CONSULT AUSTRALIA

CURRENT AND FUTURE IMPACTS OF CLIMATE CHANGE ON HOUSING, BUILDINGS AND INFRASTRUCTURE

SUBMISSION TO THE SENATE STANDING COMMITTEES ON ENVIRONMENT AND COMMUNICATIONS

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ABOUT US

Consult Australia is the industry association representing consulting firms operating in the built and natural environment sectors. These services include design, engineering, architecture, technology, survey, legal and management solutions for individual consumers through to major companies in the private and public sector including local, state and federal governments. We represent an industry comprising some 48,000 firms across Australia, ranging from sole practitioners through to some of Australia's top 500 firms with combined revenue exceeding $40 billion a year.

Some of our member firms include:

Current and Future Impacts of Climate Change

Submission to the Senate Standing Committees' Inquiry

INTRODUCTION

We welcome the opportunity to provide a submission to the Senate Standing Committees on Environment and Communications' inquiry into the current and future impacts of climate change on housing, buildings and infrastructure.

Our industry's contribution to the built and natural environment and public infrastructure includes for example, feasibility studies, environmental impact statements, corridor preservation studies and recommendations, and the design of innovative solutions. Consult Australia's member firms bring together expertise in design, procurement, environmental planning and impact assessments, to provide innovative solutions and methods of adaptation for climate change.

Consulting firms have a profound effect on the natural environment and society; through their actions and designs the built environment is formed, and our natural environment preserved. Consult Australia's members provide design solutions that seek to either repair environmental damage, or plan adequately for a sustainable future. Our industry plays a constructive role in helping to raise and address these issues with clients and the wider population.

It is their expertise in sustainable design, innovation, and practice, which is recognised and sought after internationally, as other countries seek solutions to the challenges of climate change.

Since the first moves by the Government to introduce a Carbon Pollution Reduction Scheme in 2008, Consult Australia has supported a market-based mechanism to put a price on pollution as the most efficient policy response to achieve substantial abatement in emissions.

However, equally we recognise that a price on pollution will not by itself achieve the industry transformation necessary to achieve a low carbon economy. We recommend that a wide lens be cast on the opportunities that exist in moving to a low carbon and more sustainable future. This requires us to acknowledge that responding to climate change is but one part of sustainability.

If we see sustainability only through the rubric of climate change then we risk failure in responding to broader systemic issues (for example, demographic change, affordability, health and social equity) that also demand sustainability as an end goal and which are critical to the liveability of our cities.

Infrastructure planning and delivery itself presents multiple opportunities to contribute towards a more sustainable vision. Planning infrastructure to meet the objectives of a sustainable future will prioritise solutions that: improve connectivity, reduce emissions, minimise energy, waste generation and water use.

Infrastructure itself should be built with regard to more sustainable social, environmental and economic criteria, for example through sustainable procurement decisions, recycled material selection, improved energy efficiency and consideration of alternative water supplies.

As Australia considers the challenges of climate change, an ageing and increasing population, growing urban sprawl, and the resulting pressure on transport infrastructure, housing, healthcare and educational services, it is important we do not simply maintain the status-quo.

We submit that Australian governments' fragmented responses to climate change, and diluted incentives towards achieving a sustainable built and natural environment, reduce our competitive advantage in the global economy and increase the risks to which the Australian community are now exposed.

Our recommendations are not exhaustive, but represent some key changes in policy direction. We believe that their implementation will place Australia in a better position to address and adapt to climate change, and provide our community with confidence that affirmative action is being taken is being taken by our governments to protect our future.

PREPARE, PROTECT, ADAPT, AND INNOVATE FOR CLIMATE CHANGE

Consult Australia submits that a nationally consistent adaptation plan needs to be developed, and kept constant across political cycles, to protect Australia against the threat of damage from climate change, and to help us manage other demographic and economic changes already forecast (for example, population ageing).

Risk management has been identified as the predominant approach for adaptation[1]. However, due to uncertainties with change, the fundamental information for a risk management approach is not available. For example, in relation to climate change, the level of mitigation, extent of change impacts, and probabilities of these impacts occurring cannot be quantified. Without this information, a full risk management analysis cannot be completed. Therefore, an overall precautionary approach needs to be relied on, in conjunction with risk management principles.

As adaptation requirements become more generally accepted, planners and designers, rather than climate change experts, are increasingly being relied on to include adaptation considerations in new design accounting for 'likely' climate change scenarios. These scenarios are redefining the services expected by clients and point to a rapid need for clear parameters against which to measure project designs.

