



**ADVICE TO THE COMMONWEALTH MINISTER FOR
INFRASTRUCTURE, TRANSPORT, REGIONAL DEVELOPMENT AND
LOCAL GOVERNMENT**

NATIONAL TRANSPORT POLICY FRAMEWORK

A NEW BEGINNING



FEBRUARY 2008

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1. INTRODUCTION

A ***New beginning for transport*** is a plan for significant and decisive action to keep the nation moving.

Transport is the 'engine room' of the nation's economy. It gives working families better access to jobs, leisure, healthcare and education. It ensures products are delivered to supermarket shelves when we need them at the lowest cost.

Reforms to date have served transport users well, but the system is at risk of choking under a massive forecast increase in passenger and freight movement. The next phase of reform will require genuine leadership and a significant shift in our thinking.

Experience has shown small ad-hoc decisions don't add up to smart infrastructure use. The silo approach has to end. A national policy framework will ensure Australia's road, rail, air and sea transport systems are planned and operated as an integrated network. This document sets out how we can transition to the new world through genuine co-operation at all levels of government.

1.1 A New Beginning

State and Territory Transport Ministers will be invited to work in cooperation with the Commonwealth Government in charting the new course and chair working groups to address transport reform 'hot spots' identified through consultation, including:

- a framework for mapping supply chains to identify capacity bottlenecks, regulatory barriers and other opportunities to improve the efficiency of infrastructure use
- a national market for transport which includes efficient pricing and regulation across all modes to deliver the right balance of mode choices and investment
- smarter long-term investment in the right place at the right time based on clear economic, safety, environmental and social criteria
- Commonwealth working with the States and Territories to improve urban transport and passenger transit systems to support the sustainable growth of Australia's cities
- moving toward 'Vision Zero' for safety to ensure our transport system does not kill and injure its users
- measures to reverse the rapid growth in transport emissions as part of meeting Australia's international climate change obligations
- addressing skills shortages through national programs to improve workplace conditions, training and recruitment for transport workers
- strategies to connect remote and disadvantaged communities and increase accessibility to the transport network
- a co-ordinated national research strategy and data framework across all modes, and
- reform of institutional frameworks to deliver the *New beginning for transport*.

1.2 Transition to New World

The good news is that if we take a united approach on national transport reform, we will secure our future prosperity and deliver a fully integrated vision for transport in Australia.

| | FROM OLD WORLD | TO NEW WORLD |
|--------------------------------------|--|--|
| Focus | <ul style="list-style-type: none"> • Single modes and stand-alone projects • Freight movement • Economic | <ul style="list-style-type: none"> • Integrated with global supply chain • Safe and efficient mobility of people and goods • Economic, social and environmental |
| Infrastructure | <ul style="list-style-type: none"> • Investment priorities based on freight corridors • Building our way out of capacity constraints • Lack of certainty regarding infrastructure priorities and funding • Funding allocated to particular modes | <ul style="list-style-type: none"> • Service specification and transparent cost-benefit analysis and reporting of the transport investment options across key national logistics chains • Better use of existing infrastructure through pricing, technology etc. • Long-term planning, identifying priorities and clarity around what projects governments will fund • Funding delivers safe and efficient mobility regardless of mode |
| Integration and Co-ordination | <ul style="list-style-type: none"> • Fragmented private sector involvement • Blame shifting across different levels of government • State and Territory transport plans stop at border | <ul style="list-style-type: none"> • Public sector works hand-in-hand with private sector • Robust national transport policy framework • State and Territory transport plans aligned with national transport plan |

1.3 Consultation

In developing this document and within the timeframe available, targeted consultation was undertaken and input provided by the Commonwealth, State and Territory and local governments, transport and planning department chief executives, industry associations, private sector, unions, business leaders and selected individuals with extensive transport experience as well as drawing on prior transport reports and research.

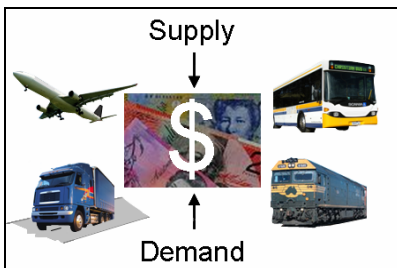
2. AUSTRALIA'S TRANSPORT CHALLENGES

2.1 Priority Areas and the Challenges Currently Faced

The next phase of transport reform will be challenging, as it will require a shift in culture and thinking from improving individual modes to lifting the performance of the national transport system as a whole. A number of transport challenges have been identified as priorities to be addressed.

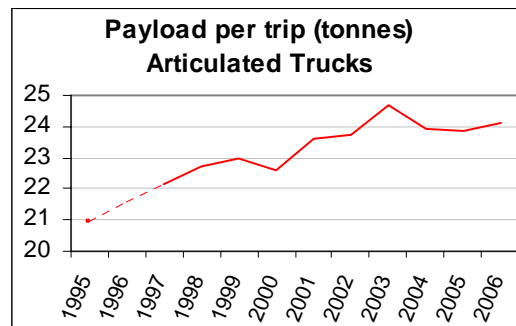
PRIORITY AREAS

1) Economic Framework for Efficient Transportation Marketplace



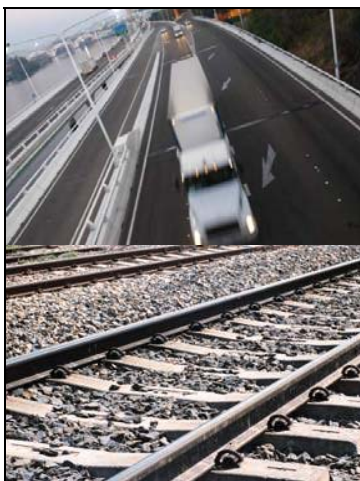
CHALLENGES CURRENTLY FACED

- Inefficient market signals lead to poor modal choices and decision making. In addition, externalities are not properly costed
- Transport productivity reform has stagnated in recent years



