

27 January 2023

The Honourable Jim Chalmers MP
Treasurer
PO Box 6022
House of Representatives
Parliament House
Canberra ACT 2600

CC:

The Honourable Chris Bowen MP, Minister for Climate Change & Energy
The Honourable Ed Husic MP, Minister for Industry & Science
The Honourable Catherine King MP, Minister for Infrastructure, Transport and Regional Development of Australia
Senator Hon Murray Watt, Minister for Emergency Management, Agriculture, Fisheries & Forestry
Treasury Portal

Dear Treasurer

RACQ submission to the 2023/24 Commonwealth pre-budget

RACQ is pleased to provide this pre-budget submission to the Commonwealth Government. Please note that this letter is a separate submission to national items detailed in the Australian Automobile Association (AAA) Commonwealth pre-budget submission.

RACQ represents nearly 1.8 million Queensland members, and our submission urges the Commonwealth Government to help save lives, build and strengthen our roads, improve sustainability and resilience, and support affordable transport for Queenslanders.

RACQ has welcomed the Commonwealth Government's commitments to key land transport infrastructure including the Bruce Highway, the Federal Road Safety Program and Black Spot Program, action on disaster recovery and resilience funding, and introduction of a National Electric Vehicle Strategy with investment toward delivering an electric vehicle charging network.

These actions will save lives, improve productivity, help the transition to decarbonising the transport sector and enhance disaster resilience and recovery in communities.

To harness the emerging opportunities for our State, such as the 2032 Olympic and Paralympic Games and cater for the continuing high population growth of Queensland, we need a clear vision, a committed pipeline of improvements and adequate funding to support delivery.

Through consultation with our members, as well as policy and infrastructure analysis, RACQ has developed a set of key policy and project recommendations which can assist the Commonwealth in creating economic stability and growth, improving community safety and wellbeing, reducing climate/emission related risks, and supporting sustainable job generation.

This submission calls on the Commonwealth Government to consider and adopt the following recommendations to deliver safe, sustainable, resilient, and liveable communities for Queenslanders. We address opportunities across eight topics including:

- Natural disaster mitigation and resilience
- Transport safety, productivity and sustainability
- Regional road safety
- Catering for Queensland's high population growth now and into the future
- Rail infrastructure and railway level crossing upgrade program
- Cycling and active transport including Brisbane Green Bridges



- Future fuels and motoring taxation reform
- Energy and renewables.

1. Natural disaster mitigation and resilience (Emergency Management and Regional Development)

Queensland is the state which suffers the most damage from natural disasters. The state's total losses from extreme weather since the 1970s were around three times those of Victoria and 50 per cent greater than New South Wales¹.

RACQ calls on the Commonwealth Government to ensure Queensland receives its fair share of funding for disaster mitigation and resilience. Our state incurs 60 per cent of the total cost of Australia's natural disasters², so Queensland's share should be somewhere near this proportion of federal funding to mitigate the risks. A funding proportion based on Queensland's population share will be a significant under-investment.

RACQ commends the government for its \$200 million per year commitment into disaster mitigation and resilience, through the establishment of the Disaster Ready Fund. We look forward to participating in the Hazard Insurance Partnership to ensure investments are directed to where they are needed most and that there is a solid return on taxpayers' investment.

The gathering and use of good data to make informed decisions is important, but that should not come at the expense of timely investment. RACQ urges the government to accelerate assessment of applications to the Disaster Ready Fund, and immediately fund "shovel-ready", risk-reducing projects like the Bundaberg Flood Levee.

All levels of government need to work together to review land use planning and zoning rules so that we do not keep adding homes to areas at risk of flood and other natural events, which put more people in harm's way. Building codes also need to be strengthened to ensure homes are built strong enough to withstand the increasing frequency and severity of natural disasters.

RACQ also calls for increased funding for private household mitigation and resilience programs. We welcomed the \$741 million Resilient Homes Fund (for flood), jointly funded by Australian and Queensland Governments; and Queensland's popular Household Resilience Program (for cyclone), which was oversubscribed in its first two rounds. This has shown that there is an undeniable appetite from Queenslanders to invest in making their homes more resilient, with a helping hand from government.

