



NRMA

NSW Budget

Submission

2022–23

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Key Recommendations

Infrastructure & Services Development

1. **Commit funding to support metropolitan and regional road and transport priority projects as identified by the NRMA (pages 5 to 8).**
2. **Commit funding to progress planning and delivery of faster rail between Newcastle and Wollongong, including consideration of utilising the growth area of Western Sydney.**

Road Safety

1. **Bolster funding for road safety and associated programs and commit to the delivery of critical road infrastructure through Restart NSW, the Regional Growth Fund and the Snowy Hydro Legacy Fund.**
2. **Increase the number of driver rest stops and significantly improve the amenities offered.**
3. **Boost the number of RBTs conducted to deter the incidence of drink driving, with a long term goal of at least 1.5 RBTs per year per licence on issue.**

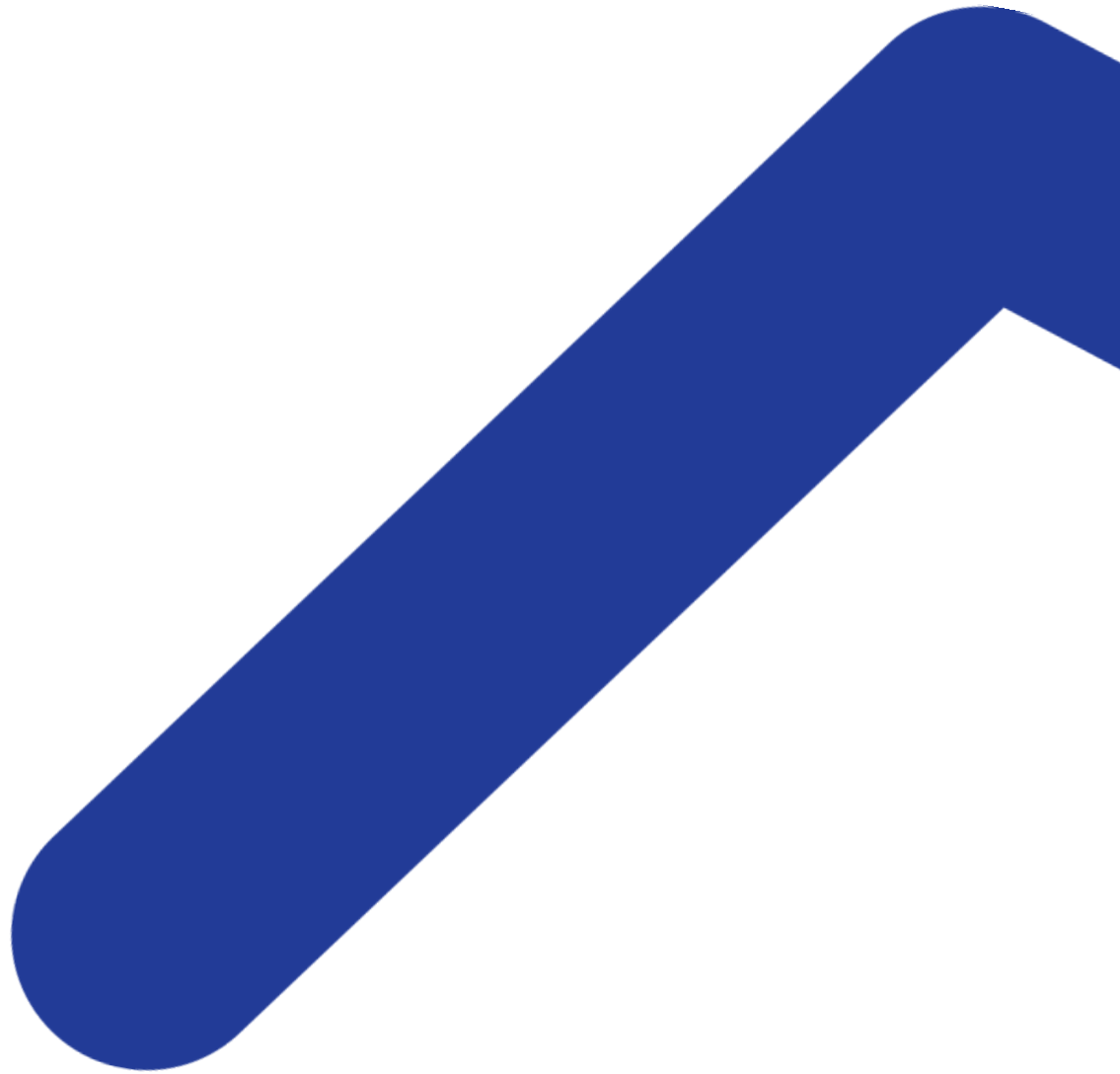
Tourism

1. **Commit to the recommendations identified by the NRMA (pages 13 and 14).**

Transport Technology

1. **Implement the state-based recommendations presented in *EVs: Accelerating Adoption in Australia* (Annexure 1).**
2. **In collaboration with industry and academia, trial 5G along a major highway to enable vehicle-to-vehicle and vehicle-to-communications testing in a real-world setting.**

Infrastructure & Services Development



Metropolitan

The NRMA acknowledges and commends the NSW Government's record spend on transport and associated infrastructure.

The safe and efficient movement of people and goods throughout metropolitan areas and densely populated centres underpins mobility, encouraging economic activity and improved liveability.

The following identified metropolitan projects together will transform Sydney's motorway and transport networks and play a key role in combatting road congestion, which according to Infrastructure Australia's 2019 Audit, could cost Sydney more than \$15 billion per year by 2031.

Roads

The NRMA has identified priority road projects for metropolitan New South Wales:

- M6 Motorway (funding for Stage 2 and 3 – Kogarah to Loftus).

The M6 corridor requires accelerated planning for Stage 2 and 3 to ensure that disruption is minimised in the medium term, particularly around the Kogarah area, to improve journey times and reduce congestion throughout southern Sydney and the Wollongong region.

- A3/A6 works package to improve north-south corridor capacity between the Parramatta and Georges Rivers.

The Stacey Street and King Georges Road corridors (broadly between the M4 and M5) are consistently identified as congested road corridors. With a major M4–M5 connection a long term 2056 vision, these corridors require enhanced medium term capacity improvements.