- Governance of government trading enterprises leads to confused objectives and poor public transport outcomes
- COAG road reform agenda does not fully reflect the Productivity Commission report. Further, governance arrangements are inadequate

2) Infrastructure Planning and Investment



- AusLink initiatives would be enhanced by linkages to a national policy framework and addressing urban transport, public transport, and measures to optimise the safe use of existing infrastructure (e.g. 'last mile' investments)
- A lack of alignment of Commonwealth, State or local government infrastructure investment proposals leading to poor outcomes e.g. airport planning laws, delays related to approval processes
- No agreed pipeline of investment for projects of significance – lack of certainty as to what will be built, when and source of funding
- Lack of long term land use planning and banking for future transport needs across all modes

AUSTRALIA'S TRANSPORT CHALLENGES (CONT'D)

PRIORITY AREAS

3) Capacity Constraints and Supply Chain Performance



CHALLENGES CURRENTLY FACED

- Building more infrastructure is expensive - equal emphasis should be placed on the better use of existing assets
- Increasing public transport demand driven by population growth and fuel prices
- Failure to co-ordinate investment across the supply chain and anticipate forecast demand
- Freight bottlenecks constrain capacity and drive up export costs (coal mines in the Hunter Valley pay \$600 million a year in demurrage)

4) Urban Congestion



- Australia has no co-ordinated action plan to address growing urban congestion, which if not addressed will cost \$20.4 billion a year by 2020
- Lack of adequate price signals to manage demand. Some taxes and subsidies create incentives that increase car use
- Just-in-time distribution systems have substantially increased light commercial vehicle movements
- 65% of Australia's population are in capital cities; national population growth is forecast to continue to be concentrated in the capitals
- Private road vehicles now account for about 90 per cent of the total urban passenger task

5) Environment and Energy



- The transport sector is one of the largest generators of greenhouse gas emissions in Australia and is growing far in excess of Australia's Kyoto target
- In 2005, transport greenhouse emissions were 30% higher than the 1990 level. Emissions continue to grow 2% annually
- Australia is becoming increasingly reliant on imported oil and this is expected to have a significant impact on balance of trade.
- There are no substantive plans to make better use of alternative fuels
- Transport is considered the industry most vulnerable to increased oil prices

AUSTRALIA'S TRANSPORT CHALLENGES (CONT'D)

PRIORITY AREAS

6) Safety and Security



CHALLENGES CURRENTLY FACED

- The transport and logistics sector is Australia's most hazardous workplace
- Australia is failing to meet its own 40% road safety reduction target
- There are still 1600 road deaths and 30,000 hospital admissions each year
- Safety cost to the community is \$17 billion per year
- Reforms poorly aligned with infrastructure programs
- Evidence of wage payment methods leading to dangerous safety outcomes
- Transportation is the most common target of terrorists because people congregate in vehicles, terminals and airports

7) Strategic Research and Technology



- Current research for transport and logistics is largely modal-focused, technical and unco-ordinated
- Transport policy making constrained by research, which lacks a strategic national focus
- Poor co-ordination between existing research bodies which results in waste and duplication

8) Workforce Planning and Skills



- Australia's transport sector has an ageing workforce and an acute skills shortage
- There will be a shortfall of 10,000 transport workers in 5 years if no immediate action is taken
- Low involvement in higher education impacts on the industry's long-term capability
- Poor workplace conditions

AUSTRALIA'S TRANSPORT CHALLENGES (CONT'D)

PRIORITY AREAS

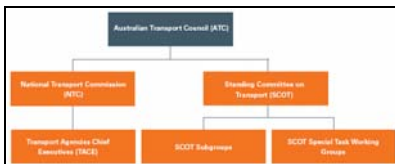
9) Social Inclusion



CHALLENGES CURRENTLY FACED

- Decades of urban sprawl have left large areas poorly serviced
- Unemployment and social disadvantage tends to be higher in poorly serviced areas
- Poorly serviced areas are most vulnerable to rising fuel costs
- Many Australians cannot access employment, education, health and other services

10) Governance



- Inconsistent national reform implementation and lack of incentives to comply
- Poor accountabilities and failure to co-ordinate policy formulation in the national interest
- Governance structures have grown over time and have not been rationalised
- Stronger inter-governmental mechanisms for a 'New Model of Co-operation' between Commonwealth, State/Territory and local governments are needed
- Patch-protection and bureaucratic processes are blocking meaningful transport reform

2.2 Case Studies

The following case studies highlight some of the issues raised in the challenges section.

Case study: Grain supply chains

Australia's regional rail networks face the twin challenges of more variable grain harvests and the transport industry transitioning to the private sector. Rail operators' commercial objectives have resulted in attempts to transfer the risk of unused latent capacity. A co-ordinated national approach involving government, industry and the community is needed to deliver a sustainable long-term multi-modal solution.

Case study: Poor integration of urban public transport planning and suburban growth

Capital cities' outer fringes with rapid population growth often lag in provision of public transport infrastructure and services, perpetuating car domination. Many new residents buy extra cars to meet household travel needs, pushing up household mobility costs, reducing effectiveness of eventual public transport services and increasing carbon emissions.