Without clear guidelines, liability for future climate change impacts may be unintentionally placed on the designer or planner of the project. Without clearer policies, increasing levels of liability and ambiguity will push engineers, designers and architects to over-compensate and therefore over-design. This will lead to an increase in the costs of their services and project construction costs.

Continued collaboration between the private sector, the scientific community, and government is essential to establish a policy framework and clear parameters, on which to base industry standards for consulting in the built and natural environment.

This point was underpinned in an OECD Working Paper published in May 2017, on getting the policies right for climate resilient infrastructure[2], which identifies that one area of focus for governments should be,

> *"Improving risk assessment and information to support decision making. This can be done by ensuring data on projected natural hazards is available and accessible, raising awareness, and building the capacity of relevant decision makers. This can be support by undertaking high-level risk assessments to identify the exposure of climate risks".*

[1] CSIRO Climate Change Report, Science and Solutions for Australia, April 2011

[2] Vallejo, L. and M. (2017), "Climate-resilient infrastructure: Getting the policies right", OECD Environment Working Papers, N121, OECD Publishing Paris.

In preference to the general classification of climate change adaptation, governments need to segment research and action into four distinct areas. All four need to be addressed individually, but together they form essential elements of a prosperous future for Australia:

Prepare

Climate change adaptation is still considered, by some, a distant and innocuous risk. Private and public institutions need to be educated, their preparedness audited, and resources provided, to address the actions required. Adaptation needs to be considered now in Environmental Impact Assessments, local planning procedures, and included through all other appropriate standards.

Protect

There needs to be immediate action for protective measures on many assets, natural and built, which will be under direct threat if climate change predictions eventuate. Either natural or built assets should not be lost by accident.

Adapt

Action needs to identify ways we can adapt to climate changes as they eventuate to minimise the impacts of climate change on Australia. In many instances, there may be no alternative other than to retreat or abandon. This will result in emerging issues relating to insurance and compensation.

Innovate

In order to maintain and improve the quality of life in Australia, and increase prosperity for the long term, we need a concerted effort to develop innovative responses. Government initiatives and incentives will be required to reduce the risk for the private sector and provide return on investment for governments.

The OECD working paper on getting policies right for climate resilient infrastructure also found that,

> *"Climate-related information, including data and projections, is a pre-requisite for making informed decisions about the choice, design and timing of adaptation actions for infrastructure. In particular, there is a need for:*
>
> **a)** *Robust observations and projections for climatic and hydrological trends into the future;*
>
> **b)** *Tools and technical capacity to interpret information and draw out its implications for decision-making; and*
>
> **c)** *Forums that help to manage interdependencies by safely sharing information between infrastructure operators, both within and between sectors."*

A National Adaptation Plan will ensure that the standard of adaptation, and therefore protection, is sufficient in all areas of Australia. The requirements for adaptation are immense, and it is unreasonable to expect that we will be able to afford the cost of all action. Planning is vital to identify the cost of adaptation action against the potential cost of no action, to prioritise projects and initiatives, and to support evidence based policy development.

Recommendation: A National Adaptation Plan

We recommend that the Australian Government facilitate the development of a National Adaptation Plan to ensure coordination, prioritisation, and delivery of adaptation initiatives nationwide. This must ensure that governments and industry professionals have access to climate projections, and facilitates partnerships between sectors and governments to better understand and address infrastructure interdependencies.

A National Adaptation Plan for Action will need to:

1) Establish how prepared the public and private sector are;

2) Establish value-at-risk in recommending scenarios outlining the impact of climate, economic and demographic change;

3) Include adaptation considerations in planning and construction approvals;

4) Consider changes to urban infrastructure;

5) Adjust regulatory and policy frameworks to account for required adaptation requirements;

6) Review social services and changing community needs;

7) Provide clear recommendations for the modification of planning frameworks, legislation and design guidelines; and

8) Prioritise the preservation of ecosystems which do not have the means to adapt.

SUSTAINABLE URBAN DEVELOPMENT

Australian cities and regions, both coastal and inland, will likely face increased challenges from climate change and natural environmental hazards. These may include extreme weather and storm events, sea level rise, cyclonic activity, increasing temperatures, heatwaves, and bushfires.[3]

Australia, particularly Queensland, has been struck by a sequence of extreme weather events. In 2011 the impact on infrastructure and homes by flooding was substantial with the cost to the Queensland economy estimated at $5billion[4]. The scale of the tragedy became that much more apparent with tragic news of human fatalities.