- Outer Sydney Orbital Road (M9) corridor preservation to enable future multi-modal use (motorway, freight rail line and passenger rail line).

Growth and transformative infrastructure in Western Sydney will bring forward the requirement for the M9. While the corridor has been identified, environmental approvals and advanced planning is required to ensure the project can be delivered in the medium term.

- Established Sydney Road Upgrades – accelerate the delivery of upgrades to Heathcote Road, Henry Lawson Road and Homebush Bay Drive.

These established road corridors can often be extremely congested during peak hour times. Accelerated upgrades will reduce travel times and improve road safety.

- Western Harbour Tunnel (WHT) and Beaches Link to advance the project beyond design and planning.

The critical WHT and Beaches Link project is part of the vision for an integrated motorway network with improved access to the Inner West, Lower North Shore and Northern Beaches regions. While early works for WHT are due to commence late 2020, funding allocations for the full project will provide certainty and lead to the establishment of a construction schedule.

Transport

The NRMA has identified priority transport projects for metropolitan New South Wales:

- Outer Sydney Orbital Rail (M9) corridor preservation to enable future multi-modal use (motorway, freight rail line and passenger rail line).

The M9 corridor is largely a greenfield corridor, and current best-practice dictates that transport corridors are reserved with multiple modes in mind. The reservation of the corridor should incorporate road, as well as dual passenger and freight rail, to ensure future proofing.

- Parramatta Light Rail Stage 2.

Parramatta Light Rail Stage 2 is critical to unlocking the benefits of Stage 1 and improving transport network integration. Supporting emerging medium and high density communities around Melrose Park, Wentworth Point and Ermington with light rail will significantly improve the amenity of these areas and also allow residents and visitors to access Sydney Metro.

- Sydney Metro West to advance the project beyond design and planning.

Sydney Metro West is one of the most significant public transport projects in Australia and is critical to improving access and transport efficiency across Greater Sydney, particularly around Parramatta, Sydney Olympic Park and The Bays. While \$6.4 billion has been reserved for the project, reaffirmation of the proposed 2030 completion date is necessary.

- Western Sydney Airport Rail (Metro) corridor preservation to enable future metro between Parramatta/Westmead and Western Sydney Airport.

It is imperative that Western Sydney International (Nancy-Bird Walton) Airport is supported by quality public transport. A Sydney Metro connection will ensure that arriving and departing passengers have the option of utilising world-class transport to access Greater Sydney.

