



2017-18 Budget Submission

PREPARED FOR THE NSW GOVERNMENT

MAY 2017



About the NRMA

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

From humble beginnings, the NRMA has grown to represent over 2.4 million Australians principally from NSW and the ACT. The NRMA also provides motoring, mobility and tourism services to our Members and the community.

Today, the NRMA works with policy makers and industry leaders to advocate for increased investment in road infrastructure and transport solutions to make mobility safer, provide access for all and to deliver sustainable communities. By working together with all levels of government to deliver integrated transport options we can give motorists a real choice about how they get around. The NRMA believes that integrated transport networks, including efficient roads, high-quality public transport and improved facilities for cyclists and pedestrians, are essential to solve the challenge of growing congestion and provide for the future growth of our communities.



Comments and Queries

Ms Carlita Warren
Senior Manager – Public Policy & Research
NRMA
PO Box 1026, Strathfield NSW 2135
T: +61 2 9276 7268
E: public.policy@mynrma.com.au

Contents

Introduction	4
Shared Value: Our principles	6
Safe mobility	6
Access for all	7
Sustainable communities.....	8
Recommendations	9
Budget Priorities	12
Safe Mobility	12
Road Safety campaigns.....	12
National Heavy Vehicle Regulator.....	13
Smart Transport Technology.....	13
Autonomous Vehicles.....	14
Community Road Safety Fund.....	14
Reducing red tape	14
Access for all	16
Urban Motorways	16
Public Transport Infrastructure Priorities.....	18
Transport Accessibility.....	19
Contestable public transport	20
Car parking.....	21
Commuter car parking.....	21
Pinch Point Program	22
Fuel Transparency	23
Sustainable Communities	24
Western Sydney Airport Rail Link.....	24
Western Sydney Growth Roads	24
Moorebank Intermodal Terminal.....	25
Regional Rail.....	25
Regional NSW Road Infrastructure Priorities.....	26
Promoting economic growth through tourism	29
Regional Priorities	32
Illawarra Region Projects	32
Hunter Region Projects.....	32

Central Coast Projects	33
Regional NSW Road Upgrade Projects	33
Annexure 1 – Illawarra Road Upgrade Initiatives	34
Annexure 2 – Hunter Road Upgrade Initiatives	35
Annexure 3 – Central Coast Road Upgrade Initiatives	36
Annexure 4 – Additional Road Upgrade Initiatives	37



Introduction

Introduction

The NRMA is among the largest member organisations in Australia with 2.4 million Members across NSW and the ACT. We are no longer just a roads and motorists organisation. While our Members are motorists they are also public transport users, cyclists, and tax payers. We are focused on ensuring all forms of mobility are adequately planned for and funded in the most cost-effective and efficient manner possible. By working together with all levels of government to improve not only road infrastructure but also public transport, we can give citizens a real choice about how they move around.

The NRMA recognises the fiscal challenges and competing priorities that the NSW Government will consider when setting the 2017-18 State Budget. The continual uncertainty on the Commonwealth's AAA credit rating and the weaker outlook for GST revenue will likely limit the ability to increase government investment in projects over and above what is in the forward budgetary profile.

The NRMA acknowledges the already substantial investment made by the NSW Government in road and public transport infrastructure since 2011. The investment of billions of dollars in major road and transport infrastructure projects such as WestConnex, NorthConnex, Sydney Metro, CBD and South East Light Rail, and the duplication of the Pacific Highway are all critical projects in addressing the State's infrastructure backlog. The recent announcement of the Beaches Link project and the preferred route for Stage 1 of the Parramatta Light Rail project are also welcome.

However, there is still more to be done. Despite this strong investment, current levels will not be sufficient to address existing shortfalls let alone accommodate future population projections or drive economic growth. The NSW Government must continue to invest in critical infrastructure upgrades and programs such as the Community Road Safety Fund to keep motorists safe, provide greater access to a range of public transport including Sydney Metro and Parramatta Light Rail, and maintain funding for Destination NSW to grow tourism in regional NSW.

You were born to move.
We were born
to keep you moving.



In framing our submission for the 2017-18 NSW Budget, the NRMA is seeking to promote programs, initiatives and key infrastructure projects that align with the Shared Values of our organisation. Our Shared Values are focused on the three areas of *safe mobility*, *access for all* and *sustainable communities*. These are the concepts that are most important to our Members and stakeholders, and form the core of our business and advocacy strategy.

THE NRMA IS SEEKING TO
PROMOTE PROGRAMS,
INITIATIVES AND KEY
INFRASTRUCTURE PROJECTS
THAT ALIGN WITH THE
SHARED VALUES OF OUR
ORGANISATION.

In 2017, the NRMA will monitor the results of the Endeavour Energy transaction, the lease representing the last of the transmission and distribution transactions, which will boost infrastructure financing available to the State. The willingness of the Commonwealth Government to provide foreign investment criteria upfront in order to negate some of the issues that arose with the Ausgrid transaction is a positive step for the transaction of the assets. This will hopefully allow the proceeds for the transaction to be received in a timely manner and allow funds to be released and expended in line with Rebuilding NSW allocations.

Setting the foundation

Shared Value: Our principles

Safe mobility



At the NRMA, *safe mobility* is about investing in road and public transport infrastructure, protecting vulnerable road users, encouraging safer driving, and the purchasing of safer vehicles.

As members of the community use our roads, public transport networks, cycle lanes or footpaths, it is important to have the opportunity of mobility without limitations or compromises to personal safety or security. The NRMA believes that governments, industries and individuals have an obligation to prioritise safety so that the whole community can feel safe as they go about their day-to-day activities getting from A to B.

The NSW Government is to be commended for making it a priority to reduce road fatalities and serious injuries by at least 30 per cent from 2010 levels by 2021. The recent TfNSW campaign, *Towards Zero*, is also a welcome initiative.

However, there have been significant improvements in road safety over the past 30 years and the NRMA is concerned about rising road fatalities and serious injuries recorded in NSW over the past two years. Alarmingly, since 2016 there has been a 21 per cent increase in pedestrian deaths and a 10 per cent increase on country roads¹. The NRMA is similarly concerned about the rates of casualty incidents involving young males, drivers distracted by smart devices and speeding.

The NRMA is committed to working with the Government to reduce the number of lives lost on the roads and the cost of serious injuries to the community. The next major tool to prevent and reduce loss of life is likely to be driven by a change in technology, as was seen with seatbelts or random breath testing. We expect that increased autonomous vehicle use will be this technological shift.

While we move towards an autonomous future, continuing investment in infrastructure upgrades to the Pacific Highway, Princes Highway and Great Western Highway will improve the safety and useability of these roads. Increases in funding for local government to address maintenance shortfalls, as well as reinvestment in the Pinch Point Program and Community Road Safety Fund are key initiatives to keep the community safe. The F6 extension and Moorebank Intermodal Terminal will address future infrastructure needs as our urban growth centres continue to grow.

¹ Transport for NSW (2016) *NSW road fatalities report 31 December, 2016* (provisional)



Access for all

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

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

Many of our remote communities and regional hubs lack integrated transport systems. Despite recent investment in the regions, poor road infrastructure and substandard transport options remain obstacles to free movement and accessibility.

The dual impact of growing congestion and limited access to public transport in the growing outer suburbs in Sydney is also of particular concern and note. For instance, travel times from outer western suburbs to the job rich CBD regularly exceed 90 minutes, while in some suburbs less than 25 per cent of the population reside within 400 metres of public transport.

The time spent travelling to work and the cost of transport has risen substantially over the past two decades. The typical Sydney worker now spends over six weeks commuting a year.

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

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

For the NRMA, access for all is about simplified movement and connectivity for individuals and groups in both urban and rural environments. The right mix of new and improved motorways, rail infrastructure and parking facilities, aided with technological initiatives such as parking share and vehicle autonomy, will support individual freedom and improve fair and equitable mobility options.

The NSW Government should constantly strive to make transport and accessibility as affordable and efficient as possible. Whether targeting congestion, encouraging asset sharing or looking at new transport delivery methods, desirable mobility outcomes can be achieved through appropriate planning, investment and innovation.



Sustainable communities

Many communities, both urban and regional, lack necessary connections to services, social infrastructure and economic opportunities. As a country with a low population density centred in a small number of major cities, it is often more difficult to fund infrastructure, especially in the regions.

