

ROAD SAFETY COMMITTEE

Inquiry into federal-state road funding arrangements

Melbourne — 22 February 2010

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Mr P. Daly, chief engineer, traffic and transport, Royal Automobile Club of Victoria.

The CHAIR — Thank you, Mr Daly, for being here this morning to assist the Victorian parliamentary Road Safety Committee's inquiry into federal-state road funding arrangements. As you can see, Hansard is recording the evidence, and as soon as the transcript is completed the committee will pass it on to you, and if you need to make any changes you are welcome to do so. You are protected by parliamentary privilege, but that privilege is not afforded to you for anything you say outside the hearing. I invite you to proceed with your presentation, and members will ask questions as we go.

Mr DALY — That is fine. Firstly, thank you for the opportunity to be here. Let me outline very briefly why the RACV is interested in the area of road safety. We have 2 million members, and we thus claim a fairly broad responsibility across all areas of membership, particularly in mobility and road safety. We have submitted to this committee on a number of occasions.

As I was saying to Alex at the start, internationally Victoria is looked to as a leader in road safety. A number of the inquiries that this committee has run in the past — and I am sure this one will as well — feed into this international improvement in road safety. Certainly a couple of the inquiries into roadside safety a few years ago are still being quoted internationally as benchmark inquiries, so the work is very important, and thus we are keen to be involved.

In terms of current funding arrangements, most of the information I will talk about is in the submission. I do not propose to go over that in detail, but obviously I will leave some time for questions.

I guess the challenge for government, as we see it, when it comes to improving the transport system and particularly improving roads is the year-on-year budgeting process that we need to go through as a democracy. Although we have plans and strategies for multi-year funding, it always comes down to the year-on-year funding, and that does make it difficult to achieve the maximum efficiencies in terms of projects and sometimes in terms of road safety as well.

When we look at what the federal government spends on roads and what the federal government raises in funding and what is returned to motorists, we see there is quite a disparity. You would be aware even more so than me that the spending is equivalent to 10.8 cents per litre of the 38.1 cents per litre collected at the fuel pump and there is no direct link between the revenue that is collected there and expenditure on roads. There is a bit of a disconnect there, and it also makes it very difficult to have a good, strong, robust and transparent public debate on it, because it is a very complex area.

In terms of what Victoria gets as a share of the road funds, it generates about 25 per cent of our GDP, it is home to 25 per cent of the nation's population and it receives about 25 per cent, or a quarter, of the fuel excise collected by the federal government, but it is not quite up there with the level of spend. That is something that the RACV has been highlighting on behalf of Victorians for many years. I do understand the challenges of national funding — they are certainly not easy — but, as I will go into a little bit later, we believe Victoria has absolutely no shortage of projects which would provide a high benefit to the community and, if funded, would dramatically improve road safety.

We have outlined in our submission a number of key transport infrastructure priorities. I do not propose to go through those in detail — I will try to keep exactly to the committee's terms of reference — but those are in the submission. I refer you specifically to attachments 1 and 2 — these maps at the end of the submission — which provide in a pictorial format what the words in the submission say. We found these quite useful in explaining the necessary projects as we see them, at both a Victorian level and on more of a metropolitan scale.

But just to hit the high points, at page 5 of our submission section 4.1 describes a number of projects that we see as absolutely critical and indeed of national importance. We believe these are city-shaping projects. They affect not just the region but the shape and form of the city into the future. Those are listed at the bottom of page 5.

We also believe there are a number of key metropolitan projects that, whilst they are not necessarily Nation Building projects, are absolutely vital to Melbourne's continued prosperity and livability. In fact, because of the role that Melbourne plays across the state, they are also critical on a state and sometimes national level. Those projects are clearly the completion of the Metropolitan Ring Road, the east-west road tunnel from the Eastern Freeway to CityLink, and the remainder of the Melbourne metro rail tunnel connecting Footscray to Caulfield. Those are outlined on page 6 of the submission.

In terms of where we are seeing a lot of problems on the road network, we are seeing a lot in outer metropolitan Melbourne, and that often goes underreported, particularly in the media. Outer metropolitan Melbourne is a very rapidly growing part of where our population is at the moment and where it will be in 10, 20 and 30 years time.

Successive governments have always faced the challenge of trying to match the rate of infrastructure build and maintenance to the growth that is happening in outer metropolitan Melbourne, and it is no surprise that we have a backlog of infrastructure in outer metropolitan Melbourne. We believe the federal government has a role to play in helping Victoria to address that issue, particularly given that the backlog of projects is so large that it is nearly city-shaping in its own right.

