



Tackling Transport Pricing *Transport Issues and how to harness Public Attitudes*

1. INTRODUCTION

The National Roads and Motorists Association (NRMA) Motoring & Services have been engaged in conducting independent research and lobbying on behalf of motorists for more than 80 years in New South Wales and the ACT. The NRMA is the largest mutual in Australia with over 1.8million members.

The NRMA became closely involved in transport pricing when overnight the New South Wales State Government raised the Harbour Bridge toll from \$2.20 to \$3.00 in January 2002 – to fund the replacement of timber bridges in the country. As a motoring organisation we are concerned that the Government can randomly increase tolls, above CPI level and without any consultation. What is going to stop this happening in the future?

1.1 COMMUNITY ATTITUDES TO TRANSPORT PRICING

The NRMA engaged AC Nielsen to conduct some detailed market research on transport issues of 500 residents aged 17 years or over in the greater Sydney region. The research was conducted over 5 days by telephone interview between 18 and 23 October 2002.

Prior to this time the NRMA conducted a number of studies on transport pricing over the years but this was mainly for internal reference only.

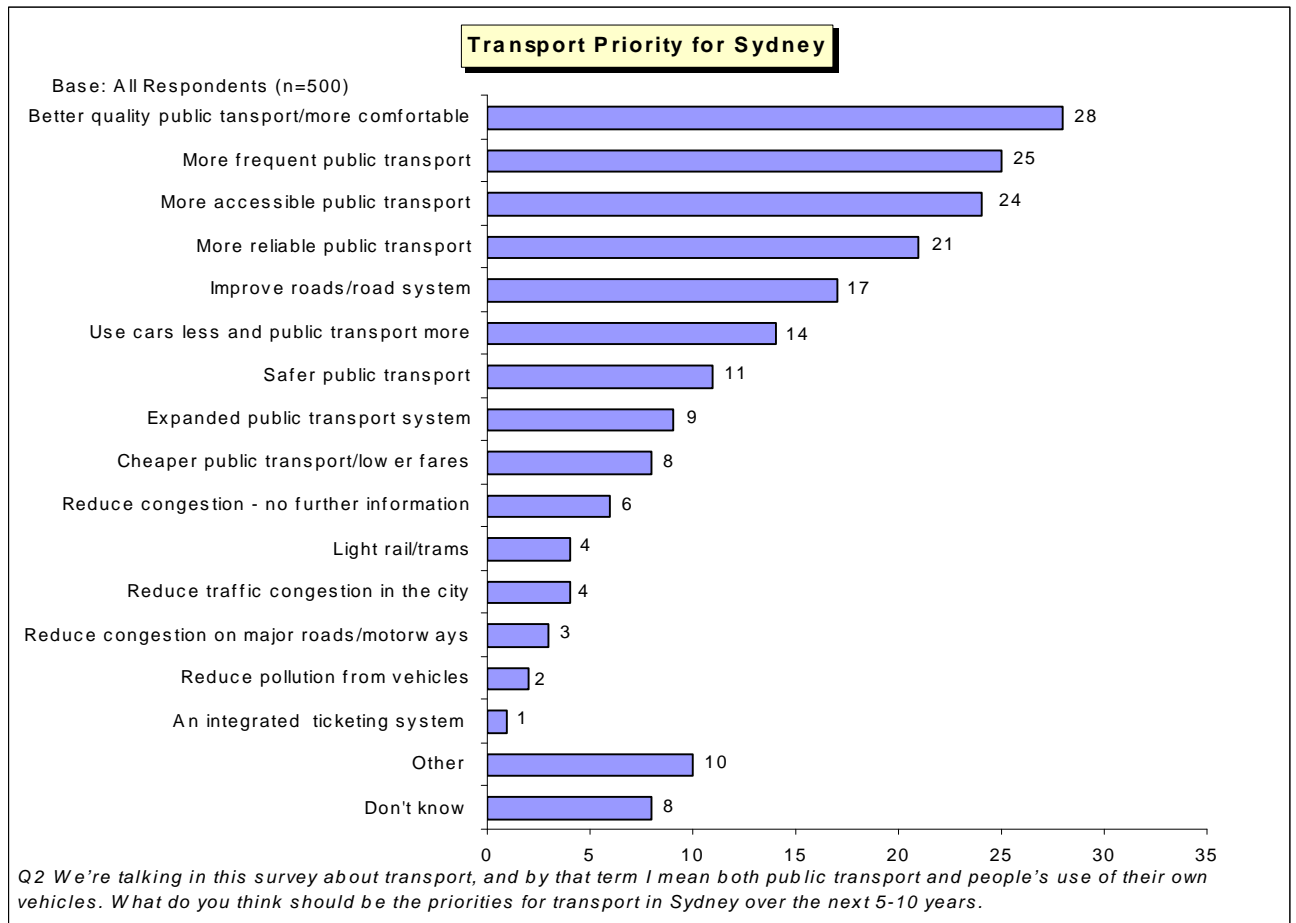
The market research focused on public attitudes towards general transport issues and transport pricing and the NRMA hosted a major national conference entitled Dollars & Sense on Transport Pricing in November 2002. Some of the top line results have been released via a range of media including our flagship magazine 'The Open Road' which reaches over 2 million residents in New South Wales and the ACT, our client newsletter 'Hub and Spoke', and the media (television, print and radio). While the NRMA has not formulated firm policy positions on whether or not transport pricing has merit – we want the issues debated, in the public arena.

