



QLD Major Projects and Pipeline Report

10th November 2022





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QLD Major Projects and Pipeline Report

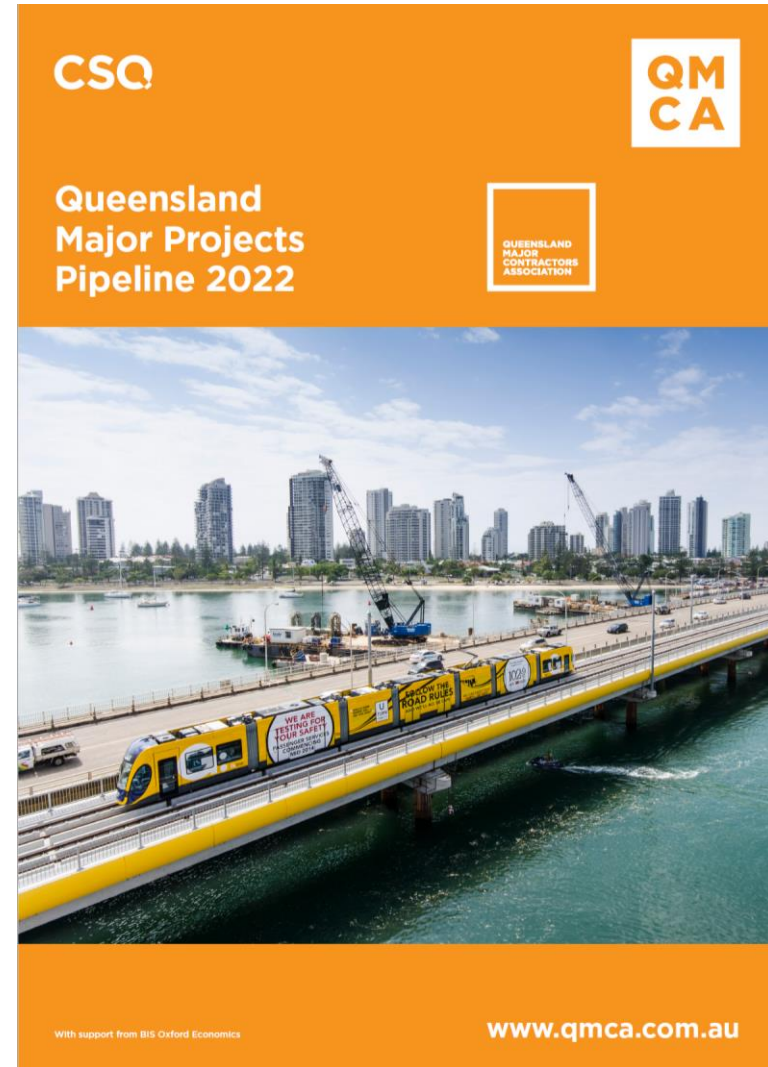
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Outline

- Key messages from the 2022 Major Projects & Pipeline
- Outlook by sector & North QLD
- Challenges
- Recommendations

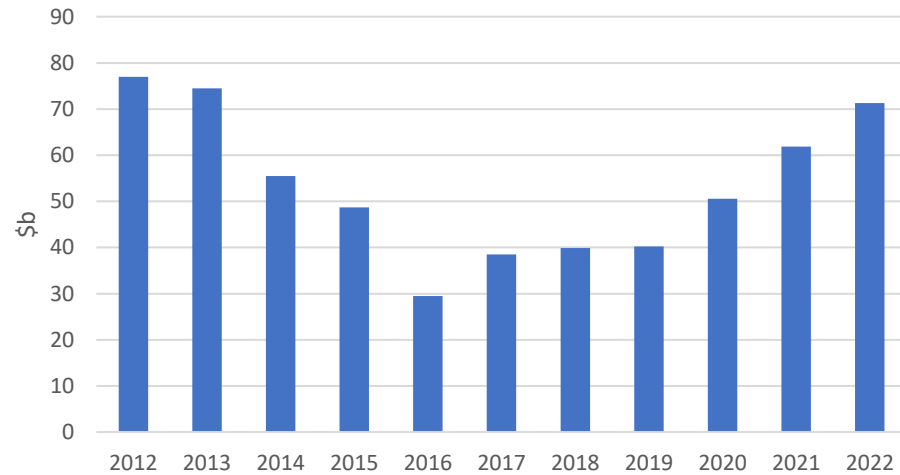




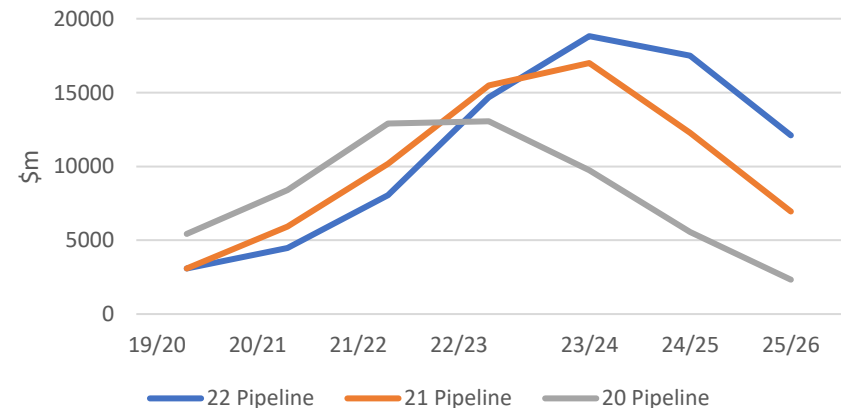
Key Messages

- Total pipeline \$71.3b
- Funded project activity has increased to \$37.6b
- Total pipeline could see a peak of ~\$19b spend in 23/24
- Funded works peak this FY. The need for approvals to further progress other projects is vital.
- Trend of 'megaprojects' concentration of works continues

