Transport and Infrastructure Net Zero Consultation Roadmap

26.07.2024

The voice for local government

MUNICIPAL ASSOCIATION OF VICTORIA

No one understands the challenges and opportunities facing Victoria in the 21st century better than local councils. From rapidly evolving technology to social changes, shifting economies to environmental pressures, our local communitiesand the governments that represent them–are at the forefront of multiple transformations happening simultaneously.

As the peak body for the Victorian local government sector, the Municipal Association of Victoria (MAV) offers councils a one-stop shop of services and support to help them serve their communities.

ACKNOWLEDGEMENT OF COUNTRY

We acknowledge the traditional custodians of the land on which we live. We recognise their continuing connection to land, waters and culture and pay our respects to their Elders past, present and emerging.

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1 Executive Summary

The Municipal Association of Victoria (MAV) welcomes the opportunity to provide a submission to the Department of Infrastructure, Transport, Regional Development, Communications and the Arts' Transport and Infrastructure Net Zero Consultation Roadmap (Roadmap).

The transport decarbonisation challenge facing Australian governments and communities is enormous. According to government projections, transport is set to become Australia's largest source of emissions by 2030.

Victorian councils are acutely aware of these challenges and already making significant efforts to reduce transport emissions by encouraging mode shift to active transport, advocating for public transport reform across metropolitan and regional networks, trialling e-scooter schemes and transitioning to electric vehicles for council fleet.

This submission highlights how Federal, State and Territory Governments can support councils to rapidly reduce transport emissions and achieve a safe climate together.

Recommendations

- The final Roadmap and Action Plan for the transport sector should include dedicated sections on actions, challenges and opportunities at the subnational level; be co-designed through consultation with local and state governments; and include specific urban and regional priorities integrated throughout the NDC's sectoral priorities.
- Develop a program to work with councils to build community understanding of local actions that can be taken to "avoid, shift and improve" transport decarbonisation.
- Federal, State and Territory Governments should dedicate a greater share of their transport budgets to active transport with dedicated funding provided to councils to roll out continuous separated active transport networks, acknowledging the Climate Council recommends 20 per cent of transport budgets should be dedicated to active transport.
- The Federal Government should invest in a non-competitive grants program that provides funding to local government to deliver active transport initiatives.
- The final Action Plan should commit to investment in strategic cycling corridors and high quality walking infrastructure on local and state government roads and streets.
- All three levels of government should work together to co-design localised public awareness campaigns that encourage active transport uptake in our communities.

- Federal, State and Territory Governments should work together to explore new speed zoning policy, including 30km/h speed zones and car free zones, to provide a safer active travel experience.

- Federal, State and Territory Governments should dedicate a greater share of their transport budgets to public transport to enable a rapid mode shift, acknowledging the Climate Council recommends 50 per cent of transport budgets should be dedicated to public transport.

- The Federal Government should investigate options for encouraging the states and territories to implement integrated transport planning.

- Federal, State and Territory Governments should look at incentives and levers to encourage the rapid electrification of all public transport fleets.

- Federal, State and Territory Governments, alongisde infrastructure advisory bodies, should more robustly consider upgrading existing services as an alternative investment to new infrastructure, including analysis of embodied carbon.

- The Federal Government should facilitate a convenient and accessible national electric vehicle charging network in partnership with state and local governments.

- The Federal Government should lead a program to inform road managers, including local government, of current trends and options in future heavy vehicle designs and implications for road maintenance.

- The Federal Government should ensure any changes to national standards are considered with a detailed understanding of potential impacts on all governments, including local government, together with a plan to mitigate any adverse impacts such as increased road damage and requirement for strengthened bridges and culverts.

- The Federal Government should initiate a program to identify and deliver priority funding for first and last kilometre freight infrastructure upgrades to facilitate the expanded use of zero and low emission freight vehicles.

- The Federal Government should invest in facilities and develop pricing regimes that include externalities include carbon and road maintenance costs that encourage the increased mode shift to heavy rail from road freight.

