



2018-19 Budget Submission

Prepared for the ACT Government

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About the NRMA

Better road and transport infrastructure has been a core focus of the NRMA since 1920 when our founders lobbied for improvements to the condition of Parramatta Road in Sydney. Independent advocacy was the foundation activity of the organisation and remains critical to who we are as we approach our first centenary.

From humble beginnings, the NRMA has grown to one of the largest tourism and travel companies in Australia, representing over 2.6 million Australians principally from NSW and the ACT. The NRMA provides motoring, mobility and tourism services to our Members and the community.

Today, the NRMA works with policy makers and industry leaders to advocate for increased investment in road infrastructure and transport solutions to make mobility safer and easier, provide access to affordable and efficient transport options, and ensure communities remain connected to business and employment opportunities. The NRMA is passionate about facilitating tourism and travel across the Australia, recognising the vital role travel plays in how Australians connect and recharge, and discover the country.

By working together with all levels of government to deliver integrated tourism and travel options we can give the community a real choice about how they get around. The NRMA believes that integrated transport networks, including efficient roads and cycleways, high-quality public transport and improved visitor facilities, are essential to solve the challenge of growing congestion and provide for the future growth of our communities.



Comments and Queries

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Introduction

The NRMA is among the largest member organisations in Australia, with 2.6 million Members across the ACT and NSW. As we approach our centenary in 2020, we reflect on a proud history of keeping our Members moving and determine where we can deliver the greatest value to our Members and the broader community for the next 100 years.

At the NRMA, we are no longer just a roads and motorists organisation, but represent one of the largest transport and tourism companies in the nation. Our interests stretch far beyond roadside assistance and car servicing to include Thrifty Car Rentals, Travelodge, the Kurrajong Hotel, NRMA Parks and Resorts and share platforms Divvy and Camplify that address mobility and travel needs within the community.

We recognise our Members are not only motorists; they are public transport users, cyclists, and visitors that travel locally and abroad for work, education, healthcare and leisure.

We are focused on ensuring all forms of mobility are adequately planned for and funded to deliver peace of mind, value for money and allow our Members to discover their destination. By working together with all levels of government to improve not only road infrastructure, public transport, and visitor infrastructure, we give the community a real choice about how they move around and experience travel.

The NRMA recognises that flat household incomes and rising cost of living are placing greater pressure on Australian households. Transport costs (including fuel) represent up to one seventh of the total average family income, while some households have experienced a 50 per cent increase in electricity costs over the past seven years.

Recognising the cost of motoring represents a substantial proportion of the household budget, the NRMA seeks to ensure the community has access to affordable, reliable and efficient transport solutions to address mobility issues. Canberra is the third most expensive capital city for fuel in Australia (after Hobart and Darwin), with fuel costing ACT families around \$3,351 per year on average.

The ACT Government has already made substantial investment in game-changing road and transport infrastructure projects including automated vehicle trials, Canberra Metro, Gundaroo Drive and cycleways to Belconnen.

Technology should be at the forefront of solutions implemented to keep people safe on our roads, improve commuter journeys, and reduce congestion and emissions as we move to a fully automated and electric vehicle future. The transition will not be easy, but government must have the courage to work with industry and invest and trial emerging solutions.

The Government must also plan for growth, particularly in areas such as the Molonglo Valley and Ginninderry.

Further, the ACT has the enviable position of potentially being the gateway to Southern NSW for tourism. There is a great opportunity to leverage cross-border relationships with NSW to the Capital Country and promote the Territory as the gateway to this region.

As the NRMA continues to evolve in the delivery of transport and tourism experiences nationwide, we look forward to working with Government to identify the next generation of step changes that will keep the community safe while travelling, increase mobility, open the community up to greater opportunities, and allow Australians to discover this great country.

We were born to keep you moving.

In framing our submission to the 2018-19 ACT Budget, the NRMA is seeking to promote programs, initiatives and key infrastructure projects that align with the values of our organisation. As our organisation grows and evolves, so too do our priorities and focus.

We have 2.6 million Members, but five million customers across our roadside assistance, car rental, and accommodation and travel businesses. Peace of mind, value for money, discovering destinations and community inclusion have all been identified as values important to our Members.

Peace of Mind

At the NRMA, peace of mind is about feeling safe during your journey and at your destination. The NRMA has provided peace of mind for almost a century; providing reliable and trusted assistance to motorists on the road and before they make their journey.

Members of the community deserve to be able to use our roads, public transport networks, cycle lanes and footpaths without limitations or compromises to personal safety or security. The NRMA believes that governments, transport operators and individuals have an obligation to prioritise safety so that the whole community has peace of mind as they go about their day-to-day activities getting from point A to point B.

We need to invest in road and public transport infrastructure, protect vulnerable road users, as well as encourage safer driving and the purchase of safer vehicles. There is a need to improve the amenity and reliability of public transport services and interchanges to mitigate safety concerns that prevent people from utilising these services, particularly late at night or in remote areas.

In the ACT, the William Slim Drive and full Gundaroo Drive duplications, Barton Flyover and continued investment in road safety initiatives for cyclists are necessary to improve the quality of the road network, reduce congestion and ensure road users remain safe.

The next major tool to prevent and reduce loss of life is likely to be technology driven, with the advent of automated vehicles, having a greater impact than the introduction of seatbelts and random breath testing. Innovative technology solutions must be explored to deliver the next step-change required to reduce casualty incidents involving young drivers, drivers distracted by smart devices, drugs and alcohol, and major accidents on remote roads as we head to an autonomous future.

Value for Money

While one of the most desirable places to live in the world, the cost of living in Australia is substantial.

The average Australian struggles with the cost of living including rent, utilities, motoring and transport. Transport alone represents 14.1 per cent of total household incomes and the car is the second most expensive purchase after the family home.

The NRMA remains passionate about the need for real fuel price transparency in the ACT, providing the community with real-time information that can contribute to significant transport cost savings each year.

There is a need to ensure all modes of transport, whether they be the car, bus, or rail, are affordable and equitable so members of the community remain connected to employment opportunities, education, healthcare and holiday destinations.

In this light, Stage 2 of the Canberra Metro, bus franchising and integrated park and ride strategies all provide an opportunity to deliver cheaper and improved services, while providing alternative modes of transport to the citizens of the ACT while delivering cost savings to government.

