



18 August 2010

James McCall
Australian Automotive Industry Association
Locked Bag 5012
Darlinghurst
NSW 2010
By email: james.mccall@mtansw.com.au

Dear Mr McCall,

Thank you for providing the opportunity to outline the views of the Coalition on the important issues facing your members. On behalf of the Coalition Members of Parliament and candidates I am pleased to respond in the following attachment.

The Coalition believes Labor has made the future of all Australians more uncertain.

On top of their billion-dollar waste on school buildings, their mismanaged home insulation fiasco and their soft border protection policies, Labor is growing Australia's debt by \$100 million per day.

They even removed an elected Prime Minister to suit their own political interest.

The Coalition is taking a stand in the best interest of Australia's future.

We will end the waste, repay the debt, stop the taxes, stop the boats and ease the pressure on Australian families.

Throughout the election campaign we will be progressively announcing policies outlining our commitments for Australia's future. These policies will cover a number of issues canvassed in your survey.

Our other policies are also available at www.liberal.org.au and www.nationals.org.au.

Thank you for helping us to communicate the Coalition's commitments to your members.

Yours sincerely


Brian Loughnane
Federal Campaign Director

Coalition response to Australian Automotive Industry Association

Australia needs an efficient and safe national transport system to build our future prosperity.

Labor has over-promised and under-delivered on transport, using drawn out planning studies to hide their failures.

The Coalition will take real action to restore and upgrade Australia's long-haul rail infrastructure.

The Coalition will take real action to unclog Australia's key road systems by reviving its successful AusLink program.

The Coalition will take real action to support Australia's maritime and aviation industries, harmonising conflicting State regulations and reversing Labor's neglect of regional aviation.

The Coalition's Plan for Real Action on Transport includes the following initiatives;

The Coalition will build a safe and efficient national transport system that supports sustainable growth and drives Australia's productivity.

The Coalition will commit \$370 million of additional funding over the forward estimates for these initiatives, over and above funding to be provided from Auslink and Nation Building Funds:

1. An inland rail line from Melbourne to Brisbane through the Central West of New South Wales.

This 'Steel Mississippi' will reduce the time to move freight between Melbourne and Brisbane from 36 hours to less than 22 hours and reduce the growth of heavy vehicle traffic on our highways.

The route will stretch from Melbourne to Brisbane through Central West New South Wales – a distance of some 1,700 kilometres. A Coalition Government will aim for a completion date of 2022, around the time at which the Ernst & Young report estimates the existing coastal rail route will reach capacity.¹

The project, with an estimated cost of \$4.7 billion,² will be undertaken in partnership with the private sector. Federal funding towards the construction program will commence in 2014-15.

¹ Ernst & Young, North South Rail Corridor Study, Detailed Study Report, 30 June 2006, 4-98 at <http://www.nationbuildingprogram.gov.au/publications/reports/north_south_corridor.aspx>

² Melbourne – Brisbane Inland Rail Alignment Study – Final Report, Appendix J: Capital Cost and Delivery Program, Australian Rail Track Corporation, July 2010, p.52.

2. The Moreton Bay Rail Link in Queensland and the Northbridge Rail Link in Perth

A Coalition Government will invest \$750 million towards the construction of the Moreton Bay Rail Link to the Redcliffe Peninsula. The Coalition will offer this amount as a contribution to the total cost from AusLink 3 in 2014-15. A Coalition Government will support the funding of \$236m in the AusLink program to assist in the construction of the Northbridge Rail Link in Perth.

3. High speed rail feasibility study

When last in Government, the Coalition commissioned a study into fast rail, the *East Coast Very High Speed Train Scoping Study*. In Government, the Coalition will build upon this study to consider the viability of possible passenger routes along Australia's east coast between Melbourne, Canberra, Sydney and Brisbane. The study will also undertake a specific analysis of a possible high speed rail link between Sydney and Newcastle.

4. Upgrading Australia's critical rail infrastructure.

The Coalition will continue the upgrade of the Melbourne to Sydney and Sydney to Brisbane coastal rail link and complete the north and south dedicated rail freight lines through Sydney that have been delayed by Labor.

These improvements will make rail freight between Australia's eastern capital cities competitive with roads.

