

Review of the Parking Space Levy Act 2009

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Submission Prepared by Parking Australia

02 December 2016

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INTRODUCTION

Parking Australia welcomes the opportunity to provide a response regarding the review of the Parking Space Levy (PSL) Act 2009. It has been our aim to both review and make recommendations about the objectives of PSL which was introduced in 1992 (at \$200 per bay) with the dual goal of discouraging car use and fund projects to encourage public transport use.

Parking Australia is the peak body for the Parking Industry in Australia and our members include those directly impacted by the PSL, as they either lease, own or manage collectively the majority of privately owned car parks in NSW and Australia. Parking Australia members include Commercial Parking Organisations, Local Councils, Hospitals, Stadiums, Airports, Universities, Shopping Centres, Government agencies as well as suppliers to the industry.

We will outline in the following submission why the PSL is now outdated in its objectives and does not take into consideration new and emerging technologies that can reinforce commercial parking as a potential solution to congestion and why, the PSL needs to be transparent, evaluated and provide a clear demonstration as to how it may achieve its set objectives.

QUESTION 1.

The Government's preliminary view is that the objectives of the Act remain valid and that the terms of the Act remain appropriate for securing those objectives.

The stated rationale for the Parking Space Levy is that it is intended to reduce traffic congestion and discourage car trips into those leviable areas. Starting at \$200 there have been 15 increases since 1992. The discussion paper fails to provide an informed and empirical set of data to demonstrate that the objectives of the Act have been realised during the 34 years of revenue collection. The average number of vehicle trips per week (Sydney) has in fact increased by 8% from 2001 to 2011.¹

If the objective of the Act is to reduce traffic congestion then ALL car users should be the focus of the PSL not just parking spaces for a subset of car users, to CBD and surrounds relating to their use of a particular type of car park. Unless there is evidence to the contrary the levy is unlikely to have an appreciable impact on congestion as there is no variation dependent upon the amount of congestion it causes. The selective nature of the PSL means it does not apply to any others who create congestion, pollute or emit greenhouse gases. Noting of course that cars that have made a car park selection are stationary and not causing congestion.

Hypothecation of the PSL for such initiatives as Ferry Wharf Upgrades, the Moss Vale Interchange Upgrade or Station Resurfacing do not fulfil the requirements of the objectives of the PSL and should be borne under other tax funding programs as outlined in the Transport Roads and Maritime Cluster of the Budget Estimates 2016/17. Parking owners, lessees and managers no matter what sector can not continue on this path of financial burden whilst they also invest in the technology and innovations designed to facilitate a better driving and parking experience for NSW drivers.

¹ (Bureau of Transport Statistics, 2011/12- Summary Report 2013 Release)

RECOMMENDATIONS

Parking Australia believes that the objective for the PSL are outdated should be considered in conjunction with the rationales for the Future Transport Planning² Strategy and the review of the Long-Term Transport Masterplan.³

The world's most competitive cities are focused on being data driven, sustainable, responsive and collaborative through integrated use of technology. Commercial parking facilities can no longer be stand-alone entities but part of the NSW transport solution to ease congestion and provide a better user experience through innovation.

A recent report from the Australian Energy Market Operator⁴ predicts that Electric Vehicles will make up between 2.8% and 15.1% of sales by 2020. One of the areas that underpins the strong side of this will be (beyond reduction in EV car prices) the availability and priority of parking EV stations particularly for couriers and taxis. If we assume the 5.8% is achieved, then by 2020 we could well see 23,000 cars every year that will require a place to park and charge. Currently there are no exemptions for the PSL for electronic charging stations.

Parking Australia recommends that:

An exemption be applied permanently for parking spaces dedicated to Electric Vehicles with infrastructure installed. This would have the potential for NSW to create one of the largest charging networks in the world.

