

## **AITPM Conference**

**Key Note address Thursday 14 August**

**Adelaide Convention Centre**

**9am -9.45am (includes Q & A)**

Thank you for the invitation to speak at this year's Australian Institute of Traffic Planning and Management conference. When deciding to accept this kind of invitation I did what every good speaker would do and looked at your website to see how compatible the things I would want to say would be with your own priorities.

On your website I found the following outline of the Institute:

'The Australian Institute of Traffic Planning and Management Incorporated (AITPM) provides a central point of reference for practitioners in traffic and transport planning and management'. And this is the bit that I found particularly interesting - 'Traffic Planning and Management is an integrated activity involving traffic management and operations, transport planning, economics, freight, road safety and sustainable transport.' The aims of the Institute are to advance traffic planning and management; to increase the knowledge of its members by encouraging free discussion, exchange of ideas and research in this field; and to provide a central point of reference for practitioners.

This is an excellent endeavour, and what I found particularly interesting in this description was that the definition of traffic planning and management is totally consistent with the way we look at transport issues in local government.

So about us. The Australian Local Government Association, ALGA is the national voice of local government, representing 560 councils across Australia.

Local government is the closest level of government to the people, the vast majority of local government work is focused on direct provision of local services, planning and the provision of local and regional infrastructure.

Local government services and infrastructure are used every day by every Australian. Whether it's using a footpath, playing in a park, driving to work on a local road, a visit to the local library, or having the rubbish collected, Australian lives are touched by local government in many different ways.

ALGA is a federation of state and territory local government associations, and each state is represented on the board of ALGA by a maximum of two directors appointed by the members from that state. So in South Australia the member is the Local Government Association of South Australia, which in turn services the 68 councils in this state.

I am the president of ALGA but I am also Mayor of Marion City Council, a metropolitan council in the southern suburbs of Adelaide.

ALGA's key activities include representation of local government on national bodies and ministerial councils, providing submissions to government and parliamentary inquiries, raising the profile and concerns of local government at the national level and providing forums for local government to guide the development of national local government policies. As President, I am a full member of the Council of Australian Governments, COAG, and I participate on the Transport and Infrastructure Council of Ministers

ALGA is also a member of Austroads which, as most of you will know, is the national association of Australasian road transport and traffic agencies. Through our membership we support the work of Austroads and ensure that councils can gain access to the research and technical guides produced and maintained by Austroads - including the Guides to Road Transport Planning and Traffic Management.

ALGA's strategic priorities are:

- Strengthening local government finances;
- Sustaining local roads, transport and other infrastructure;
- Improving natural and built environmental outcomes;
- Enhancing regional equity and regional development;
- Building capacity and sustainability in local communities;
- Connecting member associations and the Local Government sector; and importantly
- Engaging effectively in Australian Government processes.

Local roads, our transport networks and transport routes is one of our key priorities, and has been for a very long time.

Each year ALGA convenes its Local Roads and Transport Congress which brings together around 300 local government officers and elected representatives to focus on the key local roads and transport issues affecting local government. This year the Congress will be held in Tamworth, in northern NSW and I invite all of you to consider attending. The Congress looks in detail at governance and funding issues affecting local government transport. It is the forum at which ALGA engages directly with councils to hear their views and discuss the latest research.

It is estimated that local government owns and maintains more than 650,000km of roads, or about 80 percent of Australia's road network. That makes local government a major player in the provision of road infrastructure in Australia. The total local road asset is estimated to be well over \$250 billion in value. I make that point for the following reasons.

The first is that this is a massive amount of physical assets in the care and protection of local government. Every local government. Big and small, relatively well off and relatively poor. Every council owns and manages local roads. For this reason, local government has a responsibility to its community to ensure that the asset is managed and maintained in a manner that is fit for purpose. I will return to this theme later in this speech when I will talk a little more about our work on asset management.

The second reason is that local government is not just an asset manager. It is acutely aware of the services that roads provide. They provide access to property, they provide access to services - travel to schools, shops and health services. They provide access to factories, farms and to ports and to airports and enable freight and passengers to move from destination to destination. In medical parlance - they could be seen as the capillaries of the national road network. It is for this reason that local government has a responsibility to road users to seek to manage the asset in such a way as to provide the necessary services but at the same time balance the economic, social, environmental and cultural needs of the local community.

This of course need to be done within limited resources. Local governments are generally not well resourced and therefore are constantly required to make policy decisions about the allocation of resources to the construction, maintenance and renewal of their road network.

