hon. Duncan Gay, MLC  
Minister for Roads and Ports  
Level 35 Governor Macquarie Tower  
1 Farrer Place  
Sydney NSW 2000

Dear Sir,

Re:- Motorcycle Toll – NorthConnex

On the front page of the Sydney Morning Herald on Monday 17<sup>th</sup> March 2014 it was reported:-

*"The motorway – to be called NorthConnex – will include twin nine-kilometre tunnels and charge tolls roughly in line with those charged on the M2. At the moment, that is \$6.11 for cars and \$18.32 for trucks."*

There is no mention of a specific toll for motorcycles.

Will the opening of NorthConnex be an opportunity to have a separate toll for motorcycles?

When the Motorcycle Council of NSW (MCC) has previously questioned why there is no a separate toll for motorcycles on the existing tollways and the response has been that the tolls are set in the contracts that have established the Public Private Partnerships.

The rewriting of the contracts as a result of the widening of the M2 and the current widening of the M5 would appear to be missed opportunities for the introduction of a motorcycle toll.

The MCC would not like to see another missed opportunity for the introduction of a fairly toll for motorcyclists.

At the launch of the 2012 Motorcycle Awareness Week in Martin Place you announced that fixing issues with motorcycle tolls was on your list of things to do. Is the construction of NorthConnex an opportunity for you to start the process for the introduction of a specific motorcycle toll?

Ambassadors CMC, Australian Hayabusa Club, Aus Motorcycles, Bikers Anon, Bikers Australia Inc., Blue Mountains Bikers, BMW Touring Club of NSW, Bombala Motorcycle Association, Central Coast Scooter Club, Clubman Tourers Motorcycle Club, Cooma Alpine Tourers, Ducati Owners Club of NSW Inc. Dual Sport Motorcycle Riders Association, Dykes on Bikes, Easyriders Australia (Sydney), Girls Ride Out, Harleys for Humanity, Hawkesbury Nepean Motorcycles, Harley Owners Group (Liverpool), Hunter Ducati Owners Group, Illawarra Riders, Inverell Motorcycle Restorers, Just Girls Motorcycle Group, Katana Australia, Kawasaki Sportsbike Rider Club, Kings Cross Bikers Club, Club Laverda NSW, Kobbler's Cruiser Club, Maharika Riders, McMod, Midstate Motorcycle Club, Natureland Classic Motorcycle Club, Nepean Motorcycle Club, Netrider, Newcastle Combined Clubs, NSW Riders, ORoadSports, OffRoadExplorer, Patriots Australia, Pinoy Motorcycle Club, RATS Down Under, Riders Against Bureaucracy, Saturday Night Riders, Sidecar Owners Club (Sydney), Sydney Knights, Sydney Motorcycle Club, Ulysses, United Districts Motorcycle Club, United Motorcycle Club, United Tourers Motorcycle Club, United Trikers, XS650

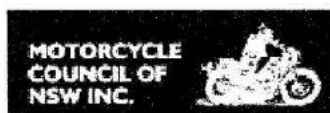
In Victoria the gazetted motorcycle toll is set at half of that of a car, though most tollways don't collect this toll. The Queensland motorcycle toll is also about half that of a car.

The MCC's position is that motorcycle tolls should be set at a quarter of that of cars, this was the ratio on the Harbour Bridge before the opening of the tunnel, 20 cents for cars, 5 cents for motorcycles, this we believe reflects the lower infrastructure and road maintenance costs associated with motorcycles using the road network.

Just to re-iterate, will the opening of NorthConnex be an opportunity to have a separate toll for motorcycles?

Yours sincerely

Brian Wood  
MCC Secretary



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12th April 2014

The Hon. Duncan Gay, MLC  
Minister for Roads and Ports  
Level 35 Governor Macquarie Tower  
1 Farrer Place  
Sydney NSW 2000

Dear Sir,

Re:- Motorcycle Toll – WestConnex

Further to our letter dated 29<sup>th</sup> March 2014 regarding proposed tolls on NorthConnex, we wish to raise the same request regarding tolls on WestConnex.

The front page of the Sydney Morning Herald on Monday 7<sup>th</sup> April 2014 contained an article on the proposed financing arrangements for WestConnex through tolls.

There is no mention of a specific toll for motorcycles.

Will the financing arrangements for WestConnex be an opportunity to have a separate toll for motorcycles?

When the Motorcycle Council of NSW (MCC) has previously questioned why there is no a separate toll for motorcycles on the existing tollways and the response has been that the tolls are set in the contracts that have established the Public Private Partnerships.

The rewriting of the contracts as a result of the widening of the M2 and the current widening of the M5 would appear to be missed opportunities for the introduction of a motorcycle toll.

The MCC would not like to see another missed opportunity for the introduction of a fair toll for motorcycleists.

At the launch of the 2012 Motorcycle Awareness Week in Martin Place you announced that fixing issues with motorcycle tolls was on your list of things to do. Is the financing of WestConnex an opportunity for you to start the process for the introduction of a specific motorcycle toll?

Ambassadors CMC, Australian Hayabusa Club, Aus Motorcycles, Bikers Anonymous, Bikers Australia Inc., Blue Mountains Bikers, BMW Touring Club of NSW, Benihala Motorcycle Association, Central Coast Scooter Club, Clubman Tourers Motorcycle Club, Cooma Alpine Tourers, Ducati Owners Club of NSW Inc, Dual Sport Motorcycle Riders Association, Dykes on Bikes, Easyriders Australia (Sydney), Girls Ride Out, Harleys for Humanity, Hawkesbury Nepean Motorcycles, Harley Owners Group (Liverpool), Hunter Ducati Owners Group, Illawarra Riders, Inverell Motorcycle Restorers, Just Girls Motorcycle Group, Katana Australia, Kawasaki Sportbike Rider Club, Kings Cross Bikers Club, Club Livada NSW, Robbers Krauser Club, Sunshine Riders, Sydney, Midstate Motorcycle club, Newland Classic Motorcycle Club, Nepean Motorcycle Club, Norridger, Newcastle Combined Club, NSW Riders, ORoadSports, OffRoadExplorer, Patriots Australia, Pinoy Motorcycle Club, RAT3 Down Under, Riders Against Bureaucracy, Saturday Night Riders, Salween Owners Club (Sydney), Sydney Knights, Sydney Motorcycle Club, Ulysses, United Districts Motorcycle Club, United Motorcycle Club, United Tourers Motorcycle Club, United Trikers, XS650

In Victoria the gazetted motorcycle toll is set at half of that of a car, though most tollways don't collect this toll. The Queensland motorcycle toll is also about half that of a car.

The MCC's position is that motorcycle tolls should be set at a quarter of that of cars, this was the ratio on the Harbour Bridge before the opening of the tunnel, 20 cents for cars, 5 cents for motorcycles, this we believe reflects the lower infrastructure and road maintenance costs associated with motorcycles using the road network.

Just to re-iterate, will the arrangements for WestConnex be an opportunity to have a separate toll for motorcycles?

Yours sincerely

Brian Wood  
MCC Secretary