The NRMA will also monitor promised reform to the ACT's Compulsory Third Party (CTP) Insurance Scheme. Despite paying some of the highest premiums in the country, many Canberrans who are in an accident are not covered by CTP, with lengthy delays in payouts even if they are deemed eligible. There are also arbitrary restrictions on CTP payouts – for example, if you hit a kangaroo you cannot claim under the CTP scheme for your injuries because no-one was at fault. Because CTP insurance affects all of Canberra's 285,000 drivers and is compulsory, timely improvements to the scheme should be a priority for the ACT Government.

Further, the NRMA believes that all Australians should have access to affordable holiday options, providing an opportunity to recharge and reconnect with family. Our belief in the importance of family holidays was the driving force behind our recent investment in holiday parks across the nation. There is also a need to ensure that prime Crown land sites remain available for use by all members of the community, including those looking to holiday on a budget.

Discovery

There is inherent value in connecting with family and discovering different destinations through travel. Research indicates a holiday reduces stress and anxiety while boosting the mental and physical health of the entire family. Families who holiday together undergo shared experience, communication and togetherness, escape and relaxation and experiential learning, all which contribute positively to well-being and to relationships¹.

The NRMA has long assisted Members to discover the best holiday destinations and ensure they arrive safely at their destination. The NRMA provides roadside assistance to 270,000 travellers each year, facilitates 450,000 trips through its Thrifty Car Rental service, and is now the second largest operator of holiday parks across Australia. The NRMA wants Australians to fall in love with Australia, recognising that approximately 85 per cent of domestic overnight trips are completed by car.

The Capital Region has seen a growth in both tourism spending and visitors since 2015. The ACT's tourism industry now employs over 16,000 locals and Lonely Planet recently identified Canberra as one of the top ten cities in the world to visit in 2018.

The NRMA welcomes the ACT Government's recent release of a Major Events strategy. The Repucom Community Impact Tracker (2015) study into public support for events shows 93 per cent of Canberrans believe it is important for the ACT to host major sporting, arts, culture and community events, and 85 per cent of Canberrans believe major events make the ACT a more enjoyable place to live.

¹ https://www.huffingtonpost.com/jill-l-ferguson/health-benefits-of-taking-a-vacation_b_9384466.html

Facilitating tourism to Canberra and the surrounding regions is also a way of diversifying the economic base of these communities. In the past year, key markets have increased, including Melbourne, which climbed 73 per cent, regional NSW (46.4 per cent increase) and Sydney (21.1 per cent rise).

This growth can be strengthened through the Memorandum of Understanding that was recently signed between the NSW and ACT Governments, as well as links to Destination NSW and regional tourism networks in the Snowy Mountains, South East NSW and the Illawarra and South Coast. Continued investment in cultural institutions, tourism infrastructure such as the Canberra and Region Visitors Centre, and major sporting events have also made major contributions.

International flights from Canberra have also cemented the city's role as a hub for regional tourism and present opportunities for tourism and for rural producers in the surrounding areas. The international status of Canberra Airport and the work of VisitCanberra are important facilitators of visitation and economic activity in the region and should continue to be supported through investment and infrastructure planning. The ACT is also in a prime position to facilitate tourism to south-eastern NSW as the major airport gateway for international and domestic visitors.

The NRMA welcomed announcements in the 2017-18 ACT Budget to further develop Canberra's performing arts infrastructure and a reduction in registration fees for caravans and camper trailers.

Community

For the NRMA, community is about belonging and improving the places in which people live, work and holiday. It's about improving quality of life by simplifying the movement and connectivity for individuals and groups in both urban and rural environments.

The right mix of new and improved motorways, rail infrastructure and parking facilities, aided with technological initiatives such as parking share and vehicle autonomy, will support individual freedom and improve fair and equitable mobility options.

Access to transport is vital to ensure people remain connected to economic and education opportunities as well as vital health and social services. Without access to transport, communities are denied the opportunity to participate fully in society and therefore are likely to be marginalised.

Despite its importance, some of our citizens are physically excluded from use of transport due to inadequate infrastructure (such as ramps and lifts) or face excessive time and financial penalties for transport use.

Despite the recent investment in public transport infrastructure, there is still a need to provide further investment to meet current and future challenges associated with urban growth. This must include evaluating current forms of public transport and identifying ways to better operate, deliver enhancements, and connect to the broader network.

Planning for growth and changing community needs will be one of our greatest transport challenges, particularly in light of the trends towards greater individualisation of services and also towards the sharing economy.

Addressing cost of living pressures

The rising cost of living is a considerable concern for Australians. Household incomes remain flat and are expected to remain flat over the next 10 years. Over the past decade average weekly earnings for Australian income earners have risen 37 per cent while wage price inflation has risen 36 per cent according to Australian Bureau of Statistics. Economic forecasters are expecting this trend to continue.

This means any increase in the cost of living including utilities and transport costs pinches the back pocket, impacting the family budget and disposable incomes.

Increased cost of living has a roll on effect to quality of life as it reduces discretionary spend on items such as holidays and travel which are important for health and wellbeing.

Rising cost of Utilities

The rising cost of electricity across Australia and NSW is a rising concern for families. Electricity prices have risen 55.9 per cent over the past 7 years in Australia and 22.4 per cent in Canberra alone². Gas prices have risen 50.5 per cent across Australia and 36.1 per cent in Canberra. Approximately three quarters of energy complaints in NSW and the ACT are about electricity and gas, with rising numbers of complaints around affordability, credit and customer service when assistance is requested³.

Weekly transport costs

Transport is the single largest weekly cost for many Australians. The price of fuel and the cost of running a car are predictably at the top of the list of issues that hits the motorists' hip pocket.

The motor car is currently the second most expensive item that Australians purchase after the family home⁴. The average Australian metropolitan household pays \$17,485 per annum in transport costs, representing 14.1 per cent of household income. For Canberra, the average household spends \$16,440 per annum on transport⁵.

With the average ACT family is now paying \$16,268 per year in household transport costs, equating to 11 per cent of total household income, these figures now place Canberra as the fifth most expensive capital city in Australia. However, Canberra is the most expensive capital city for car loan repayments, due to the slightly higher cost of buying a car. It also recorded the second highest costs for registration and licensing. There is a need to address these concerns by providing affordable, reliable and efficient transport solutions to address mobility and affordability issues.

² ABS Consumer Price Index 6401.0 various publications.

