



NRMA Motoring & Services

2013-14 Budget Submission to the New South Wales Government

March 2013

About NRMA Motoring & Services

The National Roads & Motorists' Association Limited (NRMA Motoring & Services) comprises over 2.4 million Members in NSW and the ACT. For more than 90 years, NRMA has represented the interests of motorists in relation to road funding, road safety and other relevant public policy issues.

NRMA began in 1920 when there were 20,000 motor vehicles on the road. One of the first services NRMA offered was car minding in 1924, when it was against the law to leave a motor vehicle unattended in the centre of Sydney.

Throughout the years, NRMA has fought for seatbelts in cars, safer roads, drink driving education programs, better road funding and fairer petrol prices.

Today NRMA has grown and in addition to providing roadside assistance, it has diversified to offer a range of motoring, travel, lifestyle and advocacy services.

NRMA remains a Membership organisation with a focus on Member benefits and roadside assistance.

Comments and Queries

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Executive Summary

NRMA has identified the following roads and tourism priorities for the 2013-14 Budget:

NRMA 2012-13 Budget Priorities	
Sydney Metropolitan Road Infrastructure Priorities [Part 1] <ul style="list-style-type: none">• Missing Motorways Links (WestConnex, M2-F3 and F6Ex)• Northern Beaches Corridor• Sydney's Traffic Pinch Points• Other Metropolitan Infrastructure Road Priorities	Regional NSW Road Infrastructure Priorities [Part 2] <ul style="list-style-type: none">• Pacific Highway• Princes Highway Upgrading• Kings Highway Upgrade• Great Western Highway (Lithgow-Bathurst) and Mitchell Highway (Bathurst-Dubbo)• Bells Line of Road• Newell Highway• Hunter Region Projects• Central Coast Projects• Other Regional Road Priorities
Other NRMA Road Infrastructure Priorities [Part 3] <ul style="list-style-type: none">• Local Roads (Maintenance, Black Spot Program and Roads to Recovery)• Regional Highways Road Safety• Improved Park and Ride Facilities• School Zone Flashing Lights• New Fluorescent School Zone Signs• Transport Infrastructure for an Ageing Population	
Tourism Priorities [Part 4] <ul style="list-style-type: none">• A new approach to marketing NSW as a tourist destination• Tourist Drive road upgrades• The NSW Tourism Strategy should include a new promotional campaign highlighting destinations on the Far South Coast, Far North Coast, and Western NSW• Greater focus on training and education and supportive infrastructure (especially in remote areas) to allow for further development of the tourism industry	

NRMA urges the NSW Government to provide funding for the above listed projects to improve the quality of the NSW road network noting the economic, safety and mobility benefits that will come from this investment. In the current economic climate, investing in these projects will act as a catalyst to allow the NSW economy to accommodate future traffic growth, reduce emissions and improve the efficient movement of passengers and freight.

We also urge the NSW Government to implement the 5-year and 20-year investment plans in the 2013-14 Budget given the finalisation of the Government's Long Term Transport Master Plan and Infrastructure NSW's State Infrastructure Strategy 2012-2032.

The 2012-13 Budget priorities identified by NRMA will aid NSW's economic productivity, especially in the current economic and financial climate. The NSW Government must commit to effective and long term planning of this infrastructure to accommodate the growing pressures on the road network, and to ensure that we do not repeat current failings. This investment will help stimulate the NSW economy and improve national productivity.

Introduction

The NSW Budget is of particular importance to NRMA as it determines the extent to which our Members will receive services and infrastructure in return for the considerable funds they provide to the NSW Government via motor vehicle taxes and charges.

The importance of the road network in NSW cannot be overstated. Roads are the arteries of modern day life and the lifeblood of economic activity; they are necessary for the efficient and cost effective distribution of goods and services. Roads deliver considerable economic and social benefits, the NSW Government needs to ensure roads are not thought of as a cost impost that should be avoided or outsourced, but instead recognise how roads are an essential investment in the State's future wellbeing.

The provision of capital expenditure for road enhancements and the maintenance of the entire road network are critical. It is critical that there is an increase in real expenditure in road maintenance to ensure the road network does not fall into disrepair and that the capital element of road expenditure is adequately funded in the future.

NRMA is also a major stakeholder in the tourism sector and accordingly this submission includes our key tourism priorities for NSW Government's consideration.

NRMA also views this submission to the 2013-14 NSW Government Budget process for road infrastructure as a fundamental opportunity to address current deficiencies in road transport infrastructure. Traffic congestion within the urban road network and at various key regional locations is hindering the efficient movement of private and public passengers and freight.

Despite its importance, several indicators suggest that the current level and pattern of investment in the NSW road network is far from optimal. Utilisation of roads has increased substantially yet as a proportion of gross state product its value has declined. Increased network congestion in Sydney and the significant cost of road traffic crashes are indications of the current inadequacies in the level of road infrastructure.

NRMA urges the NSW Government to commit to a strategic road infrastructure plan that addresses both the immediate and longer-term road infrastructure needs of NSW, both in regional and metropolitan areas. It is crucial that the Government delivers both a five-year fully costed infrastructure plan, with detailed forward estimates in the budget process, and a twenty-year infrastructure strategy to increase the transparency of delivering major road projects beyond the five-year plans.

Furthermore, if the NSW Government is unable to fund capital works for some of the projects identified in this submission, having detailed project plans in place, will position NSW into a more favourable path to leverage funding from other avenues such as the Australian Government, Infrastructure Australia and other sources.

Roads are the Arteries of Modern Day Life

The NSW road network plays a significantly more important role than alternative transport modes, and connects them all. It permeates all aspects of our society and represents the major arteries of modern economic activity playing a crucial role in our local, regional and state economies. Public and private use of the road network underpins our ability to participate in employment, recreation and social activities, making access to it not just a matter of economic importance but also an important equity issue.

Road transport is clearly the dominant transport mode in NSW. Data from the Australian Bureau of Statistics (ABS) indicates that:

- approximately 96 per cent of total transport spending by households in NSW is attributed to motor vehicle and road related transport, either private (such as, motor vehicle repayments, registration costs, motor vehicle fuel consumption, etc.) or public (such as bus fares); and
- the road network accounts for the largest share of the total freight task in NSW.¹

For Sydney, Australia's most populous and economically significant city, the importance of its road network is critical. Recent estimates suggest that the city's road network provided for the travel of about 43 billion vehicle kilometres in 2006 – more than any other city in Australia.²

The reliance on Sydney's road infrastructure will grow as traffic volumes increase in response to a growing population and an expanding economy. By 2020, total vehicle kilometres are projected to increase by around 28 per cent to 55 billion kilometres.

Investment in road infrastructure is crucial to facilitate transport activity and the impact of future economic development. The main mechanism by which changes in transport has a positive effect on the economy, is by lowering the cost both time and money, of the transportation of people and goods.

Road Infrastructure Supports Economic Growth

Economic benefits are normally categorised into either direct or indirect benefits. Direct benefits are those that flow directly to the road user and include:

- *Lower vehicle operating costs* – better roads allow vehicles to operate more efficiently resulting in reduced fuel costs, vehicle maintenance and capital charge components.
- *Improved travel times* – reducing the time spent travelling frees up time for other uses, including work and leisure. Travel time benefits may be achieved in several ways, including increased road capacity, improved connectivity and increased average travel speeds. This would translate to increased productivity for businesses engaged in the transport sector.
- *Accident and safety benefits* – savings related to a reduction in loss of life and permanent disability, health care costs, vehicle repairs costs and the cost of legal and insurance services.
- *Reduced cost of maintenance* – upgrading can reduce the cost of maintaining a poor road.
- *Environmental impacts* — includes savings related to less noise and air pollution.

These factors identified above are often considered against the initial costs (and other 'dis-benefits') in a cost benefit analysis that is normally required before undertaking additional investment in roads.

It is also being increasingly recognised that the economic impact of road investments 'spill over' into other economic activities. This reflects the fact that most, if not all, economic activity relies on the contribution of road transport at some stage, and to some extent. Increasing the reliability and efficiency of the road transport system, as well as reducing its cost, will generally raise opportunities for other industries.

Infrastructure NSW and Key Funding Priorities

NRMA believes that a number of priority road infrastructure projects in NSW require investment by the NSW Government. It also highlights why investment in these projects would be fiscally responsible and support future economic growth.

NRMA also urges the NSW Government to consider that timely and effective investment in the road network will help to:

- reduce the cost that road crashes impose on the NSW economy, which has been estimated at an annual average of \$3 billion per annum,³ and
- reduce the cost of construction by having a schedule of projects ready to proceed.

