



AUSTRALIAN FLEXIBLE PAVEMENT ASSOCIATION

Tasmanian Pre-Budget Submission 2022-23

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ABOUT AFPA

For over 50 years the Australian Flexible Pavement Association (AfPA) has been the peak body representing the flexible pavement industry in Australia.

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

AfPA members include bitumen suppliers, asphalt producers, sprayed surface operators and equipment suppliers, all State Government Road Authorities and many Local Governments from across Australia. The flexible pavement industry is involved in the design, specification, manufacture, construction and maintenance of all forms of flexible pavements.

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.
- Drive a national culture of continuous improvement.

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

Our submission provides a snapshot of our industry before moving on to assess key challenges and making recommendations on how the Tasmanian Government's Budget can include policies that deliver better outcomes for public spending on the state's 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, including a vast range of opportunities for Tasmania.

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. Over the past five years, the value of work undertaken on road and bridge construction has fluctuated with the start-up and completion of large-scale road projects.

Whilst AfPA praises these figures and commends the Tasmanian Government on its 2021-22 Budget and ambitious infrastructure investment which has served to connect communities, supports jobs and helped push the industry's performance to record levels, we are calling for greater commitment to upgrades and maintenance for existing transport routes and roads.

The road and bridge construction industry heavily depends on public funding, which in 2020-21 is expected to contribute 63.6% of all investment in road infrastructure. 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.

Our evidence-based, industry driven recommendations are critical for Tasmania and 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 for Tasmania and more broadly, Australia.

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.

Key recommendation – 'Fix it first'

AfPA's key ask of the Tasmanian Government, and all other levels of government across Australia, is for longer-term 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 meet increasing demands to support urban, regional and remote areas.

Tasmania needs more sustainable, longer-term pipelines of investment, with a focus on fixing it first. This means allocating more spending for longer periods of time to road maintenance. We recommend elevating spending from its current level of \$60-70m to \$100m, doing so would have significant safety and economic benefits.

Other recommendations

- Increased maintenance spend on the road network by the state.
- Tasmanian Government needs to work with Local Government to increase their spend on the network.
- State specifications need to encourage use of recycled materials, particularly in the wearing course. These need to focus on locally available materials in the Tasmanian market. Not rely on imported from the mainland which incur a higher distribution component.
- State to show safety leadership by being prepared to pay directly for site safety requirements rather than have them included in the lump sum or product schedule of rates. Safety items need their own schedule of rates that apply based on-site specific risk assessment.
- Increase use of asphalt, in both high wear and built-up areas to get better life cycle cost and better environmental outcomes for communities.

KEY INDUSTRY CHALLENGES

Road safety

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 Tasmania, at the time of this submission the state's road toll for 2021 stands at 33, with Tasmania inching closer to its 2009 tragic record of 36 fatalities. Recent data from the NSW Centre for Road Safety shows that 70% of road fatalities occur on rural and regional roads.

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. 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.

The cost of road trauma to the Australia economy estimated at \$30 billion annually based on 2015 figures.

AfPA's work in improving road safety

AfPA's primary objective in the pursuit of Health and Safety improvement is to enable and support industry to continuously improve the health and safety of our people and the communities we serve.

AfPA works with and on behalf of our members to achieve the following:

Safety

- AfPA works to promote facts relating to bitumen and working safely within the industry and we continue to support members in understanding and implementing management processes which address any long-term worker related ill-health risks arising from air pollution and particulates (produced at the point of manufacture through the supply chain to construction sites).
- We support the industry with any national transitions to higher health regulatory requirements.
- We look to consistently promote and support our members on mental health awareness and education with preventative education and crisis assistance. We also partner with health and safety providers that can provide national support service to AfPA members, through discounted rates.

Health

- AfPA consistently works to establish and communicate national statistics on roadworker safety performance, with a KPI for continuous improvement annually and a focus on demonstrating a shift towards a zero-harm future.
- We actively trial and seek adoption of technology solutions that enhance safety of road workers and the public.
- We advocate to key regulatory bodies nationally, the separation of road users and road workers as the first option on worksites, wherever possible.
- AfPA has established a forum for all members to receive key industry safety alerts and learnings.
- AfPA continues to develop safety training courses as guided by the National Health and Safety Committee.

Backlogs and urgent work

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 (9% of sealed roads and 16% of unsealed roads) 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 roads

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.

Infrastructure Tasmania's Project Pipeline is an excellent initiative that is helping to address backlogs of road maintenance. AfPA supports this and recommends continuing to increase strategic visibility to forthcoming project and works pipeline, including capital and maintenance projects to assist Government to deliver its priorities.

Recommendations

As well as continuous and sufficient funding to be allocated by all levels of Government to both road maintenance and capital work, AfPA is advocating for longer-term commitments and coordination between all levels of Government to ensure the best outcomes for Australian communities and value for money. The need for longer-term, sustainable and more routine investment will benefit the industry and ensure that roads are kept safe to use and can continue to keep the country moving.

To improve safety on our roads, AfPA also recommends the following:

- Separation of traffic and road workers will always be the first consideration and implemented wherever feasible.
- Support for speed advisory signs in the lead into road works sites, advising drivers when they are over the lowered speed limit.
- A commitment from government to enforce restricted speed limits in work sites through the use of available speed enforcement measures, including point-to-point camera technology and mobile speed cameras.
- The introduction and use of new technology that can accurately determine speeds and advise accordingly and enforce speed limits.
- That any revenue generated from enforcement be directed back into road safety and road condition improvement projects that are linked to a vision of zero harm on the road network.

Sustainability

AfPA's Vision

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.

Circularity in maintenance

Road maintenance projects provide far greater environmental benefit as opposed to the construction of new roads, and ultimately support reduction of Australia's carbon footprint.

This is achieved by encouraging the reuse of waste produced by other industries and other recycled material like glass into maintenance road projects and is a practical way that industry is delivering on the circular economy. A good example of our commitment to circular practices is our use of Reclaimed Asphalt Pavement, involving the reuse of reprocessed pavement materials.

In August this year, 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.

Roads and the Environment

With the increase of natural disasters in recent years, from floods, bushfires and pandemic, the reliability of our road network across Australia has proven essential in responding. After these events it is critical that road maintenance remains a priority for Government funding to ensure impacted roads are restored and the road network can effectively respond to the next event. We can no longer apply a band-aid approach, but efficiently plan and utilise public funding to respond to climate variability.

Recommendations

AfPA believes our industry is able to deliver our part in utilising renewable materials from existing waste streams to help address a growing national circular economy challenge. We also continue to promote the use and reuse of some of the planet's most recyclable materials, such as asphalt. We as an industry are committed to reducing our carbon footprint and emissions, reducing energy usage and also utilising sustainable energy generation practices.

ENDS