I will come to private-public partnerships in a moment, but we believe there would be a role for the federal government to play in improving outer metropolitan transport — obviously public transport, plus roads.

In terms of where the private sector can be involved in building infrastructure, the RACV advocates that the state government should first seek federal funding for appropriate road and public transport projects in outer metropolitan Melbourne and indeed across the board, and from there engage with the private sector essentially to bring forward the implementation of projects that otherwise would not commence for many years into the future.

We certainly support the use of public-private partnerships. We acknowledge that the way we currently do public-private partnerships and the models that exist do have budget implications, but we believe one of the benefits of involving the private sector through availability charges, direct tolls or value capture is that budgets are backloaded but the benefits are frontloaded into a budget.

Building this critically needed infrastructure now enables us to better capture the value that we would only capture in many years time, and road safety is quite clearly a critical component of that.

In terms of road funding and safety, the RACV is a very strong supporter of the safe system approach to road safety, which calls for safer drivers in safer cars on safer roads at safe speeds.

While the state has spent an enormous amount of money on road safety, probably more than any other state, and perhaps in some programs more than the rest of the states combined — Victoria has a very proud record of funding road safety — we would like to see safety being given much more of a guernsey at the federal level when it comes to funding decisions.

When we are looking at rural road upgrades, particularly what we used to call our national highways, our AusLink corridors, the benefits are nearly always loaded towards the economic benefits that the road will provide in terms of reduced travel time, increased efficiency and the like, but there are significant road safety benefits which also accrue through those improvements.

We know turning a highway with two lanes each way or one lane each way into a freeway can be 10 to 20 times safer. The trouble is that in the past we have had a lot of difficulty in conveying that to the public. We now have a communication tool called AusRAP to enable us to do that. AusRAP is the Australian Road Assessment Program, and it provides, amongst other protocols, star ratings that are an indication of how safe a road is and the risk that poses to the travelling public. One AusRAP star is low safety; five AusRAP stars provide a road environment where a driver in a safe car doing the right thing should not get killed or seriously injured.

AusRAP, as part of the International Road Assessment Program, forms a key plank of a movement called Decade of Action. This movement is more than just infrastructure; the movement is a political movement and a community movement which aims to highlight the trauma and health problems that road accidents contribute worldwide. We would like to see the federal government and the state government much more involved in Decade of Action and in fact use Decade of Action to provide that stimulus for road safety, linking back through road infrastructure and other behavioural programs, to have a very good and strong discussion with the community about road safety. In essence, a need for a high-level government leadership and commitment to Decade of Action is what would we would be calling for.

The CHAIR — Should that also include investing in the technological infrastructure that is needed — for example, lane departure warnings on vehicles?

Mr DALY — Yes; most certainly.

The CHAIR — Apart from that, those sorts of technologies should be invested in in terms of infrastructure?

Mr DALY — Yes. I think when we are looking at infrastructure, infrastructure covers the gamut of white lines on roads through to the high technology-type solutions. There is a range of costs that are associated with each of these. But when we are looking at, for instance, run-off-road crashes, lane departure systems — vehicle-based ones or the road-based ones — can be very effective, as can things like vibrational or audio-tactile edge lines. Sealed shoulders, for instance, can reduce the number of run-off-road crashes by up to 60 per cent. So there is a whole range of solutions of which that is a very difficult component. Certainly all of those have a higher cost-benefit ratio in many instances on safety grounds — as we currently value safety — than upgrading the road to a freeway-standard road, although the freeway-standard road is quite clearly much, much safer.

The CHAIR — I would imagine that if such infrastructure is being made, that would be a lot more cost-effective to tackle some of that technology infrastructure that is needed at that point in time. The federal government would probably be saving a fair bit of money, because these technologies, I think, are somewhere between 5, 10 and 15 years away in terms of the uptake of these technologies. Certainly the road infrastructure needs to be accommodating of that too.

Mr DALY — Most certainly; I think you have highlighted it there. The issue with these sorts of technologies, particularly the vehicle-based ones, is getting them into the fleet. There are a number of makes of vehicles that already have the lane departure systems. I am not an expert in these, but I understand that they work to various degrees of success. I am not sure that they have all been trialled under Australian conditions, where our line marking is sometimes subtly different to that in Europe and other areas.