On the second issue, it is worth pointing out that the cost of construction index for the period September 2000 through to September 2012 was about 12-15 per cent higher than the movement in Sydney's rate of inflation. Time delays in constructing road projects end up costing the NSW economy far more investment dollars and reduces the economic net benefit to not only the NSW economy, but to the Australian economy as well.

It should also be pointed out that the two key projects evaluated by the NSW Government's submissions on the Pacific Highway and the Port Botany and Sydney Airport Transport Improvement Program to Infrastructure Australia highlight these concerns. NRMA believes that proper economic and financial assessments should be undertaken to bring forward transportation needs in NSW. This will include investment in key road infrastructure, public transport and freight projects.

We have estimated that \$40 billion (\$2012) in investment is required to complete the following high-priority road infrastructure projects:

- construct the WestConnex Motorway;
- construct the F3 Freeway to M2 Motorway;
- plan and construct the F6 Freeway extension;
- fully duplicate the Pacific Highway; and
- upgrade the Princes Highway.

NRMA has identified a number of key road projects that the NSW Government should commit to in both the metropolitan and regional areas. Investment is also required in a number of other road priority areas, as well as in the tourism area.

1. Sydney Metropolitan Road Infrastructure Priorities

Major Projects

In terms of major projects, NRMA's funding proposals for Sydney's missing motorways network have been well articulated through various submissions to governments and in our *Seeing Red on Roads – Roadmap for the next NSW Government March 2011* publication.⁴

1.1 Missing Motorway Links

NRMA wants the timetable identified in the State Infrastructure Strategy report⁵ put in place to address the key missing motorway links by the NSW Government providing funding pathways for:

- Constructing the **WestConnex motorway**;
- Engaging in possible innovative funding solutions to assist in constructing the WestConnex motorway;
- Building the **F3 Freeway to Sydney Orbital link**;
- Finalizing the planning of the **F6 Freeway extension** and providing a timeline for its construction; and
- Work with the Australian Government to secure funding for these three key projects to complete the Sydney Orbital Road Network.

We are also strongly of the view that all new or upgraded motorways in Sydney should incorporate an electronic freeway management system, similar to that in use on Melbourne's Monash Freeway. We are very concerned that Roads and Maritime Services (RMS) has not sought to develop either the M2 or M5 motorway upgrades in this way. Getting the most from existing assets should dictate that RMS adopts a similar approach to Melbourne. Indeed the Melbourne experience has shown that a properly managed motorway can deliver up to 25 per cent additional throughput during peak periods, a 50 per cent improvement in travel times and 50 per cent reduction in crashes.⁶

The **WestConnex motorway** project which includes the existing M4 motorway and the M5 East motorway, and the M5 West motorway all form part of the Commonwealth's National Road Network, as do Pennant Hills Road (re future F3 to Sydney Orbital project) and the Princes Highway (re future F6 Extension project).⁷

WestConnex is a 33 kilometre motorway proposal which will link Sydney's west with the airport and the Port Botany precinct. It is a NSW Government commitment to deliver a motorway scheme for Sydney in response to the recommendations from Infrastructure NSW in its State Infrastructure Strategy released in October 2012.

NRMA asks that the NSW Government commit to a full evaluation of the WestConnex motorway as proposed by Infrastructure NSW including an assessment of incremental revenue financing techniques to fund the project.⁸ This proposal uses land value capture modelling that has been successfully used in a number of major overseas cities as part of an urban renewal program. NRMA believes that the economic and social benefits likely to arise from the construction of this missing link would be maximised from using this innovative funding technique. It would also allow both the Australian and NSW Governments to bring forward the construction of this major missing link.

NRMA also submits that the NSW Government should provide a definite time commitment to progress the F3 Freeway to M2 Motorway through the planning and approval stages to actual construction as soon as possible, and secure funding from the Australian Government and its own sources.

The **F6 Freeway Extension** project will be vital in connecting the Princes Highway to the Sydney Orbital, relieving congestion on suburban streets in southern Sydney and in the vicinity of Sydney Airport and Port Botany. Ultimately, it will provide an improved passenger and freight connection between Sydney and the Illawarra, including Port Kembla whose importance has increased since Sydney Harbour has ceased to operate as a working harbour.

The NRMA considers that the planning of the F6 motorway extension and a timeline for its construction needs to be secured. The NSW Government identified in its *Port Botany and Sydney Airport Transport Improvement Program submission* to Infrastructure Australia the need to plan the infrastructure options in this key transport corridor. The F6 project has to be seriously considered given its potential impact on the other motorway links, the M5 and M4 corridors.

Accordingly, NRMA proposes that this project be considered as part of the National Network connecting to the Sydney Orbital. The benefits of the F6 Freeway Extension include reduced journey times, better travel time reliability reduced congestion and environmental and noise emissions and improved road safety.

There is also a growing recognition that Sydney's current transport infrastructure is inadequate to accommodate the future needs for the inner and southern suburbs. In particular, the existing National Network does not adequately service Sydney Airport and Port Botany and there is a need to extend the existing network to improve the connectivity of the Princes Highway with the Sutherland Shire.

We recognise that on their own, new roads alone will not solve congestion in the longer term but we believe there is also a very clear case for providing a **well-connected** and **well-managed** road network – fixing the missing and deficient links in the motorway network, along with integration with other transport modes must be part of the solution.

Unless adequate investment is undertaken into the Sydney road network the annual \$12 billion⁹ estimate for Sydney's congestion costs will increase significantly over the next decade. There are predictions that the cost may double over the next decade.

This significant cost is largely the result of:

- a failure by government and local councils to expand road capacity in line with growth in motor vehicle use;
- the inability of Sydney's public transport system to adequately meet the increased travel demands of Sydney's residents; and
- unsuccessful transport policies designed to encourage the use of other transport modes at the expense of funding additional road capacity.

The expansion of Sydney's motorway network over the past twenty years now requires ongoing investment to maintain and improve efficiency. Implementing Sydney's metropolitan road priorities that NRMA has identified will complete the Sydney Orbital. This will make a major contribution to delivering the NSW Government's strategy to counter current and future congestion bottlenecks that are constraining economic growth and will help to cater for projected population increases.

1.2 Northern Beaches Corridor

NRMA believes that the NSW Government should implement a full Northern Beaches Transport Corridor Strategy, given the current congestion problems besetting this area.

Infrastructure NSW has identified a potential road link requiring further evaluation. The road would link the Gore Hill Freeway with the Burnt Bridge Creek Deviation via a tunnel under Mosman and a new bridge over the Spit. This could be combined with a transitway for uses from the Northern Beaches to the CBD. NRMA would urge the NSW Government to undertake a feasibility study into this proposal. NRMA also notes the Bus Rapid Transport proposal currently being discussed to serve the northern beaches. Any proposed infrastructure improvements should also be linked to improved capacity for general road traffic.

Whilst this would be a long term solution there are a number of issues requiring immediate attention which includes widening Mona Vale Road to be fully duplicated from west of Pittwater Road through to Terry Hills. Warringah Road from Wakehurst Parkway to Starkey Street also needs upgrading to cope with increasing traffic associated with the planned hospital at French Forest, new industrial developments and a growing population base.

NRMA also urges that funding be committed for the following road priorities:

- Spit Road to Military Road – the Spit to Neutral Bay network improvements (specifically at the Spit Bridge); and
- Pittwater Road – Mona Vale to Balgowlah network improvements.

1.3 Sydney's Traffic 'Pinch Points' and Implementing Initiatives from NRMA's Decongestion Strategy

NRMA notes the NSW Government's injection of \$125 million announced in the 2012-13 Budget into the Pinch Points program to improve traffic flows on Sydney's major road corridors over the next five years.

NRMA's Decongestion Strategy highlights how the Pinch Points strategy does not target some of western Sydney's busiest roads, such as Pennant Hills Road, James Ruse Drive or Silverwater Road.

NRMA urges the NSW Government to commit to ongoing funding for the Pinch Points program to help with managing congestion.

NRMA would also like to see the NSW Government address the issues in NRMA's Decongestion Strategy, such as:

- the need for travel time information on the M5 East motorway;
- managing congestion on the motorway network¹⁰;
- installing electronic variable message signs that display pictures as well as text; and
- installing back up batteries, to power traffic lights in the event of a mains electricity power failure, on key routes such as Parramatta Road, Victoria Road, Cumberland Highway and the Pacific Highway in Sydney's north.

An analysis by NRMA of traffic lights in Sydney in 2011 revealed that on average 94 sets of traffic lights are blacked out every month in Sydney.

NRMA urges the NSW Government to accelerate the Pinch Points program through an ongoing annual commitment as a means to relieve bottlenecks on the road system and reduce congestion.