Contrary to the popular view, regional Australia is not uniformly in decline. Many regional communities, particularly where adjacent to a metropolitan centre, such as Queanbeyan and Tweed Heads, or on the coastal strip, such as the Northern Rivers and Central Coast, are experiencing significant growth. Similarly large regional town centres are drawing people in from neighbouring centres. This growth is placing pressure on existing infrastructure and services.

Some smaller communities and a handful of large centres are in decline, such as Broken Hill and Gilgandra. As populations drop, services are withdrawn forcing the community to travel in order to access health and education. This increases the importance of transport infrastructure to these communities at a time where government funding and service provision is often under pressure.

For the NRMA, sustainable communities is about improving access to services and employment opportunities, increasing the number of connections between regional communities, and growing the capacity to support visitation to regional areas.

While high quality transport infrastructure is essential to provide connections to new markets in neighbouring communities, so too are these connections important to facilitate inbound movements in the form of tourists and visitation. Facilitating tourism in Sydney and regional NSW is a way of diversifying regional communities and encouraging employment. The NRMA is already a strong backer of regional tourism, as the second largest operator of holiday parks across Australia.

In order to ensure tourism continues to grow, government and industry must partner together to deliver the state's tourism strategy. By its nature, small enterprises with little capability for cross-sector collaboration are heavily represented in the sector. The coordinating capability of large participants or government is essential to support growth, particularly in regional areas where the market is currently fragmented.

Funding must be maintained for Destination NSW to promote regional dispersal and major event visitation. Significant reform is already underway to create six new Destination Networks, and these networks should be supported by a revised Visitor Economy Industry Action Plan to guide the development of the sector beyond 2020.



Recommendations

The NRMA's NSW Budget Submission for 2017-18 is seeking to promote programs, initiatives and key infrastructure projects that align with the shared values of our organisation, balancing social outcomes, Member value and business sustainability.

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

2017-18 Budget Priorities

SAFE MOBILITY PRIORITIES

Road Safety Campaigns

1. Increase annual funding for road safety campaign to \$20 million, and review causality data periodically to ensure campaigns most effectively target the common causes of crashes.

National Heavy Vehicle Regulator

2. Set a timetable to accelerate transfer of Heavy Vehicle Regulatory powers to the National Heavy Vehicle Regulator.

Smart Transport Technology

3. Establish a \$150 million Smart Infrastructure Fund to encourage local councils to adopt new and innovative solutions to tackle key road and transport problems.

Autonomous Vehicles

4. Establish an Autonomous Vehicle Trial Fund in anticipation of autonomous vehicle trials in FY2017-18.

Community Road Safety Fund

5. Continue to hypothecate speed camera revenue to the Community Road Safety Fund and provide a greater level of transparency on projects funded through this program in a yearly report.

Reducing red tape

6. Conduct a trial of mobile eSafety checks to provide motorists with a more flexible and convenient option to obtaining a pinkslip.

ACCESS FOR ALL

Urban Motorways

7. Complete construction of WestConnex, including Stage 3 North-South Connection.
8. Finalise the preferred route for the Northern Beaches Link and provide a timeline for construction immediately following the completion of geotechnical studies.
9. Provide a timelines for construction of the M1 Princes Motorway Extension (F6) and fund the development of a planning study and business case.
10. Ensure that corridors are preserved to construct a future Outer Sydney Orbital (M9).

Public Transport Infrastructure Priorities

11. Commit funding to the planning of Stage 2 of Parramatta Light Rail to Strathfield.
12. Allocate funds to the Sydney Metro West project and fast-track a construction timeline for delivery.



Recommendations

Transport Accessibility

13. Accelerate and expand the NSW Transport Access Program in order to deliver greater accessibility outcomes for the elderly, people with disability, and those travelling with prams and small children.

Contestable public transport

14. The NSW Government through Transport for NSW and the Commissioning and Contestability Unit should provide funding to undertake a major review of public transport delivery which could include developing a franchising pipeline for public transport services.

Car parking

15. Consider linking the use of commuter car parks to Opal card use and charging non-users of public transport for parking at commuter car park sites.
16. Implement incentives for car-share by allocating preferential car-share space in commuter parking facilities and under-utilised government car parking and public parking spaces in the Sydney CBD.
17. Ensure that options to significantly improve the utilisation of parking share are investigated and thoroughly considered.

Pinch Point Program

18. Increase investment in the Pinch Point Program and develop a long term congestion busting strategy to reduce congestion at key traffic hot spots across Greater Sydney and Regional NSW.

Fuel Transparency

19. The NSW Government should continue to fund education campaigns to inform fuel choice and provide facts on alternative fuel types, as well as provide real-time information on fuel pricing.

SUSTAINABLE COMMUNITIES

Western Sydney Airport

20. Allocate funds to support rail corridor reservation for the Western Sydney Airport Rail Link and provide a timeframe or criteria for its construction.

Western Sydney Growth Roads

21. Progress construction of Western Sydney Growth Roads and adequately plan future road projects to support the development of Western Sydney Airport.

Moorebank Intermodal Terminal

22. Work with the Australian Government to progress investment in key road projects to support the development and future operations of the Moorebank Intermodal Terminal.

Regional Rail

23. Continue with the XPT replacement and investigate the feasibility of upgrades to, or replacement of, the XPLOER, Endeavour and (potentially) Hunter train fleets.
24. Examine reforms to support customer-centric service delivery within NSW Trains.

Regional NSW Road Infrastructure Priorities

25. Ensure that construction of the final stage of the Pacific Highway duplication between Woolgoolga and Ballina is expedited and completed before 2020.
26. Expedite planning of the Albion Park Rail Bypass and commit funds to commence construction of this project.
27. Develop an action plan and commit \$500 million to improve road safety at high risk section of the Princes Highway south of Jervis Bay Road.
28. Duplicate the Princes Highway between Berry and Bomaderry and progress construction of the realignment of the Princes Highway at Dignams Creek.
29. Commit funding to resolve ongoing safety issues on the Kings Highway.
30. Commit funding to commence road safety improvements on the Great Western Highway between Katoomba and Mount Victoria.



Recommendations

SUSTAINABLE COMMUNITIES

Regional NSW Road Infrastructure Priorities (CONT'D)

31. Urgently provide a funding commitment to add new overtaking lanes on the Great Western Highway and the Mitchell Highway.
32. Fund and construct road safety improvements on the Newell Highway.
33. Preserve a road corridor to allow for the future construction of a Bells Line Expressway.

Promoting Economic Growth through Tourism

34. Continue to progress the strategic review of the Visitor Economy Industry Action Plan, and provide funding for the development of the new plan beyond 2020.
35. Maintain funding for Destination NSW in real terms to promote regional NSW to interstate and international visitors.
36. Maintain funding to reform Destination Networks, and provide ongoing funds for these networks over the forward estimates.
37. Maintain funding for the Regional Growth – Environment and Tourism Fund, and allow local government to tender local road upgrades to regionally significant tourism attractions as part of this program.
38. Commit to the progressive roll-out of tourism and directional signage that is clear and consistent.
39. Continue to progress legislative reform to support Crown land release tourism purposes, including in and around Western Sydney Parklands.
40. Finalise and release the 10 year Cruise Development Plan.

In addition to the above recommendations, the NRMA has also made numerous recommendations to support road infrastructure projects in the Hunter, Illawarra, Central Coast and Regional NSW (found in Annexures 1 to 4).



Budget Priorities

Safe Mobility

Road Safety campaigns

According to the Centre for Road Safety, fatalities from crashes in NSW increased more than 25 per cent between 2014 and 2016.³ Although we have seen a reduction in the number of fatalities over the last 10 years, this recent upward trend indicates that more needs to be done. Recently, the NRMA joined a global campaign designed to reduce the number of people killed on roads across the world, particularly those caused by drivers being distracted by smartphones and other technology.

The NRMA strongly supports the State priority of reducing road fatalities by at least 30 per cent from 2011 levels by 2021. It is the NRMA's position that this priority should be pursued through comprehensive safety initiatives, including enhancements to roads and targeted public awareness campaigns. This position is supported by a *Guide for Policy Makers: On Reducing Road Fatalities* by PwC and Loughborough University, released in January 2017, which emphasises the importance of education and enforcement as part of a holistic approach to road safety.⁴

A conservative estimate of publicly available information on road safety campaigns reveals \$16 million has been spent on road safety campaigns⁵. However, this funding has remained relatively stagnant over the past three years. The NRMA believes funding should be increased to a minimum of \$20 million per annum in order to provide maximum repetition and saturation of important road safety campaigns. Incident trends should also be periodically reviewed to ensure that campaigns are relevant in eliminating behaviours that are known to significantly increase the risk of deaths and injuries on our roads.