The key I think is that there are a range of infrastructure solutions. When we are talking about improving the safety of our national highways, we are not only talking about duplication to freeway standard. There are a number of technology and infrastructure solutions, such as better line markings, sealed shoulders, better intersections and better roadside protection, that can have quite significant benefits, particularly on those lower volume parts of the AusLink network where in the short term it probably would not be feasible to upgrade those to freeway standard.

This is where AusRAP can make a valid and valuable contribution to debate on infrastructure. Whilst most drivers know what a safe driver is — a 5-star driver; one who does not drink, wears a seatbelt, is not fatigued and the like — and drivers increasingly understand what it is to have a safe car through the ANCAP star-rating program, the discussion that we have had over the years on safer roads has been one pretty much between engineers and decision-makers. It is a difficult discussion to have, because everybody drives a car and everybody is an expert on the roads, but often the things that kill people are the things that they do not see. It is the roadside infrastructure — or lack of roadside infrastructure; dangerous intersections — which to the travelling public do not appear to be hazardous, but in fact they actually are. AusRAP provides that simple method of communication with the public in star ratings about what makes a road safe and why it makes it safe.

Mr KOCH — Peter, how far is that program down the track at this stage? You have given some great examples of where it could lead to. The funding of it is well short of the mark, as you have indicated, but it is up and away. As I say, how far has it got at this stage, and what are the immediate needs in the near future more than the foreseeable future?

Mr DALY — AusRAP has been running for — I will clarify perhaps afterwards — at least five or six years. In terms of where it has been rolled out, it has been rolled out across Australia on most AusLink corridors. In Victoria we have obviously done a little bit more in terms of the way we have brought it out. RACV has rolled out AusRAP across all M and A roads and most B roads across the state as well, which gives us a pretty good picture of how safe our roads actually are. What we have seen through AusRAP is that as governments have improved safety of roads, the star rating has also improved.

What we know, for instance, is that the duplications that have been done on the Calder lifted some sections of the road from 2-star to 4-star. Research that is done nationally shows that lifting a road by one star rating halves the cost of crashes to the community. Calder was lifted by two stars, and that is a great case study, because the cost to the community of crashes on that road are one quarter of what they used to be, and that benefit accrues from here well into the future.

AusRAP aspirations are that across the AusLink network we will have 5-star roads across the board. A 5-star road is a road where, if the driver is doing the right thing and he is in a safe, modern car, he should not be killed or seriously injured. We cannot build 5-star roads on every road across the state — we recognise that — but we believe that all state roads should be upgraded to 4-star in the long term. Certainly the A roads should be 4-star or 5-star, with the B road network 3-star or 4-star in the medium to long term. That can be achieved — I will not say simply — very cost effectively through some of these low-cost treatments that we were talking about a moment ago.

Mr KOCH — And in the medium to long-term time frames?

Mr DALY — In the medium to long-term time frames, I think in terms of the state road network, particularly those roads that are going to remain one lane in each direction, the highlights there are improved intersections, better roadsides, better line marking and improved overtaking opportunities. That is a function of government budgets. If governments wanted to spend the money on them over the next two or three years, those roads would be upgraded over the next two or three years and we would see quite a significant decrease in death and serious injury as a result.

The one thing we know about infrastructure spend is that there is a direct link to improved road safety outcomes — there is no question about it. We improve the infrastructure, the road is safer and people's lives are saved and serious injuries are prevented.

Mr KOCH — That did not really tell me a lot about the time frame.

Mr DALY — I am sorry, I will try to answer that.

Mr KOCH — That indicated what would happen if governments fund those things willingly in a three-year period. Under the current regime what sort of time frames are we looking at if we cannot attract greater funding from both federal and state budgets?

Mr DALY — If we were to maintain the existing spend on black spots and on the safer road infrastructure programs, and assuming that we continue to get around about the same share of federal dollars, we would be looking at a decade or more to upgrade the roads to, safe system standard.

I will not be pinned down on the exact figures, because I am not sure all of those, but that is the order of time frame. It would be a decade; it might be two decades. I think the key is that if we invest money in safer roads, we will get improved safety outcomes and we will get those improved road safety outcomes, that accrue from here forever, as soon as we spend the money.

The CHAIR — Peter, are you aware of which state would be attracting a larger share. For example, does Queensland get more of a share than Victoria in terms of road funding? Are you aware of other states that are receiving more of the share of the road funding?