Other relevant research is available, including the Warren Centre of Sydney University which conducted extensive research on public attitudes towards transport issues. This confirmed that the public have views that are ahead of where the bureaucrats think they are – i.e. the public understand the issues and are well informed.

As well as the market research, the NRMA also engaged a consultant to undertake an extensive review of what transport pricing schemes are operating/planned around the world.

Some of the key findings follow:

1.1.1 Perceived Transport Priorities for Sydney in the next 5 to 10 Years



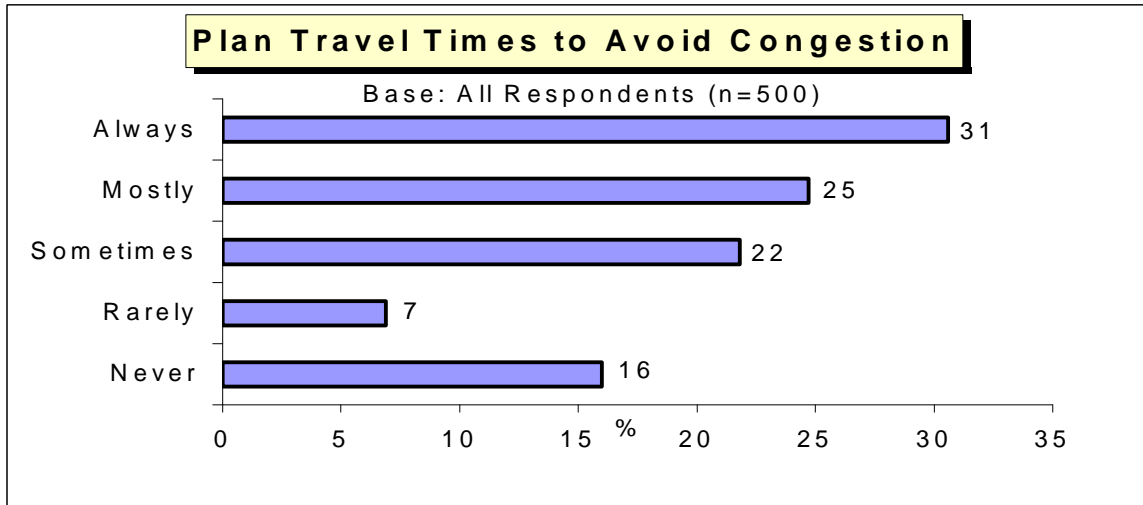
1.1.2 Ways to reduce Sydney's Congestion - Most Favoured (Prompted)