In 2010 we released *The Local Roads Funding Gap Report*. Those of you involved in local government have probably seen and read it. It found that expenditure on local roads needed to increase by an average of \$1.2 billion per year for the next 15 years to avoid further possible acceleration of service level deterioration. That finding was consistent with earlier work done for ALGA by Pricewaterhouse Coopers in 2006 that estimated a funding backlog and underspend of around \$14 billion on local government infrastructure.

And where are we at in 2014?

Well, ALGA's 2013 State of the Assets Report prepared by Jeff Roorda and Associates, (JRA), reviewed data from 344 councils across Australia. These included 183 urban and 161 rural councils. These councils are managing a total of \$98.3 billion in infrastructure for the four transport asset classes - sealed and unsealed roads, timber and other bridges - included in the report, with local government sealed roads representing \$77.1 billion of this value.

The report found that the current state of sealed roads still presents the greatest challenge to councils, with more than \$8.3 billion of assets in value (just over 10 percent) being regarded as poor or very poor in respect of quality.

It also revealed that \$1.9 billion of unsealed roads and \$1.4 billion in concrete and timber bridges are in poor or very poor condition.

As you are aware, the condition of local roads and bridges impacts on local communities, and can result in restrictions on freight movements and other commercial businesses that can be a barrier to national productivity.

There is obviously much work to do to address the condition of our assets and whilst Commonwealth programs like Roads to Recovery, Black Spot funding the and new Bridges Renewal Program do help, we are still facing a substantive infrastructure backlog in Australia.

ALGA has, as part of its strategic focus on local roads, transport and infrastructure, a National Roads and Transport Policy Agenda. This 10 year plan was launched in 2010 at ALGA's annual National General Assembly of Local Government.

The policy agenda was developed in recognition of two principal facts:

- That roads and transport are core business for local government; and

- That as a major provider of Australia's road network and advocate for local communities, we felt it was important to have a public record of our vision and priorities for Australia's transport system so we could fully engage with the Commonwealth and states about Australia's infrastructure needs.

Broadly speaking, our vision is for an integrated and safe transport system that enhances the social, environmental and economic wellbeing of local communities.

We used the word "integrated" because we want the whole system to work, not just part of it. We know freight from the farm or factory starts and finishes on a local road, that is linked to regional roads and highways. Weaknesses at any point results in lost productivity and a cost to all of us. We also use the word 'integrated' because road and transport networks must be considered in the spatial, social, environmental and land use planning context.

The policy agenda addresses six key themes:

The first, and perhaps the one that underpins everything, from a local government perspective, is:

Ensuring local government has the financial and technical capability to effectively manage its transport infrastructure, in particular roads.

As I've already outlined, local government owns and maintains about 80 percent of Australia's roads, but we certainly don't have 80 percent of Australia's road funding budget.

Council revenues are under stress. The Commonwealth raises more than 80 percent of the nation's taxation revenue, local government just three percent. That is why it is critical that ALGA continues to lobby the Commonwealth for a permanent Roads to Recovery program, and an increase in Financial Assistance Grants. That's why the decision to freeze indexation of the grants to local government for three years in this year's Federal Budget will have such an impact. The freeze will take \$925 million from the bottom line of Australia's councils over the next three years.

What are Financial Assistance Grants, or FAGs as we often refer to them?

- The FAGs, which total \$2.3 billion this year, are a vital part of the revenue base of all councils. They are indexed each year by a

combination of CPI and population growth and each council receives an allocation from the grants. For many smaller rural and remote councils, FAGs form the majority of their revenue. These councils are likely to be hit hardest by the real decline in the value of the grants because they are no longer indexed.

- The FAGs are absolutely essential to allow local communities across Australia to provide a reasonable level of service and infrastructure to local residents. These grant are used to maintain a great range of infrastructure including local roads, bridges, parks, swimming pools, libraries and community halls as well as services to the young, the elderly and community groups of all kinds.

By 2018-19 when the current extension of the Roads to Recovery program is due to end, the value lost from Financial Assistance Grants to councils because of the decision to freeze indexation will be the equivalent of 95% of R2R funding. Almost the entire value of the R2R program will be lost.

I trust that this puts into perspective the challenge we now face.

To further add to our funding woes, funding for the R2R program from July 1 this year still hasn't been legislated.

The program is part of the Land Transport Infrastructure Amendment Bill 2014 that was listed as an order of business in the Senate before the winter break, but it wasn't considered.

