



The peak body for roads within an integrated transport system

Supplementary Recommendations to Commonwealth Budget Submission 2020-2021

August 2020





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Budget Submission 2020-2021 August 2020
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INTRODUCING ROADS AUSTRALIA



Roads Australia (RA) is the peak body for roads within an integrated transport system, representing an industry that contributes \$207 billion annually to the economy and supports 1.3 million jobs. RA brings industry, government, and communities together to lead the evolution of Australia's roads, integrated transport and mobility.

RA welcomes the opportunity to make this supplementary submission for consideration in the formulation of the 2020-21 Commonwealth Budget together with our original December 2019 submission.

¹ RA Commonwealth Budget Submission 2020-21, December 2019 www.roads.org.au/Portals/3/Policy/Submissions/Roads%20Australia%20Budget%20Submission%202020.pdf?ver=2019-12-20-102653-537

TWO SUPPLEMENTARY KEY RECOMMENDATIONS

RA recommends the 2020-21 Commonwealth budget deliver:

Recommendation 10: Funding to support collaborative State and Territory Government initiatives with Industry towards Infrastructure Delivery and Procurement Reform.

Recommendation 11: Funding to support the expansion of State and Territory Government Regional and Rural road safety infrastructure programs.

RECOMMENDATION 10

SUPPORTING IMPROVEMENT INITIATIVES IN PROCUREMENT AND CONTRACTING TO ENHANCE POST COVID-19 INFRASTRUCTURE DELIVERY

Collaborative efforts between Industry and Government have highlighted the need for significant change to enable road and related transport infrastructure projects to be delivered more effectively and with enhanced value for our community.

Recommendation 3 in the December 2019 RA submission was that the Commonwealth provide funding in the 2020-21 budget to accelerate initiatives to improve market capacity, procurement processes, approaches to risk allocation in the transport infrastructure sector.

RA has continued its work in this important area in support of the imperatives outlined in the *Infrastructure Australia Australian Infrastructure Audit 2019*.² The Audit shows there is considerable room for improvement in how we plan, fund and deliver infrastructure in Australia. It concludes that, while both the public and private sectors generally perform well, infrastructure projects are increasing in size and complexity, and will require new approaches if they are to be effectively delivered.

RA also notes this was an area of focus for the Transport and Infrastructure Council (TIC), as outlined in their communiqué from 22 November 2019.³ It was highlighted that TIC endorsed an initial analysis, and sought further investigation on policy options to:

- » better plan and match transport infrastructure construction demand and supply;
- » deliver best practice major project procurement and risk allocation settings; and
- » review infrastructure construction regulatory arrangements.

RA's Procurement Reform Report

In response to the call for reforms, RA's primary focus over the last 18 months has been on working with stakeholders across government and industry to develop a set of procurement reform strategies and corresponding recommendations.

In May 2019, Victorian Premier Andrews met with RA and some CEOs from its membership. They expressed concerns about the delivery of major transport infrastructure projects in his state. The Premier encouraged RA to bring solutions for consideration. He acknowledged RA's unique membership across national industry and government organisations.

In response to this request, RA hosted an industry and government roundtable on 8 November 2019 on 'Financial Sustainability in Construction'. Participants included senior personnel from the Victorian Major Transport Infrastructure Authority (MTIA) and the Department of Treasury and Finance Victoria (DTF), together with senior stakeholders from industry.

² Australian Infrastructure Audit 2019 www.infrastructureaustralia.gov.au/sites/default/files/2019-08/industry_efficiency_capacity_and_capability_-_2019_australian_infrastructure_audit.pdf

³ Transport and Infrastructure Council Communiqué, November 2019 www.transportinfrastructurecouncil.gov.au/sites/default/files/documents/12th_transport_and_infrastructure_council_communique_22nov_2019.pdf



Using the outputs from the meeting, RA subsequently convened a major workshop in Melbourne on 5 March 2020, to discuss issues around five key themes:

- » Issue 1: Work Pipeline
- » Issue 2: Risk, Commercial & Contractual
- » Issue 3: Capability & Capacity
- » Issue 4: Design Process
- » Issue 5: Culture & Inclusion

Participants agreed that there were significant opportunities for improvement in major project procurement processes that must be addressed if governments are to get best value for money, and industry is to get the best use of its capital and people.