- I Improved cycle and walking facilities 93%
- I Provide safe off-road routes for children to school 92%
- I Better quality public transport 89%
- I Expand park and ride schemes 87%
- I Cheaper public transport 83%
- I Promote car sharing to employees 82%
- I More Bus Lanes 69%

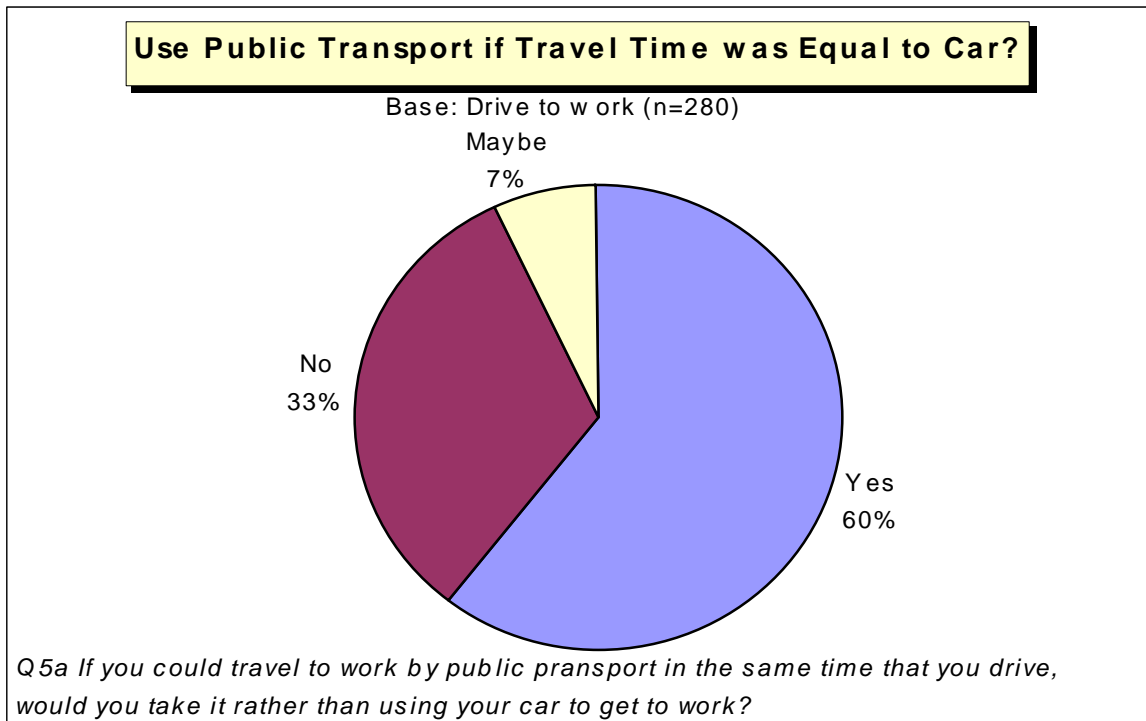
1.1.3 Ways to reduce Sydney's Congestion - Least Favoured (Prompted)

- I Increased Petrol Taxation 11%
- I Double the parking costs all over Sydney 12%
- I Introduce Charges for Workplace parking 17%
- I Increase all tolls during peak periods 24%

