



ALGA

Australian Local
Government Association

ALGA Submission

Consultation Regulatory Impact
Analysis to reduce the open road
default speed limit

Introduction

The Australian Local Government Association (ALGA) is the voice of local government in Australia, representing 537 councils across the nation.

ALGA is a federation of all state and territory local government associations. ALGA was established in 1947 and throughout its history has been actively involved in issues of national significance affecting local government and local communities.

ALGA advocates for the roles, resourcing, and capacity needs of local governments in respect to local road network management, including road safety. Local governments manage over 75% of the nation's roads, so play a critical part in addressing road trauma.

ALGA acknowledges the Australian Government's commitment to reducing road trauma through the National Road Safety Strategy 2021-30 and welcomes the opportunity to contribute to this important consultation.

Summary

ALGA recognises the evidence presented in the Consultation Regulatory Impact Analysis (CRIA) demonstrating that reduced speed limits can deliver significant safety benefits, with modelling indicating large potential reductions in fatalities and serious injuries.

However, ALGA submits that a blanket reduction in default speed limits represents a blunt policy instrument that fails to optimise safety outcomes, creates significant implementation burdens for local government, and misses the opportunity to build sustainable road safety management capability at the local level.

ALGA's position:

- Supports the objective of reducing road trauma on roads outside built-up areas.
- Opposes blanket default reductions as the primary intervention mechanism.
- Advocates for a risk-based framework using fit-for-purpose risk assessment tools that empower local governments to set evidence-based speed limits matched to actual road conditions and crash risk.
- Requests adequate resourcing, governance reform, and comprehensive technical support to enable local governments to implement systematic, evidence-based speed management programs.
- Calls for financial support to address the significant administrative and infrastructure costs that will be imposed on councils by any default speed limit changes.

This submission proposes an alternative approach that would deliver better safety outcomes, efficiently target high-risk roads, avoid unnecessary community and economic impacts, build sustainable local capability, and align with Safe System best practice.

Response to Consultation Questions

Does the RIA adequately identify and define the problem?

Partially. The CRIA correctly identifies rising road fatalities in Australia, the relationship between speed and crash severity, and the ambitious targets set by the National Road Safety Strategy.

However, the CRIA does not adequately establish:

- Causality versus correlation: Whether default limits themselves cause crashes, or whether road geometry, surface condition, maintenance, and driver behaviour are primary determinants
- Why uniform treatment is appropriate: Roads outside built-up areas present vastly different risk profiles—from well-maintained arterials to deteriorating local roads
- Distributional impacts: Rural/regional communities bear disproportionate time costs with no public transport alternatives
- Compliance realism: BCR calculations overstate gains and understate compliance challenges, particularly on open rural roads with low enforcement

Australian local governments manage diverse networks ranging from well-maintained regional arterials with excellent sight lines and consistent geometry, to deteriorating local roads with poor geometry, limited maintenance budgets, and challenging terrain. Treating these as homogeneous ignores fundamental differences in infrastructure quality and crash risk.

Are there any other problems not considered by this RIA?

Yes. Three critical issues:

1. Governance barriers

Most councils lack authority to conduct evidence-based assessments and set speeds on their networks. Changes require state approval, traffic committees, extensive justification, and 12-18+ month timeframes. Contrast this with Queensland councils who have delegated authority, who have achieved changes in ~3 months, demonstrating what streamlined governance enables.

Current barriers prevent councils from responding to changing conditions, targeting high-risk locations, or implementing safety interventions efficiently means preventable crashes may occur during lengthy approval processes.

2. Administrative and financial burden

Queensland's 2003 introduction of default 50 km/h speed limits in built-up areas provides a precedent of administrative and financial burden. Councils had to invest substantial resources in signage, pavement markings, and local area traffic management to achieve voluntary compliance. Any default reduction on the open road from 100 km/h will require similarly extensive interventions, but at a larger scale.

The CRIA understates operational impacts. Default reductions will generate community concerns councils must address. This scale requires:

- Systematic review of thousands of kilometres of local roads
- Installing/maintaining thousands of new signs where roads currently rely on unsigned defaults
- Responding to complaints about limits councils didn't set and can't efficiently change
- Managing enforcement challenges from (perceived) inappropriately restrictive limits
- Expanded ongoing asset maintenance.

These changes would require substantial Commonwealth and state financial support.

3. Insufficient capability framework

Beyond assessment tools, management of speed limits requires:

- Technical capability (road safety expertise, traffic engineering)
- Analytical capability (crash data analysis, risk assessment)
- Community engagement capability
- Governance capability (decision frameworks, quality assurance).