We are hoping that it is passed as a matter of priority when Parliament resumes on 26 August. Both sides of politics have given their support to continued funding through R2R, but the R2R extension is caught up in other political issues associated with the Land Transport Infrastructure Amendment Bill.

The 13 May 2014 Budget included a commitment of \$350 million per annum for the R2R program til 2019.

Since its inception in 2000 \$4.5 billion has been invested in the R2R program.

You can see why we are keeping a close watch on the fate of the legislation in the Senate!

The second theme addressed in our policy agenda is better integrated transport

Local and regional roads are an integral part of the national transport system and must be part of the planning process.

ALGA therefore has an important advocacy role for:

- an integrated, whole of government approach to urban and regional transport, land use planning and services provision;
- greater use of alternative energy sources as transport fuels eg natural gas and electricity; and
- improved access to national transport facilities such as ports and airports.

And importantly local government has an essential role in broader land use planning that shape our cities and towns to ensure that they are liveable, sustainable as well as productive and efficient.

Themes 3 and 4 in our policy agenda are about providing mobility for all Australians, both in urban and rural and regional areas.

A critical function of transport is its ability to provide efficient, effective and appropriate mobility for all Australians regardless of where they live, their age or physical ability.

For each community this may be different. It may be access to air services for remote Indigenous communities when roads are impassable. In metro and outer urban areas, it means access to public transport and the ability to get to work, shops or entertainment and leave the car at home. It means reducing urban congestion and restoring our urban amenity.

We want an equitable level of access to services for people living in remote, rural and regional areas of the country; and to add to the competitiveness of Australia's cities and regions by making them more productive, sustainable, liveable and socially inclusive.

To this end local government has an important role in advocacy, delivery of state and federal government programs, and in some instances coordination and funding of services. Including, in particular for rural and regional Australia:

- advocating for additional resources for public and community transport options;
- appropriate linkages between rural communities, regional centres and major capital cities;
- provision of appropriate transport infrastructure to support public and community transport; and
- advocacy for regional airports including remote air-strips, and regional airline services to remote areas.

In Urban and peri urban areas:

- addressing the backlog in public transport in existing areas and make early provision for it in newly-developing areas
- encouraging the use of more physically active transport in urban areas including funding for infrastructure such as bike tracks and safe and attractive pedestrian paths and footpaths
- infrastructure to support connectivity to public transport nodes

Deaths and injury caused by road vehicle crashes, including bikes, are a major concern to local governments. Local government is a strong supporter of programs such as the Road Safety Black Spots Program.

As a member of the Australian Transport Ministers Council (ATC) ALGA was pleased to support the *National Road Safety Strategy 2011-2020* released on 20 May 2011 and to strongly support its implementation.

The Strategy outlines broad directions for the future of Australian road safety, based on four key areas - Safe Roads, Safe Speeds, Safe Vehicles and Safe People.

It has at its core an objective of a 30 percent reduction in fatalities and serious injuries by 2020.

An ambition target, but achievable if governments work together and work with industry to implement policies and make the necessary investments.

The first of two reviews of the strategy is due this year, to assess progress against the strategy's initiatives.

Australia has, as you would know, substantially reduced the number of road crash fatalities over the last 30 years, despite a 50 per cent growth in population and a two-fold increase in registered motor vehicles. Between 1980 and 2010, the nation's annual road fatality rate dropped from 22.3 to 6.1 deaths per 100,000 people.

In 2009 Australia ranked 16th out of 27 OECD countries in terms of road fatalities per capita. Our road fatality rate stood at 6.1 deaths per 100,000 people in that year, while countries like the United Kingdom, Sweden and the Netherlands achieved rates below 4.

In figures released last week for 2012, Australia's rate was 5.72 per 100,000, the 16th lowest rate out of 33 nations.

The nations with the two lowest rates were Iceland with 2.81 and the United Kingdom 2.83 per 100,000.

Between 2003 and 2012, the annual population-standardised risk of a road crash fatality in Australia fell by a total of 30.5 per cent. Over the same period the OECD median rate fell by 38.9 per cent. The rates for all Australian jurisdictions decreased by between 5 per cent (Australian Capital Territory) and 45 per cent (South Australia).

The statistics are improving, but, more needs to be done by federal and state agencies to improve vehicle design, speed limit enforcement and education programs for drivers, including fatigue management if we are to reach the targets set out in the Strategy.