Recommendation

Increase annual funding for road safety campaign to \$20 million, and review causality data periodically to ensure campaigns most effectively target the common causes of crashes.

³ Transport for NSW (2016) *Centre for Road Safety – crash and casualty statistics*
<http://roadsafety.transport.nsw.gov.au/statistics/interactivecrashstats/nsw.html?tabnsw=5>

⁴ pwc (2017), *A Guide for Policy Makers: on Reducing Road Fatalities*, January 2017,
<http://www.pwc.com/m1/en/publications/road-safety/pwc-guide-on-reducing-road-fatalities.pdf>

⁵ Department of Premier & Cabinet (2016) *Expenditure Reporting: Media Expenditure*
<http://sc.dpc.nsw.gov.au/advertising/expenditure-reporting?misdirected=1>

National Heavy Vehicle Regulator

In February 2014, the Heavy Vehicle National Law (HVNL) commenced across New South Wales, the Australian Capital Territory, Queensland, South Australia, Tasmania and Victoria. The NRMA supports the HVNL, which is administered by the National Heavy Vehicle Regulator (NHVR).

While responsibility for NSW licensing and registration resides with Roads and Maritime Services, the NHVR has a significant role in regulating the large number of cross-border freight and transportation movements that support our economy. The NRMA believes more needs to be done to achieve modernisation and consistency so that a truly unified national heavy vehicle regulation is in place.

To remove unnecessary compliance obligations and support businesses to operate across state and territory borders, heavy vehicle permit issuance must be thoroughly addressed. The Productivity Commission in 2016 found that significant variations and inefficiencies in heavy vehicle regulation exist despite the commencement of HVNL.

To significantly improve efficiency, the NRMA supports the NHVR as a central application and issuance point for Road Access Permits for all heavy vehicle classes. A national approach supported by state and local government will reduce red tape, remove inconsistencies and increase productivity for heavy vehicle operators and businesses.

Recommendation

Set a timetable to accelerate transfer of Heavy Vehicle Regulatory powers to the National Heavy Vehicle Regulator.

Smart Transport Technology

Technology is rapidly transforming every aspect of our daily lives. From the way we commute to the way we interact with each other, new and disruptive technologies have significantly altered our social and economic landscape, and have opened up endless opportunities for positive change across all sectors of the economy.

The NRMA recommends that the NSW Government establish a \$150 million Smart Infrastructure Fund to help local communities tackle key road and transport problems such as traffic congestion, parking, road safety or community transport by trialling and adopting new and innovative technological solutions. The Smart Infrastructure Fund must be contestable to all local councils and the criteria for funding should be determined by whether solutions embrace smart technologies to either reduce congestion, improve safety or enhance mobility.

Recommendation

Establish a \$150 million Smart Infrastructure Fund to encourage local councils to adopt new and innovation solutions to tackle key road and transport problems.

Autonomous Vehicles

Autonomous vehicles, while believed to be a thing of the future, are available already for use on Australian roads today and could achieve take-up in the thousands within the decade. Autonomous vehicles will offer substantial societal benefits, including improved safety, greater mobility options and access for the community, including the elderly and citizens with disability. However, Australia is lagging behind the rest of the world when it comes to initiatives that include this technology.

While safety and liability implications must be addressed prior to introduction, the NRMA believes trials should commence in the Australian market as soon as practicable to allow manufacturers and regulators to work through these issues.

The NRMA commends the NSW Government on its commitment to introduce autonomous vehicle trial legislation in 2017, pending the outcome of the finalised National Transport Commission (NTC) guidelines, as stated in its response to the Staysafe Committee Inquiry. The NRMA recommends the NSW Government allocate funding for this trial in the 2017-18 budget.

Recommendation

Establish an Autonomous Vehicle Trial Fund in anticipation of autonomous vehicle trials in FY2017-18.

Community Road Safety Fund

The NRMA acknowledges that since 2013 the NSW Government has hypothecated revenue collected from speed cameras to the *Community Road Safety Fund*. The NRMA supports this hypothecation in delivering road safety outcomes. However, the NRMA urges the NSW Government to commit to a greater level of transparency on the projects and priorities that receive funding through this program. The NRMA recommends the provision of a yearly report by Transport for NSW detailing a line-by-line breakdown of all current and future road safety projects financed under the *Community Road Safety Fund*.

Recommendation

Continue to hypothecate speed camera revenue to the Community Road Safety Fund and provide a greater level of transparency on projects funded through this program in a yearly report.

Reducing red tape

Mobile Pinkslips

In May 2016 the NRMA conducted a survey of 1,054 respondents about mobile vehicle servicing. The survey found 77 per cent of those respondents expressed interest in having eSafety Checks carried out at their home or workplace.

The NRMA believes motorists deserve choice and flexibility in the location of where their eSafety Check is undertaken and by whom. This would particularly benefit families, seniors and workers who may find it difficult to take their vehicle to a fixed Authorised Safety Check Inspection Station. This also includes members of the community who live a significant distance from an authorised inspection station (e.g. rural areas and seniors who have geographically restricted licences). There is

also the opportunity to have other servicing requirements (e.g. a scheduled log book service) undertaken during the same visit from a mobile mechanic.

Currently those conducting inspections of light vehicles for eSafety Checks are required to use “premises” as defined in clause 59 of the *Road Transport (Vehicle Transport) Regulation 2007*. There is no provision for such vehicle inspections to be conducted at different “mobile” locations (such as a home or place of work).

In order to test the feasibility of a mobile eSafety Check service, the NRMA proposes to conduct a trial of this service offering in a mutually agreed geographical area, with appropriately trained staff.

The NRMA proposes that the trial be audited by RMS, to ensure that the mobile service offered complies with the requirements for the eSafety Check. If the trial proves successful, the NRMA believes the NSW Government should consider amending the regulation to allow for consumers to have access to mobile eSafety Checks for their light vehicles.

Recommendation

Conduct a trial of mobile eSafety checks to provide motorists with a more flexible and convenient option to obtaining a pinkslip.



Budget Priorities

Access for all

Urban Motorways

NSW will face significant transportation challenges over the next 15 years. The NSW population is expected to grow from 7.7 million people in 2016 to 9.2 million in 2031. This represents an increase of 1.5 million or 20 per cent. It is noted that a significant portion of NSW population growth will occur in Sydney, with the population projected to increase from 4.6 million in 2016 to around 5.8 million by 2031. Projections also indicate that the Sydney metropolitan region will account for 64 per cent of NSW's total population by 2031.

A recent study into Sydney's transport infrastructure estimates the current economic cost of traffic congestion in Sydney to be in excess of \$6.9 billion annually and growing. The time and cost spent travelling to work has risen substantially over the past two decades in Sydney. The typical Sydney worker now spends over six weeks commuting a year. Transport costs now represent 13.6 per cent of average income, or over \$22,000 for a typical Sydney family. In addition, the cost of traffic congestion in Sydney, estimated at \$6.9 billion for 2017, is expected to rise to \$13 billion by 2031.

If congestion is not adequately addressed through investment in a number of major projects, Sydney's congestion will worsen and negatively impact the health of our economy.

While it is noted that the NSW Government has significantly invested in WestConnex, NorthConnex and a series of pinch point projects, the NRMA believes that a key priority must be funding to finalise the Sydney Motorway Network. It is important that these projects are complemented by the long overdue upgrade of the M1 Princes Motorway (SouthConnex) via the Waterfall to St Peters corridor, Northern Beaches Link and Western Harbour Tunnel.

WestConnex

WestConnex is the largest transport infrastructure project in Australia, and is the centrepiece of an integrated transport solution. When complete, WestConnex will provide 33 kilometres of motorway, linking Sydney's west and south-west with Sydney Airport, Port Botany and the city.

The motorway, which is being delivered in three distinct stages, will deliver more than \$20 billion in benefits and support Sydney's growing population.

The NRMA's 2016 BusinessWise Congestion Survey found that 35 per cent of businesses rated WestConnex as their top transport priority in Sydney, with just 20 per cent not rating it as one of their top five.

The NRMA supports the benefits of WestConnex, and encourages construction of the proposed M4-M5 Link (WestConnex Stage 3). The M4-M5 Link includes an interchange at Rozelle which supports the Western Harbour Tunnel and the Northern Beaches Link.

The important M4-M5 Link is vital to the project's success and will complement work already underway across Greater Sydney.

Recommendation

Complete construction of WestConnex, including the Stage 3 North-South Connection.

