



NRMA Federal Budget Submission

2020–21

Table of Contents

Table of Contents	2
Centenary of the NRMA	3
Priorities for the NRMA	4
Regions.....	4
Mobility.....	4
Future.....	4
Key Recommendations	5
Infrastructure & Services Development	6
Metropolitan	7
Roads.....	7
Transport.....	7
Regional	8
Airports.....	8
Faster Rail.....	8
Infrastructure Audit.....	9
Inland Rail	9
Roads.....	9
Road Safety	10
National Road Safety Strategy	11
Programs.....	11
Rest Stops.....	11
Tourism Development	12
Are We There Yet?	13
Infrastructure	13
Passenger Movement Charge	14
Tourism Australia	14
Visa Processing.....	14
Transport Technology	15
Electric Vehicles.....	16
CAV Readiness.....	16

Centenary of the NRMA

For 100 years, the NRMA has kept people moving. We've adapted to the rapidly changing world around us in order to better serve our Members and the community. As we celebrate our centenary in 2020, we're looking to new horizons in order to continue our legacy and to keep giving back.

From road safety to transport access, inclusion, cost of living and more, the NRMA has always strived to lead positive change. And considering the challenges that lie before us, our focus today is on taking action towards reconciliation and promoting diversity and inclusion within our business, and building a strong and sustainable future for those that we serve externally – now and for generations to come.

As the population growth in our cities continues to rise, pollution, affordability issues and congestion become bigger challenges. Even more worrying is the struggle some parts of regional Australia face with declining populations, reduced visitation and a lack of funding and investment – all at a time when many areas battle intense bushfires, crippling droughts and unprecedented floods.

The NRMA has always encouraged and supported people to enjoy the freedom of the open road. We see road trips as a great way to reconnect with loved ones and to discover all that this amazing country of ours has to offer. And this pastime has become even more important today than it was generations ago.

Tourism is a lifeline for regional communities. It provides much needed income and investment to help communities survive and thrive. Eco and cultural tourism have begun nurturing a greater appreciation and respect for our remarkable country. Not only that, it's actually good for the tourist – we all need a break and we can all benefit from reconnecting to nature and to each other.

We're reimagining the Aussie road trip. Giving people more reasons to explore this great land of ours, and to enjoy some amazing experiences while they're at it. And in leading this charge, we can help deliver tangible outcomes for communities that need it.

Our centenary gives us the opportunity to start a movement for a better future for all Australians. We'll provoke forward thinking conversation. We'll invest in regional communities. And we'll open the gates to more unique journeys, experiences and destinations for everyone to discover.



Comments and Queries

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Priorities for the NRMA

The NRMA was built on a foundation of trust, community, discovery and safety. We are committed to advocating for initiatives and investments that deliver on these values. We keep communities moving by supporting the regions, investing in public transport, and investigating future transport solutions to support a dispersed and growing population.

Regions

Intense bushfires, crippling droughts and unprecedented floods have created a tough period for rural and regional NSW. Tight-knit regional communities are facing unprecedented times and are too familiar with seeing underinvestment in infrastructure and services. The NRMA wants these communities to flourish through connectivity, safer roads and tourism opportunities.

Emergency services, drought relief and water security projects, including dams, bores and pipelines, will be critical in the immediate term – beyond this, the NRMA supports a growing focus on regional tourism to underpin economic activity and investment. Regional tourism can provide much needed income and investment to help communities survive and thrive. Our centenary gives us the opportunity to promote the great Aussie road trip while opening up more unique journeys, experiences and destinations for everyone to discover.

Mobility

Integrated transport solutions provide seamless work and leisure journeys that improve connectivity and encourage economic activity at the national and local level. Recognising that motoring costs represent a substantial proportion of the household budget, the NRMA seeks to ensure that communities have access to customer-centric transport that is efficient, reliable and affordable.

In addition to upgrading and improving the national highway network, investment in the land transport network and new infrastructure is required to ensure safety and support future growth. Improved linkages and connections between existing and new transport modes that focus on the customer experience will incentivise use. Through leveraging data and technology, we are becoming better positioned to understand travel patterns and behaviours – these insights should increasingly drive innovation in transport and land-use planning to deliver new mobility solutions.

Future

Through technology and emerging services, the world of mobility and safety is being reimagined. Electrification, connectivity and automation will increasingly offer opportunities to improve the way we move around. Positioning Australia to benefit from these technologies will ensure that new opportunities can be leveraged to deliver benefits to communities and all sectors of the economy.