- Western Sydney Freight Line corridor preservation and intermodal terminal connection.

Rail freight in Western Sydney is currently encumbered by passenger rail and is subject to peak hour curfews. The Western Sydney Freight Line will ensure that freight can move unencumbered at all times, maximising the efficiency and productivity of the rail network.

Regional

Regional NSW produces around one-third of the state's gross product through agriculture, manufacturing, financial services, mining, energy, hospitality and tourism.

The NRMA wants regional communities to flourish and supports the NSW Government's 20-Year Economic Vision for Regional NSW and associated funding through the Snowy Hydro Legacy Fund. In addition to this major initiative, the NRMA supports federal funding for the regions aimed at improving transport connectivity, road safety and tourism opportunities.

The NRMA supports the following regional priority projects from corridor preservation through to funding and/or financing, planning and construction.

Connectivity to Sydney, Newcastle and Wollongong

Inland NSW connectivity improvements to Sydney, Newcastle and Wollongong will be required to support future population and freight growth and visitation to the regions.

The NRMA supports exploring both road and rail opportunities to determine a forward agenda for infrastructure works, including road upgrades, rail upgrades, regional bridge upgrades, safety enhancements and associated efficiency works.

The Mount Ousley Interchange on the Princes Motorway is an example of a critical project that should be brought forward to improve connectivity between Sydney and Wollongong. This project will improve road safety, travel times and accommodate the efficient movement of future traffic and freight growth.

Consistent with corridors identified by Transport for NSW, funding for exploratory works and planning should include the Great Western Highway, Bells Line of Road, Golden Highway, Lachlan Valley Way, Castlereagh Highway and Mid-Western Highway, as well as rail corridors Main Western, Dubbo–Newcastle, Lower Hunter Freight Corridor (between Fassifern and Hexham), Cowra lines, and Gulgong to Maryvale.

Faster Rail

The delivery of faster rail between major centres on the east coast will almost certainly be required to meet population growth projections and future travel demands.

In conjunction with other governments, corridor preservation, investigation and planning works for faster rail to support gateway cities, including Sydney, Canberra, Newcastle, Gosford and Wollongong, will support the potential provision of high capacity transport services between major residential and employment centres.

Faster Rail between the identified gateway cities complements the High Speed Rail Phase 2 Study and can act to support growth in regional areas, improving work-life balance and access to more affordable housing outside urban areas.

Initially, the provision of faster rail between Newcastle and Wollongong could be complemented by utilising the growth area of Western Sydney, including the new Western Sydney International (Nancy Bird Walton) Airport precinct.

Connecting this growing location with faster rail will underpin connections to the Hunter and South Coast, and also act as a base for the provision of additional future services to Regional NSW.

Roads

The NRMA has identified priority road projects for regional New South Wales:

- Princes Highway Upgrade Program, particularly between Nowra and the Victorian Border into Gippsland, to improve safety, congestion and freight productivity.
- Singleton and Muswellbrook bypasses – New England Highway to improve safety and travel times for freight movements.
- New England Highway works package between Wingen and Branxton to support freight movements to the Port of Newcastle, as well as a bypass for heavy vehicles at Tenterfield.
- Newell Highway works package to support safe and reliable HPV access and use, including flood mitigation works and a bypass at Parkes.
- Additional road funding to advance duplication of the Great Western Highway from Katoomba to Lithgow.
- Barton Highway Improvement Strategy to support duplication works and improve efficiency.
- Kings Highway works package to further improve the east-west corridor between the ACT and the NSW South Coast.
- Mitchell Highway works package to improve safety and efficiency between Bathurst and Dubbo.
- Accelerate planning and preconstruction works for Pacific Highway upgrades (Coffs Harbour Bypass and extension to Raymond Terrace).
- Picton Road upgrade (four-lane divided highway with provision to upgrade to six lanes).
- Accelerate Monaro Highway Upgrade Program between Williamsdale and Cooma.

These significant road projects together will assist in transforming the safety and efficiency of major regional roads throughout NSW. While meaningful investments have been committed to these assets, particularly over the past decade, greater funding is required to futureproof these roads to support the safe and efficient movement of people and goods.

The NRMA supports these projects because faster, safer and more enjoyable travel between regional and metropolitan areas will be a key driver of future economic growth for the regions.

