

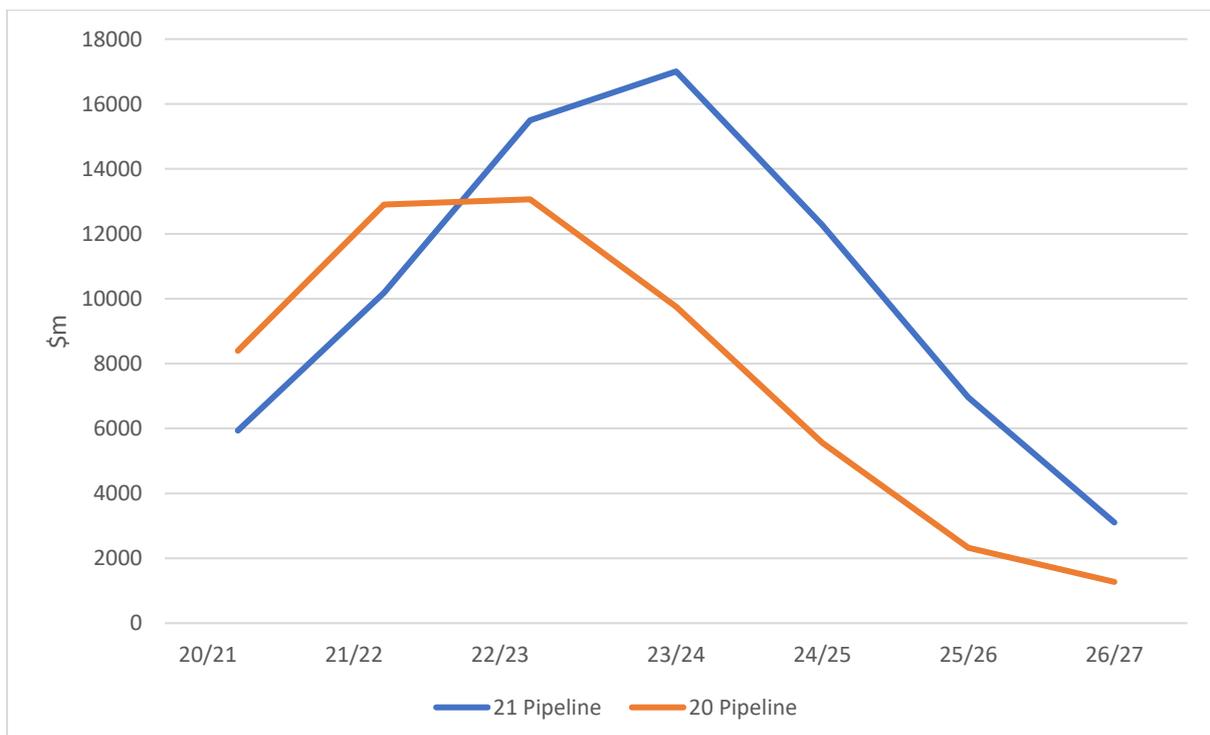
Annual Report

The 2020/21 Financial year for the QMCA has been a solid year, though still affected somewhat by COVID with a series of government forced “shut downs” throughout the year; whilst these did not affect that the engineering and construction industry directly in QLD the “hard border” stance did affect some projects in the south of the state. The hope is that in 2022 that governments start to realise that we must live with COVID and can’t shut it out.

The QMCA turned a profit for the first time in a number of years in the 2021 Financial year. Whilst this has been a positive outcome the financial stability of the organisation and its sustainability will continue to be a focus for future years. A strategy session planned for early in 2022 will look at options and ideas to develop greater financial and operational sustainability for the association.

In the last 12 months the QMCA has been working very closely with other industry associations (CCF, CA and IAQ) along with CSQ and TMR on the development of a collaborative contracting model that can be used across the entire TMR program. This represents a good outcome and one that the industry has been calling for, for years. As part of this a collaborative charter has been developed that sets out the cultural framework for how all parties are to operate and work together under the collaborative contracting model.