Case study: No policy framework for 'inland ports'

National containerised trade is forecast to increase by an average of 5.4% a year for the next 20 years, trebling the number of TEUs handled by ports to 15 million a year by 2024-25. This will put further pressure on land links and congestion around shipping ports. Many State governments have set targets for a modal shift, however, Meyrick & Associates' Infrastructure Report Card (2007) reported: *"No state government has yet developed a practical and coherent set of policies that is likely to bring (a modal shift) about."*

Case study: Livestock transport bottleneck

Planning and investment on roads is not focussed on logistics chain needs and there is no incentive framework for local councils to improve access for high productivity vehicles.

For example, a 2 km stretch of road on a 1,900 km transport chain restricts the operation of triple road trains to cattle yards at a regional town. Operators are forced to 'break-up' their trucks into smaller double road trains for the final leg, which costs \$750,000 a year in lost efficiency and adds 3 hours per trip to the task. The road upgrade would cost \$150,000.

Case study: Skills shortages

With the advent of low cost carriers operating mid-size jets (generally A320s), there is a pilot shortage within Australia. In particular, Rex Aviation is suspending routes (e.g. Melbourne – Griffith) and reducing service on other routes (Sydney – Griffith) because of competition for pilots from other airlines.

3. NATIONAL TRANSPORT POLICY FRAMEWORK AND GOVERNANCE

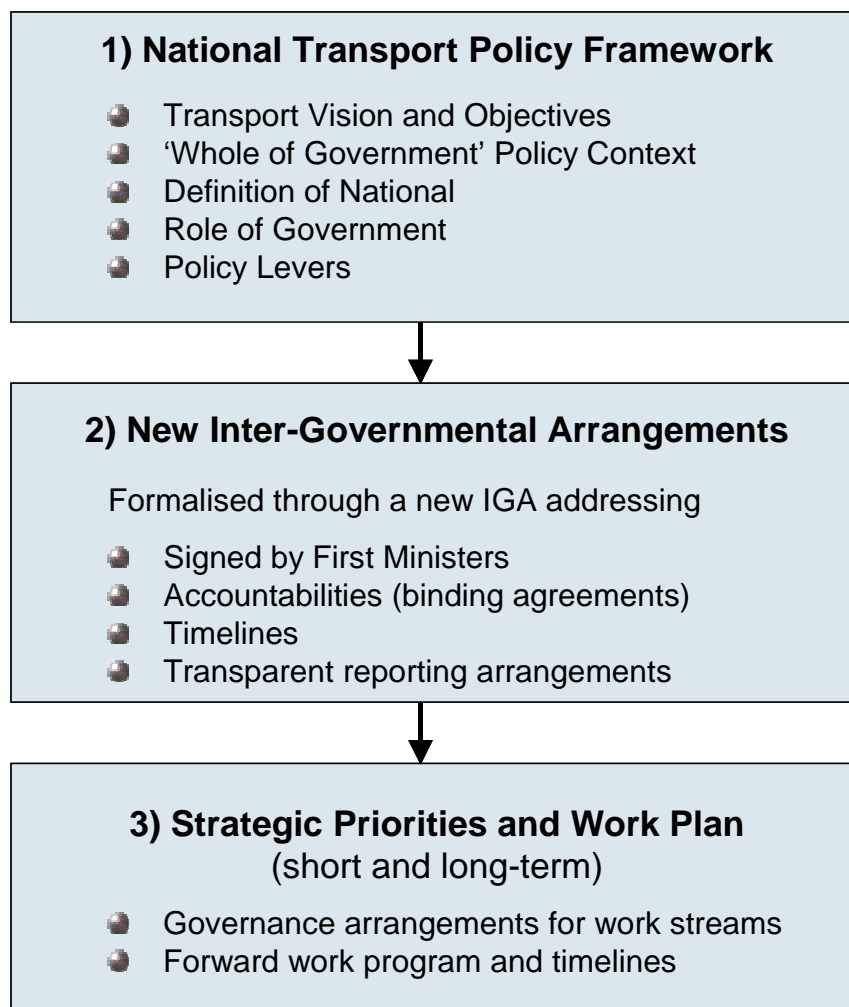
Historically transport policy has tended to be developed by the States, Territories and the Commonwealth, largely in isolation. There are tangible examples of where governments have jointly addressed important issues as the need arises; for example, national road and rail safety reforms. However these activities require major ‘one-off’ efforts and often do not emanate from any long term strategic transport goal, objectives or priorities.

The commonality of policy issues across governments, as well as the significant gaps in addressing these issues point to the need for a national framework. The uncertainty and duplication that arises from jurisdictionally-based policies imposes additional costs and adversely impacts on the ability of the private sector to efficiently invest and operate in the national transport environment.

3.1 Policy Framework

A national approach to transport policy comprises three elements:

Policy Framework Implementation



In committing to operating within this framework, governments recognise that the Commonwealth, States and Territories are each sovereign governments with specific authority and responsibility for transport policy and planning in the respective jurisdictions.

It is also recognised that each government manages a component of the national transport system and that an appropriate level of integration and national consistency is vital to the delivery of outcomes required from that system.

