

CEO AGENDA 2018



At the RA Summit, more than 40 public sector and industry CEOs meet to discuss and prioritise the major issues in infrastructure and transport across Australia. This report details those outcomes, which determine RA's policy priorities.

In a period of unprecedented investment in transport infrastructure, the need for collaboration between those who design and build, and those who own and operate, has never been greater.

Each year, RA hosts a roundtable of public and private sector leaders to identify and prioritise those issues that are having the greatest impact on how we successfully deliver and operate our transport networks.

The aim of the roundtable is to find common ground – not just on the issues themselves, but on how we collectively move forward.

2018 priorities

Ahead of the 2018 CEO workshop, participants were asked to submit their priority issues. Through a process of alignment, these were distilled into nine discussion topics (each introduced at the roundtable by a different 'tag-team' of speakers), voted on and prioritised as follows:

1

Road safety and road worker safety

2

Improved procurement efficiency

3

Effective risk management in major projects

4

Future transport

While it was agreed these top four priorities will be our focus in the coming year, the remaining five were recognised as being part of our broader policy agenda and will be taken forward:

1. A long term, reliable infrastructure pipeline
2. Nationally consistent delivery models
3. Diversity and inclusion
4. Increasing industry capacity and skills
5. Network and asset management for the future

Drilling down

Road safety and road worker safety is our top priority across industry and government. We believe we can make a positive contribution by sharing data and understandings on root causes, risks and injuries; and in the case of work zones, focusing on worker training and culture, the use of appropriate technologies, and driver behaviour.

The key to improving **procurement efficiency** is greater collaboration between client and contractor. We need to leave the old client – contractor culture and stereotypes at the door, replaced by a new level of trust and an openness to trialling and testing new alliance and risk sharing models. RA is participating in the Construction Industry Leadership Forum (CILF), an initiative of the Australian Constructors Association, the Office of Projects Victoria and Infrastructure NSW, which is a positive template and mechanism for change. This strategic project will look at risk, capacity, cultural and resourcing challenges, and engage with the broader supply chain on ways to move the whole industry forward.

A more balanced and flexible approach to **risk management in major projects** will encourage innovation and better value-for-money outcomes. Risk should be allocated according to the capability of each party to manage it; and parties should be appropriately incentivised to manage their respective shares. Decisions made at the bid stage don't always benefit the customer and can place unwarranted risks on contractors. We need the best people at the table early in the project cycle to identify and mitigate the risks in an equitable way. Utility risks are growing; we need greater involvement by utility owners and operators in the process.

“road worker safety is our top priority”

A long term, reliable infrastructure pipeline remains an important priority for industry. While there are positive signs that planning and investment cycles are getting longer (the recent Federal Budget signalled a shift from election cycle funding to a longer-term, rolling program of investment), more needs to be done to provide transparency and surety around the project pipeline. Industry would like to see the adoption of nationally consistent data and planning models and a minimum 10-year pipeline to mitigate the sovereign risk associated with changes of government. There also needs to be greater investment in planning and business cases to ensure major projects achieve 'shovel ready' status more quickly.

How do we prepare for and embed new thinking, culture and training for our people around **'future transport'**? Autonomous vehicle technology is rapidly changing the transport landscape; it requires new thinking on a range of issues, including data sharing, the role of governments (do they facilitate or get out of the way?), Mobility as a Service (MaaS), and how we pay for infrastructure. We need to provide leadership, but at the same time be open to new thinking and lessons from other sectors.

Nationally consistent delivery models and standard forms will reduce procurement costs and deliver greater value for money. This isn't a motherhood statement – the current disjointed approach across jurisdictions has resulted in billions of dollars in losses due to litigation and disputes. Effective project delivery starts with good communication and collaboration to establish common objectives, and responsible, 'fit for purpose' risk allocation. It is underpinned by consistent, simplified contract documents, guidelines and specifications. Bundling of projects makes sense to maximise innovation and harmonisation.

