

**Submission  
No 6**

## **INQUIRY INTO ROAD TOLLING REGIMES**

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Legislative Council  
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Portfolio Committee No. 6  
Transport and Customer Service

Submissions:  
Inquiry into road tolling regimes

I am an employed in the “construction industry” as a subcontractor medium ridged truck driver. I am therefore taking this opportunity to bring to the attention of the Committee the views and opinions of the vast majority of truck drivers I work with and come into contact with, in my capacity as a driver.

I have read the terms of reference and will address the issues that directly impact on the running of my business and are within the competency of my experience and understanding. Matters that related to administrative issues will be left for bureaucrats to debate.

Matter a) Drivers in general should be given a clear and concise explanation as to why different tolling methods are applied, along with adequate justification for the different rates of tolling being levied on different motorways and tunnels.

It is not sufficient to assert that some roads cost more to construct. Because such a methodology of pricing tolls discourages infrastructure providers from being efficient and using cost effective best practice in the construction. An example is the negligence in the construction of the Lane Cove tunnel that saw a block of units undermined. The repair and compensation costs should be borne by the contractor not the tunnel users. The same can said for delays and inefficient work practices

b) In evaluating the cost to drivers, in this case truck drivers, I have picked a typical western Sydney route Minchinbury to St Peters. The cost to a truck driver as calculated by the Services NSW “toll calculator”, a return daily trip would cost \$119.26. Operating a 5 day week, working 50 weeks a year, the annual cost to a truck driver is \$29,815. The weekly cost is \$596.30. Suggesting is this value for money is absurd.

c) Even the casual observer can see that over 90% of toll roads affect the Western Sydney population. The demographics of this area are among the lower socio-economic strata of NSW’s urban population. The stark truth of the matter is those who are least able to afford these excessive tolls are those most affected by them.

The modeling used by the Government to allege that these toll roads will produce savings to business, by reducing travel time and thereby increase productivity is erroneous. “Infrastructure Australia” has done considerable work in reviewing the impact NSW’s toll roads have on society

and makes the following comments “The WestConnex business case reveals that some A\$18 billion of the claimed economic benefit is merely the value of expected “travel time savings” and “travel time reliability”. This is basically the amount of money that a team of economists (paid by the NSW government) has decided motorists would hypothetically be willing to pay for shorter and more reliable travel times. The actual calculations and underlying assumptions have not been made public.”

“How confident can we be that the economists have correctly valued our willingness to pay for these “travel time savings”? They got it wrong with Sydney’s Cross City Tunnel, calculating that 70,000 drivers a day would be willing to pay the A\$4.90 toll to save time driving across the Sydney CBD. The actual number turned out to be only 40,000.”

Furthermore, studies have also shown that shorter travel times don’t result in higher productivity. They simply result in people sending the saved time logged onto twitter or watching TV.

d) There is no toll relief for Trucks.

f) In my opinion and all of the drivers I have consulted, there cannot be any justification for having higher than CPI increases in tolls. Cynics would suggest that the guaranteed 4% annual increase is a poorly disguised backend payment to Transurban.

g) An owner driver who is competing for business in a highly competitive market cannot afford to payout roughly \$600 a week in tolls and still earn a reasonable living. The self employed owner driver is not in a position to pass this cost on to the consumer or the distribution companies he contracts to. Put simply he will lose out to operators who don’t incur this cost by not using toll roads.

It is only big distribution and freight/transport companies that have a captive market that are able to build the toll costs into their pricing schedules.

k) In NSW road users are supposed pay for road maintenance and the cost of new road construction with a proportion of their registration fees. Also it should not be over looked that the Federal Government introduced a petrol levy, which now stands at 42.7 cents per litre, and is also supposed to be spent on road infrastructure. This is further added to by the 10% GST being applied to the full price of fuel (excise + fuel cost). Aren’t road users already paying for the infrastructure “toll roads and tunnels” that are now lining the pockets of Transurban?

Put simply NSW road users are being taxed to the hilt already. And truck drivers bear the brunt as they pay on average three times the fees that car drivers do.

The imposition of exorbitant motorway tolls does nothing to enhance the road users experience or lower travel times. They also don't take trucks off suburban roads except where penalties and fines are imposed for not using them. Anecdotally I have seen an increase in trucks using Parramatta road since the reintroduction of tolls on the M4.

I thank the committee for taking the time to examine the issues raised in this submission and hope that the outcome of this inquiry will be to bring some relief to owner driver transport businesses by making tolls affordable.

Yours faithfully  
Geoff Marr