Total Pipeline

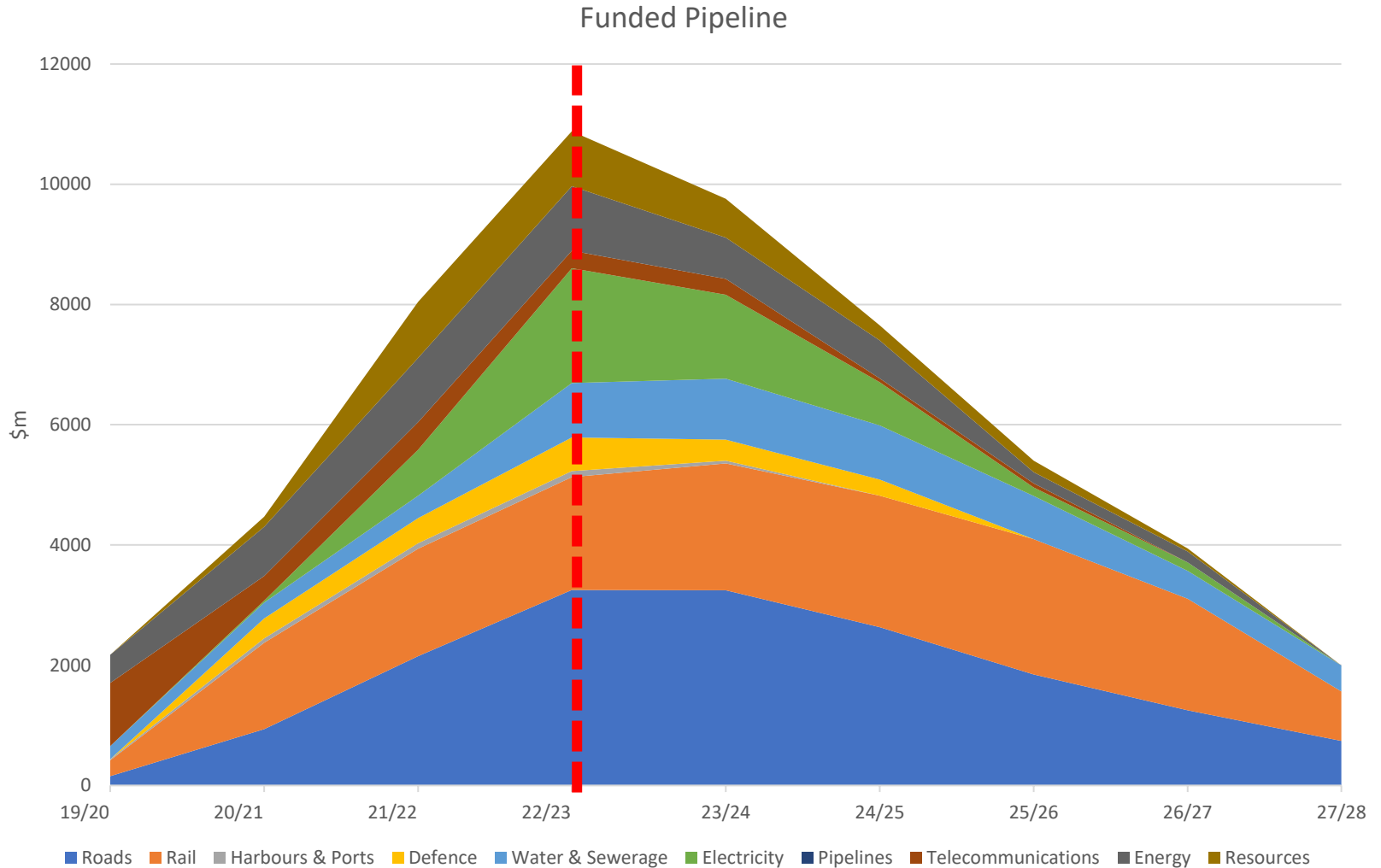


Pipeline Comparisons





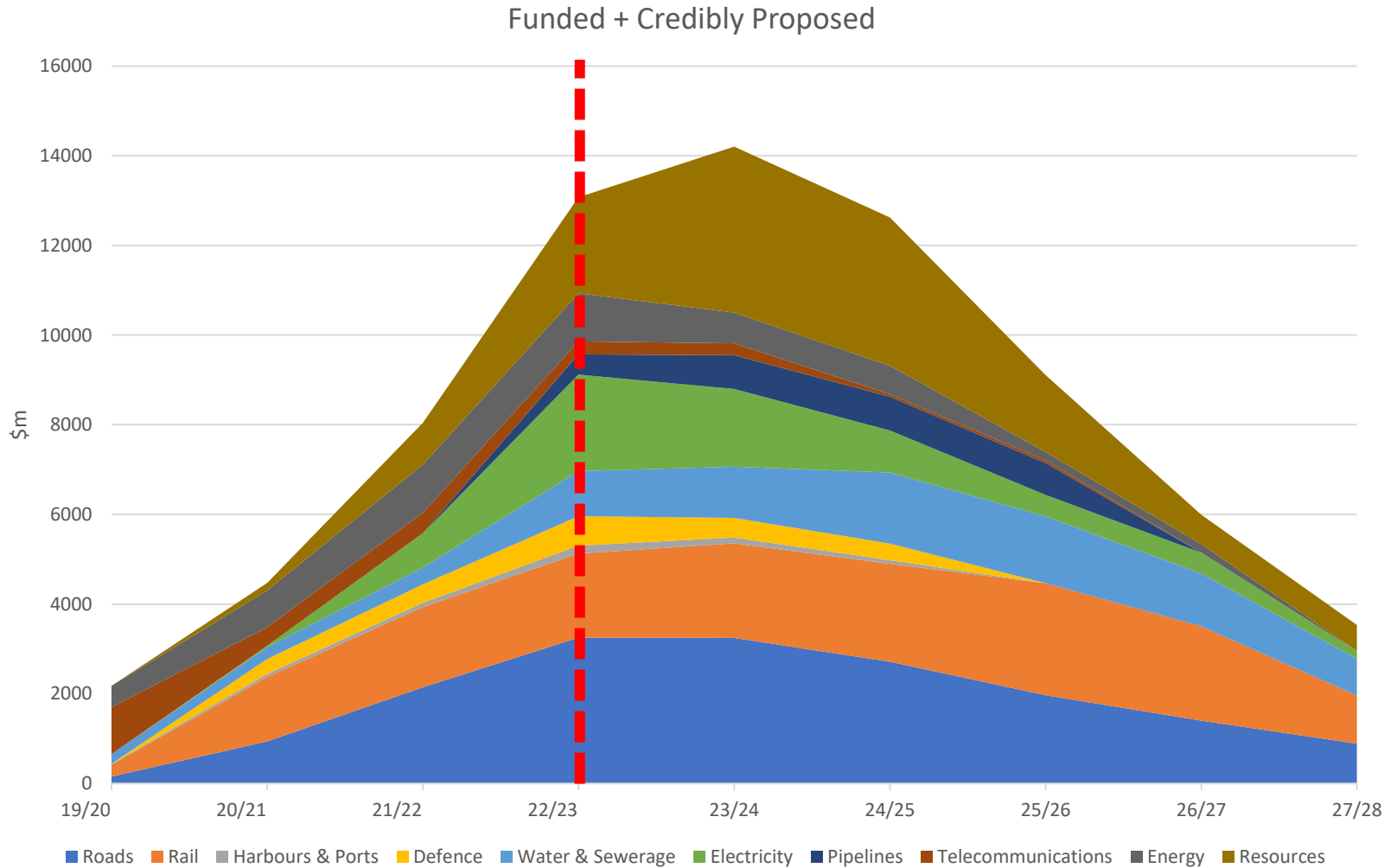
QLD Major Projects Outlook



Source: BIS Oxford Economics



QLD Major Projects Outlook



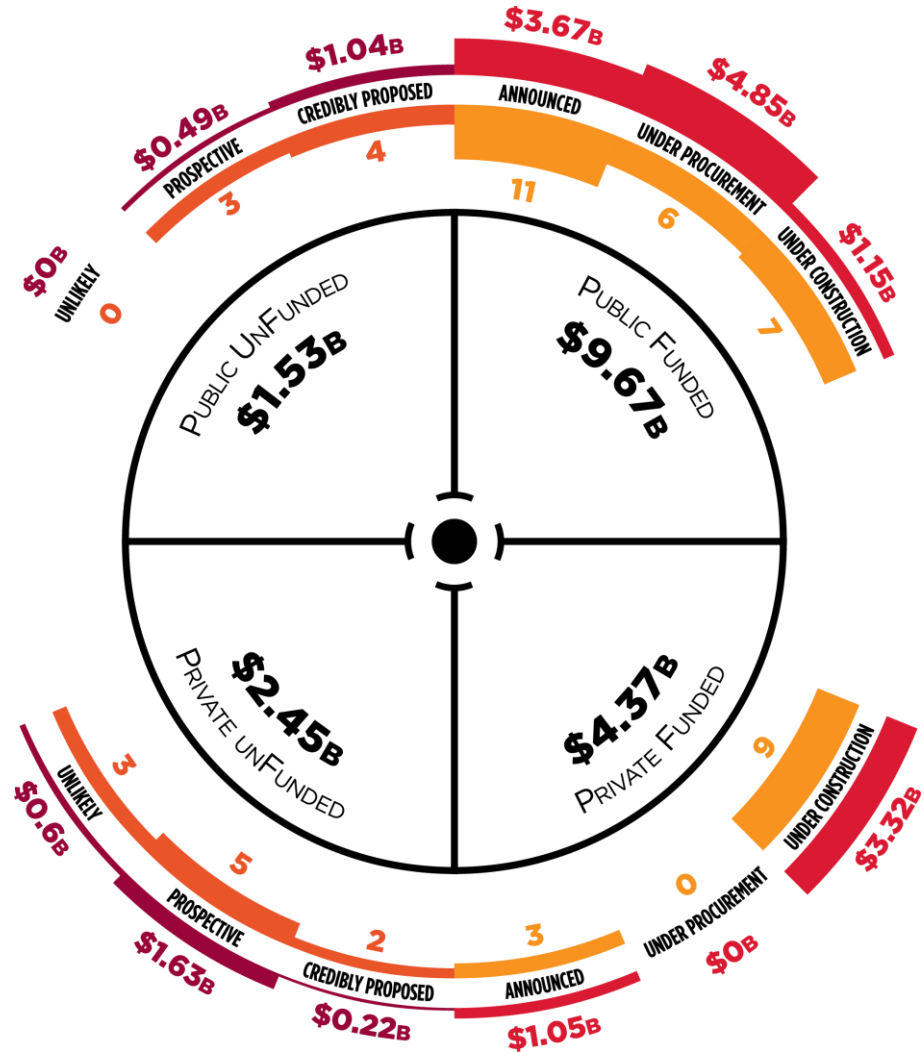
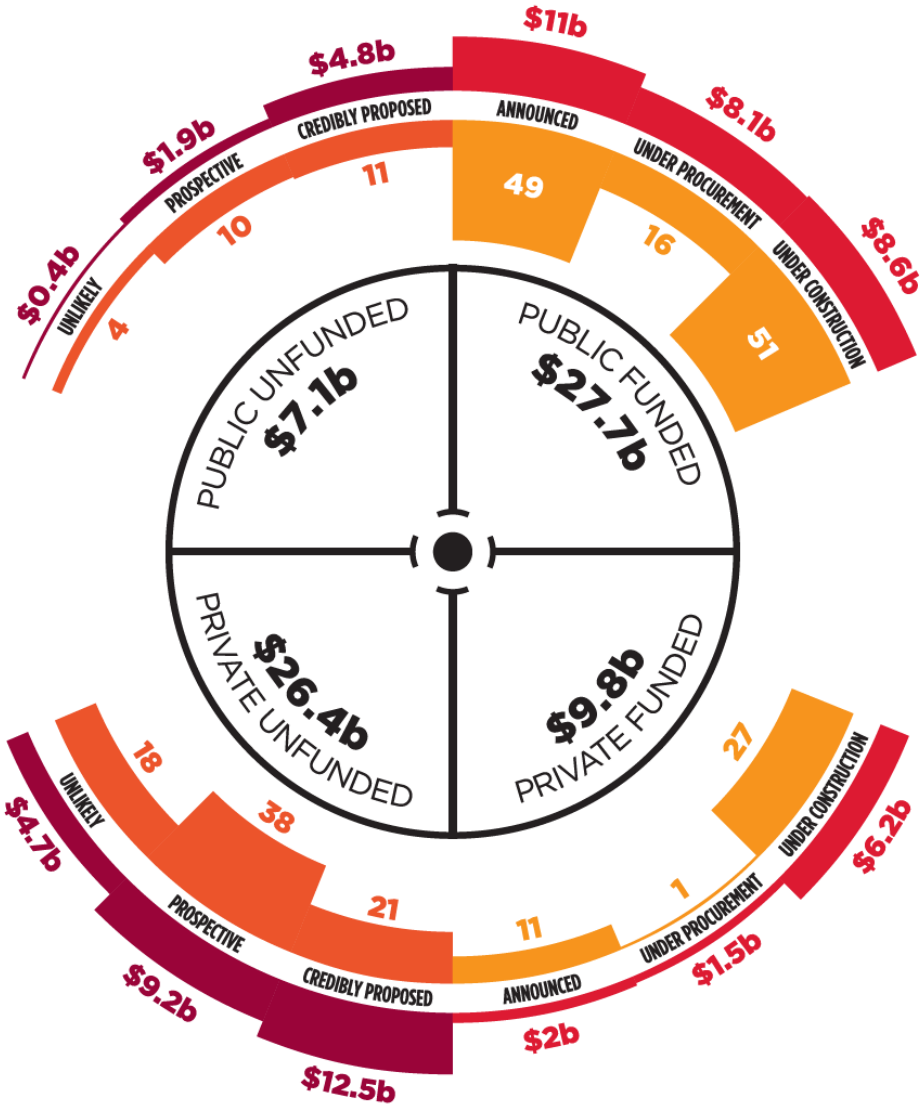
Source: BIS Oxford Economics