Federal incentives and assistance are required for states and territories to provide public disaster mitigation measures, and for local governments to invest in flood and storm surge studies and resilience analysis.

A national building register should be developed to capture and codify standards for resilience and mitigation measures built into new and retrofitted properties.

In addition to these recommendations, RACQ calls on the Commonwealth Government to consider strengthening accountability mechanisms and measures with state and local governments to ensure disaster mitigation and reliance funding is better coordinated and delivering the intended community outcomes and benefits. Genuine trilateral and effective governance and leadership are essential for success in creating resilient cities and regions. A good example where there has been success in trilateral accountability is the delivery of the *City Deal* agreements.

¹ Climate Council, 'The Great Deluge: Australia's New Era Of Unnatural Disasters', *Climate Council*, 2022, <https://www.climatecouncil.org.au/resources/the-great-deluge-australias-new-era-of-unnatural-disasters/> (accessed 19 January 2023).
² Deloitte Access Economics, 'Building Resilience to natural disasters in our states and territories', *Australian Business Round Table*, 2017, http://australianbusinessroundtable.com.au/assets/documents/ABR_building-resilience-in-our-states-and-territories.pdf (accessed 19 January 2023).



2. **Energy and renewables** (for Climate Change and Energy, Industry and Science, and Treasury)

We encourage the Commonwealth Government to look for opportunities to support localised renewable energy production, storage and use in addition to large infrastructure projects.

By investing in the power of place and community through Distributed Energy Resource (DER) technologies like virtual power plants there is an opportunity for a more distributed and efficient energy sector that empowers communities and creates shared value.

The global success of rooftop solar in Queensland already makes it Australia's largest power plant. Collectively we must take advantage of our community's appetite for transformational change and continue to lower the cost of entry for renewable energy systems and provide incentives that see homeowners as energy generators and providers, instead of just consumers. Together we can catalyse and leverage distributed energy resources across homes and communities to efficiently meet Australia's energy demand.

Helping Queensland communities become more resilient, and supporting our members through this transition to renewables, is core to RACQ's 2030 strategy. Queenslanders are becoming more conscious of their carbon footprint and since the launch of RACQ Solar, we have seen significant demand from our members for new renewable energy solutions to meet their changing home and mobility needs.

RACQ calls on the Commonwealth Government to continue to provide ARENA funding to support and trial emerging charging, fuel, energy storage and energy production technology and networks (e.g., solar, virtual community batteries, micro-grids).

3. **Transport safety, productivity, and sustainability** (for Infrastructure, Transport and Regional Development)

In 2022, Queensland recorded 299 fatalities on our roads, our worst road toll in more than a decade. It continued an increasing trend in recent years, with concerns in regional Queensland. In addition, the increasing number of serious injury crashes in Queensland continues to be a significant issue. Queensland is not on track to meet targets set under the National Road Safety Strategy (NRSS) and Queensland Road Safety Strategy of reducing the annual number of fatalities by at least 50 per cent and serious injuries by at least 30 per cent by 2030.

Investing in better, safer roads pays for itself many times over, in terms of limiting the recurring cost of deaths and serious injuries, welfare payments and hospital and health care expenses. While RACQ has welcomed the \$3 billion Federal Road Safety Program, there are no firm commitments to continue this worthy program.

RACQ recommends the Commonwealth deliver greater investment towards regional road projects that improve safety and productivity of regional roads, where approximately two-thirds of fatal crashes occur. The fatality rate per capita in regional areas is also significantly higher than for urban areas. Regional roads are typically high speed and lack the safe design features of urban roads.

Low cost, high benefit treatments such as those approved under the Federal Black Spot Program and the \$3 billion Federal Road Safety Program have been shown to deliver reductions in road trauma and good return on investment, often with much higher value (benefit:cost ratios) than costly, localised, large scale road upgrades in urban areas. If we are to reduce road trauma across Queensland's vast road network, we need an integrated approach including greater police resources, road behaviour change (education), and also programs that will deliver on the engineering component – that is building safe road infrastructure across significant lengths of regional roads.