In the short term, preparing for the transition to electric transport is critical – the looming convergence of the energy and transport sectors demands that we consider policy across the economy as a whole. Preparing for disruption of such magnitude necessitates a proactive approach by government and industry to realise potential benefits and mitigate negative impacts. The NRMA is embracing the future and is on a transformative journey, spearheaded by the current rollout of Australia's largest electric vehicle fast charging network to support the adoption of electric mobility.

Key Recommendations

Infrastructure & Services Development

1. **Commit funding to support metropolitan and regional road and transport priority projects as identified by the NRMA (pages 7 to 9).**
2. **Commit funding to progress planning and delivery of faster rail between Sydney and Canberra, and explore additional faster rail connections to regional and gateway cities, including Newcastle, Gosford and Wollongong.**
3. **Allocate emergency response funding to repair or renew damaged infrastructure and services caused by recent bushfires, droughts and floods.**

Road Safety

1. **Through the Office of Road Safety, fund the development of a national road safety data hub and support a metric for measuring serious injuries.**
2. **Provide additional funding for the National Black Spot Program and the Roads to Recovery Program over the forward estimates.**
3. **Increase the number of driver rest stops and significantly improve the amenities offered.**

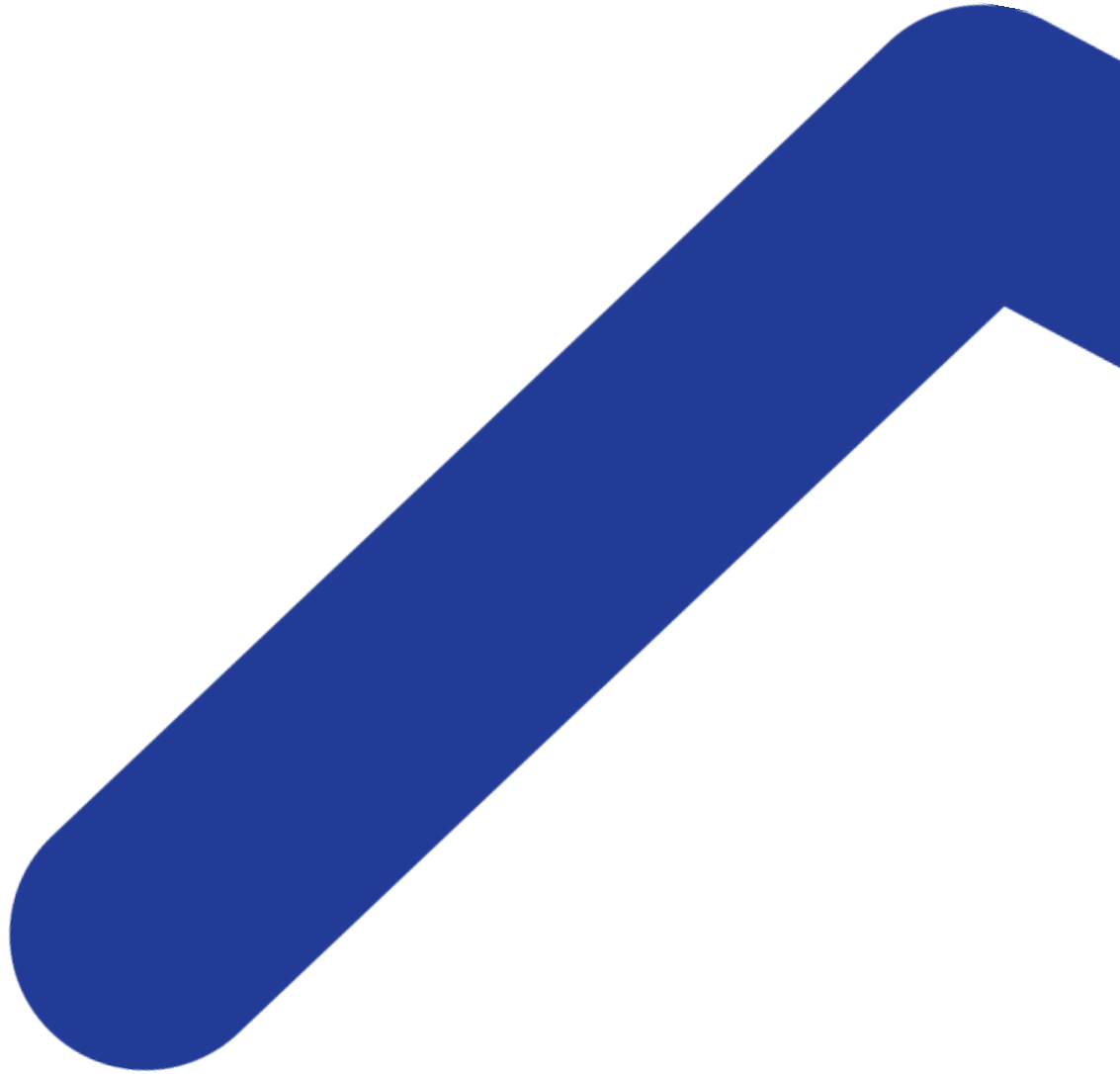
Tourism Development

1. **Commit to the recommendations of Beyond 2020, funding the development of an action plan and initiatives to support tourism sector growth.**
2. **Provide funding of \$110 million over the forward estimates for tourism infrastructure projects in regional Australia, including transformational projects exceeding \$10 million.**
3. **Freeze the Passenger Movement Charge over the current parliamentary term.**
4. **Increase funding for Tourism Australia by \$100 million to focus on key growth and emerging markets.**
5. **Reduce processing times for Subclass 600 visitor visas while maintaining the integrity of the approval process.**

Transport Technology

1. **Provide additional funding to expand the number of electric vehicle fast charging stations along the national highway network.**
2. **Establish a policy and associated fund to incentivise electric vehicle fleet purchases.**
3. **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 provision of nationally significant transport and associated infrastructure and services is required to meet our increasing travel and freight needs in densely populated centres. The safe and efficient movement of people and goods throughout metropolitan areas underpins mobility, encouraging economic activity and improved liveability.

The following 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.

In the case of Canberra Light Rail Stage 2, the project is expected to complement Stage 1 by providing residents and visitors with greater access to businesses, entertainment precincts, Australian National University and Commonwealth Park.

Roads

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