Pipeline funding

State

Darling Downs & Wide Bay

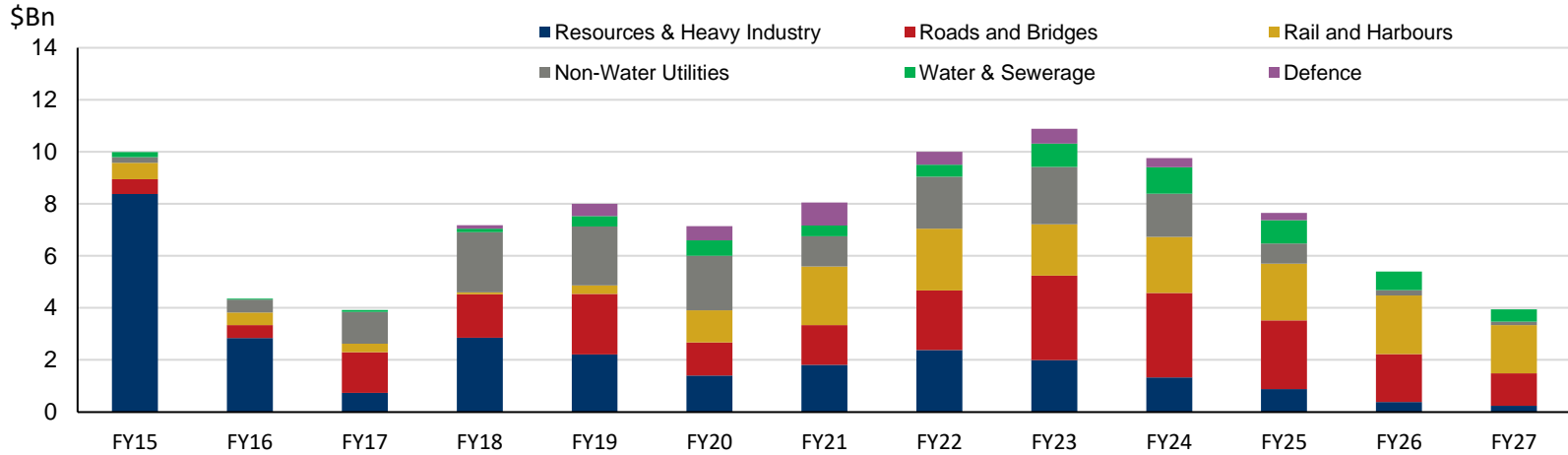


Source: BIS Oxford Economics

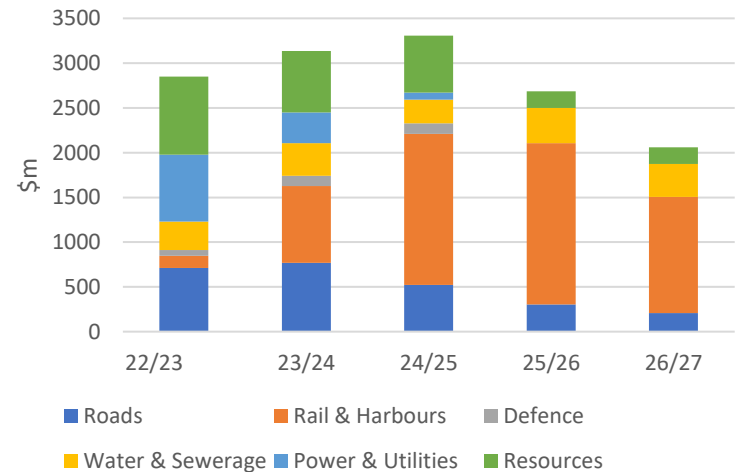


Funded work remains high

Total Funded Pipeline



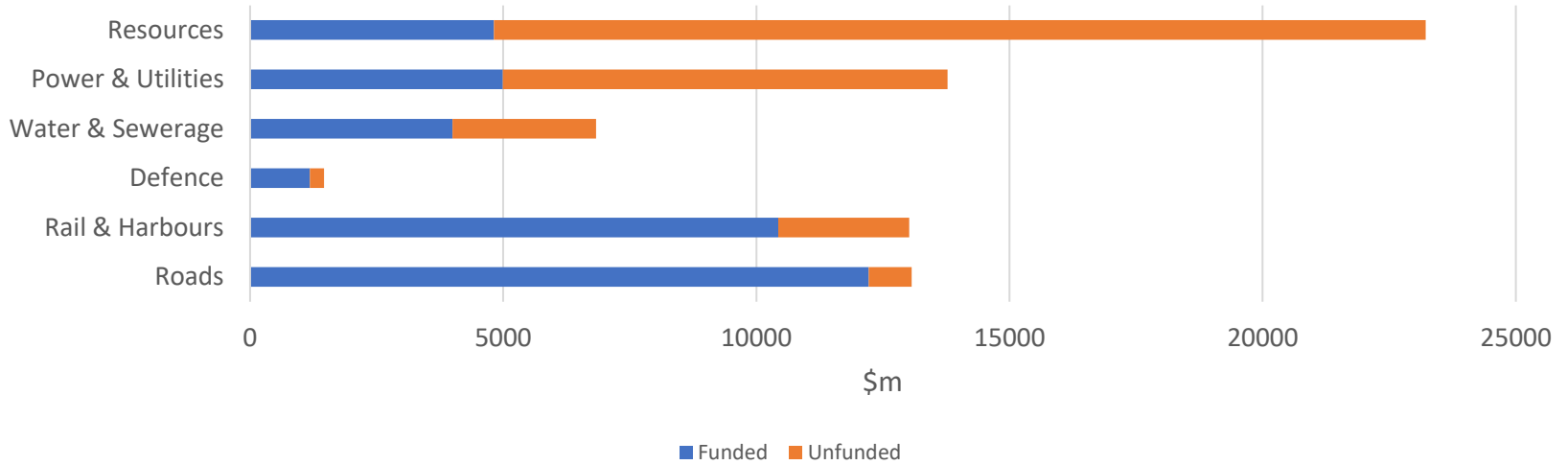
Downs & Wide Bay Funded Works



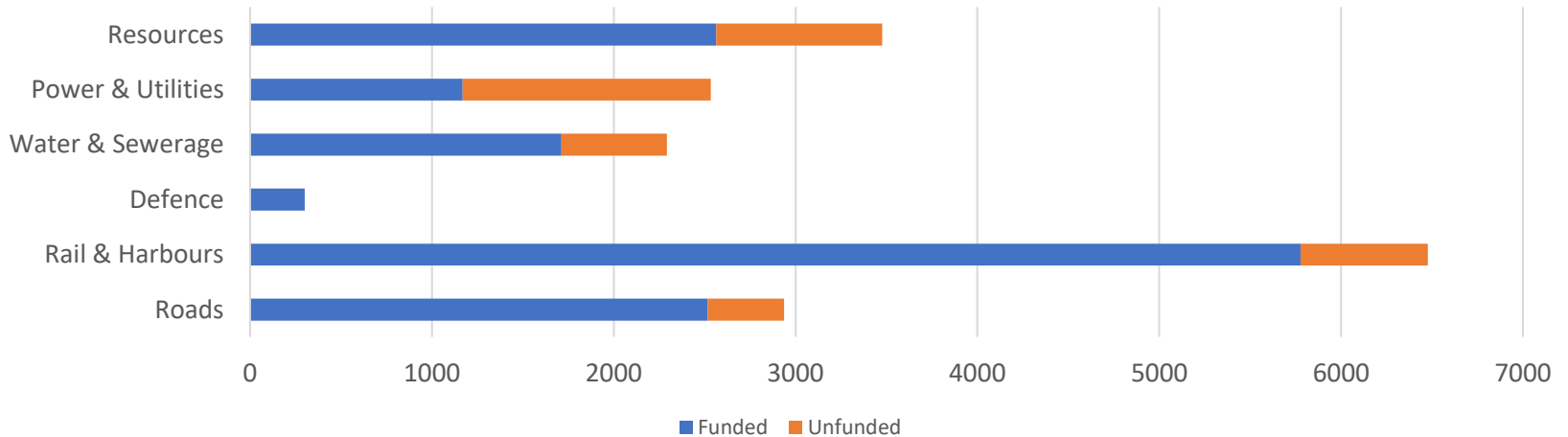


Sector Analysis

