



AUSTRALIAN FLEXIBLE PAVEMENT ASSOCIATION

**ACT GOVERNMENT
PRE-BUDGET SUBMISSION
2024-25**



ABOUT AfPA

The Australian Flexible Pavement Association (AfPA) is the peak industry body that represents the \$27 billion flexible pavements industry, delivering safe and sustainable outcomes to benefit communities across Australia.

For almost 60 years, AfPA has brought together our dynamic and multifaceted industry that is responsible for the design, specification, manufacture, construction, and maintenance of all forms of bituminous flexible pavements.

AfPA's members constitute a diverse array of professional organisations that support the industry and are passionately committed to advancing 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), all State / Territory Government Transport and Road Authorities, and many Local Governments from across Australia.

AfPA's vision is to be the 'trusted voice of industry, so our members can deliver better connected communities', these are embodied by the following key objectives:

- **Health and Safety:** the well-being of all road users and roadworkers.
- **Sustainability:** reduced carbon footprint and circular economy.
- **Technology:** flexible pavement engineering and construction practice.
- **Diversity and Inclusion:** inclusive environment that embraces diversity across the road industry.
- **Sustainable roads industry:** that benefits all road users.

AfPA welcomes the opportunity to make a submission to the ACT Budget 2024-25. We are firmly committed to working with all levels of Government towards building a stronger infrastructure future to support the current and future needs of our nation.

FLEXIBLE PAVEMENT INDUSTRY SNAPSHOT

Australia's roads are the critical infrastructure that connects us. Across all aspects of our day-to-day lives, roads bring us together, facilitating all functions of our social fabric and economic activities. Their ongoing viability, level of service and safety is entirely dependent on the contributions of all levels of Government to new projects and the maintenance of the existing network, and equally a skilled competent workforce to deliver on these commitments.

Our roads are owned predominantly by State and Local Government, and the ACT Government has a significant part to play in how it funds the economic development and productivity of the nation – investing in transport efficiency, safety and reliability.

- **Over 95% of Australian Roads are built with flexible pavements** – many of which are unsealed or significantly under-maintained leading to a lack of resilience to significant natural weather events and increased road safety risk to Australians. Roads controlled by 537 councils had suffered more than \$3.8 billion in damage during the 2022 and 2023 flooding event this excludes many billions of dollars of State controlled roads that equally are urgently requiring basic maintenance works.¹
- **8% of sealed roads and 14% of unsealed roads are in very poor condition, function and capacity and are close to reaching the end of their useful life.**²

¹ Data from the Australian Local Government Association and Australian Road Research Board (ARRB) (now known as the National Transport and Research Organisation (NTRO))

² 2021 State of Assets report



1. 'FIX-IT FIRST' – ADDRESSING OUR NATIONS ROAD RESILIENCE BACK-LOG

AfPA's key ask of the ACT Government, and all other levels of government across Australia, is to fix our roads first.

AfPA's key priority for the ACT Government, and all other governments 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 the industry struggling to plan, resource and meet the increasing demands to support urban, regional and remote areas.

AfPA strongly urges the ACT Government to urgently prioritise addressing the lack of resilience through reversing the maintenance backlog on of Australian roads.

Australia needs more sustainable, longer-term pipelines of investment, with a focus on fixing it first. This means the ACT 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 spending on new capital projects in the latest budget, we recommend elevating spending, especially to support and future-proof ACT roads from weather damage.

In November 2022, research conducted by the Grattan Institute highlighted the urgent need for Australia to commit an annual funding of an additional \$1 billion to sustain its current road infrastructure. This was further reinforced by the recommendations released in December 2023 by the Federal inquiry into the implications of severe weather events on the national regional, rural, and remote road network.

As the vital lifeline between communities, our roads act as the arteries that connect us to healthcare, critical supplies and much more - roads are of the highest level of strategic importance for all communities, in particular remote regions. It is fundamental to the safety of our road users, our connectivity and national economic productivity to ensure our roads are safe and reliable. It is noted that our regional and remote communities continue to be disproportionately affected by roads of poor condition and reliability.

The 2021 ACT Road Safety Report indicated that Roads ACT had repaired over 6,375 potholes and 11,760m² of hot asphalt patching work on the roads in the 2020-21 financial year. This was an increase of 134% in potholes and 391% in asphalt patching work compared to the 2019-20 financial year. This highlights the immense degradation of roads within the ACT and the need for healthy, sustainable pipelines of maintenance across the nation. 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 thrive.

While acknowledging the commendable record spending on new capital projects in the latest budget, AfPA anticipates a need for increased infrastructure and roads spending. Factors such as unpredictable weather patterns, a growing population, the rising cost of living, and materials necessitate heightened investment to ensure the resilience and sustainability of ACT roads.

We recommend elevating spending, particularly to address and future-proof the road network against recent weather-related damage. AfPA welcomes the opportunity to collaborate with the ACT Government in developing a comprehensive strategy and program, to guarantee the safety, sustainability, and seamless connectivity of our road network for the benefit of all residents.