Mr DALY — Yes. If we look at page 4 of our submission, there is a pie chart in there which is based on, as I understand it, 2007–08 total state and territory expenditure on roads. You can see that Victoria is there with 15 per cent, New South Wales with 29 per cent and Queensland with 32 per cent. The figures do change over the years. Victoria traditionally has had a lower proportion than other states, certainly much lower than we have contributed through excise.

The CHAIR — What do you think goes wrong, given that case scenario in your comments before about investment in road infrastructure saving lives? Victoria's road toll is lower than the other states that you have mentioned, but they have had more work done on their roads. What do you think we are doing right, and do you think that we would improve our road toll if we could get that much funding?

Mr DALY — I think there are two parts to the answer. Victoria has long been a leader in Australia, and arguably internationally, in addressing crashes on the network that are already occurring through what we call the black spot programs. We have had a number of black spot programs over the years which target countermeasures and fund those countermeasures at locations where lots of people have been killed. That has been very, very successful.

What we have only done more recently is to start applying the lessons from those programs to what you might call proactive safety, where we start putting in wire rope barriers along lengths of road that currently do not have crashes but we know it is only a matter of time before they do. On many roads, particularly with hazardous road sides, it is not a matter of if these crashes happen, it is a matter of when these crashes happen. That is certainly one part of the answer.

I think the other part of the answer is that the argument often used against Victoria having a greater share of the funding is that we have spent so much on road safety and we have improved our network, possibly more than other states. RACV rejects that. Victoria has a very dense network. It has a dense population in comparison to other states. Accordingly, the benefits which flow from investment are large.

The CHAIR — Even New South Wales?

Mr DALY — As a state, because we are a small state in terms of geography. The benefits of investing in upgrading our highway network are correspondingly large because of that density. Investing money, for example, in roadside barriers on the older sections of the Hume Freeway are correspondingly larger, because of the high traffic volumes that those roads take. You can compare that with roads across the state or across the country that might only carry 10 vehicles a day. There is a very big disparity, even in Victoria, of different traffic volumes on different roads. But across the board Victoria is a dense state. It has a relatively dense traffic network, and traffic volumes are high. The investment in improving infrastructure pays greater community dividends because of that.

Mr LANGDON — We can look at your pie chart from two different angles. We can look at the size of the states, and yes, I can see that New South Wales and Queensland are definitely bigger than Victoria, and Western Australia is bigger than the lot of us and it scores very badly. If you go on population size, New South Wales is bigger than Victoria, but still we seem to be missing out on both levels — be it size, population or whatever.

Mr DALY — I think the very clear outcome from all of this, no matter which way you look at it, is that if the federal government invested more money in Victoria on improving our transport network, then we would have a much higher corresponding return on that investment — no matter whether you are looking at efficiency to the economy or in terms of road safety.

Going back to an earlier comment I made about road safety not being as valued as it perhaps should be in the equation of road funding, there is an argument that the way we cost a life in Australia is out of step with international practice and certainly best practice. Whilst I will not go into the details and the methodologies used, we can value a life at its true level under, say, a willingness-to-pay model — and you will have to ask the economists to explain that to you in detail. But if we value a life at what it is really worth according to international standards, then the safety benefits of investment correspondingly jump. It is not something that is just an accounting figure. It is actually bringing Victoria and Australia into step with international practice — certainly best practice — on how we value life and how we cost life in these sorts of equations.

The CHAIR — Any further questions?

Mr LANGDON — Looking at your comments on metropolitan projects, the completion of the Metropolitan Ring Road and the east–west road tunnel are all road projects, but your third major point in your submission is about the railway. A lot of people have argued to me that — despite what you are saying and what the auto industry is saying and so on — one of the best ways of solving the traffic congestion and road safety is to stop spending money on roads and put it into public transport. What is your argument there, and are you advocating some of that here as well?

Mr DALY — I would argue that in terms of advocacy RACV is a member organisation, not a motoring organisation. We represent our members in all forms of their mobility, not just in motoring. But with that said, there is a heck of a lot of travel that is on the roads and will remain on the roads. Public transport — trams, buses and taxis — relies on good road infrastructure if it is to work properly, particularly in outer metropolitan Melbourne where you move further away from the radial rail corridors. We see the funding mix as being for transport, not just roads, and accordingly we advocate very strongly for a better public transport system. Clearly that needs capital expenditure as well as ongoing expenditure. Does that answer your question? Can I clarify that in any way?