- A3/A6 works package to improve north-south corridor capacity between the Parramatta and Georges Rivers.
- M6 Motorway (partial funding for Stage 2 and 3 – Kogarah to Loftus).
- M12 Motorway between the M7, Western Sydney Airport and The Northern Road to complete the Western Sydney Infrastructure Plan.
- Outer Sydney Orbital Road (M9) corridor preservation to enable future multi-modal use (motorway, freight rail line and passenger rail line).
- Prospect Highway works package to improve capacity between the M4 Western Motorway and Wall Park Avenue, Blacktown.
- Sydney Gateway (partial funding) to advance the WestConnex to Sydney Airport/Port Botany project beyond design and planning.
- Western Harbour Tunnel and Beaches Link (partial funding) to advance the project beyond design and planning.

Transport

The NRMA has identified priority transport projects for metropolitan New South Wales and the Australian Capital Territory:

- Canberra Light Rail Stage 2.
- Outer Sydney Orbital Rail (M9) corridor preservation to enable future multi-modal use (motorway, freight rail line and passenger rail line).
- Parramatta Light Rail Stage 2 (partial funding) to improve the project business case for the NSW Government.
- Port Botany rail duplication to improve line capacity from the terminal and across Sydney's freight rail network.
- Sydney Metro West (partial funding) to advance the project beyond design and planning.
- Western Sydney Airport Rail (Metro) corridor preservation to enable future metro between Parramatta/Westmead and Western Sydney Airport.
- Western Sydney Freight Line corridor preservation and intermodal terminal connection.

Regional

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

Despite being one of the most diverse economies in Australia, many regional NSW towns are facing declining populations, reduced visitation, and a lack of funding and investment for infrastructure and services development – all at a time when many areas battle bushfires, droughts and floods.

In the immediate term, these disasters will necessitate emergency services, drought relief and water security projects, including dams, bores and pipelines. Given associated damages, an audit is supported by the NRMA to identify and prioritise regional infrastructure and services renewal.

Beyond this period, 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.

Airports

The NRMA supports the Australian Government's Regional Aviation Policy Statement initiative, as well as funding for regional airport upgrade and enhancement programs.

Regional aviation acts as a major and critical support for regional transport, tourism, business, health and employment. A strong regional aviation policy – supported by communities, industry stakeholders and governments – will help ensure that regional aviation remains efficient, competitive and sustainable into the future.

Quality airports and airfields and associated infrastructure are needed over the long term to ensure social and economic development throughout the regions.

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, which suggests that optimal staging for east coast high speed rail commences with the delivery of Sydney–Canberra services.