3.2 Redefining the National Model

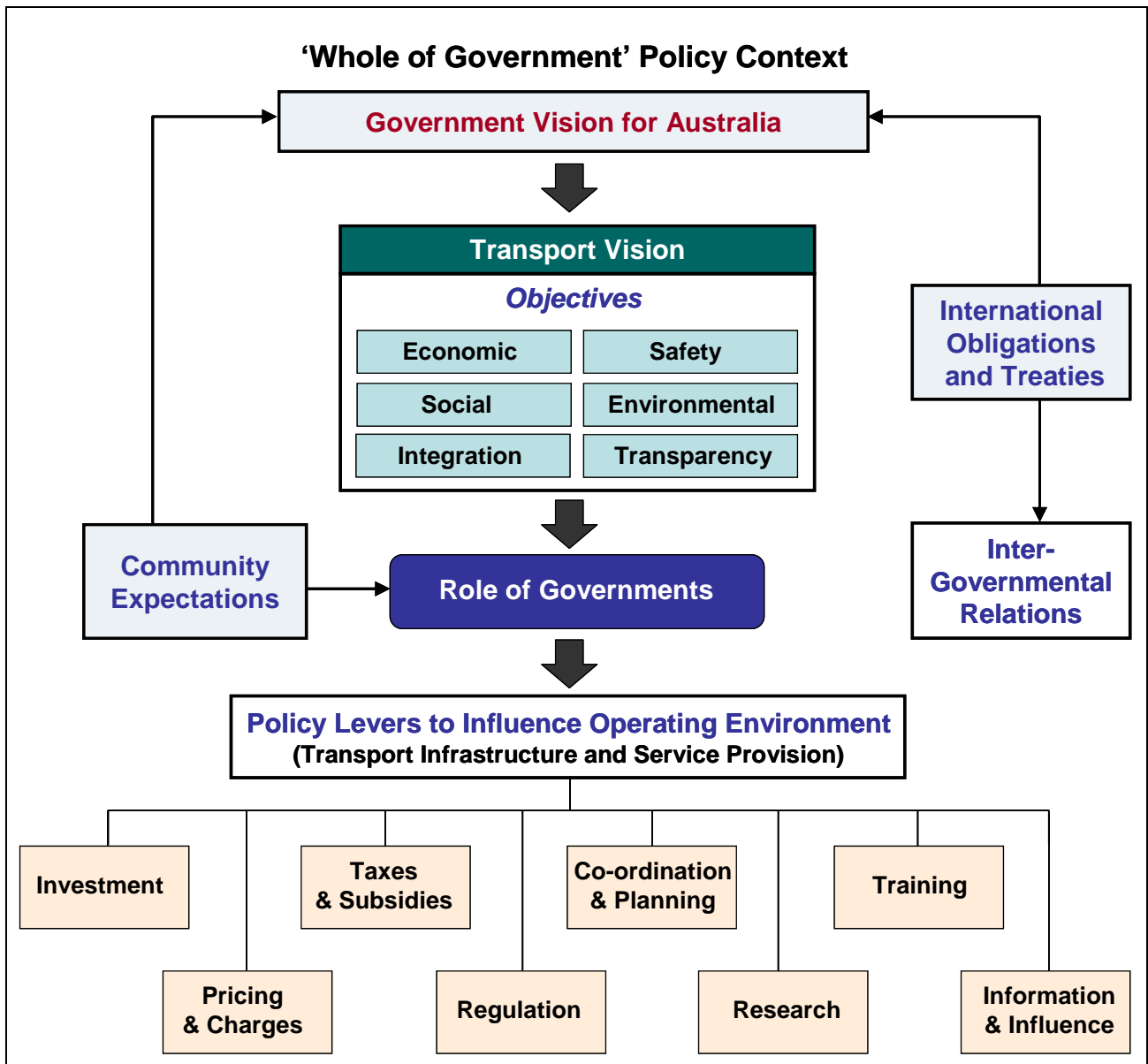
Central to this is the need to clearly define what is meant by 'national' in relation to transport. Currently, governments determine that an issue is 'national' if it crosses a border, or interfaces with the Commonwealth's constitutional responsibilities. An alternative view, and one that reflects industry and community opinion, is that national is something that is important to a significant proportion of Australians (be it directly, e.g. urban congestion or indirectly, e.g. productivity of economically important supply chains), irrespective of the level of government formally responsible. Addressing a national challenge in this sense would require a united approach by all levels of government.

A national transport matter is one that materially impacts on the national economy or society. It is not defined by state borders or Constitutional responsibilities.

3.3 'Whole of Government' Policy Context

The national framework would also be linked to other policy processes. Land use planning, taxation, industry policy and the rapidly evolving policy debate regarding responses to climate change fundamentally impact on transport outcomes. The policy environment is complex and transport policy must be both responsive to these issues and also able to influence these policy processes.

Importantly, the framework would serve as an explicit public statement by all transport Ministers that they are committed to advancing a national agenda, supported by revised inter-governmental arrangements and a public work program. Consistent with the outcomes of the December 2007 COAG meeting, this public statement needs to signal a fundamental break with the past.



Each of the following policy framework elements, which are outlined below, need to be agreed at ATC:

1. Vision for Australia's transport future
2. Transport objectives
3. Role of government and policy levers
4. Guiding principles

3.4 Vision for Australia's Transport Future and Transport Objectives

Australia requires a safe, efficient, reliable and integrated national transport system that supports and enhances our nation's economic development and social and environmental wellbeing.

Australian governments have the following transport policy objectives:

ECONOMIC

To promote the efficient movement of people and goods in order to support sustainable economic development and prosperity

- ⇒ Getting the right operating asset (e.g. cars, trucks, trains, planes, ships) on the right infrastructure to meet the task of moving people and freight in the least cost manner with the greatest reliability and quality

SAFETY

To provide a safe transport system that meets Australia's mobility, social and economic objectives without killing or maiming its users

SOCIAL

To promote social inclusion by connecting remote and disadvantaged communities and increasing accessibility to the transport network to allow equitable access to community resources

ENVIRONMENTAL

Protect our environment and improve health by building and investing in the efficient movement of goods and people which minimises emission and consumption of resources and energy

INTEGRATION

Promote effective and efficient integration and linkage of Australia's transport system with urban and regional planning at every level of government and with international transport systems

TRANSPARENCY

Transparency in funding and charging

- ⇒ Where full cost recovery is not applied, equitable access to the transport system will be provided through clearly identified means

3.5 Role of Government, Policy Levers and Guiding Principles

Governments may intervene in transport to:

- address market failure including undesired externalities, natural monopolies and information asymmetry; and/or
- address equity issues, e.g. to deliver socially desirable outcomes.