Mr LANGDON — No, it is an interesting argument that those who, again, are mainly inner city dwellers just want more public transport. I acknowledge — for example, I have heard the minister say — that in outer metropolitan areas the biggest public transport component is buses and they do need roads to travel on. Those who advocate public transport do not often recognise that fact either.

Mr DALY — I would refer the committee to RACV's *Outer Melbourne Connect* report. I do not have a copy with me, but it is available via links on our website. In that report we put forward our blueprint for outer metropolitan Melbourne, which includes rail line extensions, significant bus extensions, new railway stations and a much improved road network, both for public transport and for private travel, but importantly also for freight, which is often overlooked. As Melbourne continues to grow and our economy moves towards a service economy, the role of freight becomes more and more important — that is, not just larger trucks on the roads and more of those larger trucks but also the sorts of vans that we see, such as Star Track Express vans, milk delivery vans and the like.

The CHAIR — Peter, are you aware of any funding arrangements anywhere around the world that may be a better system than ours in terms of roads? Obviously we have three tiers of government and not many countries around the world would have that, but do you know of any better systems than ours?

Mr DALY — There are a number of different systems around the world. I am not an expert on international practice in road funding arrangements, particularly between governments. One thing I will say though is to reinforce the role that the Transport Accident Commission plays in road safety in Victoria and to say that it is very rare around the world to have a body like the TAC to improve the safety of roads or to fund improving the safety of roads. Victoria is often commented on internationally extremely favourably because we have a TAC and that TAC willingly sees the business case for improving infrastructure but also for addressing some of the behavioural issues through campaigns and through enforcement, as well as being involved in the vehicle engineering space.

Mr KOCH — Peter, from the RACV's point of view what practical measures would you suggest as a means of either ending such political fiscal imbalance or mitigating its effects with respect to road funding, and further, what proportion of fuel tax revenue do you consider should be returned to the states, but particularly Victoria, and why?

Mr DALY — It is a broad question.

Mr KOCH — Sorry, it is a bundle of questions. I think it probably sums up a lot of the funding concerns that your organisation has, that we have as a committee and that the community has at large.

Mr DALY — I appreciate the question, and I understand the importance of the question. From the RACV's perspective the model that we currently use in collecting excise and, at a state level, other taxes and charges on motoring is not ideal. I think at some point in the future we are going to move or will need to move to a road-use charging model which has two components: one which provides access to the network — a relatively small charge which would be the same across all states — and another one which captures the actual usage of the network. And by that I mean the actual usage of the network and the externalities of the usage of the network, including road safety, contributes towards that.

In terms of what Victoria should have as a share of the federal funding pie, I would like to see it improve from what it is at the moment. I will not give you an exact figure, though. In the context that we have a national body now which allocates or makes recommendations on the allocation of funds, I think Victoria needs to continue to make very strong submissions on that and to highlight the benefits that improvement of our network will provide.

Mr KOCH — In relation to a user component, how would you or the RACV see that as being feasibly collected — through the registration component? What medium do you see as possibly the one we should be giving greater consideration to if we were to go down that path?

Mr DALY — I think in the longer term a system which utilises information about where and when the vehicle is travelling — on which roads and at which times of the day. What that technology allows is a true usage charge so that people can then modify their behaviour, depending on what they are paying. So, for instance, if you are driving a small three-cylinder diesel car on a country road, then you would pay much less

than somebody driving a SUV or a Hummer down the middle of Bourke Street in peak hour. I think until we have a system whereby people can better understand the cost their travel imposes on others — the externalities, if you like — then behavioural change is somewhat more difficult, so I think that will be coming. In the short term it may well be done through some sort of modification of excise or a charge on fuel, but in the context of an overall review of taxes or charges.

One thing the RACV opposes vehemently, and certainly our members and the general public oppose vehemently, is another charge being placed on our existing regime. We are waiting, as everybody is, on the results of the Henry review, and we will take that into account from there.

Mr KOCH — Peter, as a reasonable Victorian I am very conscious of the underwriting of the public transport system that favours heavily our metropolitan community, but for obvious reasons it does not extend to the same degree regionally, and quite obviously road use is a far bigger component of regional living than it is of metropolitan living, so I would be interested to see what is in the Henry report and also to hear other people's thoughts in relation to how we actually manage that through to get the result you speak of.

Mr DALY — Yes.

The CHAIR — In terms of the 5.5.5, I think we are now having predominantly 5-star rated vehicles on the road, and I think that will dramatically change obviously with some of the legislation that we will have in place by 2012. So behaviour-wise — and that is a very interesting point you made about a star rating for the driver and a star rating for the roads — where do you think we are at in terms of drivers and roads if we were to balance them out?

