



## AfPA's Response to the 2023-2024 Federal Budget

**Wednesday 10th May 2023**

The Australian Flexible Pavement Association (AfPA) has welcomed the delivery of the 23-24 Federal Budget, which sees broad and significant investment into solving ongoing skills and infrastructure challenges.

The budget prioritises a sustainable and resilient approach to infrastructure pipelines and a more inclusive and diverse workforce capable of delivering the infrastructure necessary for Australia's future.

AfPA has thrown its support behind measures to ensure that the nation is equipped with skilled workers and equitable work conditions that will be crucial to delivering urgent road repairs and maintenance projects. The association has also welcomed a review of the Infrastructure Investment Program, and in particular, the \$120bn infrastructure pipeline, cautioning that funding must not be reduced and consultation with peak industry bodies must take place before any significant investment reductions are made in key infrastructure that will benefit metropolitan, regional and rural communities.

The budget commits to prioritising:

- Building disaster resilience and preparedness
- Nationally significant projects to enhance economic growth
- Closing the gender pay gap
- Developing a Migration Strategy
- Boosting skilled migration

More specifically, the Government will provide \$1.8 billion over 10 years from 2023–24 for infrastructure, including:

- \$1.1 billion in 2032–33 to continue existing road maintenance and safety programs, with:
  - \$500.0 million for the Roads to Recovery Program
  - \$350.0 million for national road network maintenance
  - \$110.0 million for the Black Spot Program
  - \$18.9 million for transport research organisations and innovation projects
  - \$60.0 million over 3 years from 2023–24 to continue supplementary local road funding



Carlos Rial, AfPA's CEO, said:

“AfPA applauds the government's fresh approach to the Federal Budget and appreciates its focus on sustainability and its focus toward building the resilient infrastructure of tomorrow. We look forward to working alongside the government to ensure that our nation's roads and critical assets continue to deliver even greater value for Australia.

“In particular, we welcome the government's commitment to reassessing the Migration Strategy with the focus on delivering skilled migrants to support the economy and fill the industry-wide skills and labour shortage gap. As an association representing the flexible pavement and wider roadworker industry, we recognise the importance of international talent in addressing persistent skill shortages and supporting the sector's growth.

“We understand the Government's review of the Infrastructure Investment Program and, in particular, the \$120 billion infrastructure pipeline. While we support measures to enhance the sustainability and integrity of road projects and infrastructure investment, we stress the need for more support and longer-term funding pipelines.”

## **Skills & Training**

“As infrastructure demands continue to surge across the nation, equipping our workforce with the essential skills and ensuring the availability of adequate talent to deliver pipelines has become more critical than ever before.

“We welcome the newly announced 5-year National Skills Agreement, and the commitment to fund 300,000 TAFE and vocational education training places to become fee-free will provide a modern and responsive vocational training sector.

“We're pleased with the Government's targeted support for apprentices, which includes assessing the needs of every apprentice to support their success, removing barriers for women in male-dominated trades, and strengthening support for First Nations apprentices, apprentices with a disability, and those in remote areas.

“We call for the government to invest in building a more skilled workforce that can tackle urgent road issues and longer-term maintenance funding pipelines. This can be done by establishing better pathways via immigration laws to access visa entry for labourers, developing a skilled workforce at home, building nationally enforced and state-regulated training programs for school leavers or young job seekers, and maintaining current enterprise agreement schemes negotiated with partner sector unions.



“We’d also like to highlight AfPA’s Industry Skills Card, an 11-part qualification initiative supported by State Government created to train and provide each worker with a qualification that will upskill and enhance their skill set. We recommend that the Skills Card be adopted and applied on a national scale to support better career development for workers and attract more people into a sector that is facing a skills shortage at a time of unprecedented demand from infrastructure projects and repairs to roads damaged by recent weather events.”

## **Migration**

“We welcome the government's commitment to reassessing the Migration Strategy with a focus toward developing skilled migrants to support the economy and fill the industry-wide skills and labour shortage gap. As an association representing the flexible pavement and wider roadworker industry, we recognise the importance of international talent in addressing persistent skill shortages and supporting the sector's growth.

“We are pleased to see that 70% of places in the 2023-24 permanent Migration Program have been allocated to skilled migrants. A decision that will help to address skill shortages and provide long-term fiscal and economic benefits to Australia. We support this decision but also urge the government to prioritise the creation of better pathways, through immigration laws, to provide opportunities for labourers interested in working in Australia.

“We also urge the government to place greater emphasis on vocational training and upskilling of local talent. We believe that a holistic approach that balances international migration with domestic upskilling is vital to ensure the industry's sustainability and to address existing barriers to workforce participation for Australian workers. Investing in vocational training and upskilling programs will create more opportunities for local talent to enter the sector, support their career development and contribute to the nation's economy.”

## **Infrastructure pipelines**

“We understand the Government's review of the Infrastructure Investment Program and, in particular, the \$120 billion infrastructure pipeline. While we support measures to enhance the sustainability and integrity of road projects and infrastructure investment, we stress the need for more support and longer-term funding pipelines.



“There are severe backlogs of road maintenance and upgrades, particularly in rural and regional areas, and we welcome the Government’s consultation with peak industry bodies before there are any considerations made in spending and investment reductions.

“Australia’s population is expected to grow exponentially within the next two years, meaning infrastructure like roads, rail, housing, and transportation will be essential to supporting the growing population’s needs. Put simply, Australia cannot afford to cut down on infrastructure investments, as doing so will result in inadequate infrastructure that cannot support the growing population's needs.

“We also encourage the Government to work toward addressing the high proportion of sealed roads and unsealed roads that are in poor condition, function and capacity and close to reaching the end of their useful life. There should also be a greater focus on sustainable pipelines of road maintenance and innovative repair methods that increase resilience and protect Australia's assets against weather instability.

“We urge that more can be done to support road workers and local businesses over more thoughtful allocations which benefit local communities and businesses. We look forward to working alongside Minister King and the Government to ensure that projects which deliver for workers, communities and the economy are not affected.”

## **Diversity and Inclusion**

“The government's investment towards equalising the gender pay gaps is not only reassuring but also a significant step towards achieving gender parity in the workforce. We welcome the Government’s decision to publish the gender pay gap of employers with 100 or more workers, and a greater review into the Secure Jobs, Better reform.

“We believe that existing barriers to a more inclusive industry must be removed and participation rates, particularly among female workers, improved as our industry continues to face skills and labour shortages.

“However, diversity and inclusion require proactive leadership, accountable commitments, cultural change, and measurable outcomes-based initiatives. And, while the need for gender diversity in the roadwork and construction industry is clear, the reality is that the sector remains heavily male-dominated in Australia.

“We are looking to launch our Diversity and Inclusion Roadmap, a strategic, multifaceted plan focusing on Attracting, Recruiting, Retaining, and Developing careers for workers in



the flexible pavement industry and is designed to combat sexism and perceptions that limit opportunities for underrepresented groups.

“It’s crucial to understand the barriers and challenges limiting opportunities for a diverse and inclusive industry, including lack of information, role models, and work-life balance programs. We need to challenge misconceptions and stereotypes and actively engage with underrepresented groups to attract a range of talent.

“The roadwork and construction sector are in a transitional phase, and we welcome the Government’s consideration of our Roadmap to further develop national standards and to retain and maintain talent in an industry that needs women, young people, and minority groups to increase productivity.”