

Submission to the Consultation Regulation Impact Analysis on reducing default speed limits

October 2025



Introduction

RACV welcomes the opportunity to respond to the Department of Infrastructure, Transport, Regional Development, Communications, Sport and the Arts' Consultation Regulation Impact Analysis (RIA) on proposed changes to default speed limits on roads outside of built-up areas without a sign-posted speed limit.

RACV supports a default speed limit reduction from 100km/h to 80km/h **on unsealed roads** outside of built-up areas that do not have a sign-posted speed limit.

RACV recognises that there is well-established evidence that lower speed limits results in reduced fatalities and serious injuries on our roads. We also know that over half the fatalities and serious injuries in Victoria occur on regional roads, with only a quarter of the population; and we cannot meet our *Towards Zero* targets without addressing every element of the safe systems approach: safer drivers, safer vehicles, safer roads and safer speeds.

The options outlined in the Consultation RIA combine sealed and unsealed roads when considering speed limits on roads outside of built-up areas. This is consistent with how the Australian Road Rules are presently drafted. However, unsealed roads are higher risk. We also know from our annual sentiment research that an overwhelming majority of Victorians support a reduction in the speed limit on unsealed country roads, and that that support increases year-on-year. Given the risk profile – and given how essential it is that the community is engaged and brought along on the journey towards lowering speed limits – RACV's position is that only unsealed roads that are outside of built-up areas and unsigned should have a default speed limit reduced to 80km/h.

Education and awareness-raising about any speed limit reductions will be essential for community acceptance and compliance, and speed limits should never be reduced as a substitute for road investment.

For all other road types, RACV continues to reiterate its long-standing position that speed limits should be set on a case-by-case basis. Changes should be evidence based and involve genuine community consultation. Blanket speed limit changes should be avoided.

About RACV

Representing over 2.3 million members and an additional 500,000 customers, RACV exists to improve lives in the areas of home, cleaner energy, motoring, mobility and leisure.

RACV is proud to provide exceptional experiences for our members and customers through a range of products and services. These include Emergency Roadside Assistance, Bike Assist, Motor Insurance, Home Insurance, Home Trades and an increasing range of options in the cleaner energy space, such as RACV Solar.

In addition, RACV has ten Club and Resort properties across Australia and a range of domestic and international holiday packages, tours and cruises from our trusted travel partners.

Helping Victorians is at the heart of RACV. In 2024-2025, RACV:

- provided 1.15 million members with motor insurance policies
- covered 1.6 million members for Emergency Roadside Assist
- responded to 865,000 Emergency Roadside Assist call outs
- provided 914,000 members with home insurance policies
- assisted with 56,000 home emergencies through Emergency Home Assist.

This means RACV is in a Victorian home every six minutes.

Since 1903, RACV has had a longstanding role advocating for road safety outcomes. Each year RACV undertakes a high-profile road safety campaign, with the most recent campaign *My Melbourne Road* identifying the most dangerous intersections in Melbourne with 12,400 participants. The previous road safety campaign was the 2024 *My Country Road*, which identified the most dangerous highways in regional Victoria, and which resulted in eight upgrades or announcements since been published.

RACV also provides Victorians with comprehensive information about changes to the road rules as well as expert advice on safe driving, vehicle choice and journey planning.

Recommendations

Support for a speed limit reduction on unsealed roads	1. RACV supports a default speed limit reduction from 100km/h to 80km/h on unsealed roads outside of built-up areas that do not have a sign-posted speed limit. 2. Any reduction in default speed limits should be supported by a comprehensive education and awareness-raising campaign, to build community acceptance and compliance and to maintain the integrity of the road rules.
Other speed limit reductions should be case-by-case	3. Speed limits should otherwise be set on a case-by-case basis. Changes should be evidence based and involve genuine community consultation. Blanket speed limit changes should be avoided. 4. Area speed limits should be clearly signed wherever feasible.
More road investment	5. Speed limits should never be reduced as a substitute for investment in safer roads. 6. RACV calls on governments to invest in safer regional roads. On roads with dangerous levels of potholes and rough or broken surfaces, governments should prioritise resurfacing those roads rather than setting semi-permanent speed reductions. 7. RACV supports the Insurance Council of Australia and the Australian Automobile Association (AAA) in calling for roads to be rebuilt to higher standards when they have been impacted by extreme weather events or are in a high-risk area.
Better data collection	8. RACV calls on governments to collect better road safety data. In particular, to support a Decision RIA on reducing default speed limits, the Commonwealth Government should work with States and Territories to identify: • the kilometres travelled on roads outside of built-up areas without a sign-posted speed limit, distinguishing between sealed and unsealed roads; and • fatal and serious injury crashes that have occurred on roads outside of built-up areas without a sign-posted speed limit, distinguishing between sealed and unsealed roads. The Decision RIA should also have regard for any significant statistical variations or attitudinal differences across States and Territories.