Northern Beaches Link

The NRMA commends the NSW Government for commencing geotechnical studies in preparation for the delivery of the Northern Beaches Link. This vital project will significantly improve access and liveability of the Northern Beaches for over 250,000 residents and alleviate congestion along the Military Road/Spit Road corridor.

Consistently identified in the NRMA's Seeing Red on Roads surveys, Military Road and Spit Road are two of the worst roads in Sydney. The corridor recently recorded the State's second slowest average speed, with motorists only reaching 18.6km/h during the morning commute.

Linking Sydney's motorway network to the Northern Beaches is an undertaking the NRMA strongly supports. Ensuring seamless connections to the rest of the network, including WestConnex, will be critical in managing future transport movements. The NRMA encourages the NSW Government to promptly finalise the preferred route and put in place a timeline for construction following the completion of geotechnical studies.

Recommendation

Finalise the preferred route for the Northern Beaches Link and provide a timeline for construction immediately following the completion of geotechnical studies.

SouthConnex - F6 Motorway Extension

It is important that the construction of the F6 extension is finalised as a matter of urgency. The NRMA understands that the NSW Government faces a number of challenges to cost-effectively deliver this project without impact on the community due to past rationalisation of the corridor reservation.

The M1 Princes Motorway is a key part of Australia's national highway system, but at present is significantly congested during peak hour, affecting connectivity to Sydney from the Sutherland Shire, the Illawarra and Southern NSW.

The benefits of the extension include reduced journey times, better travel time reliability, reduced congestion and improved road safety outcomes. SouthConnex will be vital in connecting the Princes

Highway to the Sydney Orbital Network, relieving congestion on suburban streets in southern Sydney and around Sydney Airport and Port Botany.

While the \$256.3 million from the 2016-17 Pinch Point Program for the Gateway to the South is much needed, the increasing need for this project means the time has come to fund a proper planning study and business case for the project, and to provide a timeline for construction. The NRMA notes the potential for the motorway to be delivered at-grade, avoiding the significant cost of tunnelling. For example, NorthConnex is nine kilometres long with a construction budget of \$2.65 billion. This equates to \$294 million per kilometre. By comparison, the Westlink M7 was built at an approximate cost of \$58 million per kilometre.

Recommendation

Provide a timeline for construction of the M1 Princes Motorway (F6) extension, and fund the development of a planning study and business case.

Outer Sydney Orbital (M9 Corridor Preservation)

In addition to constructing the M1 Princes Motorway extension, the NRMA also believes that the NSW Government should ensure that future growth is managed by preserving land that will be required to construct the Outer Sydney Orbital (M9) corridor. This corridor will be required to support the development of Western Sydney Airport and surrounding growth areas.

Recommendation

Ensure that corridors are preserved to construct a future Outer Sydney Orbital (M9).

Public Transport Infrastructure Priorities

The NSW Government is to be commended on the substantial progress made on a number of vital public transport projects set out in the 2012 Long Term Transport Masterplan, and others that have since been identified as priorities to sustain economic growth in NSW. The Budget should continue the flow of investment into the established pipeline of infrastructure priorities to see these projects through to completion.

The NRMA encourages the Government to allocate funds to planning and consultation for the next wave of major public transport infrastructure projects, in anticipation of the updated Long Term Transport Masterplan (Future Transport), due in 2017. Some priorities include:

- Parramatta Light Rail.
- Sydney Metro West.
- Rail links to the Western Sydney Airport, including connections to the South Western Rail Link.

Parramatta Light Rail

Western Sydney is Australia's fifth largest region in terms of contribution to gross domestic product (GDP), and houses more than 10 per cent of Australia's population. Over the next five years,

Parramatta's population will grow by 41,000 residents, almost twice the pace of the rest of Australia.⁶

Approximately 2.3 million people can access the Parramatta LGA within 45 minutes, which will be further aided by the \$10 billion investment in critical infrastructure including WestConnex and Parramatta Light Rail. These projects will ensure Western Sydney communities remain connected to health, education and employment opportunities now and into the future.

The NRMA has demonstrated its faith in Western Sydney as an economic powerhouse by locating our headquarters at Sydney Olympic Park. In March 2017, the NRMA welcomed Stage 1 of Parramatta Light Rail connecting Westmead to Carlingford via Parramatta CBD.

The NSW Government must now turn its attention to Stage 2 of the project from Camellia to Strathfield via Sydney Olympic Park and consider this extension in conjunction with the Sydney Metro West project. Stage 2 provides an opportunity to address major connectivity issues around Sydney Olympic Park, particularly during large-scale sporting and major events. Multi-modal connectivity will significantly improve the tourism prospects of this precinct.

Recommendation

Commit funding to the planning of Stage 2 of Parramatta Light Rail to Strathfield.

Sydney Metro West

The NRMA welcomed the Government's 2016 announcement that planning work would begin on the Sydney Metro West. The NSW Government's own projections anticipate that an extra 420,000 people will move into the corridor between the Sydney CBD and Parramatta in the next 20 years. With the Western Line nearly at full capacity, a much needed improvement in public transport along this corridor must occur. The NRMA believes that the 2017-18 Budget should include a significant capital allocation towards this project in order for it to begin preparatory works in 2018.

Recommendation

Allocate funds to the Sydney Metro West project and fast-track a construction timeline for delivery.

Transport Accessibility

The NRMA supports the NSW Transport Access Program to meet the growing needs of an ageing population and improve mobility opportunities for people with disability and those travelling with prams and small children.

However, the NRMA feels that the NSW Transport Access Program would benefit from additional funding to accelerate the delivery and expansion of proposed stations and platforms that are wheelchair accessible and friendly to those travelling with prams and small children. A holistic approach to accessibility, inclusive of safety, signage and maintenance considerations, is required to service the travel and mobility needs of all transport users.

⁶ PWC (2016) *Parramatta 2021: Unlocking the potential of a new economy*, October 2016

Recommendation

Accelerate and expand the NSW Transport Access program in order to deliver greater accessibility outcomes for the elderly, people with disability, and those travelling with prams and small children.

Contestable public transport

The NSW Government recently examined the role of contestable events in supporting improved customer service levels for transport services including the Newcastle Integrated Services Offering, Metropolitan Bus Contract retendering, NSW TrainLink Coach Services and the franchising of Sydney Ferries. The benefits of these contestable events to the community are being seen in improved service quality and value for money.

For example, in 2016 the Auditor-General found that the decision to franchise Sydney Ferries resulted in a 12 per cent reduction in annual payments to the private sector operator and resulted in “cost savings, good service performance, and effective risk transfer from government to the private sector operator”. Experience from interstate and overseas has shown that savings of around 30 per cent are able to be achieved on publicly operated services, with service levels also increasing.

The recent decision to award the running of the integrated Newcastle transport network to a private operator will also see a substantial increase in service delivery, particularly in running times on the light rail service and the Stockton ferry.

In 2016-17, the NSW Government made the commendable decision to fund the Commissioning and Contestability Unit (CCU). In 2017-18, this Unit should look at ways to increase contestability in the delivery of public transport as a priority. A review should examine potential franchising of bus and train services.

These reforms complement the introduction of private sector operations alongside major public transport infrastructure investment including the CBD Light Rail and Sydney Metro, Gold Coast Light Rail and Capital Metro Light Rail.

The NSW Government’s 2017 intergenerational report highlights the stark need to think about the way public services are delivered and funded. Declining revenue and the rising cost of delivering public services means that new ways need to be found in order to deliver services across the State that rely less on consolidated revenue. In supporting contestability, the NRMA urges Government to prioritise customer service, innovation and value for money over cost savings.

Recommendation

The NSW Government through Transport for NSW and the Commissioning and Contestability Unit should provide funding to undertake a major review of public transport delivery which could include developing a franchising pipeline for public transport services.

Car parking

Commuter car parking

As previously indicated, the NRMA strongly supports the Transport Access Program.

For many NRMA Members and motorists, the availability and cost of parking remains a major concern, particularly around key transport and commuter hubs. The NRMA commends the NSW Government for releasing an additional 5,800 commuter parking spaces for motorists across Sydney and NSW. The NRMA also welcomes the intended increase to commuter car-parking on the Northern Beaches as a result of the B-Line project.

In spite of this investment, however, access to parking remains a major barrier to the use of public transport. Further, once all projects under the program are completed, there will still be a chronic shortage of commuter car parking spots in the Greater Sydney Area, and within major business districts.

The NRMA anticipates that the Transport Access Program would benefit from additional funding to accelerate the delivery of much needed commuter car parking spaces, and to expand the program to create even more commuter car parking spaces.