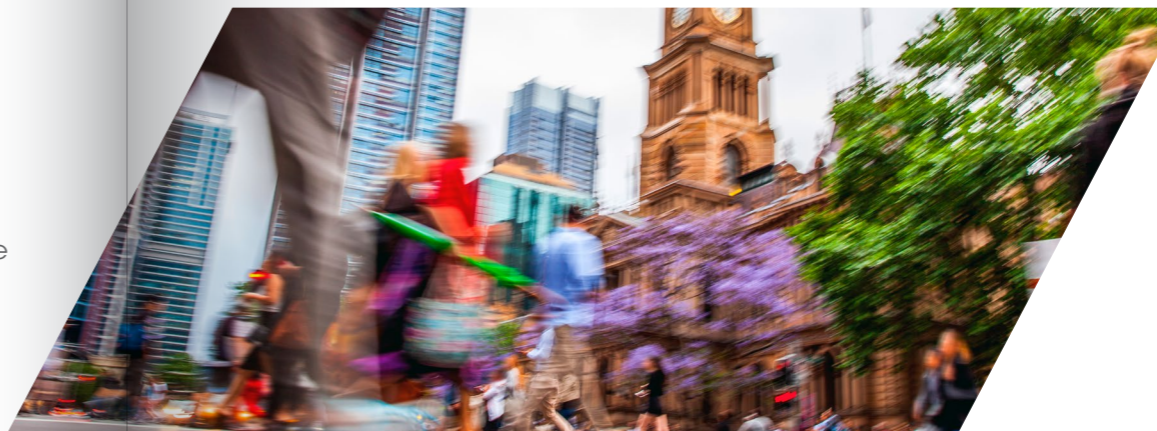
Fostering greater **diversity and inclusion** in the workforce is not only the right thing to do, it makes good business sense. We need to be honest and challenge ourselves to recruit not just 'like for like'. We need to develop strategies to attract and retain diverse people – including workforce flexibility and pay equity policies. We also must consider the impact of government procurement on attracting diverse candidates in the delivery of major projects – are our prescriptive requirements preventing us from promoting diverse candidates who do not fit the traditional mould?

We need to think outside the box in terms of what will attract and retain more female, indigenous and migrant employees (flexible hours, job-sharing, industry culture, etc.)

Increasing industry capacity is an ever-present challenge. Resilient infrastructure requires a resilient workforce, and the traditional 'boom - bust' cycle has hindered the development of the latter. If graduates don't work in our sector immediately after leaving university, they are often lost forever. That's another reason why a long-term pipeline is critical; it guarantees a career rather than a job. Beyond this, we need to do more work on understanding the cultural, structural and brand barriers to attracting and retaining people in our industry. And in the short-term, we need to inject more international experience into our workforce.

Our road network is our single biggest national asset. With technology evolving so quickly and our cities and populations expanding, we need a national approach to ensure we optimise network and asset management. We need to explore more sophisticated planning, procurement and funding models, and analyse what has and hasn't worked in the past, to ensure we can maintain and enhance our network assets to deliver capacity in the future.

“We need to develop strategies to attract and retain diverse people”



Where to from here?

The challenge facing CEOs across industry is to continue to work collaboratively to 'unpack' these priorities – to share wins and learnings and embed changes in their organisational cultures, processes and systems that will deliver better outcomes (not just for those with 'skin in the game', but for the whole community). To that end, RA will continue to provide opportunities for these issues to be worked on, and will engage with other industry groups and support initiatives that move the goalposts, including:

Road safety and roadworker safety

Hosting (with RMS and TfNSW) a regional road safety event in western NSW (the first of a rolling program) to address driver and road safety

Facilitating discussions with industry and state governments to look for innovative ways to improve road and roadworker safety and lower the road toll

Improved procurement efficiency

Inviting industry to meet with state treasury leaders to discuss risk management and procurement reforms

Improving risk management in major projects

Facilitating discussion among state governments, utilities and contractors on how to better manage utility relocation on major projects

Future transport

Giving opportunities to explore global best practice, including a Cities of the Future study tour to Japan, Korea and Singapore in September

Hosting a rolling program of forums across the country to provide input into City Deals

Providing input into the NTC's roadmap of reform to prepare Australia for automated vehicles, specifically around cybersecurity

Hosting fuel excise roundtables to explore new ways of funding roads as we move towards a cleaner age in car technology

Diversity and inclusion

Developing a joint report with the Workforce Gender Equality Agency, benchmarking members in key diversity metrics

Providing practical opportunities to discuss and encourage diversity – offering five free parental leave spots at all RA industry lunches, featuring indigenous and social enterprise, and linking members to Careerseekers (an industry intern and employment placement program for highly skilled refugees)

