



Australian Government

**BUILDING OUR FUTURE**

# Urban Congestion Initiative

**Urban Congestion Initiative**

**Program: \$2 billion**

**Australian Government: \$1 billion**

## PROJECT DESCRIPTION

The Urban Congestion Initiative (the Initiative) will provide an Australian Government contribution towards projects that target congestion, in particular around pinch points and last mile access to export ports, airports, employment and freight hubs. The Initiative will complement the support provided to regional corridors through the Roads of Strategic Importance (ROSI) initiative by assisting urban freight and commuters experiencing congestion.

## PROBLEM

Australia's transport infrastructure has grown with our cities, but is now failing to meet commuter and industry expectations. Urban congestion impinges on productivity by obstructing access to ports and markets and adding to operating costs, with an estimated avoidable cost of congestion of over \$16.5 billion per year. It also reduces liveability by limiting access to employment and services. In addition, urban congestion is eroding natural advantages in Australian industries (particularly in the agricultural sector), as land transport costs are a large proportion of the market price of goods.

Due to the types of projects that will be supported through the Initiative, it will leverage Government funding by requiring that states match funding for projects (50:50 funding split) and encourage the use of innovative funding and financing opportunities where appropriate.

## BENEFITS

### Improved Economic Productivity:

- Improve last mile access to export ports, airports and intermodal terminals.

### Improve Urban Liveability:

- Reduce travel times
- Reduce vehicle operation costs
- Improve network reliability
- Increase access to facilities and services

### Builds on Existing Government Investments and Commitments

- Utilise the existing governance and authority for the Infrastructure Investment Program, while supporting innovative optimisation solutions in addition to construction projects