Infrastructure Audit

The NRMA supports the commissioning of an extensive audit to identify and prioritise regional infrastructure and services renewal given the widespread damage caused by recent bushfires, droughts and floods.

Ensuring that infrastructure is assessed and renewed is critical for safety and efficiency. As such, an audit is of the utmost importance for communities who directly or indirectly rely on the movement of people and goods between regional and metropolitan locations.

Emergency response funding to repair or renew damaged infrastructure identified by an audit should be in addition to existing and new funding allocations through the 2020–21 Budget.

Inland Rail

Inland rail is a significant, nation-shaping infrastructure project that has the potential to fundamentally change how freight is moved between hubs on the east coast.

Demand for freight on the Brisbane–Melbourne corridor is expected to increase significantly by 2050, necessitating increased capacity and demand for faster and more reliable transportation.

Inland rail will allow freight to bypass the Sydney metropolitan area, alleviating pressures on two-lane regional roads by shifting a proportion of the freight task to rail. The alignment will particularly improve freight movements between Brisbane, Moree, Parkes, Wagga Wagga and Albury.

Roads

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

- Barton Highway Improvement Strategy (partial funding) to support duplication works and improve safety and efficiency.
- Kings Highway works package (partial funding) to further improve the east-west corridor between the ACT and the NSW South Coast.
- Mitchell Highway works package (partial funding) to improve safety and efficiency between Bathurst and Dubbo.
- New England Highway works package between Wingen and Branxton to support freight movements to the Port of Newcastle.
- Newell Highway works package to support safe and reliable HPV access and use.
- 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).
- Princes Highway Upgrade Program (partial funding) to improve project business cases for the NSW Government.

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



National Road Safety Strategy

The NRMA strives for a future where the road toll is zero, and with the National Road Safety Strategy due for review and renewal, an opportunity exists to improve governance and safety outcomes.

Our past tells us a lot about our future – data is critical in order for industry and government to determine the main causes, locations and treatments to address trends in the road toll.

Significant work has begun in NSW to improve road trauma data, with TfNSW matching data from NSW Health, the State Insurance Regulatory Authority, iCare NSW and the NSW Police Force. This provides a more holistic picture of serious injuries on NSW roads. Despite this data improvement, however, 45 per cent of crashes in NSW remain unmatched, meaning we only have half the picture.

Australia needs a national system for measuring serious road crash injuries to appropriately inform infrastructure investment and road safety initiatives, and that is why **the NRMA supports the development of a national road safety data hub and metric for measuring serious injuries**. This initiative should be a key area of focus for the newly established Office of Road Safety in 2020.

Improved data and knowledge about crashes should also be a core focus of the renewed federal safety strategy as this information will enable a more holistic and strategic approach to road safety.

Programs

The NRMA supports the Australian Government's 2019–20 increase in funding for the Roads of Strategic Importance Program to connect regional communities and businesses with domestic and international markets. While this is the underlying intention of the program, road and infrastructure upgrade works also support improved safety outcomes.

The National Black Spot Program and the Roads to Recovery Program are more specifically aimed at safety, and **the NRMA supports greater funding for these programs over the forward estimates**.

In NSW, more than \$1 billion was committed by the NSW Government in response to the NRMA's *Funding Local Roads* report. While this funding will help to improve the standard of roads across the state, more is needed to combat fatalities and serious injuries caused on regional NSW roads.

