



Minister for Commerce
Minister for Finance
Minister for Industrial Relations
Minister for Ageing
Minister for Disability Services
Leader of the Government in the Legislative Council

13 November 2006

Mr John Evans
Clerk of the Legislative Council and the Clerk of the Parliaments
Parliament House
Macquarie Street
Sydney NSW 2000

Dear Mr Evans

I refer to your request on 11 May 2006 under Standing Order 233 that the NSW Government provide a response to Report No. 16 of the General Purpose Standing Committee No. 4 entitled *Final Report: Pacific Highway Upgrades* by 13 November 2006.

Please find attached a Government response to the Final Report.

Yours sincerely

John Della Bosca, MLC
Leader of the Government in the Legislative Council

*Received by me 10.00am 14 November 2006
and authorised to be published*

*John Shaw
Clerk of the Parliaments*

cc. Office of the Hon Tony Kelly MLC,
Leader of the House in the Legislative Council

General Purpose Standing Committee No. 4's Inquiry into Pacific Highway Upgrades

Response to Final Report Recommendations

Recommendation 1:

That the RTA recognises prime agricultural land to be a substantial constraint in developing route options.

Response:

In developing and assessing route options, the RTA must balance social, environmental and economic issues.

The Government notes that the RTA put evidence to the Committee demonstrating that the impact on agricultural farmland is a key consideration in selecting route options and preferred routes and would direct the Committee to the information previously provided by the Government in response to Recommendation 7 of the Inquiry's Interim Report.

The various reports released as part of the recent preferred route announcements for the Pacific Highway demonstrated that it has been a key consideration in the route selection process.

Section A2 of the preferred route for the Tintenbar to Ewingsdale project traverses a section of land zoned 9(a) for proposed road reserve. As a result, the preferred route has avoided impacting on any additional State Significant land that was not already earmarked for road projects.

As part of the next phase of refining the preferred route, the RTA will endeavour to further minimise the impact on any high value and highly productive farmland.

The RTA will further reduce any impacts on agricultural properties and individual farming businesses where possible, through discussions with individual landowners to refine the design for the preferred route alignment during the next phase of this project.

Recommendation 2:

That, with respect to Highway upgrade projects, the NSW Treasury, in its Budget Estimates papers for the Roads portfolio, publish the RTA's estimated timetable for each upgrade project from acceptance of tender, to commencement of work through to the completion date.

The RTA should make public its reasons for non-compliance with the estimated schedule at any stage.

Response:

The Government provides timetable and cost information on RTA projects in Budget Paper 4.

A project is included in Budget Papers if it is over \$5 million and the RTA is to spend money in the coming year.

Budget Paper 4 indicates whether a project is in the planning or construction phase. For projects under construction, the RTA provides estimates of completion dates, costs incurred to date, costs in the current year and estimated total costs. For projects in the planning stage, the date of completion is usually unknown because it is contingent on budgets for future years.

For an upcoming year, if the RTA is only expecting planning work to take place for a given project, it is indicated in Budget Paper 4 that required funding is to be allocated accordingly.

The recommendation to report on specific highway upgrades within Budget Papers is not practical. The current format of Budget Papers does not allow for text or a description of issues associated with each project.

The date at which the RTA is able to build a particular road is subject to a range of factors, including the availability of funds to be allocated for construction and other external factors such as local council requirements, utility adjustments and environmental and planning approval requirements.

In addition, numerous RTA projects are partly funded by the Commonwealth Government. For many of these projects, the RTA has no indication as to what funds are going to be available during the next five years. So for projects which extend over several years, and if they are subject to Federal funding (whether whole or part), the RTA would not be able to provide an accurate completion date.

Recommendation 3:

*That the NSW Government collaborate with other state governments, the Commonwealth Government, employers and the Transport Workers' Union to develop comprehensive 'chain of responsibility' legislation, modelled on the **NSW Occupational Health and Safety (Long Distance Truck Driver Fatigue) Regulation 2004** for the trucking industry.*

Response:

In 2004, the Australian Transport Council (ATC) gave in-principle endorsement to a National Transport Commission (NTC) proposal to develop a reform package to address heavy vehicle driver fatigue.

Since then the RTA, together with all other jurisdictions has worked with the NTC to develop the heavy vehicle driver fatigue reform package. The package aims to achieve improvements in both road safety and transport productivity, to develop and implement policies and practices to assist in the management of fatigue in drivers of heavy vehicles and to achieve a consistent approach with the OHS legislation introduced by NSW WorkCover.

The proposed reforms include three driving options. The options include:

- a standard hours option, with 12 maximum driving hours in any 24-hour period under a prescriptive structure;
- a basic fatigue management option, which allows flexibility within a set of minimum rest and maximum work hours (14 hours per 24-hour period); and
- an advanced fatigue management option, based on a risk management approach with a 14-hour operating limit and an outer limit of 15 hours work in any 24-hour period in NSW and Victoria.