Response to the Consultation RIA

There are an increasing number of lives lost on our regional roads

Fatalities and serious injuries on Victoria's roads are increasing year-on-year, and when adjusted for population the lives lost on our regional roads are substantially higher than in metropolitan Melbourne.

In the year to date, 236 people died on Victorian roads, up seven percent on the year prior. Of those deaths, 128 occurred on regional roads, up 14 percent. Therefore, over half the fatalities on our roads occur in regional Victoria, despite regional Victoria having only a quarter of the population. And according to the Consultation RIA, of road deaths outside of major cities in Australia, 85 percent occurred on roads with speed limits at and above 80km/h.

Of these fatal crashes on regional roads, we don't know the number that occurred on roads that do not have a sign posted speed limit. This is undoubtedly a shortcoming of the Consultation RIA and there is an opportunity for governments to collect better data. However, we do know that about 60 percent of Victoria's road network of 200,000 kilometres are unsealed roads:

- unsealed roads: 122,100 kilometres
- sealed roads: 84,700 kilometres.

We can also assume that a sizeable number of these unsealed roads are in non-urban areas and do not have a signposted speed limit.

Based on these assumptions, it is reasonable to conclude that a substantial number of regional fatalities and serious injuries are occurring on unsealed roads and that if we are to reach out *Towards Zero* target of halving fatalities by 2030, we must consider fatal crashes that are occurring on these roads in regional Victoria.

Speed is the most significant contributing factor in fatal crashes

The *Towards Zero* road safety commitment is a national strategy based on the Safe Systems approach. The Safe Systems approach recognises that people make mistakes and aims to design a road system where human error does not lead to death or serious injury. The strategy recognises that the *Towards Zero* targets can only be achieved if a combination of four key factors are addressed in parallel:

- safer roads
- safer speeds
- safer vehicles
- safer people.

Addressing the safer speeds component of the Safe Systems approach, the National Road Safety Action Plan 2023 includes a commitment by the Australian Government to co-ordinate a review of the Australian Road Rules and development of a RIS on reducing the open road default speed limit.

Victoria's Transport Accident Commission estimates that speed is a contributing factor in around 34 percent of fatal crashes, making speed the single most significant factor in road safety. The speed a vehicle is travelling effects both the likelihood of a crash and the severity of the outcome.

By way of a case study, in 1987, Victoria increased the default speed limit to 110 km/h and then reduced it again to 100 km/h in 1989. In that two-year period when the speed limit was 10 kilometres higher, there was a 24 percent increase in crashes per kilometre travelled. Conversely, when the default speed limit returned to 100km/h, there was a 19 percent decrease in the crash rate.

In a more recent example, three years ago the Mornington Peninsula Shire reduced default speed zones on 33 of its regional roads from 100km/h to 80km/h. No fatalities or serious injuries have occurred on any of the 33 roads since the beginning of the trial, compared to six deaths on those roads in 2019 alone, and 32 deaths over the past 20 years.¹

¹ See: <https://www.mornpen.vic.gov.au/Community-Services/Roads-Footpaths-and-Parking/Roads/Safer-Speeds>

Therefore, while there are a range of reasons why crashes happen – and why regional roads have a higher crash rate than in cities – there is a clearly accepted relationship between lowering posted speed limits reducing crash rates.

Lowering default speed limits outside built-up areas delivers a net societal benefit

Given the relationship between speed and fatal crashes, it is unsurprising that modelling undertaken for the Consultation RIA shows a reduction in fatalities and serious injuries after the introduction of lowered speed limits. As the default speed is reduced further (from 100 to 90, to 80, to 70), the number of avoided fatalities and serious injuries increases across all the scenarios considered.

Taking into consideration the data gaps in the analysis, it is nonetheless clear that lowering default speed limits on roads outside of built-up areas without a sign-posted speed limit from 100 to 80km/h provides the optimum benefit at least cost to travel times. Based on the mid-range assumption for sealed roads, this speed reduction avoids 401 annual fatalities and 6,312 serious injuries nationally, and 123 fatalities and 4,182 serious injuries for unsealed roads nationally.

The Consultation RIA concludes that lowering default speed limits outside built built-up areas to 80km/h provides the best cost-benefit with a BCR of 2.2. That is, every \$1 spent delivers \$2.20 in benefits, compared to 70 km/h limits, which sees a \$1.50 benefit on sealed roads and \$1.90 benefit on unsealed roads. That is, 70 km/h offers the highest total benefits, but at higher costs.

The Consultation RIA is clear that the modelled inconvenience on travel times does not outweigh those safety benefits. Even factoring in the uncertainty of some of the data and only accepting the low-end CBA, it is clear that there are substantial road safety benefits from the reform.