Sustainable urban development can be used in considering opportunities to alleviate the impact of extreme weather events (in particular flooding). It provides a framework focused on creating urban communities where both the current and future needs of residents are met. There are two important principles - resilience and connectivity - that underpin sustainable urban development.

[3] Australian Government Department of Infrastructure and Transport. May 2011. Our Cities Our Future – A National Urban Policy. Page 42

[4] Queensland Floods Commission of Inquiry, Interim Report August 2011

Resilience

By defining the risks associated with potential extreme events, and translating those risks into planning and design solutions, urban planners attempt to increase an urban feature's capacity to absorb change. This capacity, otherwise known as its resilience, allows it to persist in the face of the change and thereby improves its sustainability.

Connectivity

The elements of the physical, biological, social, and economic system in which we operate are fundamentally connected. This interconnectivity is relevant in all systems, but particularly in urban environments, where the proximity of the component elements and the frequency of interactions are higher.

Sustainable urban development provides a mechanism for framing numerous alternative solutions to the challenges of extreme events. When applied to the process of effective decision-making, the concept of connectivity allows us to highlight the importance of removing restrictive governance structures and bureaucratic boundaries that can limit the scope of decision making. Simply put, decisions related to complex, interacting systems are best made without limiting the issues that can be taken into account or the scope of these decisions.

Information sharing and collaboration can support better understanding of interconnectivity, and management of interdependences. At times, the tiered governance structure in Australia can slow decisions, limit their scope and impact on their effectiveness - this should be guarded against and challenged at all times. If we fail to do this, we will inherit poorer decisions.

While most states and territories across Australia have development some form of urban strategic plan for the future, which include references to preparedness for climate change, there is still a varied approach to infrastructure planning. Some states have formed independent statutory infrastructure bodies to develop strategies, and in the case of New South Wales manage projects. However, an agency led approach to planning remains the preferred model, which dilutes connectivity.

The Smart Cities programme being led by Premier and Cabinet is supported by Consult Australia, and we are a member of the Cities Reference Group. We note however that city policy does not only fall within the remit of the Premier and Cabinet. We urge the Government to reconcile its Departments' roles and authorities for city and infrastructure policy, to provide a clear lead in terms of setting the agenda for sustainable urban development.

We are in the process of providing feedback to the National Cities Performance Framework. Although climate change falls within the Liveability and Sustainability Policy Priorities under the Framework, there is no corresponding indicator. We believe that there should be an indicator in the Framework to measure cities' preparedness for the current and future impacts of climate change.

Recommendation for greater alignment of sustainable urban development

Consult Australia recommends that there is greater alignment of spatial planning policies, technical standards, and economic policies and regulation in support of infrastructure resilience. This recommendation is expanded on in through the following recommendations in this paper.

IMPROVED USE OF TECHNOLOGY AND DATA CAPTURE

Australian Built Environment Design Principles

In March this year, Consult Australia launched the Australian Built Environment Design Principles.

Since the mainstream adoption of the computer, the ways we capture, plan, design, construct, connect, operate, and maintain our infrastructure and urban environments has become increasingly digital.

This transition has delivered significant benefits to industry and the general public despite a general lack of common agreement or understanding on its overall purpose or intent.

As the digital aspects of cities and infrastructure become more complex and overlapping, the limitations of uncoordinated existing approaches become increasingly apparent. This limits improvement in efficiency and can hold back innovation to deliver further economic, social, and environmental benefits.

The need for government and industry to collectively create a supportive policy environment has become increasingly essential in order to enable the benefits of new technology and approaches such as Building Information Modelling (BIM), Geospatial Information Systems (GIS), and Smart Cities.

After years of challenges to get agreement, in mid-2016 consultation began with industry and government to find a pathway toward a supportive policy environment that will better enable the potential benefits of digital technology and approaches to our built environments.

It was agreed that a supportive policy environment requires a common point of reference to build consensus between and among government and industry.

The Australian Digital Built Environment Principles are a point of reference that work and policies can be aligned to, and for which business and governments can express support.

The Principles are a policy tool created within a technical context, that enable stakeholders to focus on those actions that will help to ensure the delivery of long term benefits.

Australia will benefit from more liveable cities and better performing infrastructure through the use of open shareable asset information and enabling digital technologies to capture, plan, create, build, connect, and manage our built environments.