This could be considered a 'fix, finish and extend' strategy for the existing regional road network, building on what is already there to reduce the road toll and serious injuries as well as improve connectivity, accessibility and productivity. This includes addressing Queensland's road maintenance backlog, rehabilitating and strengthening regional roads which are unable to cope with increasing traffic and the increasing frequency and severity of extreme weather and other natural events.



RACQ calls on the Commonwealth Government for a significant shift in the quantum of road investment dedicated to regional road and safety improvement projects, and maintenance, rehabilitation and strengthening projects across Queensland. This call is further detailed in the *Regional road safety* section below.

With a population forecast of 5.9 million by 2050 for southeast Queensland (SEQ), there will be an increasing demand and ongoing investment required for transport infrastructure. A well-functioning transport system is fundamental to achieving a resilient network and sustainable communities. Recent surveys of RACQ members on SEQ transport indicate a desire to focus on improving and completing existing infrastructure.

Due to SEQ experiencing most of the state's population growth following the mass advent of cars post war, Brisbane has a relatively smaller rail network compared to Sydney and Melbourne. The new and additional public transport infrastructure capital expenditure required for a growing 'younger' city region like Greater Brisbane and SEQ, is therefore much higher than older cities. Further, given SEQ will continue to see a significant increase in population and transport activity, partially driven by the 2032 Olympic and Paralympic Games, practical short to medium term public transport investment is urgently required to 'fix, finish and extend' existing infrastructure.

4. Regional road safety (for Infrastructure, Transport and Regional Development and Emergency Management)

RACQ is calling for the Commonwealth Government to provide additional funding for critical road safety and communications programs that are outlined below:

- doubling the annual investment in the over-subscribed Black Spot Program (Crashes) over the next four-year budget
- continuing investment in the Mobile Black Spot Program (Communications in disasters and Cooperative and Automated Vehicle Initiatives (CAVI's))
- continuing to fund the Federal Road Safety Program beyond the current \$3 billion program to deliver low-cost, high-benefit mass-action engineering treatments across Queensland
- increasing and accelerating other funding for regional road productivity improvements in Queensland as prioritised and delivered through multiple programs, including but not limited to, Roads of Strategic Importance (ROSI), Heavy Vehicle Safety and Productivity Program (HVSP), Bridges Renewal Program, Roads to Recovery, and Regional Economic Enablement Fund (REEF)
- increasing maintenance funding agreements with the Queensland Government to more adequately maintain as well as rehabilitate and strengthen National Land Transport Network (NLTN) roads, reducing the maintenance backlog in Queensland and improving resilience to future damage; and this can also apply to road funding allocated under betterment initiatives after disaster events
- committing to the Bruce Highway Trust and providing additional average annual funding of 50 per cent to fast track all safety, capacity and flooding projects under the Bruce Highway Upgrade Program (15 year) and Bruce Highway Trust, with increases from average \$800 million to \$1.2 billion average annual Federal contribution.
- accelerating delivery of the Inland Highway (Inland Freight Route) project by bringing forward budget contributions
- committing funding to fast-track Warrego Highway additional lanes, safety improvements, interchange upgrades and service road improvements between Ipswich and Toowoomba.



5. **Catering for Queensland's high population growth now and into the future** (for Infrastructure, Transport and Regional Development)

Queensland is now the fastest-growing state in the country³ which requires coordinated planning and investment from both Australian and Queensland governments. We call on the Commonwealth Government to consider and implement the policies outlined below.

Commitment is required to co-fund infrastructure for the 2032 Olympic and Paralympic Games under a 50:50 sharing agreement with the Queensland Government. This should include infrastructure and Intelligent Transport Systems (ITS) solutions for electric vehicles (EVs) and cooperative, connected and autonomous vehicles, ensuring that it does not lessen regional road funding.

Funding commitments are required for construction of the multi-modal Coomera Connector Stage 2 project (Coomera to Logan Motorway) in forward year budget estimates after completion of the business case in late 2023, to seamlessly follow on from Stage 1 to relieve pressure on the M1.