Car park owners and operators have invested a considerable amount of time and money in technology over the last 5 years to better facilitate the user experience and be more sensitive to driver needs. The "one size fits all" model for car parking is not a sustainable one. Those who visit car parks do so for varied reasons, whether it's a sporting event, airport, work or dining out and each has a different expectation depending on the type of journey they are engaging in. Car park owners and operators since approximately 2002 have been the home of car sharing services. Starting with "Charter Drive" these services were only initially available in off street parking facilities. Low use car owners assist with the reduction of congestion and the capital commitment and debt for such a residential parking space is avoided. Car park operators have paid levies on spaces that are occupied by car sharing companies since the inception of the program.

Parking Australia recommends that:

There is a full exemption of parking levies for spaces/bays occupied by car sharing vehicles. This will ensure that the car park operator is not wearing the financial burden to facilitate a more sustainable mode of transport.

² <https://future.transport.nsw.gov.au/planning/program/about-future-transport-planning/>

³ NSW Government. NSW Transport Long Term Transport Masterplan 2012

⁴ Australian Energy Market Operator – Insights August 2016 Pg 14

The current car parking ecosystem will change considerably because of driverless vehicles. The business model of the parking industry will be impacted and it is now that the industry needs to identify and collaborate with TfNSW to be prepared for share, connected and autonomous mobility. This is not something that car park owners or operators should do in isolation as this will be interlinked and aggregated across the transport network. The cost of such development, parking technologies and infrastructures that supports a gradual transition to the various levels of automation over the next 10 years will need to be put in place.

Parking Australia recommends that:

That 1% (annually) of the PSL revenue be allocated to a Future Parking Initiative designed to work with relevant stakeholders to guide the development of autonomous vehicles, aggregation and intelligent parking initiatives for those parking sectors funding this via their PSL.

Parking Australia has evidence that owners and Lessees of properties have made firm investment decisions based on the current PSL rate and should there be any increase in the PSL this would only place further pressure on property owners resulting in an investment winddown and potentially closure of properties. Furthermore to be equitable and fair, the PSL attributed to conventional parking facility operators should also be borne by those in the sharing-economy(disruptive) parking space.

QUESTION 2.

REDUCING RED TAPE

4.1 of the Discussion Paper assumes that PSL creates undue administrative compliance work for commercial parking facility operators. Parking Australia refutes this assumption based on the financial commitment to quality standards of reporting in line with parking management technology and systems that have been an investment by the operators on behalf of the owner of commercial parking facilities. Recording of vacancies at the 1.00pm time slot is not an onerous process as this is performed by equipment that has been installed and generates reports and data. Furthermore, we do not support a flat rate of PSL across car parks that is not linked to occupancy as it would do little to facilitate compliance and force operators to potentially close off parking bays which would be counterproductive in terms of revenue for TfNSW.

Parking Australia recommends that:

To relieve the administrative burden of the OSR and ensure compliance across the whole sector, Parking Australia as the independent industry body proposes that TfNSW consider an audit and review/evaluation system that can be managed by Parking Australia. Over the last two years the parking industry has developed an Accredited Operator Scheme which is underpinned by a Code of Practice for Enforcement on Private Land. This rigorous scheme assesses some 80 standards, engages unannounced site visits and, provides for a sanction scheme of 12 points similar to a driver's licence which monitors compliance against the Code. The PSL Audit and Evaluation Scheme would provide comprehensive and transparent data regarding parking daily counts, exemptions and evaluation reporting. Similar to the model of the Heavy Vehicle regulator.

QUESTION 3.

Do you support simplifying reporting requirements for property owners? What changes would property owners most value?

As noted in previous points the current system of reporting has been streamlined through processes and technology by most of the car parking facilities. Further to our recommendations, we would support a single registration based on the PSL remaining at status quo and alternatively as outlined this could fall within the scope of the independent audit and evaluation scheme.

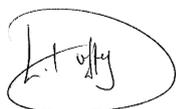
QUESTION 4.

How should transparency in PSL expenditure be improved.

As this is a Parking Space Levy from the outset there should be consultation with the Parking Industry regarding funding initiatives. Where possible, acknowledgement should be made that an initiative was funded by the Parking Industry and the industry be part of the decision-making process.

Parking Australia would welcome the opportunity to further expand on the recommendations within this submission prior to any decisions are made regarding this review.

Kind Regards



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