The RA workshops identified major areas for improvement and focussed on developing strategies to address the following specific issues:

- » The process for risk definition and allocation, particularly on large projects.
- » The size and complexity of projects has increased significantly and as a result, small to medium contractors are unable to effectively participate.
- » Governments do not lay out a long-term pipeline of work so that companies can invest and gear up.
- » The time available during procurement is often not long enough to allow for sufficient risk assessment.
- » The time available during the design phase for most big projects is often not adequate for design firms to innovate or explore better engineering solutions.
- » Current procurement models which apply 'hard edged' risk transfer can often result in significant and complex legal disputes which ultimately create a lose-lose scenario.
- » Governments do not engage with industry early enough in the design stage.
- » State and territory education systems and the Federal immigration model are not coping with the increased demand for skilled labour and industry does not do enough to encourage women and people from diverse backgrounds into the industry.

Since that time, RA has compiled the outcomes into a *Draft Procurement Reform Report*. The draft Report outlines the major procurement and risk issues currently being encountered and proposes a series of recommendations and strategies to address these issues. These have been split into seven broad areas, and cover 22 recommendations:

- » Ownership and Accountability
- » Pipeline Visibility
- » Planning and Design
- » Legal and Risk Framework
- » Capacity and Capability
- » Culture and Inclusion
- » Governance

RA believes that implementing those recommendations will help drive major change to procurement processes. It will improve planning and design of projects; more appropriately allocate and manage risk; give a more fulfilling role to medium and smaller contractors; and improve skills and capacity building.

Since completing the draft Report, RA has held a series of high level meetings with both the Victorian and NSW Governments, and is working to finalise the report, and agree next steps. A copy of the final report will be available in due course.

RECOMMENDATION 10

That the Commonwealth provide funding in the 2020-21 Budget to support collaborative State and Territory Government initiatives with Industry towards Infrastructure Delivery and Procurement Reform.



RECOMMENDATION 11

INCREASED NATIONAL SUPPORT FOR EXPANSION OF REGIONAL AND RURAL ROAD SAFETY INITIATIVES

Proven low-cost infrastructure solutions can have a high impact on regional road safety outcomes.

Recommendation 5 in the December 2019 RA submission proposed that the Federal Government should strongly link infrastructure funding to road safety outcomes to combat Australia's rising road toll. This additional recommendation focusses on recent RA discussions with State and Territory road managers and industry experts on successful regional road infrastructure safety treatments.

Despite making up only 17% of the nation's population, it is estimated that deaths on regional roads account for two in every three of the lives lost nationally. While driver behaviour and vehicle design have a role to play in improving safety, relatively low-cost infrastructure treatments can be an effective and efficient way to reduce the number or impact of crashes. These treatments can be especially helpful in reducing run-off-road and head-on crashes.

RA welcomes the recent federal funding announcements in June and July 2020 relating to road safety infrastructure, as part of the \$1.5 billion nationwide infrastructure package, including \$500 million for targeted road safety works. RA has been supporting increased Federal funding for low-cost road safety treatments for some time, so it is encouraging to see these types of treatments being funded, including shoulder widening or sealing and audio-tactile line markings.

RA has continued to engage with road safety experts and road managers on this important issue, most recently through a Regional Road Infrastructure webinar on 8 July 2020. The webinar was attended by over 120 participants from across industry and government, the outcomes from which are attached as an Addendum.

The webinar brought together experts from across Australia, including Robin Jackson, Chief of Infrastructure Prioritisation, Infrastructure Australia (IA) who reinforced that regional roads account for a disproportionate amount of road fatalities. One of the key themes of the *IA Infrastructure Priority List*⁴ is a regional focus for both regional and rural road network safety improvements. Mr Jackson also highlighted that the pace with which projects can be progressed from concept or problem stage to solution and delivery can help to speed up the recovery of the economy – which has increased importance in the current COVID-19 environment.