Mr DALY — I think your first point that star ratings for cars are pretty well understood is extremely valid. People like the star rating concept. It is applied to tourism, fridges and the like. It is an easy sell to understand what it is to have a 5-star car. As to 5-star drivers, through Victoria's extensive behavioural work over the years I think if you are a driver out there on the road and you do not know what it means to be a 5-star driver, then you need to reassess what you know and whether you should be driving. Wearing your seatbelt, not driving fatigued, not driving with drugs or alcohol in your system, obeying the speed limit and driving to an appropriate speed — all of those things make for a 5-star driver. I think the community understanding is not as we would like it to be. It is quite clear, I think, that if we let up on efforts to improve behaviour through education and enforcement, then behaviour would regress and go backwards; there is no doubt about that.

The beauty of investing in infrastructure, though, is that infrastructure, once it has been improved, captures that value all the way into the future. So you can have an argument about whether the driver driving along a two-lane, two-way road who turned around to check on their child in the back should not have been distracted, but the reality is that if they are distracted, as they will be because they are human, and they run off the road into a tree at any more than about 70 kilometres per hour, they will die. Now, if there is a wire rope barrier or if that tree is not there in the first place, they will walk away perhaps with quite a fright but alive and hopefully having learnt their lesson. I think understanding what a 5-star car is has come on enormously through the efforts of RACV and other players.

With 5-star drivers, there is a fair bit of work there to go. We only started the discussion a few years ago about 5-star roads, and we very much hope that AusRAP at both the level and the national level will get that debate started in earnest.

I might say that the federal government invested quite heavily in AusRAP in the early years to get AusRAP up and running. It is a national program. It has links internationally, and it forms part of the international movement to improve road safety. RACV has invested very heavily in AusRAP in Victoria, particularly in rolling it out, and we play a very strong leadership role in that program. We would like to see governments, both federal and state, better recognise the role that an AusRAP-type tool can play in engaging the community in this discussion about improved infrastructure.

I think once we better understand what a safe road is and why it is safe, it will not only allow a good discussion about the investment required to make the road safe but it will also allow a very sensible and transparent discussion about the role that speed limits play in making the safety system. If motorists can understand what it is about a road that is unsafe and they can understand that perhaps in the next few months or few years it is not

possible to improve the level of infrastructure, it will allow a healthy debate about the role that speed limits might play on that road.

The CHAIR — You would obviously already have mapped out all of the road network, so do you advise your members of what the 5-star ratings are?

Mr DALY — Unfortunately in Victoria we do not have any 5-star roads or significant lengths of 5-star roads at the moment. However, I acknowledge that in relation to the data we are using there have been improvements to the road network since we last ran over the network and did some ratings. We update the ratings as often as we can. I would hope that we would have some 5-star sections now. I would be reasonably confident that we actually do, because we as much as anybody want to use very positive case studies to demonstrate to the community that investing in infrastructure pays big community dividends. I think the case study I referred to earlier on the Calder Freeway is a great example of that — lifted from 2-star to 4-star, with the cost to the community a quarter of what it used to be.

Mr LANGDON — How would you rate EastLink?

Mr DALY — We have not rated EastLink at this stage.

Mr TILLEY — I will try to keep this as succinct as I possibly can. We are seeking to achieve high-rated cars and safer roads, but there is the ongoing issue in relation to infrastructure and the damage specifically to our road network and the contribution that our road freight makes to pavement damage on our existing infrastructure. If we are trying to achieve that higher star rating and the ongoing funding arrangements to keep those roads as safe as they are, do you see any issue in relation to the road freight bodies in particular, with the innovation we are seeing coming onto our roads, and the federal body — the National Transport Commission — and the performance-based standards regime, given that we are seeing heavier vehicles on our roads causing more pavement contact and more pavement damage on our roads?

Mr DALY — There are a couple of points there that I will address succinctly. With respect to the larger vehicles, they are often safer vehicles because they have a better level of technology engineered into the vehicles themselves. Whilst I am not an expert on axle loading, I understand that some of the larger vehicles actually have less load per axle than the old semis. That said, freight should be no different to any other part of the community in terms of the externalities that they impose on others and on the network itself, and freight should pay its fair share.

The CHAIR — Thanks very much for your assistance.

Mr DALY — Thank you. I appreciate the opportunity.

Witness withdrew.