



**The Hon Darren Chester MP**  
Minister for Infrastructure and Transport  
*Deputy Leader of the House*  
*Member for Gippsland*

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20 OCT 2016

Councillor Troy Pickard  
President  
Australian Local Government Association  
8 Geils Court  
DEAKIN ACT 2600

Dear Mayor 

Thank you for your letter of 29 August 2016 regarding roads and transport-related resolutions from the 2016 National General Assembly of Local Government (NGA). I regret the delay in responding.

Local government plays a pivotal role in bringing communities together and providing local solutions to local problems. The Australian Government recognises the important contribution councils make to our national economy and the leadership they provide at a local community level.

The resolutions from the 2016 NGA demonstrate the wide range of issues that are affecting councils across Australia. The Australian Government's response to the resolutions listed in your correspondence is attached.

Thank you again for taking the time to write and inform me of the resolutions from the NGA.

Yours sincerely

  
**DARREN CHESTER**

Encl

## RESPONSES TO ROADS AND TRANSPORT-RELATED RESOLUTIONS

### Resolution 13

*That this National General Assembly calls on the Federal Government, through the Minister for Infrastructure and Transport and the Minister for Regional Development, to recognise the importance of roads to the development of the agriculture sector by implementing urgently Recommendation 3.4 of the Australian Infrastructure Plan 2016, that being: Australia needs a National Freight and Supply Chain Strategy.*

### Response

The Transport and Infrastructure Council has agreed to consider a Freight and Supply Chain Strategy in late 2017. The Australian Government will formally respond to Infrastructure Australia's *Australian Infrastructure Plan* in due course.

### Resolution 15

*That the National General Assembly calls on the Australian Government to investigate innovative funding models (including value capture) for the provision of infrastructure and ensure those models include the ability for local government to access alternative equitable and sustainable funding and financing opportunities.*

### Response

The Australian Government has committed to the use of innovative funding and financing mechanisms for major transport infrastructure. This includes wider use of value capture funding.

On 17 February 2016, the Australian Government released its *Principles for Innovative Financing*, which set out goals for its substantial investment in Australia's land transport infrastructure and its expectations on how projects are selected and developed. As articulated in the Principles, the Government expects that all proposals seeking Commonwealth funding support have considered opportunities for innovative funding and financing solutions to complement traditional grant funding and to support and encourage additional private sector investment. In addition, proposals for public funding of transport projects should include consideration of what proportion of the project can be funded by the beneficiaries of the infrastructure. This will include proposals brought forward by local governments.

The Government is particularly interested in determining how the Commonwealth can take a more active role in supporting value capture strategies and is working with the jurisdictions on opportunities for value capture funding for future infrastructure projects. The Government will shortly be releasing a discussion paper proposing options on how to make greater use of value capture in the development and delivery of infrastructure projects and will be seeking feedback from Australian governments, industry and the community.

The Australian Government acknowledges that the use of innovative funding and financing mechanisms requires appropriate governance arrangements and consideration on a project-by-project basis to ensure that risk is appropriately managed between all levels of government.

**Resolution 17**

*That this National General Assembly calls on the Federal Government to commit to delivering the Melbourne to Brisbane Inland Railway (MBIR) within ten (10) years as a matter of national priority.*

**Response**

The Melbourne to Brisbane Inland Rail project is the Government's priority freight rail investment and a critical investment for Australia. As such, it is important that we get the project right. In May 2016 the Government committed \$593.7 million towards further pre-construction activities and land acquisition for an Inland Rail corridor. There will be extensive and ongoing consultations ahead of any final decision on the Inland Rail alignment.

The Government is also working with industry and communities to identify opportunities for project efficiencies and to see continued progress toward bringing Inland Rail to fruition as soon as possible.

**Resolution 18**

*That this National Assembly calls upon the Federal Government to make funding for the Roads to Recovery Program permanent and to continue allocation of funding as a minimum at current levels.*

**Response**

The Roads to Recovery programme forms a key partnership between the Government and local government in delivering the vital infrastructure required to grow and strengthen our economy. The Coalition demonstrated its ongoing commitment to this important partnership by removing the sunset clause for the Roads to Recovery programme in the *National Land Transport Act 2014*; meaning no new legislation will be required for the continuation of the programme.

In the 2016 Budget, the Australian Government committed to an extension of the Roads to Recovery Programme, with a further \$50 million per annum from 2019-20 onwards, bringing the annual commitment to \$400 million.

**Resolution 21**

*That this National General Assembly calls on the Australian Government to set appropriate standards, and provide technical support and funding for sustainable transport projects and associated infrastructure, including support for electric motor vehicles.*

**Response**

On 31 October 2015, the Government established a Ministerial Forum to coordinate a whole-of-government approach to addressing vehicle emissions. The Forum brings together the work of the infrastructure, energy and environment portfolios.

In February 2016, the Ministerial Forum released a discussion paper for public comment, exploring options to reduce the health and environmental impacts of vehicle emissions. These options included more stringent noxious emissions standards,



fuel efficiency (CO<sup>2</sup>) standards, fuel quality standards and other complementary measures such as the role of electric vehicles.

The Ministerial Forum is expected to report in the first half of 2017 on a draft implementation plan for new measures – aligning with the Government’s commitment to announce new measures to deliver Australia’s 2030 climate change targets.