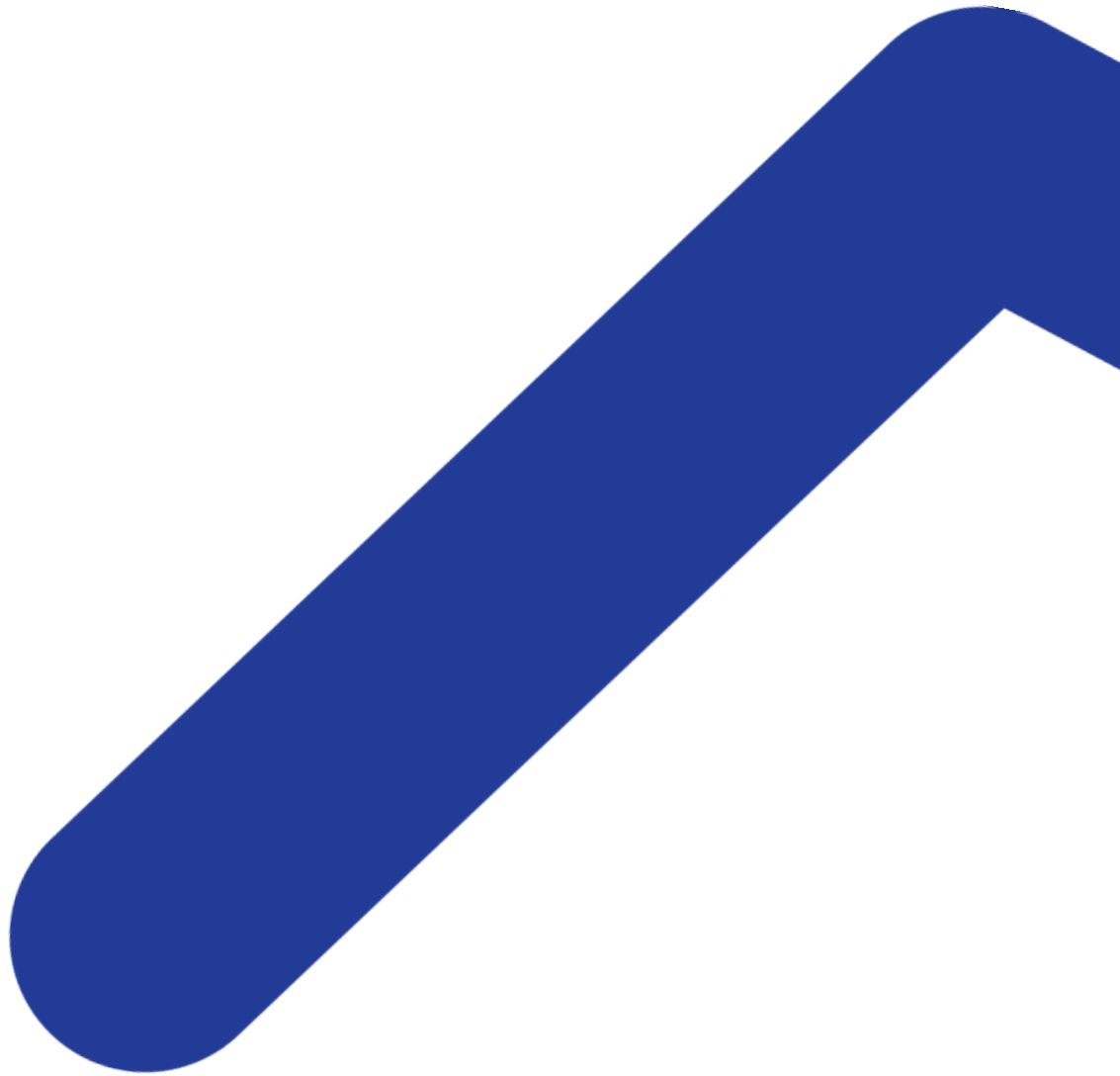
Rest Stops

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.

Tourism Development



Are We There Yet?

Tourism is our largest services export, contributing more to GDP than wheat and beef combined. The sector employs nearly 600,000 Australians – more than mining, agriculture or banking. More than 50 per cent of these jobs are concentrated in regional Australia.

The NRMA's 2018 *Are We There Yet?* report revealed the tourism industry could contribute \$150 billion to the economy by 2029–30 if the right level of investment and promotion occurs.

Despite these figures, the sector is still not recognised as the economic powerhouse it truly is – and the NRMA wants this to change.

The NRMA believes that sector reform and focus is long overdue. Tourism should be recognised as an 'Industry Growth Centre' with an associated action plan to increase collaboration and improve competitiveness.

As we approach our Tourism 2020 target, we need to evaluate our performance and set the next targets that will guide future growth. Encouraging international visitors beyond our major gateways must be a priority to support economic activity and renewal in our regions.

The NRMA supports a government commitment to the recommendations of Beyond 2020, funding the development of an action plan and initiatives to support the tourism sector's future growth. Visitation targets must be set, including targets for regional Australia, with the sector's performance evaluated to make sure targets are achieved.

The NRMA's tourism roadmap, *Are We There Yet?*, and state-based reports can be accessed at www.mynrma.com.au/community/corporate-information/reports-and-submissions.

Infrastructure

Our regions are home to many of the iconic, natural attractions that are synonymous with travel in Australia. We need to create opportunities for visitors to meaningfully engage with our local communities and natural environment in sustainable ways.

Our visitor infrastructure plays an important part in facilitating travel, aiding discovery and creating engagement while people are visiting Australia. But our visitor infrastructure is tired, and this affects the experience and perception of the country as a great destination to visit.