ALGA will continue to make strong representations about the need for Black Spots funding; up-grading of rail level crossings; advocacy on appropriate speed limits and enforcement that are practical on low volume roads; and improved funding for road maintenance and up-grade to provide appropriate safety standards for road users.

Our sixth theme concerns freight.

Our goal here is the efficient movement of freight through local communities without compromising community safety and amenity.

Local government is acutely aware of the implications of increased freight on the local road network, and it highlights 2 important things:

1. the importance of improving management of our assets; and
2. improving funding to sustain those assets.

In this theme we have identified the need for things such as:

- appropriate removal of bulk freight from roads onto rail through selective investment in rail infrastructure to make it competitive and improve community amenity; and
- Continued work with the Commonwealth and states on establishing approval and funding relationships to support heavy vehicles.

Our policy agenda sets out our advocacy approach to road and transport issues. It is not just about the provision of local roads, although that is a vital part of our work and a vital deliverable from local government for their local and regional communities.

I must reinforce that ALGA has adopted a further policy position that a sustainable and healthy future for Australia requires action to encourage more Australians to use active transport - walking, cycling and using public transport.

We need to have a diverse, but integrated transport system, and this needs to be closely aligned with land use planning and quality urban design solutions.

ALGA has long held the view that the Commonwealth needs to play a more active role in promoting a comprehensive and integrated approach to transport policy, and this in turn must be part of a larger package of initiatives that also tackles questions relating to Australia's urban, economic, social and broader sustainability challenges.

While many in the community may think councils are largely focussed on building and maintaining local street and road networks as part of their infrastructure program, many councils are also heavily involved in building the infrastructure used by pedestrians and cyclists. In some instances councils also have responsibility for ancillary public transport infrastructure in the form of bus shelters and signage, and responsibility for promoting a range of

community safety, health and environmental programs and being involved in active transport.

Local government is one of the key players in shaping the local physical community and delivering and maintaining the things on the ground that make a difference to people's lives.

ALGA has worked with other national and industry organisations as part of the Moving People 2030 Taskforce to advocate for national non-partisan leadership to deliver policies and programs that will lead to stronger and extensive active transport networks in Australia.

For instance, in March last year, the Taskforce outlined a whole of system approach to how Australia should fund transport infrastructure and create more efficient and effective transport networks.

Moving Australia 2030 outlined a transport plan for a productive and active Australia, and at its core a vision for an integrated and multi-modal system that safely and efficiently moves Australians and our goods; and a high quality of life for Australians with highly liveable cities through the development of world class public transport systems, improved freight networks, walking and bicycling amenity.

The Taskforce, consisting of the Bus Industry Confederation Australasian Railway Association, Cycling Promotion Fund, Heart Founding, Planning Institute of Australia, Tourism and Transport Forum, the International Association of Public Transport, Australia and New Zealand, and ALGA, believes with the right action from the Australian, State and Territory and local governments by 2030:

- Public transport, walking and bicycling will account for more than 30 per cent of all passenger trips in our capital cities;
- Carbon emissions from the passenger road transport sector will be 50 percent below 2000 levels;
- the amount of fuel consumed by the road transport sector will be 30 per cent less than current levels; and
- a range of mobility and transport modes will be convenient and accessible for all Australians.

Similarly, ALGA's February 2013 submission to the Australian Government's Walking, Riding and Access to Public Transport draft report argued the case for

substantive support for local government from other levels of government, especially the Federal Government, in tackling transport related infrastructure requirements.

Successfully meeting the transport and accessibility challenge facing our communities, and our nation, will require collaboration between all levels of government on the planning, delivery and funding of transport infrastructure at the local, regional, state and national level.

ALGA is actively involved in collaborative projects to help bring about change in our communities and to help promote the growing body of research showing a connection between our health and general well-being and the design and structure of our towns, cities and regions.

One of these is the Healthy Spaces and Places partnership, between the Heart Foundation, the Planning Institute of Australia and the Heart Foundation. Urban planning decisions in the 21<sup>st</sup> century can either contribute to growing levels of overweight, obesity and loneliness, or help to prevent lifestyle-related diseases through facilitating physical activity, community engagement and positive mental health.