Many councils, particularly smaller rural and regional councils, face resource constraints in developing these capabilities. Shared service arrangements, regional cooperation, and access to specialist technical advice can help address these challenges. However, a national framework providing structured support, training programs, and appropriate tools would create more equitable outcomes.

Does the RIA establish a case for amending the default speed limits in the ARR?

No. The case is not sufficiently established given acknowledged uncertainties:

- Wide Benefit Cost Ratio (BCR) ranges (0.96 to 5.4—nearly 6-fold variation), with some scenarios below 1.0
- Unknown Fatality & Serious Injury (FSI) proportions: 10-38% range—nearly 4-fold uncertainty with no jurisdiction-specific data
- Unknown Vehicle Kilometres Travelled (VKT) proportions: No reliable travel pattern data
- Unrealistic compliance assumptions: Limited evidence on compliance with reduced rural limits in low-enforcement areas.

The CRIA's admission that 'there is no way to develop a robust central estimate for each option' undermines confidence in the proposed approach. This uncertainty is compounded by wide variations in key assumptions and limited jurisdiction-specific data. In contrast, a risk-based framework would enable assessment of specific road segments based on actual infrastructure characteristics, crash history, and local knowledge, substantially reducing the uncertainties of blanket approaches.

Does the RIA present clear, well differentiated options that can achieve the stated policy objective?

No. Options are insufficiently differentiated and exclude the most effective approach. The CRIA presents only magnitude variations (90, 80, or 70 km/h) but not fundamentally different approaches. All options apply uniform defaults regardless of road conditions or risk profiles.

Missing option: The CRIA doesn't consider empowering road managers to set evidence-based limits using risk assessment methodologies which is the international best-practice approach. Effective frameworks provide:

- Nationally consistent methodology with local flexibility
- Transparent risk scoring based on safety characteristics
- Evidence-based intervention prioritisation
- Infrastructure focus identifying both speed management needs and improvement opportunities.

Are there any other feasible options that should be considered?

Yes. ALGA proposes a Risk-Based Speed Management Framework using fit-for-purpose assessment tools.

The Office of Road Safety commissioned ACRS & Abley report, 'Local Government Network Risk Assessment Frameworks' of November 2024, recommended states define fit-for-purpose methods for local roads, investigate nationwide adoption of methodologies for local contexts, and invest in developing tools for urban roads and intersections. These recommendations recognise councils require diverse tools, not prescribed solutions.

The risk-based approach would:

- Align with ALGA and member association's previous advocacy against proscribed standards in favour of fit-for-purpose risk assessments
- Use proven, flexible methodologies with standardised, objective criteria
- Enable targeted interventions identifying high-risk roads requiring immediate action while maintaining appropriate speeds on safer roads
- Build local capability through providing assessment tools, training, and technical support
- Support progressive implementation with flexible timelines recognising council capacity.

Of the options discussed, which would be the most effective and why?

Of the options presented in the CRIA (90, 80, or 70 km/h defaults), none achieve the best outcome.

If limited to these options: The 80 km/h sealed, 80 km/h unsealed option represents the least-worst choice because:

- More efficient BCR than 70 km/h option (2.2 vs 1.9), though still subject to the significant uncertainties noted

- Significant modelled safety benefits (401-763 fatalities avoided, 6,312-11,992 serious injuries)
- Lower risk of widespread compliance issues compared to more aggressive reductions
- More proportionate time costs for rural and regional communities.

However, ALGA strongly advocates a Risk-Based Speed Management Framework using fit-for-purpose assessment tools as a better alternative.

Which is your preferred option and why?

ALGA's preferred option is a Risk-Based Speed Management Framework because it:

- Optimises safety: Targets high-risk roads while enabling appropriate speeds on safer roads
- Aligns with international best practice: New Zealand, Sweden, Netherlands integrate infrastructure assessment with speed management
- Respects diversity: Australia's roads range from high-quality arterials to basic rural access serving diverse communities
- Builds capability: Investment in assessment tools, technical skills, and community engagement creates lasting infrastructure
- Enables evidence-based decisions: Provides transparent, objective methodology
- Balances objectives: Matches speeds to infrastructure quality and local circumstances
- Avoids perverse incentives: Creates incentives for infrastructure investment rather than viewing speed reduction as substitute for funding
- Delivers legitimacy: Transparent frameworks enhance community acceptance.

This framework would leverage established methods for assessing road infrastructure risk, applying standardised, objective criteria appropriate to local circumstances. Leading international road safety jurisdictions demonstrate the effectiveness of this approach.