Road Safety



Programs

Analysis of council financial statements for 2019–20 showed the local road infrastructure backlog to be \$1.9 billion, with the regional council road infrastructure backlog \$1.46 billion. While the backlog figures have reduced meaningfully over several years, continued investment and work is required to ensure sustainable funding and maintenance over the long term.

The NRMA's 2019 *Funding Local Roads* report highlighted an alarming trend of councils struggling to deliver acceptable road conditions.

In response, the NSW Government committed more than \$1 billion to help clear the council roads maintenance backlog, replace NSW's worst timber bridges, and reclaim up to 15,000 kilometres of council-owned regional roads.

While this funding will help to improve the standard of roads across the state, it should be considered a short term measure. Ultimately, more needs to be done to ensure long term sustainability to help combat fatalities and serious injuries on NSW roads.

The development of a long term funding and maintenance plan, including the provision of road safety treatments, should include all levels of government and industry stakeholders, and acknowledge that the road funding system in its current form consists of disparate funds and grants.

Community Road Safety Fund

Research conducted by the NRMA in September 2020 found strong support for revenue collected from fines being directed into improving the state's roads and into more road safety education in schools to keep children safe.

The survey of 1,200 NRMA Members found 76 per cent support the establishment of an independent committee to determine where the CRSF's annual revenue (more than \$250 million) is spent.

The NRMA's *It's Not Fine* report found the top road safety initiatives for funding are:

- Upgrade roads to be safer (59 per cent).
- Road safety education in schools (43 per cent).
- More mobile phone detection cameras (36 per cent).
- More drug driving tests (33 per cent).

Key recommendations from the NRMA's *It's Not Fine* report include:

- Establish an independent committee to determine where CRSF revenue is spent.
- More transparent, detailed and public reporting on programs funded and their effectiveness.
- More education around the CRSF to inform the public of its purpose.

Rest Stops

Fatigue is one the three biggest killers on NSW roads, contributing to 19 per cent of crashes. The limited number of rest stops along our major highway corridors, particularly in regional and remote destinations, act as a barrier to encouraging driver revival and cause competition between caravans, RVs and heavy vehicles.

Many rest areas and truck stops lack important features, including showers, clean toilets, power, lighting, CCTV and Wi-Fi, making them uninviting places to stop. The amenity of these stops needs to be improved to aid discovery of our regions and encourage people to take a break from driving.

The location of these rest stops, the amenities offered, and even the ability to book spaces and receive real-time information through app-based technology could encourage greater usage.

The NRMA's *Dead Tired* report highlights expanded and improved rest stops as one key initiative to help combat driver fatigue on NSW's roads.

The NRMA is supportive of a greater focus on driver fatigue, including the provision of additional funding to increase the number of rest stop areas and amenities offered to drivers.

RBT

Levels of RBT vary across jurisdictions, with some conducting just 0.26 tests per licence on issue per year (ACT), and others conducting 1.16 (Tasmania). In NSW, the rate in 2017 was 0.80 per licence on issue per year however, it increased to 0.96 in 2019.

It is the NRMA's strong view that in order to curb drink driving, there needs to be:

- At least 1.1 RBTs per year per licence on issue.
- The appropriate allocation of resourcing and funding to increase police enforcement.
- Raise awareness of the high risk of detection.
- Support education campaigns to encourage the separation of drinking and driving.