5. Building Australia's highest priority road projects.

The Coalition will ensure that funding under the restored AusLink program is directed towards the nation's highest priority road projects. The Coalition will:

- Complete the duplication of the Pacific Highway
- Complete the duplication of the Bruce Highway from Cooroy to Curra
- Construct the Toowoomba second range crossing by 2017.
- Duplicate the Princes Highway between Colac and Sale through Melbourne, ultimately providing a divided road all the way from regional Victoria to north of Gympie via Sydney and Brisbane
- Continue upgrading the highway east of Adelaide with the eventual goal of completing a four lane road from Adelaide to Melbourne
- Support key road improvements in Western Australia such as building the Mirabooka Bypass and the Manning Road on ramp. Fund larger projects including the \$239m Accelerated Upgrade Package on the Great Northern and Victoria highways; the \$73m grade separation of the Great Eastern and Roe Highway Interchange in northeast Perth; the \$180m widening of the Great

Eastern Highway from Kooyong Road to the Tonkin Highway and the Upgrading of the roads around Perth Airport.

- Begin the upgrade of the Bell's Line of road across the Blue Mountains
- Continue work on upgrading the Outback Way
- Provide funding of up to \$40 million per year for ten years from 1 July 2014 as the federal contribution to duplicate the Midland Highway in Tasmania

6. Restoring and rebuild small road bridges.

Through AusLink, the Coalition will allocate **\$300 million** over four years, to be matched by the States and local governments, to restore and rebuild local road bridges.

There are over 20,000 small road bridges,³ many in disrepair or decay. These bridges are often the only way local communities can access the broader road network, getting people to work and school.

The funding will be allocated on a transparent, merit-based, competitive assessment basis.

7. Building 500 new roadside stops.

The Coalition will provide **\$300 million** over the next ten years to fund the construction of 500 roadside stops.

Truck drivers face mandated rest breaks as a result of the recently enacted national heavy vehicle driver fatigue reforms, yet most State highways and significant sections of the AusLink national road network are not compliant with the rest area guidelines issued by the National Transport Commission.

In the interim, the Coalition will support some flexibility in the new fatigue guidelines in areas where no suitable rest areas are available.

8. Improving the safety of Australia's roads (AusRAP and Black Spots).

The Australian Road Assessment Program (AusRAP) is an initiative of the Australian Automobile Association that provides risk assessment and star ratings based on levels of safety for the AusLink National Network and some state-controlled highways.

The Coalition will use AusRAP assessment as one of its planning tools to direct funds for the maintenance and upgrading of our national highways.

The Coalition will commit to a Black Spot program, targeting dangerous sections of Australia's roads. The Coalition will ensure the program is devoted to roads off the National Land Transport Network, unlike Labor which diverts funds to national highways.

³ B. Samali, J. Li, K.I. Crews and M. Al-dawod, 'Load Rating of Impaired Bridges Using a Dynamic Model', Electronic Journal of Structural Engineering, Special Issue—Loading on structures, 2007 at <<http://www.civenv.unimelb.edu.au/ejse/Archives/Fulltext/2007/Special/200706.pdf>>

9. Spending the Road User Charge on roads.

The Coalition will ensure that all of the proceeds of the Road User Charge applied to heavy vehicles are spent directly on roads. The Coalition will not index the Road User Charge, but consult in a constructive and transparent manner with the heavy vehicle industry when the charge next needs to be adjusted.

10. Working with the Australian Automobile Association and Rotary to improve driver safety.

In 2008, nearly 1,500 people died on Australia's roads.⁴ The Coalition will work with the Australian Automobile Association to continue the innovative driver education program known as keys2drive, aimed at younger novice drivers. It will include provision of a free professional driving lesson and instructional materials. It will also establish Australia's first national accreditation scheme for driving instructors. The Coalition will also work with Rotary to assist in the national roll-out of the Rotary Youth Driver Awareness Program.

11. Working with the Australian Motorcycle Council to improve road safety

Motorcycles make up a growing and significant proportion of vehicles on Australia's roads. They are also vulnerable – accounting for 4.5 percent of all Australian passenger vehicle registrations but accounting for 15 percent of all road death crashes.⁵

The Coalition recognises that this segment of road users need to be better heard. A Coalition Government will consult with the Australian Motorcycle Council in the development of the next National Road Safety Strategy for 2011-2020 so that road safety policy better acknowledges their particular issues.

12. Improving vehicle safety by promoting the ANCAP star rating system.

The Australasian New Car Assessment Program (ANCAP) provides a star rating system which provides consumers with better information and encourages manufacturers to build safer vehicles.

The Coalition will work with motoring organisations and car manufacturers with the goal of having all new cars sold in Australia labelled under the ANCAP system. It will work with insurers to promote greater buyer take-up of four and five star safety rated vehicles and support ANCAP in its efforts to provide consumers with the information they need.