5 Year Pipeline

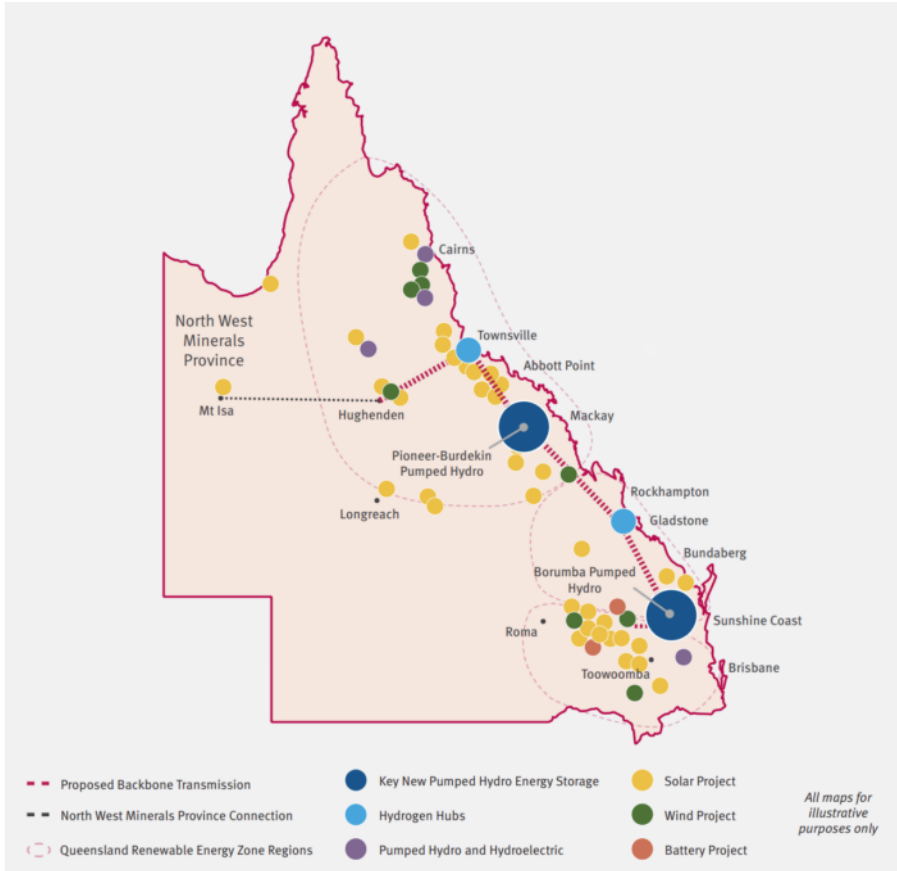


5 Year Pipeline (Darling Downs & Wide Bay)

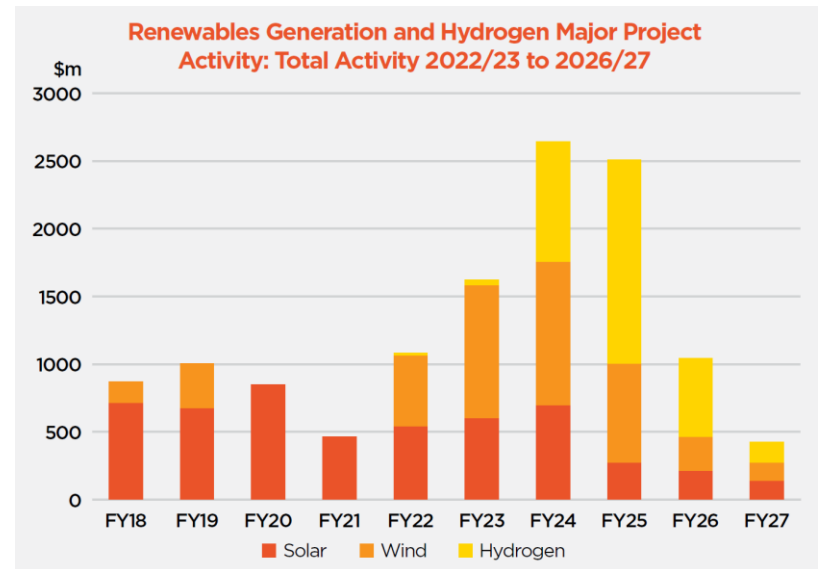
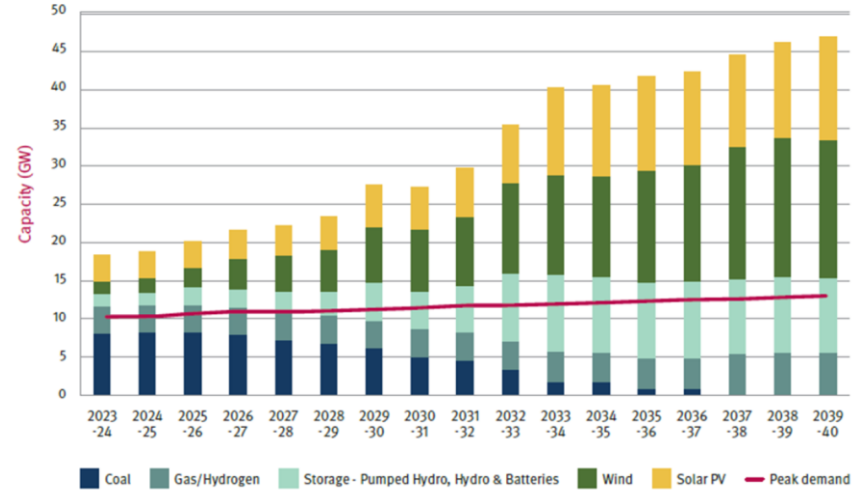




QLD's Energy Plan

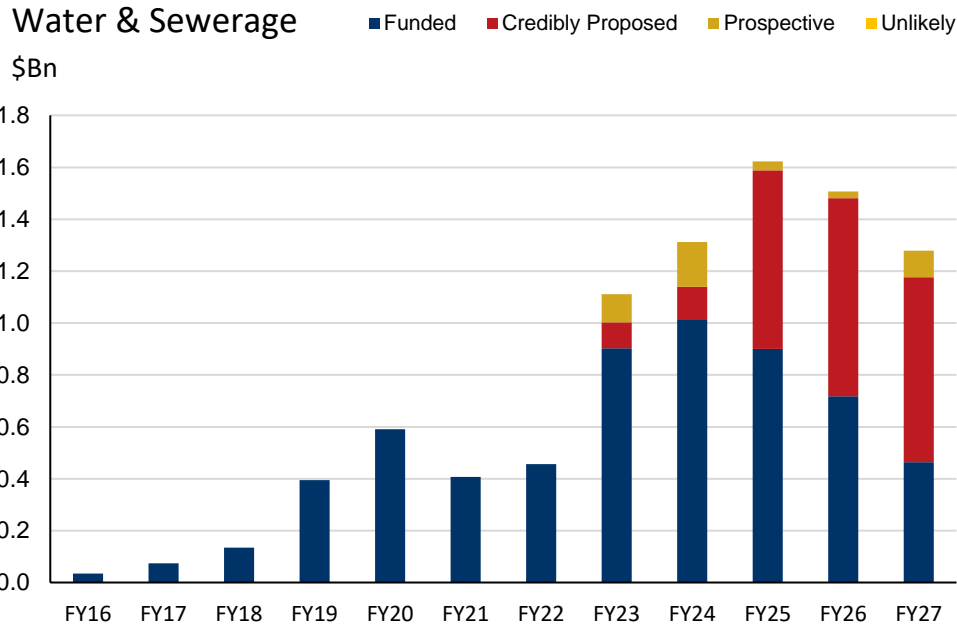


Source: QLD Government





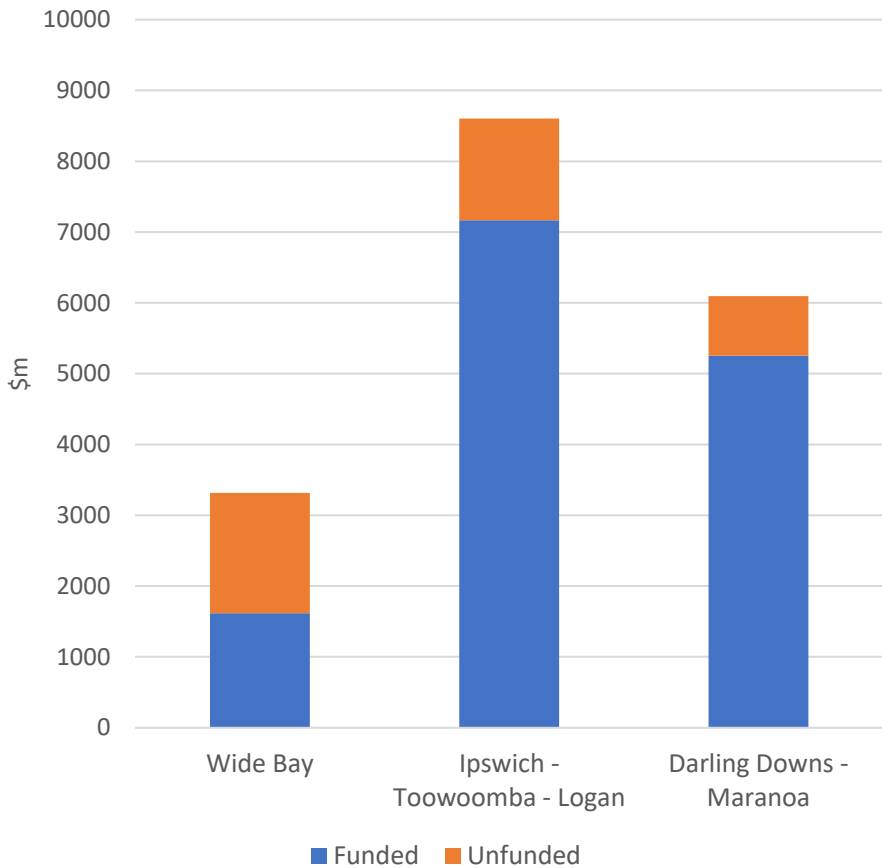
Water & Sewerage-projects starting to flow



