



AUSTRALIAN FLEXIBLE PAVEMENT ASSOCIATION

**ACT Pre-Budget Submission
2022-23**

Table of Contents

About AfPA	3
Our objectives	3
Flexible pavement industry snapshot.....	5
Recommendations.....	6
1. 'Fix-it first'	6
2. Road and road worker safety	8
3. Sustainability.....	10

ABOUT AFPA

The Australian Flexible Pavement Association (AfPA) is the peak body for the multi-billion dollar flexible pavement industry in Australia.

For over 50 years, AfPA has represented the flexible pavement industry to lead safety, sustainability, innovation, knowledge, and collaboration outcomes unified voice on the advancement of flexible pavement technology for the benefit of all road users.

Our membership brings together a unique and diverse collective of industry, all state road authorities and a number of Councils from across Australia. AfPA represent our members and act as a source of technical and reference information for both industry and governments nationally.

We are proud to provide a range of services to our members including a wide suite of training courses, regular industry events and technical advice on a national and state basis.

AfPA works to deliver the following positive outcomes:

- support our industry to be healthy, safe, innovative and sustainable
- build a solid understanding of our industry with key stakeholders
- support the national harmonisation of best practice
- drive a culture of continuous improvement
- ensuring value for our members

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

A key objective for AfPA and our members is 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:

- leading 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;

- advocating 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; and
- advocating for sustainable funding of Australia's most valuable asset – our roads. We support preserving and protecting the major investment that's been made in an asset that connects communities and grows 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.

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 ACT 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.

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. We commend the ACT 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.

AfPA praises these figures, as they represent a healthy pipeline of road infrastructure work for industry. A committed and transparent investment pipeline is critical for industry to have confidence to invest in plant and equipment, training, and new jobs. This investment has been challenging for industry to make over the past five years as the value of work done on road and bridge construction has fluctuated over the last five years with the start-up and completion of large-scale road projects.

In the mix of funding for road construction, AfPA also strongly supports investment in upgrades and asset maintenance, including shovel-ready road projects to stimulate economic activity now to counter the recession and economic impacts due to the COVID-19 pandemic.

As the industry peak body, AfPA is closely monitoring and responding to the effects of the crisis on our members and the broader community. We seek to work in ACT 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 both ACT 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.

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 and addressing asset backlogs are overlooked in lieu of new, capital driven projects.

RECOMMENDATIONS

1. 'Fix-it first'

AfPA's key ask of the ACT Government, and all other levels of government across Australia, is for a long term coordinated plan to address the declining network condition and level of service of our roads. This requires longer-term funding commitments, better coordination of investment in the road network to ensure value for money and the best outcomes for ACT communities and value for money. Currently, much of the spending in maintaining our roads is decided year by year which often leaves leaving industry uncertain around how much to invest in people, plant and equipment to struggling to meet increasing demands to support urban, regional and remote areas.

ACT 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 committed toward road safety investments in ACT in 2021, as doing so would have significant safety and economic benefits for local ACT communities state-wide.

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 investment backlogs will enable local roads to continue driving our thriving communities, jobs growth and economy.

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.

AfPA recommends continuing to increase funding and strategic visibility to forthcoming project and works pipeline, including capital and maintenance projects to assist the ACT Government to deliver on its priorities.

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, improve the condition of our networks and ensure that roads are kept safe to use and can continue to keep the country moving.

A 'Fix-it first' approach will ultimately create jobs across the state now, it will address urgent backlogs of maintenance and will provide improved sustainability to the state's roads.

RECOMMENDATIONS:

AfPA's recommendations to the ACT Government:

- Recognising the asset backlog task ahead of us, increase the maintenance spend on the ACT road network, with greater visibility to the pipeline of work to support sustainable workforce, inventory, and investment practices.
- Address the ACT portion of the \$13.6 billion worth of roads in poor to very poor condition with a sustainable, consistent and achievable pipeline of maintenance work targeting renewal priorities.
- Increase use of asphalt, in both high wear and built-up areas to get better life cycle cost and better environmental outcomes for ACT communities.
- Form a strategic alliance between State Government, Local Government and industry around expenditure on the existing and planned road network.
- Implement more, or extend and expand initiatives to address dangerous, poorly maintained roads which disproportionately effect rural communities. For regional ACT a well-maintained road is a safe road for parents, kids and goods to market.
- 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.

2. Road and road worker safety

Road safety is a critical concern for AfPA and its members. We consider road safety by way of three critical dimensions, the first being the quality of roadworker skills and safety, the second being safeguarding road workers on dangerous work sites, and the third being the lifesaving capability of urgent maintenance work on our nation's roads.

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. Nearly 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.

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 development projects. AfPA contends that prevention can be achieved by 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. 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 community.

RECOMMENDATIONS:

AfPA's recommendations to the ACT Government:

- 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). ACT Government is called to introduce the AfPA Industry Card and improve safety practices around the handling and working safety around bitumen.
- A commitment to enforcing restricted speed limits using available speed enforcement measures, including point-to-point camera technology and mobile speed cameras in and around all road work sites to save lives.
- Promote and support mental health awareness and education with preventative education and crisis assistance.
- AfPA recommend that the ACT government support reframing major transport project procurement - so investments in traffic management safety are separated from other bid costs and are not lowest cost driven.
- Collect statistics from road incidents at roadworks sites, to establish and provide data on this risk exposure to road workers with a priority to shift to zero harm.
- Separation of traffic and road workers should 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.
- That any revenue generated from enforcement continue to be directed back into road safety and road condition improvement projects that are linked to a vision of zero harm on the road network.
- Commitment to trial and seek adoption of technology solutions that enhance safety of road workers and the public.
- Support opportunities for key industry safety alerts and learnings.
- ACT should 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.
- Support safety training courses guided by AfPA National Health and Safety Committee.

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 is working hard with our members 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.

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 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.

With the increase of natural disasters in recent years, from floods, bushfires and pandemic, the reliability of our road network across Australia and certainly ACT has proven essential in responding. After these events it is critical that road maintenance remains a priority 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 in ACT, but efficiently plan and utilise public funding to respond to climate variability.

RECOMMENDATIONS:

AfPA's recommendations to the ACT Government:

- Support industry in utilising renewable materials that have engineering properties that benefit road performance from existing waste streams to help address a growing national circular economy challenge.
- Require that the ***AfPA Sustainability Framework*** be used for ACT road tenders.
- State specifications need to encourage use of recycled materials, particularly ensuring that across Government there is consistency and the interpretation of requirements between policy and compliance. These need to focus on locally available materials in the ACT market. Not rely on imported from the mainland which incur a higher distribution component.
- Implement sustainable measures and circular criteria within frameworks for procurement.

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