Principles to enable stakeholders to test the above hypothesis in their particular context:

1) Beneficial

Maximises value, skills, and competition whilst achieving improvements in productivity, environmental sustainability, and providing positive social benefit.

2) Usable

Maximises opportunities for adoption or involvement, and is inclusive irrespective of participant experience, size, resources, sector, or jurisdiction.

3) Deliverable

Supports innovation and sensible risk management, and can be achieved at a variety of scales with evidence-based solutions, available resources and delivery mechanisms.

4) Accessible

Accessible to relevant stakeholders, and is transparent in its operation and limitations while ensuring security and privacy.

5) Authoritative

Consistent across industry and government, and measurable against recognised standards, regulations, and appropriate requirements.

Recommendation: Built Environment Design Principles

Consult Australia recommends the Government's endorsement of these principles.

Data capture

In respect of flooding, Australian Rainfall and Runoff (ARR) is the national guideline document that is often used for the estimation of design flood characteristics in Australia is published and supported by the Commonwealth of Australia.

Geoscience Australia supports ARR as part of its mandate to provide authoritative, independent information and advice to the Australian Government and other stakeholders to support risk mitigation and community resilience[5].

However, while the ARR was updated in 2016, the previous edition was published in 1987, almost 30 years between editions. If infrastructure is to be designed to be mitigated against climate change, it is vital that resources such as the ARR be updated more regularly. Similar resources should be made available for other climate impacts (not just rain and runoff, including temperature, wind and bushfires).

Recommendation: Investment in climate impact research

We recommend that the Australia Government provide ongoing funding to Geoscience Australia (and other such bodies) to ensure that resources are available for designers and engineers to mitigate against the risks of climate change.

INNOVATION AND PROCUREMENT REFORM

Consult Australia members provide whole of life asset management services and advice. They develop innovative solutions to ensure longer term use of infrastructure, buildings, and community areas that are adaptable to climate, population and re-use requirements.

Achieving any meaningful impact changes in relation to climate change standards, processes, and regulations, requires the introduction of adaptable approaches. At present innovation is stifled by mandated state standards. These constrain consultants, engineers, and built environment professionals from innovating to improve design, planning, and construction solutions.

[5] Geoscience Australia website, http://arr.ga.gov.au

Procurement practices should ensure, at a minimum, that government funded projects secure commitments from the developer to meet climate change and sustainability requirements prior to approvals being granted.

For example, there has been a practice within governments when reconstruction and/or rebuild work is undertaken that structures are only reconstructed to their original specifications. The cost of upgrading structures can be significant, especially following large-scale natural disasters. However, the opportunity cost of not simultaneously investing in improvements to damaged infrastructure means that the rebuilt infrastructure may be just as vulnerable. This in turn increases the risk that future natural disasters will cause even greater damage, with escalating reconstruction costs and disruption to the economy.

Recommendation: Improving investment in rebuilding/reconstruction

We believe that an opportunity to build greater resilience in infrastructure is being missed, and if infrastructure is planned for reconstruction / rebuild a review of its specifications should be undertaken and ultimately adapted to suit future climate requirements, particularly accounting for extreme weather events.

Planning for new transport infrastructure or infrastructure renewals should account for the risks posed by climate change and provide resilience.

Demand for rapid adaptation by governments, particularly in response to climate change, will increase as risks crystallise and new risks emerge. This will result in greater procurement of those professional services best able to develop solutions to manage/mitigate these challenges and risks - such services provided by Consult Australia's member firms.

The efficiency and speed of governments' response supporting adaptation will depend in part on the resolution of outstanding issues associated with government procurement, liability management, and risk allocation. To facilitate adaptation, effective risk management in procurement is critical where there is already a high level of uncertainty associated with forecast climate change, and therefore greater risk for all parties responding to these challenges.

Current government procurement practices associated with professional services in the built environment either unnecessarily add to the cost of doing business, or run counter to government policy aimed at delivering best-practice procurement and facilitating insurance markets.

For example, the lack of standardisation of fair and efficient contract terms, procurement guidelines, and risk allocation across governments and agencies, sees gross inefficiencies, increased costs, and lost time to negotiation and disputation across all parties.

There is no more significant issue affecting procurement outcomes in relation to the built environment than the allocation of risk between parties. Liability in procurement must be managed equitably, with regard to good risk management and the limitations of professional indemnity insurance.

The imposition of clauses demanding unlimited liability of consulting firms, and requirements to contract-out of proportionate liability legislation, put at risk the affordability and availability of professional indemnity (PI) insurance covering services provided by professionals and providing protection to the consumers of those services.