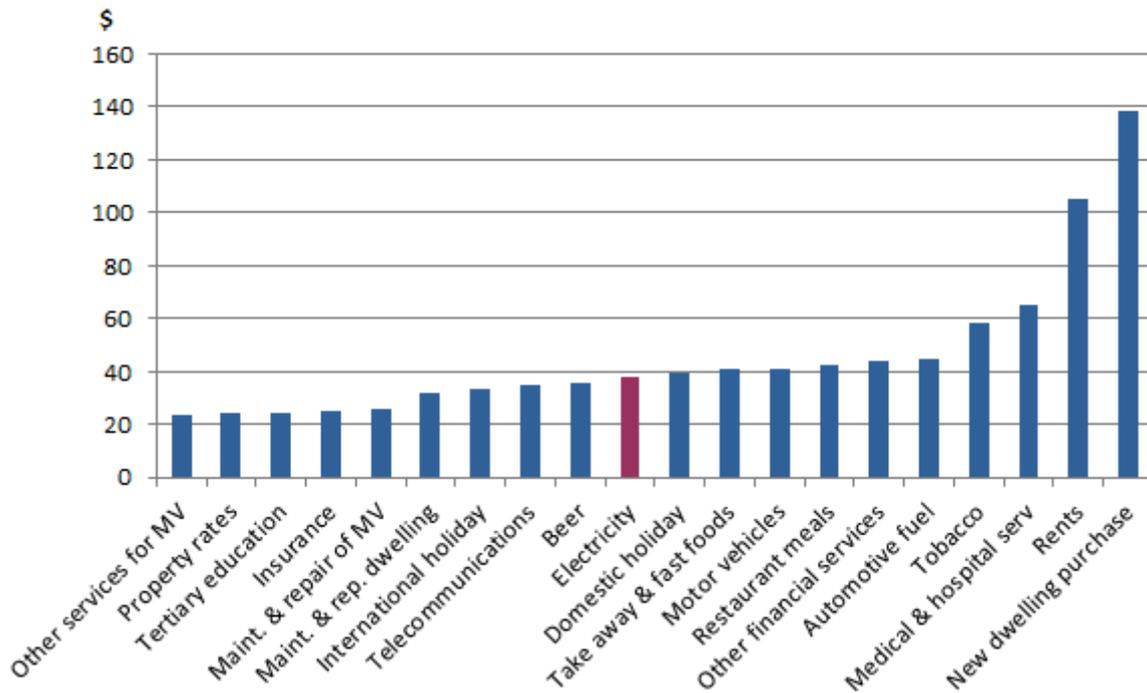
³ <http://www.abc.net.au/news/2017-10-11/nsw-energy-complaints-trending-upwards-report-shows/9036484>

⁴ AAA Transport Affordability Index June 2017

⁵ AAA Transport Affordability Index June 2017

Analysis undertaken by the Australian Bureau of Statistics indicates four (4) out of the top 20 expenditure classes are transport-related costs, that is, automotive fuel, the motor vehicle itself, and motor vehicle expenditure including maintenance and repair (see Table 1)⁶.

Figure 1: Top 20 CPI Expenditure Classes Ranked By Average Weekly Household Expenditure, 2017



Source ABS Catalogue 6401.0 March Quarter 2017

As Figure 1 illustrates, automotive fuel is the fifth ranked cost item by average weekly household expenditure. Along with the cost of fuel and running a motor vehicle, the impact of longer journey times is delivering lost productive time to all transport users.

Rising congestion costs

The time spent travelling to work and the cost of transport has risen substantially over the past two decades. The cost of congestion in Canberra has increased from \$54 million in 1990 to \$200 million in 2015, largely due to increasing populations in Gungahlin and Belconnen.

The cost of congestion on Canberra roads is expected to double to \$400 million by 2030, with the total kilometres travelled on ACT roads increasing from 3.9 billion to 5.2 billion by 2030⁷.

An Infrastructure Australia audit indicated that Northbourne Avenue along with the Canberra Avenue corridor is set to remain the most congested roads in Canberra. The cost of congestion at these two locations is expected to increase three fold to 2031⁸. The audit found delays would increase significantly as the population of north Canberra continues to grow.

⁶ Australian Bureau of Statistics (ABS) Catalogue 6401.0 March Quarter 2017

⁷ Australian Government Department of Infrastructure and Regional Development: Bureau of Infrastructure, Transport and Regional Economics (2015), Traffic and congestion cost trends for Australian Information Sheet No 74 p.26

⁸ Australian Government Infrastructure Australia (April 2015), Australian Infrastructure Audit Our Infrastructure Challenges Report Volume 2, p.259

2018-2019 Budget Recommendations

The NRMA's 2018-19 Budget Submission is seeking to promote programs, initiatives and key infrastructure projects that align with the strategic priorities and values of our organisation, balancing social outcomes, Member value and business sustainability.

This submission provides the ACT Government with recommendations that aim to address the infrastructure and mobility challenges of the future. The NRMA urges the ACT Government to consider these recommendations carefully as they offer the greatest opportunity to reduce congestion, improve connectivity and social engagement and save lives on ACT roads. Ultimately these projects will enhance the liveability of the ACT.

2018-19 Budget Priorities

Peace of Mind

Continue to fund segregated bicycle pathways in and around Canberra.

Increase funding to support road safety campaigns, including continued education around the 'a metre matters' rule for cyclists and initiatives for groups overrepresented in crash statistics (older and younger drivers)

Improve pedestrian infrastructure in residential areas where problems have been identified by the community and Transport Canberra as being unsafe for pedestrians.

Introduce mobile phone restrictions for Learner and Provisional licence holders in the ACT.

Commit to a fully transparent road maintenance fund to support upgrades to the ACT road infrastructure network.

Commit funding for the William Slim Drive duplication.

Provide timeline and funding commitments for the full duplication of Gundaroo Drive.

Begin planning works for the Barton Highway Flyover, using testing data from the traffic light installation to guide development.

Incorporate improved links between Canberra and the Central West, Orana and Murray-Murrumbidgee regions in future transport planning, including for freight.

Value for Money

Mandate real-time fuel pricing in the ACT with the development of appropriate reporting method either through a website or associated app.

Make publically available the benchmarking results for ACTION services and investigate alternative models for service delivery.

Provide timetable and funding commitments for Stage 2 of the Light Rail Network, linking major town centres, and eventually connecting to Canberra Airport.