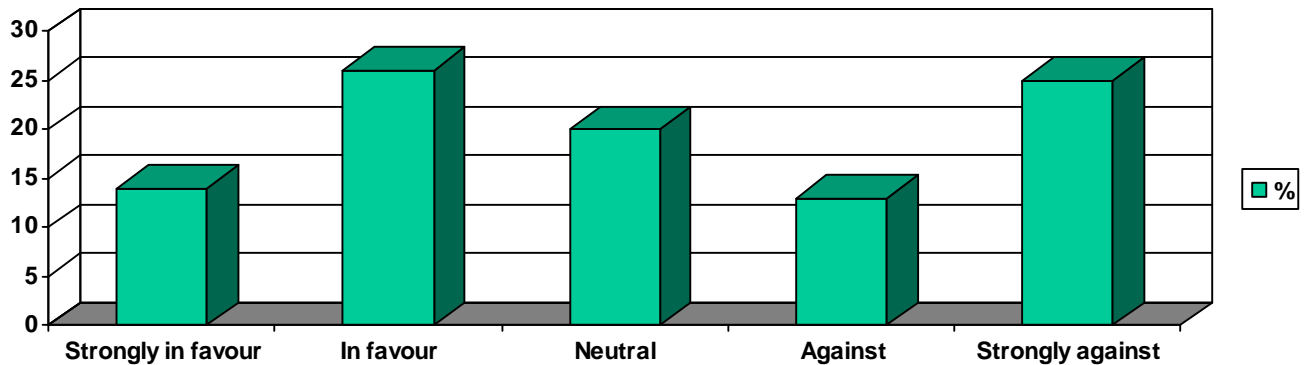
1.1.4 Plan to avoid congestion



1.1.5 Use public transport if equal time



1.1.6 Acceptability of \$10 Charge for Cars entering Sydney and Parramatta Central Business Districts

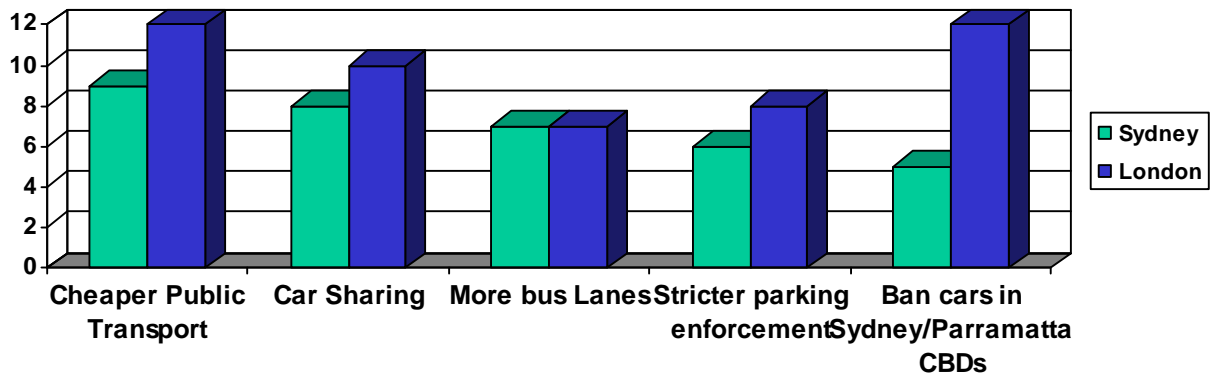
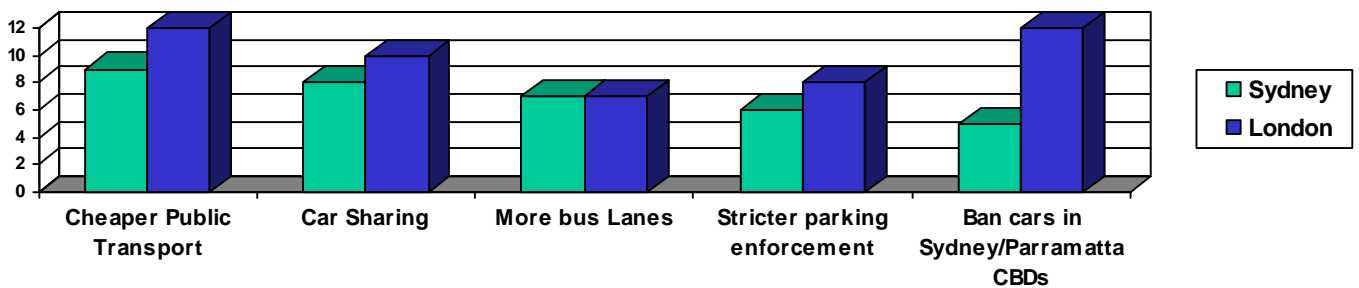