In order to ensure that commuter car parks are primarily used by commuters and to encourage mode switching, the NSW Government should consider linking the use of commuter car parks to Opal cards and charging those who are unable to prove the use of a transport service on that particular day.

Recommendation

Consider linking the use of commuter car parks to Opal card use and charging non-users of public transport for parking at commuter car park sites.

Car sharing

McKinsey's *Mobility of the Future* report indicates that more than 30 per cent of transport users in urban populations will increase car-sharing usage over the next 10 years.⁷ In Australia, car sharing now supports 66,000 users who have the ability to access 2,200 vehicles.⁸ It has many demonstrated benefits including:

- Reduced travel times and traffic congestion.
- Reduced parking times.
- Personal health improvements from more walking.
- Reduced greenhouse gas emissions due to less cars on the road.
- More efficient vehicle usage.⁹

⁷ McKinsey & Company (2012), *Mobility of the future*, February 2012,

http://www.mckinsey.com/~media/mckinsey/dotcom/client_service/automotive%20and%20assembly/pdfs/mobility_of_the_future_brochure.ashx

⁸ <http://phillipboyle.com.au/wp-content/uploads/2016/10/Carsharing-Association-FINAL-Report-4.0.pdf>

⁹ <http://www.cityofsydney.nsw.gov.au/live/residents/car-sharing>

The NSW Department of Finance, Services and Innovation (DFSI) trialled car-sharing for a period of three months in 2015. Following the trial's success, the Government announced it would roll out car-sharing in metro areas. In March 2016, DFSI became the first department to take up ride-sharing as an option.

The NRMA supports the provision of car-sharing and ride-sharing incentives to improve usage, increase efficiency and alleviate congestion. We support the trials that DFSI have undertaken. Government departments and agencies have an opportunity to lead by example and extend car-sharing options across the public service.

While these trials are welcome, the NRMA believes that car-share incentives should be extended to the wider public through provision of specific priority spaces at commuter car parks and at under-utilised government car parking, public parking and commercial parking spaces in the city. This would incentivise car-share behaviour, promote the use of public transport, and increase parking access in the Sydney CBD.

Recommendation

Implement incentives for car-share by allocating preferential car-share space in commuter parking facilities and under-utilised government car parking and public parking spaces in the Sydney CBD.

Parking share

While on-street parking share arrangements provide documented advantages, greater benefits can be derived from off-street parking assets where the number of spaces available is multiplied. Idle urban parking assets in demand by commuters also offer revenue opportunities to the provider of those assets; increased utilisation equates to increased revenues.

The Colliers *2015 Parking Research White Paper* found that parking demand continues to exceed supply within CBD locations across Australia. Growing workforce numbers, rising CBD resident populations and a resurgence in city retail is lifting demand for car parking.¹⁰

The NRMA supports share parking opportunities to alleviate urban congestion and provide additional capacity. Where government authorities manage parking assets, there is an opportunity to provide incentives aimed at facilitating greater utilisation.

Recommendation

Ensure that options to significantly improve the utilisation of parking share are investigated and thoroughly considered.

Pinch Point Program

The NRMA supports the NSW Government's Pinch Point Program and notes the additional \$66.4 million allocated for pinch points and clearways in the 2016-17 Budget. The NRMA believes that additional investment at congestion hot spots will improve traffic flows across Sydney and NSW.

¹⁰ Colliers International (2015) *The evolution of car parking – technology creating risk and opportunity*, May 2015, http://www.colliers.com.au/find_research/speciality_reports_and_white_papers/car_parking_white_paper_2015/

The NRMA urges the NSW Government to develop a long term congestion strategy considering the use of clearways and off-street parking as well as infrastructure enhancements in order to reduce congestion across Greater Sydney and Regional NSW. The NRMA welcomed the Gateway to the South and Hunter Pinch Point planning allocations announced in the 2016-17 Budget.

Recommendation

Increase investment in the Pinch Point Program and develop a long term congestion busting strategy to reduce congestion at key traffic hot spots across Greater Sydney and Regional NSW.

Fuel Transparency

The cost of fuel and transparency around fuel prices is of considerable concern to motorists and NRMA Members. The AAA's Transport Affordability Index reveals Sydney households spend an average of \$59 per week on fuel. Research from the Brotherhood of St Lawrence reveals that low income households spend approximately seven per cent of their income on fuel as opposed to one per cent for high income households.¹¹ Educating motorists and providing access to real-time information on fuel pricing can provide greater choice and increased household savings.

The NRMA supports all unleaded fuels being available at retail service stations, and motorists having information to make an informed decision about the fuel types appropriate for their vehicles at the best price possible. The NSW Government's 'Fuel for Thought' campaign will provide a compatibility guide for all motor vehicles and aid education on what unleaded fuel type can be used in different vehicles.

The NRMA fully supports the Government's FuelCheck website launched in August last year aimed at improving transparency around fuel pricing. The FuelCheck website provides the basis for the NRMA's own Fuel Price App, providing an additional avenue for all motorists to access timely information about fuel prices in their region.

Recommendation

The NSW Government should continue to fund education campaigns to inform fuel choice and provide facts on alternative fuel types, as well as provide real-time information on fuel pricing.

¹¹ Brotherhood of St Lawrence (2015) *Fuel poverty, household income and energy spending: An empirical analysis for Australia using HILDA data*, Francisco Azpitarte, Victoria Johnson and Damian Sullivan



Budget Priorities

Sustainable Communities

Western Sydney Airport Rail Link

Western Sydney Airport is one of the largest infrastructure projects in Australia. Planning for its future use presents the opportunity to bring technology, road and rail together to deliver a high-capacity transport hub for tourists and residents in the heart of one of the fastest growing regions in Australia.

The NRMA acknowledges the \$3.6 billion that has been committed to a 10-year Western Sydney Infrastructure Plan, which aims to link the new airport to Sydney's road network through a series of new and upgraded roads, including the Northern Road and M12 Motorway.

In 2015, the Australian and NSW Governments announced a Joint Scoping Study into Western Sydney Airport rail. With more than 35 million passengers expected to utilise rail at Western Sydney Airport by 2050, the NRMA supports an integrated transport solution to support the functionality of the new airport, as well as project commuter and tourism movements. Rail access will also complement current road renewals and upgrades and add to the total airport transport solution.

The 2017-18 Budget presents an opportunity for the NSW Government to allocate funding for rail corridor preservation to the airport and announce a timeframe or criteria for its construction.

Recommendation

Allocate funds to support rail corridor reservation for the Western Sydney Airport Rail Link and provide a timeframe or criteria for its construction.

Western Sydney Growth Roads

The NRMA strongly supported the \$130 million allocated in the 2016-17 NSW Budget to support Western Sydney Growth Roads. The NRMA supports additional investment in Western Sydney Growth Roads and urges the NSW Government to progress construction of the following projects in the 2017-18 financial year:

- Campbelltown Road – Camden Valley Way to Denham Court Road at Ingleburn.
- Bandon Road Link – Eindor Road to Richmond Road at Vineyard.
- Memorial Avenue – Old Windsor Road to Windsor Road at Kellyville.
- The Horsley Drive – M7 Motorway to Cowpasture Road at Horsley Park.
- Jane Street Extension at Penrith.

In addition to these roads, the NRMA also urges the NSW Government to ensure that roads supporting the development of Western Sydney Airport are appropriately planned to support the long term growth needs of Western Sydney.

Recommendation

Progress construction of Western Sydney Growth Roads and adequately plan future road projects to support the development of Western Sydney Airport.

Moorebank Intermodal Terminal

The NRMA supports additional investment into key road projects that will support the development and future operation of the Moorebank Intermodal Terminal. A well connected road network supporting the terminal will allow for the efficient movement of freight and reduce congestion on local roads. The NRMA supports investment in the following projects:

- A solution to the M5 'weave'.
- Extension of Cambridge Avenue to link to the M5 and M7 Motorways.
- Upgrade of the Hume Highway intersections between the M5 and Orange Grove Road.

Recommendation

Work with the Australian Government to progress investment in key road projects to support the development and future operations of the Moorebank Intermodal Terminal.

Regional Rail

XPT Replacement

The NRMA endorses the NSW Government's October 2016 decision to accelerate the replacement of the existing long distance express country passenger trains known as XPTs. This replacement is well overdue. The delivery of new trains will improve the comfort and reliability of the service for long distance commuters, as well as the journey experience for tourists and visitors to regional NSW.

