

2020-2021 Pre-Budget Submission to the Commonwealth Treasury

Annual Road Safety Fund

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The *Ministerial Inquiry into the National Road Safety Strategy (NRSS)* completed in September 2018 made 12 key recommendations to improve road safety outcomes.

https://www.roadsafety.gov.au/sites/default/files/2019-11/nrss_inquiry_final_report_september_2018_v2.pdf

A summary government response was published in a one page table following the COAG Transport and Infrastructure Council 12th Meeting held in Melbourne on 22nd November 2019.

The NRSS Review was very specific; \$3bn of **new** money for a road safety fund from 1st July 2019, was necessary, with an annual legislated investment of 10% of the cost of road crashes (\$30bn+). 5% of those funds for a road safety innovation fund and 5% for a road safety enablers. (\$150m each)

Road safety spending is similar to defence spending, and like defence is a national insurance policy. Defence spending is to mitigate risks.It provides training and capacity to deal with potential but unknown future risks to the safety of Australians.

Independent research for the Australian Automobile Association showed the annual cost of road safety to the Australian Government alone is at least \$3.7 billion. That report noted that the absence of road trauma in 2015 would reduce government budget funding costs by \$3.7 billion in present value terms. The improvement in the government fiscal balance could allow either a reduction in taxation, or in government borrowing, that would reduce longer term tax liabilities. As trauma rates have not effectively reduced since 2015 current costs can be assumed to be similar; and that the direct cost to the Budget since 2015 would be in the order of \$15bn. (https://www.aaa.asn.au/wp-content/uploads/2018/03/AAA-ECON_Cost-of-road-trauma-full-report_Sep-2017.pdf)

The Australian Government has committed to a rolling 10 year investment of \$75 billion in infrastructure, some of which will deliver safety outcomes. However, the absence of road safety as a priority in this national investment must be specifically addressed, funded and measured to ensure safety outcomes are maximised from these existing commitments.

The \$3 billion per annum Road Safety Fund must be in addition to these commitments with a focus purely on road safety actions across all areas of safe system and harm elimination priorities.

The Treasury Pre-budget Community Submission process identifies some 109 policy areas for comment, but is silent on road safety as a policy despite the decision of the COAG Transport Council in November 2019 to “Make road safety a genuine part of business as usual within Commonwealth, state, territory and local government.”

The NRSS Review called for a “multi-agency” response to reducing road trauma. There are at least 35 policy areas in the Treasury Pre-Budget list mentioned above which can contribute and should be planning to list road safety initiatives within their budgets.

The 2020-2021 Budget should set aside a \$3bn pa Road Safety Fund for the current estimate period, which would not only ensure that the social impacts of road trauma are dramatically reduced while at the same time the national economic and productivity benefits are realised.