Presenter Bernard Carlon, Executive Director, Centres for Road Safety & Maritime Safety, Transport for NSW, highlighted the stark road crash data for country roads in NSW. Mr Carlon emphasised the ongoing importance of road safety, highlighting the 9,816 fatalities and serious injuries (FSIs) that occurred on country roads in NSW between 2015 and 2019, at an estimated cost of \$13 billion.

The Towards Zero Infrastructure Program⁵, which is included in IA's list as a High Priority Initiative, found that a \$1 billion investment in road safety is estimated to avoid 628 fatalities and 4,820 serious injuries over the lifetime of the investments, returning a benefit-cost ratio (BCR) of 5.06.

Mr Carlon presented TfNSW research⁶ showing the effectiveness of several road safety treatments including:

- » Full containment (roadside and median barriers): 90-95% reduction in head-on FSIs; 90-95% reduction in run-off-road FSIs; and 50-75% reduction in FSIs across all crash types;
- » Median barrier only: 90-95% reduction in head-on FSIs;
- » Roadside barriers: 90-95% reduction in run-off-road FSIs;
- » Wide centreline: 50% reduction in head-on crashes; and 20-25% reduction in run-off-road crashes; and
- » Audio-tactile line marking: 20-25% reduction in run-off-road crashes; and 25% reduction in head-on crashes.

4 Infrastructure Australia, Infrastructure Priority List 2020 www.infrastructureaustralia.gov.au/infrastructure-priority-list

5 Towards Zero Infrastructure program www.infrastructure.nsw.gov.au/media/1726/towards_zero_business_case_summary_summary.pdf

6 NSW Government <https://towardszero.nsw.gov.au/saving-lives-on-country-roads>



Presenter, Mike Stapleton, Deputy Director General, Queensland Department of Transport and Main Roads, provided an overview of regional road safety initiatives carried out in Queensland.

Wide centre line treatments (WCLT) have been used successfully in high-risk areas to reduce crashes where a vehicle crosses the centre line. This has been operationalised through application of policy requiring any project on a rural road with 4,000 vehicles per day or more to use WCLT and audio tactile line marking. In Queensland, this has been found to reduce the rate of FSI crashes by an average of 20% and the rate of head-on crashes by an average of 46%.

Mr Stapleton highlighted other road safety treatments in Queensland, including:

- » Township entry treatments (TET): implemented where high-speed rural roads transition to lower speed roads;
- » Sealing roads: with more than 2,000 kilometres sealed since 2001; and
- » Regional roads stimulus packages.

Industry are also partnering with government to help bring further innovation to this road safety challenge. Presenter Colin Dominish, Regional Director, Southern Hemisphere, GHD Digital, described⁷ their digital innovations to help improve road safety across Australia, including the role of technologies such as ITS in improving safety of roads. As a specific example, GHD is working with road authorities on an initiative that involves using video in remote locations to understand the workings of an intersection, including trailing of a mobile phone app to measure the road roughness index.

RA supports the continued and accelerated investment in these proven, relatively low cost, road safety initiatives, and related projects being implemented in all States and Territories. With increased funding support for regional and rural road safety, these initiatives can be implemented using existing proven approaches to save lives, with the added significant benefit that they often utilise local industry resources that benefit of regional economies as they emerge from COVID-19 challenges.

RECOMMENDATION 11

That the Commonwealth provide increased funding in the 2020-21 Budget to support the expansion of State and Territory Government Regional and Rural road safety infrastructure programs.

LEVEL CROSSING SAFETY UPGRADES

As a related recommendation to *Recommendation 11* outlined above, RA has been made aware of the Australian Railway Association (ARA) Budget Submission. Following discussions between RA and the ARA, RA supports the ARA recommendation, which states that:

The Commonwealth Government support the work currently underway by the Office of the National Rail Safety Regulator (ONRSR) to develop a National Level Crossing Portal, by providing any additional resourcing or support needed to streamline the completion of the project and secure the necessary jurisdictional data.