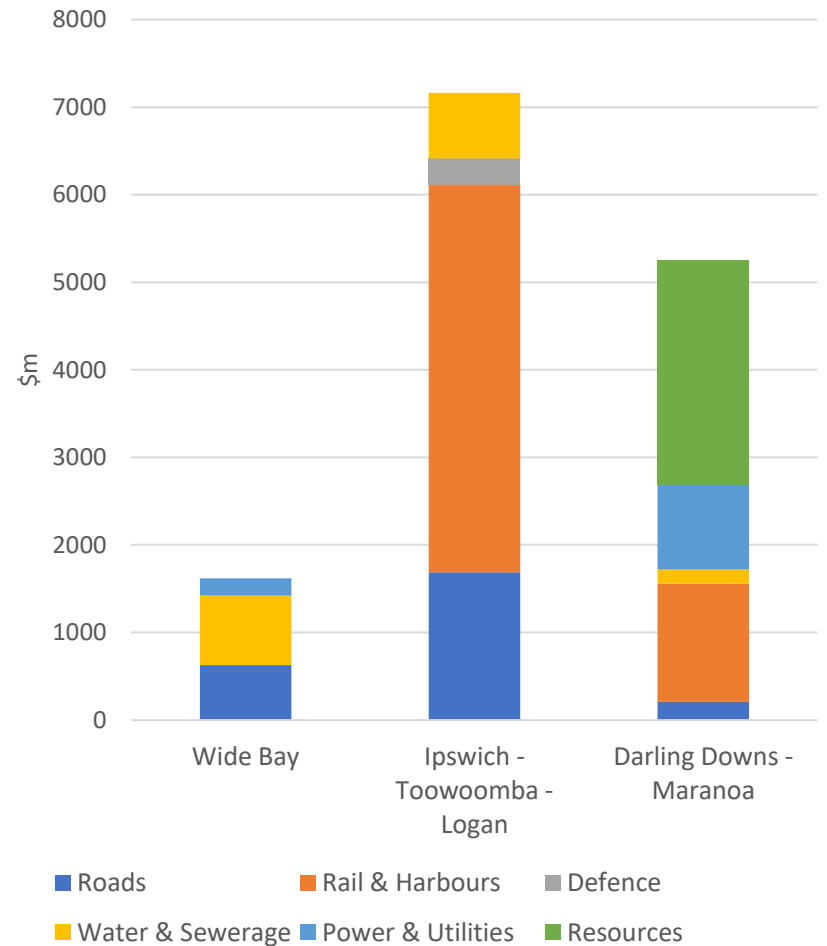


Regional Analysis

Regional Works



Funded Works by Sector



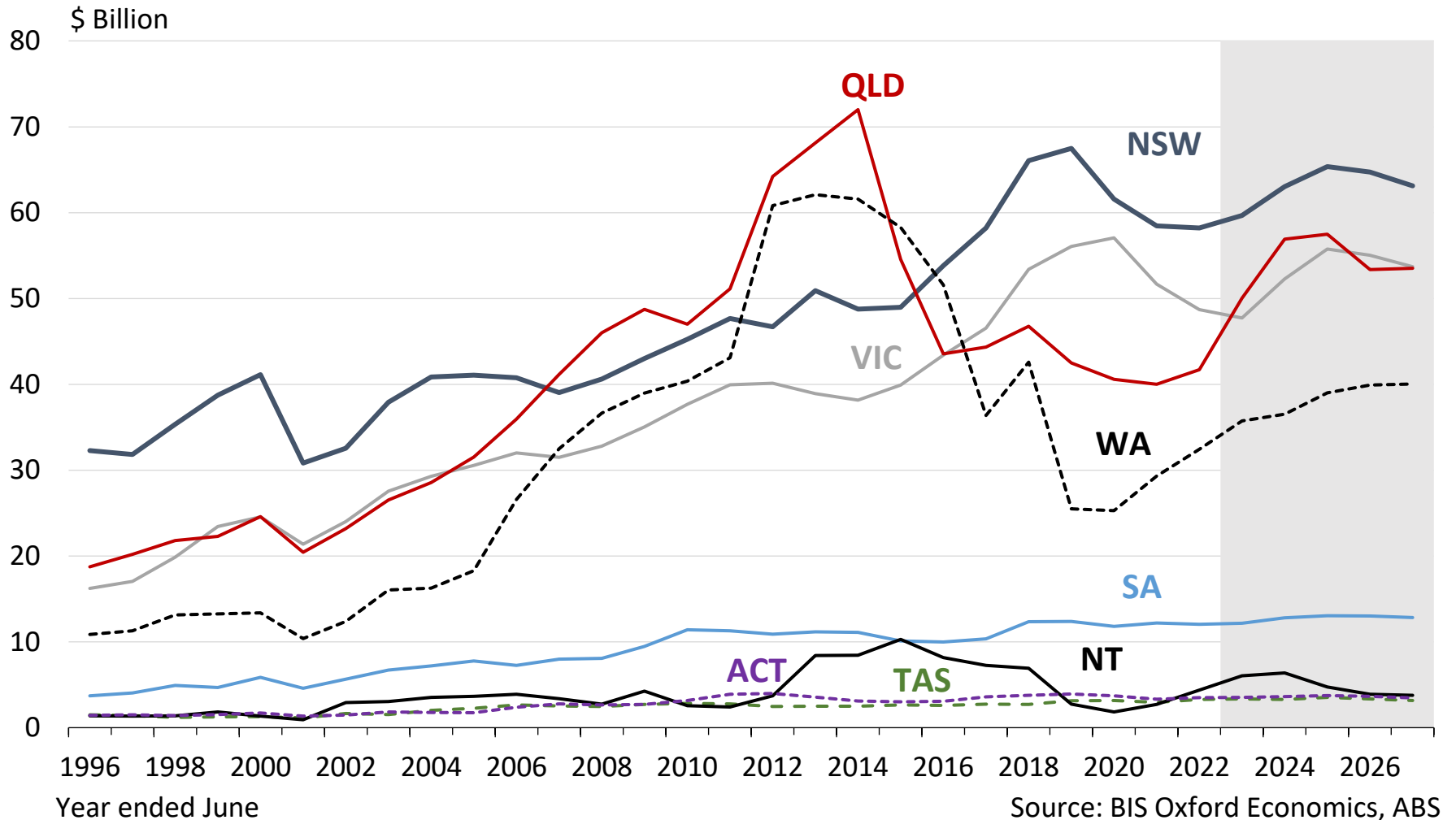


Industry Challenges

- 4 critical challenges:
 1. Capacity: Sustaining and growing capacity
 2. Capability: Developing appropriate capability, skills and technology adoption
 3. Costs: Managing risks from cost escalation
 4. Carbon: Transitioning towards a low emissions industry and future



