

# MOTORING MATTERS *Factsheet*

## The Case for Further AusLink Funding



GPO Box 1555  
216 Northbourne Ave  
Canberra ACT 2601  
T: +61 2 6247 7311  
F: +61 2 6257 5320  
E: [aaa@aaa.asn.au](mailto:aaa@aaa.asn.au)  
W: [www.aaa.asn.au](http://www.aaa.asn.au)  
ABN: 25008 526 369

### Current Situation

- ▶ The AusLink road network plays a critical role in Australia's economy and community by complementing rail and air transport and supporting freight and passenger movements for business, educational and recreational purposes vital to society and the economy;
- ▶ The Commonwealth Government has committed to spend \$22.3 billion on road and rail projects under AusLink 2 from 2009/10 to 2013/14 (2007 Federal Budget). The allocation between road and rail is not yet decided – an allocation of \$20 billion to roads would be the equivalent of 10cpl returned on the 38cpl paid in fuel excise;
- ▶ New AusLink arrangements require State and Territory Governments to contribute towards all work on the National Network (including on the former national highway system) and to carry the risk of any cost escalations in road projects.

### What AAA Wants

- ▶ Increase the roads component of AusLink 2 to \$25 billion in 2007 dollars - this returns 12cpl of fuel excise on roads;
- ▶ Reasonable cost escalations to be shared between Federal and State governments, in accordance with initial agreed funding shares, to ensure projects are delivered on time and on budget;
- ▶ AusLink 2 to be expanded to include road projects to relieve urban traffic congestion;
- ▶ AusLink 2 to include 3 dedicated road safety programs comprising:
  - ▶ \$100m per year for an expanded Black Spots program;
  - ▶ \$100m per year for a Black Links program on the AusLink national network;
  - ▶ A regional road safety element of \$100m per year to the Roads to Recovery program.

### Why We Want It

- ▶ Development of Australia's road network has lagged behind the needs of our community and economy - 53% of the AusLink network has an unacceptable AusRAP safety rating of 3 stars or less;
- ▶ The backlog of national and state road projects is more than \$10b (CEDA, April 2005, Infrastructure: Getting in with the job);

Constituent  
Member



*Help when you need it most.*



- ▶ The Federal Government has joint responsibility with state governments in providing a safe and efficient road and rail network, which includes sharing all reasonable variations in the cost of projects;
- ▶ There is a severe mismatch of revenue capacity and expenditure - the Commonwealth collects the majority of tax revenue but states and territories are responsible for most infrastructure, such as roads. This infrastructure should be supported by the Commonwealth both economically and fiscally - only the Commonwealth can overcome this mismatch;
- ▶ Traffic congestion is increasing significantly in many of Australia's major urban areas. Federal and state governments have a shared responsibility to relieve this congestion by using AusLink 2 funding to upgrade critical urban arterial roads, many of which link with the AusLink network;
- ▶ The Bureau of Transport and Regional Economics estimates the avoidable costs of traffic congestion in Australian capital cities to be approximately \$9.4 billion in 2005 (BTRA Working Paper 71, 2007);
- ▶ Public polling by AAA has consistently shown public dissatisfaction with the level of fuel excise returned to improve the road network (ANOP Survey into Driver Attitudes 2007);
- ▶ Australia's economy depends heavily on an efficient and safe road network – an increased investment in roads promotes economic growth;

## How We All Benefit

- ▶ Road improvements deliver major benefits in reducing road deaths and injuries - 5 people die each day on Australia's roads and it is estimated this road trauma costs the Australian economy \$17 billion a year (Australian Centre for Economic Research on Health, 2006);
- ▶ Improving the road infrastructure will deliver nearly 50% of the NRSS target for reduction of road deaths (National Road Safety Strategy).
- ▶ Reduced congestion lowers the impact from vehicles on climate change and reduces air pollution and lowers motoring costs;
- ▶ A more efficient road network lowers vehicle operating costs (especially fuel consumption) and travel times for both private motorists and business.