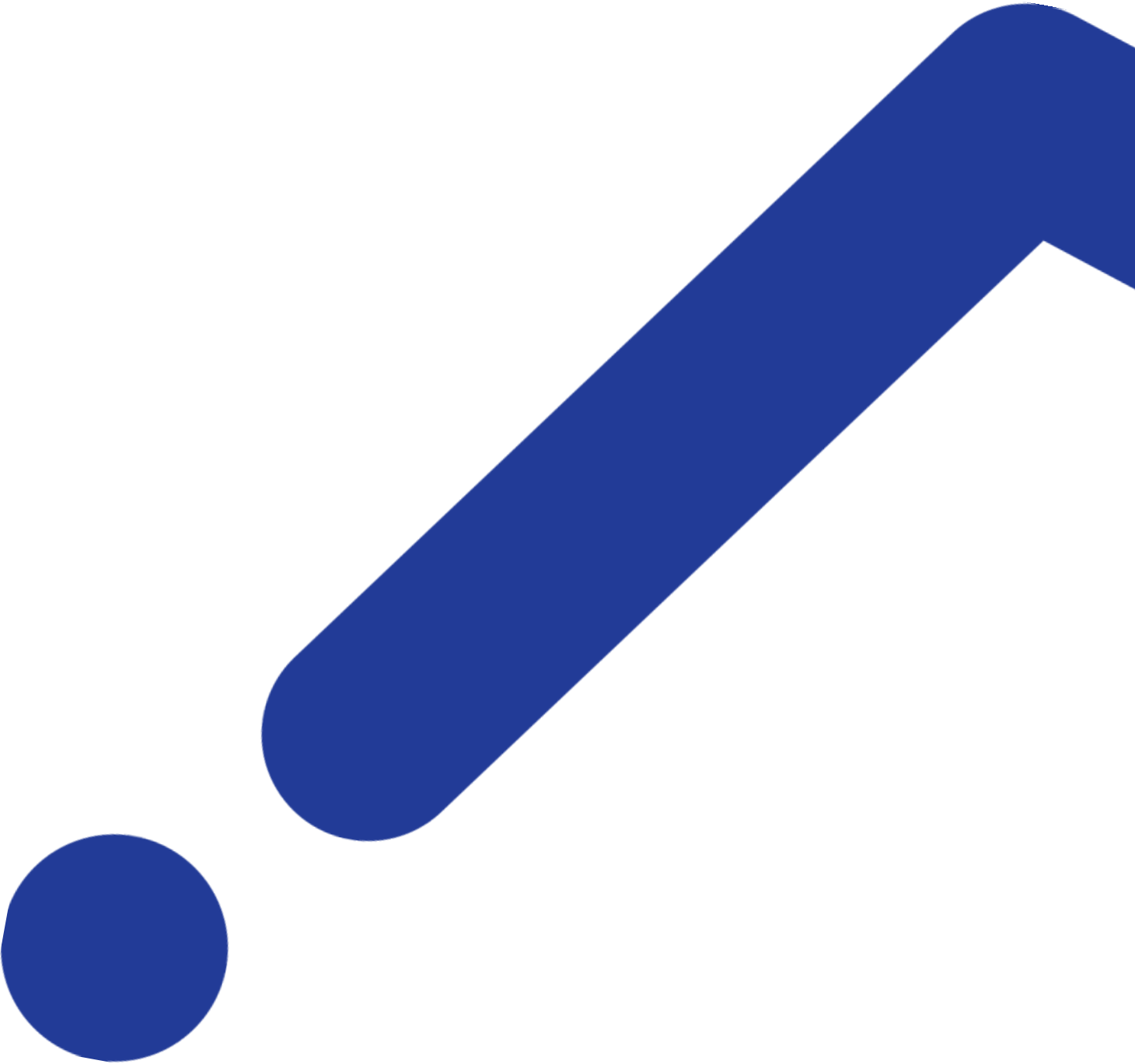
RBTs have been instrumental in drastically reducing the number of alcohol-related fatalities over the last 40 years.

Unfortunately, over the last five years we have seen that trend reversed and there has been a rise in alcohol-related trauma. Trauma from fatal crashes involving alcohol increased from 15.5 per cent in 2016 to 19 per cent in 2020.

It is clear that complacency among some motorists has set in and there needs to be a renewed and heightened sense of getting caught drink driving.

The NRMA supports boosting the number of RBTs conducted to deter the incidence of drink driving, with a long term goal of at least 1.5 RBTs per year per licence on issue.

Tourism



Recommendations

The tourism industry continues to face challenges as it recovers from COVID-19 and begins to prepare for the eventual return of international travel. Consumer uncertainty, disparate state border policies, labour shortages and tired product all continue to impact the confidence and vitality of the sector.

The NRMA believes a range of initiatives and programs must be put in place to address both demand and supply-side challenges affecting the recovery of the sector, and to support the growth of the industry long-term.

Tourism Marketing Funding

- Bolster support for Destination NSW to rebuild demand domestically for the state, while re-activating and increasing activity in overseas markets. This should include a specific focus on re-energising product and activity in the Sydney CBD through events and hospitality.