1.4 Other Metropolitan Infrastructure Road Priorities

Outside the missing motorway links network, NSW Government needs to set aside funds to upgrade and improve various parts of the Sydney road network to complement the orbital road network and to improve the efficiency of passenger and freight movements of the road network. It will also contribute to reducing congestion bottlenecks and improve travel times between various arterial road networks.

The wider road network, within the Sydney metropolitan, including major arterials, will also require improvement. NRMA commends Infrastructure NSW analysis into the need to support incremental options to address infrastructure problems. Some of the highest value infrastructure investments come from pinch point relief that addresses road congestion hotspots.

Infrastructure NSW identified pressing pinch point areas that would benefit from appropriate investment to reduce congestion bottlenecks including:

- Parramatta Ring Road,
- North West Growth Centre around Rouse Hill,
- South West Growth Centre around Leppington,
- Camden Valley Way,
- Richmond and Schofield Roads,
- Port Botany, and
- Sydney Airport.

There are also a number of defined road network corridors that need transport solutions to reduce congestion. These include, but are not limited to, the following:

- Pacific Highway – between North Sydney, Chatswood to Pymble,
- Princes Highway – between St Peters and Kirrawee,
- King Georges Road between Wiley Park and Hurstville,
- Heathcote Road between Heathcote and Moorebank,
- Warringah Road to Boundary Street between Allambie and Chatswood,
- Victoria Road,
- Windsor Road,
- Old Windsor Road, and
- Cumberland Highway,

NRMA urges the NSW Government to continue to investigate and implement measures to reduce delays and manage traffic on major arterial roads across Sydney at pinch points. This should target peak hour hot spots to improve the overall efficiency of the traffic stream.

NRMA urges the NSW Government to effectively plan these road improvements and ensure that there is ongoing funding for defined pinch points on major road corridors.

2. Regional NSW Road Infrastructure Priorities

2.1 Pacific Highway

NRMA has consistently highlighted the national benefits of providing a minimum dual lane divided carriageway between Hexham near Newcastle and the Queensland border. The 2016 timeframe agreed to by the Australian and NSW Governments must be met.

Cost savings in journey times and reduced crash rates are key benefits from the completion of this project. NRMA seeks additional funding from both the Australian and NSW Governments budgetary processes and future Infrastructure Australia commitments to ensure the NSW and Australian economies are able to capitalise from the net economic benefits flowing from this strategically important piece of the National Network.

A recently released report, *Pacific Highway Upgrade Program; Economic Appraisal 2011 Update*¹¹ – prepared by PricewaterhouseCoopers at the request of the former Roads and Traffic Authority (now Roads and Maritime Services (RMS)) – found that the total completion of the upgrade by 2016 has a considerably higher cost benefit ratio of 2.7. Indeed, all of the individual cost benefit ratios had values of less than one if the highway upgrades were staged over a long period.

NRMA welcomes the release of the first joint Australian and NSW Government six-monthly Report Card on the Pacific Highway upgrade, incorporating the work completed to December 2011, works in progress, and to be completed projects being prepared for major work and in the planning stage.

NRMA urges the NSW Government to work with the Australian Government to complete Pacific Highway duplication by ensuring that:

- NSW meet their \$1.54 billion obligations as listed in the current 2012-13 NSW Government Budget;
- NSW Government works with the Australian Government to deliver their \$4.1 billion commitment to 2014, as per the 2012-13 Australian Government Budget;
- Together commit the additional funds to complete full duplication by the end of 2016.¹²
- Provide a timetable for completion of the following sections, being 260 kilometres in length, still deemed to be in planning mode:
 - 1 Frederickton to Eungai upgrade;
 - 2 Oxley Highway intersection to Kempsey upgrade;
 - 3 Warrell Road to Urunga upgrade; and
 - 4 Woogoolga to Ballina upgrade.

2.2 Princes Highway Upgrading

NRMA urges the NSW Government to commit to:

- Full duplication of the Princes Highway between Berry and Bomaderry;
- Completion of Victoria Creek realignment;
- Completion of the Dignams Creek realignment; and
- A complete plan to ensure proper road alignment from Jervis Bay to the Victorian border.

The Highway is both an important interstate and intrastate transport corridor as well as serving the ever-increasing number of commuter and recreational trips. When a crash occurs, and results in the road being severed, we are quickly reminded of the importance of this route and the lack of alternatives for traffic.

A 2011 safety audit report of the Princes Highway conducted by NRMA has revealed that despite its state and national importance it requires significant improvements and upgrades.¹³ In particular, it requires upgrading of bridges, heavy vehicle access and road realignment, as well as the addition of overtaking lanes in a number of areas. Its safety performance also needs to be addressed; in particular, the dangerous stretches from Nowra to the Victorian border.

The cost of road crashes on the Princes Highway is estimated at over \$80 million dollars per annum. This represents the second highest cost of road crashes on a stretch of highway in NSW, with only the Pacific Highway having a higher cost than the Princes Highway.¹⁴

NRMA welcomes the NSW Government's commitment to spend \$500 million in its first term of government on the section between Gerringong and Bomaderry.¹⁵ It is critical that this project is totally funded and that funding beyond 2015 is committed to ensure full duplication of this section of the highway.

Additionally, the NSW Government should work with the Australian Government to commit funding to build climbing lanes on the F6 at Mount Ousley (part of the National Network) to improve safety and prepare for slow moving trucks associated with the expansion of Port Kembla. The \$300,000 committed to planning climbing lanes on the Mount Ousley road by the NSW Government, as in the September 2011 budget, needs to be converted into construction in the 2013/14 budget. The RTA's *Picton Road Corridor Strategy April 2011*¹⁶ clearly illustrates the need to construct lanes at Mount Ousley Road given the growing freight traffic task.

2.3 Kings Highway Upgrade

The Kings Highway is approximately 139 kilometres long and provides a critical east-west transport link for commuter, tourist, business and general traffic that travels between the Australian Capital Territory (ACT) and coastal townships located along the far south coast of NSW. The Kings Highway continues to have a poor accident record due to the difficult terrain and driver frustration with limited overtaking lanes.

The poor alignment, narrow pavement widths, and insufficient overtaking opportunities on a number of sections of the road, provides a low level of service with increased accidents and travel times. These conditions worsen especially during high peak periods.

\$ 70 million worth of works has been identified to address sub-standard road curves that need to be realigned to increase safety along the length of the highway.¹⁷

Urgent upgrades and additional road capacity improvements are required to meet current and future peak commuter traffic volumes and to improve the safety performance of the Kings Highway. Required works include:

- additional turning lanes at key intersections;
- improvements to allow for a greater number of safe overtaking opportunities; and
- additional storage capacity and other intersection capacity upgrades.

2.4 Duplication of the Great Western Highway (From the M4 at Penrith to Mount Victoria and beyond to Lithgow)

Duplication of the highway between Penrith and Mount Victoria is progressing well; however, there is an urgent need to fund road safety improvements beyond Mount Victoria.

The NSW Government has undertaken a safety review study into the route corridor between Mount Victoria and Lithgow. NRMA urges that the NSW Government consult with the Australian Government to review this study and continue the current consultation process with the local community. The NSW Government should work with the Australian Government to commit funds to the corridor beyond Mount Victoria.

NRMA urges the NSW and Australian Governments to work together to commit \$300m over the next three years for duplication and other road safety improvements beyond Mount Victoria.

2.5 Great Western Highway (Lithgow-Bathurst) & Mitchell Highway (Bathurst-Dubbo)

NRMA's 'Central West and Western Plains' Better Roads Panel report clearly identified the need for upgrading the Great Western Highway between Lithgow and Bathurst, with additional overtaking lanes required.¹⁸ There is also a clear need for Government to address the impact of heavy vehicle through traffic in Bathurst itself. It is essential that these upgrades complement the work being done on the highway between Penrith and Lithgow.

NRMA is concerned about the lack of progress for identified projects on the Mitchell Highway. NRMA's Central West and Western Plains Better Roads Panel identified the need for extra overtaking lanes between Bathurst and Dubbo.

An October 2005 audit of the Great Western and Mitchell Highways between Lithgow and Dubbo, conducted for the NRMA by Maunsell Australia Pty Ltd, identified 11 black spots and black lengths on the Great Western Highway, and 18 black spots and 36 black lengths on the Mitchell Highway. The worst black spots were at Bathurst, Orange, Wellington, Molong and Vittoria.

The *Central West Transport Needs Study May 2009*, prepared by Sinclair Knight Merz for the Australian Government, also identified the same road safety upgrades as essential in the period 2008 to 2015.¹⁹

There are a number of identified proposed works on the Mitchell Highway that require firm funding commitments and action from the NSW Government to ensure their completion. These include intersection improvements at West Bathurst and Dunkeld, the new overpass over the rail line at Molong and greater provision of overtaking lanes to improve safety at various locations.