Once completed, it is recommended that the Commonwealth Government work with industry and the detailed data available within the portal to develop a prioritised national list of level crossing removal projects, particularly focussing on high-risk crossings in regional areas. The data available through this historic initiative will, for the first time, allow for a truly data driven approach to improving the rail and road safety outcomes across the country related to level crossings.

⁷ RA Policy Webinar Presentations and Reports <https://roads.org.au/Policy/Safety/Presentations-and-reports>





Robin Jackson
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Deputy Director General,
Queensland Department of
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Regional Director, Southern Hemisphere,
GHD Digital

Regional road infrastructure

– low costs, high gains

WEDNESDAY 8 JULY



ABOUT ROADS AUSTRALIA

Roads Australia (RA) is the peak body for roads within an integrated transport system, representing an industry that contributes \$207 billion annually to the economy and supports 1.3 million jobs.

RA brings industry, government and communities together to lead the evolution of Australia's roads, integrated transport and mobility.

The nation's only roads champion, RA's 150+ members includes all of Australia's road agencies, major contractors and consultants, motoring clubs, service providers and other relevant industry groups.

RA's current policy focus extends across five activity streams: Safety; Capacity; Transport Reform; Journey Reliability; and Sustainability with Diversity and Inclusion an underlying commitment across each stream.

Register for [upcoming policy events](#) to contribute to the debate.

BACKGROUND

Despite making up only 17% of the nation's population, deaths on regional roads account for two in every three of the lives lost nationally.

While driver behaviour and vehicle design have a role to play in improving safety, relatively low-cost infrastructure treatments can be an effective and efficient way to reduce the number

of crashes. These treatments can be especially helpful in reducing run-off-road and head-on crashes.

EVENT SUMMARY

Over 120 attendees joined RA's webinar on 8 July 2020 to hear from:

- [Robin Jackson](#), Chief of Infrastructure Prioritisation, Infrastructure Australia,
- [Bernard Carlon](#), Executive Director, Centres for Road Safety & Maritime Safety, Transport for NSW,
- [Mike Stapleton](#), Deputy Director General, Queensland Department of Transport and Main Roads, and
- [Colin Dominish](#), Regional Director, Southern Hemisphere, GHD Digital.

Speaker presentations are available on the RA [website](#).

The webinar was moderated by [Jeff Doyle](#), Safety Policy Stream Chair, RA and Chief Executive Officer, Altus Traffic Group and sponsored by [GHD](#).

RECENT ANNOUNCEMENTS

There have been several federal funding announcements in June and July 2020 relating to road safety infrastructure, as part of a \$1.5 billion nationwide infrastructure package including \$500 million for targeted road safety works.



Details of the funding by jurisdiction is provided in table 1, below.

RA has been supporting [increased Federal funding](#) for low-cost road safety treatments for some time, so RA is encouraged to see these types of treatments being funded, including shoulder widening or sealing and audio-tactile line markings, otherwise known as rumble strips.

POLICY INSIGHTS

The webinar brought together experts from across Australia.

Robin Jackson, Chief of Infrastructure Prioritisation, Infrastructure Australia (IA) presented on the [Infrastructure Priority List](#) for 2020, which is IA's largest list yet, comprising 147 nationally significant infrastructure proposals. A mid-year update, with new projects and initiatives, will be released in coming weeks.

He reinforced that regional roads account for a disproportionate amount of road fatalities, and one of the key themes of the List is a regional focus for both regional and rural road network

safety improvements, and well as mobile telecommunications coverage in regional and remote areas.

Mr Jackson indicated that the speed with which projects can be progressed from concept or problem stage to solution and delivery can help to speed up the recovery of the economy.