Labour & Skills

- Strengthen training and employment programs and incentives that encourage a greater number of cohorts of the workforce to consider a job in tourism including mature-aged workers, First Nations Peoples, people with a disability, welfare recipients, school leavers and working holiday makers. This may also include facilitating greater partnerships between training institutions, universities and the private sector looking for staff.
- Investigating variations to payroll tax for tourism and hospitality operators (whereby savings are used to incentivise work in hospitality) would allow businesses to offer higher rates of pay and better compete with sectors such as mining and agriculture offering comparable roles.
- Incentives for hiring and providing on-the-job training of apprentices in tourism and hospitality roles should also be considered in conjunction with policy reform for certain workers (age pensioners, working holiday makers) at the federal level.

Demand Stimulation

- The provision of Stay NSW vouchers and additional Dine & Discover vouchers are welcomed by the sector. Consideration should be given to extending these programs beyond June 2022 (Dine & Discover) and focus on the off-peak trading period for operators (Stay NSW).
- Tourism revitalisation grants should be made available to incentivise the upgrade and refurbishment of tired regional product that was delayed, postponed or cancelled as a result of COVID 19. This will be crucial to ensure the standard of product meets the expectations of returning domestic and international visitors.
- In addition, consolidating regionally significant development opportunities that exist at the state and local government level that could be earmarked for tourism and brought to market through public private partnerships (either by Invest NSW or equivalent) should be considered.

Policy Reform & Investigations

Tangible action needs to occur in the following areas to alleviate additional pressure being felt by tourism businesses:

- Further investigations into solutions to address the inability of operators to insure their businesses in flood and fire-prone areas. The cost and public liability requirements alone mean businesses cannot or will not reopen.
- Consideration of how to more effectively implement and communicate public health orders to operators in the event future restrictions are required.
- Changes to the eligibility criteria of the Small Business Support Program whereby operators need to demonstrate a decline in turnover of 40 per cent or more compared to the 2020 or 2021 period. For many operators, their businesses were already significantly impacted by the Black Summer bushfires.

Transport Technology



Electric Vehicles

Electric vehicles (EVs) are in the final stages of transitioning to become a competitive rival to the mature and more established internal combustion engine (ICE) vehicle.

Within the next decade, the cost and infrastructure obstacles which have kept EVs exclusive and beyond the reach of mainstream consumers are likely to disappear.

The moment has arrived for Australia to decide what role it wants to play as a manufacturer, researcher, supplier and consumer.

Annexure 1, *EVs: Accelerating Adoption in Australia*, discusses the EV industry, outlines the benefits of transitioning, and presents the barriers and challenges that need to be overcome.

It proposes 10 recommendations to help accelerate the competitiveness and expansion of the domestic EV market.

Recommendations are grouped under the categories of private fleets, government procurement, purchasing incentives, public charging, electricity demand, research & development, regulations, and community information.

EVs covered in the annexure include passenger cars, commercial vehicles (utility vans and trucks) and buses, which fall into the categories of Battery Electric Vehicles (BEVs), Plug-in Hybrid Electric Vehicles (PHEVs) and Hybrid Electric Vehicles (HEVs).

The NRMA supports the recommendations contained within *EVs: Accelerating Adoption in Australia* and views the provision of a rationalised and equitable public fast charging network as the highest priority transport efficiency initiative.

CAV Readiness

Electric vehicles will underpin Connected and Automated Vehicle (CAV) technology, which has the potential to significantly improve road safety.

With an unacceptable road toll, we need to identify the 'seatbelt' of the future. We need to test and trial new technology, including CAVs, to understand their application and impact.

Not too long ago, seatbelts were considered a major technological advancement. Today, the seatbelt is joined by the likes of anti-lock brakes, airbags, electronic stability control, lane change assist, adaptive cruise control and autonomous emergency braking.

In addition to electric vehicle charging infrastructure, 5G connectivity, improved signage and clearer road markings will be necessary for the proper use of CAVs, particularly in remote areas.

In collaboration with industry and academia, **the NRMA supports a trial of 5G along a major highway (e.g. the Hume Highway) to enable car manufacturers, self-driving technology companies, start-ups and other private and public organisations to test vehicle-to-vehicle (V2V) and vehicle-to-communications (V2X) in a real-world setting.**

This type of trial could be led by the Smart Innovation Centre and would provide important learnings to help prepare for future mobility, which will increasingly be electric, connected and automated.

In addition to physical infrastructure and technology trials, a workforce with the appropriate skills to meet our mobility needs of the future will be critical. The development of STEM programs in collaboration with TAFE colleges and universities should be a priority given future electric vehicle uptake projections and the unwavering focus of industry to progress CAV technology and use.