Increasing industry capacity and skills

Contributing to the Construction Industry Leadership Forum with the NSW and Victorian governments and the Australian Constructors Association

Representing industry on the Office of Projects Victoria Engineering Reference Group on Skills, and the Commonwealth's Australian Industry and Skills Committee

Holding a series of workshops across Australia to address skill and capacity gaps – a collaboration between industry and government



Who was there

David Stuart-Watt
ROADS AUSTRALIA
President

Philip Davies
INFRASTRUCTURE AUSTRALIA
Chief Executive Officer

Duncan Elliott
NORTH EAST LINK AUTHORITY
Chief Executive Officer

Clare Gardiner-Barnes
TRANSPORT FOR NSW
Deputy Secretary Freight,
Strategy and Planning

Ken Kanofski
ROADS & MARITIME SERVICES (RMS)
Chief Executive Officer

Nick Koukoulas
AUSTROADS
Chief Executive

Paul Retter
NATIONAL TRANSPORT COMMISSION
Chief Executive & Commissioner

Neil Scales
QLD DEPT OF TRANSPORT AND MAIN ROADS
Director General

Gary Swain
TAS DEPARTMENT OF STATE GROWTH
Deputy Secretary, Transport Services

Julienne TePohe
SA - DEPARTMENT OF PLANNING,
TRANSPORT AND INFRASTRUCTURE (DPTI)
Acting Chief Executive Officer

Emma Thomas
TRANSPORT CANBERRA & CITY SERVICES
Director General

Luke Yeaman
DEPARTMENT OF INFRASTRUCTURE,
REGIONAL DEVELOPMENT AND CITIES
Acting Deputy Secretary - Infrastructure Group

Marco Assorati
SALINI IMPREGILO
Area Manager SE Asia Oceania

Todd Battley
AECOM
Chief Executive - Australia/NZ

Paul Burton
BURTON CONTRACTORS
Managing Director

Mark Campbell
HOLCIM (AUSTRALIA) PTY LTD
Chief Executive Officer

Bill Cox
AURECON
Managing Director, Australia & NZ

Sandra Dodds
BROADSPECTRUM
Chief Executive Urban Infrastructure

Fernando Fajardo
ACCIONA INFRASTRUCTURE
Managing Director,
Australia NZ and Southeast Asia

John Georgiou
GEORGIU GROUP
CEO

Joe Goss
BORAL AUSTRALIA
Divisional Chief Executive

Charles Griplas
EASTLINK
Managing Director

Richard Hayers
JACOBS GROUP
Vice President Operations
Central West/Asia Pacific Infrastructure

Andrew Head
TRANSURBAN
Group Executive, NSW Development

Kiran Kapila
INTERNATIONAL ROAD FEDERATION
Chairman

John Kirkwood
SEYMOUR WHYTE CONSTRUCTION
Managing Director

Christian Labrot
INTERNATIONAL ROAD UNION
President

Craig Laslett
LENLEASE
CEO Engineering & Services

Lindsay Le Compté
AUSTRALIAN CONSTRUCTORS ASSOCIATION
Executive Director

Simon Leeper
SAMSUNG C&T CORPORATION
Vice President - Head of Australia

Ailie MacAdam
BECHTEL
Managing Director

Norm McIlpatrick
ROADS AUSTRALIA
Executive Director – Policy

Mike Metcalfe
VENTIA
CEO

Marko Misko
CLAYTON UTZ
Partner

Doug Moss
LENLEASE
Managing Director Services

Cathal O'Rourke
LAING O'ROURKE AUSTRALIA
Managing Director

Scott Olsen
JOHN HOLLAND GROUP
Executive General Manager,
NSW/ACT and RA Board Member

Scott Power
BMD CONSTRUCTIONS
Group Executive Director – Operations

Peter Richardson
BROADSPECTRUM
Chief Executive Transport

Seved Robin
BOUYGUES CONSTRUCTION AUSTRALIA
CEO

Juan Santamaria
CPB CONTRACTORS
Managing Director

Greg Steele
ARCADIS AUSTRALIA PACIFIC
CEO Australia Pacific

Lauren Streifer
ROADS AUSTRALIA
Executive Director – Stakeholders

Matt Sweeting
DM ROADS
Executive General Manager

Ian Webb
ROADS AUSTRALIA
Chief Executive

Trish White
ENGINEERS AUSTRALIA
National President and Board Chair



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