

INQUIRY INTO PACIFIC HIGHWAY UPGRADES

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Date Received: 25/08/2005

Subject:

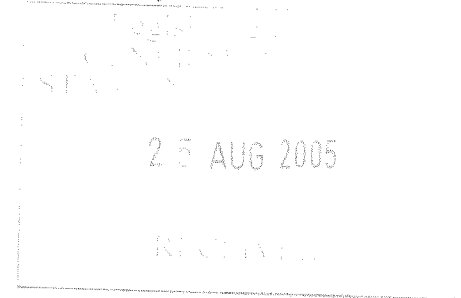
Summary

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19 August 2005

Ms Tanya Bosch
Director
General Purpose standing Committee No. 4
Parliament House
Macquarie Street
SYDNEY NSW 2000



Dear Ms Bosch,

The Tourism and Transport Forum (TTF) Australia is a national, member-funded CEO forum, advocating the public policy interests of the 200 most prestigious corporations and institutions in the Australian transport, property, tourism & infrastructure sectors. TTF's Membership includes the major operators and investors in Australia's tourism and transport industries.

TTF welcomes the opportunity to provide the following comments to the New South Wales Government Legislative Council inquiry conducted by the General Purpose Standing Committee No. 4 into the Pacific Highway upgrade.

Overview.

Whilst it is acknowledged that local community needs and issues are of significant importance, TTF strongly encourages the inquiry to consider the benefits of the Pacific Highway upgrade in its entirety and not just in isolation within the confines of a relatively small section of the road.

As one of the nation's key interstate corridors for the carriage of passengers and freight it is crucial that the yet to be upgraded section of the Pacific Highway be improved to dual carriageway to meet the current and future demands that will be placed upon it. Most importantly, upgrades aim to vastly improve the Highway's road conditions, reducing road accidents and injuries, improving travel times and efficiencies, boosting tourism and responding better to population pressure on surrounding regions.

As a result of the great benefits to be derived from the upgrade and the massive disbenefits should the upgrade not be accelerated, TTF has strongly called for the fast-tracking of the Pacific Highway upgrade between Hexham and the Queensland border.

TTF applauds the role of the Federal and State governments in their ongoing commitment to the funding of the project and recognises that, given the magnitude of the Highway upgrade, government funding alone will not tackle the huge backlog of required road funding within a timely manner. TTF has therefore called for a full feasibility study to

be developed into how private sector financing could be harnessed to ensure the Highway upgrading is fast tracked.

Safety

No person should have to rely on inferior and unsafe roads. Roads are not typically viewed as a cause of road accidents, however in estimates produced by the Australian Transport Safety Bureau it is shown that almost half of the targeted 40 per cent reduction in annual road fatalities can be achieved through better roads¹.

The Highway's poor safety record is a major concern and without the required upgrades it will continue to claim lives at an unacceptable rate and cost the nation vast sums in road trauma.

Between Hexham and the Queensland border the nature and condition of the Highway varies greatly from high quality divided carriageways to stretches of narrow two lane road. In fact, 44 per cent of the Highway has only one lane in each direction² and it is along these undivided stretches that most fatalities occur³ with head on crashes accounting for 50 per cent of such crashes⁴. Improving the road can significantly reduce road accidents (the construction of dual carriageways results in a 90 per cent reduction in fatalities⁵) with the best safety outcomes achieved by the combination of improved roads, appropriate education and targeted enforcement.

Road Trauma

Improving our road infrastructure is an investment which pays enormous dividends in terms of the reduction in social and economic costs. The cost of road trauma is immeasurable in human terms and nothing can replace the serious injury or death of a loved one. However, apart from the grief and loss caused by road crashes, road trauma is estimated to cost New South Wales in excess of \$13 million every day⁶. In 2002, crashes on the Pacific Highway alone are estimated to have cost the community over \$190 million⁷. Investments to complete dual carriageways for the length of the highway to the Queensland border will deliver dividends immediately as the costs of crashes are substantially reduced (fixing road black spots delivers a cost benefit ratio of 1:14 for every dollar invested⁸). Investments in roads also deliver major savings to the government especially in health.

Freight

TTF recognises the community's concern over the strong growth in use of the Pacific Highway, particularly by heavy vehicles as a B-Double route and the heavy use by semi-trailers. We understand that there is concern over the noise, number, and pollution impacts of the trucks, their over-representation in crashes on the Highway and the attitude that freight should be transported by rail.

¹ Australian Transport Safety Bureau

² [Safer Roads Save Lives](#) The State of our roads in 2004, NRMA and Safer Roads 2004

³ RTA 2003

⁴ RTA 2003

⁵ RTA 2003

⁶ [Safer Roads Save Lives](#) The State of our roads in 2004, NRMA and Safer Roads 2004

⁷ [Safer Roads Save Lives](#) The State of our roads in 2004, NRMA and Safer Roads 2004

⁸ Pacific Highway Summit, Mr Alan Evans, NRMA Motoring & Services

TTF agrees with the rail transportation of heavy freight and acknowledges the vital role that roads play in connecting and servicing communities. Rail freight is more appropriate for the transportation of bulk commodities like coal and grain, whereas suitable roads are required to ensure the timely transportation of smaller and perishable products.