2 Introduction

The Municipal Association of Victoria is the peak representative and advocacy body for Victoria's 79 councils. The MAV was formed in 1879 and the Municipal Association Act 1907 appointed the MAV the official voice of local government in Victoria.

Today, the MAV advocates for local government interests, initiates projects and services across a broad range of areas, and supports the development, adoption and implementation of evidence-based research and policy.

Our purpose is to mobilise action that supports Victorian councils to create cities, regions, and towns that are thriving, resilient and inclusive communities. Our vision is to be a nation-leading thought leader, partner and resource hub for the Victorian local government sector in strategic foresight, policy and research, leadership and governance, service design and advocacy impact.

Victorian councils play a critical role in the planning, funding, delivery and maintenance of transport infrastructure. In partnership with community, councils ensure our urban and regional areas are liveable, sustainable and resilient.

Local government can drive transport decarbonisation policies through its role in:

- Urban design and land use planning
- Managing Australia's extensive local road network
- Owning and delivering active transport infrastructure
- Building the social licence for the transition to a new zero economy

Building on this foundation, this submission highlights how Victorian councils can support a rapid shift to active and public transport, facilitate greater uptake of electric vehicles, and enable the safe movement of Low and Zero Heavy Electric Vehicles.

The submission also notes that reducing transport and infrastructure emissions cannot be achieved in isolation – it will require a coordinated and collaborative effort across all three levels of government. The Coalition for High Ambition Multilevel Partnerships (CHAMP) is a useful framework for recognising and elevating the contributions of local government in decarbonising our transport sector.

With the right tools and resources, local government can enable the mode shift we need to limit global warming to 1.5 degrees. It is critical that the role of local government is amplified in the final Roadmap and Action Plan through policy initiatives and investment at both national and subnational levels, and in regional/rural and urban contexts.

Finally, we urge the Federal Government to align the final Roadmap with other relevant sector decarbonisation plans, particularly the built environment and energy and electricity plans. This will ensure we have the systems and regulatory frameworks in place to deliver the rapid reforms needed.

3 Coordination, collaboration and communication

3.1 Benefits of a multilevel governance approach to climate policy

The Roadmap recognises that collective action is needed to reduce transport emissions. All three levels of government will need to work collaboratively to achieve net zero.

The MAV strongly supports a multilevel governance approach to climate policy that enables effective collaboration and coordination between all levels of government. A useful framework for this approach can be found in the Coalition for High Ambition Multilevel Partnerships (CHAMP).

As a signatory of CHAMP, the Federal Government has committed to working with local government in the development and implementation of Australia's next Nationally Determined Contribution (NDC). We anticipate the sector plans, including the final Roadmap and Action Plan for the transport sector, will give rise to policies that help shape Australia's next NDC.

A recently released UN-Habitat, United Nations Development Programme and University of Southern Denmark analysis of the urban content in the NDCs of 194 countries looked at the way countries align their policy responses to each sector (including transport) to the sector's challenges[1]. The report found that if the NDC highlights a challenge in a sector (eg transport), but only at the national level and not at the urban level, this constitutes a misalignment.

For example, the report notes that Australia's NDC includes mitigation responses in the transport and mobility sector at the national level, but there are no responses at the urban level. Using the report criteria, this demonstrates misalignment.

To make serious inroads in reducing emissions, Australia can no longer focus on broad, national-level policy in isolation. Instead, we should focus on developing a CHAMP-aligned NDC that recognises the contributions of both national and subnational governments.

In line with Bloomberg Philanthropies' guidance for CHAMP endorsers[2], the final Roadmap and Action Plan for the transport sector should:

- Include dedicated sections on actions, challenges and opportunities at the subnational level;
- Be co-designed through consultation with local and state governments; and/or
- Include specific urban and regional priorities integrated throughout the NDC's sectoral priorities.

With a majority of Australia's population growth occurring in cities[3], it is critical that the final Roadmap and Action Plan also includes policy and programs for both the urban and regional contexts.