#### **Resolution 25**

*That the National General Assembly call on the Australian Government to exempt Airport and Aerodrome Operators from having to meet the requirements of the 'Permitted clearing of native vegetation - Biodiversity assessment guidelines' when maintaining the Obstacle Limitation Surface (OLS) and Visual Segment Surface (VSS) at airports and aerodromes.*

#### **Response**

The Australian Government welcomes efforts by local governments and airport operators to protect obstacle limitation surfaces around airports and aerodromes and their work to implement the National Airports Safeguarding Framework Guideline F ‘Managing the risk of intrusion into the protected operational airspace of airports’. The Australian Government has no jurisdiction in relation to the clearing of native vegetation in Victoria. Councils may wish to raise this matter with the Victorian Government.

#### **Resolution 26**

*That this National General Assembly calls on the Federal Government, through the Minister for Infrastructure and Transport and the Minister for Regional Development, to implement the infrastructure reform incentives and long-term regional infrastructure plans elements of the Australian Infrastructure Plan 2016 to ensure safe and secure supplies of potable water across Australia. Specifically, the implementation of recommendations 1.1 and 4.1 as follows:*

- 1.1 The Australian Government should establish Infrastructure Reform Incentives, which link additional infrastructure funding to the delivery of reform outcomes. This mechanism would encourage state, territory and local governments to deliver productivity enhancing reforms to the planning, construction, operation, ownership and governance of Australia’s infrastructure.*
- 4.1 State and territory governments should deliver long-term regional infrastructure plans. In particular, these plans should:*
  - identify gaps in infrastructure networks and identify priorities to support productive regional industries; and*
  - be developed with involvement from all levels of government to help coordinate investments and remove duplication.*

#### **Response**

The Australian Government acknowledges the Australian Local Government Association’s (ALGA) position in recommending that the Government implement recommendations 1.1 and 4.1 of Infrastructure Australia’s *Australian Infrastructure*

*Plan* (the Plan) and notes that ensuring safe and secure supplies of potable water across Australia is a matter for state and territory governments.

The Australian Government acknowledges the link between the funding of local government agencies and the ongoing maintenance and quality of water resources, and encourages state and territory governments to identify the areas of highest risk for action through performance audits, assessment of financial viability and capacity constraints that could prevent water providers from meeting the minimum standards in the Australian Drinking Water Guidelines.

More broadly, the Australian Government supports the development of long-term state, territory and regional infrastructure plans that identify regionally important road and rail routes and utilise the principles endorsed by the Australian Transport Assessment and Planning guidelines. Working together with state and territory governments through the Transport and Infrastructure Council, governments have published the first ever key freight route expenditure and investment plans, published earlier in 2016. Plans will be updated on an annual basis through the governments' heavy vehicle road reform process, also developed under the Council's work programme.

In addition, the Australian Government drives reforms through existing approaches to funding. For example, the Government's Asset Recycling Initiative provided incentive funding to support reinvestment in new or upgraded infrastructure from the sale proceeds of mature public assets.

The Australian Government will formally respond to the Plan in due course.

#### **Resolution 29**

*That the National General Assembly:*

1. *Confirm its opposition to recommendation 4.7 in the Infrastructure Australia Plan Priorities and reforms for our nation's future released in February 2016 that recommends the transfer of council provided water and sewerage services to regional water corporation and their privatisation where commercially viable; and*
2. *Recognises international research on the remunicipalisation of water and sanitation services over the past 15 years in advocacy in this regard.*

#### **Response**

The Australian Government notes ALGA's position in opposing recommendation 4.7 in the *Australian Infrastructure Plan* (the Plan) and recommendation 4.7.3 [sic "4.1.3"] and notes that these issues are a matter for state and territory governments.

The Australian Government will formally respond to the Plan in due course.

#### **Resolution 77**

*That this National General Assembly calls on the Australian Government to regulate all commercial airport operations (such as the proposed Western Sydney airport at Badgerys Creek) to ensure that flight activities over metropolitan areas are subject to*



*curfews which protect the amenity of residential areas, especially at night, except in case of emergency.*

#### **Response**

Imposing airport curfews can create significant economic disadvantages. Instead, the Australian Government seeks to manage aircraft noise based on the principles in the International Civil Aviation Organization Balanced Approach to Aircraft Noise Management (the Balanced Approach). Under the four key principles of the Balanced Approach, aircraft noise is managed firstly by reduction of noise at source, which is achieved by more stringent engine and airframe certification standards to reduce the noise footprint of aircraft, and secondly through land use planning to ensure that only compatible land use is allowed around airports in accordance with Australian Standard 2021:2015 Acoustics - Aircraft noise intrusion - Building siting and construction.

Noise abatement procedures, including preferred runways and designated flight paths are then used to minimise noise exposure on surrounding communities. Only after these elements are in place will operational restrictions such as movement caps, quotas, restriction on aircraft types or curfews be considered.

#### **Resolution B5**

*That the National General Assembly support the establishment of the very fast train network in south eastern Australia both to enhance regional development and to compensate for the downturn in the mining industry.*

#### **Response**

The Government is committed to planning for Australia's long-term transport needs.

In 2013 the Australian Government released the High Speed Rail (HSR) Phase 2 Report. It assessed project feasibility, identified a preferred alignment and station locations, and estimated the network would cost \$114 billion (2012 dollars) to construct. It noted that a priority should be protecting the proposed corridor.

The HSR Study Phase 2 Report considered the potential impacts of HSR on regions along the preferred alignment. It noted that regional development from HSR is not guaranteed, and it would require that HSR is implemented in combination with:

- supportive and aligned regional development policies by governments, such as investment in regional connectivity with public transport networks;
- co-ordinated metropolitan and regional planning policies for regional centres with HSR stations; and
- local business investment and understanding of tourism markets.

The Government is continuing to consult with the governments of New South Wales, Victoria, Queensland and the ACT on corridor protection issues. A preserved corridor will be able to accommodate HSR or other mobility solutions in the future.