For the final RIA, RACV would like to see comprehensive data on vehicle-kilometres travelled or the proportion of crashes that occur on roads outside of built-up areas with default speed limits that are unsigned. Nonetheless, it is clear that the benefits outweigh the costs and that lowering default speed limits outside built-up areas will deliver a net societal benefit.

Growing community acceptance to reduce speeds on unsealed roads

While the Consultation RIA makes it clear that lowering default speed limits outside built-up areas delivers a net societal benefit, it is essential that any change to default speed limits – however marginal – are broadly supported by the community. This is because enforcement will likely be minimal, and without broad acceptance of the change, there will possibly be a hostile community reaction to the speed limit reduction and lower compliance with the road rules. This could result in more lives been lost on regional roads, at least in the short term when there is heightened frustration with the speed limit reduction.

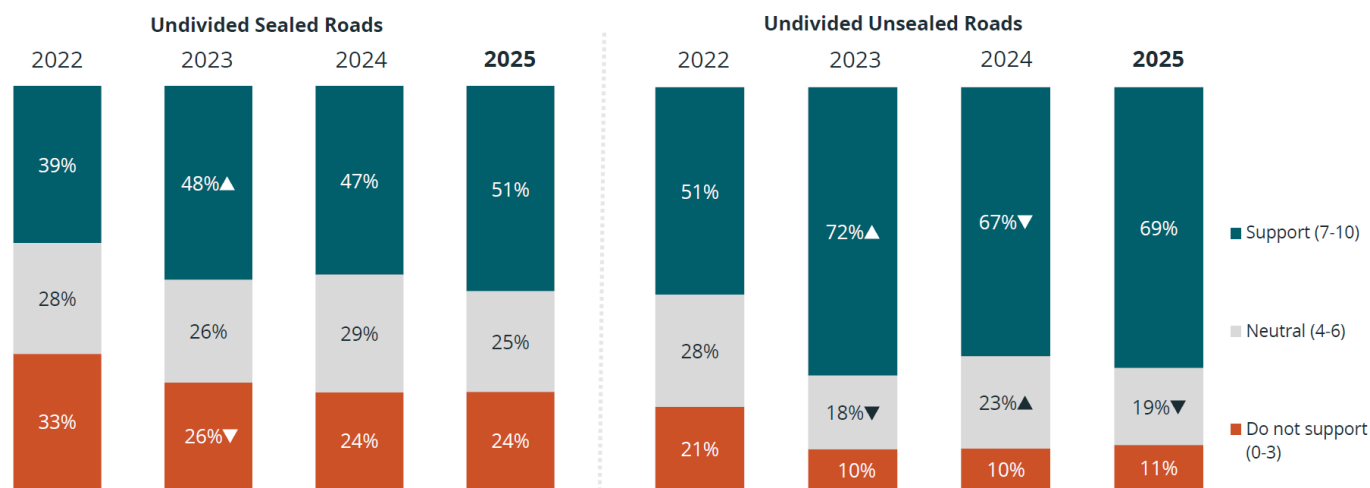
Each year, RACV undertakes policy sentiment research to gauge current attitudes on policy issues such as reducing default speed limits outside of built-up areas. For the last four years, we have asked participants: *To what extent do you support a reduction in the speed limit from 100km/hr to 80km/hr?*

Support for a speed reduction on regional roads is consistently increasing year-on-year, particularly for unsealed roads (see Figure 1, below). In 2025, there was:

- 69 percent support reducing speed zones to Undivided Unsealed Roads (compared to 51 percent in 2022).
- 51 percent support reducing speed zones to Undivided Sealed Roads (compared to 39 percent in 2022)

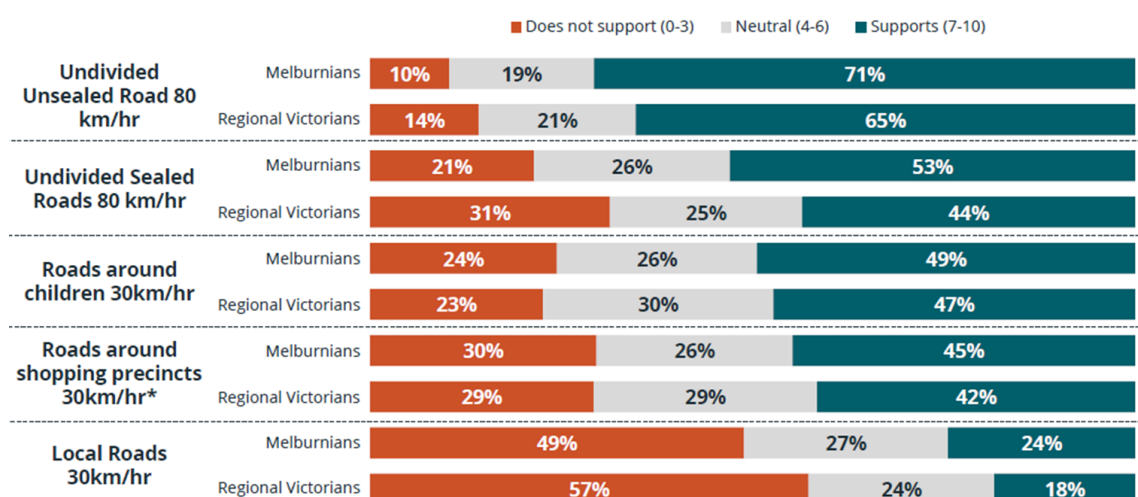
The number of participants who “do not support” a speed reduction on unsealed roads has also declined from 21 percent in 2022 to 11 percent in 2025; while “do not support” a reduction in speed limits on sealed roads remains strong at about a quarter of participants. Likewise, the neutral cohort has reduced for unsealed roads, but not significantly for sealed roads.