Throughout this submission, we have highlighted opportunities for the Federal Government to embed a multilevel governance policy design and investment

[1] https://unhabitat.org/sites/default/files/2024/06/ndc_global_report_2023_v4_watermark.pdf
[2] https://www.cities-and-regions.org/wp-content/uploads/champ-endorsers-guidance.pdf
[3] https://www.infrastructure.gov.au/department/media/publications/draft-national-urban-policy

approach – by recognising and investing in the role of local government in transport decarbonisation.

Recommendations:
The final Roadmap and Action Plan for the transport sector should:

- Include dedicated sections on actions, challenges and opportunities at the subnational level;
- Be co-designed through consultation with local and state governments; and
- Include specific urban and regional priorities integrated throughout the NDC's sectoral priorities.

3.2 Community education and action

This submission calls for additional action from all three levels of government. An important precursor for government action is community support. As the level of government closest to the community, councils are well placed to engage with communities to increase community understanding of the importance of decarbonising transport and practical action that individuals and households can take to support this change. Behaviour change is best achieved locally and through existing networks.

As the legislated peak body for Victorian councils, the MAV would welcome the opportunity to work with the Federal and Victorian State Government to build community understanding of the impacts of different choices that households and small business can make and associated benefits of reducing transport emissions. Building community understanding of issues that governments are facing helps to develop the social licence for change.

Recommendation:

1. Develop a program to work with councils to build community understanding of local actions that can be taken to "avoid, shift and improve" transport decarbonisation.

3.3 National leadership in reducing embodied emissions in infrastructure

The MAV supports the statements in the Roadmap that national leadership is required to establish national standards on data collection, measurement and reporting of embodied emissions. This will be required to enable a fair comparison and assessment of emissions from transport infrastructure.

We draw the Department's attention to a recent Infrastructure Victoria report outlining a range of steps governments can take to limit or eliminate infrastructure-related emissions, including recommendations relating to leadership, consistency and the development of guidance on how to proceed[4].

[4] https://www.infrastructurevictoria.com.au/resources/opportunities-to-reduce-greenhouse-gas-emissions-of-infrastructure-2

4 Councils hold the key to mode shift

4.1 Walking and bike riding (active transport)

Increasing the uptake of active transport, which includes walking and bike riding, is a critical part of decarbonising the transport sector. We know that substantial reductions in greenhouse gas emissions can be realised from switching to walking or bike riding. Recent studies have found that people who switch just one trip per car from car driving to cycling reduce their carbon footprint by 0.5 tonnes over a year[5].

Alongside reduced emissions, there are a multitude of co-benefits to investing in local active transport initiatives:

- Positive physical and mental health benefits
- Improved air quality
- Reduced care congestion on roads
- Reduced overcrowding on public transport in urban areas
- Support for local economic development, including local shopping and regional tourism
- Construction job creation with stronger employment outcomes than road or rail construction

Local government holds the key to accelerating the mode shift to active transport. In Victoria, councils manage 87 per cent of the local road network. Councils can prioritise active transport solutions through strategic planning, infrastructure and service management. In conjunction with the Victorian Government, councils also play an important role in establishing appropriate localised speed limits, with some councils trialling 30km/h speed limits.

Despite some progress, Victorian councils continue to face significant barriers to implementing walking and bike riding initiatives. Walkability is inhibited by lack of connection, inadequate paths, high vehicle speeds and poor accessibility. The lack of bicycle infrastructure, such as separated on-road bike lanes and off-road paths, acts as a significant barrier for potential cyclists. Infrastructure Victoria estimates more than 200,000 daily trips currently taken by car to major centres could instead be walked or cycled[6].

Electric micromobility, including e-bikes and e-scooters, is also an important form of active transport. It can bridge the gap between peoples' homes and public transit by servicing the first and last kilometre of the transport network. Victoria's e-scooter trial, which was undertaken in partnership with four councils, has proven popular with over eight million trips recorded between February 2022 and April 2024[7]. Councils can support increased uptake of e-bikes in particular through the construction of separated bike lanes. Mobility is significantly increased with an e-bike at a fraction of the cost and embedded carbon of an ICE vehicle – providing significant equity benefits.

