



AUSTRALIAN FLEXIBLE PAVEMENT ASSOCIATION
Federal Budget Submission
2022-23

Table of Contents

About AfPA	3
Our objectives	3
Flexible pavement industry snapshot.....	5
1. ‘Fix-it first’ – Addressing back-logs and urgent work.....	6
2. Road and road worker safety	8
3. Sustainability.....	10

ABOUT AFPA

The Australian Flexible Pavement Association (AfPA) is the peak industry body that represent the flexible pavements industry, delivering safe and sustainable outcomes to benefit communities across Australia.

For over 50 years, AfPA has brought together our dynamic and multifaceted multibillion dollar industry that is responsible for the design, specification, manufacture, construction, and maintenance of all forms of bituminous flexible pavements.

AfPA's members constitute a large array of professional organisations who support the industry and are passionate and committed to the advancement flexible pavement technology for the benefit of the road user and broader community.

AfPA members include bitumen suppliers, asphalt producers, sprayed surface operators, major consultancies, suppliers (such as equipment providers, line markers and profiler contractors) and all State Government Road Authorities, and many Local Governments from across Australia.

AfPA's Vision embodies three key objectives:

- to support industry be healthy, safe, innovative, and adaptive to change acting as a platform for industry sustainability,
- to support the national harmonisation of best industry practice, promoting the benefits of the flexible pavements industry,
- to drive a national culture of continuous improvement.

AfPA welcomes the opportunity to make a submission for consideration in the formulation of the 2022-23 Federal Government Budget.

OUR OBJECTIVES

Health and Safety

To promote a continuous improvement health and safety culture across our industry. It is recognised that one of the highest risks for our industry is frontline workers exposed to traffic.

Road workers put themselves at risk to deliver the infrastructure Australian drivers are demanding. Unfortunately, it is some of these same drivers who are putting these workers at risk. It is paramount to AfPA and our members to enable and support industry to continuously improve the health and safety of our people and communities we serve.

Sustainability

AfPA promotes sustainability on three fronts, our people, the environment and economic:

- AfPA leads the knowledge requirements for our industry in developing skills that underpin the new jobs being created to support Australia's economic recovery and supports the inclusion and growth of diversity.
- AfPA advocates for the continual improvement in environmental sustainability that works towards circular economy practices. This includes our industry doing its part in addressing the use of renewable materials to control waste.

- AfPA advocates for sustainable funding of Australia’s most valuable asset – our roads. In particular the preservation and protection of the major investment that has been made in this asset which connects communities and contributes to Australia’s economic competitiveness.

Collaboration and Partnership

AfPA drives a partnership culture with all its stakeholders to promote the delivery of outcomes that benefits members and Australia.

Knowledge and Innovation

AfPA works to promote a continuous improvement culture that demonstrates to members a commitment to best engineering practice and promotes the removal of barriers to innovation. We strive to enhance opportunities for members to implement innovative products and processes in flexible pavement engineering applications.

AfPA share national and deliver international knowledge to Australia relating to best:

- health and safety
- circular economy practice / sustainability
- best construction and manufacturing practice
- contractual practices
- engineering; and
- use of digital technology.

Our submission provides a snapshot of our industry before moving on to assess key challenges and making recommendations on how the upcoming Federal Budget can include policies that deliver better outcomes for public spending on our roads.

FLEXIBLE PAVEMENT INDUSTRY SNAPSHOT

Infrastructure Australia's latest Market Capacity Report indicates that annual spending is set to reach \$52 billion by 2023, an unprecedented level of investment in Australia creating thousands of jobs and supporting the country's economic recovery. The Capacity Report finds that 80% of the infrastructure financing will be committed to the transport sector, including road and rail work, representing approximately 4 of every 5 dollars of investment.

That said, it is important to understand that over the past five years the value of work done on road and bridge construction has fluctuated with the start-up and completion of large-scale road projects. Whilst AfPA commends the Federal Government on its 2021-22 Budget and its ambitious infrastructure investment which has served to connect communities, support jobs and helped push the industry's performance to record levels, the road and bridge construction industry heavily depends on ongoing public funding and urgently requires a commitment to existing infrastructure maintenance and renewal.

AfPA strongly supports the injection of public funding for shovel-ready road projects to stimulate economic activity to counter the recession and economic impacts due to the COVID-19 pandemic. AfPA is closely monitoring and responding to the effects of the crisis. We seek to work with the broader sector, all levels of government and the community to achieve a successful COVID-19 safe economy and swift recovery. This follows strong recommendations from Infrastructure Australia to urgently address the billions of dollars in backlogged maintenance across the transport sector. The declining condition of this asset is reducing resilience, level of service and safety.