It should also be noted that the audit report concluded that both the general freight task and bulk commodity freight task is expected to increase by at least 86 per cent to 2020 using the Roads and Traffic Authority traffic count data from 2002.²⁰ The Lithgow/Bathurst to Dubbo corridor is in need of urgent upgrades to accommodate this increase.

In addition, NRMA has estimated that the cost of road crashes over these two road sections costs the NSW economy over \$24 million per annum.²¹

Given the lack of any major NSW Government Budget funding for the Great Western Highway west of Lithgow and to the Mitchell Highway, NRMA urges the NSW Government to commit funds as a matter of urgency in the 2013-14 Budget.

2.6 Bells Line of Road

NRMA supports upgrading the existing Bells Line of Road by improving overtaking lanes, improving alignments, lane widths and pavement conditions in line with the findings of NRMA's 2004 Audit.²² In addition, as proposed in the Central West Transport Needs Study May 2009, prepared by Sinclair Knight Merz, an expressway road corridor should be set aside along the existing Bells Line of Road to allow for future construction. This is necessary, as the current Great Western Highway corridor linking the Sydney Basin through the Blue Mountains cannot be upgraded to provide B-Double access. The lack of B-Double access affects the ability to move freight efficiently and places the western region of NSW at a competitive disadvantage to other regions.

NRMA urges the NSW Government to commit funds to improve the existing Bells Line of Road and put an effective long-term plan in place, as part of the twenty-year Infrastructure Strategy plan, for construction of an alternative expressway. This will improve regional development in western NSW.

2.7 Newell Highway

The Newell Highway is NSW's longest highway at 1,060km but in spite of this, only 86km of overtaking lanes exist.²³

NRMA supports the RMS's strategy commitment to provide major vehicle rest areas every 100 kilometres on key freight routes²⁴. We support this strategy and ask that the NSW Government expedite funds to achieve this objective.

NRMA wishes to emphasise that the Newell Highway is the major road freight link between Melbourne and Brisbane, and a vital road for moving freight across Australia. It also contributes to and supports development in regional NSW.

A 2008 NRMA road audit report found that trucks represent one in two vehicles on the highway between West Wyalong and Parkes and Narrabri and the Queensland border.²⁵ The clear lack of overtaking lanes on the highway makes it dangerous for all motorists.

The audit report also found that 88 fatalities have been recorded since 2002, and that 47 per cent of all crashes were single vehicle crashes. More than 30 per cent involved a heavy vehicle. It also identified six black spots, with three located in Dubbo.

In addition, a recent Austroads report identified a real lack of rest areas along the Newell Highway finding significant gaps between major rest areas on the Newell Highway between Dubbo and Moree, and between Parkes and Dubbo.²⁶

This is a serious concern given the high volume of trucks using the Highway. Up to 30 per cent of fatal heavy vehicle crashes are linked to fatigue²⁷, and yet the infrastructure has not been provided to enable truck drivers to comply with new fatigue legislation.

It should also be pointed out that in the former Roads and Traffic Authority safety review of the Newell Highway the fatigue factor for crashes on this highway was higher than other country highways.²⁸ In addition, the recent release of NRMA's analysis of the cost of crashes for the Newell highway to the NSW economy was over \$46 million per annum.

NRMA urges the NSW Government to commit the necessary funds to increase the number of overtaking lanes and provide heavy vehicle rest areas every 100 kilometres to remove safety deficiencies on the Newell Highway.

2.8 Hunter Region Projects

The Hunter Region's transport network is fundamentally driven by the existing road system, even allowing for the extensive rail network servicing the coal export trade and other freight movements out of the Port of Newcastle. However, there has been no effective infrastructure plan developed to guide urban development in the region. NRMA's *Get the Hunter Moving* report²⁹ identified key future transport initiatives that would need to be implemented as part of this development.

The report identified \$3 billion³⁰ worth of infrastructure investment that would need to be undertaken in the Hunter region. Clearly, the size of this investment task requires development of appropriate funding mechanisms to make this happen.

NRMA urges the NSW Government to commit more funds into the Hunter Infrastructure and Investment Fund (HIIF) directing investment into the region's infrastructure to deliver local transport improvements.

Grants to local governments in the Hunter region for road improvements, including upgrades to Lemon Tree Passage Road, Pennant Street Bridge at Glendale, the MR 301 from Dungog to Raymond Terrace, Cardiff Main Street and Hunter wine region roads is a good start in the 2012-13 Budget.

2.8.1 F3 Freeway to Raymond Terrace Upgrade

NRMA urges the NSW Government to work with the Australian Government to commit funds to upgrade the Pacific Highway by providing the missing link between the F3 Freeway, south of John Renshaw Drive, and the Raymond Terrace bypass. This upgrade will include an additional crossing of the Hunter River.

This proposed investment to upgrade the F3 to Raymond Terrace appears to have a lot of merit. Traffic flows along this section of the Pacific Highway are high and congestion can be an issue at peak periods.

By providing an uninterrupted highway and improved connectivity between the F3 and the Pacific Highway, the upgrade scheme would be likely to improve journey times and improve safety.

The planning of this project should be committed and finalised. NRMA believes it is imperative that funds be available to commence construction of this important part of the National Network.

2.8.2 Newcastle Inner-City Bypass

The link between the Pacific Highway at Windale and the Pacific Highway at Sandgate would provide an orbital road to link Newcastle's radial network. Three of the five major sections have now been completed. The two remaining to be constructed are Stage 4: Shortland to Sandgate, which is nearing completion, and Stage 5: Jesmond to Rankin Park, for which a preferred route has been identified and is currently being finalised. When completed, the bypass will alleviate the current and potential congestion bottlenecks in and around Newcastle.

In its 2012-13 Budget, the NSW Government committed \$25 million for Stage 4. NRMA understands that the remaining bridge works at the Sandgate end of this corridor are due for completion in this calendar year.

The preferred route for the Stage 5 Jesmond to Rankin Park will be a four-lane dual carriageway, 3.4 kilometres in length and include:

- A grade separated interchange at the northern connection with the existing Newcastle Road to Shortland section of the bypass;
- Potential for a connection to the rear of John Hunter Hospital;
- Bridge structures along the route to provide for drainage, fauna movements, and pedestrian access; and
- A grade separated interchange with Lookout Road and McCaffrey Drive at the southern connection.

NRMA asks the NSW Government to provide the additional funds to complete the Stage 5 Jesmond to Rankin section of the Newcastle Inner-City Bypass in the 2013-14 and 2014-15 budgets.

2.8.3 Lake Macquarie Integrated Transport Centre, Glendale

Fast tracking of the Lake Macquarie Integrated Transport Centre at Glendale would encourage public transport usage, reduce car dependency and provide economic and community benefit to the Lower Hunter region, including the City of Newcastle. This will ensure that the wider Hunter region continues its expansion as a region of national significance.

Indeed, the Australian Government's Department of Infrastructure and Transport report *State of Australian Cities 2012 Report* highlights that Newcastle is the seventh largest city in Australia in population terms for the period 2001-2010.³¹ The City of Newcastle's population is predicted to grow by another 100,000 by 2027,³² a rise of 17 per cent. The need for an integrated transport hub to sustain this rise in population is critical to accommodate growth in the lower Hunter and the Newcastle CBD precinct.

It will provide a new railway station and passenger transport interchange over the corridor of the main northern railway line and at the end of Pennant Street in Glendale. The proposed site, adjacent to Cardiff Industrial Park and Glendale Supacentre, is in close proximity to the F3 Freeway exit points and major centres including Wyong, Maitland, Newcastle Airport (Williamtown) and the Port of Newcastle.

NRMA supports Lake Macquarie Council in their approach to the NSW and Australian Governments for a partnership agreement to fund and build this important development and asks that the NSW Government reaffirm its commitment to expedite this project.

2.8.4 Newcastle Freight Rail Bypass

As part of the Newcastle CBD urban renewal and integrated transport commitment, a freight rail pass between Fassifern and Hexham needs to be built to remove freight rail from the Lower Hunter area.

Urgent planning to approval stage is required to expedite this project.

NRMA urges the Government to prioritise this project to relieve both rail and road congestion on the Lower Hunter.

2.8.5 Hunter Valley Wine Country Roads

The vineyard industry is of major economic importance to regional centres such as the Hunter Valley. A majority of these roads being predominantly in the hands of local councils have seen little if no funding available for road upgrading. Along with increased tourism, the demand

placed on these local roads has resulted in a marked deterioration in the quality of the road network. There is clearly a need for the NSW Government to address this imbalance and restore road conditions to a level commensurate in the increased demand that has been placed on the road network.

