



The Hon Anthony Albanese MP

Minister for Infrastructure and Transport
Leader of the House

ALGA MAIL

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Mayor Felicity-ann Lewis
President
Australian Local Government Association
8 Geils Court
DEAKIN ACT 2600

Dear Mayor

Thank you for the letter from the then President of the Australian Local Government Association, Ms Genia McCaffery, dated 3 September 2012 about resolutions passed by the National General Assembly of Local Government. My responses to the resolutions follow:

Resolution Nos. 2 and 4

The Federal Labor Government understands the need for continued investment in our nation's local road infrastructure. That is why the Government is investing a record \$1.75 billion in the Roads to Recovery Program from 2009-10 to 2013-14. This is an increase of \$42.5 million per annum over five years compared with the previous program.

Given the importance of this program to local government, in the 2012-13 Budget, we announced that we will extend the Roads to Recovery Program for a further five years to 2018-19. Of course, councils will continue to also receive annual Australian Government Financial Assistance Grants identified for roads.

Resolution No. 11

The Government has a long-standing commitment to investing in major regional roads across Australia on the National Land Transport Network, providing significant benefits for residents of non-urban regions. The next phase of the Nation Building Program seeks to lift Australia's productivity through nationally significant land transport infrastructure and will drive improvements in the vital connections between population centres through both the 'Moving Freight' and 'Connecting People' themes.

This ambitious agenda will provide funding for major projects that will improve interstate freight and passenger networks between key growth areas through the subthemes of 'Interstate Freight' and 'Connecting Cities'. Projects seeking funding through this phase of the Nation Building Program are currently being assessed by the Department of Infrastructure and Transport (my Department) and Infrastructure Australia.

Resolution No. 12

In April 2007, the Council of Australian Governments (COAG) asked the then Australian Transport Council (now the Standing Council on Transport and Infrastructure) to undertake a study of the feasibility of introducing more direct pricing for heavy vehicles and to examine future funding arrangements for roads used by heavy vehicles. In partnership with Commonwealth, state and local governments (through the Australian Local Government Association), the Feasibility Study was completed in December 2011 and has been recently agreed by COAG. The Feasibility Study is available from: <www.roadreform.gov.au>.

The Feasibility Study recommends progressing with the development of a package of heavy vehicle charging, funding and expenditure reforms. The reforms are intended to address three key disconnects in the provision and use of road infrastructure by heavy vehicles:

- between the charges paid by users and the expenditure needed to provide heavy vehicle road access;
- between the funds received by governments and the monies actually spent (and required to be spent) on roads for use by heavy vehicles; and
- between the three levels of government in planning, investment and allocation of funds for heavy vehicle road services.

The next phase of work under what is known as the Heavy Vehicle Charging and Investment (HVCI) Reform will include new arrangements for heavy vehicle road funding and expenditure and direct charging for heavy vehicles developed by December 2012, along with the preparation of any necessary agreements to give effect to those arrangements and a Regulation Impact Statement (RIS) by August 2013 to enable COAG to consider whether to implement the reform.

Further HVCI consultation processes will be undertaken throughout 2012 and 2013 and I would encourage local government to participate and provide feedback.

Resolution No. 13

In the 2012-13 Budget, the Government announced that it would provide a further \$300 million (\$60 million per annum) to continue the Nation Building Black Spot Program from 2014-15 to 2018-19. The Government is committed to reducing the social and economic cost of road trauma which is why this program is continuing for another five years.

Resolution No. 16

The Government has a nationally integrated infrastructure policy, whereby Infrastructure Australia works cooperatively with the states, local governments and the private sector to advise the Government on priorities for nationally significant infrastructure project funding. Specifically, any infrastructure projects funded through the Building Australia Fund need to be considered within the context of advice provided by Infrastructure Australia. This body and my Department work collaboratively with governments, industry and the community to ensure that implementation challenges are identified early in the process.

This is one example of how the Government works with state agencies and local governments to adopt a national, strategic approach to infrastructure investment which addresses long-term social and economic objectives.

Resolution Nos. 23 and 29

The Government's National Urban Policy, released in May 2011, has as one of its objectives 'to integrate land use and infrastructure by investing in urban passenger transport' and another 'to improve the efficiency of urban infrastructure by utilising smart infrastructure'. The Government's \$20 million Liveable Cities Program aims to achieve improved alignment of urban planning and design with the National Urban Policy.

The Government is pleased to be working with local government in the 18 capital and major regional cities across Australia which were successful in obtaining funding from the Liveable Cities Program. Some of these projects, such as the Hobart Central Bus Interchange Planning; the Hunter Region Strategic Infrastructure Plan; and the Sunshine Coast Light Rail Feasibility Study, relate to transport issues at the local government level. These, and other projects funded under the Liveable Cities Program, will provide lessons in achieving good planning and transport outcomes that can be transferred and applied across Australia's cities.

Resolution No. 32

This is a matter for my colleague, the Hon Simon Crean MP, Minister for Regional Australia, Regional Development and Local Government.

Resolution No. 82

The Government is committed to equitable, integrated and affordable access to capital city airports for regional airlines. The Government's slot management scheme for Sydney Airport includes specific conditions for the allocation of slots to operators of regional air services. These measures are designed to ensure operators of regional services have equitable access to Sydney Airport. Any proposed price increases for regional services at Sydney Airport need to be notified to the Australian Competition and Consumer Commission, and any increase in aeronautical charges applicable to regional airlines is limited to the change in the Consumer Price Index.

I look forward to working with you in your new role as President of the Australian Local Government Association.

Yours sincerely



ANTHONY ALBANESE