



## AfPA raises significant concerns for Federal Government's Infrastructure Policy Statement and changes to the funding model passing costs on to States

The Australian Flexible Pavement Association (AfPA) has expressed significant concern on behalf of its members for the Federal Government's new *'Infrastructure Policy Statement'*.

Under the Government's *Infrastructure Policy Statement*, States will be asked to split costs 50:50 with the Federal Government on future road and rail projects. The Commonwealth's approach signifies a major and controversial shift to infrastructure funding.

Following the Government's call for a 90-day independent review of the previously announced \$120 billion Infrastructure Investment Program (IIP) earlier in the year, the government has made the decision to uphold the commitment, caveating that spending abides by the proposed policy statement. A decision that AfPA has argued will put additional strains and burdens on state territories and will significantly affect the reliability of the network and transport efficiency of the nation.

*AfPA CEO, Carlos Rial* has emphasised the necessity for a reconsideration of the proposed strategy:

"As representatives of the \$27 billion flexible pavement industry, we remain sceptical about the recent announcement by the Federal Government to revert to a 50:50 shared investment agreement. We have concerns that this approach may not adequately address the needs of both workers and Australian road users.

"It is a core function of the Australian Government to invest in the nations productivity and this funding shift will reduce our nations transport efficiency, competitiveness and productivity.

"We are in a national roads resilience crisis, as reinforced by the Grattan Institute recently released findings earlier this week, that underscore the urgent requirement for additional assistance to address the nations road resilience challenge. This funding burden shift to State and Territory will make it even harder for jurisdictions to maintain and ensure our roads are safe and keep communities reliably connected.

"We are eager to continue working alongside the Federal Government, to ensure the concerns of the road industry are heard. Part of this advocacy will be to address the challenges posed by shifting away from an 80:20 to a 50:50 model and how we can ensure that communities that need the support most are not left wanting."

**ENDS**