NRMA welcomes the use of the funds from the Hunter Infrastructure and Investment Fund (HIIF) directed to Hunter wine region roads in the 2012-13 Budget, as part of the NSW's Government \$30 million commitment to improving road safety. However, the recent example, at Pokolbin, highlighting the lack of road maintenance, requires more funding to ensure the safety of Hunter Valley wine roads is not compromised with increased traffic volumes.

2.8.6 New England highway Upgrade of Roundabouts

NRMA welcomed the \$9 million to be spent at Maitland in the 2012-13 Budget. We note that this project is due for completion in 2015. We ask that the necessary funds are made available in the next two budgets to complete this critical project, in managing traffic movements through this busy roundabout.

2.8.7 Other Hunter Road Projects

NRMA urges the NSW Government to expedite the current **Hunter Expressway Ancillary Works** between Wallsend and Broadmeadow and the Cameron Park Drive intersection upgrade. With the Hunter Expressway project nearing completion it is essential at these ancillary works are undertaken to relieve local congestion bottlenecks in Maitland, Cessnock, Newcastle and Lake Macquarie. Additional funds, if required, should be added to the \$16.4 million already earmarked for 2013-14.

In addition to existing ancillary works being undertaken between Wallsend and Broadmeadow as well as at the Cameron Park Drive intersection, we urge the NSW Government to ensure that relevant works are also undertaken to address the changed traffic patterns and flows on the other surrounding arterial roads that will also occur once the Hunter Expressway opens to traffic.

Tourle Street and Cormorant Road duplications and Tourle Street Bridge upgrade -

NRMA understands that the RMS is working on identifying short term and long term options to improve traffic flow across Kooragang Island. Cormorant Road and Tourle Street are important strategic connections linking Newcastle with Port Stephens.

Roads and Maritime Services are also planning for the duplication of Cormorant Road and Tourle Street in the longer term. NRMA asks the NSW Government finalise the planning of these works and propose a timetable for construction.

Nelson Bay Road Upgrade, Bob's Farm to Anna Bay - this project is being funded by the NSW Government through the Hunter Infrastructure and Investment Fund. The upgrade involves reconstructing the existing carriageway and constructing a second carriageway between Cromarty Lane, Bobs Farm and Port Stephens Drive roundabout, Anna Bay. This will complete the upgrade of Nelson Bay Road to four lanes from Bob's Farm to Anna Bay. NRMA understands that tenders for construction were invited in January 2013. We ask that this process been expedited and that the necessary funds made available in the 2013-14 and 2014-15 budgets to complete this project.

2.9 Central Coast Projects

The Central Coast region has many unmet infrastructure needs. Additionally, the region's population base is forecast to increase by around one quarter to over 400,000 over the next 25 years.³³

The size of the infrastructure task, the need to expedite urban development in the region and provide a funding solution, requires a long-term plan to address these issues for the Central Coast.

NRMA's *Get the Central Coast Moving*³⁴ report identified key future transport initiatives that would need to be implemented for the Central Coast over the next 30 years.

NRMA urges the NSW Government to investigate possible new funding sources including a possible Central Coast superannuation fund directing investment into the region's infrastructure to deliver local transport improvements.

2.9.1 Intersection of Central Coast Highway, Brisbane Water Drive and Manns Road at West Gosford

The intersection of the Central Coast Highway with Brisbane Water Drive and Manns Road at West Gosford is one of the most crucial links in the entire Central Coast road network, providing its major connection to and from the F3 Freeway. Traffic congestion at the existing intersections is severe during commuter peak periods and upgrading is necessary to address long-term capacity and safety issues.

NRMA also asks that the planning and preconstruction work for the upgrade be finalised and that funding for the construction of this intersection commences in 2013-14.

2.9.2 Central Coast Highway – Carlton Road to Matcham Road to Ocean View Drive widening

NRMA urges the NSW Government to deliver the necessary funding to complete the widening of the Central Coast Highway between Carlton Road at Erina Heights and Ocean View Drive at Wamberal. This section of the Central Coast Highway is subject to long congestion delays especially during morning and evening peak periods and on weekends. Funding in the order of \$10 million over the next budget would allow completion of this widening in 2013-14.

2.9.3 Wisemans Ferry Road

Upgrading Wisemans Ferry Road should also be considered as a key project to improve road safety. NRMA asks that the NSW Government to commit up to \$35 million to undertake major works in the 2013-14 budget.

2.9.4 Pacific Highway – Upgrades Narara through to Wyong

The Narara to Wyong corridor is currently in various planning and community consultations stages. NRMA urges the NSW Government to finalise the planning of the section projects on this corridor, and to provide a funding timetable to match the proposed implementation plan.

NRMA urges the NSW Government to consolidate the planning process for this corridor, complete the planning investigations and provide an implementation and funding schedule for the upgrades along the Pacific Highway from Narara to Wyong.

Narara to Lisarow

RMS is currently finalising corridor investigations and development of route options to improve the main road network between the intersection of Manns Road and Narara Creek Road at Narara and the intersection of Railway Crescent and Pacific Highway at Lisarow.

Lisarow to Ourimbah

RMS has developed a preferred design for the upgrade of the Pacific Highway between Lisarow and Ourimbah.

Currently, there is only one travel lane in each direction between Lisarow and Ourimbah. The proposed upgrade would widen the existing highway to create two travel lanes in each direction separated by a median.

2.9.5 Wyong Road Intersections

RMS is continuing with the planning to upgrade the intersection of the Pacific Highway and Wyong Road at Tuggerah.

Wyong Road is the major road from the F3 Sydney-Newcastle Freeway to Wyong, Tuggerah and The Entrance. The roundabout at the intersection of Wyong Road and the Pacific Highway currently has a high crash rate and traffic is heavily congested during peak hours.

Replacing the roundabout with traffic lights would improve safety, ease traffic congestion and provide capacity for future growth.

Wyong Road intersection upgrades are also required at Enterprise Drive, Mingara and Tumbi Top to improve traffic flow.

2.9.6 Wyong Town Centre

RMS is currently finalising the preferred option investigations to inform future planning and development of the Wyong town centre. NRMA urges the NSW Government to expedite this priority project.

2.9.7 Rawson Road Level Crossing Replacement

The replacement of the existing level crossing will require significant improvement and augmentations to the surrounding road network. The project will involve the removal of the existing Rawson Road railway level crossing, the provision of an alternative crossing for Woy Woy Road of the Central Coast/Newcastle railway line and an upgrade to the associated road network. NRMA asks that \$30 million be budgeted in 2013-14 and 2014-15 to complete the project.

2.9.8 Wyong Roads

There are a number in the Wyong area; namely, Rutleys Road, The Ridgeway, Elizabeth Bay Drive and Berkeley Road Stage 3 (final stage) that are high priority and construction works can be undertaken reasonably quickly.

In addition, the following road works require design money is to be prepared for construction:

- Ourringo Street/Ocean Street Intersection;
- Wyee Road, pavement correction 550 metres on bend from Pacific Highway; and
- Brush Road/Anderson Road – poor alignment on old section.

2.9.9 Future Planning Options

NRMA urges the NSW Government to commit funds for improving accessibility options on the F3 Freeway at Sparks Road.

We welcomed the recently announced \$4.6 million upgrade of the F3 Freeway Tuggerah interchange.³⁵ In addition, it is essential that planning for future F3 Access Ramps, at Alison Road Wyong, be expedited as quickly as possible.

NRMA urges the NSW Government to work with the Australian Government to gain the required funds to upgrade the planning options on the connections to the F3 in this region.

2.9.10 Warnervale Town Centre Development

NRMA urges the NSW Government to expedite the planning for the development of Warnervale Town Centre. This should include a high-grade rail and bus connectivity to improve the flow of traffic around the town centre.

2.9.11 Express Rail Services

NRMA also urges the NSW Government to honour its pre-election commitment to introduce six new daily express train services between the region and Sydney in its first term.

This will relieve road congestion on major roads in the Central Coast region. This should be implemented as soon as possible.

NRMA also notes that Infrastructure NSW, in its State Infrastructure Strategy 2012-32, identified the need to improve rail journey times from Newcastle and the Central Coast to Sydney. We ask that the NSW Government consider the need to action this recommendation given the quality of rail services from to the Central Coast and Hunter regions.

2.10 Other Regional NSW Road Infrastructure Priorities

The road network in regional NSW away from the Sydney metropolitan region carries a significant portion of the freight task. This freight task is projected to nearly double to 794 million tonnes. The NSW road network carried 63 per cent of the total freight task in 2011, or around 256 million tonnes of freight. The importance of road transport for most commodities is shown in Figure 1.