The development of a national policy framework for active and public transport, as suggested in the Roadmap, could support a reduction in transport emissions

[5] https://www.ox.ac.uk/news/2021-02-02-get-your-bike-active-transport-makes-significant-impact-carbon-emissions
[6] https://assets.infrastructurevictoria.com.au/assets/Resources/1.-Victorias-infrastructure-strategy-2021-2051-Vol-1-web.pdf
[7] https://www.premier.vic.gov.au/making-e-scooters-safer

nationwide. This is contingent on the framework being co-designed with local government and being underpinned by significant new investment, including dedicated funding streams for councils. It must also have a strong link to the National Urban Policy.

As it currently stands, all states and territories (apart from the ACT) allocate less than 2 per cent of their budgets to bike infrastructure[8]. The Federal Government's $100 million national Active Transport Fund is a welcome step forward in recognising the need for more investment in active transport. However, to truly increase active transport uptake, governments should be dedicating 20 per cent of their transport budgets to active transport[9].

We urge the Federal Government to directly fund local government to deliver active transport initiatives. Demand driven, non-competitive grant programs ensure councils can deliver tailored, place-based interventions focused on infrastructure and behavioural change. Previous examples of successful models include the Federal Government's Local Roads and Community Infrastructure Program where councils across Australia recieved funding to deliver priority road and infrastructure projects.

We note that a national policy framework for active and public transport could include mode share and investment targets for active transport. The MAV is fully supportive of the Victorian Government's target of increasing the active transport mode share to 25 per cent by 2030[10], however this goal has had limited investment to date. Additional Federal targets must be accompanied by appropriate investment to support implementation.

It is important that any new investment in active transport also enables council officers to build their capability and capacity. A good model for this type of funding arrangement can be found in the Safe Local Roads and Streets Program which is being rolled out by the Victorian Department of Transport and Planning in partnership with the Transport Accident Commission[11]. This program is underpinned by a collaborative approach and focuses on building capacity of all 79 Victorian councils and adjusting delivery to suit the circumstances of each council.

Recommendations:

1. Federal, State and Territory Governments should dedicate a greater share of their transport budgets to active transport with dedicated funding provided to councils to roll out continuous separated active transport networks, acknowledging the Climate Council recommends 20 per cent of transport budgets should be dedicated to active transport
2. The Federal Government should invest in a non-competitive grants program that provides funding to local government to deliver active transport initiatives
3. The final Action Plan should commit to investment in strategic cycling corridors and high quality walking infrastructure on local and state government roads and streets

[8] https://bicyclenetwork.com.au/wp-content/uploads/2024/02/Bicycle-Network-Federal-Budget-Submission-2024-25.pdf
[9] https://www.climatecouncil.org.au/wp-content/uploads/2023/08/CC_MVSA0354-CC-Report-Road-to-Personal-Transport_V6-FA-Screen-Single.pdf
[10] https://www.climatechange.vic.gov.au/victorian-government-action-on-climate-change/Transport-sector-pledge-accessible.pdf
[11] https://www.vicroads.vic.gov.au/safety-and-road-rules/road-safety-programs/safe-local-roads-and-streets-program

4. All three levels of government should work together to co-design localised public awareness campaigns that encourage active transport uptake in our communities
5. Federal, State and Territory Governments should work together to explore new speed zoning policy, including 30km/h speed zones and car free zones, to provide a safer active travel experience

4.2 Public transport

We know that poor public transport access and performance is linked to car dependency. In Victoria, inadequate service frequency and coverage – especially in regional and outer suburban growth areas – leaves people without transport choices to access work, school or services.

The IPCC Supplement for urban policymakers outlines the crucial role cities and urban areas have in determining the future of the global climate[12]. The report calls out demand reduction and mode shift as the most feasible types of transport sector strategies and highlights the importance of an integrated approach with land use planning.