Investigate extending the Light Rail Network to the airport with a high-frequency shuttle bus service operating until feasible to extend the network.

Provide funding to develop a specific transport strategy that considers the future design and use of Kings and Commonwealth Avenue, the Light Rail Network and parking and ride needs of future commuters in the Parliamentary Triangle and surrounds.

Continue to progress integrated transport solutions including the Integrated Transport Network – Parking strategy.

Expand the Park and Ride facilities program to support multi-modal transport use and incorporate smart ticketing solutions to incentivise commuter use.

Establish a fund to fast-track enabling works required to support the rollout of electric vehicle charging infrastructure in the ACT, positioning the ACT as a technology leader focused on reducing emissions and improving public health.

Establish an inter-governmental working group to co-ordinate the transition to electric road transport. The scope of the working group should include the examination of the role electric vehicles could play in supporting the efficiency of the national electricity grid.

The ACT Government should encourage research and development in electric vehicle batteries and other technologies through the provision of grant funding to support the transition to an electric vehicle future, including the provision of electric charging stations within the Territory.

Provide funding to actively promote consumer trials of automated vehicles in specific urban locations (sandboxing and road network testing).

Discovery

Maintain funding commitments for VisitCanberra in real terms in the 2018-19 and forward estimates.

Revise current Tourism 2020 strategy and plan next growth targets for the sector.

Fund utility work at Stromlo Forest Park to incentivise tourism development at this site, including stop-over caravan and camping opportunities.

Community

Further investigate the feasibility of faster rail service between Canberra and Sydney with the NSW Government.

The ACT Government should fund a pilot program to improve mobility for people living with disabilities.

Appropriately plan infrastructure and transportation links to Molonglo Valley

2018-2019 Budget Priorities

Peace of Mind

Road Safety Initiatives

In 2015, there were 7,850 recorded 'on-road' traffic crashes, which resulted in 813 casualties, including 15 fatalities and 131 hospital admissions in the ACT.⁹ Five fatalities and 244 injuries involved vulnerable road users – cyclists, pedestrians and motorcyclists. With the ACT casualty rate at half the national average, it is crucial the region continues to head in the right direction.

ACT provisional drivers represented 21 per cent of drivers involved in fatal crashes and 13 per cent of injury crashes – despite being approximately 6 per cent of licence holders.¹⁰ Provisional drivers were the only licence holder type disproportionately represented in all types of crashes.

Research shows that young drivers are at greater risk of being distracted by mobile phone use than full licence holders. The demographic is also at greater risk because they use their phones more often.¹¹¹² Given the increased crash risk of young drivers and the greater prevalence of this cohort using mobile phones, the NRMA believes that mobile phone restrictions should apply for ACT Learners and Provisional licence holders.

As alternative modes of transport become more common for commuters and motorists, the ACT Government will need to invest in appropriate road safety measures to ensure all road users remain safe, including cyclists. Approximately 21.5 per cent of the ACT population cycle weekly, with 81,800 trips completed weekly¹³. The ACT has the highest cycling rate in Australia, with 47 per cent of Canberrans indicating they had cycled on at least one occasion in the past year, compared to 37.4 per cent of Australians nationally¹⁴.

The NRMA notes existing infrastructure investment in the segregated bike path network and encourages ongoing funding in this area. In particular, the NRMA commends the \$4.7 million commitment to build a dedicated bikeway connecting the Belconnen town centre with the University of Canberra, Radford College and the Canberra Institute of Technology's Bruce campus. This connectivity will be critical in enhancing community access to one of the Territory's key education hubs.

Further, the NRMA notes the end of the current trial of the 'a metre matters' rule for cyclists in the ACT. The NRMA supports the continuation of this rule and education activities to inform motorists, cyclists and pedestrians of their obligations while on the road and in mixed-used precincts.

⁹ ACT Government. (2016). 2015 ACT Road Crash Report

¹⁰ ACT Government. (2016). 2015 ACT Road Crash Report

¹¹ Hasque, M. & Washington, S. (2014). A parametric duration model on reaction times of drivers distracted by mobile phone conversations. *Accident Analysis & Prevention*, 62, 42-53.

¹² Hasque, M. & Washington, S. (2014). The impact of mobile phone distraction on the braking behaviour of young drivers: A hazard-based duration model. *Transportation Research Part C: Emerging Technologies*, 50, 13-27.

¹³ Australian Bicycle Council (2015) 2015 National Cycle Participation

¹⁴ Canberra Times (2014) Canberra the Cycling Capital of Australia, study finds <http://www.canberratimes.com.au/act-news/canberra-the-cycling-capital-of-australia-study-finds-20140724-zwf8p.html>

Recommendation

Continue to fund segregated bicycle pathways in and around Canberra

Increase funding to support road safety campaigns, including continued education around the 'a metre matters' rule for cyclists and initiatives for groups overrepresented in crash statistics (older and younger drivers)

Improve pedestrian infrastructure in residential areas where problems have been identified by the community and Transport Canberra as being unsafe for pedestrians.

Introduce mobile phone restrictions for Learner and Provisional licence holders in the ACT.

Dedicated Road Maintenance Funding

The 2017 Auditor-General report into road maintenance revealed that the territory infrastructure backlog has increased more than 400 per cent since 2010-11, with the cost of bringing the local road network up to standard estimated at \$53 million in 2015-16 and rising to \$71 million in 2019-20¹⁵.

It is essential that funds are made available to maintain the upkeep of the ACT's 3,300 kilometre road network. The expansion of the network throughout the ACT and the release of new land corridors for urban development makes it imperative that a long term road maintenance plan is developed.

The NRMA urges the ACT Government to provide necessary funding allocations for maintenance of the road network in all future budgets, including full transparency of which particular projects will receive funding and when. Appropriate allocations based on the life cycle of assets will ensure the long term sustainability of the ACT road network.

Recommendation

Commit to a fully transparent road maintenance fund to support upgrades to the ACT road infrastructure network.

William Slim Drive Duplication

The ACT Government recognised the significant need to upgrade William Slim Drive ahead of the 2016 election. The NRMA understands design works for the William Slim Drive duplication were completed in October 2013. Currently no funding has been allocated to commence construction. As the population of the Gungahlin region continues to grow, the road network connecting Gungahlin with Belconnen has become increasingly congested, especially during the peak traffic periods. The NRMA is seeking funding to be committed in the 2018-19 Budget to construct this duplication and alleviate the growing congestion problem.