The way our cities and neighbourhoods are designed affects whether or not it is easy for people to walk, cycle, participate in recreational activities or use public transport, and to interact with neighbours and other community members; activities that each contribute to lifelong health of the individual, community well-being and liveability. In communities where an individual is encouraged to be more active through well-designed infrastructure and well-maintained open spaces and public places, health outcomes can be improved and serious chronic disease can be prevented. This saves lives, improves mental and physical well-being, increases productivity, and decreases the fiscal pressures on the Australian Government budget for the treatment of preventable diseases.

The Healthy Spaces and Places partnership has produced a national web-based planning guide which includes practical tools, case studies and guidelines, to provide guidance to planning and design practitioners and related professions (working in state and local government and the private sector) on how to incorporate active living principles into the built environment.

Healthy and sustainable communities are those that are well-designed and safe with local facilities (including school, corner store, childcare facilities,

medical practice, recreation facilities, community services); streets designed for active transport, walking and cycling; with parks and public spaces for people to meet and interact; places for people to experience art and culture; and with cycle facilities and public transport.

These are all attributes of a built environment that promotes increased liveability and healthier lifestyles and therefore any national benchmarking of planning and zoning should consider how design principles that help promote health as an aspect of planning and zoning are properly evaluated. Planning at both the strategic and statutory levels should be undertaken in such a manner as to ensure our cities and towns are developed with clear health related considerations in mind.

*Healthy Spaces and Places* promotes best practice planning for all Australians. ALGA, the National Heart Foundation and the Planning Institute of Australia continue to advocate strongly in this area, and significant interest has already been shown by all levels of government, academia, professionals and international bodies. Our organisations believe that the principles included in *Healthy Spaces and Places* should be standard practice in urban development throughout Australia.

Let me return to where I began, and then flag with you some of the major issues that ALGA is working on as we speak.

I want to return to the theme of asset management. I mentioned that in 2013 ALGA published the State of the Asset Report. This Report documented the progress that local government has made in improving its asset management capability. This report was based on data which was collected voluntarily in our first national survey of councils seeking information of the nature and condition, functionality and utilisation of local roads.

ALGA was pleased with the response, given that it was conducted just 5 years after the Commonwealth Government provided funds through the Local Government Reform Fund (2009) to assist councils working in collaboration with their state governments to undertake work on asset management. While excellent progress has been made, funding has run out and councils and state and territory local government associations continue to work on asset management within existing resources. Nevertheless, asset management remains a high priority for local government and ALGA has commissioned JRA to repeat the survey this year and we will be using the results of this work to

inform our strategy for securing additional road funding over the next couple of years.

This work on asset management is critical, not only for councils themselves but it also underpins a number of important national transport reforms.

I now would like to talk about the National Heavy Vehicle Regulator, and I expect that many of you will be aware of this reform and its importance in national productivity terms. You might also know of some of the challenges that the introduction of this reform has been confronted with.

In short, and to over simplify, (which is always dangerous) I want to talk in particular about local road access. Local government is acutely aware of the importance of heavy vehicles across the country. I mentioned right at the beginning of the speech that our objective in managing roads is to facilitate transport services including truck movements. I also mentioned, at the same time the need to balance competing objectives including preserving our assets.

In reality, the short coming of the introduction of the new Heavy Vehicle Access Regulations was that everyone completely underestimated the magnitude of the task for local government. The systems that were put in place were inadequate to support council decision-making. Under the old way of doing business, while there may have been a theoretical requirement for a truck or a crane to seek permission to use a particular road or route, many industry players did not ask for a permit. Indeed as they say 'they ran hot'. What this reform did was to bring out in the open the amount of truck movements actually occurring on local roads and the scope of the challenge that we in local government were confronted with in processing applications in any given period.

Local government remains committed to play its role in the national reform and I am pleased to say that we are working with all jurisdictions and the National Heavy Vehicle Regulator on getting the system right. I know my colleagues in state local government associations in every participating state have helped to make the system work in the short term. And I know that we all share the view that more needs to be done.

In conclusion, local government's involvement in transport issues is far reaching, it is simply not just about building or repairing our local road network.

It is about creating integrated transport networks that best meet the needs of our communities, to provide that critical first and last mile road network and to promote greater safety and more active transport.

And we must do so in the face of substantial infrastructure backlogs and a with council budgets under stress.

Our task as transport planners, managers and advocates is to keep transport issues before policy makers at all levels of Government. Not only do we need to plan and manage our transport systems well, we need the resources, particularly from the Commonwealth, states and industry to achieve a fully integrated transport system that is fit for purpose.

It is not an easy challenge, but it's one our communities expect and need us to meet.

Thank you.