Funding for tourism infrastructure under programs such as the Building Better Regions Fund and Regional Growth Fund need to be consistent and ongoing, providing greater certainty to operators and Destination Networks to plan and structure their grant applications appropriately.

Administrative support for businesses making applications is also required to guide operators through the process, which can often prove onerous and foreign to small business owners.

The NRMA supports funding of \$110 million over the forward estimates for tourism infrastructure development projects in regional Australia, including transformational local projects which exceed \$10 million.

Passenger Movement Charge

Australia is an expensive, long-haul destination that features on the bucket list of many international visitors, however the cost of access can deter travel.

Australia's Passenger Movement Charge is now among the most expensive in the world at \$60, with no mechanism in place to hypothecate revenue to the tourism sector.

The NRMA supports a commitment from the Australian Government that the Passenger Movement Charge will not be increased within the current parliamentary term. In addition, the NRMA supports a review of the charge which takes into full consideration the economic impact on the tourism sector. Ideally, the charge should be used to encourage a greater number of inbound international travellers.

Tourism Australia

According to Tourism Australia's 2014 submission to the Productivity Commission, every dollar spent on tourism promotion generates a further \$15 in visitor expenditure.

The successful Restaurant Australia campaign saw the international visitor spend on food and wine increase by 38 per cent to \$5.8 billion, and the perception of Australia as a destination for food and wine among those who haven't travelled to Australia increase from 10th to 8th.

Chris Hemsworth's involvement in the coast and aquatic campaign generated \$55 million in media exposure, while the Crocodile Dundee campaign reached 890,000 potential travellers on social media, generating \$74 million in advertising value.

However, as competition intensifies from neighbouring destinations, the buying power of the international tourism marketing spend diminishes.

Tourism Australia's budget has not been maintained in real terms, with funding to promote Australia now lower than some state government allocations.

Given the importance of tourism promotion to our regions and economy, **the NRMA supports a \$100 million increase in funding for Tourism Australia to focus on key growth and emerging markets.**

Visa Processing

The processing times for Subclass 600 visitation visas need to be significantly reduced to remove a major tourism and visitation barrier. Uncompetitive processing times for these types of visas essentially makes Australia less desirable for potential travellers who have multiple travel options.

Approved Destination Status (Subclass 600) and eVisitor (Subclass 651) visas can generally be obtained within a few days, however other Subclass 600 visas, including the Tourist Stream Subclass 600, can take weeks or even months.

Given this barrier to visitation, **the NRMA supports a significant reduction in processing times for Subclass 600 visitor visas while maintaining the integrity of the approval process.**

Transport Technology



Electric Vehicles

By 2040, electric vehicles are projected to account for 70 per cent of new vehicle sales and 30 per cent of the vehicle fleet in Australia. Currently, there are approximately 2,300 electric vehicles on Australian roads.

Moving from internal combustion engines to electric vehicle technology will result in nationally significant fuel and maintenance cost savings, and environmental benefits.

However, lack of access to charging stations has been identified by around two-thirds of motorists as a key barrier to the adoption of electric vehicles. Australia currently has less than 800 charging stations, of which approximately 70 are fast charging. The NRMA is doing its part to support electric mobility and has committed a minimum of \$10 million to build one of Australia's largest networks.

Other key barriers to the adoption of electric vehicles include the currently high vehicle prices, model availability, and the distance over which they can travel on a single charge.

Establishing fast charging stations on the national highway network will help to overcome consumer anxiety about range. It is expected that the distance vehicles can travel on a single charge will continue to improve with technological advancements, and that vehicle prices will reduce as production scale increases and the cost of batteries reduces.

National policies and regulation to complement the rollout of fast charging infrastructure would reduce the risk of competing standards and redundant investments, and maximise interoperability.

In addition to the greater provision of fast charging infrastructure, the NRMA supports policies that reduce the cost of electric mobility.

The Luxury Car Tax was designed to help protect domestic vehicle manufacturing and should now be removed for electric vehicles. **The NRMA also supports government funding to incentivise private fleet purchases as these act as an important feed-in to the second-hand market.**

CAV Readiness

Electric vehicles will underpin Connected and Automated Vehicle (CAV) technology. In addition to infrastructure investment, 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.

As well as charging infrastructure and skills readiness, 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 would provide important learnings and help to prepare Australia for the future of mobility, which will increasingly be electric, connected and automated.