Such practices ignore good risk management and see the parties responsible assume unknown risks where insurance is not available to cover the liabilities sought. Such behaviours distort the terms on which firms compete for work, and expose all parties to the possibility of project failure, unforeseen costs, and poor value for money outcomes.

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Consult Australia continues to strongly advocate for policies supporting the appropriate, fair, and reasonable allocation of liability through proper risk assessment, and the adoption of model terms and conditions that have been developed through industry and client groups working together to achieve balance and consistency (e.g. AS4122-2010 General Conditions of Contract for Consultants).

Recommendation: Better Procurement Practice

Consult Australia recommends a Procurement Centre of Excellence expand the APCC's role and remit, broadening government engagement and building on work across jurisdictions considering efficiencies in procurement. The Centre would be tasked with building a stronger relationship between government and business and supporting best practice procurement in Australia at all levels of government. The Centre should:

a) be established as independent of government;

b) build stronger linkages between government and with industry sectors;

c) provide transparent expert advice to all levels of government; and

d) develop guidelines, build capability and improve standards.

The Board of the Centre for Procurement Excellence should include equal levels of representation from industry and government. The Council of Australian Governments (COAG) in collaboration with appropriate business groups should lead a Government & Business Procurement Summit to build the mandate supporting the establishment of the Procurement Centre of Excellence. The Summit should:

- highlight opportunities across all sectors to share expertise, increase productivity;
- deliver savings and efficiencies through better procurement; and
- identify key stakeholders, determine the terms of reference and appropriate governance supporting the Procurement Centre of Excellence.

In addition, Consult Australia proposes a number of recommendations to improve procurement, to the advantage of industry and government alike. We recommend that governments adopt best practice procurement, which should reflect:

1) Government commitment to being a "model client," in line with its commitment to be a model litigant.

2) Government investment in the skills of its procurement professionals. We have previously suggested the establishment of a Centre for Procurement Excellence to develop public sector procurement skills. A Commissioning Academy exists in the UK for exactly this purpose.

3) The right mix of skills exists on procurement teams.

4) Early engagement and collaboration with industry, so that government can understand what's possible, and where risks lie. This includes developing better, verified briefs and reallocating resources to the front end of a project.

5) The willingness of government agencies to explain why they are following a particular procurement practice. This allows for service providers to better understand the needs of their client, and increases empathy. It also forces clients to examine whether a particular practice is really necessary, given that it may cost them more.

6) The accountability of agency heads for the procurement performance of their agency, and performance management of contract managers reluctant to try newer and better ways of doing things.

7) Streamlined compliance processes, for example through a central register of competencies, to reduce bid costs.

8) Develop and apply limited liability guidelines to provide industry with certainty.

9) The awareness of governments of the implications of onerous risk allocation/shifting, and the costs involved in developing contractual agreements for every project, resulting in protracted contract negotiation. Governments should adopt a standard form agreement to reduce cost and increase efficiency in the procurement process. Consult Australia recommends that Australian Standard AS4122-2010 be the standard form adopted across all government procurement for the engagement of consultants.

IMPACT ON FUNDING FOR INFRASTRUCTURE

A key challenge is the need to find new sources of funding for infrastructure, as state and federal budgets are increasingly constrained in their ability to fund projects. While government spending will remain an important part of the mix, user charges and other funding sources need to be considered to ensure that Australians continue to enjoy world class infrastructure. More diverse funding sources will also serve to ensure a smoother pipeline of works, overcoming the boom/bust cycle that has characterised infrastructure investment in years past. In the longer-term this will lower construction costs for future investment when an upswing in demand will require skills lost in the downturn.

An integrated approach to funding & financing

Consult Australia has long advocated for innovative ways of funding and financing infrastructure projects in Australia. Considering new and improved mechanisms for paying for infrastructure will support the vital role it plays in boosting productivity.

Taxes are no longer enough to pay for the infrastructure we need to maintain our high standard of living. Governments need to consider new and improved funding mechanisms, such as fairer, cost-reflective road pricing, value capture, alongside ongoing asset recycling.

Government must overcome longstanding resistance to newer ways of paying for things, acknowledge that there is no 'one size fits all' solution, and understand that any new arrangement must be equitable while still raising the level of funds needed. The recognition of the vital role of infrastructure investment in boosting productivity must be continued.