As a land use planner and manager of the pedestrian network, local government plays a key role in facilitating the integration of the public transport system. In Australia, our low to medium density cities will require integrated transport and land use planning to reduce light vehicle use and encourage mode shift. While Victorian councils are not responsible for the delivery of public transport, they are advocates for a regular, well-connected and co-designed system. The final Roadmap and Action Plan should include options for encouraging State and Territory Governments to implement integrated transport planning, in the spirit of recognising subnational government action.

In addition to better integration, there are key opportunities for State and Territory Governments to electrify public transport fleets. The MAV is supportive of the State Government's zero emissions bus trial which includes a commitment that all new public transport bus purchases will be zero emissions from 2025, as well as a zero emissions bus trial across metropolitan and regional bus networks[13].

Victorian councils support a fast, efficient and safe public transport system that assists people to get where they are going. Federal, State and Territory Governments could support this through strategic investment and regulatory changes that enable improved services, integration and accessibility.

Large scale new infrastructure is often more politically attractive than appropriate maintenance or upgrades to existing infrastructure. This should be evaluated more robustly through investment analysis by governments and agencies such as Infrastructure Australia.

For example, in the case of public transport, increasing the frequency of existing services should be compared as an alternative investment scenario to delivery of additional services through new infrastructure. The additional investment in rolling stock and service costs to deliver a "turn up and go" passenger rail service, could be compared against the costs and benefits of a new underground rail facility. This

[12] https://supforclimate.com/wp-content/uploads/2022/11/SUPVol3_15Nov-reduced.pdf
[13] https://www.vic.gov.au/zero-emissions-bus-trial

consideration could be expanded to include the costs and impacts of embodied carbon.

Recommendations:

1. Federal, State and Territory Governments should dedicate a greater share of their transport budgets to public transport to enable a rapid mode shift, acknowledging the Climate Council recommends 50 per cent of transport budgets should be dedicated to public transport.
2. The Federal Government should investigate options for encouraging the states and territories to implement integrated transport planning.
3. Federal, State and Territory Governments should look at incentives and levers to encourage the rapid electrification of all public transport fleets.
4. Federal, State and Territory Governments, alongisde infrastructure advisory bodies, should more robustly consider upgrading existing services as an alternative investment to new infrastructure, including analysis of embodied carbon.

4.3 Equity of access

Decarbonising our transport system presents us with an important opportunity to re-design services and infrastructure that cater to people of all needs and abilities. Many Victorian councils already deliver equitable transport options through the provision of community transport. These services help connect residents who have difficulty accessing private or public transport options.

There is no single intervention that will increase equity of access to active and public transport[14]. Equity of access must underpin new investment and planning in active and public transport infrastructure and service delivery. Governments can achieve this through careful co-design with a wide range of people who experience transport disadvantage including people with a disability, older people, culturally and linguistically diverse groups and people living in regional and remote areas.

5 Opportunities for decarbonising light and heavy vehicles

5.1 Electric vehicles

The MAV acknowledges that electric vehicles form an important part of decarbonising our transport network. At the same time, Federal, State and Territory Governments should not lose sight of the need to encourage mode shift from private vehicles to public and active transport.

As noted in recent modelling by ClimateWorks, a credible transport decarbonisation plan is one that goes beyond technology change alone and instead incorporates diverse decarbonisation solutions from across the Avoid-Shift-Improve framework[15]. To have the best chance at limiting warming to 1.5 degrees, this includes implementing solutions that shift car travel to active and public transport.

[14] https://www.climatecouncil.org.au/wp-content/uploads/2023/08/CC_MVSA0354-CC-Report-Road-to-Personal-Transport_V6-FA-Screen-Single.pdf
[15] https://www.climateworkscentre.org/resource/decarbonising-australias-transport-sector-diverse-solutions-for-a-credible-emissions-reduction-plan/

Councils are already supporting the transition to electric vehicles through their role as infrastructure providers, fleet managers and as trusted representatives of their local communities. Victorian councils are actively influencing the uptake of electric vehicles at the local level by procuring EVs for council fleet, providing public charging facilities, trialling curb-side charging schemes and requiring EV charging to be integrated into new homes through the planning process.