¹⁵ ACT Audit Office (2017) ACT Auditor-General's Report Maintenance of Selected Road Infrastructure Assets Report No 5/2017 p. 19

Recommendation

Commit funding for the William Slim Drive duplication.

Full Gundaroo Drive Duplication

The NRMA welcomed the \$30 million announced earlier this year for Stage 2 of the duplication of Gundaroo Drive from Gungahlin Drive to the Barton Highway. The NRMA also supports the development of priority bus infrastructure to support commuter journeys.

However, growing congestion bottlenecks on this road, which are becoming more severe during peak periods, means that full duplication of Gundaroo Drive is critical. The NRMA urges the ACT Government to commence planning to duplicate the Gundaroo Drive section between the Barton Highway and Horse Park Drive

Recommendation

Provides timeline and funding commitments for the full duplication of Gundaroo Drive.

Barton Highway Flyover

For the Yass Valley and the parts of the Mann region beyond, the Barton Highway acts as a main connection between their locales and Canberra. The Highway also services freight traffic and tourists, while providing the main route of travel for earners in the Yass Valley who work in Canberra in increasing numbers. However, when compared to other similar roads, the Barton Highway has a significantly higher crash rate and there are community concerns about road safety.

The Barton Highway is a strategically important arterial road linking Canberra with the surrounding regional centres of NSW. This presents a unique challenge in encouraging cross-border cooperation in the delivery of current and future infrastructure upgrades to this Highway. Both the ACT and NSW Governments should seek the inclusion of this project on Infrastructure Australia's *Project Initiatives* list.

Over the period 2010 to 2014, there have been more than 500 crashes at the Barton Highway-Gundaroo Drive-William Slim Drive roundabout, making it by far the most common site for a crash in the ACT.

The NRMA notes the installation of traffic lights at the roundabout to improve traffic flows and minimise congestion. However, as the Gungahlin and Belconnen town centres continue to grow, this solution will not be adequate to accommodate the long term traffic flows of the region. The effectiveness of the traffic lights will therefore need to be monitored, and testing data from the traffic light installation should be used to inform the development plans of the Barton Highway flyover.

A long term solution is required to provide a grade separation of the intersection, eliminating congestion and improving road safety. The NRMA urges the ACT Government to fund planning of the Barton Highway Flyover in the 2018-19 Budget.

Recommendation

Begin planning works for the Barton Highway Flyover, using testing data from the traffic light installation to guide development.

Building transport links into NSW

The NSW Government's recently released *Regional NSW Services and Infrastructure Plan* introduces a new Regional Transport Network Model which identifies Canberra as a Global Gateway City and has an emphasis on creating efficient east-west connections throughout NSW and the ACT.

While Canberra has strong transport links to Sydney, South East NSW and the South Coast, a new hub and spoke model of service delivery will require different regional planning and improved movement corridors between Canberra and Wagga Wagga, Dubbo, Griffith and Albury. An example of this working effectively is the business opportunities that have opened up between Dubbo and Canberra as a result of a new flight route.

In particular, there is a need for the ACT Government to assess and resolve freight supply chain and infrastructure issues across the Canberra region in order to successfully position Canberra as a regional trade hub.

Recommendation

Incorporate improved links between Canberra and the Central West, Orana and Murray-Murrumbidgee regions in future transport planning, including for freight.



Value for money

Effective multi-modal transport networks are necessary to improve accessibility, reduce congestion, and increase the productivity and amenity of the regions they service. More importantly, it provides the community with greater choice in how they travel and commute, without the need to rely solely on car transportation. The ACT has the third highest passenger vehicle ownership rate per 1,000 population, with 83 per cent of residents in Canberra using their car to get to work¹⁶.

As urban growth intensifies, car movements will not be the most effective way to move around. An integrated transport solution is necessary to increase mobility and access within metropolitan and regional communities, while minimising government outlays. Investment in cycling, park and ride facilities, car share, electric vehicles and light rail all have a moderate to high impact on mobility¹⁷. Where the Government seeks efficiencies and cost savings, partnerships with the private sector should be considered in providing current and future transport solutions.

There are currently significant and arbitrary disparities in cross border travel. For example, communities such as Queanbeyan that border ACT and NSW face inconsistencies in fares, services and timetables, as ACT buses are not authorised to travel into NSW. The NRMA was pleased to see cross-border transport identified as a priority in the recent Memorandum of Understanding between the NSW and ACT Governments, including arranging for transport options such as taxis, ride sharing and courtesy buses to operate legally across the border, as well as progressing plans for a fast rail service between Canberra and Sydney.

Real-time fuel information

The NRMA has been a strong advocate for full price transparency in the retail fuel market. By providing motorists with real-time fuel information on the location and price of various fuel types, there is an opportunity to provide consumers with real choice and savings.

Average unleaded prices in Canberra are currently 7.4 cents per litre more expensive than in the Sydney market and 3.4 cents litre higher than in Queanbeyan. The NRMA believes there is an opportunity to improve this price differential by providing motorists with real-time information.

The NRMA campaigned successfully for the introduction of real time petrol prices in NSW, with the FuelCheck website introduced by the NSW Government on the 24 August 2016. The NRMA Fuel App launched the same day, with 450,000 downloads to date.

The ACT Government should consider implementing a solution that provides ACT residents access to real time prices, given the current data infrastructure already exists for all major petrol stations located in the ACT.

Recommendation

Mandate real-time fuel pricing in the ACT with the development of appropriate reporting method either through a website or associated app.

¹⁶ Australian Bureau of Statistics (2014) 4102.0 - Australian Social Trends, July 2013, Car Nation

¹⁷ Frost & Sullivan, *Future of Integrated Transport Solutions*, https://ww2.frost.com/index.php/download_file/view/7596

ACTION bus services

Bus services will continue to play an integral role in moving people around the Capital, with the NRMA noting an 11 per cent increase in total number of passengers carried on the ACT Internal Omnibus Network (ACTION) over the period 1999-00 to 2013-14. However, this increase was only at around half the rate of population growth, with declines also recorded in customer satisfaction between 2008-09 (87 per cent) and 2013-14 (65 per cent). Further, the cost recovery ratio for ACTION declined from 24 per cent to 17 per cent over the 12-year period to 2013-14¹⁸.