The pipeline in QLD has moved dramatically forward and there is an air of optimism for the next decade, particularly with the securing of the 2032 Olympic and Paralympic Games. This will mean/ should mean a concerted effort to bring forward significant investment in upgraded and new infrastructure to support the operations of the Olympics and provide legacy infrastructure for the region for the next 30-50 years. We hope that this is visionary and are maintaining dialogue with the QLD and Federal Government’s regarding this to ensure that industry has a role to play to ensure that we get visionary infrastructure that meets the needs for a region of 5-7m people and industry.





With the increase in capital investment from the public sector and some level of increased private sector investment the pipeline has increased close to 25% since 2020 and whilst the “tail” of investment does remain the Olympic and related infrastructure is expected to fill that gap post 2024. This is a good outcome for the industry and enables members to invest in resources, skills and capabilities with confidence that the work will be there to ensure a return on investment with regard to business growth.

The main sectors that are seeing growth are

- Transport- road and rail
- Energy- generation (renewable), transmission
- Minerals

Future areas of growth include

- Energy storage, generation, transmission
- Hydrogen production, toward the back of this decade and into the 2030's
- Rail- commuter rail infrastructure to support the Olympics and beyond
- Minerals and processing associated with the new energy demands including rare earths
- Water infrastructure for water security across the state

The Pipeline going forward will include key elements such as:

- The Olympics infrastructure will dominate the forward pipeline with at least a decade worth of infrastructure to potentially be brought forward
- The SEQ City deal has been progressed forward to develop a base agreement that is viewed by industry as a start.
- Australia and QLD's response to 2050 Net zero emissions

Whilst the pipeline has now started to lift and create a level of optimism in the industry there are still many issues affecting our industry over the short to medium term, and these include:

- Industrial relations and on going changes and union and political interference in the space, particularly through the “Best Practice Industrial Relations” (BPIC). This remains the biggest risk and concern to the industry in QLD. Whilst we have made many strides in the last 12 months with the development of a collaborative contracting charter and model with TMR the spectre of BPIC being incorporated into projects going forward remains a serious concern.
- Commercial/ contracting frameworks and the appropriate apportionment of risk. The recent suggested changes to the TMR CPA contract will go a long way to addressing this, however many other clients need to also address with industry this issue. We are maintaining discussions with these clients about this on behalf of industry.
- Funding of the program that delivers value for money and enables the private sector to invest in works as well. The mechanisms that exist with the QLD Government for this are cumbersome and unproductive and need to change.
- Management of COVID arrangements that allow the construction sector to continue to operate. Whilst the shift away from COVID 0 to COVID management is welcoming, the



ability of government to enforce snap lockdowns remains and this is a serious issue for the industry across the supply chain.

- Digital and technology that can provide productivity enhancements. Productivity in the industry is at its lowest in the last 20 years and BPIC will not help with this either. Digital tools and technology offers improvements, but understanding these and client acceptance has a long way to go.
- A committed and funded and approved pipeline of works that delivers certainty for the sector beyond the typical 2-year timeframe. The Olympics provides us with this opportunity, and we are working with the state and federal governments to ensure that a ten year infrastructure plan is developed and released.
- The transition to a “greener” energy generation and consumption marketplace and the changing demand for associated infrastructure
- Sustainability in the way that the industry operates, uses materials and recycling
- Engagement with local communities, capacity strengthening of local sub-contractors, suppliers and industry

Advocacy & Industry Engagement

Throughout the year the QMCA has maintained an active engagement program advocating for key issues of relevance to the sector with key clients and stakeholders. These parties include:

- Infrastructure Australia (IA)
- Reserve Bank of Australia (RBA)
- Commonwealth Government
- Australian Building and Construction Commission (ABCC)
- QLD Government (DPC, DILGP, DTMR, DEPW, Treasury)
- Brisbane City Council (BCC)
- State Opposition
- Sunwater
- SEQ Water
- CleanCo
- EnergyQLD
- Queensland Rail

In addition to this the organisation liaises with and works closely with other industry associations to jointly push certain issues and topics with the community and stakeholders, these other organisations include:

- Civil Contractors Federation (CCF)
- Australian Constructors Association (ACA)
- Australian Industry Group (AiGroup)
- Qld Master Builders Association (QLD MBA)
- Committee for Brisbane (CfB)
- Infrastructure Association of QLD (IAQ)
- Qld Resources Council (QRC)



- Property Council of Australia (PCA)
- Toowoomba and Surat Basin Enterprise (TSBE)
- Townsville Enterprise Limited (TEL)
- Regional Development Australia (RDA)

Engagement and advocacy jointly with other industry groups will be maintained over the forthcoming year as well on key issues as this provides greater strength in the arguments with government.

Working Groups

The QMCA has set of active working groups that are attempting to address key issues in the industry and develop industry positions, create thought leadership and promote knowledge and understanding in the industry.

Technology, Design & Innovation (TDI)

The TDI working group has been led by Paul Milne and ably supported by Toby Rice from Laing O'Rourke. With Paul's resignation from the board, Hollie Hynes has taken over the leadership of this group. The TDI working group has been focussing on two key issues:

- Investigation into the potential development and acceptance of a common WBS across the industry
- Understanding and promoting the digital engineering and AI tools and technology that can deliver productivity improvements

In 2022 the TDI working group will hold an industry session enabling companies to connect with technology and solutions providers with solutions for the industry. This will be held in Q1 2022.

The investigation and development of a common WBS at least teased out where many of the pain points are. Whilst this maybe a step to far to begin with the concept does have its merits for digital models etc

Safety & Industrial Relations

The Safety and IR working group has had an active year under the leadership of Adam Edwards from Beilby supported by Allana Herbst from Seymour Whyte. The working group has undertaken a number of initiatives this year including:

- Running a successful "Best Practice Safety" workshop with DuPont Sustainable Solutions that has led onto further investigation of a "Safer Together" model with TMR as part of the collaborative contracting model
- Ongoing liaison and responses to the state government over the BPIC and its implementation and arrangements, including the development of a "BPIC" that industry can work with
- Responses to the state government over the proposed "Ethical supplier mandate and threshold"
- Responses to DEPW over the proposed pre-qualification changes
- Arranged sessions with the ABCC over BPIC and other key industrial relations issues



The following year will see the working group remain focussed on Industrial Relations issues, particularly associated with the BPIC.

Commercial

The commercial working group has been led by Brett Smiley from Fulton Hogan and has been focussed on a series of issues:

- Insurance issues
- Development of a contract model decision matrix
- Input into the collaborative contracting model development
- Running a successful project insurance issues lunch with AON Insurance including key clients such as TMR and SunWater

This group will continue to play a strong role in the further development and refinement of the collaborative contracting model with TMR; and further development of this concept with other clients such as SunWater, SEQ Water and others.

Future Industry

The Future Industry working group has been a little quiet for the past year, however under the new guidance from Brent Mass from Clough will be focussed on the following:

- Resourcing- how do we as an industry meet the resource needs of the future? What solutions can we develop?
- Recycling- what is best practice for our industry with regard to the circular economy and how can we achieve this?
- Automation within the construction sector- how achievable is it and what is the roadmap to achieving this?

Events

The events working group, led by Ryan Dodd from John Holland have been exceptionally active in the past year, despite the ongoing impact of COVID with shut downs affecting the timing and scale of various events. Through this active group we have been able to host a range of events including

- QMCA Innovation & Excellence Awards in February 2021
- QMPPR- Brisbane and Toowoomba in October 2021 as well as the planning for the 2022 series
- Breakfast events
 - Local content- September 2020
 - Digital – October 2020
 - Tendering- February 2021
 - Olympics Infrastructure- March 2021
 - Water- May 2021
 - Energy – September 2021
- Networking drinks- December 2020



Events planning for the 2021/22 year continues with a strong pipeline of events being planned that are interesting and educational for the industry.