AfPA's Recommendations:

- The ACT Government continue to support and nurture rural and regional communities which continue to be disproportionately affected by road maintenance backlogs and damage.
- The ACT Government retain and expand its support to the local government roads resilience challenge.
- ACT Government focus on sustainable pipelines of road maintenance and innovative repair methods to protect state assets against weather instability and improve road safety.

2. SUSTAINABILITY

AfPA seeks the ACT Government to require the full use of established national endorsed guides and technology to achieve a significant contribution to reduced scope 1 and 2 emissions over the next few years.

AfPA members have set a target to reduce Scope 1 & 2 emissions by 30% by 2030. This includes:

- using EPD's & the AfPA LCA Calculator for Asphalt to report on industry GHG emissions & energy.
- ensuring the national adoption of the AfPA Sustainability Framework for Asphalt (SF4A) to facilitate and drive continual investment to reduce the carbon emissions of asphalt production.
- increase the use of renewable materials to promote circular economy to an engineering benefit.
- driving specification & contract changes to encourage the uptake of carbon friendly products.

AfPA is already well progressed into supporting circular economy practices and making our contribution to Governments commitment to reduce greenhouse gases by 43% by 2030 (on 2005 levels). This includes also working with the ACT Government to reimagine how the roads industry can contribute to the state's 50 to 60% by 2025 and 65 to 75% by 2030 decarbonisation targets.

Circularity Economy

AfPA in partnership with Austroads has established a number of pavement engineering practices that incorporate the use of renewable materials that provide engineering benefits to roads. These include re-use of asphaltic materials (in perpetuity), crumb rubber (tyre waste), plastics and glass.

AfPA seek support from the ACT Government on the mandated use of these products across the sector on state funded projects to overcome barriers to adoption, for materials and practices already endorsed by Austroads and all State and Territory jurisdictions.

Reduced Carbon Emissions

Our national road surfacing companies already have their own international targets to demonstrate and are willing to work with the ACT Government to do their part.

As identified above the ACT Government buying back into 'Fixing it First' to address the poor resilience condition of our roads has an exponential reduction effect on carbon emissions through:

- reducing the early life failure and need for heavy carbon reconstruction of our road pavements.
- reducing the carbon impact of rectifying ever increasing natural disaster damage.
- reducing the rolling resistance to vehicles, resulting in increased fuel economy for every road user on the network.

By funding the reversal of our road maintenance backlogs and addressing the road resilience crisis, there is a significant benefit to reduced carbon emissions from the transport and roads sector.

It should also be recognised that currently there is low lying fruit through underutilised endorsed specifications and technical guides that are already jointly developed between industry and ITSOC (through Austroads) that will help with this journey now – however are not fully utilised or implemented nationally.

AfPA's Recommendations:

- The ACT Government enforces the use of established road surfacing engineering guidelines that significantly reduce carbon emissions by:
 - Reducing asphalt temperature to warm mix (a 30-degree reduction in asphalt temperatures reduces greenhouse gases by 15%);
 - Eliminate petroleum based cutters and hydrated lime anti-stripping agent (reduction of 10-15% emissions).
- The ACT Government continues to support industry in utilising renewable materials that have sound engineering properties that benefit and improve road performance to help address a growing national circular economy challenge.

3. AfPA SUSTAINABILITY FRAMEWORK FOR PROCUREMENT (SF4P)

AfPA, earlier last year, launched its *Sustainability Framework for Pavement (SF4P)*, ready to accept registrations for assessment. The framework is set to enable Road Authorities and stakeholders to achieve best practice standards, meet key sustainable procurement metrics and encourage a more sustainable, flexible pavements industry.

The sustainability framework has been developed through extensive consultation with industry and is based on circular economy concepts, including Life Cycle Assessment (LCA) approaches. It encourages stakeholders to consider the UN Sustainability Development Goals (SDGs) and recognises the industry's role in Australia's waste reduction and energy efficiency requirements.

AfPA has encouraged procurement agencies and relevant industry bodies to adopt the SF4P and register to begin setting quantifiable metrics and benchmarks for the reduction of negative environmental impacts associated with asphalt production and operations as part of their normal tendering processes.

This implementation will not only ensure best practice sustainability standards and metrics embedded into procurement but will also recognise the industry's role in helping to reduce waste and contribute toward Australia's emissions reduction targets.

AfPA urges procurement agencies and relevant industry bodies in the ACT Government to adopt the SF4P and register for assessments. Doing so will initiate the establishment of quantifiable metrics and benchmarks within the tendering processes, specifically targeting the reduction of negative environmental impacts associated with asphalt production and operations.

AfPA encourages procurement agencies to adopt the SF4P to set quantifiable metrics and benchmarks for the reduction in environmental impacts (e.g., greenhouse gases, energy, waste, etc.) associated with asphalt production and operations as part of their normal tendering processes.

By integrating this framework into normal procurement procedures, the ACT Government can not only ensure the adoption of best practice sustainability standards and metrics but also acknowledge and address the industry's vital role in reducing waste and contributing to Australia's emissions reduction targets. This proactive implementation aligns with the broader national and international sustainability goals, positioning Australia as a leader in environmentally conscious infrastructure development.