Figure 1: Support for changes to default speed limits – year-on-year²



Support for a speed limit reduction on unsealed roads remains strong for participants who live in regional Victoria (see Figure 2, below); with support for 80km/h default speed limits on unsealed roads at 65 percent (compared to 71 percent for participants living in Melbourne).

Figure 2: Support for changes to default speed limits – by location³



This support for 80km/h speed limits drops to 44 percent for regional Victorians when asked about sealed roads.

² Survey conducted by Starburst Insights in August 2025. Question: The speed limit is 100km/hr on undivided sealed roads in regional Victoria, outside built-up metropolitan areas and towns. (Undivided roads are those where the traffic travelling in different directions is only separated by a painted line on the road). If the speed limit was reduced to 80km/hr on undivided sealed roads outside built-up metropolitan areas, to what extent would you support this? R5B If the speed limit was reduced to 80km/hr on undivided gravel/unsealed roads outside built-up metropolitan areas, to what extent would you support this? R5C If the default speed limit was reduced to 40km/hr on local roads, to what extent would you support this? R5D If the default speed limit was reduced to 30km/hr on roads around schools, kindergartens and childcare centres, to what extent would you support this? R5E If the default speed limit was reduced to 30km/hr on roads around local shopping precincts, to what extent would you support this? Base: 2025 n=1,004, 2024 n=1,005, 2023 n=1,004, 2022 n=1,018. Significance tested to previous period at 95%.

³ Survey conducted by Starburst Insights in August 2025. Question: R5A The speed limit is 100km/hr on undivided sealed roads in regional Victoria, outside built-up metropolitan areas and towns. (Undivided roads are those where the traffic travelling in different directions is only separated by a painted line on the road). If the speed limit was reduced to 80km/hr on undivided sealed roads outside built-up metropolitan areas, to what extent would you support this? R5B If the speed limit was reduced to 80km/hr on undivided gravel/unsealed roads outside built-up metropolitan areas, to what extent would you support this? R5C If the default speed limit was reduced to 40km/hr on local roads, to what extent would you support this? R5D If the default speed limit was reduced to 30km/hr on roads around schools, kindergartens and childcare centres, to what extent would you support this? R5E If the default speed limit was reduced to 30km/hr on roads around local shopping precincts, to what extent would you support this? Base: 2025 Melburnians n=765, Regional Victorians n=239. Note: (*) Statement added post-fieldwork, base n=219-804. Significance tested to a 95% CI.

Given these results demonstrate consistent support for a speed limit reduction on unsealed regional roads, RACV's position is that the community will support a speed reduction from 100km/h to 80km/h on unsealed roads that are not signposted.

Community acceptance to lowering default speed limits is key, and without that broad-based support, the integrity of our road rules is undermined; while blanket changes to speed limits are not necessarily fit-for-purpose or reflect the safety standards of specific roads.

For these reasons, RACV only supports a default speed limit reduction from 100km/h to 80km/h **on unsealed** roads outside of built-up areas that do not have a sign-posted speed limit.

Government has a responsibility to provide safer roads

Safer speeds are only one component of the Safe Systems approach and reductions in default speed limits should never be a substitute for investment in safer roads. RACV continues to call on governments to invest in safer regional roads, including preventive maintenance, addressing potholes and rough surfaces as well as road upgrades and new infrastructure. On roads with dangerous levels of potholes and rough or broken surfaces, governments should prioritise resurfacing those roads rather than setting semi-permanent speed reductions.

Governments also have a responsibility to build and maintain road infrastructure to meet the challenges of extreme weather events. RACV joins the Insurance Council of Australia and the AAA in calling for roads to be rebuilt to higher standards when they have been impacted by extreme weather events or are in a high-risk area.