Our evidence-based, industry driven recommendations are critical for Australia to navigate out from the impacts of COVID-19. Importantly, the recovery must be led by industry, working within their local areas to rebuild and restore their local economies. This will foster long-term resilience, productivity and competitiveness.

Throughout the pandemic and recent natural disasters across our country, Australia's roads protected lives by aiding emergency services and supported the economy connecting our producers with markets at home and abroad. Roads also facilitated e-commerce and food delivery and brought families and loved ones together when restrictions eased. Despite the crucial role our existing roads play in our day-to-day life and the significant contributions made by Government to new projects, the value of sustainable road maintenance is overlooked.

Recommendations

1. 'Fix-it first' – Addressing back-logs and urgent work

AfPA's key ask of the Federal Government, and all other levels of government across Australia, is for longer-term funding commitments and better coordination to ensure the best outcomes for Australian communities and value for money. Currently, much of the spending is decided year by year which often leaves industry struggling to plan, resource and meet the increasing demands to support urban, regional and remote areas.

Australia needs more sustainable, longer-term pipelines of investment, with a focus on fixing it first. This means the Federal Government allocating more spending for longer periods of time – in particular to road maintenance to ensure communities are safely and reliably connected and drive transport productivity. Whilst we commend the record spend into new capital projects in the 2021-22 budget, we recommend elevating spending, especially to support the Government's Local Roads and Community Infrastructure Program and the Road Safety Program, as doing so would have significant safety and economic benefits.

The 2018 State of the Assets report estimates that local roads, which make up 75% of Australia's total road length, represent \$136 billion of Local Governments' total infrastructure value, however, \$13.6 billion are in poor to very poor condition.

This is an urgent issue that has the potential to endanger Australian lives and hurt Australia's economic potential. A commitment to maintaining these roads to the highest standards and shrinking backlogs will enable local roads to continue to generate thriving communities.

Regional and remote communities continue to be disproportionately affected by road maintenance backlogs and failures. As the vital lifeline between some communities and urgent healthcare, critical supplies and much more, roads are of the highest level of strategic importance in remote regions.

The most rapid stimulus package that can be implemented is to urgently address the transport infrastructure maintenance backlog, creating jobs, enhancing resilience, promoting the use of renewable materials and improving road safety. This call to the Australian Government for action was also identified by Infrastructure Australia (IA) in their Australian Infrastructure Audit report recommendations, released August 2019 and to date has seen further decline.

RECOMMENDATIONS:

AfPA's recommendations to the Federal Government:

- Increase federal government maintenance spend on the Australian road network, with greater visibility to the pipeline of work over multiple years to support sustainable workforce, resilience, safety and reliability.
- For a strategic alliance between all levels of Government and key industry associations around network spend and a planned approach to addressing the declining condition of Australia's roads – governments largest and most valuable asset.
- Support training and development opportunities to foster a diverse workforce within the flexible pavement industry.
- Address the \$13.6 billion worth of roads in poor to very poor condition with a sustainable, consistent, and achievable pipeline of maintenance work. This is aligned with Infrastructure Australia's recommendations to urgently reverse the tide in the growing national backlog of underfunded maintenance on our nation's roads.
- Implement more, or extend and expand, initiatives whilst working to address dangerous, poorly maintained roads which disproportionately effect rural communities.

2. Road and road worker safety

Road user and roadworker safety is a critical concern for AfPA and its members.

With respect to the road user safety, AfPA seeks investment into a safe, reliable, durable road network that is forgiving to the road user. This includes ensuring the network is maintained to a safe and reliable level of service.

For the road workers we consider ongoing safety skills awareness and development across industry and advocating for safeguarding road workers from dangerous hazards on work sites (such as working besides traffic).

Enhancing and upgrading the training, skills and resources of our members and the industry more generally are a key priority for AfPA. AfPA provides safety training courses and works to provide educational resources which promote best engineering practice. We hold a firm commitment to actively trial and adopt innovative technology solutions that enhance safety of road workers and the public. Critically, we keep the mental and physical wellbeing of the industry as a top priority, providing resources and education to ensure our industry works efficiently and healthily.

Beyond industry specific safety issues, road fatalities continue to be a major issue in Australia. Every year approximately 1,200 people are killed on Australian roads and over 36,000 are seriously injured. 50% of road crashes occur on local roads and these crashes account for 52% of all casualties and 40% of all road deaths. It is crucial to note that local roads account for around 75% of the total road length in Australia, or 662,000 kms, yet Local Government has the smallest revenue base of all the tiers of government.