The NRMA notes the Government's recent attempts to improve the reliability, frequency and efficiency of ACTION services, and the expected investment in a new fleet over the next four years. The NRMA believes, however, that current benchmarking testing for ACTION should be made public, and where further efficiencies are sought, private sector involvement should be reconsidered as a potential solution to the future operation of this service.

The NRMA welcomes the ACT Government's recent announcement of nine new Rapid routes that will offer more frequent services from mid-2018. The network can be enhanced through more park and ride options across the Rapid network, an increase in flexible, demand responsive services for travellers who cannot get to bus stops or interchanges and exploring options to make it easier to combine active travel options and public transport use.

Private sector involvement in the delivery of transport services can improve service delivery, reduce costs for travellers, while delivering economies of scale and cost savings to government. It is estimated bus services cost approximately \$2.8 billion each year to operate, with around 20-25 per cent of this cost paid by passengers, and the remaining 75-80 per cent paid by government. Specifically, subsidies for the ACTION services have increased from \$60 million in 2005-06¹⁹ to an estimated \$103m in 2015-16²⁰. It is estimated that the cost savings to government of transitioning public operation of bus services to the private sector can range between 20-55 per cent²¹.

Recommendation

Make publically available the benchmarking results for ACTION services and investigate alternative models for service delivery.

The Light Rail Network

The Light Rail Network will provide an alternative mode of transport that will improve the passenger experience and reduce congestion and transport times by up to 30 per cent. Light rail movements between the City and Gungahlin are forecast to grow to over 13,000 by 2021 and over 20,000 by 2031.

Confirmation of the route and funding to deliver Stage 2 of the Light Rail Network is now required to proactively cater for future urban growth and development along major urban corridors in the Capital, noting that an alternative route for Stage 2 has now been released.

¹⁸ MRcagney (2015) *ACTION Expenditure Review: Final Public Report*, Chief Minister, Treasury and Economic Development Directorate, 25 March 2015

¹⁹ Tourism & Transport Forum (2016) *On the buses: The benefits of private sector involvement in the delivery of bus services*, February 2016

²⁰ ACT Government (2016) *Budget 2016-17: Budget Statements H*

²¹ Tourism & Transport Forum (2016) *On the buses: The benefits of private sector involvement in the delivery of bus services*, February 2016

Planning should also begin to extend the Light Rail Network to service major urban centres including Russell, Duntroon, and eventually Canberra Airport, providing seamless connectivity to major transport hubs.

Planning should not take place in isolation from other transport developments including bus services and park and ride facilities, as well as other key plans such as the National Capital Authority's Kings and Commonwealth Draft Design Strategy.

Light Rail extension to airport

Currently, more than 30,000 people currently travel to and from Canberra Airport every day. These numbers will more than double within the next decade. To leverage the ACT Government's significant investment in Canberra Airport, seamless connections between Civic, the suburbs and the airport are required.

As the Airport Express Bus ceased operation in September, travelers are currently reliant on an ACTION Bus Service. The NRMA considers that the current service, which costs \$27 for a single trip and runs every 30 minutes on weekdays and every hour on a Sunday, does not meet the needs of Canberra residents and travelers.

The NRMA supports Canberra Airport's bid to have the Light Rail Network extended to the airport. As stage 1 of this extension, the NRMA endorses an east to west connection linking Civic to the airport that takes in key tourist, employment and educational sites such as New Acton, Canberra Institute of Technology, Anzac Parade (Australian War Memorial) and Duntroon/University of New South Wales Defence Force Academy.

While investigations are underway, the ACT Government should provide a high-frequency shuttle bus service, modelled on Melbourne's successful SkyBus.

Recommendation

Provide timetable and funding commitments for Stage 2 of the Light Rail Network, linking major town centres, and eventually connecting to Canberra Airport.

Investigate extending the Light Rail Network to the airport with a high-frequency shuttle bus service operating until feasible to extend the network.

Kings and Commonwealth Avenue Draft Design Strategy

In the next 20 years the population of Canberra is estimated to increase by a third, with over 500,000 people set to reside in Canberra by 2035²². Increasing urbanisation and population growth will place greater pressure on the road network as traffic movements increase, recognising 83 per cent of residents in Canberra use their car to get to work²³.

This is particularly true of the main arterial roads that service the parliamentary triangle and city centre. More than 20,000 cars, buses and trucks travel along Commonwealth Avenue each day²⁴.

²² Transport Canberra (2015), *Keeping Canberra Moving*, p.5

²³ Australian Bureau of Statistics (2014) *4102.0 Australian Social Trends*, July 2013, Car Nation.

²⁴ National Capital Authority (2017), *Kings and Commonwealth Avenues Draft Design Strategy*, Australian Government, p.1.

Further, employment in the Parliamentary Zone is projected to increase by around 50 per cent between now and 2041, resulting in the intensification of transport and parking demand.²⁵

The NRMA welcomed the Kings and Commonwealth Avenue Draft Design Strategy in planning for the future use and growth in transport needs along these corridors.

While outside the direct responsibility of the ACT Government, the NRMA is cognisant this plan has significant implications for future transport planning in the territory including the Light Rail Network, park and ride facilities, cycleways and off-street parking. While the route of Stage 2 of light rail will provide greater clarity over the potential use of these corridors, ensuring there is integrated transport planning between these arterials, their use and transport needs is critical.

Recommendation

Provide funding to develop a specific transport strategy that considers the future design and use of Kings and Commonwealth Avenue, the Light Rail Network and parking and ride needs of future commuters in the Parliamentary Triangle and surrounds.

ACT Parking Strategy

The ACT Government's *Integrated Transport Network – Parking* strategy offers the opportunity to re-engineer travel behaviour to reduce congestion and encourage efficiencies in vehicle movements in densely populated areas.

The NRMA supports innovative thinking on parking pricing to influence demand. However, associated improvements must also occur in public transport and park and ride services to support changed travel behaviour. The NRMA would encourage the ACT Government to continue to investigate best-practice demand management models for parking in the CBD and surrounds.

Properly managing parking supply and demand can increase the social and economic vitality of communities and encourage visitation. Additionally, if provided within close proximity of mass transport, parking can increase patronage and reduce congestion on roads.