Replacing the current XPT passenger fleet will improve connectivity between Sydney, Melbourne, Brisbane and Dubbo, and improve services to regional town centres including Bathurst, Orange, Taree, Coffs Harbour, Grafton, Casino, Goulburn and Albury. There is also the potential to support greater employment in these centres through maintenance and service hubs.

The NRMA believes the NSW Government should also consider the replacement of regional trains known as the XPLOER and Endeavour trains in the 2017-18 Budget, servicing other key regional centres including Armidale, Moree, Griffith, Broken Hill, Canberra, the Hunter and South Coast (between Kiama and Bomaderry). The replacement of the existing fleet with a mixed fleet appealing to both the commuter and tourist market should be considered through a cross-agency working group.

Customer-service NSW Trains

There is currently inequity in the reliability and service standards provided for regional rail services compared to metropolitan services. NSW TrainLink aims to have 78 per cent of regional train services arrive at their destinations within ten minutes of the scheduled time, compared to a target of at least 92 per cent of peak services to arrive within five minutes for Sydney Trains suburban services and six minutes for intercity services.

While an upgraded XPT, XPLOER and Endeavour train network would go some way in enhancing the reliability of the network by replacing older unreliable trains, the NSW TrainLink should aim for service standards that are equal to the service targets of Sydney Trains. Citizens in regional NSW should not receive lesser standards because they do not live in Sydney, Wollongong or Newcastle.

The NRMA believes that Transport for NSW and NSW Trains should investigate ways in which the reliability and service standards of regional train services can be improved. Poor rail standards impact on tourism, business and economic opportunities for those living in regional areas. Private sector involvement should be considered in the delivery of upgraded services.

Recommendations

Continue with the XPT replacement and investigate the feasibility of upgrades to, or replacement of, the XPLOER and Endeavour train network.

Examine reforms to support customer-centric service delivery within NSW Trains.

Regional NSW Road Infrastructure Priorities

Regional NSW is home to more than one third of the State's population. Projections estimate that by 2031, regional NSW will be home to more than 3.4 million people, an 11 per cent increase on 2016 figures. Ensuring regional NSW continues to flourish and drive economic activity is vital to visitors and residents across the State.

Regional communities make a significant contribution to the State's economy. In the 2015-16 fiscal year, regional NSW contributed an additional 50,000 jobs and played a key role in supporting the economic growth of the State, cementing its position as the largest and most diverse regional economy in Australia.

Despite the NSW Government's renewed focus on the regions through funding initiatives such as *Rebuilding NSW*, *Fixing Country Roads* and *Resources for the Regions*, road infrastructure remains in need of attention. The NRMA supports additional road investment in regions to support communities, improve safety, spur economic activity and complement infrastructure projects currently underway, including new schools and hospitals.

While the NRMA commends the NSW Government's regional funding initiatives, a significant backlog of local government infrastructure projects remains. The NRMA's *Funding Local Roads – Report 2015* found that \$1.35 billion is required to bring regional roads to a satisfactory condition, with this number projected to have increased to \$1.5 billion for the 2015-16 period¹².

¹² NRMA (2015) *Funding Local Roads – Report 2015: Recommendations to clear the infrastructure backlog*, May 2016

The NRMA supports strategies to address this significant backlog and renewed regional road infrastructure required to support the long-term future of regional communities.

Pacific Highway Duplication

The NRMA has long fought for the full duplication of the Pacific Highway to a dual lane divided carriageway between Hexham and the Queensland border. The NRMA notes the significant investment made by the NSW and Australian Governments in addressing the safety elements of this road. The NRMA believes that the final stage of duplication of the Pacific Highway between Woolgoolga and Ballina must be completed before 2020.

Recommendation

Ensure construction of the final stage of the Pacific Highway duplication between Woolgoolga and Ballina is expedited and completed before 2020.

Princes Highway Upgrades

The NRMA notes that the NSW Government has committed to a number of important upgrades to the Princes Highway. It is noted that the NSW Government allocated \$15 million to continue planning for the Albion Park Rail Bypass. The NRMA urges the NSW Government to expedite the planning process for this project and commit funds to commence construction as soon as possible.

Recommendation

Expedite planning of the Albion Park Rail Bypass and commit funds to commence construction of this project.

While the NSW Government has invested in improvements to the Princes Highway, the NRMA's research notes that the Princes Highway still requires significant upgrades, particularly south of Jervis Bay Road to the Victorian border. The NRMA's audit of the Princes Highway identified 16 sections of the highway that are considered high risk to motorists. It is further noted that over the period 2008-2015, 950 casualty crashes and 26 fatalities occurred on this section of the highway. The economic cost of these crashes is estimated to be \$30 million per year¹³.

Recommendation

Develop an action plan and commit \$500 million to improve road safety at high risk section of the Princes Highway south of Jervis Bay Road.

The NRMA also urges the NSW Government to progress the duplication of the Princes Highway between Berry and Bomaderry. This project will provide motorists with improved travel times between Gerringong and Bomaderry. Additionally, the Government should commit funds to progress the realignment of the Princes Highway at Dignams Creek from planning to construction in 2017/18.

Recommendation

Duplicate the Princes Highway between Berry and Bomaderry and progress construction of the realignment of the Princes Highway at Dignams Creek.

¹³ Transport for NSW (2016) Centre for Road Safety *Road Traffic Crashes in NSW: Statistical Statement for the year ended 31 Dec 2014*

Kings Highway Safety Improvements

The Kings Highway provides a critical link between the ACT and the South Coast of NSW. However, additional spending on the Kings Highway is required to address road capacity and to improve road safety. The NRMA is specifically concerned about the following safety hazards on the Kings Highway:

- Roadside hazards at Braidwood.
- Pedestrian crossing facilities at Bungendore and Braidwood.
- Safety improvements to the Nelligen Bridge.

Recommendation

Commit funding to resolve ongoing safety issues on the Kings Highway.

Great Western Highway Safety Upgrades (Katoomba to Mount Victoria)

Following the completion of improvements to the Great Western Highway between Emu Plains and Katoomba in 2015, the NRMA believes that the NSW Government should now focus on safety improvements on the highway between Katoomba and Lithgow. The NRMA notes that the NSW and Australian Governments have allocated \$250 million to undertake these important upgrades. Projects including Katoomba to Mount Victoria and Mount Victoria Village safety improvements require specific funding commitments in the 2017-18 Budget.

Recommendation

Commit funding to commence road safety improvements on the Great Western Highway between Katoomba and Mount Victoria.

Great Western Highway Safety Upgrades (Lithgow to Bathurst) and the Mitchell Highway

The NRMA has long advocated for the need to upgrade the Great Western Highway between Lithgow and Bathurst. These upgrades include additional overtaking lanes to address the impact of heavy vehicle traffic in and around Bathurst. The NRMA also calls on the NSW Government to consider adding new overtaking lanes between Bathurst and Dubbo on the Mitchell Highway.

Recommendation

Urgently provide a funding commitment to add new overtaking lanes on the Great Western Highway and the Mitchell Highway.

Newell Highway Safety Improvements

The Newell Highway is NSW's longest highway and is an important national freight route with large numbers of heavy vehicles using the highway on a daily basis. Throughout 2000-2015, there were 161 fatalities on the Newell Highway. The NRMA has long advocated for safety improvements on the Newell Highway to reduce the number of fatalities on this important stretch of road. These include:

- Adding 57 overtaking lane locations as identified in 2011 (at present 32 potential overtaking lanes are yet to be allocated funding).
- Constructing eight additional rest sites for heavy vehicles under the Heavy Vehicle Safety and Productivity Program to ensure that rest areas are provided every 100 kilometres.

- Constructing the West Wyalong, Parkes, Coonabarabran and Dubbo bypasses to eliminate heavy vehicle movements through these towns to improve road safety.

Recommendation

Fund and construct road safety improvements on the Newell Highway.

Bells Line Expressway

The NRMA supports additional investment on the Bells Line of Road to improve road safety outcomes and to provide additional overtaking lanes, wider sealed shoulders and improved clear zones. The NRMA also supports the preservation of a corridor between the M7 Motorway and the Bells Line of Road to allow for the future construction of a Bells Line Expressway. This will accommodate the long term growth in B-Double and heavy vehicle movements between Sydney and Western NSW.

Recommendation

Preserve a road corridor to allow for the future construction of a Bells Line Expressway.

Further information on the NRMA's regional infrastructure priorities can be found in Annexures 1-4.