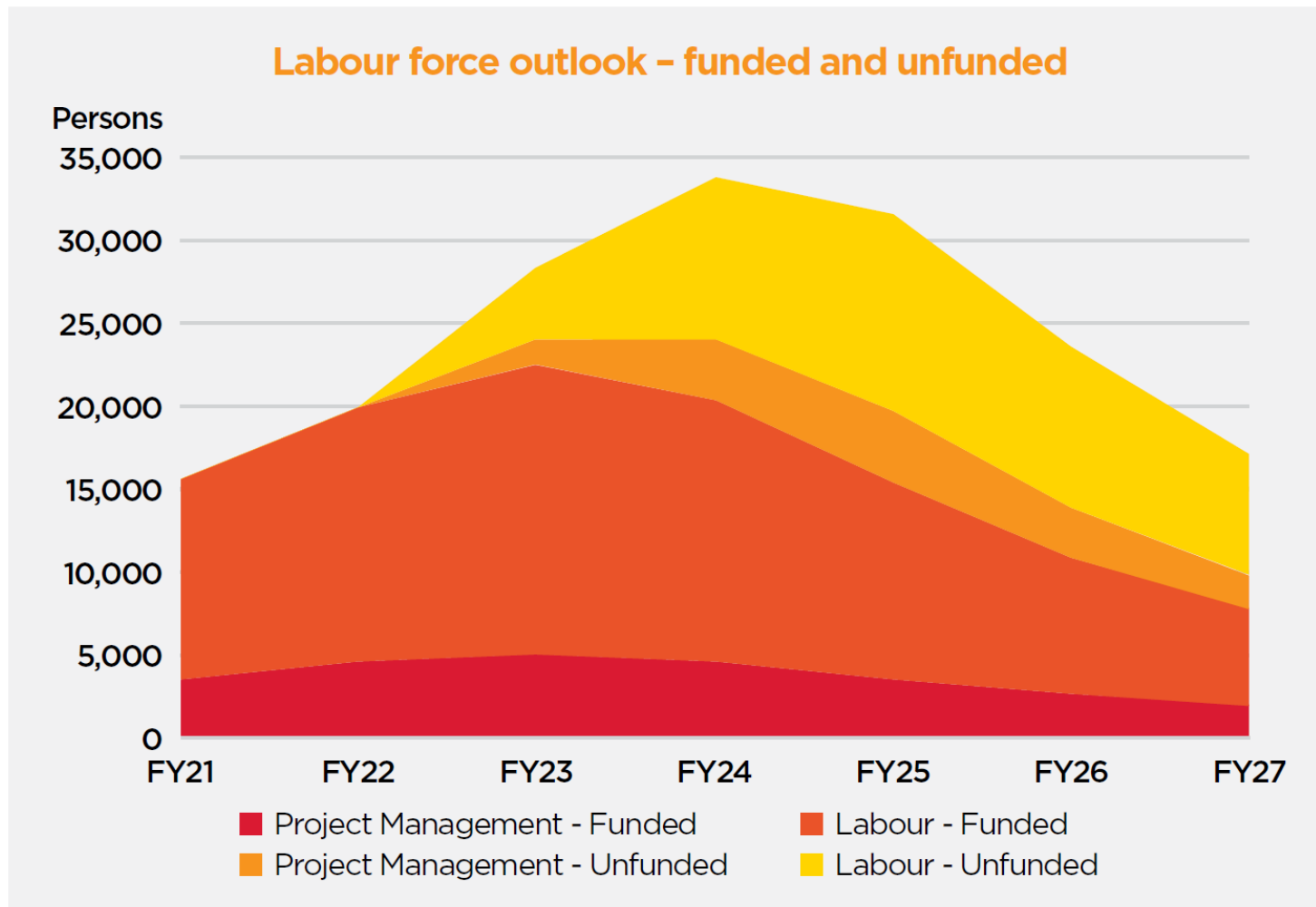
Capacity & Capability



Source: BIS Oxford Economics, ABS



Capacity & Capability



Source: BIS Oxford Economics, QMCA and IAQ member knowledge



Costs





Carbon/ sustainability

- Reducing the “carbon footprint” of delivery:
 - Reducing transport requirements for materials, or utilising less carbon-intensive transport
 - Utilising spatial technologies to minimise idling and distance travelled by construction equipment
 - BE and HFC plant
- Increasing the use of sustainable materials, recycling & waste reduction

The Enablers

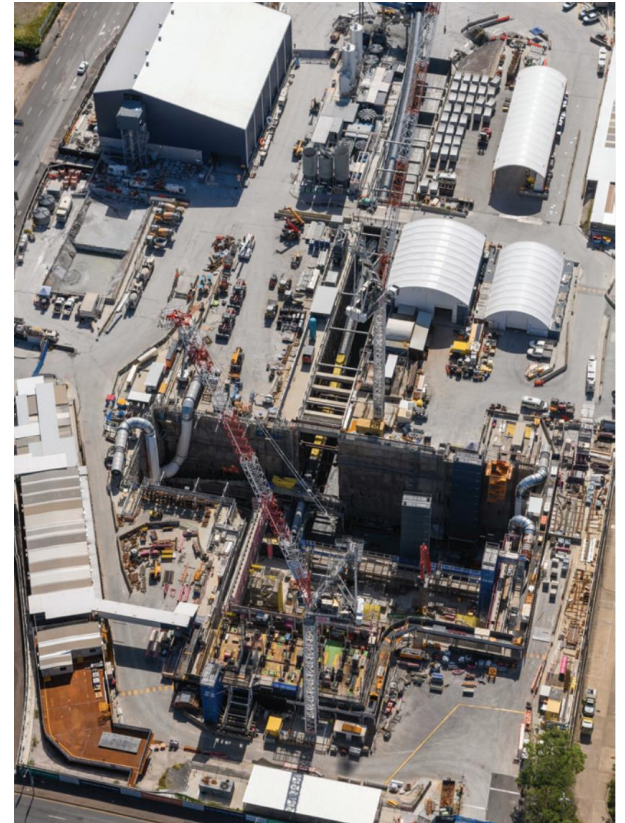
- Collaboration & Community





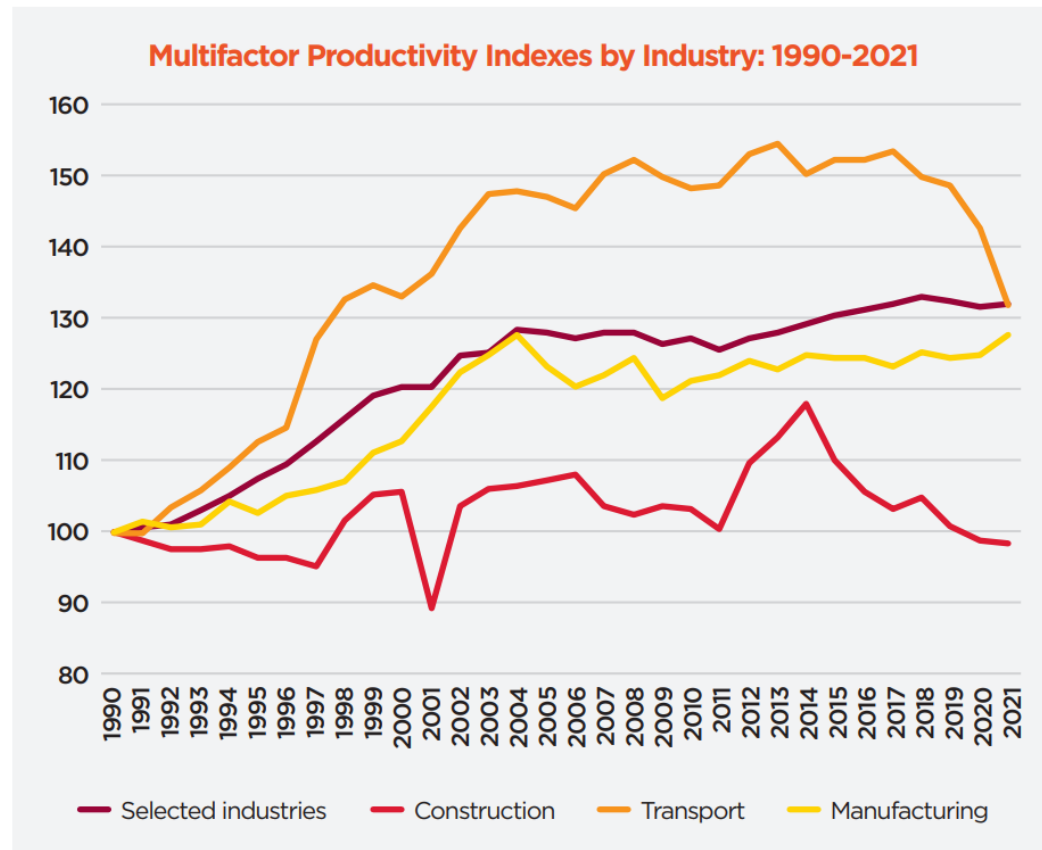
Recommendations

- Increasing supply:
 - Materials and supply chain
 - Labour and skills
 - Plant and equipment
 - Funding:
 - Co investment,
 - Asset recycling
 - Private sector financing and operations



Recommendations

- Boosting productivity:
 - Collaborative contracting
 - Digital engineering and technology
 - Use of alternative approaches and materials
 - IR frameworks that work!

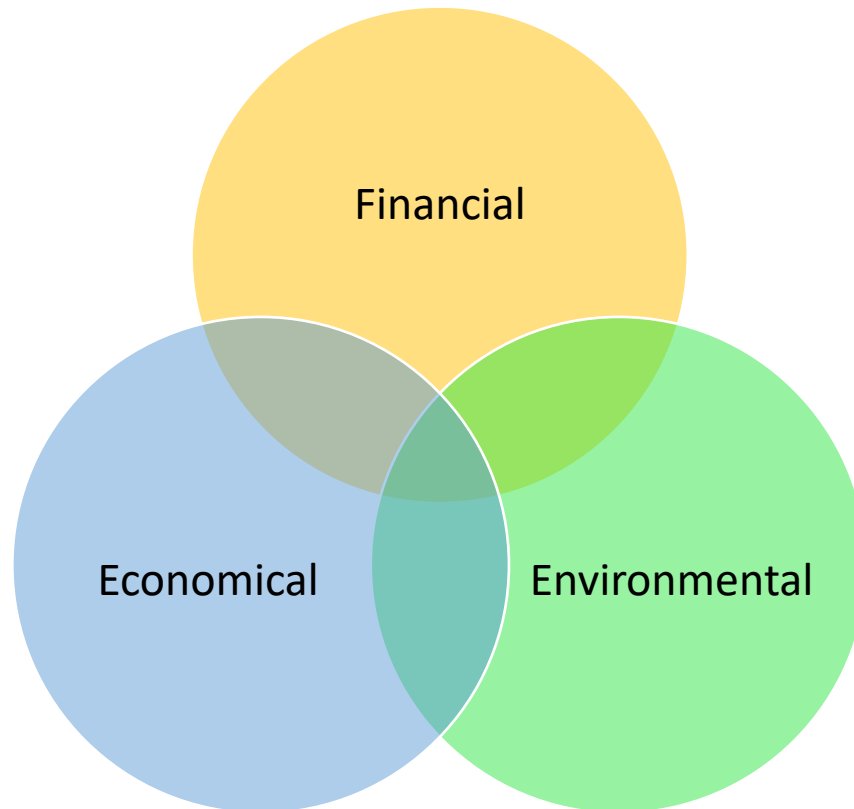


Source: ABS Data



Recommendations

- Ensuring long term sustainable growth:
 - Economically,
 - Financially and
 - Environmentally





Get your Copy

- Grab your copy of the Executive Report & Pipeline on the way out
- Head to the following site for the full report:



2022 Queensland Major Projects Pipeline

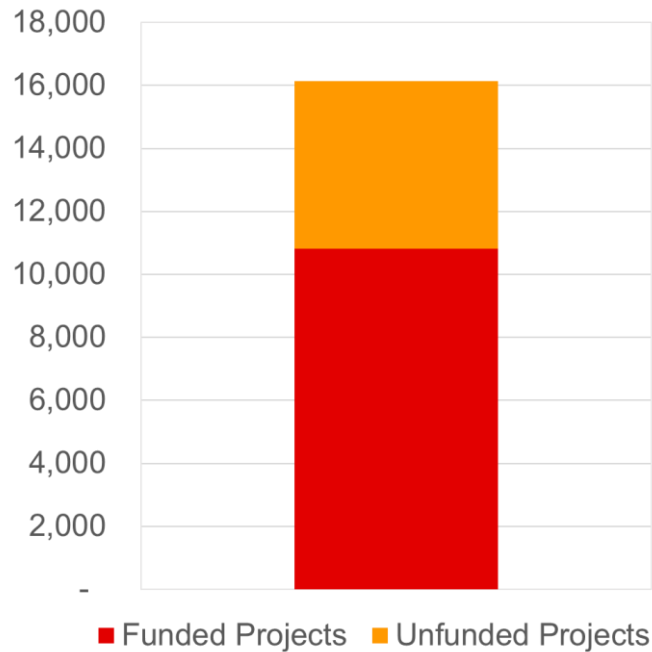
Labour Requirements and Challenges



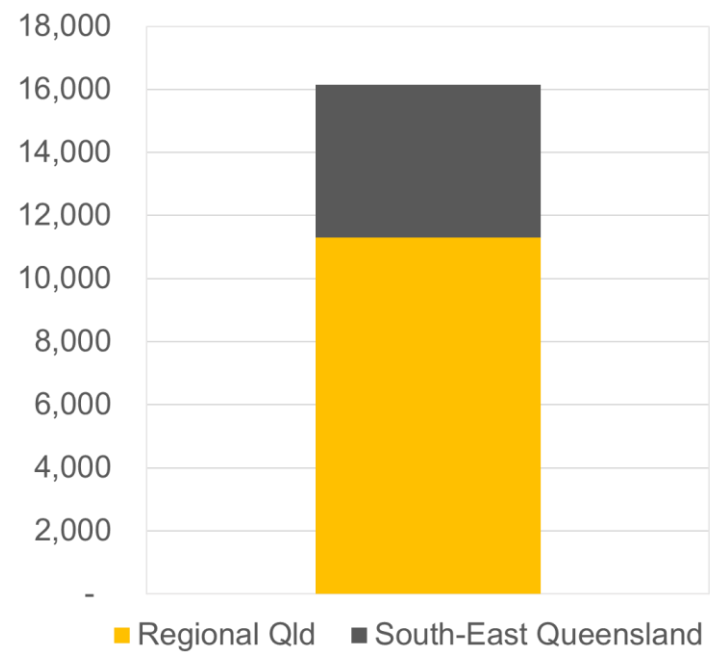
Future Demand

QMCA Civil Pipeline, Average Construction Labour Requirements, 2022/23 – 2026/27

By Project Funding Status



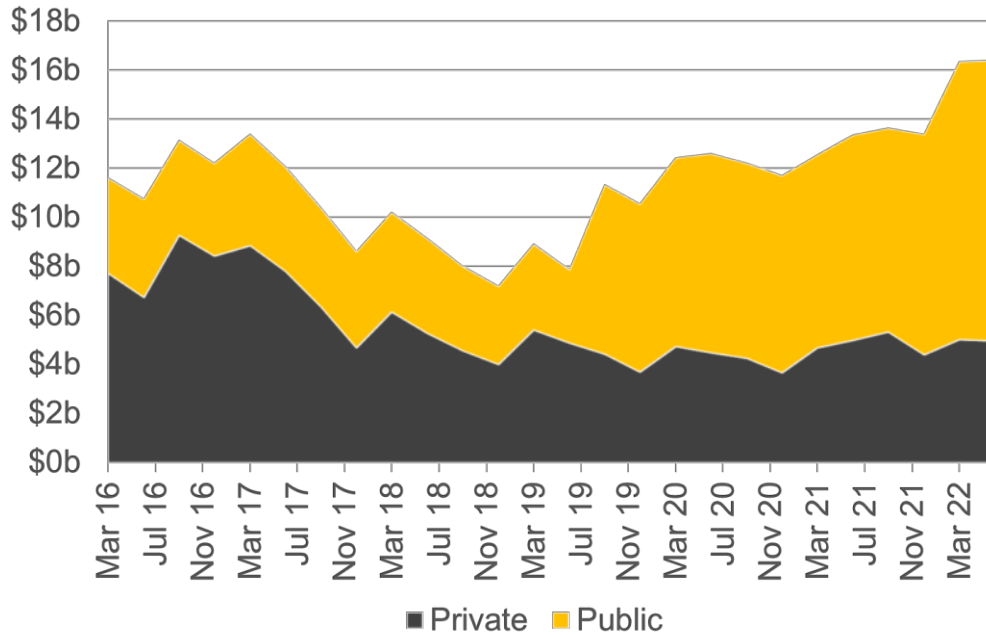
By Major Queensland Region



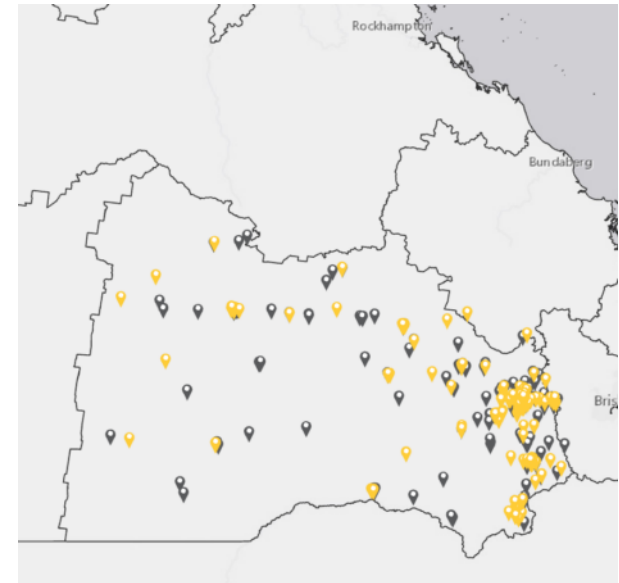
Source: CSQ for QMCA and BIS Oxford Economics (2022)

Current Demand

Civil Construction Activity, Queensland, Work Yet To Be Done



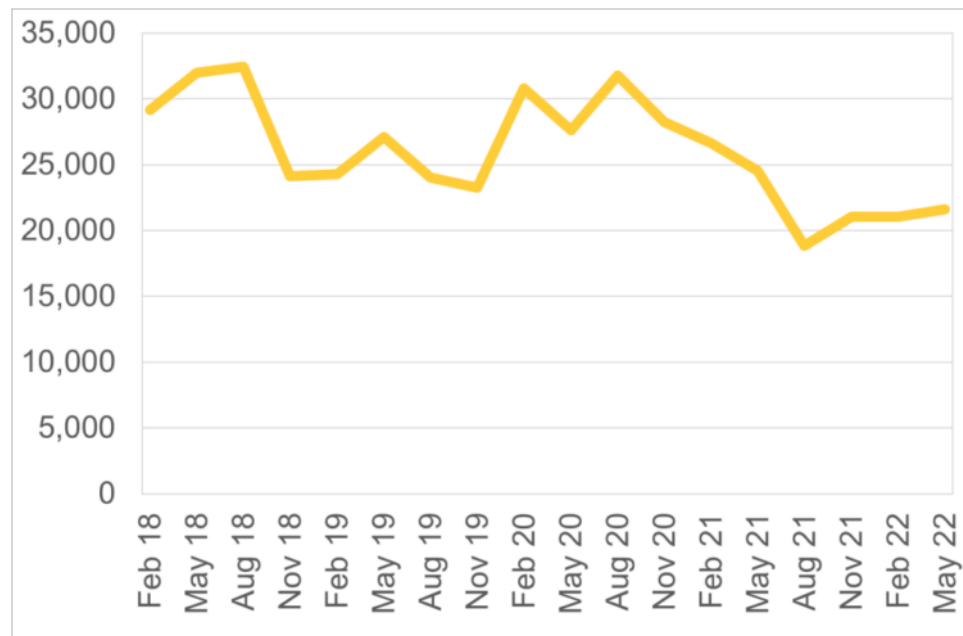
CSQ Project Database – TWMB/DD



Source: ABS (2022); CSQ (2022)

But Workforce Not Responding

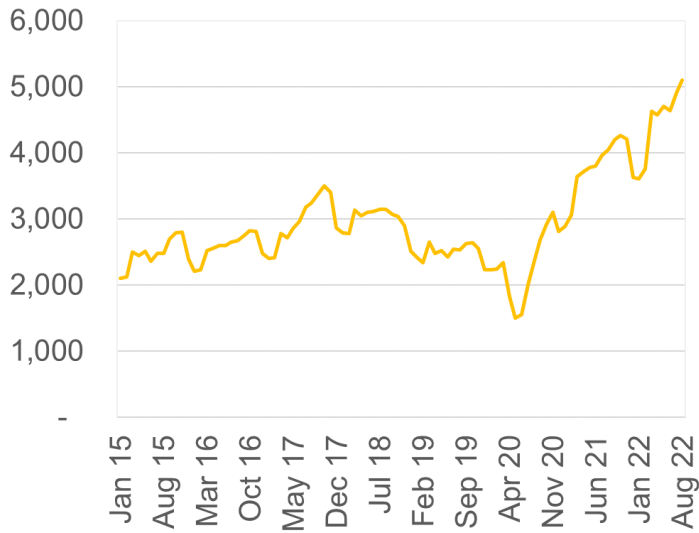
Employed persons, Heavy and Civil Engineering Construction, Queensland