Governments need to clearly articulate and support transport policy objectives such as improved safety, greater social inclusion (accessibility), less noise and lower emissions. The market alone cannot deliver these objectives.

All levels of government have a vital leadership role. It is not the role of government to intervene where the market can provide the most efficient solution, but where markets ‘fail’ transport may continue to require significant public sector intervention through appropriate policy levers to meet transport objectives.

This policy framework should be underpinned by the following guiding principles:

| Guiding Principles | |
|-------------------------------|--|
| Infrastructure Pricing | ➤ Sending the appropriate signals to influence demand and supply |
| Competitive Markets | ➤ Establishing competitive markets wherever possible to minimise the need for regulation |
| Private Sector | ➤ Involve the private sector, where appropriate, in delivering outcomes |
| National Regulation | ➤ Where regulation is required, adopt a national perspective |
| National Markets | ➤ Create national markets |
| Customer | ➤ Customer-focussed |

3.6 New Inter-governmental Arrangements

A consistent theme from stakeholders and the State/Territory governments is the need for new inter-governmental arrangements to support transport reform. Current arrangements in the transport portfolio have failed to deliver the national policy outcomes that industry and the broader community expect. The perspective of governments, including the Commonwealth, is to represent (and protect) their own interests. The outcome of this is that ATC has been unable to address some of the most substantial transport issues facing Australia.

The Commonwealth Government has a key leadership role in national transport policy. Using a broad range of powers, including its revenue raising powers, the Commonwealth can exercise considerable leverage to drive reform. This was demonstrated through the implementation of the National Competition Policy (NCP) agreements. The vision and drive to promote collaborative national reform needs to be reinvigorated.

There are two distinct approaches which ATC could adopt to progress a national transport reform agenda:

1. Informal agreement ('across the table') to develop a common policy framework for national transport and a process for implementing it.
2. An inter-governmental agreement (IGA) be developed and signed by all governments (First Ministers), which formally agrees common policy frameworks for the national transport system and processes to facilitate and implement them.

It is worth noting that the 'one-off' major reforms have largely been implemented by way of IGAs. For example, road and rail reform, through the establishment of the National Transport Commission, the National Rail Corporation and the Australian Rail Track Corporation. In the absence of a formal IGA, reforms tend to lack cohesion and a sustained sense of common purpose. Further, an IGA provides a public statement of intent, thus making it more difficult for jurisdictions to 'walk away' from agreed reforms.

Provision of Commonwealth funding to support the reform process is likely to be proposed by the States/Territories. Competition payments played an important role in implementing the National Competition Policy (NCP) reforms of the 1990s. Further, the Productivity Commission noted in its 2005 review of the NCP that financial incentives could similarly assist in progressing a new nationally co-ordinated reform agenda.

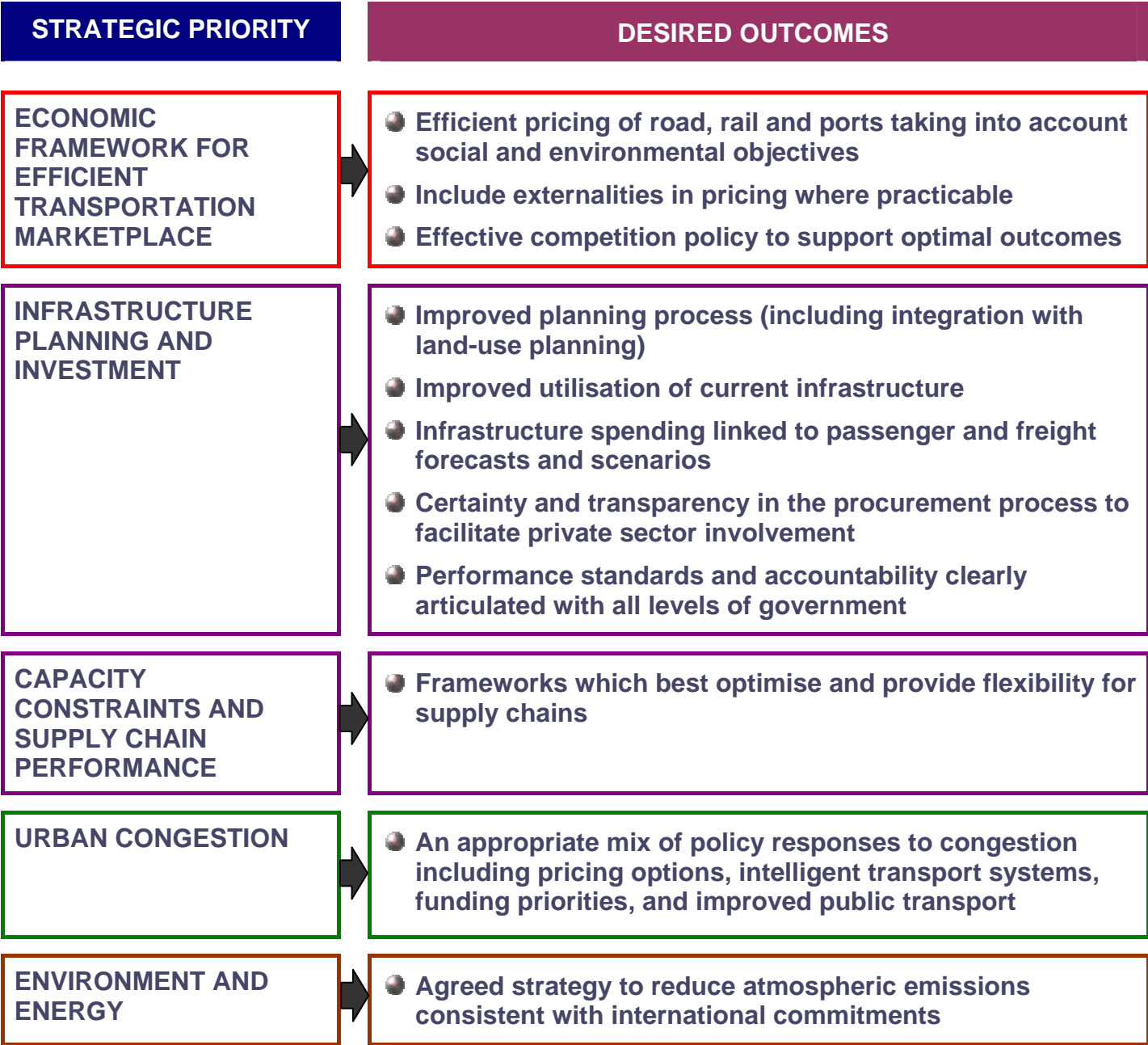
Given the proposed review by Commonwealth Treasury of Specific Purpose Payments (SPP), as well as the need to review AusLink and related programs in the context of Infrastructure Australia, the Commonwealth Minister for Infrastructure, Transport, Regional Development and Local Government is not in a position at this time to make specific funding commitments.