Promoting economic growth through tourism

The NRMA is one of the State's major tourism and travel stakeholders, investing more than \$280 million in hotels, holiday parks, travel services and car hire over the last decade. The NRMA is now the second largest operator of holiday parks across Australia, with many of these properties located in regional NSW. The NRMA actively promotes regional NSW as an attractive and affordable destination for holidaying and traveling.

Tourism contributes \$25.7 billion to the NSW economy, of which \$14.4 billion is directly attributed to regional communities. Since 2011, regional NSW has seen a 17 per cent increase in overnight visitation, with a 15 per cent increase in visitor nights over the same period. However, performance has been mixed across the various regions, with some experiencing a decrease in visitor nights and expenditure over the same period. Ensuring regional NSW remains an attractive place to visit is necessary to support economic growth and the 84,600 people employed regionally in the sector.

Visitor Economy Industry Action Plan

In 2012, the Visitor Economy Industry Action Plan (VEIAP) was released following extensive consultation with the industry. The industry wholeheartedly supports this Action Plan and the stretch target of doubling overnight visitor expenditure to \$36 billion by 2020. The Action Plan sets out key priorities across tourism marketing, infrastructure investment and skills development the sector believes are necessary to achieve the stretch target.

As 2020 approaches, there is impetus to consider the future direction of the sector beyond this milestone. The delivery and continuation of key action items cannot be the sole responsibility of government; partnerships with the private sector must continue to deliver the next phase of stretch goals and industry development.

The NRMA welcomes the announcement of a strategic review of the VEIAP. The NRMA believes Industry Working Groups should be re-established to inform the next reiteration of VEIAP, with a

particular focus on growing tourism and major event visitation in the regions. The plan should be governed by an independent Visitor Economy Taskforce led by industry to monitor and evaluate the performance of the sector against the Action Plan – keeping industry and Government accountable.

The plan must detail continued support for regional tourism marketing and industry development, including major event facilitation and the delivery of key items identified in regional Destination Management Plans.

Recommendation

Continue to progress the strategic review of the Visitor Economy Industry Action Plan, and provide funding for the development of the new plan beyond 2020.

Destination New South Wales

Destination NSW as the State’s tourism marketing agency has a vital role in encouraging increased visitation, spend and dispersal in regional NSW. DNSW requires certainty of funding to develop campaigns and major events that continue to attract visitors to regional areas. It also provides the private sector with confidence to invest in products and services that support the visitor economy.

Recommendation

Maintain funding for Destination NSW in real terms to promote regional NSW to interstate and international visitors.

Regional Destination Networks

In June 2016, the NSW Government announced \$43 million over four years to reform the State’s Regional Tourism Organisations, creating six new Destination Networks to guide regional and rural tourism. The industry recognises the need to create synergies and economies of scale through the restructure, but also seeks to ensure these bodies are sufficiently resourced long-term through state and local government contributions. Destination Management Plans should be reviewed in consultation with industry and priorities set for the future development of the sector, following the establishment of the new networks.

Recommendation

Maintain funding to reform Destination Networks, and provide ongoing funds for these networks over the forward estimates.

Regional Growth – Environment and Tourism Fund

The restructure of destination networks and the \$300 million *Regional Growth – Environment and Tourism Fund* present opportunities to invest in priority regional visitor infrastructure.

The NRMA would contend that projects featured in Destination Management Plans including local government road upgrades to regionally significant tourist attractions should be eligible for funding in order to improve access and mobility in and around these attractions.

In addition, the roll-out of clear and consistent tourism and directional signage through the regions will assist visitors in navigating our road network. Destinations and attractions that are easy to find and navigate are important for long-term tourism sustainability.

Recommendation

Maintain funding for the Regional Growth – Environment and Tourism Fund, and allow local government to tender local road upgrades to regionally significant tourism attractions as part of this program.

Commit to the progressive roll-out of tourism and directional signage that is clear and consistent.

Crown land and government asset release

The NSW Government is the custodian of some of the most highly valued tourism assets and Crown land sites across NSW. The Government has made considerable inroads over the past decade to make these assets more publicly available to visitors and the community through Crown land release and adaptive reuse. The EOI for the sandstone buildings in Macquarie Street, the *Crown Land Management Bill 2016* and *National Parks and Wildlife (Visitors and Tourists) Amendment Bill 2010* are prime examples of noteworthy reform that will facilitate greater tourism opportunities through the use of Government assets.

The NRMA supports the Government's ongoing attempts to harmonise legislation to support the future release of Crown land sites for tourism purposes, as well as attempts to improve the operation of its Crown Land Holiday Parks. The NRMA would welcome further investigative works around appropriate Crown land sites for tourism purposes around growing regional centres including the Western Sydney Parklands.

Recommendation

Continue to progress legislative reform to support Crown land release for tourism purposes, including in and around Western Sydney Parklands.

Cruise development plan

The cruise industry is critically important to the NSW economy. Over the past 12 years, cruise passenger expenditure has increased nearly 12 times to reach more than \$1 billion.¹⁴ In 2015, Australian ocean cruise passenger numbers exceeded one million for the first time.

Cruise Lines International Association Australasia's *Cruise Industry Source Market 2015* report points to increasing passenger numbers and visitor expenditure moving forward, with NSW and Australia well positioned to capitalise on growing international demand for cruise product.

In June 2014, the NSW Government announced the production of a 10-year Cruise Development Plan to support and plan for continued vessel and passenger growth. The NRMA supports a clear vision to support the cruise industry and the dispersal of these visitors throughout regional NSW. The NRMA would encourage the Government to finalise and release the plan in 2017-18.

Recommendation

Finalise and release the 10 year Cruise Development Plan.

¹⁴ Australian Cruise Association (2016) *Economic Impact Assessment of the cruise industry in Australia, 2015-16*



Appendix 1

Illawarra Region Projects

The Illawarra area, including Shellharbour and Kiama accommodate 70 per cent of the region's population estimated at 384,000 people. The region generates 10 million tonnes of freight into Port Kembla and seven million tonnes from the Illawarra to Sydney. Population growth and population concentration is leading to increased local congestion during peak periods, and major freight movements will require increased network capacity. To address congestion in the Illawarra region, the NRMA urges the NSW Government to increase funding for a number of crucial road infrastructure projects. These include:

- Construction of climbing lanes on the Princes Highway at Mt Ousley Road.
- Construction of an interchange on the Princes Highway at Mt Ousley.
- Appin Road safety improvements.
- Picton Road safety improvements.
- Bulli Pass road upgrades.

Further information about the NRMA's Illawarra priorities can be found at Annexure 1.

Hunter Region Projects

The NRMA's *Get the Hunter Moving* report identified a number of key transport initiatives that should be actioned by the NSW Government to improve the road network, reduce travel times and provide better road safety outcomes. The NRMA's report identified that \$3 billion in additional infrastructure investment is required to further develop the Hunter region. These projects include:

- Completion of the intersection upgrade of the Pacific Highway at John Renshaw Drive.
- Progress the M1 Pacific Motorway extension to Raymond Terrace.
- Complete the Newcastle Inner City Bypass between Jesmond and Rankin Park.
- Fast-track the Lake Macquarie Integrated Transport Centre at Glendale.
- Commit further funding to improve Hunter Valley Wine Roads.
- Commit further funding to New England Highway Bypasses and road and rail upgrades.

Further information about the NRMA's Hunter priorities can be found at Annexure 2.

Central Coast Projects

The population of the Central Coast region will increase by 25 per cent to over 400,000 people within the next 25 years. To accommodate this future population growth, additional investment in road infrastructure is urgently required. The NRMA's *Get the Central Coast Moving* report identified key future transport initiatives that need to be actioned for the Central Coast over the next 30 years. These projects include:

- Upgrade the Pacific Motorway between Kariong and Somersby interchanges.
- Widen the Pacific Motorway between Tuggerah and Doyalson interchanges.
- Finalise planning of the upgrade of the Pacific Highway between Narara and Wyong.
- Expedite road upgrades around the Wyong Town Centre.
- Expedite planning for the Warnervale Town Centre and Link Road.

Further information about the NRMA's Central Coast priorities can be found at Annexure 3.

Regional NSW Road Upgrade Projects

The road network in regional NSW carries a significant portion of the freight task, and in many instances offers substandard roads. This freight task is projected to nearly double to 794 million tonnes within twenty years. As a result of increased heavy vehicle usage, additional funds are required by local councils to adequately maintain the regional road network. The NRMA believes it is essential that regional roads and highways secure appropriate funding to ensure better travel times and improved road safety outcomes. To achieve these outcomes, the NRMA has developed a comprehensive list of regional infrastructure projects that require funding from the NSW Government, detailed in Annexure 4.