Recommendation

Continue to progress integrated transport solutions including the Integrated Transport Network – Parking strategy

Improved Park and Ride Facilities

The NRMA is fully supportive of integrated transport solutions that encourage the use of several modes of transport, including public transport. The NRMA's own research has clearly identified that park and ride facilities at key transport interchanges are an important way to improve the attractiveness of public transport. The NRMA strongly encourages the Government to expand the Park and Ride facilities.

Improved Park and Ride facilities near public transport are even more important in light of the 2017-18 Budget's introduction of increased parking fines. Given revenue from parking fines is anticipated

²⁵ Transport Canberra (2016), *Light Rail Network: Delivering a modern transport system for a growing city*, p.19.

to increase from \$11.6 million in 2016-17 to \$16 million in 2017-18, the ACT Government should invest this revenue to address Canberra's parking shortage in the long-term.

Commuter car parking hubs adjacent to stations provide access to public transport and provide a solution to the parking issues faced daily by commuters. To incentivise use, public transport ticketing should be integrated with commuter car parks, and non-users of public transport who utilise commuter car parks should be charged based on time and duration of stay.

Recommendation

Expand the Park and Ride facilities program to support multi-modal transport use and incorporate smart ticketing solutions to incentivise commuter use.

Electric Vehicles

Manufacturers and technology companies are rapidly moving the automotive industry towards an electric and automated future. Governments overseas are supporting the transition by putting in place petrol and diesel bans aimed at achieving zero emissions.

With Australian commercial vehicle manufacturing now ceased, we are fully reliant on importing vehicles for personal and commercial use. With such a significant emphasis on electrification worldwide, it is essential that we plan and prepare for an expanded electric vehicle fleet.

Although electric vehicles are currently priced higher than conventional vehicles, several forces are changing this, including more efficient batteries being produced in greater quantities. Governments around the world are addressing this cost premium in the short term by providing consumers with incentives to purchase electric powered vehicle alternatives.

Without similar support in place in the ACT and Australia, manufacturers have been hesitant to bring electric vehicles to our market, which has restricted adoption and the expansion of the electric vehicle fleet.

The ACT has an opportunity to position itself as a market leader in new innovative technologies by fast-tracking enabling works for electric vehicle charging infrastructure.

The recent memorandum of understanding (MOU) with South Australia, the City of Adelaide, City of Hobart and the Electric Vehicle Council of Australia to increase the share of electric vehicles in government fleets, support the uptake of electric vehicle and provide supporting infrastructure is a clear example of the Government's commitment to being a world leader in this space.

The NRMA believes consideration should be given to destination charges at key visitor locations throughout the territory to encourage greater visitor dispersal and expenditure in local communities. A fund to supplement the rollout of charging infrastructure should be established to support electric vehicle uptake and remove a significant barrier to adoption.

The NRMA has already committed \$10 million to establish at least 40 fast-charging stations around NSW and the ACT to support greater visitor dispersal and address 'range anxiety' experienced by current electric vehicle owners.

Consumers are unlikely to commit to the mass uptake of electric vehicles until they can be confident that access to adequate charging opportunities exist. An inter-governmental working group should be established to co-ordinate the transition to electric road transport.

The utility benefits of electric vehicles

The Future is Electric paper by the NRMA highlights the fact that if properly managed, electric vehicle charging could deliver capacity to the electrical grid by providing stored energy that could be distributed across the network when required.

Through the use of smart meters and similar devices, electric vehicle owners could actively manage their vehicle charging to ensure it occurs at periods of low electricity (spot) prices; during periods of high (spot) prices, surplus electricity stored within the vehicle's battery could be returned to the grid.

If this practice were to be incentivised and widely adopted, electric vehicles could potentially relieve pressure from the national electricity grid during the peak, making energy usage more efficient and reliable. The Finkel Review of 2017 supported the merits of this type of proposition in respect of the national electricity grid.

With the electric vehicle revolution looming, the role of electric vehicles in the future electricity grid should be explored, particularly their potential contribution to the network to address power security, efficiency and reliability.

Recommendation

Establish a fund to fast-track enabling works required to support the rollout of electric vehicle charging infrastructure in the ACT, positioning the ACT as a technology leader focused on reducing emissions and improving public health.

Establish an inter-governmental working group to co-ordinate the transition to electric road transport. The scope of the working group should include the examination of the role electric vehicles could play in supporting the efficiency of the national electricity grid.

Automotive Research and Development

With an innovative and entrepreneurial culture and one of the world's largest supplies of mineral resources required for battery production, Australia is well suited to developing industries to support the global market for electric vehicles.

Globally, the number of electric vehicles sold each year is growing rapidly. Sales volumes exceeded 750,000 in 2016, representing a 40 per cent increase on the previous year. There are now more than two million electric vehicles on the road. BHP believes this figure could rise to 140 million by 2035.²⁶

With Australian commercial vehicle manufacturing now ceased, the ACT Government should incentivise research and development in electric vehicle batteries and other associated technologies through the provision of grant funding and taxation exemptions.

²⁶ <https://oilprice.com/Metals/Commodities/Worlds-Biggest-Miner-Prepares-For-The-EV-Boom.html>

As worldwide demand for electric vehicles increases, battery production will need to increase significantly. It's expected that the manufacture and sale of electric vehicle batteries will become a \$240 billion industry within two decades. By as early as 2020, the electric vehicle battery market alone could reach \$25 billion.

With the world's fourth largest reserves of lithium,²⁷ Australia is well placed to attract investment and jobs in the manufacture of batteries and other components.

Recommendation

The ACT Government should encourage research and development in electric vehicle batteries and other technologies through the provision of grant funding to support the transition to an electric vehicle future, including the provision of electric charging stations within the Territory.

Connected and Automated Vehicle Trials

The growth of connected and automated vehicles will usher in enormous safety benefits that are likely to spread broadly throughout the community. Greatly improved safety, better transport interconnectivity, reduced emissions and congestion improvements are just some of the promised benefits of a connected and automated vehicle future.

The NRMA commends the ACT Government for its investment in the CAN Drive program, aimed at improving automated technology and safety.

With fully automated vehicles likely on our roads from 2025, the ACT Government should actively promote the ACT as the destination of choice for connected and automated vehicle trials. Original equipment manufacturers and shuttle operators should be invited and encouraged to run citizen focused trials similar to the Volvo Drive Me project to encourage understanding and acceptance of these technologies among the community.

Broad acceptance of these technologies will only occur if consumers deem them to be safe and useful to their everyday needs. This has been realised by companies such as Volvo, who are currently trialling connected and automated vehicles on commuter routes using volunteer members of the public.