Alongside effective funding streams, innovative financing mechanisms should be structured to support infrastructure projects and to deliver more equitable, value-for-money outcomes for governments. Public Private Partnerships, including for example value capture and bond banks, provide new opportunities to leverage greater private sector investment across a range of projects.

Consult Australia does not consider any single financing or funding policy will by itself provide a stand-alone solution to the substantial challenge for governments, however all options present opportunities for reform.

Leveraging government balance sheets to drive productivity

Increasingly challenging for governments, where budget bottom-lines have become more politicised, is the identification of projects worthy of public financing. In this context governments must reconsider the extent to which surplus-driven budgets and unquestioning dedication to AAA credit ratings limit opportunities to invest in long-term productivity-enhancing infrastructure, particularly at times when interest rates are low such as at present. The 'fiscal populism' that now characterises governments' approach to debt is at the expense of much-needed infrastructure investment.

The connection between decision making supporting infrastructure investment and the willingness for governments to leverage their credit rating should not be underestimated. Ultimately an approach to public infrastructure investment, supported by transparent, independent, expert advice, is essential to support a more sophisticated debate about budget policy. This approach will deepen the public's understanding of the benefits of government debt in funding public infrastructure, and apply a high level of rigour, accountability and transparency to the decision-making process.

Recommendation: Funding release

Consult Australia recommends that new funds for infrastructure must urgently be released as an investment in future sustainability and productivity.

Value capture

Overcoming institutional resistance to more innovative policy solutions will be critical to delivering new financing mechanisms. It is important to realise that not every tool available to governments will be appropriate for every project. Nonetheless steps should be taken to ensure all options are available so they can be used where appropriate.

In the case of Value Capture, institutional resistance, and/or a lack of awareness of potential benefits may be one of the major barriers to implementation. Consult Australia has identified numerous opportunities and lessons that can be learned from overseas experience in successfully implementing value capture mechanisms. Two editions of our report on value capture, published jointly with SKM (now Jacobs) in October 2013[6] and AECOM in June 2015[7], set out success factors and a roadmap for value capture in Australia, establishing important reference points for a whole of government approach,

Recommendation: Value capture

Consult Australia recommends the Australian Government continue its consideration of opportunities to incentivise value capture mechanisms as an element of infrastructure financing to deliver new infrastructure and urban regeneration.

[6] Consult Australia and SKM, Realising New Funding for Infrastructure and Urban Renewal, Capturing Value October 2013

[7] Consult Australia and AECOM, Value Capture Roadmap June 2015

Asset sales

Consult Australia has long argued for asset sales to release government funds for new infrastructure investment. Earlier announcements by the Commonwealth Government providing tax incentives supporting assets sales by state governments were a positive step, but it is disappointing that this approach has not been continued in recent budgets. The creation of Restart NSW from funds hypothecated from the lease of Port Botany and Port Kembla is an important model that can be replicated across jurisdictions.

We were disappointed to see the return of over $850 million in unused funds from the Government's Asset Recycling Initiative in the Federal Budget; furthermore it is disappointing not to see savings from previous commitments to infrastructure redirected to reform initiatives. Consult Australia is of the view that these funds could help improve business case development for new projects, or accelerate pilot studies into alternative funding arrangements like road user charging, or value capture, to charter difficult challenges more broadly in the infrastructure arena.

Recommendation: Asset sales

Consult Australia urges the continued commitment to asset recycling through tax incentives and related policy by the Australian Government.

Road user charging

Governments should start moving towards a better model of road pricing that is more efficient – raising a greater amount of funds more equitably. Any changes to road user charging need to be done in a way that is equitable, recognising that drivers in certain locations such as outer suburbs or rural areas, are required to drive further with fewer public transport options.

There is no doubt the implementation of any systemic approach to user charging is a long-term goal, and again one contingent on the hypothecation of revenues to infrastructure projects. But achieving that goal is reliant on governments considering international experience, understanding the barriers to implementation and developing pilot schemes to support community engagement and understanding. The establishment of the Transport Reform Network[8] (in 2012) bringing together over 35 key organisations with a united message, is an important step towards delivering the consensus necessary to support more ambitious policy for new funding and financing approaches.

Recommendation: Road user charging

Consult Australia recommends a public inquiry into road user charging led by Infrastructure Australia alongside ongoing support for current work seeking to establish a heavy vehicle charging trial as a first step.

CONTACT

We look forward to discussing the issues raised in this submission further and to work together with the Committee to achieve better outcomes across Australia.

Please contact Megan Motto, Chief Executive .

[8] www.transportreform.org