Annexure 1 – Illawarra Road Upgrade Initiatives

Projects	Nature of Investment
M1 Princes Motorway (Mt Ousley Road) Climbing Lanes	<p>The project would provide additional lanes, increasing both safety and capacity along the corridor, improving freight efficiency, connectivity and productivity within the Wollongong and Illawarra regions. The NRMA urges the NSW Government to work with the Australian Government to double the initial joint allocation of \$84 million and start construction in 2017-18, to build climbing lanes on the M1 Princes Motorway between Picton Road and Bulli Tops.</p>
Picton Road Safety Improvements	<p>The Picton Road \$53 million road safety improvement package was completed in late 2013. The NRMA welcomed this completion. A new package of works is now required to improve road safety on a number of untreated sections on Picton Road. These five sections are as follows:</p> <ol style="list-style-type: none"> 1. Hume Motorway interchange - Preliminary planning is currently being undertaken for an upgrade of the interchange with the Hume Motorway. 2. Mount Ousley Road to Mount Keira Road - Design of a median barrier and curve improvements. 3. Cordeaux Colliery to Cordeaux Dam - Design of a median barrier and extending the existing overtaking lane. 4. Cordeaux Dam to Macarthur Drive - Design for road widening, installing a median barrier and shoulder improvements. 5. Macarthur Drive to Janderra Lane - investigating options to separate both eastbound and westbound traffic to improve road safety. <p>The NRMA recommends the NSW Government to commit funds to undertake the road safety improvements on these sections of Picton Road.</p>
M1 Princes Motorway Interchange at Mt Ousley	<p>The NRMA welcomed the \$1 million allocation in the 2016-17 Budget to start planning for an interchange on the motorway at the base of Mount Ousley. The interchange would replace the existing M1 / Mt Ousley Road intersection at the base of Mt Ousley. This would improve road safety at this location while also addressing future traffic growth. A third southbound lane would improve access to and from the Princes Motorway and the Wollongong CBD and provide safer interactions between cars and trucks.</p>
Bulli Pass Upgrade	<p>The potential upgrade of the road at Bulli Pass would provide an improved escarpment crossing and an efficient and safe alternative to Mt Ousley Road. The NRMA recommends that the Government commit funds under proposed planning investigations and then upgrade the road.</p>

Annexure 2 – Hunter Road Upgrade Initiatives

Projects	Nature of Investment
M1 Pacific Motorway	The Motorway – Weakleys Drive and John Renshaw Drive intersection requires a safety upgrade to improve access on to and exiting the Hunter region. The NRMA asks that an allocation from the \$400 million committed to the M1 Pacific Motorway productivity package, by both NSW and Australian Governments is committed to construct this project.
M1 Pacific Motorway to Raymond Terrace Upgrade	<i>The 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 M1 Pacific Motorway, south of John Renshaw Drive, and the Raymond Terrace bypass.</i> This upgrade will include an additional crossing of the Hunter River. The planning of this project should be expedited to construction. The NRMA believes it is imperative that funds be available to commence construction of this important part of the National Network.
Newcastle Inner-City Bypass	The NSW Government announced in June 2014 that it would complete the \$280 million Rankin Park to Jesmond section of the Newcastle Inner City Bypass. \$150 million was allocated to the project from Restart NSW funds. The NRMA believes the final designs must include additional access points at McCaffrey Drive to improve access to the hospital and prevent congestion for local residents. <i>The NRMA recommends the NSW Government to complete the preconstruction works for the Jesmond to Rankin Park section of the Bypass and confirm construction funding in the 2017-18 and 2018-19 Budgets.</i>
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. The proposed Pennant Street Bridge, new train station and transport interchange at Glendale, require funding to complete project design and start construction. The 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.
Hunter Valley Wine Country Roads	The majority of wine roads are maintained by local councils. For many of these roads, little or no funding is available for road upgrades. Along with increased tourism, the demand placed on these local roads has resulted in a marked deterioration in the quality of the road network. <i>The NRMA recommends a further \$20 million be committed to the Hunter Valley wine roads through the Hunter Infrastructure and Investment Fund.</i>
New England Highway Bypasses and Road – Rail Upgrades	Roads and Maritime Services is carrying out a number of improvements on the New England Highway. The NRMA asks that \$20.1 million in planning funding committed to five listed projects in 2016-17 Budget, will result in the construction of the the Muswellbrook bypass; Scone bypass; Singleton rail underpass; and Singleton bypass in 2017-18.

Annexure 3 – Central Coast Road Upgrade Initiatives

Projects	Nature of Investment
Pacific Highway	The Narara to Wyong corridor is currently in various planning and community consultation stages. The 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 Highway from Narara to Wyong.
Wyong Town Centre	RMS is currently finalising the preferred option investigations to inform future planning and development of the Wyong town centre. The NRMA urges the NSW Government to expedite this priority project.
Warnervale Town Centre and Link Road Developments	The NRMA urges the NSW Government to expedite the planning for the development of Warnervale Town Centre and the Link Road. This should include high-grade rail and bus connectivity to improve the flow of traffic both around and into the town centre.

Annexure 4 – Additional Road Upgrade Initiatives

Highway/Road/Route	Nature of investment
1. South West and Riverina Region	
Olympic Highway	Need to improve the condition of the Highway and the construction of town bypasses to provide safe and efficient links for motorists and freight.
Sturt Highway	Need to improve the condition of the Highway to provide a safe and efficient link between regional centres.
Tumut Rd, Tumbarumba to Tumut	Primary timber haulage routes require upgrading to service heavy vehicle traffic.
2. Far North Coast and Northern Rivers	
Bangalow Lismore Rd, Bangalow to Lismore	Upgrade needed to accommodate increasing levels of commuter traffic and reduce the current safety risks for motorists.
Kyogle Road, Kyogle to Murwillumbah	Upgrade needed to improve inland links for freight, tourism and commuter traffic.
Nimbin Rd, Nimbin to Lismore	Upgrades are required to accommodate local traffic and tourists.
3. North West and New England	
New England Highway	Requires widening and realignment to meet ongoing safety requirements and greater volume of freight traffic. In particular: <ul style="list-style-type: none"> • Tenterfield Heavy Vehicle by-pass is required to divert heavy traffic away from the centre of town. • Bolivia Hill Upgrade - between Glen Innes and Tenterfield.
Oxley Highway	This highway is a State road that connects Port Macquarie with Coonabarabran. The section between Port Macquarie and the New England Highway junction requires: <ul style="list-style-type: none"> • Bridge widening. • Road realignment and sharp turns straightening. • Road capacity expansions.
Gwydir Shire Road 212 (Clifton Hill Road)	This road requires maintenance.
Thunderbolts Way, Gloucester to Walcha	Requires continuing upgrade.
4. South Coast	
Araluen Road, Braidwood to Moruya	Requires upgrading to reduce current risks to motorists.

Highway/Road/Route	Nature of investment
Beach Road/George Bass Drive, Batemans Bay to Moruya	The route carries heavy traffic especially during the holiday season and requires upgrading to ease congestion.
5. Hunter Region	
Bucketts Way, Twelve Mile Creek to Gloucester	Requires further upgrade.
John Renshaw Drive, Kurri Kurri to Beresfield	Several sections of this route require maintenance and/or upgrade.
Bareki Road/Macquarie Drive, Elebana	Requires work to address dangerous bends, traffic volumes and safety concerns.
6. Central West and Western Plains	
Jenolan Caves Road	This major tourist route requires upgrades to improve safety.
Renshaw McGirr Way, Wellington to Parkes	Unsealed section requires State funding support.
Castlereagh Hwy, Lithgow to Mudgee	This important tourist link for the Mudgee and Blue Mountains regions requires road improvements.
7. Southern NSW	
Barton Highway	Commit funds to duplicate the remaining 33 kilometres of single carriageway on the Barton Highway.
Monaro Highway	There is a need for more passing lanes and safe overtaking opportunities along this route.
Snowy Mountains Highway	Requires general widening and upgrading to improve safety conditions.
Cooma Rd/Badja Rd/Numeralla Rd, Braidwood to Cooma	Overall road quality and safety needs to be addressed.
8. Tourist Routes in NSW	
Wombeyan Caves Road, Canberra Wineries roads, Tharwa-Adaminaby Road, Ando-Dalgety Road and Yaouk area roads	The poor quality of key tourist route roads needs to be addressed.