The ACT Government should encourage trials to be conducted in specifically defined areas (sandboxing), as well as across the broader road network (road network testing), to demonstrate the benefits of automation, and to increase collaboration and knowledge.

Connected and automated vehicle trials should give particular focus to citizens that presently have limited mobility options such as the elderly, people with disability, and those living in remote areas.

Recommendation

Provide funding to actively promote consumer trials of autonomous vehicles in specific urban locations (sandboxing and road network testing).

²⁷ <https://industry.gov.au/Office-of-the-Chief-Economist/Publications/ResourcesandEnergyQuarterlyJune2017/documents/Resources-and-Energy-Quarterly-June-2017.pdf>

Discovery

VisitCanberra

Travel between Canberra and the surrounding regions for business and leisure offers the Territory an opportunity to capitalise on the economic benefits of tourism. The tourism industry employs 16,400 people and contributes \$2 billion to Gross Territory Product (GTP)²⁸. International services to Canberra Airport offer further opportunities to capitalise on growing international visitor markets, particularly from Asia.

Encouraging visitors to stay longer, spend more and disperse throughout the region is necessary for economic growth. For the Year Ending September 2016, there were 2.35 million domestic overnight visitors to the Territory, an increase of 10.5 per cent. However, these visitors stayed fewer nights and spent less compared to the same time last year²⁹.

VisitCanberra, the Territory's tourism marketing agency, has a vital role in encouraging increased visitation, spend and dispersal in and around the Capital. VisitCanberra requires certainty of funding to develop campaigns and major events that continue to attract leisure visitors to the Territory. It also provides the private sector with confidence to invest in products and services that support the visitor economy.

Recommendation

Maintain funding commitments for VisitCanberra in real terms in the 2018-2019 and forward estimates.

Stromlo Forest Park

Stromlo Forest Park has developed into a burgeoning recreational sporting hub for students, mountain bike enthusiasts, hikers and equestrian riders. In the past year, the Park attracted over 167,000 visitors and is experiencing on average a 15 per cent annual growth in visitor numbers. The NRMA supports the vision outlined in the Stromlo Forest Park Masterplan in creating a world-class facility for events, tourism and adventure-based activities.

The organisation agrees the park would benefit from the development of on-site tourist accommodation to meet the needs of student groups and burgeoning mountain bike interest groups, and better support large groups visiting the park for events.

Further, the caravan and camping market represents a significant opportunity to grow the territory's leisure market, recognising the sector has become the fastest growing domestic accommodation type in Australia³⁰. Both the NSW and ACT have the fastest growing number of campervan and caravan registrations, both growing at around 7.7 per cent respectively³¹.

²⁸ VisitCanberra (2017) Tourism in the ACT, Year Ending September 2016

²⁹ VisitCanberra (2017) Tourism in the ACT, Year Ending September 2016

³⁰ Caravan Industry Association of Australia (2017) *Towards 2030: A connected future*, p7

³¹ BDO (2015) *Caravan and campervan data report 2015*, Released December 2015.

However, the current lack of basic utilities at the site makes it a less attractive investment opportunity. Providing basic water, electricity and sewerage to the site is likely to incentivise development.

Recommendation

Fund utility work at Stromlo Forest Park to incentivise tourism development at this site, including stop-over caravan and camping opportunities.



Community

Faster Rail – Sydney to Canberra

The NRMA welcomes the recent announcement made by ACT Chief Minister Andrew Barr and NSW Deputy Premier and Minister for Regional NSW John Barilaro to commit to improve cross border transport links³².

A faster train service between Sydney and Canberra would open up significant opportunities to enhance economic development along this corridor and the Capital Region.

With an estimated 20,000 daily traffic movements from NSW into the ACT, it is timely that an investigation of transport planning strategies that support cross-border travel is undertaken to provide future transport options for the region.

A faster rail plan between Sydney and Canberra needs to be fully evaluated. Quicker journey times offers substantial regional economic benefits for local industry and tourism to develop and grow.

The NRMA would support the initiative of both the NSW and ACT Governments to progress this transport option and welcome a joint submission to the Australian Government's Rail Program.

Recommendation

Further investigate the feasibility of faster rail between Canberra & Sydney in conjunction with the NSW Government.

Infrastructure transport plan

The ACT Government must plan and fund transport solutions for an ageing population. Australia is expected to see exponential growth in the number of Australians aged 65 and over, rising from around 2.5 million in 2002 to 6.2 million by 2042. For Australians aged 85 and over, the growth is even more rapid, from around 300,000 in 2002 to 1.1 million by 2042³³. An aging population will present a unique set of mobility challenges in terms of service design and delivery when providing accessible transport solutions to cater for the needs of the elderly.

Expand disability ride share pilot in ACT

The expansion of the sharing economy online platforms to services and assets for the disability sector enables disability service providers, primary caregivers and persons with disabilities the opportunity to rent or rent out modified transport assets when they are not being used. Providing freedom to hundreds of Australians who current face significant restrictions on their mobility because of a lack of suitable, easy and affordable access to a modified vehicle.

By utilising expensive resources that are currently idle, pilot programs in South Australia and a single vehicle trial in Sydney with GoGet seek to provide the disability sector with more affordable options and improve service delivery outcomes for disability organisations looking to adapt to the NDIS environment. The CARL platform, currently in trial in South Australia allows for heavily modified

³² ACT Government and NSW Government Media Release 3 November 2017 Cross border transport a top priority under NSW/ACT MOU

³³ Australian Treasury (2017) Australia's demographic challenges

vehicles such as vans that are sitting idle 40 per cent of the time to be accessed by different disability providers.

These programs may also deliver additional financial income to individuals who are able to make use of idle resources and disability service providers by allowing them to develop new service offerings and share vehicles.

Recommendation

The ACT Government should fund a pilot program to improve mobility for people living with disabilities.

Molonglo Infrastructure Development

The NRMA understands that the development of Molonglo Valley, including major land releases over the next few years, will generate significant traffic flows which will impact the existing road network. To ensure effective connections and mitigate congestion in the area, there is a need to identify, plan and fund adequate road infrastructure and public transport options. The ACT Government must give due regard to the future transport capabilities of this region, linking the north-west sector of the ACT with West Belconnen.

Recommendation

Appropriately plan infrastructure and transportation links to Molonglo Valley.