The volume of all freight commodities demanding capacity on the freight network is expected to grow as population and economic activity increases across NSW.

NRMA commends the NSW Government on establishing the Bridges for the Bush program, which has had a positive economic benefit for regional NSW.

However, NRMA has been concerned for some time about the growing road freight task especially on regional and local council roads where the growing funding gap has seen normal maintenance schedules not been maintained. With less money being available to maintain existing roads, in addition to extra funding being required to support a growing road freight task, the ability of the current regional road network to support and sustain future road freight movements will result in a less safe road network to local communities and longer journey times.

Capacity constraints of existing roads, future capacity constraints and congestion bottlenecks will increase the financial stresses on regional councils to maintain the road network and manage future expectations.

NRMA urges the NSW Government in developing its Freight and Ports Strategy to review the current road funding arrangements for regional councils and propose a set of solutions to address this problem. The possibility of securing private sector funding in regional areas should be considered as part of this review process.

It is essential that regional roads secure the appropriate funding levels for local communities to receive the multiplier effects of increased economic activity on regional centres, creating jobs and income in these locations. It is also critical that the road network keeps pace with this growth and that the growth is sustainable for the long-term prosperity of NSW.

Figure 1: NSW Freight Mode Share of Selected Commodities 2011 ³⁶

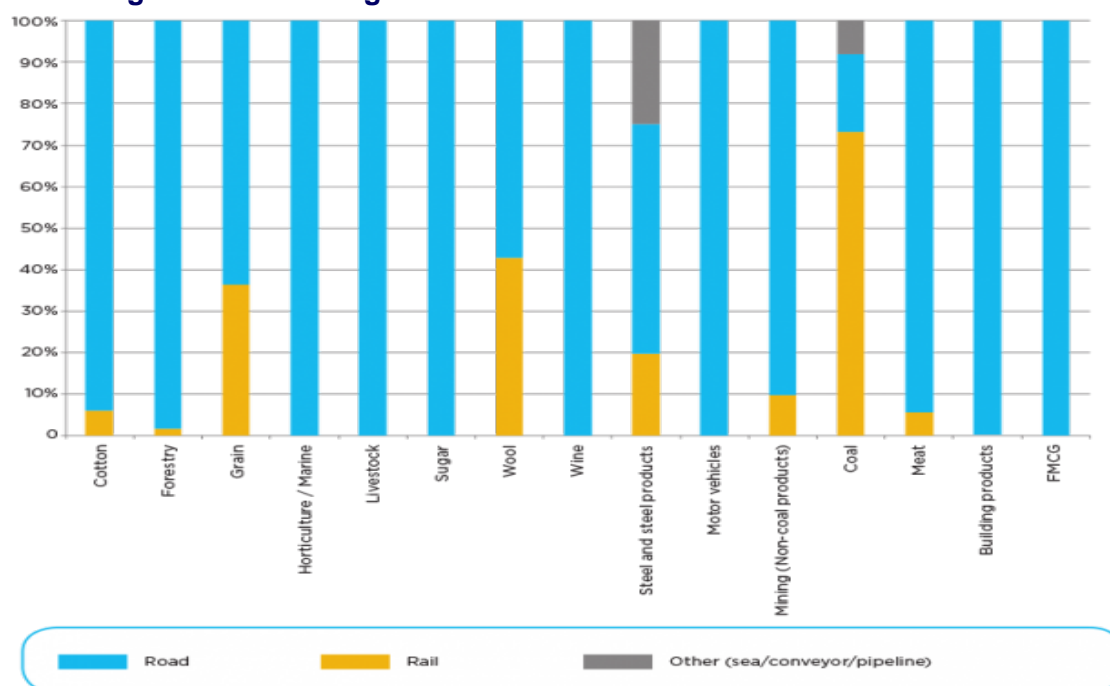


Table 1 provides a list of regional road commitments based on NRMA Better Roads Project 2005³⁷ report that still require funding. NRMA urges the NSW Government to provide an ongoing commitment to these projects to improve the efficiency of passenger and freight movements in regional NSW.

NRMA urges the NSW Government to effectively plan these road improvements and ensure that there is ongoing funding is committed to these road projects.

Table 1: Other Regional NSW Road Infrastructure Priorities

Highway/Road/Route	Nature of investment
1. South West and Riverina Region	
<i>Olympic Highway</i>	<i>Need to improve the condition of the Highway and the construction of town bypasses to provide safe and efficient links for motorists and freight.</i>
<i>Sturt Highway</i>	<i>Need to improve the condition of the Highway to provide a safe and efficient link between regional and major metropolitan centres.</i>
<i>Riverina Highway</i>	<i>Upgrade of Highway between Albury Airport and Lake Hume resort is required.</i>
<i>MR85 and MR279 (between Jingellic and Gundagai via Tumbarumba, Batlow, Tumut)</i>	<i>Primary timber haulage routes require upgrading to service heavy vehicle traffic.</i>
<i>MR539 (between Darlington Point and Whitton)</i>	<i>Need for urgent upgrade to suitable standard for local traffic and for rapidly increasing freight use.</i>
2. Far North Coast and Northern Rivers	
<i>Lismore to Bangalow Road</i>	<i>Upgrade needed to accommodate increasing levels of commuter traffic and reduce the current safety risks for motorists.</i>
<i>Kyogle Road, Rifle Range, Woodburn Road</i>	<i>Upgrade needed to improve inland links for freight, tourism and commuter traffic.</i>
<i>Nimbin to Lismore Road</i>	<i>Upgrades are required to accommodate local traffic and tourists.</i>
<i>Summerland Way</i>	<i>Need to improve the condition of this route, including an additional crossing of the Clarence River at Grafton.</i>
<i>Tweed Valley Way</i>	<i>Need to improve the condition of the route to reduce safety risks and accommodate the growing community, as well as maintenance renewal.</i>
<i>MR622 Legume to Woodenbong</i>	<i>Need to improve the condition of the road and ensure ongoing maintenance so it may adequately service vehicles as the main link between QLD and the Northern Rivers.</i>
<i>Tourist Drive Roads</i>	<i>Need to upgrade the poor quality of key tourist route roads</i>
3. North West and New England	
<i>New England Highway</i>	<i>Requires widening and realignment to meet ongoing safety requirements and greater volume of freight traffic. In particular:</i> <ul style="list-style-type: none"> <i>• Tamworth southern entrance needs to be upgraded to a divided road.</i> <i>• A Tenterfield Heavy Vehicle by-pass is required to divert heavy traffic away from the centre of town.</i> <i>• Requires upgrades and capacity increases to alleviate bottlenecks throughout the Hunter Region, particularly around Maitland.</i>
<i>Oxley Highway</i>	<i>This highway is a state road that connects Port Macquarie with the New England Highway via Walcha. It requires:</i> <ul style="list-style-type: none"> <i>• Bridge Widening</i> <i>• Road realignment and sharp turns straightening</i> <i>• Road capacity expansions</i>

Highway/Road/Route	Nature of investment
<i>Mt Lindesay Road</i>	<i>This road is used as an alternative route to Brisbane when the New England Highway is blocked. It requires:</i> <ul style="list-style-type: none"> • <i>Resealing of gravel sections.</i> • <i>Line markings and signs are needed at Mt Lindesay/Amosfield Road Intersection.</i> • <i>The road at Maryland Hill requires widening and sealing.</i> • <i>Legume to Woodenbong requires major upgrade to cope with traffic –widening, line marking, signposted</i>
<i>Gwydir Shire Road 212 (Clifton Hill Road)</i>	<i>This road requires maintenance</i>
<i>Gloucester to Walcha</i>	<i>Requires continuing upgrade</i>
4. South Coast	
<i>Snowy Mountain Highway</i>	<i>Requires general widening and upgrading to improve safety conditions.</i>
<i>Araluen Road (Braidwood to Moruya)</i>	<i>Requires upgrading to reduce current risks to motorists.</i>
<i>Beach Road</i>	<i>The route between Bateman's Bay and Moruya carries heavy traffic especially during the holiday season and requires upgrading to ease congestion.</i>
5. Hunter Region	
<i>Bucketts Way to Gloucester</i>	<i>Requires further upgrade.</i>
<i>MR588 John Renshaw Drive</i>	<i>Several sections of this route require maintenance and/or upgrade.</i>
<i>Bareki Road/Macquarie Drive</i>	<i>Requires work to address dangerous bends, traffic volumes and safety concerns.</i>
<i>Port Stephens to Dungog MR301</i>	<i>Requires maintenance and repair works to address safety concerns.</i>
6. Central West and Western Plains	
<i>Jenolan Caves Road</i>	<i>This major tourist route requires upgrades to improve safety.</i>
<i>Renshaw-McGirr Way (MR 353, Wellington to Parkes)</i>	<i>Unsealed section requires State funding support.</i>
<i>MR 86 (Lithgow to Mudgee)</i>	<i>This important tourist link for the Mudgee and Sofala regions requires road improvements.</i>
7. Southern NSW	
<i>Monaro Highway</i>	<i>There is a need for more passing lanes and safe overtaking opportunities along this route</i>
<i>Braidwood – Cooma Road</i>	<i>Overall road quality and safety needs to be addressed.</i>
<i>Wombeyan Caves Road, Canberra Wineries roads, Tharwa-Adaminaby Road, Ando-Dalgety Road and Yaouk area roads</i>	<i>The poor quality of key tourist route roads needs to be addressed.</i>
8. Far West NSW	
<i>Cobb Highway</i>	<i>Highway needs to be sealed between Wilcannia to Ivanhoe</i>

