Sham motorway toll promises in NSW election

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As in every New South Wales (NSW) election for the past 30 years, the ruling parties now claim to have concerns about the mounting impact of the motorway tolls they have imposed for decades in Sydney, one of the most heavily-tolled cities in the world.

Sydney's five million residents paid about $2 billion in tolls last year, adding to the unbearable cost of living produced by sky-rocketing prices for food, petrol and utilities, rents and home mortgage interest rates.

This is a huge impost, paid directly to profiteering corporate toll giants and the parasitic financial elite as a whole, for a basic social right to a publicly-provided, free, efficient road network.

The Socialist Equality Party (SEP) is the only party standing in the March 25 election to oppose the entire underlying program of making the working class pay for the ever-greater siphoning of social wealth into the hands of the super-rich.

The tolls are a graphic example. By far the worst hit are the millions of working-class households in the city's outer western and southwestern suburbs, where workers face long daily commutes on heavily-congested roads and poor, over-crowded and unreliable public transport.

Daily tolls can cost more than $30, or $150 a week. Combined with family and recreational use, household outlays commonly exceed $5,000 a year.

As with every other aspect of life under capitalism, there is one rule for the corporate wealthy and another for the working class.

Workers suffered a 4.5 percent cut in real wages last year due to inflation, but governments, both Labor and Liberal-National, insist that wages must not be allowed to keep up with the cost of living.

Yet these same governments have for years embedded inflation escalator clauses in their contracts with the toll conglomerates. Toll revenues are automatically adjusted upward each quarter.

This helps boost toll revenues, including from the M4 motorway, which services Sydney's outer west. It rose by 44 percent last year, from $120 million to $173 million. There were similar results for all the Sydney tollways.

The biggest beneficiary is the Transurban corporation, which owns or operates 10 tollways across the city, as well as in the neighbouring states of Victoria and Queensland, and the US and Canada. Transurban last month reported record half-year earnings of $1.66 billion, up by 60 percent, rewarding its big shareholders, which are all finance houses and superannuation funds.

The concessions contracts provided by successive governments also often contain clauses to bar the building of new roads or other infrastructure that would undercut their profits. In other words, if governments provide any infrastructure that actually assists people to get to work or travel without paying tolls, they must compensate the toll companies!

In a bid to head off seething discontent, Liberal-National Coalition Premier Dominic Perrottet and NSW Labor Party leader Chris Minns last month unveiled nearly identical promises to supposedly ease the toll burden.

In reality, their plans are not only totally inadequate to offset the costs of tolls but amount to lucrative subsidies for Transurban.

Under the Coalition's plan, motorists can claim for rebates of just 40 percent of what they have spent, but only up to $750 a year. Sole traders can claim the same amount for their business travel, taking their potential total to $1,500 a year.

Labor's offer embraces the government's rebate scheme, but would cap tolls at $60 a week for two years from 2024—far less than what many residents are paying.

In announcing Labor's policy, party leader Minns sought to blame the current government for the tolls. "It's been a deliberate policy of the NSW government over the last 12 years to build toll roads and then privatise them," he said.

What a sham. Labor's record is no different. In 1995, Bob Carr led Labor to an election victory in NSW on the back of promising to abolish tolls on the M4 and M5 freeways. As soon as Labor took office, however, it said that pledge was

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impossible to honour because of the contracts its Coalition predecessor had signed with the toll companies.

Instead, Carr's government became the first to introduce rebate schemes that subsidise the operators to the tune of hundreds of millions of dollars per year. And by the time he resigned as premier in 2005, Carr had overseen the completion or approval of five new toll roads around Sydney: the M2, the M1, the Cross City Tunnel, the M7 and the Lane Cove Tunnel.

The transport trade unions, all tied to the Labor Party, have enforced this pro-business agenda, along with the creeping privatisation of bus, ferry and rail services. They have suppressed the opposition of transport workers to the destruction of jobs and conditions, and signed sellout deals with every government, as the Rail, Tram and Bus Union did once more with the Perrottet government last month.

Along with the chronic under-funding of public schools, hospitals, housing and every other essential service, the privatisation of roads and public transport over the past shows the cost of the ruthless subordination of human and social need to the dictates of private profit.

Driven to far-flung suburbs by the exorbitant cost of housing, young working-class households confront a nightmare of long expensive commutes to work, on top of poor or non-existent education, health and other services, and low and shrinking wages.

The construction of profit-making motorways, instead of rail and other forms of mass transit and the rational planning of cities based on social need, also contributes heavily to pollution and carbon emissions, intensifying the disastrous impact of climate change.

What is needed is the pouring of billions of dollars into schools, hospitals and affordable housing, and a vast expansion of public transport—free, high-quality and accessible—instead of into corporate pockets and military preparations for war.

While claiming to oppose the bipartisan program of imposing tolls and privatising public transport, the NSW Greens are echoing Carr's fraud of 1995. Far from calling for the abolition of tolls, they say they will "work to reverse the restrictive tolling contracts previous governments have locked us into."

In other words, no less than Carr and Labor, the Greens uphold the sanctity of corporate contracts and the capitalist profit system itself. Likewise, on public transport, the Greens propose that state-owned operators "take over privatised services once the contractual arrangements expire."

This is part of the overall pitch by the Greens to obtain "the balance of power" in the NSW parliament, as they already hold in the federal Senate, so they can work in partnership with either a Labor or Coalition government, operating within the same private profit-driven system that has created the transport disaster.

The Greens claim to advocate free public transport, but offer no suggestion as to how this and the necessary expansion of public transport could be implemented without overturning the power of the capitalist class and its political servants. Moreover, it is not enough to simply make public transport free, it requires a vast upgrading and expansion to make it efficient and comfortable to use.

As the SEP explains in our election statement: "Nothing can be solved as long as society's resources, created by the working class, are controlled by a corporate oligarchy." We are advancing a socialist program to totally reorganise society to meet the pressing social needs of the vast majority, not the private profits of the super-rich.

We say: "Place the banks and the corporations under public ownership and democratic workers' control!" That includes Transurban, the other toll companies and the finance houses that own or bankroll them.

What is required is a fight for workers' governments and socialism, so that critical services, including transport, operated with decent wages and conditions for workers, and for the benefit of society as a whole, not wealthy shareholders and capitalist governments that do their bidding.

We appeal to all workers and youth to support and participate in our election campaign, and to join the SEP to provide the necessary leadership for this struggle.

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