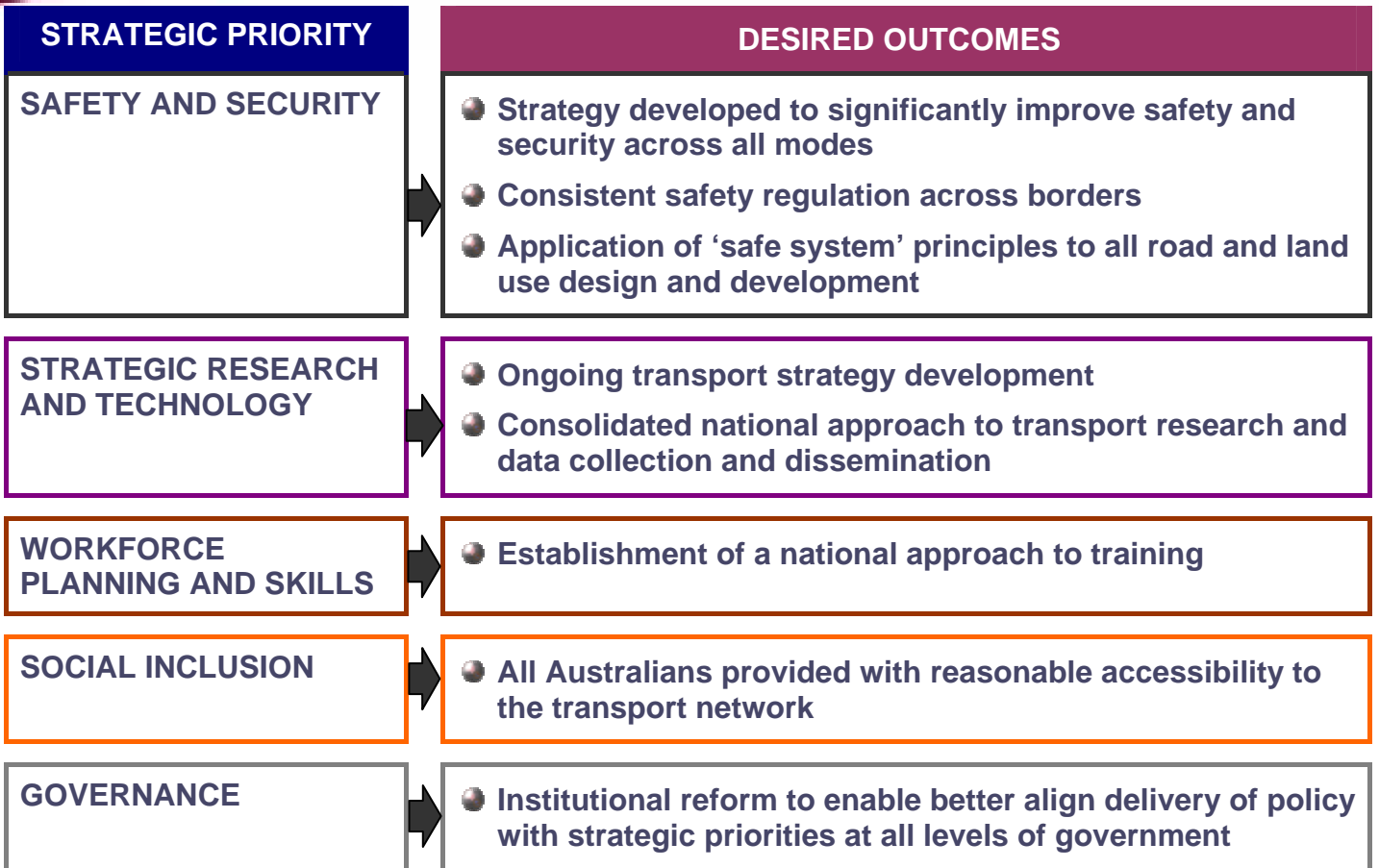
At this stage, the focus of any IGAs should be on agreeing processes for driving national reforms. Further, the short-term actions recommended in the work program are either projects currently underway and therefore are funded (i.e. road pricing reforms) or are focused on building a base of research and analysis to inform future major policy decisions.