13. Protecting our children by installing seatbelts in regional school buses.

⁴ Road Deaths Australia, *2008 Statistical Summary* (2009) 1 at <http://www.infrastructure.gov.au/roads/safety/publications/2009/pdf/rsr_04.pdf>

⁵ *Op.cit.*, p. vii.

The Coalition will continue to fund the installation of seatbelts in regional school buses beyond 2012 with with \$10 million per year through the Seatbelts for Kids program. It will raise subsidy offered per bus from \$25,000 to \$50,000 to encourage greater take-up of the scheme by rural bus operators.

14. Cutting red tape for the heavy vehicle industry by harmonising regulation.

The Coalition will harmonise regulations and cut the state-specific red tape that impedes the road freight sector

Labor State Governments have failed to reform inconsistent and contradictory State transport regulations that cause frustration and expense for hardworking Australians employed in the sector. The Productivity Commission estimates the cost of the various regulatory anomalies at \$2.4 billion per year.⁶

15. Building a sustainable and competitive shipping sector.

Sea transport is essential to enable sustainable economic growth on our island continent.

The Coalition will review the impact of Royalty Withholding Tax, consider the introduction of a voluntary tonnage taxation system and look at other taxation arrangements that impose a disadvantage on seafarers and shipping companies.

The Coalition will establish a National Maritime Skills and Training Plan to address skills shortages and establish a national approach to training and accreditation and improve industry consultation measures.

A Coalition Government will seek to reform conflicting State and Federal legislative arrangements in both training and environmental laws, such as the handling of ballast and clarify the confusing legislation that underpins Australia's cabotage arrangements.

16. Maintaining best-practice aviation safety.

The Coalition will support the regulators responsible for the safe management of Australian aviation. It will maintain a board to manage the Civil Aviation Safety Authority with appointments based on merit and skills.

The Coalition supports the independence and adequate funding of the Australian Transport Safety Bureau. The Coalition will make sure that Australia's air navigation provider, Air Services Australia, is equipped with the best information and technology available, and will progress the adoption of new navigation technologies. We will seek international advice and conduct a review into the best way to deploy radar in Australia, including in air traffic control.

⁶ Road and Rail Freight Infrastructure Pricing, Productivity Commission Inquiry Report (2006), xli at <<http://www.pc.gov.au/projects/inquiry/freight/docs/finalreport>>

17. Improving Australia's aviation security system.

The Coalition will maintain the Air Security Officers Program (Sky Marshals) on Australia's commercial aircraft.

The Coalition will make sure background checks for the Aviation Security Card—which is required to work in secure areas—are strengthened and accelerated. The backlog in processing applications for the Card is unacceptable.

The Coalition will also ensure that the proceeds of the Passenger Movement Charge (PMC) are spent on customs, immigration and quarantine, and the amount raised is disclosed transparently in the budget process.

18. Promoting aviation liberalisation while protecting Australia's national interest.

The Coalition will continue its successful approach of aviation liberalisation balanced by the need to protect our national interest. It will strongly support the entry of Australian airlines into foreign markets and negotiate to remove barriers that prevent access. It will pursue further 'open skies' agreements, including with the United States, the European Union and growing regional economies such as South America.

19. Supporting and encouraging regional aviation.

The Coalition will maintain the Remote Air Service Subsidy Scheme (RASS) so that isolated communities continue to receive regular passenger and freight services.

The Coalition will preserve the En Route Charges Scheme to commercial airline carriers, with priority given to supporting low volume and new routes and services to small and remote communities. This scheme fully refunds Air Services Australia air navigation charges for a number of regional airlines and aero-medical operators such as the Royal Flying Doctor Service. The Coalition will also maintain the Remote Aerodrome Safety Program to assist in the upgrade of airstrips in remote and isolated communities.

20. Revitalising the General Aviation Action Agenda.

General aviation involves small aircraft undertaking roles such as charter and business flights, aerial-medical services, commercial and private pilot training, sports and recreational pursuits and various aerial work such as agriculture and surveying. The Coalition will review current tax arrangements to determine if incentives can be established to replace ageing aircraft. It will work with the industry to address the burden of regulatory changes and compliance, without compromising safety.

We will revitalise the General Aviation Action Agenda and establish a regular dialogue with the general aviation sector to address industry issues

21. Pilot Training

A Coalition Government will establish Australia as a global leader in flight training. The Trade Representative for Services, to be appointed by a new Coalition Government and the Australian Trade Commission will be tasked to promote Australia's pilot training services around the world.

A Coalition Government will make commercial pilot training more accessible. A Coalition Government will work towards ensuring that those undertaking a Commercial Pilot Licence qualification delivered through an approved training organisation will attract Commonwealth loan assistance.