Many Victorian councils are up to the challenge of providing innovative solutions to encourage the uptake of electric vehicles. However, rural and regional councils will struggle to fund and resource the shift without support. Many councils do not have officers trained or experienced in electric vehicle technology. Increasing workforce skills, training and education to support the transition across the sector is essential.

Recommendation:

1. The Federal Government should facilitate a convenient and accessible national electric vehicle charging network in partnership with state and local governments.

5.2 Low and Zero Emissions Heavy Vehicles

Local government must be supported to plan and deliver improved first and last kilometre access as part of an effective and efficient freight network. The transition to Low and Zero Emissions Heavy Vehicles (LZEHVs) offers a potential solution to reducing freight sector emissions.

Most Victorian councils are not in a position to issue access permits for LZEHVs with confidence. There is a need to assess and upgrade key infrastructure to accept increased loads. The increased mass and distribution of weight of LZEHVs will accelerate damage to local roads – a challenge recognised in the 2023 Grattan Institute report Potholes & Pitfalls: how to fix local roads[16].

New models of road funding are required to accommodate reducing income from fuel excise and increasing costs from heavier vehicle and growing maintenance costs[17]. These considerations must include local government impacts, as funding models often do not include local government as a sector, nor payment methods that include direct investment in local roads and bridges.

Any cost benefit analysis and revised funding model design should include local government as a distinct entity. Governance of road funding, including more direct allocation of funding to local government, also requires consideration. This will need to include future examinations of road pricing as an option to both equitably raise required funds and encourage desired travel behaviours.

In urban areas and city centres, first and especially last kilometre freight must be encouraged to be as low impact as possible. Initiatives to explore low emission commercial zones should be explored. Facilities such as protected on road bike lanes need to be considered not just for their safety, equity and mobility outcomes outlined in the active transport section, but as enablers of zero and low emission freight delivery. Each online shopping delivery by a e-bike or cargo bicycle is one

[16] https://grattan.edu.au/report/potholes-and-pitfalls-how-to-fix-local-roads/

[17] https://grattan.edu.au/wp-content/uploads/2023/11/Potholes-and-Pitfalls-How-to-fix-local-roads-Grattan-Report.pdf

less white van delivery and far more efficient in terms of scarce land use in built up areas.

Another significant opportunity in the “shift” category is to continue developing facilities and pricing regimes that encourage the increased use of heavy rail (instead of road freight) for both short haul to and from ports and also interstate freight movements.

Recommendations:

The Federal Government should:

1. Lead a program to inform road managers, including local government, of current trends and options in future heavy vehicle designs and implications for road maintenance.
2. Ensure any changes to national standards are considered with a detailed understanding of potential impacts on all governments, including local government, together with a plan to mitigate any adverse impacts such as increased road damage and requirement for strengthened bridges and culverts.
3. Initiate a program to identify and deliver priority funding for first and last kilometre freight infrastructure upgrades to facilitate the expanded use of zero and low emission freight vehicles.
4. Invest in facilities and develop pricing regimes that include externalities include carbon and road maintenance costs that encourage the increased mode shift to heavy rail from road freight.

6 Conclusions/Findings

Councils play a key role in decarbonising transport and transport infrastructure as road managers, urban designers, land use planners and infrastructure owners. As trusted delivery partners, they can help build the social licence for governments to prioritise decarbonisation policies.

This submission has demonstrated how Victorian councils can support a rapid shift to active and public transport, facilitate greater uptake of electric vehicles and enable the safe movement of heavy electric vehicles.

There is no doubt that transport decarbonisation in Australia will require coordinated and collaborative efforts across all levels of governments. When crafting the final Roadmap and Action Plan, we urge the Federal Government to include policy initiatives and investment for councils, in line with CHAMP commitments.

The MAV stands ready to partner with the Federal and Victorian State Government to ensure councils can effectively fulfill their important role in our transport decarbonisation journey. We welcome the opportunity to discuss these opportunities as the final Roadmap takes shape.

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