4. STRATEGIC PRIORITIES – DELIVERING ON THE VISION

The practical application of the framework is the development and implementation of a work program to be delivered under the auspices of the ATC. The work program is based on the strategic priorities that have been identified through:

- analysis of current research
- stakeholder consultations
- previous COAG agreements





4.1 Work Plan

To give effect to and address the strategic priorities, possible actions of short, medium and long term timeframes have been identified.

| PRIORITY AREA | POSSIBLE ACTIONS |
|--|---|
| ECONOMIC FRAMEWORK FOR EFFICIENT TRANSPORTATION MARKETPLACE | <p>Short Term</p> <ul style="list-style-type: none">● Develop national incremental pricing scheme for heavy vehicles● Undertake research to better understand cost drivers for road access costs (including externalities)● Feasibility study for direct pricing of heavy and light vehicles● Identify options for an appropriate national institutional framework to support direct pricing, including the establishment of an economic regulatory framework consistent across multiple modes of transport● Review a pricing and access framework for national rail and port infrastructure taking into account interaction with local rail services <p>Medium/Long Term</p> <ul style="list-style-type: none">● Evaluate and develop preferred options for institutional frameworks for all modes of transport and ports● Develop direct pricing framework for heavy and light vehicles <p>Long Term</p> <ul style="list-style-type: none">● Implement new institutional and pricing frameworks |
| INFRASTRUCTURE PLANNING AND INVESTMENT | <p>Infrastructure Priorities</p> <ul style="list-style-type: none">● High priority infrastructure projects identified by previous studies and consultation to be considered by Infrastructure Australia include (but are not restricted to):<ul style="list-style-type: none">▪ Intermodal facility at Moorebank and Enfield (NSW)▪ East-West Growth Corridor Integration (Victoria)▪ Sydney-Melbourne-Brisbane rail upgrade▪ Triplication of Dandenong rail line (Victoria)▪ Southern Sydney freight line (NSW)▪ Gladstone rail link (Qld)▪ Second Sydney airport (NSW)▪ Melbourne/Adelaide/Perth rail passing loops (SA)▪ Oakejee port development (WA) |

| PRIORITY AREA |
|---------------|
| |

| POSSIBLE ACTIONS |
|--|
| <p>Short Term</p> <ul style="list-style-type: none"> ● Audit of nationally significant freight and passenger transport infrastructure to determine priorities taking into account taking into account of work on supply chain mapping ● Review airport planning, airport land-use planning and approvals processes – with emphasis on the interface with State and local government planning and environmental policies and requirements ● Review of the interface between Commonwealth and State/Territory environmental approval processes ● National framework for development of strategic terminals (inter-modal, inland ports, shipping ports and airports), including land use planning and access arrangements <p>Medium Term</p> <ul style="list-style-type: none"> ● Competing infrastructure investment options should be modelled and assessed transparently using agreed forecasts and scenarios, and incorporating social policy objectives |

| |
|---|
| <p>CAPACITY CONSTRAINTS AND SUPPLY CHAIN PERFORMANCE</p> |
|---|



| |
|---|
| <p>Short Term</p> <ul style="list-style-type: none"> ● Better understanding of supply chains and shared infrastructure bottlenecks across different supply chains through mapping 'nationally significant' supply chains and networks (including passenger, minerals and export grain) <ul style="list-style-type: none"> ⇒ To include review of co-ordination of planning and operations in complex national and international supply chains, regulation, pricing in access regimes, customer behaviour, and performance against best practice ● Commonwealth government to facilitate a new partnership between itself, the NSW government and the private sector to improve the efficiency of the logistics chain servicing Port Botany <p>Medium</p> <ul style="list-style-type: none"> ● Recommendations (regulatory, operational and frameworks) to optimise supply chains ● Review of Commonwealth and State linkages and funding of groups such as ALC and freight councils |
|---|

PRIORITY AREA

POSSIBLE ACTIONS

**URBAN
CONGESTION**



Short Term

- Develop national service standards for public transport based on measurable performance indicators, co-ordinated with land-use planning and population forecasts.
- Develop a national action plan which will collate the individual government responses to congestion, including pricing options, intelligent transport systems and funding priorities
- Review existing taxes and subsidies that can adversely affect congestion
 - ⇒ The current FBT concessions for car use that provide incentives to increase annual km driven should be completely phased out within 3 years

Medium Term

- Funding for improved mobility
 - ⇒ Commonwealth government funding to be allocated to initiatives associated with improved mobility of people and freight, rather than funding solely for fixed infrastructure.
- Funding for improved public transport
 - ⇒ Sustainable public transport initiatives should be eligible for funding under Commonwealth government funding programs. Performance indicators (consistent with government objectives) should be established to determine how to assess the eligibility of these proposals

