

CALL FOR CERTAINTY AS MAJOR CONSTRUCTION PROJECTS CONTINUE TO IMPROVE

A mid-year update to the Queensland Major Projects Pipeline report has shown that state revenue from major construction projects is expected to rise by 140% by 2021.

The report, which was released by the Queensland Major Contractors Association (QMCA), Construction Skills Queensland (CSQ) and the Infrastructure Association of Queensland (IAQ), suggests that public infrastructure and local procurement preferences will deliver a major boost to Queensland's economy over the next five years.

It also confirmed that the increased number of civil construction workers recruited during the mining construction boom period between 2003 and 2013 meant that demand could be met if projects do not suffer serious delays or obstructions.

The first of its kind in Australia, the report detailed a 5-year pipeline and forecast of both public and private sector engineering projects in excess of \$50 million across Queensland. The half yearly report update reflects the need for continuous access to up to date information in an industry whose outlook can change quickly based on whether or not a major project is on track to progress.

QMCA President Iain Ward said he was pleasantly surprised by the findings.

"Things are really looking up for Queensland. I'm encouraged by the mid-year results and look forward to seeing further improvements as new opportunities are identified and funded" he said.

"I'm also excited by the progress some of our larger projects are making, such as Inland Rail, Cross River Rail and Adani. These are all great wins for the state. Now what we need is surety so we don't lose momentum."

“Our industry is closely tied to Queensland's economy so we're vulnerable to a range of external factors. As well as influences such as commodity prices and the Australian dollar, there's also the very real threat of damaging global trade sanctions, which have the potential to be devastating”

“We need to build a sustainable industry that is confident and resilient to political change. That means making a commitment to future projects and securing funding in a more timely manner”.

IAQ CEO Steve Abson said funding announcements for major projects had improved the outlook for the infrastructure sector, and members were reporting more confidence in Queensland.

“The biggest challenge we now face is the ability of all levels of Government – Federal, State and Local – to commit to future project funding.

“There are some significant projects in the pipeline, particularly for regional Queensland, and considerable question marks over how they will be funded,” Mr Abson said.

CSQ CEO Brett Schimming said that since the original report was launched in April, the value of the major funded Queensland engineering construction projects has increased.

“Specifically, funded work in the pipeline has increased by 17 per cent to \$25.1 billion, work under construction has lifted 19 per cent to \$19.6 billion and announced work has increased 47 per cent to \$3.9 billion,” Mr Schimming said.

“Whilst it has been a difficult transition from the sharp falls which followed the historic highs reached in 2012/13, increased funded and committed projects have reduced the risks to the industry and it would appear the worst has now passed for Queensland.”

Mr Schimming said the outlook for Queensland's construction workforce continues on the path outlined in the April report with the civil construction workforce expected to focus on delivering public infrastructure for the next few years.

For further information and media enquiries:

Sandra Poon, QMCA, 0411 882 015, execo@qmca.com.au

About Queensland Major Contractors Association (QMCA)

The QMCA is the construction industry peak body representing Queensland's leading construction contracting companies and is dedicated to driving change to achieve a more sustainable major construction industry in QLD. QMCA's current membership includes the top-performing construction companies in Queensland, which together account for approximately 70-80% of the construction and civil engineering work in the State.

About Construction Skills Queensland (CSQ)

Construction Skills Queensland (CSQ) is an independent industry-funded body supporting employers, workers, apprentices and career seekers in the building and construction industry. Funded by an industry training levy, we work closely with students, schools, employers, apprentices, industry partners, training providers and individuals across Queensland to build capability at every level of business. As a recognised industry leader, our mission is to promote the building and construction industry as a career of first choice, encourage investment in skills and training and increase the number of skilled workers in the industry.

Lee McLean 0411 868 348 or lmclean@ppr.com.au

Siobhan Davey 0400 996 433 sdavey@ppr.com.au

About Infrastructure Association of Queensland (IAQ)

The IAQ exists to provide representation and value to members through government engagement, thought leadership and advocacy that supports a sustainable infrastructure industry for the benefit of all Queenslanders. IAQ plays a critical role as an advocate to promote a strong and sustainable infrastructure pipeline for all participants in Queensland's infrastructure industry.

Media Enquiries: Kim Ellis, 0413 384 429, membership@iaq.com.au