New Zealand's use of Road Assessment Programs (KiwiRAP) for speed management, Sweden's Vision Zero approach integrating infrastructure assessment with speed setting, and the Netherlands' Sustainable Safety program matching speeds to road design all demonstrate that leading jurisdictions do not rely on blanket defaults. Instead, they use systematic assessment of infrastructure characteristics to inform speed management decisions, achieving safety outcomes through targeted interventions.

Are the objectives as expressed appropriate?

The stated objectives are appropriate (improve safety, reduce deaths/injuries, contribute to National Strategy). However, they should be expanded to include:

- Optimising a balance between safety, efficiency, and equity
- Building sustainable capability
- Enabling evidence-based interventions
- Aligning with Safe System principles
- Creating appropriate infrastructure investment incentives
- Supporting freight efficiency and regional development
- Ensuring equitable outcomes for rural/regional/remote communities.

Are the lists of costs and benefits considered in this methodology sufficient to capture the costs and benefits of the proposed change?

Missing considerations:

Benefits: Risk-based limits may achieve better compliance; capability building creates foundation for ongoing improvement; appropriate incentives for infrastructure investment; integration benefits; community acceptance through transparency; flexibility and responsiveness.

Costs: Massive implementation burden (review, signage, community management, enforcement, maintenance); financial burden requiring substantial support; opportunity costs; compliance/enforcement challenges; community resistance; foregone benefits from alternative approaches.

Do the scenarios capture the full range of uncertainty?

No. Scenarios don't adequately model:

- Compliance variation by road type and enforcement coverage: Risk-based limits might achieve different compliance than blanket defaults. Current modelling oversimplifies behavioural responses, particularly on open rural roads with low enforcement
- Crash risk diversity: FSI rates likely vary dramatically between road types and conditions, not captured in uniform assumptions
- Alternative intervention effectiveness: No comparison with risk-based targeting or infrastructure investment
- Behavioural responses beyond simple compliance: Complex interactions between speed limits, driver behaviour, and community attitudes
- Infrastructure investment interactions: How speed management and infrastructure improvement complement each other
- Long-term effects: Capability building, changing attitudes, evolving practices
- Implementation realism: Actual costs and practical challenges of implementing changes at scale.

The wide ranges indicate insufficient evidence for confident decision-making on blanket changes. This uncertainty strengthens the case for risk-based targeting that focuses resources where evidence of need is stronger and outcomes more predictable.

Is the approach to measuring policy impact appropriate?

The methodology is technically sound in structure (cost-benefit analysis, appropriate valuations, sensitivity testing).

However, critical limitations include:

- Assumes uniform application: Doesn't model risk-based targeting that could deliver better outcomes
- Limited counterfactuals: No comparison to alternative interventions or approaches
- Static analysis: Doesn't model ongoing benefits of capability building or infrastructure integration

- Single benefit pathway: Focuses only on speed-crash relationship without considering broader safety management improvements
- Uncertainty handling: Presents wide ranges without modelling approaches to reduce uncertainty through better targeting
- Unrealistic compliance assumptions: Oversimplifies complex behavioural responses and geographic variations.

A comparative analysis including a risk-based framework option is needed to inform decision-making and would likely demonstrate better benefit-cost performance through targeting and reduced uncertainty.

Are there any additional regulatory burdens not considered?

Yes. Significant local government burdens:

- Systematic network review
- Thousands of new signs with installation/maintenance
- Community response management for limits councils didn't set
- Opportunity costs diverting staff from known high-risk locations
- Integration challenges
- Financial burden from unfunded mandates

A risk-based framework with governance reform addresses these by empowering evidence-based decisions, creating local ownership with transparent rationale, enabling efficient response to conditions, integrating into existing programs, aligning authority with accountability, and providing capability rather than imposing mandates.

Recommendations

ALGA recommends Commonwealth, state, and territory governments work collaboratively to:

1. Enable Risk-Based Speed Management Through Governance Reform

Empower local governments to set speed limits on their networks based on evidence-based assessments and local knowledge by:

- Clarifying roles with appropriate delegation
- Streamlining approval processes (learning from Queensland's ~3-month timeframes)
- Establishing oversight without undue barriers
- Developing nationally consistent principles for risk assessment.

2. Build Comprehensive Local Government Capability

Provide integrated support across:

- Technical capability (road safety expertise, traffic engineering, Safe System design)
- Analytical capability (crash data analysis, risk assessment, monitoring)

- Assessment tools suited to local circumstances
- Community engagement capability
- Institutional capability (decision frameworks, quality assurance, knowledge sharing).

3. Provide Adequate Financial Support

Fund significant costs imposed on councils: network review; signage installation and maintenance (thousands of new signs); administrative costs; and capability development. Councils should not bear costs of policies they didn't determine.