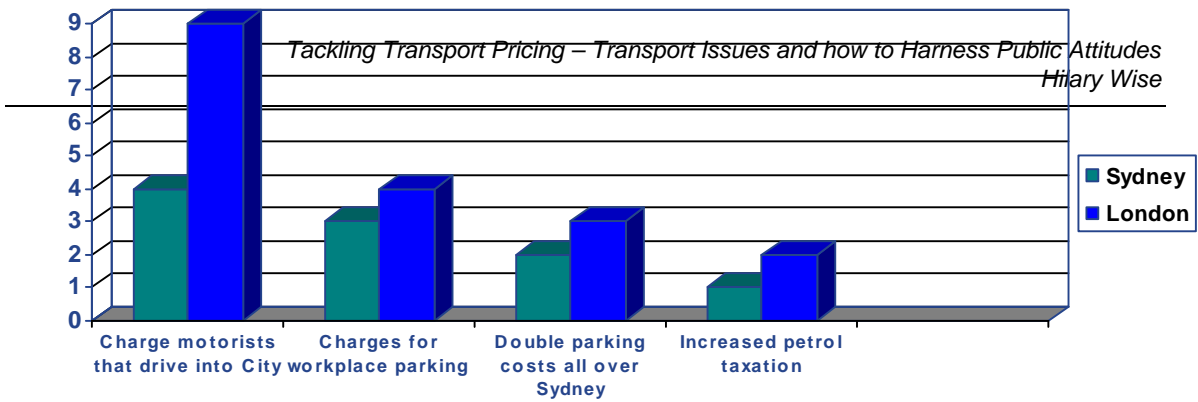
2. OPPORTUNITY FOR NEW IDEAS

As you can see from the above graph one of the somewhat surprising results from the NRMA research is that of those people interviewed, opinion was evenly split (40% agree and 40% disagree, with 20% undecided) on whether or not they would pay \$10 per day to enter the central business districts. This appears to be a new concept for Sydneysiders, and follows the introduction of the cordon pricing charge for central London.

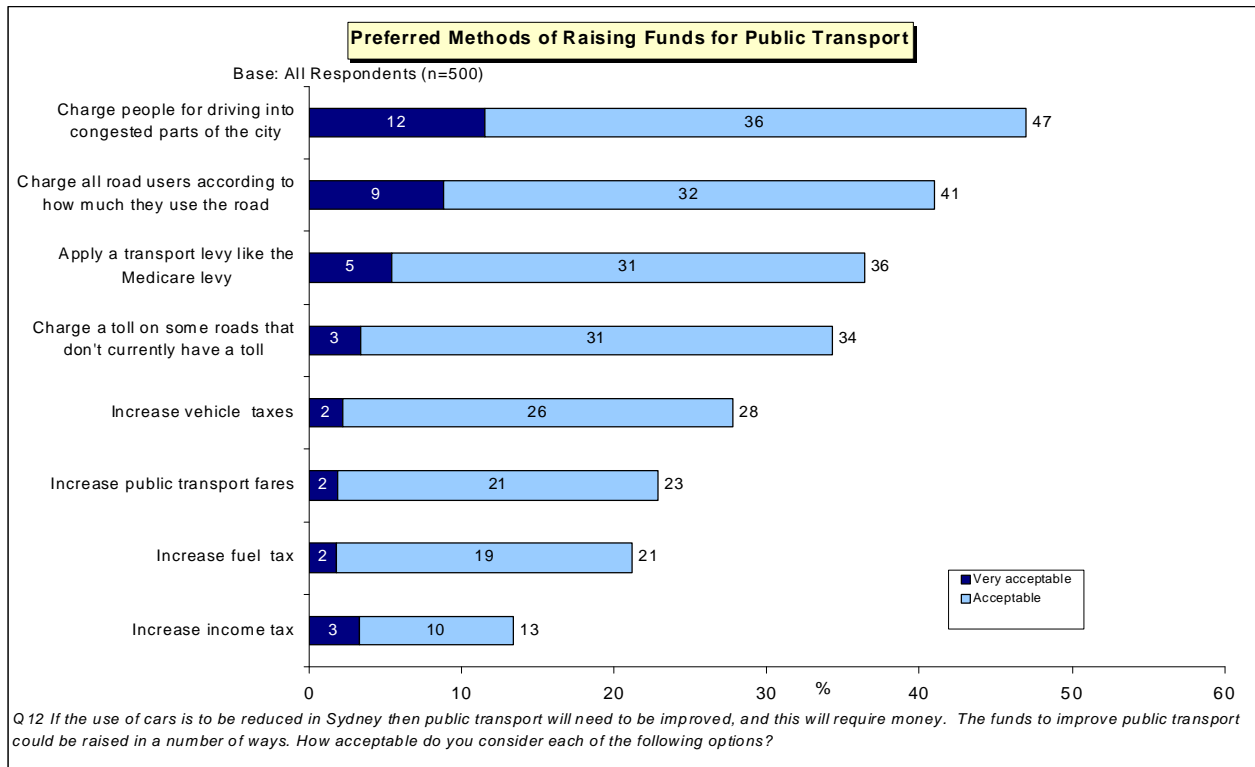
The research also offers some comparative views of people from the greater Sydney metropolitan area and from London.