Funding is also required for comprehensive interchange upgrades (e.g., Exits 38 and 45) and Smarter Motorways projects (e.g., ramp metering, variable speed limits) along the existing M1 from Brisbane to the New South Wales Border.

Another priority is the Centenary Motorway Capacity project which requires additional lanes/widening, interchange and safety upgrades between Ipswich Motorway and Toowong/Legacy Way tunnel.

The Ipswich Motorway requires committed funding in future year budgets for business case delivery and construction of the remaining section between Oxley and Darra. This should include planning and design of future capacity needs and upgrades from Riverview to Gables.

Funding for upgrades to Brisbane's Outer Ring Road system is needed before the 2032 Olympic and Paralympic Games, including Logan Motorway (Gables to Larapinta) and Gateway Motorway (Old Cleveland Road to Pacific Motorway).

RACQ also calls for the government to provide additional funding to fast-track capacity, safety and flooding upgrades identified in the Mount Lindesay Highway 10-year forward plan (2018-2028).

6. **Rail infrastructure and railway level crossing upgrade program** (for Infrastructure, Transport and Regional Development)

The below recommendations should be considered and adopted by the Commonwealth Government to ensure Queensland's rail network remains safe, productive, and sustainable.

A commitment of funding is required for planning and investment in future rail corridor and capacity projects. These include the Springfield to Ripley/Ipswich Rail Extension, the Manly to Cleveland Rail duplication, and Salisbury to Beaudesert Rail. Funding should also be brought forward for delivery of the Sunshine Coast Beerwah to Maroochydore to Sunshine Coast Airport passenger rail extension, including investigation of faster rail opportunities to connect Strathpine to Brisbane City along the Northwest Multi-modal Transport Corridor).

Additional funding should also be committed to fully complete the Beerburum to Nambour Rail Upgrade (\$160 million) to take pressure off the Bruce Highway.

RACQ calls for a commitment to working with Councils and the Queensland Government and funding for a rolling Railway Level Crossing Upgrade Program (SEQ Level Crossing project on Infrastructure Priority List) to upgrade at least one open level crossing per year (~\$80M-100M per year). For example, level crossings located at Boundary Road (Coopers Plains), Cavendish Road, Warrigal Road (solution incorporating nearby Nathan and Bonemill Road crossings), Lindum Road, South Pine Road and Wacol Station Road.

³ Australian Bureau of Statistics, *National, State and Territory Population, 2022*, <https://www.abs.gov.au/statistics/people/population/national-state-and-territory-population/latest-release#states-and-territories> (accessed 23 January 2023)



7. Cycling and active transport including Brisbane Green Bridges (for Infrastructure, Transport and Regional Development)

RACQ calls on the Commonwealth Government to commit to co-funding projects and filling gaps in the Principal Cycle Network (\$50 million per year) and contributing towards delivery of Brisbane City Council's Green Bridge proposals (\$50 million per year).

8. Future fuels and motoring taxation reform (for Climate Change and Energy, Infrastructure and Transport, and Treasury)

The Commonwealth Government should introduce a CO2 Standard, improved fuel quality standards, Euro 6 noxious emissions standards and commence work towards delivering motoring taxation reform. Reform must involve working with states and territories to develop a harmonious and equitable approach to road user charging which can be implemented in Australia after electric vehicles see significant penetration.

Federal investment is needed to help Queensland expand the National electric vehicle fast-charging network and progress the public access EV fast charger network as identified in Infrastructure Australia's Infrastructure Priority List, including at public Rest Areas for general, recreational, and heavy vehicles.

RACQ appreciates the commitments that your government has already made to support Queenslanders. We hope the opportunities and recommendations outlined in this submission, that support a strong vision for Queensland's future, will be of assistance.

We look forward to continuing to engage with the Commonwealth Government on opportunities to make Queensland the most liveable, safe, resilient, sustainable and vibrant state in Australia.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'David Carter'.

David Carter
Group Chief Executive Officer