4. Test and Learn Before Broad Implementation

Pilot risk-based approaches across diverse jurisdictions to test methodologies, governance models, and compare outcomes. Monitor safety, compliance, travel times, community responses, and costs against benefits. Use findings to inform policy, address CRIA uncertainties, refine approaches, develop realistic cost estimates, and identify effective support mechanisms.

5. Develop Comprehensive Evidence Base

Address data gaps: crash data linked to road attributes; understanding FSI occurrence patterns; research on infrastructure-speed-crash relationships; compliance responses in rural areas; realistic implementation costs; and capability needs assessment.

6. Take Integrated Safe System Approach

Integrate speed management with: infrastructure improvements; targeted high-risk interventions; understanding speed-infrastructure interactions; international best practice alignment; and appropriate investment incentives. Avoid perverse outcomes where speed reduction substitutes for infrastructure funding.

7. Connect to Broader Policy Objectives

Align with: freight efficiency and productivity; regional development and connectivity; equitable investment programs allowing councils to address local safety and economic development.

8. If Proceeding with Default Changes, Take Staged Approach

If proceeding despite concerns: consider staged implementation starting modestly; provide substantial upfront and ongoing funding; allow time to monitor outcomes before further changes; evaluate effectiveness and adjust; develop risk-based capabilities in parallel; and reform governance to enable evidence-based adjustments.

Conclusion

ALGA acknowledges the Commonwealth government's commitment to road safety and the ambitious targets set in the National Road Safety Strategy. However, we submit that blanket reductions in default speed limits represent an approach that fails to optimise safety outcomes while imposing unfunded burdens on local government. It also misses critical opportunities to build sustainable road safety management capability across Australia.

The Consultation RIA reveals uncertainties that undermine confidence in the proposed approach. Benefit-cost ratios range from 0.96 to 5.4—a nearly six-fold variation with some scenarios showing costs exceeding benefits. The proportion of fatal and serious injury crashes occurring on default roads remains unknown, with estimates spanning 10% to 38%. The CRIA itself admits there is no way to develop a robust central estimate. Compliance assumptions appear unrealistic, particularly for rural areas with limited enforcement. Most critically, there is insufficient understanding of where crashes actually occur and why. These uncertainties make a compelling case for targeted, evidence-based interventions rather than blanket changes.

Risk-based frameworks using fit-for-purpose assessment tools offer a proven alternative. These frameworks apply nationally consistent principles while allowing local application suited to diverse road conditions and council circumstances. They provide objective, transparent assessment methodologies supported by available training and tools. Leading international jurisdictions demonstrate their effectiveness, and they enable integration with infrastructure investment and asset management programs rather than treating speed management in isolation.

Local governments are well-positioned to implement risk-based speed management with appropriate support. Councils already manage 75% of Australia's road network and possess critical local knowledge of road conditions and community contexts. Many successfully implement comparable technical frameworks and can integrate speed management with existing asset management and safety programs. What councils need is not prescriptive mandates but rather governance reform, comprehensive capability building, adequate financial support, and access to fit-for-purpose assessment tools.

The benefits of risk-based management are substantial and multi-faceted. This approach optimises safety outcomes by targeting high-risk roads while maintaining appropriate speeds on safer infrastructure. It achieves better community compliance because speed limits match observable road conditions. It reduces unnecessary costs by focusing resources where they deliver greatest benefit. Properly designed frameworks create appropriate incentives for infrastructure investment rather than treating speed reduction as a low-cost substitute for funding improvements. The approach builds lasting capability in local government, enables transparent community engagement, supports integrated management of speed and infrastructure, aligns with international best practice, and connects to broader policy objectives around freight efficiency and regional development.

Successful implementation requires several critical elements. Governance reform must streamline approval processes, learning from jurisdictions like Queensland where councils achieve speed limit changes in approximately three months rather than 12-18+ months. Comprehensive capability building programs must support technical, analytical, and community engagement skills. Adequate financial support must cover implementation and ongoing costs rather than imposing unfunded mandates. Pilot programs should test approaches before broad implementation, addressing the uncertainties identified in

the CRIA and building an evidence base for policy decisions. Above all, frameworks must avoid perverse outcomes where governments view speed reduction as a substitute for infrastructure funding.

ALGA appreciates the opportunity to contribute to this consultation. Councils remain ready to work collaboratively with the Commonwealth, state, and territory governments to develop and implement an effective, evidence-based approach to speed management that will save lives and prevent serious injuries on Australia's roads. Through a sustained approach on governance, infrastructure funding and use of local knowledge we can work together for long-term road safety improvement.

Sincerely,



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