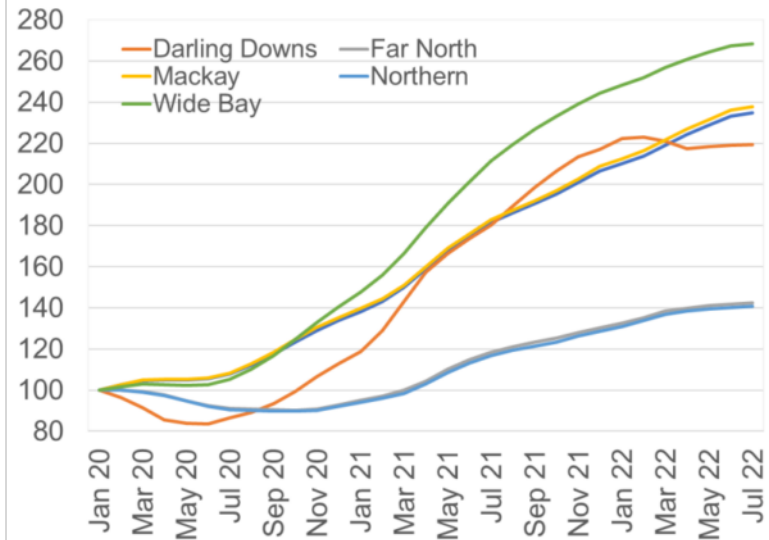
Source: ABS (2022); CSQ (2022)

Clear Shortages Opening Up

Construction Industry, Vacancies, Queensland



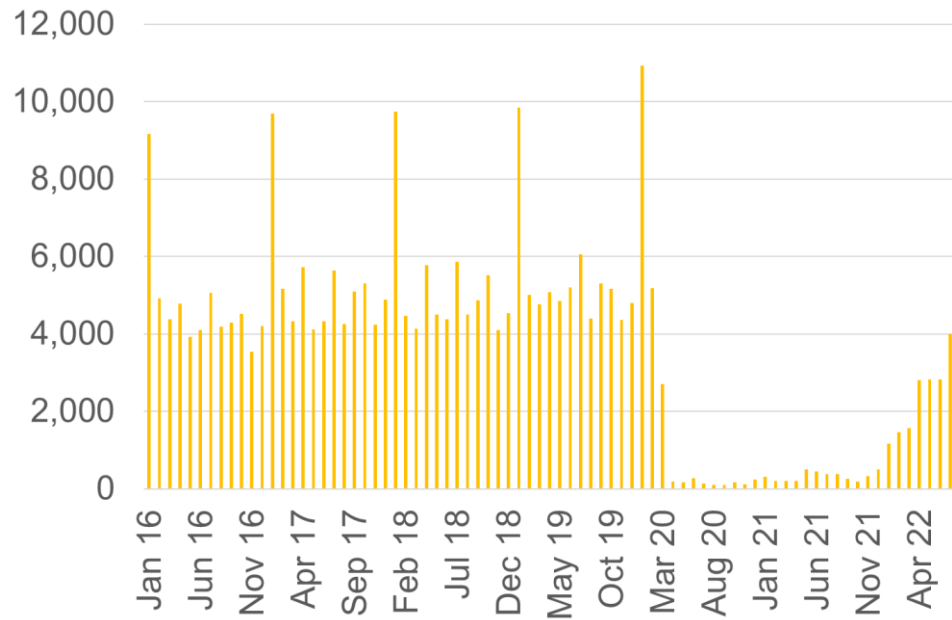
Construction Trade Workers, Vacancies Index, Regional Qld



Source: ABS (2022); CSQ (2022)

A Core Problem

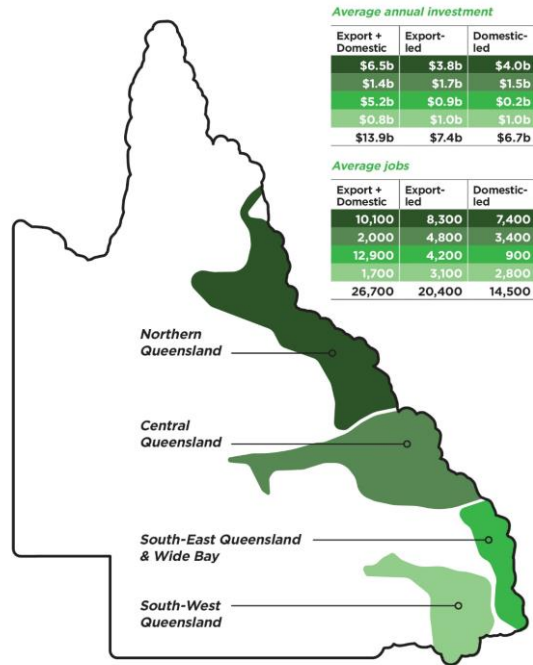
Queensland, Permanent Skilled Migrant Arrivals



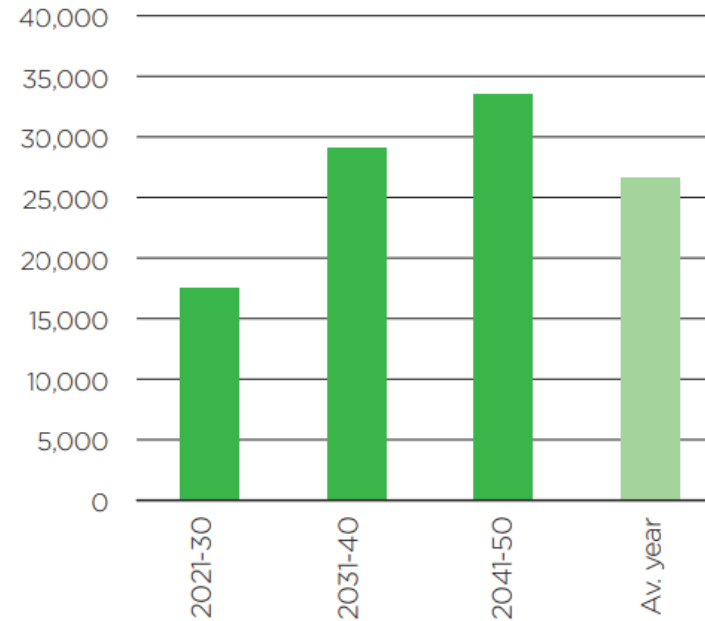
Source: ABS (2022); CSQ (2022)

And We Are Just Getting Started

Renewables, CAPEX and Labour Demand



Renewables, Labour Demand, Qld

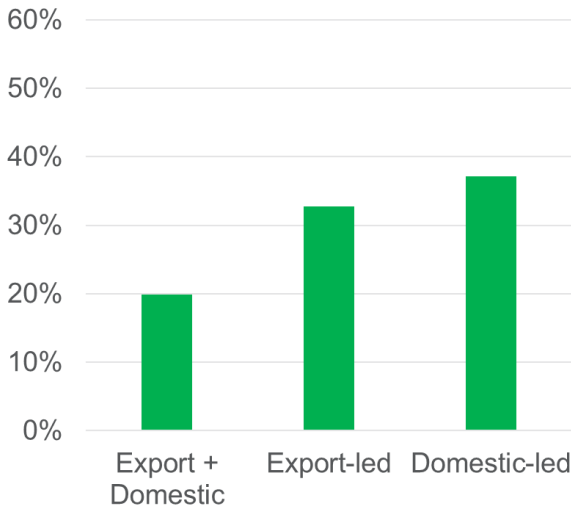


Source: CSQ (2022). Graph is most ambitious scenario (Export & Domestic Hydrogen Industry)

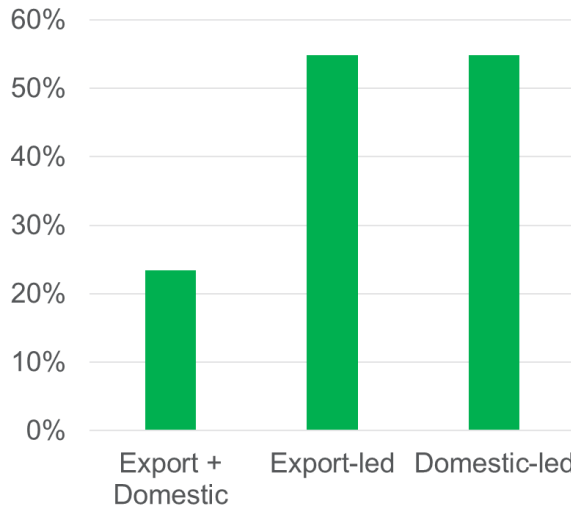
Renewables – a South-West view



Impacts on construction activity



Impacts on construction labour



What are the challenges to obtaining a skilled workforce to build the pipeline?

- Smaller pool of talent than ever before
- Regional pipeline with already thin labour markets
- Demand and competition for labour and skills already at a high – we aren't the only show in town.



So, What Comes Next?

- Can not keep using past practices to fix future solutions.
- Migration – Domestic & International is NOT the panacea we might have hoped.
- Poaching staff with more \$\$, is not going to get it done long term.
- Make your business attractive, be flexible & open to tailored solutions. Provide next career steps at front end.
- Need to be open to working with other businesses, across industry.





THANKYOU

Image: Aerial view of the JCU Technology Innovation Complex, where BESIX Watpac have completed more than 14,000 hours of apprenticeship and traineeship employment, upskilling and indigenous participation in the past six months.



Panel Session



Thank you for attending
Please enjoy the rest of your
day

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online on our website

www.qmca.com.au