**ENVIRONMENT
AND ENERGY**



Short/Medium Term

- Develop transport sector policy levers for reducing emissions in the transport sector and evaluate the relative merit of each option with a view to developing a co-ordinated national approach to reducing emissions from transport

| PRIORITY AREA | POSSIBLE ACTIONS |
|---|--|
| <p>SAFETY AND SECURITY</p> | <p>Short Term</p> <ul style="list-style-type: none"> ● Establish a National Road Safety Council (NRSC) to facilitate delivery of significant reductions in safety deaths and injuries ● Review truck driver pay methods, working conditions and career structures, and develop recommendations to address safety issues and the impact of these factors on recruitment and retention of drivers <p>Short/Medium Term</p> <ul style="list-style-type: none"> ● Adopt 'Vision Zero' which incorporates shared responsibilities to facilitate a fundamental shift in approaches to road safety ● Funding linked to safety outcomes <ul style="list-style-type: none"> ⇒ Transport infrastructure funding programs should be tied to safety outcomes. Applicants should make the case for the safety benefits of the proposed initiative. Performance indicators (consistent with government objectives) should be established to determine how to assess the eligibility of these proposals |
| <p>STRATEGIC RESEARCH AND TECHNOLOGY</p> | <p>Ongoing</p> <ul style="list-style-type: none"> ● Ongoing transport strategy development <p>Short/Medium Term</p> <ul style="list-style-type: none"> ● Establish a national transport research board <ul style="list-style-type: none"> ⇒ This will include facilitating a collaborative approach to transport research in conjunction with Austroads, BITRE, ARRB, Rail CRC and University centres ● National data framework <ul style="list-style-type: none"> ⇒ Review and implement the national data framework – as previously recommended |
| <p>WORKFORCE PLANNING AND SKILLS</p> | <p>Medium Term</p> <ul style="list-style-type: none"> ● Establish a national transport training institute to develop and implement: <ul style="list-style-type: none"> ⇒ programs to support and enhance competencies ⇒ programs to attract, recruit and retain staff |

| PRIORITY AREA | POSSIBLE ACTIONS |
|-------------------------|--|
| SOCIAL INCLUSION | <p>➔ Short/Medium Term</p> <ul style="list-style-type: none"> ● Identify and establish national minimum transport accessibility criteria for urban, rural and remote areas |
| GOVERNANCE | <p>➔ Short Term</p> <ul style="list-style-type: none"> ● Well co-ordinated national transport reform <ul style="list-style-type: none"> ⇒ New transport IGA in which all reform programs are co-ordinated with reporting to Transport Ministers and COAG ⇒ Expedite implementation of already agreed reforms in road and rail within 12 months ● 2008 review of NTC to consider the broader question of co-operative federal arrangements in the transport portfolio ● Consider Productivity Commission recommendation to establish autonomous regulatory framework for setting road user and other charges ● Review all Commonwealth, State and Territory transport policies to identify policy gaps and inconsistencies. Development of recommendations to address these issues <p>Medium Term</p> <ul style="list-style-type: none"> ● Consistent with the decision of the Council of the Australian Federation (Feb 2008), improve licensing and registration systems to improve safety and increase efficiency <ul style="list-style-type: none"> ⇒ Single national driver licensing system ⇒ Single national vehicle registration system ● Improve safety governance <ul style="list-style-type: none"> ⇒ National Rail Safety Regulator, reporting to ATC through a national board of directors, to administer rail safety legislation. Local operations (accreditation, investigation etc) delegated to state-based organisations, with direct reporting requirements at the State and national level ● Review of ARTC – governance, objectives, role in furthering transport policy outcomes |

5. NEXT STEPS – THE WAY FORWARD

Progressing this agenda involves two key decisions at ATC level. These are:

1. agreement that there is a need for a national approach to transport policy
2. implementation of this national approach to transport policy will involve
 - agreement to a national policy framework;
 - new inter-governmental agreement to implement the national policy framework which will establish the implementation governance structure
 - agreement to the work priorities

5.1 Working Groups

The December 2007 COAG meeting established seven working groups, with each working group chaired by a Commonwealth Minister. Consistent with this approach, it is proposed that ATC establish nine working groups, with each chaired by an ATC Minister.

The role of the chair will be to approve the work plan, provide guidance on policy development and recommend preferred option(s) to ATC. The work program should identify key decision points requiring full ATC or COAG endorsement. Under the auspices of the chair, typically each working group will comprise of government chief executive level personnel, and where appropriate, relevant members from the private sector.

5.2 Secretariat Support

Each working group will be supported by a secretariat. The role of the secretariat is to undertake program management and prepare and implement a detailed work plan. In implementing the work plan, the secretariat should have a consultation strategy which includes all levels of government, industry/consumer groups and other relevant stakeholders. The work program should have a national focus.

5.3 Timelines

The following will be submitted to ATC in May 2008 for decision:

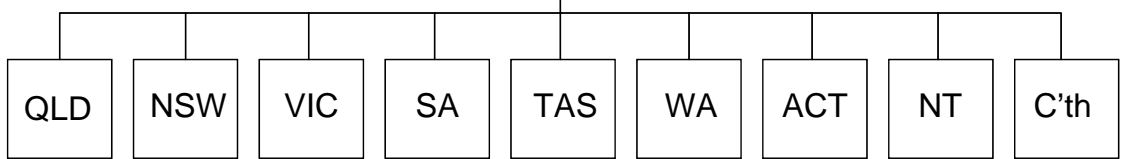
1. Inter-governmental agreement (along lines previously outlined)
2. For each work priority area, a work plan outlining tasks to be undertaken and timelines to deliver the reform outcomes. The work plan should include an annual budget identifying any funding requirements.

Implementation Structure

ATC

- Approval of final recommendations
- Approval of funding
- Report to COAG

Each Minister Chairs a Working Group



Role

- Approval of work plan
 - Guidance on policy development
 - Recommendation of preferred option(s) to ATC

Priority Areas



Secretariat Support

- Development and delivery of work plan
 - Consultation
 - Project management
 - Development of policy options