IA is calling for submissions to the 2021 Infrastructure Priority List and specifically encourages submissions from the following areas, which are relevant to roads:

- Addressing national waste and recycling management challenges; and
- Responding to national road maintenance issues.

Submissions close 31 August 2020. Visit IA's [website](#) for more information.

Bernard Carlon, Executive Director, Centres for Road Safety & Maritime Safety, Transport for NSW, presented road crash data for country roads in NSW.

T1. Recent road safety funding announcements

State/ Territory	Funding (Joint Federal & State/Territory)	Road Safety Upgrades Include:
ACT	\$3.2 million	Upgrades to traffic signals to keep them on during power outages, the installation of road safety barriers and a variable speed limit
NSW	\$398 million	Mass action rollout of audio-tactile line markings
NT	\$34.6 million	Widening and sealing shoulders and improving or installing guardrails, truck stops and audio-tactile line markings
QLD	\$150 million	Audio-tactile line markings
SA	\$59.5 million	Safety barriers, shoulder sealing audio-tactile line markings
TAS	\$17 million	Heavy vehicle rest areas, electronic school zone signs and roadside barriers
VIC	\$97.2 million	Intersection upgrades on 30 high-speed, high-risk rural intersections, Pedestrian and Safer Schools (urban and regional) upgrades
WA	\$100 million	Approximately 1,400 kilometres of roads treated, with shoulder sealing and audible edge lines being installed in every region of WA



He reminded us of the ongoing importance of road safety, highlighting the 9,816 fatalities and serious injuries (FSIs) that occurred on country roads in NSW between 2015 and 2019, at a cost of \$13 billion.

The Towards Zero Infrastructure Program, which is included in IA's list as a High Priority Initiative, found that a \$1 billion investment in road safety is estimated to avoid 628 fatalities and 4,820 serious injuries over the lifetime of the investments, returning a benefit-cost ratio (BCR) of 5.06.

Mr Carlon presented TfNSW [research](#) showing the effectiveness of a number of road safety treatments including:

- Full containment (roadside and median barriers): 90-95% reduction in head-on FSIs; 90-95% reduction in run-off-road FSIs; and 50-75% reduction in FSIs across all crash types;
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- Wide centreline: 50% reduction in head-on crashes; and 20-25% reduction in run-off-road crashes; and
- Audio-tactile line marking: 20-25% reduction in run-off-road crashes; and 25% reduction in head-on crashes.

Mike Stapleton, Deputy Director General, Queensland Department of Transport and Main Roads who provided an overview of the work that has been happening in Queensland (QLD).

Wide centre line treatments (WCLT) have been used successfully in high-risk areas to reduce crashes where a vehicle crosses the centre line. This has been operationalised through application of policy requiring any project on a rural road with 4,000 vehicles per day or more to use WCLT and audio tactile line marking. In QLD, this has been found to reduce the rate of fatal and serious injury crashes by an average of 20% and the rate of head-on crashes by an average of 46%.

Other road safety treatments in QLD include:

- Township entry treatments (TET): implemented where high-speed rural roads transition to lower-speed roads;
- Sealing roads: with more than 2,000 kilometres sealed since 2001; and
- Regional roads stimulus packages.

Colin Dominish, Regional Director, Southern Hemisphere, GHD Digital, presented on digital innovations to improve road safety across Australia including:

- The role of technologies such as ITS in improving safety of roads. GHD is helping to assist road authorities in this, such as though the use of video in remote locations to understand the workings of an intersection.
- Their current work on a trial with TfNSW of a mobile phone app to measure the road roughness index.
- The use of training simulators to help drivers transition to larger heavy vehicles.
- The role of autonomous vehicles and the need to manage this well in regional areas to help save lives.

EVENT OUTPUTS & NEXT STEPS

A snapshot of the event was promoted through RA's [LinkedIn channel](#).

Looking ahead, RA plans to host further policy [webinars](#) on this and related topics.

In August 2020, RA will host another webinar featuring experts in regional road safety, and will look to expand on the issues raised in both these events in a [Road Work podcast](#).