The Framework for Asphalt Production has demonstrated that it is possible to assist procurers of asphalt solutions to select from organisations demonstrating sustainable production processes leading to reductions in energy use and greenhouse gas emissions and maximising the use of RAP and other secondary materials (i.e., suitable "waste" products such as glass cullet, crumb rubber, plastics).

It is envisaged that in adopting the framework, procurement agencies will be able to uniformly and transparently evaluate and select from suppliers who demonstrate a willingness to invest in their infrastructure and technology to deliver these services more efficiently and to reward where more sustainable options exist, such as incorporation of suitable 'waste' products within accepted solutions.

AfPA's Recommendations:

- AfPA recommends the ACT Government incorporate the Sustainability Framework for Pavement into standard procurement procedures. Adopting the framework nationally, will result in the private sector investing to continually reduce carbon emissions in the production of asphaltic materials. The SF4A aligns with broader national and international sustainability goals, positioning Australia as a leader in environmentally conscious infrastructure development.

4. ROAD SAFETY AND RESILIENCE FUNDING

The Australian road toll at over 1250 deaths (year to date) is clearly unacceptable and in part, there is an opportunity to address this through creating a safer roads environment. Although the ACT territory saw the largest decline (85%) in road deaths in 2023, it remains paramount to not only maintain but continually improve safety standards.

In addition, there is an opportunity when undertaking these capital works to address the resilience of the road network in particular across regional Australia.

Australia has a vast road network with almost 873,573 km, with the annual economic cost of road crashes estimated at more than \$30 billion (as per Monash University). With over 50% of killed and serious injury (KSI) accidents occurring on regional roads.

Regional and remote communities continue to be disproportionately affected by road maintenance service gaps 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.

Australian research has shown that on these roads **by increasing sealed shoulder widths and also providing a wide centre line treatment there is up to 50% reduction in KSI's**. This provides an opportunity for the ACT government to build low cost, mass action safer roads for regional Australia by:

1. partnering with federal and territory jurisdictions on a proactive shared funding basis to widen these roads. This initiative will:
 - a. create safer roads and reduce the national road toll up to 25% over time;
 - b. support regional employment and private sector investment into regional Australia; and
 - c. support addressing the national roads resilience challenge.

AfPA's Recommendations:

- The ACT Government invest in a regional roads widening program across Australia;
- The ACT Government to direct revenue back into road safety and road condition improvement projects that are linked to a vision of zero harm on the road network. This means allocating funding for:
 - A road widening strategy, prioritising the installation of a wide centreline to enhance safety, resilience, and network connectivity.
 - Implementation of big clear zones through cost-effective mass action. These zones not only improve road user safety during maintenance but also effectively manage unforeseen incidents, ensuring seamless traffic flow.
- The ACT Government continue to build on current commitments 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.

5. AfPA INDUSTRY SKILLS CARD – TRAINING THE NEXT GENERATION OF ROAD WORKERS

A key initiative to attract new entrants to the flexible pavement industry, support the reputation and recognise the work of our workforce, AfPA in collaboration with industry and supported by State Government has developed the Australian Flexible Pavement Industry Skills Card (Skills Card).

Bituminous surfacing industry is a specialist trade skill set that ensures the safety of the travelling public and protects the nation's and the ACT Government's most valuable asset – its roads. On this basis, those who deliver the nation's highest order roads should possess qualifications specific to this industry to ensure quality, safety, long-term durability, performance, and workforce sustainability, identifying career pathways through industry.

These skill sets have been designed to be transferable between employers and state boundaries and are recognised nationally. The qualification needs to be recognised as a trade equivalent that provides confidence to procurers and promotes attraction and retention of talent to the industry. This can only happen if authorities implement the skills card into the procurement process.

As the nation's leading industry association for bituminous surfacing, AfPA has been compiling a significant library of industry specific resources that create a VET unit of competency, to be utilised by affiliated RTO's. These resources will be retained and shared through the association to ensure the latest practical knowledge training is provided to the Flexible Pavements Industry.

The Skills Card which is transferrable, recognises prior experience and the academies of each organisation. In partnership with State Road Authorities, this scheme will identify, train, and provide each worker with a qualification on a skill set basis. The following skills sets within the industry card have been developed to date:

- Safely handle bituminous materials Asphalt Surfacing
- Spray Sealing
- Insitu Stabilisation Operations, and more.

The skills of Australian roadworkers were formally recognised thanks to a new qualification developed by AfPA and approved by the National Skills Commission.

The new 11-part qualification industry skills card will 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 damage.

Under the new Skills Card, Australia's roads are set to become safer and more skilfully built than ever through a set of specially designed part qualifications introduced under the national qualification RII30920 Certificate III in Civil Construction – Bituminous Surfacing, designed to improve the nation's workforce and road building skills.

AfPA Recommendations

- AfPA skills card be adopted and applied on a national scale, with the ACT Government's adoption accounting for this national effort.

