



QUEENSLAND MAJOR
CONTRACTORS ASSOCIATION

MEDIA RELEASE

QLD Budget: Infrastructure vision welcome – funding delays a concern

3 June 2014

“The Queensland Government’s infrastructure vision, as detailed in today’s Budget, is welcome by the civil contracting industry. However, it is disappointing this vision is almost entirely reliant on major asset sales and as such, will not involve any major new work with the exception of the Toowoomba Range Second Crossing and Gateway Upgrade North, until after next year’s State election,” Queensland Major Contractors Association (QMCA) President Tony Hackett said today.

“The QMCA believes asset recycling is a sensible way to ensure the delivery of a future pipeline of productivity lifting infrastructure for the State. Nonetheless, we were anticipating additional infrastructure commitments in today’s Budget.

“Long term infrastructure deficits pose very significant issues for the broader economy. Industry has for some time been concerned about the medium and long term project pipeline of infrastructure projects. With resources investment peaking, and government infrastructure in the doldrums, the Queensland construction industry had been facing increasing challenges as projects tapered off.

“Although Construction is a stated key pillar of the State’s economy, delivering thousands of Queensland jobs, the 2014 Major Projects Report prepared by BIS Shrapnel for the QMCA and Construction Skills QLD in February this year found that a severe contraction in major project work is expected over the next three years. In aggregate, major project work done is forecast to decline nearly 50% to a trough of \$9.5 billion in 2015/16.

“In addition to asset recycling to drive productivity, the Government can assist industry by utilizing the many non-funding levers available to reduce the cost burden on business including through continuing to fast track development approvals, reducing the regulatory burden on contractors by improving government tender processes and smoothing the project pipeline with the timing of their own investments as well as timing of private sector approvals,” Mr Hackett said.

Further Comment: Tony Hackett 0409 755 264

GPO BOX 3254 BRISBANE QLD 4001

TEL (07) 3900 9005 FAX (07) 3211 4900 EMAIL admin@qmca.com.au

WEB www.qmca.com.au ABN 79 556 715 275