2.1 WAYS TO REDUCE TRAFFIC CONGESTION (SYDNEY VERSUS LONDON)





2.1.1 Preferred Methods of Raising Funds for Public Transport



Another interesting result (also mirrored by Warren Centre Research, University of Sydney) is the level of support for a transport levy. While the actual \$\$ value of the levy was not tested (in terms of what people would be prepared) it is a concept understood by the public. This is somewhat surprising given that the other tax concepts are so strongly rejected (income, fuel and vehicle taxes).

3. THEORY VERSUS PRACTICE

While this research is theoretical 'what people say in the comfort of their armchair, compared to what they would do when it comes to their hip pocket' might be wildly different it does confirm that, particularly in Sydney where issues such as congestion are a daily issue - well understood and often experienced - the public have well informed, sophisticated views.

4. BIG BANG OR SOFTLY, SOFTLY

The challenge is how do we harness these public attitudes and evoke change – in line with public opinion. Is a big bang approach an option (such as the cordon pricing scheme in London) or is it by small incremental changes (such as the recently announced increase in public transport fares in Sydney). The answer is that it is probably a combination of both.

Are the public getting weary on being asked the same questions – when will action be taken?

5. Sydney isn't unique

I have been fortunate to have experienced debates on transport pricing in both New Zealand and Australia. The issue is equally hard to tackle on both sides of the Tasman – what people need to realise is that Sydney isn't unique – the combination of issues may be different here (including having a State and Federal Government) but the issues of congestion, etc are not.

The NRMA has a role to play in keeping the debate alive and present the results of its research. It is also important to research and compare rural and urban views – we are proposing to conduct additional research in the coming year, and continue to monitor the situation overseas.

6. CONCLUSION

- I The commuting public in Sydney have well formed views.
- I Public Attitudes towards transport issues in Sydney not so different to residents in London.
- I Fresh ideas such as improved facilities for cycling, walking and children received the highest support as part of the mix.
- I Least popular strategies are those that involve costs to the consumer – higher petrol tax, higher parking costs, charging for workplace parking and higher tolls in peak periods.
- I Organisations need to provide the respondents/public with the research results – get the information out.
- I Need to package the material in a user friendly format (KISS). 'Keep it simple' – take it from the technical to the everyday.
- I Need to deliver the results – via the media; to key decision makers; to the public – educate both within own organisation and externally.
- I Independent organisations, such as the NRMA, have an important role in conducting and publishing relevant research.