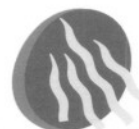




Hon. Paul Lucas MP



Queensland
Government

Our ref: MC23050

Your ref: 670-06

14 JUL 2006

Mr Neil Laurie
The Clerk of Parliament
Legislative Assembly Offices
Parliament House
George Street
Brisbane Qld 4000



Minister for
Transport and Main Roads

Dear Mr Laurie *Neil*

**Re: Petition to the Legislative Assembly - No 670-06:
Upgrade of the Warrego Highway between Macalister and Warra**

I refer to a petition lodged with the Legislative Assembly by Mr Ray Hopper MP, Member for Darling Downs, on 7 June 2006 about upgrading the section of the Warrego Highway between Macalister and Warra.

The Warrego Highway is a national highway and funding for all works on this road is the responsibility of the federal government under the AusLink arrangements. Funding under AusLink 1 (2004-05 to 2008-09) is fully allocated except for a small Safety and Urgent Minor Works Program and ongoing maintenance.

The federal government's five year AusLink plan provides no new funding to meet identified needs on national highways in western areas of the state. At least \$100m per annum is needed for improvement works along these corridors. Moreover, at least \$100m per annum in extra funding is required to address the maintenance backlog on national highways in Queensland and for targeted road safety initiatives to reduce the road toll on these roads.

It is also worth noting that the federal government will collect \$14.65bn in petrol and diesel excise revenue in 2006-07. Only \$2.58bn, or 17.6%, of this will be returned to roadworks Australia wide. This is a very poor return to industry and the community for the costs incurred in accessing the road network. You will also be interested to know that federal funding for works to be undertaken in Queensland, including grants to local governments in 2006-07, is \$560m. This represents only 3.8% of the total fuel excise collected in Australia.

In addition the federal government has recently announced that the Fuel Sales Grant Scheme subsidy which gives rural and remote road users a fuel rebate of between 1 and 3 cents per litre will be discontinued from 1 July 2006. The federal government has indicated that the \$265m annual savings in rebate costs will be spent on regional and outer metropolitan roads across Australia which does not provide equitable or direct benefit to Queenslanders most affected by rising fuel prices. To this date no announcements on actual projects has been forthcoming from the federal government.

However, I am advised that, since 2002, the Department of Main Roads has identified the Macalister to Brigalow section of the Warrego Highway (including the section east of Warra) in the National Highway Forward Strategy as needing rehabilitation works.

Funding for construction of this project was not provided under AusLink 1, but Main Roads will again seek funding under the next round of AusLink.

Because Main Roads considers this project a priority, the Queensland Government is funding planning and preliminary design for a highway upgrade. This work, which is currently underway, will determine what is required to meet National Highway Standards (including bitumen sealed shoulders) and cost of the project. This will mean Queensland is well placed to start work should extra federal funding be approved either prior to or as part of AusLink 2 (2009-10 to 2013-14).

I am further advised that, to improve the condition of this section of the highway, it was resealed in January this year and shoulder maintenance works programmed earlier this year for April/May have now been completed.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Paul Lucas', with a long horizontal flourish extending to the right.

PAUL LUCAS MP

Minister for Transport and Main Roads