Energy & Resources

Under the stewardship of Mark Taylor from McConnell Dowell the Energy & Resources working group has focussed on issues of relevance for the engineering and construction sector and promoted and developed a series of breakfast topics that have generated great interest from the industry. These include:

- The industry breakfast on Water
- The industry breakfast on Energy

The working group is also developing follow up events on the topic of energy storage solutions, focussing on pumped hydro. Hydrogen production and export is a key topic of interest for the industry in terms of the infrastructure and plants needed for this new industry and the E&R working group have been understanding this in detail and planning for an event that would highlight this potential new industry and its requirements.

The working group has also been focussing on what is needed from an infrastructure perspective to support the base metals and new minerals production required for battery and energy storage solutions of the future. This is predominantly in the North West corridor from Townsville through to Mount Isa. The E&R working group liaises with the QLD Resources Council about understanding this and the infrastructure needs to support this expansion.

Initiatives

This year the QMCA has undertaken a number of important initiatives, these include:

- **Safety:** DuPont Sustainable Solutions (DSS) coordinated a safety workshop to explore the concept of what is best practice safety in construction and how can we achieve this. This workshop involved key clients such as TMR, ARTC, BCC and SunWater. Following on from this workshop we are investigating with TMR the potential to develop a “safer Together” type model as part of the Collaborative Contracting Framework
- **Domestic Violence:** The QMCA have partnered with WorkHaven, a domestic violence management company to understand the issue and what the industry can do to help manage it. Following from this initial workshop the QMCA with WorkHaven is developing a pilot program with the QMCA that can be implemented by various member organisations.
- **Charter with Consult Australia:** The Charter for collaboration between Consult Australia and the QMCA continues to develop with various initiatives being progressed over the past year. Much further work is still required and will continue to develop into 2022.

Membership

The QMCA maintains three levels of membership and this year there has been growth in all three levels. The organisations intent is to remain relevant providing services, advocacy, knowledge and solutions as well as networking opportunities for all members and thereby attracting new members.



Membership Level	No	Companies
Executive	14	Acciona, Bielby, BMD, Clough, CPB, Decmil, Fulton Hogan, Georgiou, Ghella, John Holland, Laing O'Rourke, Martinus Rail, McConnell Dowell, Seymour Whyte
General	5	Besix Watpac, FKG, Golding, Mcllwain, See Civil
Associate	38	AdBri, AECOM, AON, Arcadis, ARTC Inland Rail, Assignar, Aston Consult, Aurora Marketing, BAM, Bennett + Bennett, Boral, Bothar, Brady Marine & Civil, CBUS, CV Services Group, Dial Before You Dig, DuPont Sustainable Solutions, E7, GHD, GRC Quantity Surveyors, HEH, Hughes et al, HWL Ebsworth, InfraBuild Reinforcing, Kallibr Training, Kennards Hire, Lewis Woolcott, Lidiar Group, Madsen Giersing, Octant AI, Piper Alderman, Protech, SMEC, Social Beast, Spinnaker Consultancy, Trimble, Universal Cranes, Vortex Group, WSP

Closing Comments

The QMCA cannot operate without the ongoing support and services provided by Lorelei Broadbent from Agenda Management as the company secretariat and James Flaherty from Social Beast, as our media manager. Thank you to Lorelei and James for your ongoing support and assistance throughout the year.

This year has seen some long-term Board members conclude their service, including Past President Ivor Peries, formerly of Clough. Current Board members Paul Milne from Laing O'Rourke, Scott Criddle from Decmil and Mark Taylor from McConnell Dowell have retired from the Board at this AGM after a number of years of service to the QMCA. The QMCA is grateful to these Board members for their years of service.

This AGM also marks the retirement and end of the Presidency of John Kirkwood from Seymour Whyte. John has been the President of QMCA for the past three years and in that time has overseen great evolution and development of the QMCA as the peak industry organisation representing the engineering and construction sector in QLD. One of John's great legacies is the development of the collaborative contracting model with TMR; this will create a lasting legacy of commercial and delivery sustainability for the construction sector in QLD. John has been a fantastic servant to the industry and the association for a long number of years and we are ever grateful to him for his input, time, experience and knowledge.