In August 2006 the NTC, in conjunction with the RTA, conducted a public consultation process at seven locations across NSW. Participants included drivers, operators, heavy vehicle industry associations, internal RTA stakeholders and other government organisations.

The draft reform package (including model legislation) will be submitted to the ATC for consideration.

Recommendation 4:

That the RTA investigate the incorporation of the Summerland Way, including a route through the narrowest part of the Border Ranges to the Beaudesert area as part of its examination of the overall North Coast Pacific Highway Strategy.

Response:

In September 2006, the RTA released the findings of a technical review of inland corridor alternatives utilising the Summerland Way, based on proposals put forward by the Member for Ballina and a community-based group, the Community Alliance for Road Sustainability.

The technical review was carried out with the assistance of independent experts, Ecos Environmental Pty Ltd and MacDonald International, in the respective areas of flora and cost estimating.

The RTA's assessment concluded that there is no compelling evidence to favour an inland corridor and confirmed the outcomes of previous investigations undertaken on an inland corridor via the Summerland Way in 1992.

The outcomes of this year's most recent review indicated that the inland corridor would not be a viable alternative to upgrading the Pacific Highway because:

- it would not take traffic off the Pacific Highway;
- the traffic that would use the Summerland Way would not justify the cost;
- it would cost more than the Pacific Highway upgrade;
- the Pacific Highway would require upgrading even if the Summerland Way was built;
- the majority of traffic remaining on the Pacific Highway would require continuing investment to upgrade the highway even if the inland corridor was built; and
- it would have to be completed in one stage, which means that other sections of the Pacific Highway identified for upgrade would be delayed.

The report is available on the RTA's website (www.rta.nsw.gov.au).

Recommendation 5:

That the NSW Government act on its responsibility for strategic transport planning for freight by developing an integrated NSW Freight Strategy, and work through the Council of Australian Governments (COAG) to develop a national freight strategy to encourage integrated strategic planning for all modes of transport.

In addition to developing a strategy to guide all freight movements in New South Wales, the NSW Freight Strategy should:

- *Outline measures to encourage a shift from road to rail freight, including through integrated strategic planning for both road and rail upgrades;*
- *Investigate the adequacy of less extensive upgrades to the Pacific Highway on the Mid and Far North Coasts, taking into consideration the outcomes of investigations concerning the North Coast Highway Strategy, including the feasibility of incorporating the Summerland Way and measures to shift freight from road to rail.*

Response:

AusLink is currently the primary vehicle for planning for national freight infrastructure needs. In this context, the NSW Government shares responsibility for freight transport planning with the Federal government. While the NSW Government has made significant investments in State-wide freight capacity, particularly in rail, the principal responsibility for strengthening national supply chains lies with the Commonwealth.

A range of national transport market reforms are being pursued through COAG, including: a review being undertaken by the Productivity Commission

on the efficient pricing of road and rail infrastructure; harmonising road and rail regulation across jurisdictions; strengthening and coordinating transport planning and project appraisal processes; and reducing urban congestion, informed by a review into the main causes, trends, impacts and options for managing congestion, focusing on national freight corridors.

AusLink

Funding and investment decisions under AusLink are informed by the development of corridor strategies to identify priority needs along major freight routes.

The NSW Government, through the Department of Planning and relevant NSW agencies, is working with the Commonwealth Government in preparing an AusLink corridor study for Sydney to Brisbane to plan for future passenger and freight demand. This corridor study is under the direction of the Commonwealth Department of Transport and Regional Services (DoTARS) and will examine infrastructure options with a view to meeting the expected future demand for freight.

DoTARS is undertaking similar studies for other AusLink corridors throughout Australia.

At a State level, the NSW Government is pursuing major initiatives to facilitate the development of state-wide freight capacity.

The NSW Government's *Ports' Growth Plan*, released in October 2003, provides an overarching framework within which the Government is working with industry and the community to ensure future growth and development of port capacity in NSW.

In addition, the NSW Government is investing in and facilitating significant transport infrastructure which specifically targets freight efficiency and the efficiency of the overall transport system. For example, the NSW Government is working with the Australian Rail Track Corporation to facilitate construction of a dedicated Southern Sydney Freight Line which will allow passenger and freight services to operate independently in that sector. In addition, the NSW Government is enhancing the capacity of the existing Botany Freight Line as part of the expansion of Port facilities.

The NSW Government has also made a commitment to increase the share of freight travelling to and from Port Botany by rail.

In developing projects as part of the upgrading of the Pacific Highway, the RTA examines all feasible options to project and program design objectives which could include upgrading the existing highway to either a Class A arterial standard or Class M motorway standard. Adopting a lower standard would have the potential of not meeting important design and safety criteria which is the underpinning justification for the upgrading program.

The findings of a technical review of an inland route via the Summerland Way were made publicly available in September 2006. Please refer to the response to Recommendation 4 above for further details.