3. Other Road Infrastructure Priorities

3.1 Local Roads

NRMA supports the National Road Safety Strategy (NRSS) 2011-2020 to reduce the annual numbers of both deaths and serious injuries on Australian roads by at least 30 per cent. We note that the previous target in the 2001-2010 strategy was not met.³⁸

3.1.1 Maintenance Backlog

The road network especially in regional and local government areas of NSW has not received its normal levels of maintenance expenditure to ensure a minimum road standard.

Indicative estimates made by various engineering consultancies, including the Institute of Public Works Engineers Australia (IPWEA), suggest that the maintenance of regional and local government is increasing exponentially.

In NSW alone, there are estimates of at least \$18 billion infrastructure funding backlog and an annual funding shortfall in the order of \$600 million³⁹. There is a clear need to address this ever-increasing backlog of required capital and maintenance expenditure of local and regional roads.⁴⁰ Clearly, this is not sustainable.

This \$18 billion maintenance backlog profile does not include estimates for State Highways and the Australian Government funded National Network in NSW. On these roads, estimates in the order of another \$10 billion for road maintenance have been calculated from various forums.

Clearly, the task of funding a \$30 billion shortfall in the maintenance profile for the entire NSW road network is a significant financial impost and requires a plan to address this problem.

NRMA urges the NSW Government to put a long-term plan in place to address this problem.

3.1.2 Increased Funding for the State Black Spot Program

NRMA asks the next NSW Government to commit funds to match the Australian Government's Nation Building doubling of Black Spot funding.

NRMA is a strong supporter of the existing Federal Black Spot program. It has generated benefits far in excess of its \$45 million a year costs with an overall benefit cost ratio of 14:1.

The program generates benefits for national, state and local roads and in particular is a key source of funding by which Local Government may implement road safety improvements.

The NSW Government needs to place a much greater emphasis on evaluating the program to ensure that the types of safety treatments being used by individual Councils are actually achieving the desired results.

NRMA wants the NSW Government to ensure that a prerequisite for obtaining Black Spot funding is a commitment from Councils to maintain any infrastructure funded under the Black Spot program, such as line markings and signs, to ensure the Black Spot treatment has lasting benefits.

3.1.3 A State Roads to Recovery Program

NRMA wants the NSW Government to commit to matching the Federal Roads to Recovery Program, significantly assisting Councils with achieving better outcomes.

Funding provided under the current Federal Roads to Recovery Program is not intended to replace existing Council spending on roads or State and Territory Government assistance to Councils for local road construction or maintenance.

Local Councils nominate the projects to be funded, and have so far used the funding to repair and upgrade approximately 34,000 road sites.

In NSW, the Roads to Recovery Life of Program Allocation is \$99.7 million per financial year until 2013-14.

The Roads to Recovery Program operates uniformly across Australia. Under current arrangements, each Council is guaranteed a share of the total available funding. Under simple administrative procedures whereby spending decisions are made locally and reported to the government, funding is paid directly from the Australian Government to each Council.

If the NSW Government were to match the Federal Roads to Recovery funding for the current program (i.e. to 2018-19), it would significantly assist Councils with achieving better outcomes for their communities. Indeed, it would have the benefit of accelerating road improvements in every community across NSW. The cost to the NSW Government would be \$99.7 million per year, or \$499 million for the life of the new program.

3.1.4 Local Infrastructure Renewal Scheme

The Local Infrastructure Renewal Scheme (LIRS) aims to provide a 4% interest subsidy to assist those councils with legitimate infrastructure backlogs to cover the cost of borrowing. The subsidy aims to provide an incentive to councils to make greater use of debt funding to accelerate investment in infrastructure backlogs and augment funding options already available to councils.

NRMA supports this scheme and encourages the Government to increase its current commitment of \$100 million over five years as listed in the 2012-13 NSW Budget be doubled to help reduce the increasing transport infrastructure backlogs in regional council areas.

3.2 Regional Highways Road Safety

NRMA urges the NSW Government, in conjunction with the Australian Government, to commit to a second stage of the Road Toll Response Package to address regional road safety.

The Road Toll Response Package is a \$170 million investment in road safety across NSW over a five-year period. The Road Toll Response Package targets speeding with a range of measures, and includes a range of road improvement, behavioural and enforcement measures.

Road crashes cost Australia a staggering \$17.85 billion in 2006, which was 1.7% of our GDP.⁴¹ In 2009, car occupants accounted for some 84% of road deaths.⁴² Nearly two thirds are killed outside urban areas, with many deaths concentrated on regional roads and on the forgotten local road network.

Out of the 183,000 kilometres of roads in NSW, the RMS manages a mere 17,724 kilometres of State Roads and 3,000 kilometres of regional and local roads. Local Councils manage the rest of the road network, which amounts to more than 162,000 kilometres.

Specifically, NRMA is seeking a commitment to:

- an additional \$50 million towards the successful regional 'Highway Safety Audit' program;
- an additional \$50 million towards the successful 'Safety Upgrades on High Crash Areas' program;
- an injection of \$20 million to resurrect the Princes Highway safety improvement program that lapsed at the end of the 2007-08 financial year; and
- a commitment to a rolling program of audits and associated funding as opposed to one-off events.

These audits and programs are critical to providing much needed safety improvements at strategic locations along regional highways such as new wire rope safety barriers, climbing and overtaking lanes, bridge widening, and shoulder improvements, to reduce the risk of motorists running off the road and of head on collisions.

NRMA also notes that increased police presence on regional roads is critical to ensuring that excessive speeding, placing other motorists at risk, will not be tolerated on NSW roads⁴³.

High visibility policing operations by the NSW Police have produced a reduction in all categories of crashes (fatality, injury, and non-injury crashes) of over 10 per cent and noticeably a reduction in injury crashes on all routes except the M7.⁴⁴

On specific routes, the reduction has been even more significant with an over 50 per cent reduction in fatalities on the Hume Highway and a 33 per cent reduction in fatalities on the Pacific Highway.⁴⁵

3.3 Improved Park and Ride Facilities

NRMA's *Park and Ride Research Report*⁴⁶ clearly identified that Park & Ride facilities such as car parking at key transport interchanges are an important way to improve the attractiveness of public transport. Of 600 motorists who were surveyed, almost half said they would use Park and Ride facilities rather than drive to work if facilities were available in secure areas. Many are avoiding train stations due to a lack of parking facilities. Loftus railway station in the Illawarra region is a typical example of this problem.

NRMA's *Get the Central Coast Moving*⁴⁷ and *Get the Hunter Moving*⁴⁸ regional reports also identified a need to improve access to key transport centres. Park and Ride facilities such as car parking at key transport interchanges are an important way to improve the attractiveness of public transport. These reports suggest that current take up levels for public transport in peak hours is low. Raising the public transport profile by building more park and ride facilities at key rail stations and other transport hubs will help relieve road congestion in the Central Coast and Hunter regions.

While NRMA commends the \$148 million allocated in the NSW 2012-13 Budget under the new Transport Access Program to improve access to the public transport network, including station upgrades, dealing with commuter car parks in Sydney, Newcastle, Central Coast, Blue Mountains and Wollongong, more still needs to be done.

In the Central Coast as an example, Tuggerah station requires commuter car park expansion capacity.

NRMA Members have made it clear they will use Park and Ride if proper facilities are available and affordable. This in turn would contribute to reducing pressure on the road network, particularly during the morning and afternoon commuter peaks.

NRMA has identified a number of ways that Park and Ride facilities can be improved relatively simply by:

- providing better information on Park and Ride facilities to commuters, including facility location, space availability, train/bus departures and downstream roadway conditions, websites, street signage (fixed & variable) and council brochures can all be utilised;
- improving security (e.g. lights/CCTV);
- increasing 'Kiss and Drop' zones at train stations and bus stops;
- improving disabled/mobility access and providing shelter from sun/rain/wind; and
- implementing a strategic, collaborative approach to the investment, planning and co-ordinating of Park and Ride facilities between State Government and Local Councils.