Upgrades to the Highway can divert traffic away from communities (via bypasses). This will improve road safety within towns and create opportunities to improve the amenity of towns.

Should private financing, with a 'pay as you go' toll road, be seen as a potential solution to fast-tracking the Highway upgrade then this toll charge on the Highway could help contain the number of heavy vehicles that travel on the road should this be a desirable outcome. This will lead to maintaining pricing parity between trucks and rail on this transport corridor.

Efficiencies and Economic Benefits

Better and safer roads in non-metropolitan areas strengthen regional economies, create jobs and increase income for the community. Safer roads improve efficiency and contribute to further economic benefits delivered through savings in travel times and vehicle operating costs, reductions in environmental impacts, and increases in tourism.

From 1995–2004 the upgrade to the Pacific Highway has delivered travel time savings of 70 minutes for light vehicles⁹. This adds up to savings in the volume of fuel consumed, reductions in pollution (on a per trip basis) and time savings allowing for more productive uses.

Vehicle operating costs (vehicle maintenance, fuel and capital charge components) can be reduced by up to 50 per cent through improvements to road surfaces and alignment¹⁰. Such improvements enhance vehicle average speeds reducing fuel consumption, pollution and lowering unit capital costs.

Regional tourism

Tourism generates \$73 billion in consumption within Australia and directly employs 536,000 people. Tourism is particularly important in regional Australia, where it provides 6.5 per cent of employment¹¹. In New South Wales, the North Coast Region and Tropical New South Wales have a high proportion of workers employed in tourism (7-9 per cent, 6-7 per cent respectively¹²).

The growth in regional tourism has placed additional demand on existing road infrastructure. As State and Federal Government's develop strategies to encourage regional dispersal, the pressure on the road system, particularly the Pacific Highway, will increase.

There is a global shift toward shorter breaks. As a result, tourists value shorter trip times to their destination. The Hunter Valley, Central Coast and North Coast of NSW were all

⁹ Pacific Highway Summit, Mr Alan Evans, NRMA Motoring & Services

¹⁰ Land Transport Infrastructure: maximising the contribution to economic growth, Australian Automobile Association Australia 1993

¹¹ TTF Australia Tourism Employment Atlas 2004

¹² TTF Australia Tourism Employment Atlas 2004

in the Top 10 most popular 'day-trip' destinations in 2003. Quality road infrastructure, in particular the Pacific Highway, can support this by providing safer, more efficient routes for day-trippers and the short-break market.

Coastal and Regional Population growth

The Pacific Highway serves a rapidly growing and changing population. Coastal and regional New South Wales in particular are experiencing population increases and changes to demographics intensifying the need for quality road infrastructure.

In New South Wales, the greatest population growth has been on the coast. Byron Bay, for example, experienced significant growth of 7.8 per cent from 1999-2004¹³. Most coastal areas of New South Wales will continue to increase in population. This increase is due to the continued drift from the western areas of the state to the coast especially by Australia's ageing population. The transport system has to be able to meet the needs of this growing population in both high and low density areas. The influx of people into these coastal areas which are inadequately served by public transport has resulted in an increase in private vehicle use.

Population growth stimulates demand for travel. This growth in population and private vehicle use will place increased pressure on the Pacific Highway and surrounding road infrastructure as the population of these regions continues to swell. Sydney and Coastal areas of the state are expected to experience the majority of population growth in New South Wales over the thirty years to 2031. Upgrades to the Pacific Highway will allow the Highway to respond better to the growing demands and pressures on transport infrastructure caused by this growth.

Conclusion

The benefits of the upgrading of the Pacific Highway must be seen in the context of an entire project and not just in small sections as this Highway has ramifications for the broader community.

It is important that work to upgrade the Pacific Highway is fast tracked and not unduly delayed as the resultant continued road carnage and associated trauma is intolerable.

Highway improvements can significantly reduce traffic flows through surrounding communities where a new road section or town bypass is provided, improving safety within residential areas and providing these areas with opportunities to enhance their amenity.

An upgraded Highway would greatly reduce fuel consumption on a per trip basis and this would lead to better environmental outcomes.

Should a proposed 'pay as you go' toll on the Highway be implemented in order to accelerate the Highway construction programme, this will assist in price equalisation between road and rail freight transport along the important coastal transport corridor.

¹³ Regional Population Growth Australia and New Zealand catalogue no. 32180, Australian Bureau of Statistics 2005

Tourism to the North Coast of New South Wales is growing and must be adequately accommodated for the benefit of businesses within the North Coast area and for those visiting and appreciating the area.

Population migration to coastal areas such as the North Coast will provide additional pressure to nearby transport infrastructure, particularly the Pacific Highway, and therefore the upgrade must be accelerated to accommodate this pressure.

Should you wish to discuss this submission, please do not hesitate to contact Mr Marzi DeSanti, National Manager Transport and Planning, on (02) 9240 2000 or via e-mail: mdesanti@ttf.org.au.

Yours sincerely,

A handwritten signature in black ink, appearing to read "Owen Johnstone-Donnet". The signature is fluid and cursive, with a horizontal line drawn underneath the name.

OWEN JOHNSTONE-DONNET
Deputy CEO