In Australia, at the time of writing the road toll is on track to increase despite this year's COVID-19 lockdowns to 1126 in the 12 months to the end of November, a 1.4 per cent lift on the same period last year. This critical issue Australia faces, as data suggests, is a growing one.

According to the Commonwealth Department of Infrastructure, Transport, Regional Development and Communications, during the 12 months ended September 2021, there were 1,142 road deaths nationally. This is an increase of 5.1% from the 12-month period ending September 2020. As of the time of writing, there have been two tragic fatalities of road workers in Australia in as many months.

Particularly significant to AfPA is the needless loss of road workers included within this trend, involved in accidents whilst carrying out crucial maintenance and construction projects. AfPA contends that prevention can be achieved by separating road workers from traffic exposure and where this cannot be achieved minimise the risk through enforcing restricted speed limits using available speed enforcement measures, including point-to-point camera technology and mobile speed cameras in and around work sites.

AfPA's recommendation is based on research conducted by South Australia's Centre for Automotive Safety Research which observed that fixed point-to-point average-speed cameras improved speed and safety where implemented. Further research conducted internationally by the OECD has supported the use of point-to-point technology, reducing the number of motorists driving at speeds of more than 20km/h over the limit by 84 per cent, with mobile average-speed cameras likely to provide equal benefit.

Research has also suggested that fixed average-speed cameras are more effective than speed cameras in preventing death and reducing accidents, a result which we believe justifies urgent action to prevent further road worker and motorist fatalities. The cost of road trauma to the Australia economy is estimated at \$30 billion annually based on 2015 figures.

RECOMMENDATIONS:

AfPA's recommendations to the Federal Government:

- Increase targeted road safety spending with State, Territory and local government to promote safer roads for road users.
- On Federal funded road projects, require speed enforcement throughout all trafficked roadworks sites. This can be resourced via camera technology - enforcing restricted speed limits using available speed enforcement measures, including point-to-point camera technology and mobile speed cameras in and around work sites, will save lives.

3. Sustainability

AfPA is the industry champion for encouraging sustainability across the flexible pavement industry, and the opportunities to drive sustainability are significant in road maintenance work. The need for Australia to shift to circular economy practices has never been clearer and the flexible pavements industry is well positioned to do its part to ensure this sustainability objective is achieved.

AfPA strives to position our industry as one that is driven by an equal care for innovation and sustainability. AfPA leads the sector through our development of a sustainability framework which assists members and government to benchmark existing practices and identify areas for improvement.

A critical component of AfPA's strategic vision is to promote the sustainability of the industry through:

- protecting the environment through progressing towards circular economy practice;
- supporting the economic sustainability of industry and regional communities;
- a focus on developing and supporting our people;
- promoting a continual improvement culture and a market that is accepting of innovation.

Road maintenance projects provide far greater environmental benefit as opposed to the construction of new roads, and ultimately support the reduction of Australia's carbon footprint. As maintaining our roads reduces the need for heavy rehabilitation and reconstruction which has a significantly greater environmental impact.

AfPA also strongly advocates best practice in the reuse of waste with engineering benefits – such as crumb rubber from car tyres which enhances the durability of asphaltic surfaces.

In August 2021, AfPA hosted its 'Roads going full circle' Symposium which brought together speakers and attendees from around the world to an online event to share their views and experiences around a central theme of circular economy. The symposium discussed the need for the infrastructure sector to become circular and incentivise circular economy solutions to respond to the challenges of climate change, carbon emissions and reducing the use of virgin natural resources.

From this AfPA has developed a Sustainability Framework for Asphalt Plants and Contractors. This framework when used through the tender process promotes continual improvements to reduce the emissions and carbon footprint of our industry.

RECOMMENDATIONS:

AfPA's recommendations to the Federal Government:

- Require that renewable materials be utilized in the delivery of federally funds roads.
- Require that the AfPA Sustainability Framework, developed in partnership with government be used for tenders that have federally funding support.
- Increase maintenance funding to reduce the energy demand and carbon emissions of accelerated reconstruction projects that result from the national backlog of addressing Australia's poor road condition. If we maintain our roads correctly we significantly reduce their carbon footprint.

Once again, AfPA welcomes the opportunity to make a submission for consideration in the formulation of the 2022-23 Federal Government Budget and invites any queries or questions.