NRMA therefore submits that additional funding is targeted to the provision of improved and increased Park and Ride facilities for commuters in the 2013-14 Budget.

3.4 School Zone Flashing Lights

NRMA is pleased that the NSW Government is continuing to invest in flashing lights at school zones, and we were particularly pleased that the Government's September 2012 response to the NSW Staysafe Inquiry into School Zone Safety included the positive commitment to install flashing lights at all school zones.

The Government response also accepted the Staysafe Committee's recommendation (based on NRMA's recommendation to the Committee) that more cost effective flashing lights be trialled on lower order and lower risk roads.

At this point in time, flashing lights are still only protecting approximately a quarter of NSW schools, and we urge the Government to move ahead with the new trial of alternative types of flashing lights and to again involve NRMA in assessing this technology.

The adoption of more cost effective lights will help the NSW Government speed up the roll out of flashing lights. In the meantime, there are still numerous schools on busy roads that would benefit from ongoing Government investment in the existing flashing light technology.

3.5 New Fluorescent School Zone Signs

NRMA would like the NSW Government to commit to replace all school zone signs across the state with fluorescent yellow-green signs. This will enhance road safety at schools across the state, provide consistency for motorists and ensure that NSW complies with the Australian Standards.

In both 2009 and 2012, NRMA audited school zone signs and found large numbers of faded / obscured signs that were not providing an effective warning to motorists.

Some of these signs date back to 1992 when 40km/h school zone signs first started to be installed outside schools. These signs would have been warranted to last for approximately ten years and by now are well beyond their use by date.

In 2009, we costed replacing the standard yellow school zone signs with fluorescent yellow-green at \$3 Million based on accepted costs of sign manufacture and installation. Although costs may have increased since then, a number of signs have also been replaced and a \$3M

commitment, in conjunction with effective sign procurement and installation, should enable the wholesale replacement of signs across NSW. NRMA wants the NSW Government to commit to replace all school zone signs across the state with fluorescent yellow green signs. This will enhance road safety at schools across the state, provide consistency for motorists and ensure that NSW complies with the Australian Standards.

NRMA asks that a contract for replacing school zone signs be awarded and implemented in the 2013-14 budget.

We are concerned that 'dragon's teeth' road markings have been installed at the entrances to every school zone across NSW, but how RMS did not seek to identify the signs that needed replacing as part of this same exercise. Similarly, whilst flashing lights have been installed at schools, other signs at the same school remain faded. It would appear that the dragon's teeth markings, flashing lights and sign maintenance are all from different RMS programs – a clear example of how road safety is still not mainstreamed through RMS.

3.6 Transport Infrastructure for an Ageing Population

The population of NSW in 2030 will be significantly larger and significantly older than it is today. The NSW population is projected to increase from 7.2 million people in 2011 to almost 18.7 million people in 2031.

A significant proportion of the increase will be people aged 65 and older. Over 65s currently make up 14 per cent of the population. Their numbers will increase to over one in five (21 per cent) in 2031, where there will be almost two million people 65 and over in NSW. One of the challenges will be meeting the transport needs of this ageing but mobile population.

NRMA believes that the NSW Government needs to start financially investing now in the transport and mobility needs of its ageing population in order to receive a positive economic impact from their increased mobility. NRMA is of the view that if the NSW Government does not start investing in this area there may be negative spin off effects to other areas including increasing health costs.

Financial investment should be made to adequately plan and address the transport needs and must include allocations to:

- ensure that all new and existing transport infrastructure projects and services take into account the transport and mobility needs of older people;
- improve the accessibility of transport;
- integrate all forms of transport at a regional level; and
- develop and implement a communication strategy to ensure older people are informed about their transport options and to plan for their future transport needs.

4. Tourism Priorities

In addition to its traditional road-focussed services and advocacy, NRMA is also one of the state's major tourism and travel stakeholders. NRMA has invested more than \$260 million in hotels, holiday parks, travel services and car hire over the last six years.

NSW is the market share leader in domestic and international tourism. The total contribution of tourism to the NSW Gross State Product is approximately \$12.2 billion and approximately 146,000 people are employed in the industry in NSW.⁴⁹ Given this significant contribution to the State and National economy, effective management and marketing of NSW tourism both regionally and internationally is essential.⁵⁰

Under-investment in tourism infrastructure is considered one of the key issues restricting domestic tourism in Australia. Fuel pricing volatility, the introduction of a carbon tax and associated increases in travel costs, such as fuel surcharges, are impeding on the tourism industry and NRMA remains concerned about the resulting negative impacts on the tourism industry.

NRMA is urging NSW residents to consider holidays in NSW and looks forward to working with the NSW Government to promote the State as a highly attractive and affordable tourist destination.

Regional Tourism

Tourism is the lifeblood of many regional communities and attracting investment into these areas to enhance visitor experience and drive tourism should be paramount. A particular value of tourism is the industry's ability to drive demand and economic activity in regional areas. In NSW, 61% of all domestic and international visitor nights are in regional NSW. This visitation results in 51% of all NSW tourist expenditure occurring in regional areas.

NRMA believes that an extensive education and advertising campaign should be implemented to highlight the diverse experiences domestic travellers can have in Australia, in particular regional destinations on the South Coast, Far North Coast and Western NSW.

Skilled Industry

The demand for skilled workers and the shortage of skilled workers is a big issue facing rural and regional NSW, and particularly concerning for the tourism industry. Tourism is traditionally an industry with high labour turnover, skill and labour shortages. As some regional communities rely on tourism as key component of income, the NSW Government should help to provide greater focus on training and education and the required supportive infrastructure (especially in the more remote areas of the State) to allow for further development of the tourism industry in NSW.

Tourist Drive Roads

NRMA welcomes the NSW Government's desire to promote the use of tourist drive roads to stimulate investment in regional communities. However, NRMA is concerned that these roads are in poor condition, requiring urgent maintenance and repair work. There are also numerous roads leading to vineyards, particularly in the Hunter Valley region, that require a lot of backlog maintenance work in bring them up to an acceptable safe level.

NRMA urges the NSW Government to commit appropriate road funding on tourist drive roads, to ensure that these roads receive the necessary funding to match the increased traffic that will be occur on these roads.

Conclusion

NRMA submits that despite financial constraints, the 2013-14 NSW Budget presents an effective opportunity for the NSW Government to continue to move forward in the provision of critical road infrastructure and tourism opportunities for the State.

The NSW Government has delivered both the Long Term Transport Master Plan and the State Infrastructure Strategy 2012-2032.

NRMA awaits the NSW Governments' first 5-year Infrastructure Plan and a 20- year Infrastructure Strategy for all road infrastructure projects to make the right infrastructure decisions and deliver better projects. The NSW economy needs to re-establish itself as the number one economy in Australia. We ask the NSW Government to focus on key road projects identified in this submission to solve the current traffic bottlenecks, reduce road congestion and provide for effective road capacity enhancements into the future. This will assist the better planning of transport issues in this State, which also includes public transport and freight rail.

Introducing more efficient planning and approval processes, as part of the new infrastructure revolution, will result in new road projects being built more quickly, efficiently and less expensively than is currently the case by reducing exposure to increasing construction and material costs.

Even in the current climate, if the NSW Government is unable to fund capital works for some of the projects identified in this submission, having detailed project plans in place will position NSW into a more favourable path to leverage funding from other avenues such as the Australian Government, Infrastructure Australia and other sources.

It is also clear that lowering speed limits is not the total answer to making roads safer. The National Road Safety Program and the Australian Road Assessment Program (AusRAP) both show that a risk-based approach to investment in the road network is essential. Effective road investment is required to reduce death and injury on Australian roads.

Additionally, this Budget should provide an opportunity for further initiatives that will enhance the NSW Tourism Strategy and encourage further development of the tourism industry, particularly in regional NSW.

End Notes

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- ⁶ ARRB Group – presentation to NRMA Motoring & Service, *Managed Motorways A matter of control: Building motorways that consistently operate near capacity during peak periods*, 8 March 2012 p.47.
- ⁷ See Endnote 8, pp. 77-93.
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- ²³ Parsons Brinckerhoff, *Newell Highway Route Performance Review*, NRMA Motoring & Services, Sydney, 2008, p. v.
- ²⁴ Roads and Traffic Authority, January 2010, *Strategy for Major Heavy Vehicle Rest Areas on Key Rural Freight Routes in NSW*. p.3
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- ³⁰ *ibid.* p. 21.
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⁴⁹ Tourism Research Australia, Tourism Forecasting Committee, Issue 1 2008.

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